

Annual Registration Statement / Annual Report 2021  
(Form 56-1 One Report)

# Value Chain Enhancement for Harmonious Alignment of Success



บริษัท พรีเมียร์ มาร์เก็ตติ้ง จำกัด (มหาชน)  
PREMIER MARKETING PUBLIC COMPANY LIMITED



EMPLOYEES

BUSINESS



**SOCIETY**

## VISION

Dedicated to being a leader in the distribution of consumer products that are beneficial and create value through adherence to its 5 core values to jointly create a sustainable, harmonious balance between the business, its employees and society.

## MISSION

- ▶ Offering product and service through delivery of value and quality with consumers as the focus
- ▶ Promoting innovative thinking and continuous development in all areas
- ▶ Driving for results that foster benefits for all stakeholders
- ▶ Sharing of knowledge and experiences that raise standards of performance
- ▶ Adhere to the principles of good governance in business operation promote morality and ethics in the Thai traditional way be responsible to the community, society and environment



## BUSINESS DIRECTIONS

The Company has set the business direction in creating continuous growth and stability through 4 main ways as follows:

- ▶ Maintain and strengthen the existing business base for both food and non-food businesses, which is growing steadily each year.
- ▶ Business development and introduction of new products by relying on the strength of the Company's current distribution system.
- ▶ Open new markets, especially the People's Republic of China markets, by emphasizing the brands of the Company and its subsidiaries.
- ▶ Look for new business opportunities through joint investments with partners that are knowledgeable and competent.

## PREMIER VALUE

Premier Marketing Public Company Limited, a company in the Premier Group of Companies, upholds a holistic approach in business management with the belief that everything is interrelated and it is a part of one another. The achievement of business shall be endeavored together with security of employees and sustainability of social.

## 5 CORE VALUES



PREMIER  
MARKETING





## CREATIVITY

Creativity or innovations are used to increase efficiency and effectiveness in operations, both in the context of business operations and social development.



## COLLABORATION

Business and social ecosystem development require a variety of resources, both financially and in different expertise. Collaboration or support for those who have expertise in various fields to be able to operate continuously is thus a factor of success in efficient and effective operations.



## QUALITY

Operation with adherence to quality is where employees have the skills and attitudes necessary and consistent with the operation of the value chain with quality through to delivery of quality products/services to consumers.



## MORAL & ETHICS

Not to create negative impacts on relevant stakeholders by taking into consideration laws, regulations and ethics and by operating with fairness to all stakeholders, transparency and no corruption, as well as promote goodness and sharing in society.



## MUTUAL BENEFITS

Create benefits for the business stakeholders in a variety of ways, such as create revenue/increase profits, enhance potential and skills needed for career, promote better quality of life, maintain or improve environmental balance, etc.



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# Summary of Financial Data

Unit: Million Baht )

	2021	2020	2019
<b>Financial Data</b>			
Total Assets	2,585.14	2,457.28	2,586.28
Total Liabilities	1,154.83	1,093.36	939.65
Shareholders' Equity	1,430.32	1,363.92	1,646.63
Sales and Service Revenues	4,364.28	4,160.51	4,086.31
Total Revenues	4,394.98	4,183.96	4,128.09
Gross Profit	1,348.58	1,349.17	1,218.01
Net Profit	344.59	398.79	270.15
<b>Financial Ratio</b>			
Gross Profit Margin (%)	30.90	32.43	29.81
Net Profit Margin (%)	7.84	9.53	6.54
Return on Equity (%)	24.66	26.49	16.11
Return on Assets (%)	13.67	15.81	10.49
Earnings (Deficit) per Share (Baht)	0.64	0.69	0.46
Dividend per Share (Baht)*	0.45	0.50	0.73

\* On 15 February, 2022 the Board of Directors' resolution to propose the distribution of dividend for the year 2021 to the Annual General Meeting of Shareholders to be held on 28 April, 2022 at the rate of 0.30 Baht, after adding the interim dividend payment of 0.15 Baht per share on 8 September, 2021, the total dividend payment was 0.45 Baht per share.

# Message from Board of Directors



Throughout its past business operation, Premier Marketing Public Company Limited and its subsidiaries have adopted the concept **“Harmonious Alignment of Success”** as the operating principle because of the belief that if a business targets to achieve strong long-term success, the element that is equally important is employee engagement in the organization, as well as the well-being of the community and society involved, which is the same as the intention that is well-known by everyone at Premier of **“Progressive Business, Stable Employees, Sustainable Society”**.

However, in the past year, the Company had to face a difficult situation in its operation due to the ongoing and severe outbreak of the Coronavirus 2019 that affected the economic condition, society and livelihood of the people and made it difficult to operate both inside and outside the organization. Nevertheless, the teams of the Company and its subsidiaries have made various adjustments to its plans in order to cope with the situation and



consumer behaviours that have changed. Technology has been applied to a combined distribution of both the online and offline channels, production processes have been improved to be efficient and to use resources cost-effectively, and the potential of employees has been developed to be able to expand the results to stakeholders in the business chain, which resulted in the continuous operation of the business and a satisfactory performance. In addition, the Company has also registered the establishment of a subsidiary in the People's Republic of China in order to expand the businesses of the Company's group in the future.

On behalf of the Board of Directors of Premier Marketing Public Company Limited, we would like to extend our gratitude to our shareholders, customers and business partners, as well as all groups of stakeholders, for their support of the operations of the Company and its subsidiaries to overcome the various obstacles until success was achieved in the past year. The Board along with all its employees is strongly committed to development in order to enhance the value chain of the business to be stronger, which will lead to mutual success in the future.

## **BOARD OF DIRECTORS**

Premier Marketing Public Company Limited

# Board of Directors



**Mr. Somchai Choonharas**  
Chairman and  
Member of the Corporate Governance  
and Risk Oversight Committee



**Mrs. Duangthip Eamrungraj**  
Director and  
Chairman of the Corporate Governance  
and Risk Oversight Committee



**Miss Naengnoi Chai-onnom**  
Independent Director and  
Chairman of the Audit Committee



**Mr. Wichai Hirunwong**  
Independent Director and  
Member of the Audit Committee



**Mr. PanaEk Warawit**  
Independent Director and  
Member of the Audit Committee



**Mrs. Nangnoi Bunyasaranand**  
Independent Director



**Mr. Suradej Boonyawatana**  
Director and  
Member of the Corporate Governance  
and Risk Oversight Committee



**Mrs. Pensri Dettingeng**  
Director



**Mrs. Walairat Pongjitt**  
Director



**Mr. Piya Smutkochorn**  
Director and Managing Director



# Management



**Mr. Vichien Phongsathorn**  
Chairman of the Executive Committee



**Mr. Piya Smutkochorn**  
Managing Director



**Mr. Vorathep Rangchaikul**  
Executive Director



**Mr. Pornsak Sinkanarak**  
Deputy Managing Director -  
Business Development



**Miss Suthisa Klaikate**  
Deputy Managing Director -  
Domestic Marketing



**Mr. Pitoon Pungvirawat**  
Deputy Managing Director -  
Domestic Sales



**Mr. Choocheep Auekarn**  
Deputy Managing Director -  
Human Resource and Administration



**Mrs. Pathomporn Srisuthamporn**  
Deputy Managing Director -  
Finance and Accounting

IN THE YEAR 2021

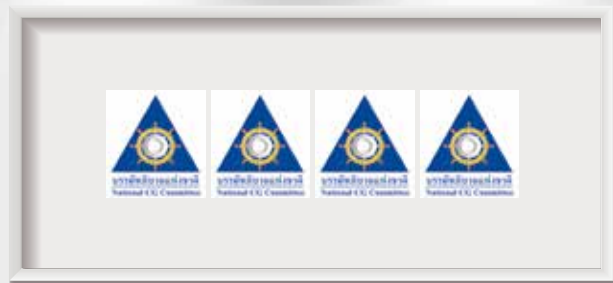


## SUCCESS AWARDS

AWARDS AND CERTIFICATIONS RECEIVED BY THE COMPANY AND ITS SUBSIDIARIES IN 2021  
PREMIER MARKETING PUBLIC CO., LTD.



► Thailand Sustainability investment 2021



► A "Very Good" rating with 4-star certification by the National Corporate Governance Committee



► CSR-DIW Continuous Award 2021



► Bases Top "Winner 2021" by NielsenIQ (Thailand)



► A certificate that adopted "Good Labour Practices (GLP)" for business administration from the Department of Labour Protection and Welfare



► Green Culture Level 4

## Business Event

The Company launched new products and products with new flavours for each product group as follows:



### SNACK FOOD New products and products with new flavours in this group are:

- ▶ Taro Alaska Pollock supreme classic flavour and supreme Bar-B-Q flavour
- ▶ Taro Sauce Coated salmon aburi flavour and shoyu ramen flavour
- ▶ Taro Crispy fried seaweed spicy flavour
- ▶ Taro Roll Korean seaweed flavour
- ▶ Cocori chocky choc and milky choc flavours
- ▶ Choco Bie candy





#### FOOD, BEVERAGE AND OTHER GROUPS New products in these groups are:

- ▶ MiVana roasted coffee bean; Signature blend, Classic blend, Superior blend and Expresso blend
- ▶ MiVana ground coffee; Signature blend, Classic blend and Superior blend
- ▶ MiVana drip coffee; Signature blend
- ▶ Orga Coffee, roasted beans, Extra Rich blend
- ▶ Atlas wet cat food
- ▶ Megachef mushroom sauce



#### New products in China

- ▶ Taro Carbonara
- ▶ Taro Mala
- ▶ Taro Roll

# 1. Structure and Operation

## 1.1 Policy and Business Overview

### 1.1.1 Vision and Mission

#### Vision

Dedicated to being a leader in the distribution of consumer products that are beneficial and create value through adherence to its 5 core values to jointly create a sustainable, harmonious balance between the business, its employees and society.

#### Mission

- ▶ Offering product and service through delivery of value and quality with consumers as the focus
- ▶ Promoting innovative thinking and continuous development in all areas
- ▶ Driving for results that foster benefits for all stakeholders
- ▶ Sharing of knowledge and experiences that raise standards of performance
- ▶ Adhere to the principles of good governance in business operation promote morality and ethics in the Thai traditional way be responsible to the community, society and environment

#### Business Directions

The Company has set the business direction in creating continuous growth and stability through 4 main ways as follows:

- ▶ Maintain and strengthen the existing business base for both food and non-food businesses, which is growing steadily each year.
- ▶ Business development and introduction of new products by relying on the strength of the Company's current distribution system.
- ▶ Open new markets, especially the People's Republic of China by emphasizing the brands of the Company and its subsidiaries.
- ▶ Look for new business opportunities through joint investments with partners that are knowledgeable and competent.

#### Brand Essence

"The Delivery of Value with Quality"

The Board of Directors is responsible for determining the vision and mission of the Company in order for the executives and employees to have the same operational objectives. In the past year, the Board has reviewed and approved the vision, mission, strategies, goals and business direction of the Company, including review of important policies to be appropriate and consistent with the business operations in accordance with the principles of good corporate governance, and also monitored and supervised the implementation of the Company's strategies. At every quarterly Board of Directors' Meeting, the Board follows up on the management's performance, where it has been stipulated that there must be a reporting on the operating results and turnover of the Company and its subsidiaries, so as to be in compliance with the defined strategies.

### 1.1.2 Significant Changes and Development

#### Business Background

Premier Marketing Public Co., Ltd. was incorporated on 28 July, 1977 in the name of Premier Marketing Co., Ltd. with an initial registered capital of 1 million Baht and was initially involved in marketing, sales promotion and distribution of snack foods and consumer products. The Company converted into a public limited company on 20 July, 2007 and was listed on the Stock Exchange of Thailand on 27 May, 2008 with a registered and paid-up capital of 650 million Baht.

On 23 August, 2010, a resolution was passed approving a share repurchase scheme for financial management purpose and a total of 51,754,700 shares were repurchased. On the 3-year maturity of the share repurchase scheme on 27 March, 2014, the Company had not disposed of any of the repurchased shares. Therefore, the Company implemented a capital reduction in accordance with the conditions specified by registering on 22 May, 2014 a capital reduction of 51,754,700 shares. The remaining registered and paid-up capital was 598,245,300 Baht or 598,245,300 ordinary shares (par value of 1 Baht per share).

On 7 May, 2020, a resolution was passed approving a share repurchase scheme for financial management purpose of not exceeding 59.8 million shares and set a maximum share repurchase limit of 300 million Baht. Shares were repurchased on the Stock Exchange of Thailand from 22 May, 2020 to 21 November, 2020, totaling 40,125,300 shares, representing 6.71% of the total issued shares. The resale of the repurchased shares can commence 6 months after the expiration date of 21 November, 2020.

On 10 August, 2021, a resolution was passed approving the resale of the repurchased shares of the Company program for financial management purposes (treasury stocks) with the number of shares to be resold to be equal to 6.71% of the total outstanding shares or 40,125,300 shares, which will be sold on the Stock Exchange of Thailand. The share resale period is from 27 August, 2021 to 20 November, 2023. As at 31 December, 2021, none of the Company's treasury shares have been resold. When the resale period expires, if the Company does not sell or dispose of all the repurchased shares, it may consider reducing its capital by writing off the repurchased registered shares as previously reported in the share repurchase disclosure form.

Presently, the Company is a distributor and sales agent of 4 groups of consumer products covering snack food and confectionery, food and beverages, personal care and pet food. The Company's distribution network covers modern retail trade, wholesale trade and traditional trade channels and consists of over 120,000 stores nationwide, including e-commerce channels. In order to create opportunities for distribution and expand distribution overseas by focusing first on the People's Republic of China.

## 01 SNACK FOOD AND CONFECTIONARY

## 02 FOOD AND BEVERAGE

## 03 PERSONAL CARE

## 04 PET FOOD

## Major Developments and Changes within the Past 3 Years (2019 - 2021)

The Company is committed to operating as a distributor and dealer of manufacturers of consumer products that place importance on selling products of quality that are safe for the consumers coupled with the regular introduction on new products onto the market by taking into consideration the changing consumer demands. New products launched on the market by the Company and its trade partners were as follows:

### 2021

#### NEW PRODUCTS IN THAILAND

New Snack Food products and products with new flavours in this group are:

- ▶ Taro Alaska Pollock supreme classic flavour and supreme Bar-B-Q flavour
- ▶ Taro Sauce Coated salmon aburi flavour and shoyu ramen flavour
- ▶ Taro Crispy fried seaweed spicy flavour
- ▶ Taro Roll Korean seaweed flavour Cocori chocky choc and milky choc flavours
- ▶ Choco Bie candy

#### FOOD, BEVERAGE AND OTHER GROUPS

New products in this group are:

- ▶ MiVana roasted coffee bean; Signature blend, Classic blend, Superior blend and Espresso blend
- ▶ MiVana ground coffee; Signature blend, Classic blend and Superior blend
- ▶ MiVana drip coffee; Signature blend
- ▶ Orga Coffee, roasted beans, Extra Rich blend
- ▶ Atlas wet cat food
- ▶ Megachef mushroom sauce

#### NEW PRODUCTS IN CHINA

- ▶ Tara Carbonara
- ▶ Taro Mala
- ▶ Taro Roll

### 2020

#### SNACK FOOD GROUP

New products and products with new flavours in this group are:

- ▶ Taro Lite reduce sodium 30% original flavor
- ▶ Taro Roll long strip in Bar-B-Q and spicy flavours
- ▶ Taro strips coated in dipping sauce Cabonara spicy Korean
- ▶ "Grinny" crispy multigrain cereal with filled cream of strawberry milk and chocolate flavours

#### FOOD AND BEVERAGE GROUP

New products in this group are:

- ▶ Taro Fish noodle in Tom Yum Shrimp Creamy and Yentafo Mohfai flavor
- ▶ "Orga" 100% Arabica blended coffee
- ▶ "Cho Champ" cooking set in Thai Stir-fried Glass noodles (Pad Thai), Stir-fried Glass noodles with Basil Leaves, Stir-fried soy sauce noodles (Pad Se ew) and Noodles with sweet soy sauce (Kway Teow Lord) flavours

#### CONFECTIONARY GROUP

New products and products with new flavours in this group are:

- ▶ "Imoji" candy lychee, mint and lemon ice tea flavours
- ▶ "Ole Fruity Fresh" candy strawberry and strawberry lime flavours

### 2019

#### SNACK FOOD GROUP

New products and products with new flavours in this group are:

- ▶ Taro strips coated in dipping sauce Sichuan mala and spicy larb Isan flavours
- ▶ Taro strips 3 popular flavours combined (Bar-B-Q, spicy and Korean seaweed flavours)
- ▶ "Khao Shong Nuts" brand coconut, coffee and milk flavour coated peanuts, salt roasted peanuts, sea salt roasted cashew nuts and sea salt roasted mixed nuts

#### FOOD AND BEVERAGE GROUP

New products in this group are:

- ▶ "Squid" brand fish sauce
- ▶ "Kub Kao" brand fish sauce
- ▶ "Mivana" brand roasted organic coffee beans and roasted and ground organic coffee

#### CONFECTIONARY GROUP

New products and products with new flavours in this group are:

- ▶ "Ole Boost" candy strawberry watermelon and strawberry lemon flavours
- ▶ "Ole Mini SugarFree" candy strawberry, strawberry apple and strawberry watermelon flavours

#### PERSONAL CARE AND HOUSEHOLD PRODUCTS GROUP

New products in this group are:

- ▶ "Cussons Kids" liquid soap
- ▶ Adult diapers "Dr. Klean" day and overnight diaper pants, tape diapers and diaper booster pads



## Awards and Certifications Received by the Company and its Subsidiaries in 2021

### Premier Marketing Public Co., Ltd.

- ▶ Taro Roll was named as a winner of the BASES Top Breakthrough Innovations of 2021 awarded by NielsenIQ (Thailand) Ltd., which is an award for innovative products with outstanding sales for the year 2021. This is a ranking of general merchandises by NielsenIQ in which Taro Roll products received an award for outstanding products in the consumer goods category.
- ▶ The Company was assessed on the quality of the organization of its Annual General Meeting of Shareholders (AGM) for which it received a score of 100 points for the 11<sup>th</sup> consecutive years.
- ▶ The Company received from the assessment based on a survey of corporate governance practices of listed companies for 2021 by the Thai Institute of Directors with support from the Securities and Exchange Commission and the Stock Exchange of Thailand an “Very Good” rating with an average scoring at the 80-90% level and 4-star certification by the National Corporate Governance Committee.
- ▶ The Company was announced as being listed in the Thailand Sustainability Investment list for the year 2021 by the Stock Exchange of Thailand for the 6<sup>th</sup> consecutive years. Such award is intended to support listed companies with sustainable business processes to be role models for other companies, as well as to provide information to investors who do not take into account the growth of financial returns alone but also take into consideration the performance on ESG (Environmental, Social and Governance) aspects.
- ▶ On 9 October 2021, the Company registered the establishment of a subsidiary in Shenzhen, People’s Republic of China, namely Shenzhen Premier Marketing Co., Ltd. (SZPM), and paid in the registered capital on 16 December, 2021 to carry out sales and distribution of products of the Company’s group through both offline and online channels, as well as carry out marketing activities, product advertising and product import and export.

### P.M. Food Co., Ltd. - a subsidiary

- ▶ The Company was certified a member of the Thai Private Sector Collective Action against Corruption (CAC) by the CAC Council, certifying that it is a company with policies and systems for the prevention of corruption on 30 June, 2021. The certification is valid for 3 years and will expire on 30 June, 2024.
- ▶ Received the Good Labour Practices (GLP) certificate of honor of which the purpose of this award is to raise awareness of labour laws and labour standards, as well as creating participatory improvement processes to promote compliance with labour standards and to show consumers, both domestic and overseas, that the mechanisms of the Thai industries for solving labour problems are reliable.
- ▶ Received the CSR-DIW Continuous Award 2021 for the 9<sup>th</sup> consecutive year. The purpose of this award is to encourage industrial factories to have social responsibility and exist harmoniously with the surrounding community and move forward to achieve ISO 26000 (Social Responsibility).

### Premier Canning Industry Co., Ltd. - a subsidiary

- ▶ Received the Good Labour Practices (GLP) certificate of honor of which the purpose of this award is to raise awareness of labour laws and labour standards, as well as creating participatory improvement processes to promote compliance with labour standards and to show consumers, both domestic and overseas, that the mechanisms of the Thai industries for solving labour problems are reliable.
- ▶ The Company was certified Green Industry Level 4: Green Culture from the Ministry of Industry since 2019. The Company with cooperation and unity from all employees within the organization made the project successful in all aspects of the activities carried out until it became part of the corporate culture that is responsible to society and the environment, both inside and outside the organization throughout the supply chain for sustainable development. In 2021, the Company remained focused on this and continued to work and strive to reach the highest Green Industry Level 5: Green Network on the environment, throughout the supply chain.
- ▶ On 24 August, 2021, the Company cooperated with the government sector through the Department of Livestock Development, Ministry of Agriculture and Cooperatives by sharing opinions on measures for monitoring the inflections disease Coronavirus 2019 (COVID-19) and preventive and control measures for specific areas (bubble and seal) for livestock export companies. In September, 2021, this became a guideline for the prevention and monitoring of COVID-19. Subsequently, on 22 September, 2021, the Company’s measures for the prevention and control of COVID-19 of manufacturers of products for export was assessed and verified, which will help build the confidence of buyers, consumers and importers abroad.

▶ On 27 November, 2021, the Company participated in the project to encourage industrial factories to develop sustainable responsibility to society and the communities (CSR-DIW) of the Department of Industrial Works, Ministry of Industry and was also awarded the prestigious CSR-DIW Continuous Award 2021 for standards for corporate social responsibility of industrial enterprises for the 5<sup>th</sup> consecutive years

### 1.1.3 Is the Utilization of Proceeds from Fundraising in Accordance with the Objectives or Not

The Company used the proceeds from fundraising on the stock market in accordance with the objectives notified to the SET and investors in all respects.

### 1.1.4 Obligations Pledged by the Company in the Registration Statement for the Offer for Sale of Securities and/or Conditions for Authorization by the Office (If Any) and/or Conditions for Listing on the Stock Exchange of Thailand (If Any)

The Company is prohibited from transferring ordinary shares to non-Thai nationals so that they may hold in excess of 40% of the registered capital of the Company.

### 1.1.5 Company Name, Head Office Address, Type of Business, Company Registration No., Telephone, Fax, Website (if any) and Number and Type of Shares Issued

PREMIER MARKETING PUBLIC CO., LTD. : Company Registration No. 0107550000122  
 Type of Business : Distribute and sales of consumer products  
 Address : No. 1, Premier Corporate Park, Soi Premier 2  
 Sinakharin Road, Nong Bon Sub-district  
 Prawet District, Bangkok 10250  
 Telephone : 0-2301-1600, 0-2301-1700  
 Fax : 0-2301-1711  
 Home Page : www.premier-marketing.co.th  
 Registered Capital : 598,245,300 Baht  
 No. of Ordinary Shares Issued : 598,245,300 Shares

## 1.2 Nature of Business

### 1.2.1 Revenue structure of the Company and subsidiaries for the past 3 years

Type of Revenue	Operated by	Share-Holding	2021		2020		2019	
			Million Baht	%	Million Baht	%	Million Baht	%
Distribution	PM / PMF / SZPM / PMSE	100.00	3,099	70.52	3,138	74.99	3,302	80.00
Tuna, Sea Food, Pet Food and Sauce Products	PCI	100.00	1,216	27.66	966	23.09	732	17.72
Frozen Food and Cold Space Rental	PFP	100.00	49	1.12	56	1.34	52	1.26
Other Income	Company & subsidiaries		31	0.71	24	0.57	42	1.02
<b>Total Revenue</b>			<b>4,395</b>	<b>100.00</b>	<b>4,184</b>	<b>100.00</b>	<b>4,128</b>	<b>100.00</b>

## 1.2.2 Information on Products

### 1.2.2.1 Distributor and Sales

#### (1) Type of Products

Premier Marketing Public Co., Ltd. has been the distributor and dealer of consumer goods for more than 44 years as a result from knowledge, experiences and building distribution network through different type of stores, no matter if its modern retail stores, wholesale stores both medium and large size including small retailers that are available nationwide including online channel. The Company is well-known and well-accepted in the distributor and dealer business circles; and able to strongly expand the scope of business up until present.

The Company is a distributor and sales agent of 4 groups as follows:

**1) Snack Food Product and Confectionary group** can be subdivided by the different characteristics of the products from each manufacturer as follows:

- ▶ P.M. Food Co., Ltd. (a subsidiary) manufactures “Taro” fish snacks produced from minced sea fish meat with all products produced under strict standards in every process. At present, besides the widely known “Taro” brand there are also products under the “Taro Crispy”, “Taro Sauce Coated”, “Taro Roll 2 Metres” and “Taro Lite” brands. There are several flavours to choose from, consisting of original, spicy, Bar-B-Q, hot chilli and Korean seaweed flavours, “Taro Roll 2 Metres” spicy and Bar-B-Q flavours, “Taro Lite” 30% reduce sodium original flavour, etc. The new products launched in 2021 are the Taro Alaska Pollock supreme classic and supreme Bar-B-Q flavours.

- ▶ SPR Food Industry Co., Ltd. is a manufacturer of crispy corn cracker under the brands “Cocori”, “Otori” and “Big Kada” of quality and beneficial as using rice and corn as main ingredients of choice for various flavors.

- ▶ Termature Industry Co., Ltd. is a manufacturer of crispy multigrain cereal with filled cream of strawberry milk and chocolate flavours under the “Grinny” brand.

- ▶ Osotsa Co., Ltd. manufactures hard boiled candies under the “Ole” brand that are available in many fruit flavours, such as strawberry, lemon, sala, plum and apple, as well as “Ole Boost” candies with strawberry watermelon and lemon strawberry flavours.

- ▶ “Coryfin-C” candies have the property to relieve throat irritation and keep the throat moist. The Company is the owner of the “Coryfin-C” trademark, such as menthol classic.

- ▶ B-One Co., Ltd. importer of chocolate candy under the brand “Choco-B” and marshmallow products under the brand “B-One”.

**2) Food and Beverage group** includes sauces, pickled vegetables, bean thread vermicelli and grain, and roasted coffee. The products in this group are:

- ▶ Lampang Food Products Co., Ltd. manufactures a variety of products under the “Maejin” trademark and other trademarks, such as “J.F.Farm” and “LCC” and “Rodmar”. Only the finest raw materials are used and attention is paid to hygiene at every step. Products distributed are pickled single clove garlic, pickled garlic, pickled ginger, pickled mustard, pickled plum, pickled lime, palm seed in heavy syrup, pickled radish and canned fruits, such as sweet kernel corn, rambutan, lychee, longan, etc.

- ▶ Erawan Interfood Co., Ltd. manufactures vermicelli under the “Cho Chang” brand, which is suitable for cooking all types of food, such as boiled, fried, baked and mixed including ready to cook meal under “Cho Champ” brand.

- ▶ Marine Resources Development Co., Ltd. manufactures premium grade genuine fish sauces, soy sauces, seasoning sauces and oyster sauces under the “Megachef” brand and healthy fish sauce with low sodium under the “Kubkao” brand. In 2021, a new product, the shiitake mushroom sauce, was launched on the market.

- ▶ Thai Fishsauce Factory (Squid Brand) Co., Ltd. is a manufacturer of authentic fish sauce under the “Squid” brand.

- ▶ Mivana Co., Ltd. is a manufacturer of organic coffee products that are Arabica species. These organic coffee products are sold in the form of roasted coffee beans and roasted and ground coffee beans under the brand “Mivana”, “Orabica” and “Orga”.

### 3) Personal Care Product consists of the following products:

▶ SP Wellness and Innovation Co., Ltd. is a importer of the “Dr. Klean” brand of innovative adult diapers produced with technology from Belgium. Products offered include day and overnight diaper pants, as well as tape diapers, diaper booster pads and incontinence pads.

### 4) Pet Food Product consists of the following products:

▶ PremierCanning Industry Co., Ltd. (PCI) manufactures premium grade wet cat food under the Atlas brand with the concept of delivering good quality food from human plate to cat dish that is not salty and has low sodium.

### Quality and Standard of Products Distributed

The Company emphasizes on the importance of the quality and standard of the products and has always believed that “they must be products that provide true value and benefit to the consumers”. Therefore, the Company has installed a system to strictly check the condition and control the quality of the products from the manufacturers. The Company has set up its own product research and development unit with a product testing and examination room equipped with modern equipment and technology. These measures have provided assurance to the consumers on the quality and standard of the products distributed by the Company over a long period of time.

In addition, the Company has a good storage system that is up to standard. The Company places no less importance on this task than on any other task. The Company utilizes a modern storage system and can check the inventory accurately and precisely. Delivery of products is hence flexible, convenient and fast and the products are delivered to the hands of the customers in good condition and on schedule.

## (2) Market Condition and Competition

### Current Condition and Trend of the Distribution Business

At present, Premier Marketing Public Co., Ltd. can be considered as a leading consumer product distributor in Thailand. There are many companies that operate in the same manner, each of which has expertise, distribution strategy and nationwide distribution network. Therefore, it will be difficult for new entrants to compete because it is necessary that they have a customerbase and strong distribution channels to various stores, together with good long-term relationships with the customers. Investing in building a strong distribution network requires professional sales and marketing teams, which are integral in making the distribution businesses and distribution agents successful.

The COVID-19 pandemic in 2021 that continues to spread and is more severe than in 2020, both in the number of infected people and deaths, caused consumer behaviour to change a lot, such as staying at home, work from home, schools still unable to open as usual and children having to study online, consumers are more cautious about spending and buying only important and essential consumer goods, and shops, restaurants and tourist attractions have been negatively impacted throughout the year. This directly affected major portions of the snack and consumer goods markets. However, the Company has adjusted and has plans to cope with the situation by launching new products, increasing product variety, adjusting the distribution system by focusing on online sales channels, etc.

As for the development in this business, new technologies were introduced to better improve sales and distribution efficiency and so as to meet the needs of customers that are constantly changing. It is expected that manufacturers, especially of consumer products, will continue to introduce new products to the market and must have an extensive network to distribute products to consumers. Therefore, these manufacturers see the need to hire a distribution agent in order to be able to better control the cost of management of sales and marketing, such as the product listing fee in modern trade channels, product distribution costs, sales promotion costs, etc.

### Current Condition and Trend of the Snack Food Business

The snack food business continued to be affected by the COVID-2019 pandemic, both from the limited opening hours of stores during certain periods of the past year and from educational institutions being unable to open regular classes but have to use online learning instead, which became negative factors for the snack food market. Therefore, entrepreneurs must rely on continuous promotional activities to help prevent lower sales, as well as introduce new products and new flavours onto the market to stimulate purchasing power in this difficult economic condition.

The snack food market in 2021 was worth approximately 33,586 million Baht (data from a research company: Nielsen as of December, 2021) and its overall growth rate contracted by about 0.2%. The snack food market can be divided into product groups with market shares as follows:

Products Groups	Market Shares ( % )
Potato	41.6
Extruded	28.9
Nuts	11.2
Fish snack	7.3
Cuttlefish	3.7
Prawn cracker	3.4
Rice cracker	3.2
Popcorn	0.7

However, the declining growth rate of the snack food business in 2021 is still better than in 2020 when the growth rate decreased by as much as 8.4%. This is because of the supporting factors from the various government projects aimed to stimulate the economy, such as the Pracharat project and Kon La Krueng half-half co-payment scheme, which provided consumers with more money to spend, and also the announcement of the relaxation of the curfew and the opening of restaurants and movie theaters, including the tourism atmosphere that was somewhat better at the end of the year. All of these have had a very positive impact on the snack food business.

The details of the growth rate of each channel in 2021 compared to 2020 are as follows:

- ▶ Convenience store channel value growth decreased by 3.3% compared to the previous year, which contracted by 12.7%.
- ▶ Hypermarket/supermarket channel value growth grew by 2.1% compared to last year, which decreased by 9.4%.
- ▶ Traditional trade channel value growth increased by 3.2% compared to the year before, which decreased by 0.6%.

At present, Premier Marketing Public Co., Ltd. distributes snack food products in the extruded snack group and fish snack group and the Company's total sales is ranked among 1 of 3 companies with the highest sales in this industry.

### Competitive Strategy

The Company has long experience and expertise in the distribution of consumer products more than 44 years. The products distributed by the Company are well-known and popular on the market. The Company places importance on the image of products that emphasizes quality and benefit to the consumers at an appropriate price that the customers can afford to buy and also easy to find and buy the product.

The Company has the following competitive marketing strategies:

#### Product issue

- ▶ Emphasize on the benefit to consumers, including quality, taste and nutritional value, and prices that are comparable to those of the competitors in the market.
- ▶ Plan in conjunction with the manufacturers the development of products and launch of new products on the market as appropriate with consideration mainly of the market condition and consumers' needs.

#### Product Sales and Distribution

The Company has a sales and distribution team with experience and expertise in the care and service of customers in each channel through continuous development of systems and work processes for sales and distribution together with the adoption of new technologies, both software and hardware, in order to respond to market or customers changes in various aspects such as:

- ▶ To provide customers with convenience in ordering products and in receiving products quickly and timely in order to reduce the loss of sales opportunities of the stores in the event that the products are out of stock by adjusting the order process by ordering through the PMCAS (PM Credit Approval System II) program to increase the speed in placing orders and delivery tracking with the Delivery Tracking program. In 2021, the Company developed an online ordering program for the small retailers group to make it convenient for merchants to order products at any time and started to expand the service to cover the whole country by the fourth quarter.

▶ To allow the stores to have appropriate product inventory levels the use of tablets was introduced to record the stores' stocks in real time and the trading data is used to analyze and assess the demand for products, as well as in coordinating with the product manufacturers or owners in order to plan their production according to product demand.

▶ To organize sales promotion activities in stores and through various channels effectively in order for goods to be sold or to release products continuously, including arranging sales promotions to create new customer bases and organizing activities to build good relationships with stores with close monitoring and evaluation.

In addition, the Company also focuses on improving work quality and increasing the skills of the sales team, such as using mobile devices like mobile tablets and new sales software "SALESTOOLS" brought into use by the Company in line with the relevant technology changes while at the same time still focusing on creating good relationships with customers.

For the supervision system of the work process to ensure efficiency, the Company has set clear and systematic work guidelines and has performance indicators in many areas, such as:

▶ Shelf life and stock in stores in order to oversee and control the quality, freshness and flavour of the products.

▶ Consumer satisfaction of products and customer satisfaction with the Company's products and services in order to use the data for further development and improvement continuously.

▶ Amount of returned goods from stores in order to control the quality of sales and reduce the Company's costs.

▶ Number of employee training hours to improve the quality of personnel.

#### **Characteristics of the Customers and Target Customers**

Currently, the Company distributes products directly and through distribution centres/agents in each region to as many as 120,000 stores nationwide. In 2021, the Company appointed Durbell Co., Ltd. to be the distributor of Taro products through the retail stores channel in the Bangkok Metropolitan and Northern regions to expand the coverage of retail stores in these areas.

For its customers, the Company has divided its target customers into two groups, namely the stores (trade) and consumers groups.

The stores customer group includes modern trade stores that have a network of branches covering nearly all provinces, traditional trade stores that have traded with the Company for a long time, whether they are wholesale stores of various sizes or general retail stores.

The consumers target group is varied and depends on type or category of goods or products, for example, in the case of snack foods the target consumers range from children to teenagers and working people while for food products and household products the emphasis is on housewives and modern families.

In order to improve business operation and create sustainable growth, the Company recognizes the importance of creating maximum satisfaction for customers in all groups and has, therefore, conducted research and satisfaction surveys of stores and consumers regularly every year and used the research results to improve and develop products and work processes.

#### **Selling and Distribution Channels**

The distribution channels of the Company are divided into 5 types as follows:

(1) Modern trade retail stores consisting of hypermarkets and supermarkets like Tesco Lotus, Big C, Tops and The Mall, convenience stores like 7-Eleven, Family Mart and Jiffy, and cash and carry stores like Makro. The Company will deliver the products to the customer as agreed upon and in most cases delivery is made directly to each customer's distribution center that is in Bangkok and other provinces.

(2) Traditional trade wholesale and retail stores and local modern trade stores at the provincial and regional levels. For the large retail and wholesale stores group, the Company's sales staff regularly visits and conduct business with these stores. The general retail stores are overseen by the Company's vehicle unit and the vehicle unit of allies in the network appointed by the Company as distributors to visit and sell products to such retailers throughout the country.

(3) Overseas market channel, Shenzhen Premier Marketing Co., Ltd. (SZPM) was established as a subsidiary of the Company in the People's Republic of China to act as a distribution agent to facilitate business expansion there and to prevent financial risks from providing credit terms to other distributors, as well as provide an opportunity for sales through the online-to-offline channel that can be opened by only Chinese companies. In addition, the Company also changed from importing through distributors to importing by itself, resulting in higher profits.



(4) Domestic online channel in which the Company sells through leading platforms, such as Lazada, Shopee and online stores of various groups of modern trade retail stores, and also trail B2B e-Commerce sales projects in the provinces.

### (3) Product Selection and Handling

Products distributed by the Company are manufactured by its subsidiaries and from external parties. However, the company has policies in emphasizing the distribution and sales of quality and variety of products. The company will select its manufacturers based on their capabilities, potential, product quality, and policies on support of sales promotion and marketing activities. Some manufacturers have been in business alliances with the Company for many years. Some are new partners to the Company. However, the Company will consider quality of long-term relationship rather than number of trading partners, which leads to the good support from the partners in terms of operations and problem solving.

When purchasing products from manufacturers to distribute to the consumers, the Company has placed advance purchase orders with appropriate quantities based on its inventories, trends of market demand, and related sales promotion activities. This will be a good preparation for sufficient distribution volume to meet each sales cycle and reduce opportunity loss from shortages stock. At the mean time, the Company needs to control in order not to have excess inventories, which will result in damages from obsolete products

#### 1.2.2.2 Manufacture and Distribution of Food Product Business

##### (1) Nature of Products

Manufacture and distribution of food products are operated by 4 subsidiaries, which are P.M. Food Co., Ltd. (PMF), Premier Canning Industry Co., Ltd. (PCI), Premier Frozen Product Co., Ltd. (PFP) and MIVANA Co., Ltd. (MIVANA). The details are as follows:

Products	Manufacturer
(1) Fish Strip Fish Snack, Big Strip Fish Snack, Crispy Fish Snack and Fish Noodle	PMF
(2) Processed Tuna and Seafood products for Consumers and Pets	PCI
(3) Tomato, Chilli, Black Pepper and Seaweed Sauces	PCI
(4) Frozen Food Products	PFP
(5) Organic Coffee Products	MIVANA

##### 1) Fish Strip Fish Snack, Big Strip Fish Snack, Crispy Fish Snack and Fish Noodle Products

Strip fish Snack, big strip fish snack, crispy fish snack and Fish Noodle products of PMF, which is widely known as “Taro” fish snack. Taro fish snacks are products with quality and has high nutrition. Taro is made from frozen Surimi that has been selected with refined quality then put into manufacture process and carefully blended with exotic spices that comes in various flavors i.e. original, spicy, barbecue, super spicy etc. Taro is considered a low fat and healthy snack, which can be consume at any occasion and can be consume by children, teenagers and adults. With the quality of the product that has been well-known for along time, allowing string fish snack product “Taro” to continuously have market share as number one in snack group, fish snack type.

All products are manufactured under the quality standard and is safe to consume, has quality inspection process and is hygienic in every steps. PMF was granted with several certificates, which are as follows:

- ▶ BRC (British Retail Consortium): Issue 8 was certified with the BRC food safety standard certification by Intertek Industry and Certification Services (Thailand) Ltd.

- ▶ ISO 14001 : 2004 Environmental Management System from SGS (Thailand) Limited.

The system that is well accepted at international standard and the Company has clear and concrete policy of environmental care for both in the community, where the company is located and the general environment.

- ▶ Hazard Analysis Critical Control Point (HACCP) from the Department of Fisheries, Ministry of Agriculture HACCP is a management system in which emphasize for the safety of consumer. Which analyze the dangerous point and critical point that need to be control, along with stipulating ways to prevent and fix that critical point to be certain that it is safe and up to the international standard.

- ▶ Good Manufacturing Practices (GMP) certification by the Department of Fisheries, Ministry of Agriculture as the Company is considered to have good hygienic practices.

- ▶ Thailand's Brand certificate to certified that the export products are of high quality.

- ▶ Certificate approval of the use of Halal logo from The Central Islamics Council of Thailand To certified that the Company follow process correctly and in accordance with the principles of Islam.

- ▶ The chemical laboratory and microbiology laboratory received Good Laboratory Practice (GLP) standard certification by the Department of Fisheries. The GLP standard shows that the Company has good practices in its laboratories that have systemic planning and work activities. This ensures that the analysis of such laboratories is reliable and can be verified.

- ▶ Certification for Green Industry Level 3 (Green System) from the Ministry of Industry for environment management system with monitoring, assessment and review in order to attain higher levels.

Moreover, PMF has brought in the Supply Chain management system starting from manufacturer of raw material to manufacturing process, logistic process including sales and marketing process. The business objective is aiming at Taro fish snack to keep fresh in the market, pleasing taste and delicious once being consume.

## 2) Processed Tuna and Seafood Products for Consumer and Pet Products

At present, Premier Canning Industry Co., Ltd. (PCI) primarily manufactures and sells pet food and has products under the trademark "Atlas", which is its own brand, made from raw materials from the sea, such as tuna and salmon, and raw materials from breeding farms, such as poultry and land animals, as well. Packaging includes aluminum pouches, plastic cups and cans of various sizes. The production process is strictly controlled in accordance with world-class international standards. The products are mainly exported overseas with emphasis on the Asian, European, American, Australian, Japanese and Middle Eastern markets.

## 3) Tomato, Chilli, Black Pepper and Seaweed Sauces Products

Those manufactured and distributed by PCI are under the brand "King's Kitchen" or abbreviated as "KK" brand, the products consist of tomato sauce/ketchup with delicious taste produced from fresh tomatoes, chilli sauce with the right spiciness, and black pepper and seaweed sauces that come from carefully selected sources packed in a variety of containers, including glass bottles in different sizes, such as 300 grams and 600 grams, and 3 kilogram gallons. There is strict control in every step of the production process in compliance with specified standards and the products have received the "OrYor." (or "FDA") certification from the Ministry of Public Health and have been authorized to use the "Halal" mark by the Central Islamic Council of Thailand to ensure that they are manufactured according to Islamic principles. Presently, KK products are exported to nearby countries, such as Cambodia and the People's Republic of China.

In addition, PCI also places importance on product development by introducing technologies to enhance its production. Such technologies help to reduce the time consumed in sterilization down from that of the traditional production method and also have a positive effect on the nutritional value of the products and are safe, as well as use less energy and thus help reduce global warming. In terms of packaging, the Company has selected to use environmentally friendly packaging (eco-packaging) made of paper from planted forests that have received FSC certification. This is consistent with its commitment to produce products that are caring and environmentally friendly. Additionally, the Company continues to focus on the quality system and has strict quality control and inspection at all stages of production with traceability for which it has received certification under a wide range of international standards and regulations.

Quality System that the Company received are as follows:

- ▶ ISO 14001 : 2015 is an environmental management system under which the Company joined the National Food Institute of the Ministry of Industry in enhancing productivity that is also environmental-friendly and the system was certified by TUV-SUD.

- ▶ Certified BRC Issue 8 Grade A standard by Bureau Veritas Certification, which is a standardization system in which food safety is certified according to European standards (global standard for food safety) and emphasizes that all employees in the organization be aware of the production and control of food to be safe. It also focuses on the analysis of hazards of food that are at risk of counterfeiting from malicious purposes and cross contamination that are not regulated by relevant laws.

▶ Hazard Analysis Critical Control Point (HACCP) from the Department of Fisheries and Department of Livestock Development, Ministry of Agriculture and Cooperatives for delicatessen tuna products, instant seafood, Tuna product as fodder, which guarantee the system by mainly focusing on the safety of the consumers. It analyzes the hazardous and critical issues needed to be regulated, and it also specifies the precaution and solution for those issues. This includes the follow-up of critical issues in order to maintain safety and to achieve the global standard.

▶ Good Manufacturing Practices (GMP) from Department of Fisheries, Ministry of Agriculture and Cooperatives for Tuna product. Instant seafood from Department of Livestock Development, Ministry of Agriculture and Cooperatives for fodder products. It regards as the company should have good hygienic practice for production and the good control of individual hygienic condition of staffs.

▶ TQM System (Total Quality Management System) from JICA JAPAN which is about the management that is focusing on quality, tracking, evaluation, procedure development and importantly cooperating by everyone in the organization for continuing development.

▶ Green Industry Level 4 Green Culture certification from the Ministry of Industry for systematic environmental management, together with the creation of a green culture within the organization with monitoring, evaluation and review for continuous development.

▶ CSR-DIW standard continuous 5 consecutive years from the Department of Industrial Works, Ministry of Industry, which is a project to encourage each industrial factory to develop sustainable responsibility to society and the communities.

▶ Good Labour Practices (GLP) from the Department of Labor Protection and Welfare, which shows that good labour practices have been implemented and that there is fair employment with no child or forced labour used within the Company.

▶ Received Thai labour standard TLS 8001-2020 for basic level certification from the Bureau of Labour Standards Development, Department of Labour Protection and Welfare, Ministry of Labour on 23 August, 2021 for the fourth consecutive year.

▶ Earth Island Institute Dolphin – Safe International Monitoring Program from Earth Island Institute International Marine Mammal Project

▶ Received assessment and verification of measures for the prevention and control of COVID-19 of manufacturers of products for export by the Department of Livestock Development, Ministry of Agriculture and Cooperatives.

Because PCI maintains these quality systems, the customer and stakeholders can be assured in quality and safety of food product of the company, and these can be the direction for creating sale volume and new customer in the future.

### **Incentives from Receiving Investment Promotion**

Premier Canning Industry Co., Ltd. received investment promotion in the manufacturer of hermetically sealed container seafood business, pet food in sealed container type 1.11 Manufacture or preservation of food or food ingredients by using modern technology business.

Incentives are as follows:

▶ Permit to bring foreign nationals who are workers and experts, spouses and dependents of the said persons into the Kingdom in such numbers and for such periods of time as the Board may deem appropriate. The aforementioned foreign nationals who are skilled workers and experts are granted permission for a specific position approved by the Board of investment for the period of permitted to stay in the Kingdom.

▶ Exemption on import duties on machinery, in accordance to the Board of Investment Approval.

▶ Exemption of Corporate income tax for Net profit earned from operating business that receive promotion for the period of 8 years commencing from the day revenue is earned from operating such business. Corporate income tax which can be exempted not more than 67,870,000 Baht. Anyhow, it will be adjusted by the amount of investing money excluding the real estate cost and actual circulating fund on the date of proceeding for the supported program.

▶ Exemption of import duty on raw or essential materials used in the manufacturing of export products for one year. Commencing from the first import day.

▶ Exemption of import duty on materials for those that receive promotion to import and export back for the period of 1 year commencing from the first import day.

#### 4) Frozen Food Products

The frozen food products produced by PFP are made from various raw materials for cooking, such as seafood, mushrooms, etc., that are processed and seasoned according to the requirements of the customers into value added products (VAP) and then these finished products are stored by freezing. This is so that the products can be kept for a long period of time with its taste fully preserved.

#### 5) Organic Coffee Product that Preserves the Forest Products

PMSE and its subsidiaries operate an organic coffee products that preserve the forest business with a mission to connect stakeholders along the entire value chain from upstream to downstream in order to obtain international quality organic coffee together with the creation of a balance between nature, farmers in the community, public sector, business sector, as well as consumers through participation in the conservation of watershed forests that allows them to grow together in a sustainable way. At present, it has developed both roasted coffee and ready-to-drink coffee products under the “MiVana” and “Orga” brands.

## (2) Market and Competition

### State of Industrial Competition

In 2021, the Company adjusted its business practice to focus on products that generate mutual benefits throughout the supply chain and deliver higher profits by emphasizing on the pet food production business and building of own brands.

Pet food is another commodity that is still in market demand and can still grow despite the COVID-19 pandemic as pets need to eat food regularly and pet owners are attentive and treat their pets like family members causing stockpiling of pet food the same way with other essential items. This is in line with the export statistics of Thai pet food products that recorded continuous growth, which allowed the Company to see the opportunity. Therefore, the Company adhered to its philosophy and core values in business operation of what is done must be beneficial for the customers, beneficial for society and beneficial for the business, which is the strong point in planning various strategies.

### Competitive Strategy

Such philosophy and core values that the management and the Company adhere to is reflected on the strategies that place importance on product design and maintaining standards in various areas in order to have good quality and environmentally friendly products starting from the sourcing of raw materials with the concept of marine resources conservation to achieve sustainability, production management based on food safety in accordance with international production standards, storage and transportation and all the way to implementation of the traceability system. Besides marine fishes, the Company also developed new products using domestic and easy-to-find farmed raw materials, which are certified by the Department of Livestock Development. The development of new products with trade partners/suppliers that use such raw materials like chicken, beef, vegetable and freshwater fish is to reduce the risk of illegal, unreported and unregulated (IUU) fishing. In addition, the production process takes into account the efficient use of resources, including various types of energy, such as water, fuel, electricity, etc., and the assurance that it will help to reduce pollution to society and the environment as well.

### Characteristic of Consumers and Target Consumers

**PMF** is the manufacturer of fish snack “Taro” and “Taro Crispy” “Taro strips coated in dipping sauce” which are distributed in Thailand through Premier Marketing Public Co., Ltd. (PM). PM will distribute products through wholesale and retail stores as well as through modern retail shops. The main target group of customers, as indicated earlier, is the childhood, teenage and working age. Customers in other countries will depend on the market in each location.

**PCI** is a manufacturer of mainly Pet Food for export. Production is made according to each customer’s order with main markets in Europe, America, Australia and also the Middle Eastern countries. In addition, it is also a manufacturer of the “Atlas” brand pet food that is distributed overseas such as to America and sold locally online and offline. The domestic market is mainly sales to pet shops and veterinary hospitals. The “King’s Kitchen” brand tomato, chilli, seaweed and black pepper sauce products are exported to the People’s Republic of China and Cambodia.

**PFP** The ready to cook and ready to eat products produced by PFP’s factory are sold mainly to domestic customers, which are large fast food chains, supermarkets, etc. PFP also provides cold storage services and is developing new projects to increase revenue and profit. It has also been contracted to manufacture coffee for Mivana Co., Ltd.

**PMSE** and its subsidiaries are producers and distributors of organic coffee products with international standard production under the “MiVana” and “Orga” brands with products that meet the needs of various groups of customers as follows:

- ▶ Products for use as raw materials for production: parchment coffee and green coffee beans for coffee business entrepreneurs, such as coffee importers-exporters, coffee roasters and producers of various forms of coffee.
- ▶ MiVana brand products: roasted coffee beans, roasted and ground coffee, drip coffee and ready-to-drink coffee “MiVana Sparkling Coffee” for the HoReCa operator group and various companies, as well as retail consumers.
- ▶ Orga brand products: roasted coffee beans and roasted and ground coffee for the coffee shop operator group.

### **Distribution and Distribution Channel**

#### **Fish Snack “Taro”**

The “Taro”, “Taro Crispy” and “Taro coated in dipping sauces” fish snacks manufactured by PMF’s factory is the production for both domestic and international sales. Domestic sales are made through Premier Marketing Public Co., Ltd.

#### **Pet Food Products**

The “Atlas” brand pet food products produced by PCI’s factory are production for both domestic and international sales. For domestic sales, PCI’s factory directly distributes the products itself through 2 channels, namely offline to pet shops and veterinary hospitals and online through websites. For international sales such as to the United States, PCI’s factory sells the products through distributors in the respective destination countries.

#### **Sauce Products**

The “King’s Kitchen” brand tomato sauce, chilli sauce and seasoning sauce products produced by PCI’s factory are production by focusing on overseas market such as the People’s Republic of China, Cambodia. PCI’s factory sells the products through distributors in the respective destination countries.

#### **Frozen Food Product**

Frozen food product that are manufactured from PFP will be distributed directly to large fast food network customer type by the PFP marketing team.

#### **Organic Coffee Product that Preserves the Forest**

“MiVana” organic coffee that preserves the forest has various distribution channels according to the purchasing behaviour of each group of customers, including the modern trade and traditional trade channels in which Premier Marketing Public Co., Ltd. acts as an agent in the management of the said channels, the online channel, such as the MiVana website, Facebook, Instagram and Line Official Account, and e-commerce channel, such as Shopee, Lazada, etc.

#### **Procurement of Raw Material**

**PMF** The important material, which is the main cost of manufacturing Taro fish snack, is the frozen ground fish meat (Surimi) which is transformed from Bluntnose lizardfish. These fish have soft white meat, not too mild, less fishy smell, and can be caught in Thai territorial waters and neighbor. PMF provides Surimi from many manufacturer, both domestic factory and outside the country.

Procurement of surimi or various raw materials used in PMF’s production is conducted according to sustainable procurement guidelines. The practice guidelines are as follows:

- ▶ Work with business partners (suppliers) to jointly develop the quality of the raw materials to meet the standard prescribed by the company and to provide feedback to find ways to develop and improve the procurement process to have higher quality and efficiency.
- ▶ Conduct quality inspection before use (incoming inspection) to examine the physical, chemical and microbiological aspects according to the frequency and number of random sampling specified to ensure that there will be no health and sanitation impacts on consumers.
- ▶ Work with fishery operators, fishing boats and the Department of Fisheries to trace the source of raw materials to ensure that the raw materials are obtained legally.

The sustainable procurement process using the above methods can create worth and value for the business, employees and society by taking into consideration the best interests of all stakeholders in the value chain by:

- ▶ PMF procures quality raw materials in controllable quantities and produces quality products for consumers.

other trade partners.

- ▶ Partners raise their product quality and operational process and extend business with

for sustainable business practices.

- ▶ Employees have job security and play a part in delivering good things to society.
- ▶ Consumers get to consume quality products and play a part in establishing the standard

human rights and fair employment.

- ▶ Good society and environment, sustainable water ecosystem, promote and support

**PCI** The procurement of raw materials can be divided into 2 types, namely seafood raw materials and farm raw materials. The details are as follows:

**Seafood Raw Material:** procure raw tuna and raw seafood material from domestic and international by placing order that suits with the production plan. At certain time purchase orders are higher than the normal and those raw material are stored in the freezer to prevent the shortage of raw material. Nevertheless, the material purchase must be conformed to the company policy which is to create environmental friendly product. Moreover, the company has also provide the regulation for seafood procuring direction as following:

(1) Not supporting illegal fishery which is lacking of report and control followed by (IUU : Illegal, Unreported and Unregulation)

(2) Not procuring and providing the material from illegal fishing performed by blacklisted fishing boat. (Vessels engaged in IUU fishing)

(3) Not purchasing fish from fishing boat which performs fish transferring midway in the sea.

(3) Not purchasing material from the company which is accused for illegal fishery.

**Farm raw materials:** Procure raw materials, such as land animals and poultry, which are both locally sourced and imported from overseas and must be certified by the Department of Livestock Development. Sourcing raw materials from farms also promotes local farmers.

Packaging comes in two forms, can and pouch which are procure from domestic and import. PCI contact with several manufacturers for the order made in the country and import packages will be provided by each employer. The consideration of packages order will be in line with the production plan which is in accordance with the customers order.

Procurement of raw material such as full-flavoured tomato, hot chillies, garlic, seaweed and pepper for tomato sauce, chillie sauce and seasoning sauce are purchased from several manufacturers in Thailand and International. PCI has good relationship and has been trading with these manufacturer for a long time. For other raw material which do not have large order and can be easily procure from general market. Moreover, different types of packages such as glass bottle, pouch, pack and gallon are ordered from domestic manufacturer at which the orders are made regularly.

**PFP** Frozen food products that PFP manufacture consisted of raw materials that are sea meat such as shrimp and squid. Moreover, there are other ingredients such as mushroom, vegetables, spices and seasonings.

The aforementioned raw materials are entirely procure from domestic which are available every where and have several dealer. PFP has good relationship with these raw material dealer that is why the Company never face with the shortage of raw material.

**PMSE and its Subsidiaries** The Company's organic coffee product that preserves forests is 100% pure Arabica coffee. The nature of the species is that it provides a good yield, has a good aroma, has great taste and is of high quality because it is grown in areas that are more than 1,000 meters above sea level. At present, our organic coffee is promoted and grown in Chiang Rai Province in an area spanning 2 national parks, namely Khun Chae National Park and Lam Nam Kok National Park, and 3 watershed forests, namely Mae Lao, Mae Suai and Mae Korn watersheds. There are 7 farmer's village in such area are under the project that promotes the cultivation of organic coffee, totaling 330 farmers with cultivated area of comprised 330 members and cultivated area of 5,550.63 rai.

The planting season of the organic coffee product is between March-October (8 months) and the harvesting season is between November-February (4 months).

In processing of coffee berries, the Company collaborates with the members in the development of machineries and processing plants to enable higher engineering efficiency in order to reduce waste from processing and the Company conducts tests to evaluate machine efficiency before processing. In addition, the Company also built a modern parchment coffee drying plant with enough space to accommodate 100% of the parchment coffee output from farmers in order to reduce the risk of sub-standard parchment coffee from member farmers. A standardized quality control system has been put in place that can control the consistency of quality thus helping to reduce waste of dried parchment coffee prior to being stored.



#### (4) Operating Assets

Lists of Operating Assets of the Company and its subsidiaries are as follows:

1) Fixed Assets in Operation consist of:

(Unit: Thousand Baht)

	Net Book Value per Consolidated Financial Statement 31 December, 2021
1.1) Land and Land Improvement	503,783
1.2) Buildings, Structures and Improvement of building	164,366
1.3) Machinery, Tools and Equipment	268,390
1.4) Furniture, fixtures and Office Equipment	21,495
1.5) Motor Vehicles	296
1.6) Constructuion in progress and Machinery under installation	6,758
Total	965,088

2) Intangible assets : The Company and its subsidiaries owned Trademarks in Thailand and Other Countries.

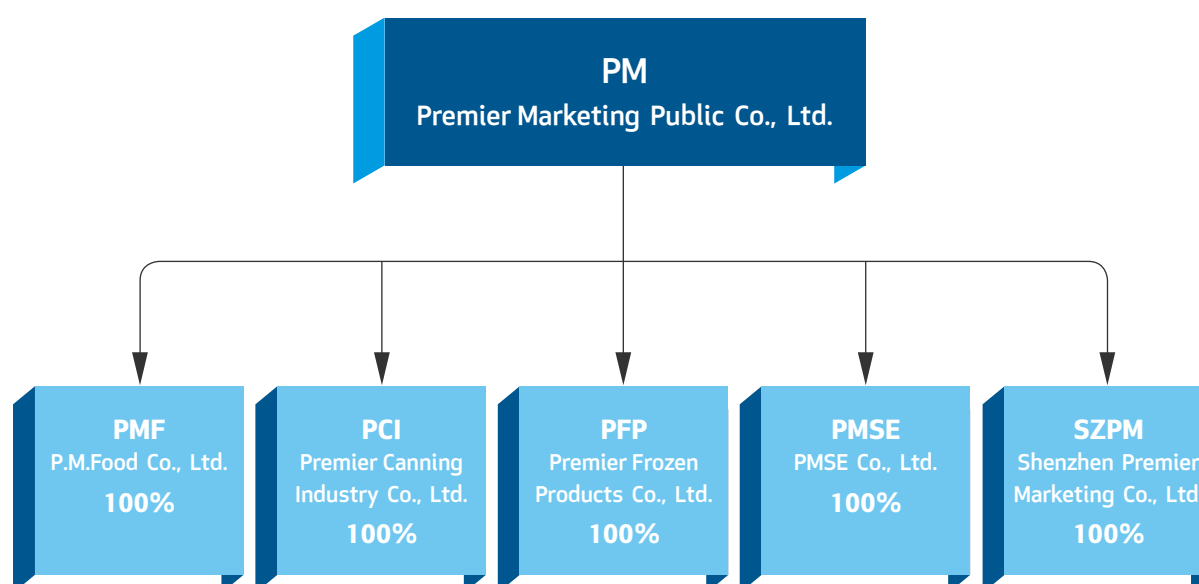
3) Leases : The Company and its subsidiaries have lease contracts for various items of property suchas Office space rental and Warehouse space rental contracts by making contracts with related party (Office space rental) and third party (Warehouse space rental)

Details of operating assets and appraisal assets are presented in Attachment 4.

### 1.3 Shareholding Structure of the Group

#### 1.3.1 Shareholding Structure of the Group

The Company and its Subsidiaries Structure as at December 31, 2021.



Premier Marketing Public Co., Ltd. is the distributor of consumer products. The product portfolio can be divided into 4 groups of products including snack and confectionery, foods and beverages, personal care and pet food. The company distributes products through distribution channels such as modern trade, traditional trade which has a network of more than 120,000 stores nationwide and overseas distribution of "Taro" fish snacks

The company has investments in 5 subsidiary companies; P.M. Food Co., Ltd. (PMF), Premier Canning Industry Co., Ltd. (PCI), Premier Frozen Products Co., Ltd. (PFP) and PM SE Co., Ltd. (PMSE), Shenzhen Premier Marketing Co., Ltd. (SZPM). The company holds 100% of their paid up capital. The operations of the 5 subsidiaries are as follow.

1. P.M. Food Co., Ltd. (PMF) manufactures and sells fish snack products under "Taro" brand. The products are sold in both local market and for export and entrusted Premier Marketing Public Co., Ltd. to be its sole distributor

2. Premier Canning Industry Co., Ltd. (PCI) manufactures, processes and distributes processed Tuna and Seafoods products for consumers and pets and raw materials are from the sea like tuna, as well as raw materials from farms, such as poultry and land animals, that are packed in pouches, cans and plastic cups and are exported for sale overseas to, for example, Asia, Europe, America, the Middle East and Australia. In addition, it is engaged in the business of manufacturing and selling products under the "King's Kitchen" brand, namely tomato sauce, chilli sauce, seaweed sauce and black pepper sauce, and also produces and sells pet food under the brand "Atlas" that are sold both domestically and overseas.

3. Premier Frozen Products Co., Ltd. (PFP) manufactures frozen processed food produced according to customers' orders. In addition, PFP also provides cold storage services and is developing new projects to increase revenue and profit. It has also been contracted to manufacture coffee for Mivana Co., Ltd. In addition, it also leased space to Mivana Co., Ltd. for production of coffee.

4. PMSE Co., Ltd. (PMSE) was established on 10 April, 2015 with the objective of investing in social enterprise businesses and building on the core values of the Company on the sustainability of society. PMSE operates the business of distributing organic coffee under the brands "Mivana" and "Orabica". At the end of the year 2019, the "Orga" brand coffee was also developed for the general market in order to expand the distribution channel into the wholesale roasted coffee market. PMSE has invested in related companies as follows:

4.1 Mivana Co., Ltd. (MIVANA - formerly Green Net SE Co., Ltd.) by equity holding to 88.89% and the other 11.11% holding by Earth Net Foundation. The Company promotes shade-grown coffee in order to maintain the ecosystem and environment in watershed areas while at the same time developing the quality of the coffee grown by the farmers into the certification system of organic standards in order to generate income for organic coffee farmers grown for forest preservation by working closely with related government agencies. This not only benefits society as mentioned above but also provides good coffee of high quality. Mivana Co., Ltd. purchases the organic coffee output from the farmers under fair trade for processing and packaging under the brands "Mivana" "Orabica". and "Orga".

4.2 The Good Drink Co., Ltd. (TGD), by increasing its equity holding to 99.99% (49.399% in 2019), is engaged in the business of development of products and distribution channels for ready-to-drink coffee products and the granting of rights to other subsidiaries of Premier Marketing Public Co., Ltd. to manufacture and distribute the products developed, as well as other products with coffee as an ingredient.

5. Shenzhen Premier Marketing Co., Ltd. was established on 9 October, 2021, and paid in the registered capital on 16 December, 2021, with the objective of carrying out sales and distribution of products of the Company's group through both offline and online channels, as well as carry out marketing activities, product advertising and product import and export. Products distributed are snack food and pet food.

### Over 10% of Shareholding In Juristic Persons

<b>1) P.M. FOOD CO., LTD.</b>	: Company Registration No. 0105525019069
Type of Business	: Manufacture of fish-snack "Taro"
Address	: No. 1, Premier Corporate Park, Soi Premier 2 Sinakharin Road, Nong Bon Sub-district Prawet District, Bangkok 10250
Factory Address	: No. 505, Moo 9, Nong Ki Sub-district Kabinburi District, Prachinburi Province 25110
Telephone	: 037-204417 – 20, 037-204314 - 6
Fax	: 037-204416

Registered Capital	: 8,750,000 Baht
No. of Ordinary Shares Issued	: 875,000 Shares
No. of Shares Holding	: 874,994 Shares
<b>2) PREMIER CANNING INDUSTRY CO., LTD.</b>	: Company Registration No. 0105528034204
Type of Business	: Manufacture ketchup and chilli sauce under "King's Kitchen" Manufacture ready-to-eat pouched tuna and canned tuna, tuna pet food products, and manufacture ready-to-eat pouched sea food.
Address	: No. 1, Premier Corporate Park, Soi Premier 2 Sinakharin Road, Nong Bon Sub-district Prawet District, Bangkok 10250
Factory Address	: No. 326, Moo 1, Rattana Road, Bang Bo Sub-district, Bang Bo District, Samutprakan Province 10560
Telephone	: 0-2338-1327 – 31
Fax	: 0-2338-1102
Registered Capital	: 93,000,000 Baht
No. of Ordinary Shares Issued	: 930,000 Shares
No. of Shares Holding	: 929,994 Shares
<b>3) PREMIER FROZEN PRODUCTS CO., LTD.</b>	: Company Registration No. 0105531062655
Type of Business	: Manufacture frozen-food products and provides cold storage service.
Address	: No. 1, Premier Corporate Park, Soi Premier 2 Sinakharin Road, Nong Bon Sub-district Prawet District, Bangkok 10250
Factory Address	: No. 98/1, Moo12, Soi Wat Bang Phli Yai Bang Na-Trat KM. 13 Road, Bang Phli Yai Sub-district Bang Phli District, Samutprakan Province 10540
Telephone	: 0-2317-1134 – 6, 0-2317-1140 – 1
Fax	: 0-2317-1450
Registered Capital	: 230,000,000 Baht
No. of Ordinary Shares Issued	: 230,000 Shares
No. of Shares Holding	: 229,994 Shares
<b>4) PM SE CO., LTD.</b>	: Company Registration Number 0105558063539
Type of Business	: Investment in Social Enterprises and involving manufacture, marketing and product development and distribution for social causes as well as distributed organic coffee products under the brand "Mivana" and "Arabica".
Head Office	: No. 1, Premier Corporate Park, Soi Premier 2 Sinakharin Road, Nong Bon Sub-district Prawet District, Bangkok 10250
Telephone	: 0-2301-1600, 0-2301-1700
Fax	: 0-2301-1711
Registered Capital	: 100,000,000 Baht
No. of Ordinary Shares Issued	: 10,000,000 Shares
No. of Shares Holding	: 9,999,997 Shares

<b>5) MIVANA CO., LTD. (GREEN NET SE CO., LTD.)</b>	: Company Registration Number 0105555161301
Type of Business	: a social enterprise that encourages farmers to grow organic Type of Business coffee to sustain forests, the ecosystem and environment by purchasing organic coffee in a fair trade manner and transform under the brand 'Mivana' 'Orabica' and 'Orga'.
Head Office	: 98/1 Moo 12, Debaratana Road, Bang Phli Yai Sub-district, Bang Phli District, Samutprakan Province 10540
Telephone	: 0-2313-3777
Fax	: 0-2313-3778
Registered Capital	: 72,000,000 Baht
No. of Ordinary Shares Issued	: 720,000 Shares
No. of Shares Holding by subsidiary	: 639,999 Shares (Also hold shares : PM SE CO.,LTD.)
<b>6) THE GOOD DRINK CO., LTD.</b>	: Company Registration Number 0105561074414
Type of Business	: Operates as a developer of coffee products and products with coffee as an ingredient.
Head Office	: One Premier Corporate Park, Soi Premier 2 Srinakarin Road, Nongbon Sub-district, Prawet District, Bangkok 10250
Telephone	: 0-2301-1000
Fax	: -
Registered Capital	: 23,000,000 Baht
No. of Ordinary Shares Issued	: 2,300,000 Shares
No. of Shares Holding by subsidiary	: 2,299,998 Shares (Also hold shares : PM SE CO., LTD.)
<b>7) SHENZHEN PREMIER MARKETING CO., LTD.</b>	: Company Registration Number 91440300MA5H131M18
Type of Business	: Distribution of food products, snacks and pet food
Head Office	: Room 2910, Building A, Tiansha Taurus Square, No. 8 Taoyuan Road, Dawangshan Community, Nantou Street, Nanshan District, Shenzhen, People's Republic of China
Telephone	: 0-2301-1800
Fax	: -
Registered Capital	: CNY 1,000,000 (RMB) (equivalent to 5,280,000 Baht : CNY 1 = 5.28 Baht)
No. of Shares Holding by subsidiary	: Shareholding Proportion 100%

### 1.3.2 Persons with Possible Conflict of Interests Holding Combined Shareholding in Subsidiaries over the Level of 10% of the Number of Shares with Voting Rights of Such Companies

- None -

### 1.3.3 Relationship between the Business Groups of the Major Shareholders

The Company and its subsidiaries have engaged Premier Fission Capital Co., Ltd. (PFC), currently a major shareholders of the Company, to provide management and administrative support services to the Company and its subsidiaries under a management and business consultancy agreement. The objective of such hiring is the separation of tasks (outsourcing)

in order to employ the services of the centralized unit of the PremierGroup, which is a type of centralization and cost sharing according to the size and volume of transactions of each company, in order to reduce overall costs from the Company having to recruit more personnel to handle all aspects of the support functions.

### The scope of services covers various areas as follows:

Management and governance of the business and support of strategies and business innovations to achieve the goals of each organization, operation of the business in accordance with the core values of the organization and in compliance with relevant rules and legal requirements, and provision of personnel with ability and expertise to serve as directors and executives in each organization serviced.

Consulting services where counsel is provided to the organizations in all aspects related to business operation of the enterprises, including planning, determining business strategies, financial planning, compliance with relevant laws on human resources management, office administration and corporate communication together with provision of knowledge in various areas to develop the knowledge base of officers within the organizations.

Services on education, analysis, planning and work to the organizations in order that the business operations achieve the goals and are in accordance with various relevant rules and regulations or in case where such matters require specialized expertise, such as internal audit, corporate governance, compliance with laws related to the securities exchange, litigation, company register, accounting and taxation, IT services, including management of funding sources of the businesses and in contacting financial institutions.

However, the execution of such agreement with PFC is deemed a connected transaction with a person who may have a conflict of interest with the Company where the Company must strictly comply with the policies, measures and procedures for entering into connected transactions. Should PFC amend the details of the agreement or the terms for calculating the service fees to the Company and its subsidiaries, the Company shall propose the details and conditions of such amendments to the Audit Committee meeting for consideration and comment on the appropriateness of the amended agreement every time prior to entering into the new agreement.

## 1.3.4 Shareholders

### (1) List of Major Shareholders

#### A. Top 10 Shareholders

Name	Number of Shares	Shareholding %
1. Premier Fission Capital Co., Ltd.	273,450,600	45.71
2. SOUTH EAST ASIA UK (TYPE A) NOMINEES LIMITED	55,019,400	9.20
3. Premier Marketing Public Co., Ltd (Repurchased shares)	40,125,300	6.71
4. Mr. Harkishin Tanwani	28,000,000	4.68
5. THAI NDVR CO., LTD.	16,138,470	2.70
6. Mr. Itthipat Peeradechapan	11,192,300	1.87
7. Mrs. Marisi Choonharas	5,000,000	0.84
7. Mrs. Vimolthip Phongsathorn	5,000,000	0.84
8. Premier Group of Company Savings & Cadit Cooperative Limited	4,413,300	0.74
9. Mr. Apisit Panpruk	4,250,000	0.71
10. Mr. Sumeth Kittiprompong	3,600,000	0.60
<b>Total</b>	<b>446,189,370</b>	<b>74.60</b>

Percent Shares in Minority Shareholders (% Free Float): 36.21

## B. Groups of Major Shareholders Who Have Significant Influence over the Formulation of Management Policies or Operation of the Company

Major Shareholders who are related persons participating in the Company management are as follows

Name	Type of Business	Related Persons
Premier Fission Capital Co., Ltd.	Business management Service and investment	1. Mrs. Duangthip Eamrunroj, 2. Mr. Somchai Choonharas, 3. Mr. Suradej Boonyawatana, 4. Mrs. Pensri Dettingeng and 5. Mrs. Walairat Pongjitt are co-directors.

### (2) The Company is not a Holding Company

### (3) Shareholders' Agreement

There is no shareholders' agreement

## 1.4 Registered and Paid-up Capital

### 1.4.1 Registered Capital/ Paid-up Capital/ Number of Shares

As at 31 December, 2021, the Company had a registered capital of 598,245,300 Baht with paid-up capital of 598,245,300 Baht divided into 598,245,300 ordinary shares at parvalue of 1 Baht per share. On 7 May, 2020, the Company's Board of Directors passed a resolution approving a share repurchase scheme for financial management purpose of not exceeding 59.8 million shares or not exceeding 10% of the total issued shares for an amount of not more than 300 million Baht. The Company repurchased shares on the Stock Exchange of Thailand from 22 May, 2020 to 21 November, 2020, totaling 40,125,300 shares representing 6.71% of the total issued shares.

On 10 August, 2021, a resolution was passed approving the resale of the repurchased shares of the Company program for financial management purposes (treasury stocks) with the number of shares to be resold to be equal to 6.71% of the total outstanding shares or 40,125,300 shares, which will be sold on the Stock Exchange of Thailand. The share resale period is from 27 August, 2021 to 20 November, 2023. As at 31 December, 2021, none of the Company's treasury shares have been resold. When the resale period expires, if the Company does not sell or dispose of all the repurchased shares, it may consider reducing its capital by writing off the repurchased registered shares as previously reported in the share repurchase disclosure form.

### 1.4.2 Other Types of the Shares with Rights or Conditions Different from Ordinary Shares

- None -

### 1.4.3 In the Case of Having Shares or Convertible Securities of the Company

- None -

## 1.5 Issuance of Other Securities and Convertible Securities

### 1.5.1 Convertible Securities

- None -

### 1.5.2 Debt Instrument

- None -



## 1.6 Dividend Payment Policy

The Company and its subsidiaries have policies to pay dividends to the shareholders at a rate of no less than 50% of net profit after income tax and deduction of legal reserves. However, such dividend policies may be changed depending on the companies' investment plans, necessities and appropriateness in the future. The resolution of the Board of Directors to pay dividend must be presented to the shareholders' meeting for approval in advance, except for interim dividend payment where the Board has the authority to authorize such payments, prior to reporting to the shareholders at the next meeting.

The Company paid dividends from consolidated operating results of the Company to its shareholders. Summarized as follows:

Year	2021	2020	2019	2018	2017
Earnings per share	0.51	0.56	0.85	0.65	0.85
Dividend per share	0.45	0.50	0.73	0.56	0.80
Dividend payout (%)	88.24	89.29	85.88	86.15	94.11

\* On 15 February, 2022, the Board of Directors' resolution to propose the distribution of dividend for the year 2021 to the Annual General Meeting of Shareholders to be held on 28 April, 2022 at the rate 0.30 Baht per share, after adding the interim dividend payment of 0.15 Baht per share on 8 September, 2021, the total dividend payment was 0.45 Baht per share.

## 2. Risk Management

### 2.1 Risk Management Policy and Plan

The Company has put in place a comprehensive risk management system covering both Premier Marketing Public Co., Ltd. and its subsidiaries in accordance with the risk management frameworks of ISO 31000 : 2018. In addition to being in line with the guidelines for sustainable growth under the core mission of the Premier Group of **“Progressive Business, Stable Employees, Sustainable Society”**, it makes known the risk factors affecting the achievement of objectives or success of the operation. It is also a mechanism for responding to potential business changes with a focus on risk identification and management.

The Company realizes that effective risk management must be supported by employees at all levels in the organization, therefore, on 4 August, 2020 the Company’s Board of Directors resolved to appoint a Good Governance and Risk Oversight Committee to monitor, examine, evaluate and advise on governance and risk management to the management of the Company and its subsidiaries. The management was also assigned to be responsible for governance and risk management and to push for implementation on such matter throughout the organization.

#### Risk Management Structure Risk Management Organization Chart



#### Duties and Responsibilities

- 1) The Board of Directors is responsible for ensuring that the Company has a comprehensive risk management system and effective risk management, reporting and monitoring processes, with the Good Governance and Risk Control Committee being responsible for monitoring, reviewing, evaluating and providing advice on governance and risk management by the management, which includes the managing directors and senior executives of the Company and its subsidiaries.
- 2) The Chairman of the Executive Committee is responsible for fostering and preserving the organization’s core values and promoting the management of the business in accordance with such core values and in line with the corporate governance and risk management.
- 3) The Managing Director is responsible for the management, including monitoring, of operations in accordance with the organization’s core values and corporate governance and risk management.

## **The Risk Management Process of the Company is divided into 2 levels as follows:**

1) Entity Level: The Company manages risks arising from its core business activities, such as risks from strategies, master plans or management policies, as well as internal and external risk factors that significantly impact the business operation.

2) Activity Level: The Company manages risks arising from the operation of each unit, covering risk factors related to work processes, equipment usage, technology and workers.

The Company and its subsidiaries in the business line have reviewed the organization's risk context, considered and assessed the level of risk, considered significant risks affecting the achievement of the objectives and goals of the organization, and defined measures to prevent and reduce opportunities, as well as impacts, as detailed in the following section.

## **2.2 Business Risks**

### **2.2.1 Business Risks of the Company or Group of Companies**

#### **Risk of Infection in the Workplace from the Coronavirus 2019 (COVID-19) Pandemic**

The outbreak of COVID-19 since the end of 2019 to the present together with various government measures to control the spread of the disease impacted on the economy, consumption behaviour, distribution of products, as well as the likelihood of infection of employees performing various functions of the Company, both at the factories and in the offices.

Therefore, the Company has established various measures to prevent infection of employees in both the offices and the factories to reduce the risk, as follows:

- 1.1 Encourage employees to take care of hygiene during performing their duties, wash hands regularly, arrange for staggered meal times, wear masks, keep distance between each other and have regular proactive tests with antigen test kits (ATKs).
- 1.2 Allow employees to work from home during an outbreak in the area for only duties that permit this. For employees who must perform work in the workplace, the Company has measures to reduce the risk of infection by organizing temperature screening before entering the buildings, requiring masks to be worn all the time during work and making available alcohol gel at various locations. In the workplace, seating is arranged to maintain distancing, including the lunch area and rest area for the employees.
- 1.3 Request employees to avoid unnecessary travel and instead use telecommunication, teleconference, etc.
- 1.4 Spray disinfectants in the offices and warehouses to prevent virus contamination and provide personal protective equipment, such as face masks, alcohol gel and antigen test kits (ATKs), to employees to prevent infection and be ready for work.
- 1.5 Plan to purchase of a reserve of raw materials to prevent shortage, spray disinfectants to prevent virus contamination on the packaging of raw materials and control the standards of production and delivery of products, increase finished goods inventory to alleviate shortages in the event of infection of production line workers, and prepare plan to handle and mitigate the impact that may occur from business interruption if infection occurs in the workplace, both the offices and the factories.
- 1.6 Provide employees with vaccination against COVID-19 according to constitutional and social security rights and procure alternative vaccines for all employees in areas that have not been allocated vaccines by the state in order to build immunity, as well as coordinate with local public health offices for injection of booster shots.

#### **Risk of Distribution Channel**

Currently, there is rapid development in the distribution channels, whether it is the convenience store channel, the modern retail store channel or the online distribution channel, along with adjustment of consumer behaviour in selecting the channel through which to purchase goods. This makes it a risk of insufficient distribution channels and loss of business opportunities.

Therefore, the Company has to accelerate the development of distribution channels to be thorough and comprehensive, especially new channels, under the circumstances of the COVID-19 pandemic.

### **Risk of Technology Advancement**

At present, the advancement of technology and digital systems has a tremendous influence on business operations and competition, for instance trade partners can place orders through digital media, consumers have more access to information through digital media, and the popularity of online spending is increasing steadily. The use of technology can help develop work systems to work more efficiently, e.g. cause change of business pattern and cause increased competition. Failure to focus on the use of appropriate technologies in business operations and continuous development will affect the overall competitiveness of the business.

The Company is interested in and monitors changes in technology continuously and reviews and develops strategies and work plans to suit the changes that occur. To this end, the Company has improved its business model and invested in new technologies, e.g. the sales system, development of applications connecting sales data and online channels that allow trade partners and customers to access services more conveniently and communicate information through social media to explore customer needs and satisfaction, which can work quickly and efficiently. In addition, it is still necessary for the Company to focus on developing personnel, educating them so that they can use technology to perform their duties effectively.

### **Risk of Food Safety**

The trend to consume safe, healthy and contaminant-free food is becoming increasingly more important to consumers. Although the Company has always been a leader in producing product with quality and health benefits, it is imperative to take this risk into account.

The Company has a policy of producing safe food under the GMP standard, where all employees must have an understanding of the production of safe food in all processes and there are regular control and inspection, which are carried out as follows:

1. Raised work standard to be more stringent and created a food safety culture in the organization by increasing education and campaigning for all employees to recognize the importance of this and have regular training on quality.
2. Improved the efficiency of inspection of work processes and measured and controlled processes with sensors and digital control.
3. As for the transportation and distribution processes, the Company has strengthened control over the inspection for non-quality products to be strict and regular and attached importance to the efficiency of delivery in order to allow customers to receive the products speedily to maintain the freshness of the products.

### **Risk of Exchange Rate**

As the Company and its subsidiaries have expanded its overseas distribution channels, this resulted in more revenue from export in foreign currencies. Most of the export revenue is in US dollars and Yuan, foreign exchange volatility thus directly affects the uncertainty of the Company's revenue.

### **Risk of Labour Shortage and Shortages of Export Containers and Cargo Space on Board Ships**

There was high demand for pet food in overseas markets but the spread of the COVID-19 infection had put restrictions on the movement of labour and caused a shortage of export containers and also cargo space on board ships. This created a risk that the products will not be produced and delivered on schedule.

### **Risk of Insufficient Products to Sell in the Chinese Market**

From a new round of outbreak with the Omicron variant in the People's Republic of China, the import regulations were temporarily changed and the Chinese government issued strictest measures on cleanliness and safety of imported goods, requiring all ports in the People's Republic of China to inspect 100% of the imported goods instead of making random inspections and must be 100% disinfected as well, which resulted in significant delays in inspection and release of goods.

Therefore, the Company has increased the lead time in delivery to be sufficient to cope with this delay problem by coordinating with the customers and freight forwarders in order to deliver products on schedule and in time to meet the needs of end customers in the People's Republic of China.

### **Risk of Forest Fire**

A subsidiary has invested in the business of production and distribution of organic Arabica coffee in the form of roasted coffee beans, roasted and ground coffee beans and canned ready-to-drink coffee by promoting members of the organic farmers group to legally grow coffee under the shade of the forest in the watershed forest area to care for the forest and promote the cultivation of perennial plants to increase the forest area. The problem of forest fires caused by drought and illegal burning of forests is a risk to the yield of coffee grown under the shade of forests.

Knowledge was provided to member farmers in the project about the effects that might occur and there was promotion of cooperation between the government sector and member farmer groups in creating firebreaks in connecting areas that are vulnerable to forest fires, including arranged meetings with local community leaders to determine measures and plans to control forest fires and also encouraged the planting of forests to increase shade.

### **2.2.2 Risk of Investment by Securities Holders**

As of 31 December, 2021 (please see detail in section 1.3.4 Shareholders), the Company has % of minor shareholders (Free Float) of 36.21% of total shares, shareholders may be at risk of being unable to trade shares immediately at the desired price.

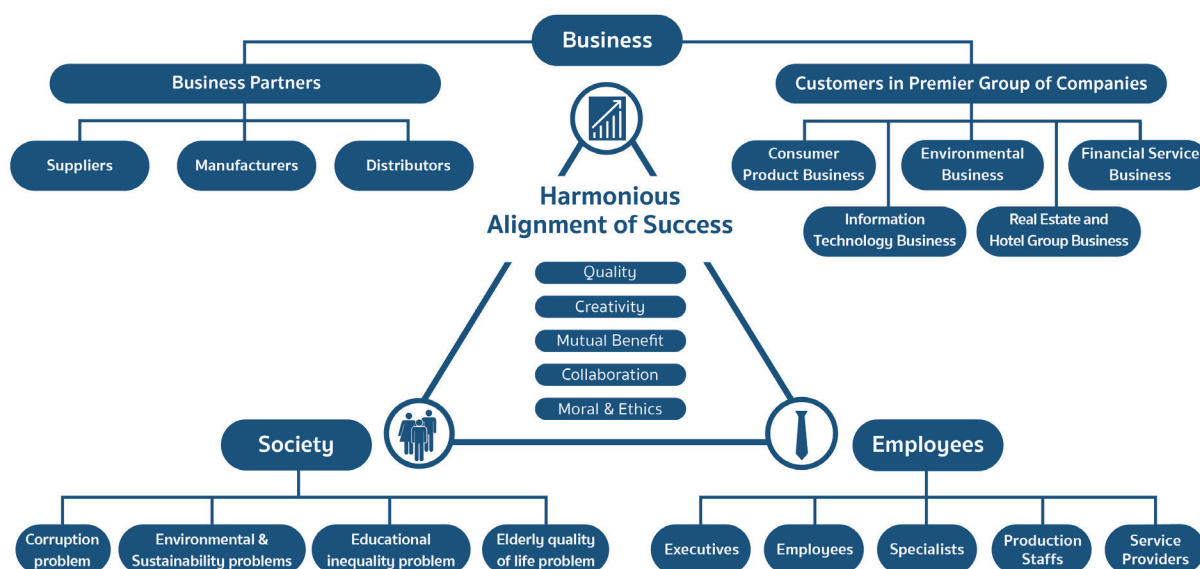
### **2.2.3 Risk of Investment in Foreign Securities**

Currently, the Company does not have any investment in foreign securities and, therefore, does not have this type of risk.

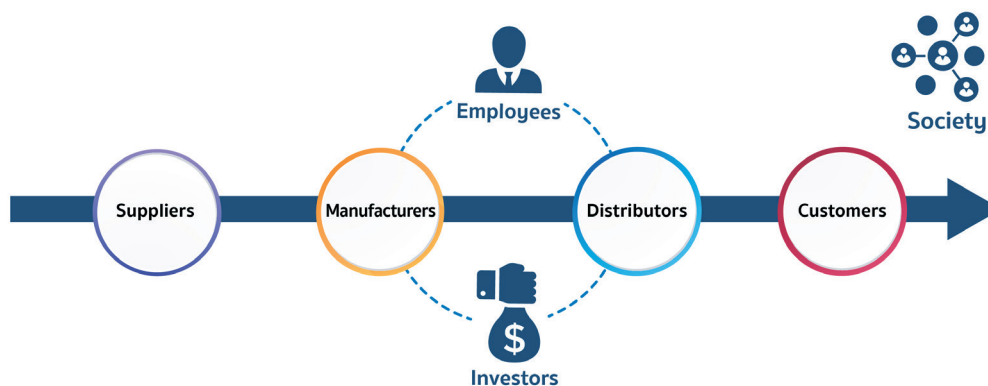
## 3. Driving Business Towards Sustainable Development

### 3.1 Policies and Goals for Joint Sustainability Development

Premier Marketing Public Company Limited and its subsidiaries are committed to conducting business with the intention for **“Harmonious Alignment of Success”** through the adoption of the 5 core values consisting of quality, moral and ethics, creativity, collaboration and mutual benefits to promote and encourage employees to implement, disseminate and expand to create benefits for the stakeholders in the business chain both within and outside the organization that depend on each other. This led to the idea that in order for a business to be successful over the long term there must be 3 main components that can grow together, namely 1) a business that is thriving, 2) employees who are happy and feel stable in their work and 3) surrounding society and environment that sustainably grow together or **“Progressive business, Stable employees, Sustainable society”**. The Company believes that the balance will result in strong and sustainable growth of its business.



**Business Operation for Harmonious Alignment of Success** The Company considers the balance between business growth and the impact on stakeholders both internal and external, as well as building cooperation to enhance the business and social value chains in order to jointly expand the results to create strength and sustainability together no matter in which section of the chain the partners may be from upstream to downstream and disregarding whether they are raw material suppliers, manufacturers or distributors. This requires a business practice that is consistent with the guidelines for creating sustainable mutual success, including guidelines for developing cooperation with the concept “value chain enhancement”. The details are as shown on the Company’s website. [www.premier-marketing.co.th](http://www.premier-marketing.co.th).



Guidelines for working with trade partners and allies to create sustainable mutual success consist of 4 approaches as follows:

1. **Create a fair and open ecosystem** with free competition and fair price standards.
2. **Identify and develop the potential and strengths of stakeholders** through building cooperation and seeking common points where all parties can benefit and connect with the knowledge, development of skills and potential of stakeholders.
3. **Build confidence and promote creating new innovation** to enhance the work of stakeholders, identify opportunities to develop and support by providing resources in various areas, including knowledge and personnel.
4. **Building participation with beneficiaries, such as customers**, by communicating and disclosing information transparently and developing relationship building activities in the value chain, as well as building good long-term relationships with beneficiaries.

## Employees and the Creation of Harmonious Alignment of Success

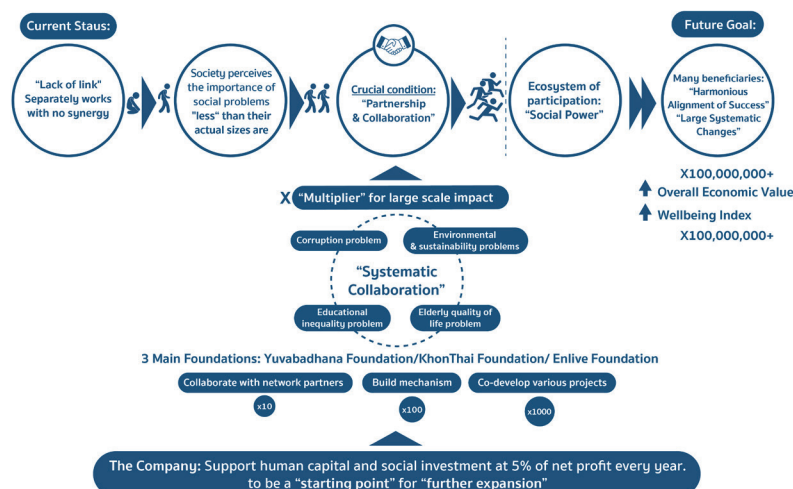
The Company places importance on its employees who will drive the practices of the core values through work, with a sample project "Serious people will not be indifferent" that opens a safe space for employees to use their creativity, build cooperation, find new ways to solve social and environmental problems and to take action. The Company has provided various resources, such as funds, time and knowledge, to enable employees to develop the project through the integration of knowledge and collaboration both within and outside the organization. In addition, the Company has received results of promoting employees to create Harmonious Alignment of Success from other projects. The details are as shown on the Company's website. [www.premier-marketing.co.th](http://www.premier-marketing.co.th).

## Support the Creation of Participation for Sustainable Social and Environmental Development

The Company believes that in order for an organization to have sustainable strength it must receive the support and trust of all stakeholders in its value chain. The Company has continuously supported social sustainability development through various activities of the Company that supports the creation of such participation. It also provides funding equal to 5% of its net profit after deduction of corporate income tax for each accounting period to support the building of cooperation mechanisms for "partnership and collaboration" of the Yuvabadhana Foundation, KhonThai Foundation, Enlive Foundation and network partners. Support is provided to the foundations' operations in various forms such as:

1. **Donation of funds to the Yuvabadhana Foundation** and the Foundation received more than 300 million Baht per year in donations from other sources.
2. **Provision of support in other areas** by encouraging employees to become volunteers and share their time in assisting with administrative work and providing advice, knowledge and expertise in the development of social projects.

The funding and support in other areas will assist in the creation of cooperation mechanisms through the management of the three foundations that are responsible for expanding the results and the building of wider cooperation with collaborating network partners and social stakeholders. The creation of partnership and collaboration is a crucial condition that will lead to Harmonious Alignment of Success and form a social force large enough to lead to systemic change that is able to overcome social traps or lack of synergy. An important mechanism that catalyzes the multiplier for expanding the results is the creation of a network of cooperation and participation among various sectors, including the business, social, public and people's sectors who are volunteers and donated funds and other sectors to jointly support the work of social sector partners on various issues through mobilization of cooperation and systematic and transparent fundraising.





Therefore, **the funding and support in other areas of the Company will be the starting point for expanding the results and create multiplier effect of social power into a social force large enough to lead to sustainable systemic change.**

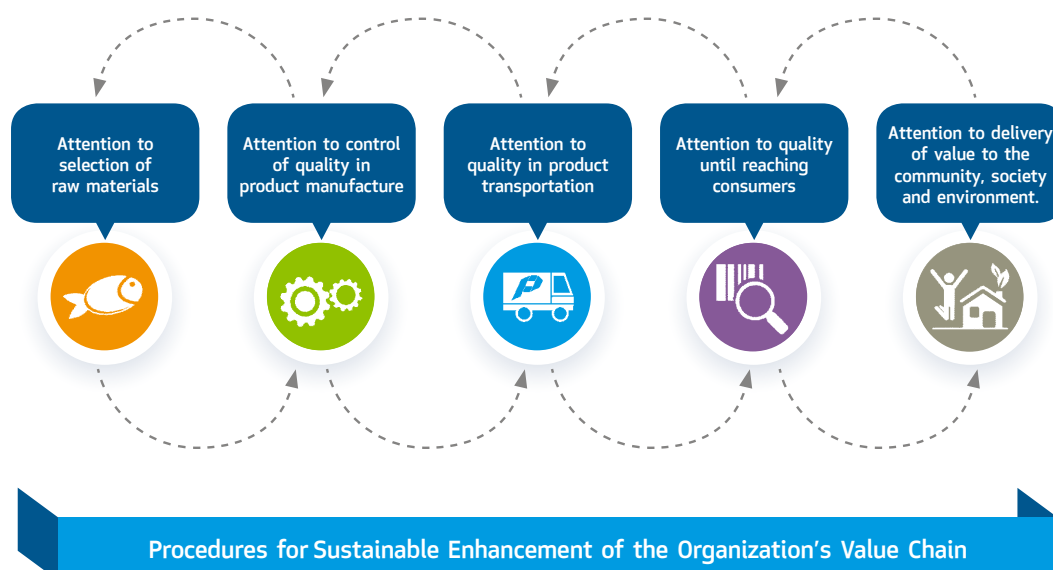
The Yuvabadhana Foundation, KhonThai Foundation and Enlive Foundation collaborated with network partners to build mechanisms for cooperation to expand results and link co-development partners who are co-developers of social/environmental projects at the organizational level, including several business organizations, social sector organizations and government organizations that brought about beneficiaries of sustainable social development, such as children and youths, preschool children, the elderly, the disabled and sick, teachers and parents, medical personnel and the general public. This also led to social/environmental innovations for “Harmonious Alignment of Success” in various forms, such as in the form of shops (PanKan Shops), socially responsible investment (BKIND Fund, Thai CG Funds and Media for Social Justice Fund), children’s nutrition platform (Food4Good), crowdfunding platform (Taejai.com), etc. Details of the size of the social power arising from this concept are shown on the Company website [www.premier-marketing.co.th](http://www.premier-marketing.co.th).

## 3.2 Managing Impact on Stakeholders in the Business Value Chain

### 3.2.1 Value Chain Enhancement

In its business operations, the Company works in various fields by creating cooperation to enhance the business chain and expand the results of this cooperation to stakeholders in the value chain by focusing on the management of the value chain that can respond to environment, social and governance (ESG) impacts and covers the issues of business ethics, respect for human rights, employees’ safety and occupational health through to quality of society and the environment.

In 2021, Premier Marketing Co., Ltd. and its subsidiaries realized the importance and necessity of building cooperation and expanding results to enhance business and social value chains. Strategies and business plans were formulated for business operations to “enhance the value chain” in order for the Company to continue to achieve success during the COVID-2019 pandemic when it is necessary to adjust to be ready to cope with new challenges that will arise in the future. As for the plans, they cover from the assessment to recruitment, selection, inspection, co-development with trade partners who supply raw materials through to the improvement in the utilization of resources for maximum efficiency, including the management of the production processes that takes into account quality, efficiency and the speed of delivery that is environmentally friendly. Such concept has been passed on to relevant trade partners to ensure that their employees strictly adhere to the established guidelines. More details can be found on the Company’s website [www.premier-marketing.co.th](http://www.premier-marketing.co.th).



To enhance the value chain with stakeholders in the value chain to create sustainable mutual benefits, the Company has established the main procedures in business operations as follows:

1. **Attention to quality in the selection of raw materials** through sourcing, selection, assessment of ESG risks, along with joint promotion and development of the potential of the trade partners and expansion of results in various areas.
2. **Attention to quality control in product manufacture** by improving the efficiency of the production process in order to use resources cost-effectively, as well as ensuring food safety according to international standards.
3. **Attention to quality in product transportation** by applying technology in the receipt, storage and thorough distribution of products and to maintain freshness, as well as manage transportation to minimize impact on society and the environment.
4. **Attention to quality until reaching consumers** by developing new products that meet the needs of consumers and society and consumers can access and verify the origin of raw materials, product manufacturing process and nutritional value obtained from product consumption.
5. **Attention to delivery of value to community, society and environment** by development of community, social and environmental ecosystems to create a network of cooperation from all sectors to jointly expand the results broadly.

The Company is committed to continuously operating its business sustainably through operations that are linked to the enhancement of the business value chain to achieve maximum efficiency, such as the MiVana Coffee flagship store, project to verify the source of raw materials and the production process of goods (traceability), development of guidelines for sustainable procurement of main raw materials, work with trade partners to add value to remaining raw materials (waste) and expansion of new distribution channels both domestically and internationally, with the introduction of modern technology to increase efficiency along with the development of business operations to promote communities to coexist sustainably. The Company has disclosed details of these activities on its website [www.premier-marketing.co.th](http://www.premier-marketing.co.th).



## Business Operations

### 3.2.2 Stakeholder Analysis in the Business Value Chain

Based on the Company's core mission that takes into account the mutually beneficial outcomes of stakeholders throughout the value chain, the Company and its subsidiaries have conducted a survey through interviews to receive opinions from stakeholders, including measures to cope with changes to keep up with the current situation. Subsequently, the data was analyzed in order to identify expectations and conduct responses, as well as communicate with relevant stakeholder groups. The details are as shown in the table below.

#### Identification and Analysis of Expectations of Stakeholders


























Stakeholders	Expectations of Stakeholders	Mission to Satisfy Stakeholders	Communication and Engagement with Stakeholders
<b>Shareholders</b> means investors, juristic persons and institutions that invested	<ul style="list-style-type: none"> <li>▶ Returns and business growth</li> <li>▶ Successful business operation as targeted</li> </ul>	<ul style="list-style-type: none"> <li>▶ Operate business to generate good returns and expand business to grow continuously and sustainably</li> </ul>	<ul style="list-style-type: none"> <li>▶ Determined the Company's code of conduct in regard to treatment of shareholders</li> <li>▶ Organized the Annual General Meeting of Shareholders</li> <li>▶ Disclosed information on operations in the Form 56-1 One Report and SD Report</li> <li>▶ Opportunity Day activity to meet the investors</li> <li>▶ Replied to investors' queries by telephone and email regularly and equitably</li> </ul>
<b>Employees</b> means executives and employees	<ul style="list-style-type: none"> <li>▶ Compensation and benefits</li> <li>▶ Career advancement</li> <li>▶ Pride in organization</li> <li>▶ Create awareness</li> <li>▶ Health safety of oneself and family during the COVID-19 pandemic</li> </ul>	<ul style="list-style-type: none"> <li>▶ Improve quality of life for stability</li> <li>▶ Continuously develop employees' potential</li> <li>▶ Build organizational commitment</li> <li>▶ Build confidence in health safety of employees and their families</li> </ul>	<ul style="list-style-type: none"> <li>▶ Formulated human resource management policy and notify employees for acknowledgement</li> <li>▶ Conducted joint salary survey with external agencies for compensation management in accordance to market rates</li> <li>▶ Cooperated with Premier Group's savings cooperative to promote and publicize to employees about saving, economizing and financial planning in preparation for retirement</li> <li>▶ Created well-being through participation through the welfare committee in the workplace continuously</li> <li>▶ Continuously developed employees' potential through electronic media</li> <li>▶ Provided work plans and measures for care, prevention, examination, medical treatment and rehabilitation for employees continuously during the COVID-2019 pandemic</li> </ul>

Stakeholders	Expectations of Stakeholders	Mission to Satisfy Stakeholders	Communication and Engagement with Stakeholders
<b>Customers/Stores</b> means consumers, modern wholesale-retail stores (modern trade) and online channel	<ul style="list-style-type: none"> <li>▶ Transparency and traceability in production</li> <li>▶ Delivery of quality products and services on time at fair prices</li> </ul>	<ul style="list-style-type: none"> <li>▶ Disclose production information to consumers</li> <li>▶ Offer quality products and services</li> </ul>	<ul style="list-style-type: none"> <li>▶ Established system for disclosing and tracing back to the sources of raw materials in the production of products by the consumers themselves (traceability)</li> <li>▶ Implemented in-person store visits by telephone/online according to plan</li> <li>▶ Meet with department stores/shops in modern trade sales channels in-person/online every month</li> <li>▶ Set up a sales tool system for buying-selling products online through various platforms</li> </ul>
<b>Trade Partners/Suppliers</b> means suppliers, business allies and trade partners (product owners)	<ul style="list-style-type: none"> <li>▶ Returns and business growth</li> <li>▶ Participate in improvement of quality of products and services</li> <li>▶ Procurement is fair, equitable and transparent</li> </ul>	<ul style="list-style-type: none"> <li>▶ Conduct business with fairness</li> <li>▶ Build good relationships to jointly develop business</li> <li>▶ Build and expand the anti-corruption coalition</li> <li>▶ Comply with IUU regulations</li> </ul>	<ul style="list-style-type: none"> <li>▶ Complied with terms and conditions of contracts</li> <li>▶ Participated in relationship-building activities with trade partners and suppliers</li> <li>▶ Held online meetings with trade partners once a month</li> <li>▶ Have value chain management policy that considers shared value in the management process at all stages of sustainable procurement of main raw materials and compliance with IUU regulations</li> </ul>
<b>External Agencies</b> means government agencies and mass media	<ul style="list-style-type: none"> <li>▶ Compliance with laws</li> <li>▶ Transparent and discloses facts</li> </ul>	<ul style="list-style-type: none"> <li>▶ Operate under the law</li> <li>▶ Operations are clear, open, transparent and accountable</li> </ul>	<ul style="list-style-type: none"> <li>▶ Monitored and review operations to ensure compliance with the laws</li> <li>▶ Disclosed the operating results clearly, transparently and with accountability on the Company's website</li> </ul>
<b>Competitors</b> means companies operating the same business	<ul style="list-style-type: none"> <li>▶ Compete under the law and with ethics</li> </ul>	<ul style="list-style-type: none"> <li>▶ Treat competitors fairly and transparently</li> <li>▶ Build good relationships to jointly develop business</li> </ul>	<ul style="list-style-type: none"> <li>▶ Monitored changes of competitors regularly</li> <li>▶ Comparison report on the status of competition</li> </ul>

Stakeholders	Expectations of Stakeholders	Mission to Satisfy Stakeholders	Communication and Engagement with Stakeholders
<b>Community/Society</b> means community, society and general public	<ul style="list-style-type: none"> <li>▶ Company discloses facts transparently</li> <li>▶ Company participates in community and social development</li> <li>▶ Company be responsible for impact on the community and society</li> </ul>	<ul style="list-style-type: none"> <li>▶ Be a good organization of society and is transparent</li> <li>▶ Participate in development of good quality of life for the community and society</li> <li>▶ Determine responsibility for impacts to be part of the business operation</li> </ul>	<ul style="list-style-type: none"> <li>▶ Disseminated information on sustainable business operations through disclosure reports and the Company's website</li> <li>▶ Project to reduce impacts from product transportation and distribution and to create discipline and safe use of vehicles for sales staff of the vehicle unit continuously</li> <li>▶ Created opportunities for students to receive equal and quality education through the Yuvabadhana Foundation</li> <li>▶ Created opportunities and reduced inequality by hiring people with disabilities through the Social Innovation Foundation</li> <li>▶ Projects to help communities and society during the COVID-2019 pandemic</li> <li>▶ Determined annual plan on responsibility for impact on community and society</li> </ul>
<b>Environment</b> means natural resources such as energy, fuel oil, electricity and water	<ul style="list-style-type: none"> <li>▶ Preserve natural resources and rehabilitate watershed forests</li> <li>▶ Reduce the use of natural resources</li> <li>▶ Optimize efficient use of resources</li> </ul>	<ul style="list-style-type: none"> <li>▶ Conduct business by creating participation in community, social and environmental development</li> <li>▶ Build awareness of the use of natural resources</li> <li>▶ Campaign to promote energy conservation</li> </ul>	<ul style="list-style-type: none"> <li>▶ "MiVana" organic coffee that preserves the forest project</li> <li>▶ Wastewater reclamation for reuse project</li> <li>▶ Electricity/oil conservation project</li> <li>▶ Defined annual plan on responsibility for impact on the environment, such as usage and reduction of waste raw materials in the production process, expansion of installation of solar panels on factory buildings, management of garbage, etc.</li> </ul>

The Company takes into consideration the connection with and promotion of the Sustainable Development Goals (SDGs) with the aim to create a balance between the progress of business operations, employee stability and sustainability of society and the environment.

### Key Sustainability Issues for Stakeholders

Sustainable Development Framework	Key Sustainability Issues	Stakeholders	Linking to SDGs
Delivery of value for business progress	Good corporate governance (CG)	Directors	 
	Expansion of anti-corruption coalition	Management	
	Risk management	Employees	     
	Sustainable management	Trade partners Stores Consumers Shareholders Competitors Government sector	
Delivery of value for employee job security	Fair and equitable employment	Employees (internal society)	    
	Focus on human rights		
	Development of employees' potential and competence		
	Employee care and retention		
Delivery of value for sustainable development of society (external)	Building a sharing community/ society	Communities External society	     
	Development of social sustainability		
Delivery of value for environment to nature	Green procurement	Environment	     
	Efficient use of resources		
	Pollution and garbage management		
	Greenhouse gas management		

## 3.3 Sustainability Management in the Environmental Dimension

### 3.3.1 Environmental Policies and Practices

The Company recognized the importance of the impact of climate change, which is as an important international agenda that affects the economy, society and the environment. Therefore, it has established policies and practices for environmental management by conducting business responsibly that is driven through action plans in many areas, cultivation of environmental awareness among employees and promotion of responsible use of various resources.

As its 4 subsidiaries are located in different provinces, it considered this an opportunity to raise awareness and to take action in relation to business operation that must take into account social and environmental impacts, as well as introduced these ideas to members in the value chain to practice in the same manner.



### 3.3.2 Environmental Performance

In 2021, the Company has implemented environmental management through the Energy Conservation Working Group by upgrading the value chain starting from the procurement process, which can traced back to the origin of the reference material, to a production process that focuses on the cost-effective use of resources, joint development with partners to reduce waste of residual raw materials that are reused to develop new products, use of renewable energy by expanding the installation of solar panels on the roof of the manufacturing plant and reuse of treated wastewater, as well as created awareness and campaigned to reduce energy consumption and waste separation as well.

The “MiVana” organic coffee product that preserves forests business focuses on working with farmers growing organic coffee under the shade of forests in an area of over 5,550 rai of watershed forests in Chiang Rai Province to upgrade and strengthen the farmers to have a stable career and better income and standard of living. This is another mission in caring for the environment that must go hand in hand with business operations.

As for the approach to mitigate the problem of greenhouse gas, the Company is in the process of studying, communicating understanding and reviewing the standard for collection, storing and recording data, which will be considered as appropriate based on the business context. The Company and its employees and the mobilization of various cooperations are making an effort to promote the reduction of environmental impacts on an ongoing basis. The Company has disclosed more details of these activities on its website [www.premier-marketing.co.th](http://www.premier-marketing.co.th).



#### Environmental Performance

### 3.4 Sustainability Management in the Social Dimension

#### 3.4.1 Social Policies and Practices

From the aforementioned concept “Harmonious Alignment of Success” that incorporated social factors as part of the success in the social dimension, the Company divided the consideration into 2 parts, namely the internal social dimension and the community and external social dimension.



As for the employees of the organization, the Company recognized the value and importance of this resource on the basis of the human rights principles that must be treated equitably. Therefore, the Company has policies in various areas that are strictly observed ranging from policy on employment to compensation and welfare management, safety and occupational health and employee potential development. For communities and the external society, the Company promoted guidelines for development of social and environmental ecosystems through funding and other support, which will be the starting point for expanding results and creating social multipliers, such as access to educational opportunities, reduced social inequality, transparent operations coalition, etc.

## 3.4.2 Social Performance

### 3.4.2.1 Internal Social Performance

As human resources are critical to the success of an organization, the Company has prepared a manpower plan for various positions, recruited new employees both as replacement and as additional to support business expansion, developed employees' potential for advancement in their responsibilities, and encouraged employees to participate in enhancing self-development to create value for colleagues. The Company also provided care for employees so that they are happy and enjoy their work and created various social activities to help them bond with the organization. Additional details are provided on the Company's website [www.premier-marketing.co.th](http://www.premier-marketing.co.th).

**Fair and Equitable Employment** From the Company's recognition of the importance of employees, which are considered to be valuable resources and are the driving force towards achieving the goals of the organization's business operations, it has guidelines for equitable and fair treatment of all employees based on the human rights principles, has no discrimination regardless of skin color, race, sex or religion, has no usage of child labour or illegal labour, has compensation and remuneration management policies that are based on the principles of fairness, which are appropriate for the job description, responsibilities and competency of each employee and are comparable with other companies within the same industry. It has employees benefits that are in addition to those required by law, such as provident funds to create incentives to retain employees with the Company over the long term and also serves as a guarantee for after retirement. In addition, there is a savings cooperative that promotes savings and is a source of funds in emergencies that helps to alleviate the suffering of employees who are in need.

In 2021, the Company has no labour disputes. It also provided knowledge through safety training and promoted awareness among all employees to be aware of safety and to adhere to. These operations are in accordance with international standards that are observed.

**Focus on Human Rights** The Company is committed to continuous good corporate governance in order to achieve sustainable development. Therefore, a human rights policy has been established for executives at all levels in the organization to take responsibility and considered as an important matter that they must ensure that the employees under their command line acknowledge, understand and comply with the code of conduct and the Company's policy/regulations/requirements not to be involved or support or engaged in any way with persons and activities related to human rights violations.

In addition, the Company also provides opportunities for people with disabilities to be part of the team by allocating them to perform duties as appropriate to their abilities. For the year 2021, the Company had no complaints or disputes related to human rights violations. Furthermore, it has set guidelines and provided support to all involved in business operations throughout the chain to participate in business operations with integrity and respect for human rights.

**Development of Potential and Competence of Employees** The Company intends to apply all its 5 core values in the development of employee potential as part of upgrading the business value chain that will lead to the same guidelines until it is a skill and competency of employees that can be used to develop and enhance working with the teams, both internally and externally. In the past year, training was provided via electronic media, i.e. a course on the integration of the core values in the development of teaching skills for supervisors at the department manager level and above, and also self-learning courses through video clips that provide basic sustainability knowledge for employees through a 3 part series on Sustainability DNA for Employees prepared by the Stock Exchange of Thailand, consisting of Cultivation of Work with CG, Efficient Use of Resources How Can It Help Make an Organization Sustainable and Care and Development of Employees' Potential. This is to promote knowledge and understanding and can be applied in practice to support the drive for sustainability of the organization further.

**Employee Care** The Company has policies for the promotion of quality of life and care and retention of employees by encouraging and promoting employees to participate in the management of welfare, safety and work environment. In 2021, as the COVID-19 pandemic became more severe it was necessary for the Company to determine measures covering care, prevention, screening, surveillance, medical treatment through to rehabilitation for employees to strictly adhere to, such as procurement of alternative vaccines to prevent against the spread of COVID-19, personal protective equipment (face mask, alcohol gel and antigen test kit (ATK)) and arrange for employees to work at home on alternative days as appropriate, along with provide various tools that enable employees to work smoothly online.



## ยกระดับศักยภาพพนักงาน จุดเริ่มต้นการยกระดับห่วงโซ่คุณค่าของธุรกิจ

### โครงการ “คนจริงไม่ทิ้งသူตาย” คืออะไร

- โครงการที่ได้ชาวพริแมร์ทุกคนสามารถลงมือทำเรื่องดีๆ ที่สร้างการเปลี่ยนแปลงให้กับตัวเอง สร้างประโยชน์ให้กับคนอื่นได้เพื่อนร่วมงาน จิตใจและสังคมของเรา



#### คนจริงคือใคร

- คนที่มีความมุ่งมั่น ตั้งใจ พยายามทำจริง ตั้งใจสร้างการเปลี่ยนแปลง พร้อมลงมือพัฒนาสิ่งดีๆ



#### เป้าหมายของคนจริง

- สร้างการเปลี่ยนแปลงที่มีคุณค่าให้ธุรกิจ พนักงานและสังคม ด้วยการร่วมมือกันพัฒนาชีวิตและสิ่งแวดล้อมที่ยั่งยืน กลุ่มคนจริงได้มากขึ้น สร้างประโยชน์ได้เกิดขึ้นในวงกว้างและยั่งยืน



“ การผลักดันแนวคิดคุณค่าหลัก ให้อยู่ในกระบวนการทำงาน คืองานของเรา กระตุ้นความคิดสร้างสรรค์ เปิดรับความคิดใหม่ๆ เพื่อให้ได้มาซึ่งคุณภาพของงานการดูแลพนักงาน ต้องคิดในแง่ความเป็นอยู่ของครอบครัว สร้างความผูกพันให้พนักงานสบายใจ ที่สามารถคุยกันได้ทุกเรื่อง มีความสุข และเมื่อพวกเขามีความสุขก็จะนำไปสู่ผลลัพธ์ทางธุรกิจที่แข็งแกร่ง วัฒนธรรมที่ดีคือแรงขับเคลื่อนสำคัญที่จะนำไปสู่การเติบโตที่ยั่งยืนขององค์กร ”

คุณกนกวรรณ ภาโม  
ผู้อำนวยการฝ่ายบริหาร, PM Food

คุณจิราภรณ์ โลภกิจ  
ผู้จัดการฝ่ายบริหาร, PM Food

“ สังคมในอุดมคติ คือ ทุกคนรู้จักสิทธิหน้าที่ของตัวเองและเคารพสิทธิของผู้อื่น ควรเริ่มจากตัวเราที่ต้องเคารพสิทธิและไม่เบียดเบียนผู้อื่น ตรงนี้จะเป็นเรื่องเล็กๆ ที่เราทุกคนสามารถทำได้ ก็จะสามารถเปลี่ยนแปลงสังคมไปในทางที่ดีขึ้นได้ ”

คุณเจน  
บมจ.พริแมร์ มาร์เก็ตติ้ง

“ สังคมที่ดีเริ่มจากการให้ และแบ่งปัน การที่จะทำให้เกิดสังคมที่ดีในอุดมคติได้นั้น เริ่มจากตัวเราที่เป็นจุดเล็กๆ สามารถเริ่มให้และแบ่งปันสิ่งที่เรามีให้กับผู้อื่นได้ ”

คุณโจ้ว  
บมจ.พริแมร์ มาร์เก็ตติ้ง

## Social Performance (Internal)

### 3.4.2.2 External Social Performance

The development of communities and society outside the organization to build sustainable strength is a common goal of employees who have the opportunity to share their social responsibility. This was carried out on their own initiative through various projects in collaboration with the local communities and society, as well as collaboration with a network of partner organizations that have knowledge and expertise in many areas in jointly raising the level for stakeholders in the society outside the organization to be able to grow in line with the Company's business operations.

**1. Building a Sharing Society for the Community** During the COVID-2019 pandemic crisis and flood crisis in some areas that greatly affected the well-being of the communities and society, the Company cooperated and coordinated with government agencies in the area in which each of the group companies are located, which resulted in various projects as follows:

The Dinner for Heroes project, which is also known as “This Meal Is His, Let Us Take Care of It”, is a collaboration of the Premier Group employees to help raise funds and deliver 200 sets of food per day to medical personnel at Sirindhorn Hospital for a period of 3 months.

A project that provided assistance through the provision of financial support for the construction of the ICU cohort ward at Kabinburi Hospital. Additionally, together with the Kabinburi Industrial Zone constructed public toilets, totaling 5 rooms, for the Ban Khok Udom Tambon Health Promoting Hospital, as well as donated items for handing out to people who come to receive vaccinations to prevent the spread of COVID-19.

A project with the community at the police flats in Bang Bo District, Samut Prakan Province to provide knowledge and demonstration on how to make bio-fermented water from fish waste to replace the use of chemicals in agriculture at the community's household level to reduce household expenses and in part increase the household income as well.

A project to deliver necessary items to Lam Sonthi community from the continuous heavy rain in September of last year, which resulted in flooding in the area of Lam Sonthi District, Lopburi Province that expanded to 3 sub-districts, namely Kud Ta Phet Sub-district, Lam Sonthi Sub-district and Nongree Sub-district. The Company, therefore, joined with trade partners to transport necessary items to make survival bags for distribution to the villagers, totaling 179 households.



## Building a Sharing Society for the Community



## 2. Social Sustainability Development

The Company provided funding equal to 5% of its net profit after deduction of corporate income tax for each accounting period together with other support, such as personnel, time, knowledge and advice on project implementation, to support the operation in the building of cooperation mechanisms for “Partnership and Collaboration” of the Yuvabadhana Foundation, KhonThai Foundation, Enlive Foundation and external network partners to jointly develop a support model that will benefit all parties involved with details as follows:

From the beginning, these contributions have led to the development of social projects that cover multi-dimensional social issues and include examples of projects both operated by the foundations and those operated by the network partners as follows:

Social Issue	Project
Improving access to education and quality of education and enhancing the life skills of children and youth	<ul style="list-style-type: none"> <li>▶ Scholarship program “send children to school and make good kids” by Yuvabadhana Foundation</li> <li>▶ E-learning classroom math/science project by Learn Education platform</li> <li>▶ E-learning English classroom project by WinnerEnglish platform</li> <li>▶ Teacher as change agent project by Teach for Thailand Foundation</li> <li>▶ Student counselors - new generation project by social enterprise a-chieve</li> <li>▶ Volunteer mentor, pen pal and student volunteer projects by Yuvabadhana Foundation</li> <li>▶ Saturday school project by Saturday School Foundation</li> <li>▶ Learning center for underprivileged ethnic minorities project by Jesuit Foundation for Education</li> </ul>
Supporting good nutrition for children	<ul style="list-style-type: none"> <li>▶ Food4Good project</li> </ul>
Promoting early childhood development and health	<ul style="list-style-type: none"> <li>▶ Early childhood development project (Integrated Child Center Active Learning Project : ICAP)</li> <li>▶ Save kids from pollution/fresh air for kids “La-on Noi Hai Jai Muan” project</li> </ul>
Improving the quality of life of the elderly	<ul style="list-style-type: none"> <li>▶ Buddy HomeCare project</li> <li>▶ Local volunteer caregiver to care for the elderly with dependency project</li> <li>▶ “Cheevamitr” access to the quality of life in the final stage project</li> </ul>
Job creation and career building	<ul style="list-style-type: none"> <li>▶ Social enterprise for home-based workers group project</li> <li>▶ 330-hour training for assistants of traditional medicine practitioners project</li> </ul>
Promoting good governance and anti-corruption	<ul style="list-style-type: none"> <li>▶ Integrity pact project</li> <li>▶ ACT watchdog project</li> <li>▶ Anti-corruption big open data project</li> <li>▶ CAC SME certification project</li> <li>▶ Anti-corruption game development for classrooms project</li> <li>▶ Community scorecard in the three southernmost provinces project</li> <li>▶ Sujaritthai curriculum project</li> <li>▶ Online curriculum for teacher development to promote morality and good governance in classrooms project</li> <li>▶ Crowdsourcing investigative journalism (must share page) project</li> </ul>
Conserving natural resources and creating a sustainable ecosystem	<ul style="list-style-type: none"> <li>▶ Cherish Krabi project</li> <li>▶ Makatho Family Forest project</li> <li>▶ Krabi Underwater Learning Park Phi Phi Ley Island project</li> <li>▶ Collaboration for resource management at Jam Island, Krabi Province project</li> <li>▶ Ecosystem conservatory at Laem Phra-nang-Raile Bay project</li> <li>▶ Eco-tourism at Koh Klang, Krabi Province project</li> </ul>

Social Issue	Project
Relief assistance for COVID-19 pandemic	<ul style="list-style-type: none"> <li>▶ CoLIFE project</li> <li>▶ COVID relief project</li> <li>▶ COVID-19 Fund for Thailand project</li> <li>▶ Negative pressure isolation room project</li> <li>▶ Negative pressure cohort ward project</li> <li>▶ COVID-19 food assistance for children project</li> <li>▶ Support for scholarship students affected by COVID-19 project</li> </ul>
Other areas	<ul style="list-style-type: none"> <li>▶ Equip parents with skills to communicate with their children project</li> <li>▶ Chatbot save women from violence project</li> <li>▶ Knee replacement surgery for underprivileged patients in remote areas project by the New Joint for Life Foundation</li> <li>▶ Pollution alert project</li> <li>▶ Medical device support for the treatment of neonatal jaundice project</li> <li>▶ Assistance for underprivileged sick children project by the Yuvaraksa Foundation</li> <li>▶ Care and understanding of special needs children project by The Rainbow Room Foundation</li> </ul>

### Beneficiaries of Sustainable Social Development

As a result of the implementation of the projects for sustainable social development, there were beneficiaries from both the specific groups according to the project objectives and the general public who are both direct and indirect beneficiaries numbering more than 700,000 and covering various groups of beneficiaries as follows:

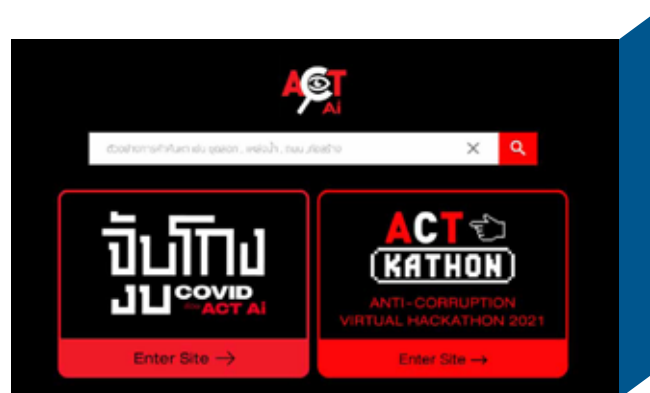
- ▶ Children and youths
- ▶ Early childhood
- ▶ Elderly people
- ▶ Disabled and sick persons
- ▶ Teachers and parents
- ▶ Medical personnel
- ▶ General public

More details about the beneficiaries can be found in the annual reports of the various foundations at the below links:

Yuvabadhana Foundation: <https://www.yuvabadhanafoundation.org/th/annual/>

KhonThai Foundation: <http://khonthaifoundation.org/th/resources/>

Enlive Foundation: <http://www.enlivefoundation.com/index.php/th/annual-report-th>



Examples of Building Participation for Sustainable Social Development

## 4. Management Discussion and Analysis (MD&A)

### 4.1 Analysis of Operating Result and Financial Position

#### 1. Business Overview of the Company and Its Subsidiaries

In 2021, the snack food business had a decrease in growth value of 0.2% and when considering only the fish snack market, its growth value dropped by 11.7%, which is still a consequence of the COVID-19 epidemic. The government has issued measures to prevent the spread and ordered department stores and various retail stores as well as entertainment venues to close at an earlier than normal hour and imposed strict measures to control festival activities such as Children's Day, the Songkran festival, etc. which, if considering only the market value in the sales channels of department stores and convenience stores in 2021, the market growth decreased by 1.8 percent. The company then focused on expanding its distribution network to cover both domestic and international markets so as to increase the distribution channel of the company, opening online sales channels to facilitate the purchase of consumer products and also continuing to focus on developing and introducing new products to the market regularly.

Pet food product manufacturing business, in 2021, was still affected by the COVID-19 pandemic regarding to international shipping due to container shortages, labor shortage and also including rising costs of raw materials and packing materials. Due to effective management in difficult situations, sales from the pet food business increased regarding the growth of the pet food markets, especially in the European and American markets. This was a positive impact due to the epidemic situation of COVID-19 which social distancing had people stay home and the rate of raising pets increased. The Company continued to focus on the production and distribution of pet food by collaborating with partners to develop products and design in a variety of new packaging formats, and focused on producing quality products that meet global international standards. In 2021, the Company increased production capacity in order to support business expansion and meet the market needs sufficiently and keep up with the demand.

#### 2. Analysis of the Operating Results

The Company and its subsidiaries had profit for the period of 344.6 million Baht, decreasing from the same period of the previous year by 54.2 million Baht. The Company and its Subsidiaries had profit from operating activities of 438.6 million Baht, which decreased by 47.6 million Baht.

Net revenue from sales and services for the period was 4,364.3 million Baht, increasing from the same period of the previous year by 203.8 million Baht, which consisted of:

- ▶ Domestic sales amounted to 3,103.9 million Baht, decreasing from the same period of last year by 50.8 million Baht. As a result of COVID-19 pandemic impact, there was a decrease of 81.9 million Baht from the consumer product distribution business while there was an increase of 31.8 million Baht from accelerating the distribution of coffee products.

- ▶ Foreign sales amounted to 1,260.4 million Baht, increasing by 254.6 million Baht from the same period of the previous year as a result of increases of 248.9 million Baht from the food production business of pet food which continuously increased from the previous year, especially in European and U.S. markets, and 5.7 million Baht from the Taro product distribution in Republic of China.

Gross profit margin was 30.9 percent, decreasing from the same period of the previous year by 1.5 percent, mainly due to the coffee product business of 1.0 percent and a food production business of 0.5 percent. This resulted from an increase in prices of main raw materials and packaging products as well as an increase in expense of COVID-19 protective measures at the factory.

Distribution costs for the period was 463.4 million Baht, increasing from the same period of the previous year by 32.1 million Baht, from an increase in advertising and promotional expenses for new products including organizing the Traceability project of Taro products and the opening of a coffee business flagship store.

Administrative expenses for the period was 477.3 million Baht, increasing from the same period of the previous year by 35.1 million Baht, mainly due to the increase in personnel expenses of 23.3 million Baht mainly from food manufacturing business. In the period, there was recognized as a loss on exchange rate from revaluation of foreign currency assets and liabilities amounting to 6.5 million Baht due to higher exchange rate of the current year relative to the previous year. Depreciation expenses increased by 3.3 million Baht from investment in machinery and equipment, including the installation of solar panels in the Subsidiary's factory (Solar Rooftop) and opening a coffee Flagship Store. Marketing research and product development amounted to 2.0 million Baht.



In the period, the Company and its Subsidiaries recognized unrealized gains (losses) from fairvalue measurement of financial assets as gains of 8.5 million Baht. In the same period of the previous year, there was recognized as a loss of 12.1 million Baht.

### 3. Analysis of the Financial Position

#### Assets

Total assets of the Company and its subsidiaries as at 31 December, 2021 amounted to 2,585.1 million Baht, decreasing from the end of the year 2020 by 127.8 million Baht or by 5.2 percent from significant changes as follows:

- ▶ Cash and cash equivalents increased by 33.1 million Baht.
- ▶ Trade and other receivables decreased by 115.2 million Baht, mainly due to the Company's sales decline with an average debt collection period of 58.9 days.
- ▶ Inventories increased by 81.8 million Baht, mainly from food manufacturing segment with an average sales period of 8.6 days.
- ▶ Other current financial assets increased by 44.0 million Baht, mainly from prepaid expenses for producing advertising material for Taro products in People's Republic of China.
- ▶ Property, plant and equipment increased by 69.5 million Baht from additional investment in machinery, tools and equipment to expand the production capacity and increase the efficiency of the Subsidiary's production.

#### Liabilities

Total liabilities of the Company and its subsidiaries as at 31 December, 2021 amounted to 1,154.8 million Baht, increasing from the end of the year 2020 by 61.4 million Baht or by 5.6% from significant changes as follows:

- ▶ Bank overdrafts and short-term loan from financial institution increased by 131.2 million Baht, from being used as working capital of the Company and its Subsidiaries.
- ▶ Trade and other payables decreased by 27.3 million Baht, mainly from trade payables decreasing by 10.8 million Baht and other payables decreased by 16.5 million baht, with an average repayment period of 42.1 days.

#### Shareholders' Equity

Total shareholders' equity as at 31 December, 2021 amounted to 1,430.3 million Baht, increasing from the end of 2020 by 66.4 million Baht. Profit for the year was 344.6 million Baht. Actuarial gain net of income tax was 14.1 million Baht. Land appraisal gain net of income tax was 14.7 million Baht. Dividend payment during the period was 307.0 million Baht.

### 4. Analysis of the Cash Flow Statement

The Company had cash flow and cash equivalents as at 31 December, 2021 of 57.0 million Baht, increasing from the same period of the previous year by 33.1 million Baht from significant changes as follows:

- ▶ Net cash flows from operating activities amounted to 411.2 million Baht from profit before income tax of 427.1 million Baht, adjusted by reconciliation of profit before tax to cash received (paid) of 118.2 million Baht mainly from depreciation and amortization. Operating assets and liabilities decreased by a net of 62.0 million Baht, and during the year, income tax was paid in the amount of 72.7 million Baht.
- ▶ Net cash flows from investing activities amounted to 130.1 million Baht from the purchase of a net open-end fund of 2.3 million Baht and additional investment in building improvements and equipment net of 127.9 million Baht.
- ▶ Net cash flows used in financing activities amounted to 248.0 million Baht from dividend paid of 306.9 million Baht, repayment of operating lease liabilities of 19.5 million Baht and cash received from financial institutions and overdrafts net of interest expenses of 78.4 million Baht.

## 4.2 Factors or Events That May Affect the Financial Position or Operations Significantly in the Future (Forward Looking)

From the situation of COVID-19 pandemic that is still spreading around the world including the situation of rising oil prices which will affect the production cost, raw material cost, packaging cost, shipping cost and other main costs, the overall cost has continued to rise. In addition, the minimum wage will increase in this coming April, the Company expects that it will rise more than usual regarding to a significant increase of the cost of living.

However, the management of the Company and the Group of Companies have given importance to planning so as to cope with such situations and remained closely monitor. Also, they have focused on raw material management, factors in production and other costs to be effective and maintained the quality of products and services to create customers satisfaction. In addition, if the above situation has adjusted in a better way, the Company and the Group of Companies have prepared themselves to support the recovery from the aforementioned situation, both in terms of capacity expansion, product development and distribution channel development so as to provide consumers with convenient and comprehensive access to the products of the Group, including expanding the production capacity to support the needs of consumers continuously.

Amid the uncertain situation both domestically and internationally, the management of the Company and the Group continues to focus on monitoring the impact of the COVID-19 pandemic, which is the main factor affecting the health of the world's population and causes the global economic downturn continuously, political factors both domestically and internationally, social conditions, age factors of the population in countries where the proportion of elderly people has increased significantly, employment rate in the country includes the various government policies in each country, changing technology trends, laws and environmental factors. Most of these are factors that the Company cannot control but these may affect the Company both in the short term and in the long term, and both directly and indirectly.

Therefore, the management team of the Company and the Group of Companies foresee this importance that needs to closely monitor the above-mentioned internal and external control environmental factors in order to manage risks appropriately and be able to resolve problems that may occur to the Company and the Group in a timely manner so as to minimize negative impacts to the Company.

### 4.3 Summary of Financial Data

Summary of significant financial data of the Company and its subsidiaries for the past 3 years are shown in below table.  
(Unit: Million Baht)

	2021	2020	2019
<b>Financial Data</b>			
Total Assets	2,585.14	2,457.28	2,586.28
Total Liabilities	1,154.83	1,093.36	939.65
Shareholders' Equity	1,430.32	1,363.92	1,646.63
Sales and Service Revenues	4,364.28	4,160.51	4,086.31
Total Revenues	4,394.98	4,183.96	4,128.09
Gross Profit	1,348.58	1,349.17	1,218.01
Net Profit	344.59	398.79	270.15
<b>Financial Ratio</b>			
Gross Profit Margin (%)	30.90	32.43	29.81
Net Profit Margin (%)	7.84	9.53	6.54
Return on Equity (%)	24.66	26.49	16.11
Return on Assets (%)	13.67	15.81	10.49
Earnings (Deficit) per Share (Baht)	0.64	0.69	0.46
Dividend per Share (Baht)*	0.45	0.50	0.73

\* On 15 February, 2022 the Board of Directors' resolution to propose the distribution of dividend for the year 2021 to the Annual General Meeting of Shareholders to be held on 28 April, 2022 at the rate of 0.30 Baht, after adding the interim dividend payment of 0.15 Baht per share on 8 September, 2021, the total dividend payment was 0.45 Baht per share.

## Key Financial Ratio

Table of key financial ratios reflecting the financial position and operating results of the Company and its subsidiaries for the past 3 years.

	2021	2020	2019
<b>Liquidity Ratios</b>			
Current ratio (Time)	1.60	1.71	2.34
Quick ratio (Time)	0.86	1.05	1.62
Cash flow current ratio (Time)	0.49	0.64	0.62
Receivable current ratio (Time)	6.20	5.90	6.00
Average debt collection period (Day)	58.86	61.88	60.87
Inventory turnover period (Time)	42.48	38.12	31.91
Average selling period (Day)	8.59	9.57	11.44
Payable current ratio (Time)	8.68	8.11	7.87
Loan repayment period (Day)	42.06	45.01	46.40
Cash cycle (Day)	25.39	26.45	25.74
<b>Profitability Ratios</b>			
Gross profit margin (%)	30.90	32.43	29.81
Operating profit margin (%)	9.83	12.00	9.58
Cash to profit margin (%)	93.96	95.70	103.48
Net profit margin (%)	7.84	9.53	6.54
Return on equity (%)	24.66	26.49	16.11
<b>Efficiency Ratios</b>			
Return on assets (%)	13.67	15.81	10.49
Return on fixed assets (%)	48.16	55.93	38.81
Assets turnover (Time)	1.74	1.66	1.60
<b>Financial Policy Ratios</b>			
Debt to equity ratio (Time)	0.81	0.80	0.57
Interest coverage ratio (Time)	72.40	115.52	186.90
Commitment coverage ratio (Time)	2.93	8.11	9.95
Pay out ratio (%)	88.24	89.26	85.88

**Remark :** The key financial ratios were calculated according to "Manual for preparing Annual registration statement/ Annual report Form 56-1 One Report and Form 69-1 of the Securities and Exchange Commission.

## 5. General and Other Important Information

### 5.1 General Information of Other References

#### 1) Securities Registrar

**Thailand Securities Depository Co., Ltd.**

The Stock Exchange of Thailand Building No. 93, Ratchadaphisek Road, Dindaeng Sub-district,  
Dindaeng District, Bangkok 10110

Telephone 0-2009-9000

Fax 0-2009-9991

TSD Call Center 0-2009-9999

Website : <http://www.set.or.th/tsd>

E-mail : SETContactCenter@set.or.th

#### 2) Debenture Holders' Representations

- None -

#### 3) Auditor 2021

Mr. Chatchai Kasemsrithanawat CPA Registration No. 5813 or

Miss Sirirat Sricaroensup CPA Registration No. 5419 or

Miss Watoo Kayankannavee CPA Registration No. 5423

**EY Office Limited**

33<sup>rd</sup> Floor, Lake Ratchada Office Complex, 193/136-137, New Ratchadaphisek Road, Bangkok 10110

Telephone 0-2264-0777, 0-2261-9190

Fax 0-2264-0789 - 90, 0-2661-9192

#### 4) Financial Advisors

- None -

#### 5) Law Consultant

- None -

#### 6) Consultant or Manager Under Management Contract

**Management and Business Consulting Contract**

**Premier Fission Capital Co., Ltd.**

No. 1, Premier Corporate Park, Soi Premier 2, Sinakharin Road

Nong Bon Sub-district, Prawet District, Bangkok 10250

Telephone 0-2301-1000

Fax 0-2398-1188

## 5.2 Other Important Information

### 5.2.1 Information that materially affects the decision of investors

- None -

### 5.2.2 Restriction of foreign shareholders

- None -

## 5.3 Legal Dispute

As at 31 December, 2021, the Company and its subsidiaries have no legal dispute that cause detriment with the amount impact more than 5% of Shareholders's equity and no othersignificant dispute that may materially impact to business operation. Also there is no dispute that arises from the normal business operations.

## 5.3 Secondary Market

- None -

## 5.5 Financial Institution Contact (For the Company that issue Debt Instrument Only)

- None -

## 6. Corporate Governance Policy

### 6.1 Overview of Policies and Practices of Corporate Governance

The Company's Board of Directors emphasizes good corporate governance. It believes that good corporate governance and management under the framework of good ethics, transparency, accountability and fairness to all relevant parties will help to promote the Company's stable and sustainable growth and help to increase the confidence of the shareholders, investors and all related parties. Therefore, the Board of Directors has established in writing the principles of good corporate governance as a guidance for the management and employees as follows:

- 1) Conduct business with integrity, fairness, transparency and accountability, and disclose adequate information to all relevant parties.
- 2) Provide appropriate and effective internal control, risk management and internal audit systems
- 3) Emphasize on the rights of shareholders and treat shareholders equally with fairness to all parties.
- 4) Comply with the requirements of all relevant laws and regulations and business ethics in order to protect the rights of all groups of stakeholders.
- 5) Organize the structure, duties and responsibilities of each group of directors clearly.

#### 6.1.1 Policies and Practices relating to the Board of Directors

The Company has set the guidelines regarding the responsibilities of the Board of Directors as follows:

##### 1. Structure of the Board of Directors

1.1 The Board of Directors has prescribed that the structure of the Board shall consist of directors with various characteristics in terms of gender, age, educational background, professional experience, skills and knowledge, experience and specific capabilities that benefit the Company and shall consist of at least 1 non-executive director with experience in the business or main industry in which the Company is operating.

1.2 The Board of Directors ensures that the Board's diversity policy and the number of years each director has served as a director of the Company are disclosed in the annual registration statement (Form 56-1 One Report) and on the Company's website.

1.2.1 Disclose the procedures for selection of directors that is formal and transparent and the number of years each director has served as a director of the Company are disclosed in the annual registration statement (Form 56-1 One Report) and on the Company's website.

1.2.2 Disclose the name, history, qualifications, experience and shareholding in the Company of the directors in order to show that the Board has the knowledge, skills, characteristics and experience that are useful to the Company in the annual registration statement (Form 56-1 One Report) and on the Company's website.

1.2.3 Disclose clearly in the annual registration statement (Form 56-1 One Report) the directors representing the shareholders/ non-executive directors/independent directors/executive directors.

1.3 The Board is appropriately sized and is composed of persons with sufficient knowledge, experience and skills to perform their duties efficiently. The Board is composed of at least 5 but not more than 12 directors.

1.4 The Board consists of independent directors who can independently comment on the performance of the management in the number prescribed in the notification of the Securities and Exchange Commission (SEC).

1.5 The proportion of directors is in accordance with the director nomination process, which is mainly based on the criteria of knowledge, competency and suitability of the person to be appointed as a director rather than on the criteria on proportion of investments.

1.6 The Company takes into account the benefits to corporate management according to the director nomination process set by the Company rather than the number or proportion of independent directors.

1.7 The Board of Directors has determined the tenure of each term of office but has not set the limit on the number of consecutive terms in office.

1.8 The Board considers the qualifications of the person to be appointed as an "independent director" to ensure that the independent directors of the Company are truly independent and are appropriate for the specific nature of the Company. Their independence must at least be in accordance with the criteria set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

1.9 The continuous tenure of the independent director will be beneficial to the corporate management and business operations of the Company. In addition, the search for a competent person to serve as independent directors cannot be implemented immediately.

1.10 The Chairman of the Board and the Managing Director have different roles and responsibilities. The Board has clearly defined the roles and responsibilities of the Chairman and the Managing Director and has recruited different persons to hold the positions of Chairman and Managing Director so that neither person has unlimited power.

1.11 The Board of Directors respects the judgment of the Managing Director and senior executives of the Company not to serve as a director of other companies with the same business as or are in competition with the business of the Company or are contrary to the interests of the Company.

1.12 The Company has appointed a Company Secretary to be responsible for advising on laws and regulations of relevance to the Board of Directors and for overseeing the activities of the Board, including coordinating the compliance with the Board's resolutions.

The Board of Directors has determined the qualifications and experience of the appropriate Company Secretary who will perform the duty as the secretary of the Company. The qualifications and experience of the Company Secretary are disclosed in the annual registration statement (Form 56-1 One Report) and on the website of the Company.

1.13 The Company Secretary has received training and continuous development in legal, accountancy, or company secretarial practices. The Company determines the qualifications and appoints a person as the Company Secretary by taking into consideration of mainly his knowledge, capability and work experience, disregarding whether such person is a permanent employee of the Company or not.

## 2. Sub-Committees

2.1 The Board of Director has appointed the Audit Committee in accordance with the requirement of the Stock Exchange of Thailand with a term of office of 3 year to perform specific duties and to propose matters for consideration or acknowledgement by the Board. The Audit Committee has rights and duties as set out in the Scope of Responsibilities of the Audit Committee and has qualifications according to the criteria prescribed by the SEC.

2.2 The Board of Directors has appointed the Corporate Governance and Risk Oversight Committee, which consisting of members who are selected from directors from supporting unit or persons with knowledge and experience sufficient to perform governance and risk functions and also independent from management. The committee consists of at least 3 persons to monitor, review, evaluate and advise on the management's corporate governance and risk framework.

2.3 The entire the Board of Directors, except for directors with conflicts of interest, perform duties for the Remuneration Committee. Duties performed are within the scope of considering the criteria for and forms of remuneration to the directors and presenting its opinion to the Board before presenting such remuneration to the shareholders' meeting for approval.

2.4 The entire the Board of Directors, except for directors with conflicts of interest, perform duties for the Nomination Committee. Duties performed are within the scope of considering the criteria and process for nomination of persons with appropriate qualifications and is in accordance with the business strategy of the Company to serve as directors, as well as select persons according to the determined nomination process and present its recommendation to the Board, which will propose to the shareholders' meeting to appoint as directors. For the process of recruiting the said persons, the Company shall select from the Thai Institute of Directors (IOD)'s list of chartered directors and from persons in various fields by considering their qualifications, seniority and work experience.

## 3. Roles and Responsibilities of the Board

3.1 The Board's duties and responsibilities should include the following matters:

- 1) Consider and approve key matters on the Company's operations, such as the vision and mission, strategy, financial targets, risks management, plans, budget, etc.
- 2) Monitor and ensure efficient and effective implementation by the management of approved policies, Strategies and plans with efficiency and effectiveness.
- 3) Internal control and risk management, including the process for receiving and handling complaints.



- 4) Ensure long-term business continuity, including employee development plan and succession plan.

3.2 The Board of Directors has determined in writing a corporate governance policy for the Company as follows:

- 1) The Board has determined and approved a written corporate governance policy.
- 2) Communicate to everyone in the organization for their understanding.
- 3) Have method to encourage everyone in the organization to comply with the corporate governance policy.
- 4) Assess compliance to the corporate governance policy and review the policy at least annually.

3.3 The Board of Director promotes the preparation of a written code of conduct so all directors, executives and employees will understand the ethical standards the Company uses in its business operations and seriously monitors compliance with the code.

The Company has arranged for all employees to take the “Sujarit-Thai (or Honest Thai)” test through its intranet system to ensure that employees have knowledge and understanding about anti-corruption, which is part of the business ethics, and can implemented it correctly and appropriately. In addition, the Company has evaluated the performance of all employees on the topic of morality, ethics and good governance in order for them to be good role models for others and society in accordance with the core values of the Premier Group annually.

3.4 The Board of Directors considers any conflict of interests thoroughly. There should be clear guidelines on the approval of transactions with possible conflicts of interest, which is chiefly for the best interests of the Company and all its shareholders. Persons with vested interests should not participate in the decision-making process. The Board should also monitor compliance with regulations regarding the procedures for and disclosure of information on transactions that may have conflicts of interest to ensure accuracy and completeness.

3.5 The Board of Directors ensures that internal control systems for financial reporting and compliance with regulations and policies are in place. The Board has assigned a person or a department that is independent to audit such systems and to review the main systems at least annually, as well as disclose the review results in the annual registration statement (Form 56-1 One Report).

3.6 The Board has established a risk management policy covering the whole Company and has assigned the management to implement the policy and regularly report to the Board. The risk management system is review or the effectiveness of risk management is assessed at least once a year with the results disclosed in the annual registration statement (Form 56-1 One Report), and whenever, there is a change in risk level, which includes focusing on early warning signs and unusual transactions.

3.7 The Board of Directors or the Audit Committee should provide its opinion on the adequacy of the Company's internal controls and risk management systems in the annual registration statement (Form 56-1 One Report).

3.8 The Board of Directors has set clear procedures for whistle-blowers or stakeholders through its website or directly to the Company or report directly to the Company. The Board has assigned the Company Secretary as the recipient and handler of complaints from the stakeholders. The procedures and channels for filing complaints are disclosed on the Company's website and annual registration statement (Form 56-1 One Report). The Company has mechanisms for whistle-blower protection and compensation measures in the case stakeholders receive damages from the Company's violation of their legal rights.

3.9 The Board of Directors has mechanisms for governing its subsidiaries in order to protect the benefits from its investment. The Board is responsible for determining the suitability of persons to be appointed as directors of the subsidiary companies in order to ensure that its management complies with the policies of the Company and that various transactions are executed correctly according to securities and exchange laws and notifications of the SET.

3.10 The Board of Directors ensures that the management monitors and evaluates the financial position of the business and reports to the Board of Directors on a regular basis. If there is a problem, the Board of Directors and the management will work together to find a solution quickly and reasonably with regard to fairness to stakeholders, including creditors as well as follow up problem solving by having the management report the status on a regular basis and in approving any transactions or proposing opinions to the shareholders' meeting for approval. The Board of Directors will consider that such transactions will not affect the continuity of business operations, financial liquidity or the ability to pay debts.

#### 4. Board of Directors' Meetings

4.1 The Company sets the schedules and agendas of the Board of Directors' meeting in advance throughout the year and notifies each director of the schedule so that all directors can manage time to attend the meetings.

In 2021, the directors' meetings, excluding special meetings, for 2022 were scheduled in advance (the schedule is subject to change) to consider the financial statements, determine policies and monitor the operational results as follows:

No.	Audit Committee Meeting	No.	Board of Directors Meeting	Annual General Meeting of Shareholders
1/2022	15 February 2022	1/2022	15 February 2022	28 April 2022
2/2022	10 May 2022	2/2022	10 May 2022	
3/2022	9 August 2022	3/2022	9 August 2022	
4/2022	7 November 2022	4/2022	7 November 2022	
		5/2022	8 November 2022	

However, both the Board of Directors and the Audit Committee may reserve and request for any change or additional meeting from above table.

4.2 The number of Board meetings should correspond with the duties and responsibilities of the Board and the nature of business of the Company. In the case the meetings are not held monthly, the Company will send a performance report to the directors for the months in which there was no meeting so that they can continuously and timeously supervise and oversee the performance of the management.

4.3 The Chairman of the Board and the Managing Director jointly selects matters for inclusion in the agenda of the Board meeting and ensures that all important matters are included. Opportunity is provided for each director to independently propose any matter that is beneficial to the Company as an agenda item.

4.4 The meeting documents are sent to the directors at least 5 working days in advance of the meeting date.

4.5 All directors attended at least 75 per cent of all Board meetings held during the year.

4.6 The Company has set a minimum quorum policy for the Board of Directors' voting at Board meetings requiring that at least two-thirds of the total number of the directors must be present.

In the case of an event/urgent agenda/force majeure that may cause damage to the business or the operations of the Company and it is not possible to arrange for two-thirds of the total number of the directors to attend the meeting, not less than half of the directors in accordance with the Articles of Association have the power to consider and pass a resolution on that agenda.

4.7 The Chairman allocated adequate time for the management to propose matters and enough time for all directors to discuss important problems carefully. The Chairman promotes the prudent use of discretion. All directors paid attention to all matters raised at the meeting, including those concerning corporate governance.

4.8 The Board of Directors encourages the Managing Director to invite the senior executives to attend the Board meetings to provide additional information on the problems to which they are directly related and to provide an opportunity for the Board to learn more about the senior executives for use in supporting the consideration of the succession plan.

4.9 The Board of Directors has access to additional necessary information from the Managing Director, Company Secretary or other executives assigned under the scope of the policy set. If necessary, the Board may obtain independent opinions from external consultants or practitioners at the Company's expense.

4.10 The Board of Directors considers it a policy to provide opportunities for non-executive directors to meet among themselves as necessary to discuss various management issues of interest without participation of the management and to inform the Managing Director of the outcome of such meetings.

4.11 The minutes of the meeting should consist of at least the following information and there should be a good storage system with easy data search but cannot be amended without approval of the Board meeting.

- ▶ Date, start time and end time;
- ▶ Names of the directors present and absent;

- ▶ Summary of important information on the matters proposed to the Board;
- ▶ Summary of the matters discussed and observations of the directors;
- ▶ Resolutions of the Board and opinions of the dissenting directors (if any);
- ▶ Recorder of the minutes - Secretary to the Board of Directors;
- ▶ Certifier of the minutes - Chairman.

## 5. Board Self-Assessment

5.1 The Committee and Subcommittee conduct self appraisal at least once a year, in order for the committee to join together to consider the work and the problems so that it can be improved and adjusted; by setting norms that will be used to compare with the performance.

5.2 Evaluation of the Board of Directors performance is an assessment of both individual and the entire committee and evaluation of the Sub-Committee performance is an assessment of the entire committee. These assessments are disclosed procedures principle in the Company's annual registration statement (Form 56-1 One Report).

5.3 The Committee annually evaluates Chairman of the Executive Committee or Managing Director to be used in determining their remuneration. At which the Company evaluate in accordance with the principle that the Stock Exchange of Thailand has set.

For the Board self-assessment process, the Company Secretary will send the evaluation form mentioned above to all directors in November and respond within 15 December of every year. After that, the Company Secretary will collect and report the results of the evaluation in comparison with the previous year to the next Board of Directors' Meeting to acknowledge and improve the work to be more effective.

For the Board self-assessment criteria, the Company has evaluate the performance of the entire committee and evaluate the performance of individual by using the method of scoring for each topic with 5 level which are:

- 0 = Strongly disagree or there has been no implementation of the matter
- 1 = Disagree or there has been little implementation of the matter
- 2 = Agree to a limited extent or there has been initial implementation of the matter
- 3 = Mostly agree or there has been progressive implementation of the matter
- 4 = Strongly agree or there has been complete implementation of the matter

Evaluation Topics consisted of 6 main topics, which are

1. Structure and qualification of the Board
2. Roles, duties and responsibility of the Board
3. Board Meeting
4. Duties of Directors
5. Relationship with the management division
6. Directors' Self Development and Executive Development

As for the procedure principle of each sub-committee assessment, the Company has the entire committee assessment by using the same method of scoring for both entire committee assessment and individual assessment. The topic of assessment consists of 3 main categories which are as follows:

1. Structure and Qualification of the Sub-Committee
2. Meetings of the Sub-Committee
3. Roles, Duties, and Responsibilities of the Sub-Committee

Moreover, the Company has evaluated the Chairman of the Executive Committee's performance by considering from the Company's business operating performance and operating performance in accordance with the policies assigned by the Board of Directors for improvement. The same method is use with the performance evaluation of the entire committee and individual performance evaluation. The evaluation topic consisted of 3 main sections, which are:

Section 1 : Progress of work plan

Section 2 : Performance Measurement

- 2.1 Leadership
- 2.2 Strategy Formulation
- 2.3 Strategy Implementation
- 2.4 Financial planning and financial performance
- 2.5 Relationship with the Board

- 2.6 External Relations
- 2.7 Administration and Personnel relations
- 2.8 Succession
- 2.9 Knowledge of products and services
- 2.10 Personal Characteristics

Section 3 : Development of the Chairman of the Executive Committee

## 6. Remuneration

The remuneration of directors is comparable with the level of that of other listed companies in the industry in which the Company operates and reflects the experience, obligations, scope of work, accountability and responsibilities, and expected contributions from each director. Directors who are assigned to more duties and responsibilities, such as being members of sub-committees, shall receive appropriate additional compensation as well.

## 7. Board and Management Training

7.1 The Board of Directors encourages and facilitates training and educating for those involved in corporate governance of the Company, such as directors, members of the Audit Committee, executives, Company Secretary, etc., to assist them to continuously improve their performance. Training and educating can be done internally or through the use of the services of external institutions.

7.2 The Board of Directors determined to have orientation for all new directors, to build knowledge and understanding of the business and various aspects of the Company's operation. The purpose is to prepare the readiness of directors in practicing their duties. The Company secretary will be a coordinator in various matters such as business structure, directors structure, scope of duties, Laws to know, general knowledge of business, operation guideline and etc.

7.3 The Board has assigned the Managing Director to organize an executive development program and disclose it in the Company's annual registration statement (Form 56-1 One Report).

7.4 The Board requires the Managing Director to present them with the Company's succession plan at least once a year. The Managing Director and senior executives have prepared continuous succession plans in case they cannot perform their duties.

In addition, the Board of Directors has established guidelines for the regular annual review of its good corporate governance policy to correspond with the circumstances of the Company.

In addition, the Board of Directors has established guidelines for the regular annual review of its good corporate governance policy to correspond with the circumstances of the Company.

The company did not comply with criteria in Section 5 "Responsibilities of the Board of Directors" of the Corporate Governance Report of Thai Listed Companies (CGR) in 2021 as follows:

1. The Board has no policy, in the corporate governance policy, to unlimited the number of listed companies that committee members took position in. The Board of Directors is effective. Limited number of companies to take position has no impact on performance and the number competent and experienced candidates are limited. Therefore, the company struggled to hire candidates to be committee members.

2. The Board of Directors did not establish the policy on directorship entitlement of the Managing Director in other companies as the Company has determined the prohibition/limitation of the Managing Director regarding execution of transaction or entitlement in other companies or organizations having conflict of interest or affecting the performance in the position of the Managing Director. Further to such prohibition/limitation, the Company is confident and respects the Managing Director's judgment for his or her entitlement of the Managing Director position or other positions in other companies or organizations.

3. The Board of Directors did not determine the policy on limitation of the mandate of a yearly basis of independent director, which does not exceed 9 years, as continues entitlement of independent directorship would be beneficial to the management and business operations of the Company. In addition, the recruitment of qualified, knowledgeable and capable of directors cannot be conducted in a simple manner.

4. The Board of Directors had its directors who had directorship positions in more than 2 other listed companies. Regardless, thanks to the effectiveness of the directors' performance, unlimited the limitation of companies for directorship position did not affect their performance. In addition, the number of qualified, knowledgeable and capable persons for directorship positions of the Company is limited. Therefore, determination of such condition would impose difficulty of recruitment of person for the directorship entitlement.

5. The Board of Directors did not disclose the policy of the remuneration of the Chairman of the Executive Committee, both in short-term and long-term, nor that in accordance with the Chairman of the Executive Committee's performance as it was an internal information which deserves non-disclosure. Otherwise, the overall remuneration of the management has been disclosed.

6. The shareholders/the Board of Directors did not approve of the remunerations of the Executive Directors/ Senior Management as the Board of Directors expressed its intention to waive the right to remuneration in accordance with the operation authority manual. The remuneration of the Senior Management, which is the authority of the Managing Director, is appropriate, and the Board of Directors reviewed it through the annual budget.

7. The President of the Board of Directors was not an independent director as the appointment of the President of the Board of Directors was considered by the qualified directors in terms of knowledge, capabilities and understanding and good corporate governance regardless of considering whether he or she is an independent director or not.

8. 66% of the Board of Directors is non-executive, because component of executive members is not significant to responsibilities of the Board of Directors.

9. The Board of Directors had less than 50% of independent directors as the element of the independent directorship is not of the essence of the performance of the Company's Board of Directors.

10. The Company did not provide benefits to executives to purchase stocks of the company. The benefits are available for 3 years and proposed price is higher than the market price at the time of stock allocation. The concentrate is not more than 5%, because the Company takes care and provides incentives to engage executives and all employees. It facilitates working happily and organization engagement, without needs of security grant to executives or employees. However, if the Company initiates such a project, the Company will give grants to wither managers or employees, all based on the principles of equality.

## 6.1.2 Policies and Practices related to Shareholders and Stakeholders

The Company respects, gives rights and treats all shareholders equally, such as giving rights to shareholders even though they only hold 1 share in proposing agenda or proposing a suitable person to the Board of Directors for consideration to propose to the Annual General Meeting of Shareholders for consideration. In addition, the Company has a regulation of the use of internal information in order to prevent conflicts of interest. The Company is also certified as a Thai Private Sector Collective Action Coalition against Corruption from the Thai Private Sector Collective Action Coalition against Corruption and there is a requirement on training and educating all employees to be aware of and strictly place importance on the Anti-Corruption Policy and provide protection to employees who report fraudulent clues.

The Company's good corporate governance policy adheres to the Principles of Good Corporate Governance for Listed Companies B.E. 2012 related to shareholders and stakeholders are as follows:

### Chapter 1 the Rights of Shareholders

The Company recognizes and places importance on the various basic rights of the shareholders, both as investors in stocks and as owners of the Company, by defining the guidelines to encourage the exercise of shareholders' rights as follows:

#### 1. Shareholders' Meeting

1.1 The Board of Directors has a policy to facilitate and support or encourage all groups of shareholders, including institutional investors, to attend the shareholders' meetings and exercise their rights, which covers the basic legal rights, i.e. obtain a share in the profit of the business; buy, sell or transfer shares; obtain adequate news and information on the business; and participate in shareholders' meetings to exercise their voting rights to elect or remove directors, approve all forms of remuneration for the Company's directors, namely meeting allowance, bonus and other benefits, appoint the auditor and determine the audit fee, and make decisions on any matter that affects the Company, such as allocation of dividends, determination or amendment of the Articles of Association and Memorandum of Association, capital decreases or increases, and the approval of extraordinary transactions.

1.2 The Company has provided information on the date, time, venue and agenda, with rationale and explanation for each agenda item or resolution requested, in the notice of the Annual General Meeting or Extraordinary General Meeting of Shareholders or attachments to the agenda. The Company has refrained from any action that limits the opportunity of the shareholders to study the information on the Company. The details of which are as follows:

1.2.1 The Company does not undermine the rights of the shareholders to study the Company's information that must be disclosed according to various requirements and to attend the shareholders' meeting. For instance, the Company does not abruptly distribute documents containing additional important information in the meetings, add new agenda items or alter sensitive information without prior notice to the shareholders, not provide shareholders with the right to pose questions to the Board of Directors in the meeting, restrict the right to attend of shareholders who come late for the meeting, etc.

1.2.2 The Company has provided information as to the date, time, venue and agenda of the meetings. Each agenda item of the shareholders' meeting is set as individual subjects and the objective and rationale of each agenda item is clearly defined. Adequate information is provided for decision-making as follows:

**a. Agenda for appointment of directors**

- 1) Preliminary information of the nominated person, such as title, name, age, type of director, education, work history, number of companies in which such person is a director, experience, etc.
- 2) Positions held in other businesses where any business that may have potential conflict of interest with the Company has been clearly stated.
- 3) Nomination criteria and procedures (in the case of appointment of a new director).
- 4) Day, month and year appointed as a director, years in office and performance during the term as director (in the case of reappointment of directors).
- 5) Approved by the Board of Directors serving as the Nominating Committee.
- 6) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.

**b. Agenda to consider the remuneration of directors**

- 1) Amount and form of remuneration by position or responsibilities of the directors.
- 2) Directors' remuneration policy.
- 3) Criteria and procedures for determining remuneration.
- 4) Other benefits received as director (presently the directors do not receive any other benefit apart from meeting allowance and annual bonus).
- 5) Approved by the Board of Directors serving as the Remuneration Committee.
- 6) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.

**c. Agenda to appoint the auditor and determine the audit fee.**

- 1) Name of the auditor and the audit firm.
- 2) Experience and competence of the auditor.
- 3) Independence of the auditor.
- 4) Years of service to the Company (in case of appointment of the current auditor) or reason for the change of auditor (in case of appointment of a new auditor).
- 5) How the suitability of the audit fee together with other fees of the auditor is determined. Approved by the Audit Committee.
- 6) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.

**d. Agenda on dividend payment**

- 1) Dividend policy.
- 2) The proposed actual amount of payment compared with the dividend policy, together with supporting reasons and information.
- 3) Reason why dividend payment does not conform to the policy.
- 4) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.

**e. Agenda to consider material matters of the Company, such as capital increase/ decrease, amendment of regulations, business sale/ dissolution/transfer/merger, etc.**

- 1) Details of the matter proposed.
- 2) Objective, reason or necessity.
- 3) Impact on the Company and its shareholders.
- 4) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.

1.3 The Board of Directors facilitates shareholder participation and voting in meetings and refrains from any action that could limit the opportunities of the shareholders to attend the meeting. The procedures for attending and voting should not be complicated or too costly for shareholders, and the meeting location should be easily accessible.

1.4 The Company provides the shareholders with an opportunity to send their questions about the Company prior to the meeting date, by clearly determining the criteria for submission of questions in advance and duly informing the shareholders along with the delivery of the notice to the shareholders' meeting. In addition, the Company also disseminates the criteria for submission of questions in advance on its website. The Board of Directors has prescribed the procedure for screening the questions submitted in advance and requires that the Company to provide answers to the shareholders in advance, as well as inform the shareholders' meeting. The details of the procedure are as follows:

1.4.1 The Company provides shareholders with the opportunity to submit questions related to the meeting agenda to the Board of Directors in advance throughout the submission period. As for the General Meeting of Shareholders, the Board will gather the questions until 31 December of the calendar year preceding the meeting date. The Company adheres to the following guidelines:

- 1) Clearly determine the criteria for submission of questions in advance.
- 2) Inform the shareholders along with the delivery of the notice to the shareholders' meeting.
- 3) Prescribe procedures for advance submission of the questions, such as allowing the shareholders to send the questions through the Company's website, by email or by post to the Board of Directors.
- 4) Set the submission period for advance submission of the questions prior to the date of the shareholders' meeting.
- 5) Prescribe the procedure for screening the questions submitted in advance by the shareholders for consideration of the Board of Directors in answering those questions.
- 6) The Company answers the questions for the shareholders in advance of the meeting date.
- 7) The Company answers the questions for the shareholders on the day of the meeting.
- 8) The Company informs the shareholders' meeting of the questions submitted in advance by the shareholders and the answers to such questions.

1.5 The Board of Directors encourages shareholders to use proxy forms on which they can specify their votes and proposes as an option at least 1 independent director for shareholders to appoint as their proxy.

However, the shareholders can download the proxy from the company's website. The company is required to provide revenue stamp to the shareholders to seal on the proxy. In addition, the shareholders who attend the meeting after the Chairman opened a meeting have a right to vote on the under consideration agenda, without determination by vote and regard as the meeting quorums Unless there is an agreement otherwise.

## 2. Procedures on the Shareholders' Meeting Date

2.1 The Board of Directors encourages the use of technology with the shareholders' meetings, including registration of the attending shareholders and vote counting and reporting, so that the meeting can be conducted quickly, accurately and precisely.

2.2 Directors' attendance at the shareholders' Meetings

2.2.1 All directors should attend the shareholders' meetings.

2.2.2 In the case where not all the directors can attend, at least the following persons must attend the shareholders' meetings:

- 1) Chairman
- 2) Managing Director
- 3) Chairman of the Audit Committee

2.2.3 The shareholders are presented with the opportunity to pose questions to the chairpersons of the various committees on matters in which they are involved.

2.3 In the shareholders' meeting, voting is made separately for each item in the case of several items in an agenda, such as the election of directors.

2.4 The Company has in place a process for vote counting, storage of voting papers for every agenda item and full video recording of the meetings, which is disclosed on the Company's website. The meeting and vote counting for every agenda item are conducted with transparency and accountability.

2.5 The Chairman has allocated adequate time for discussion and encourages the shareholders to express opinions and pose questions related to the Company to the meeting.



### 3. Preparation and Disclosure of the Minutes of the Shareholders' Meetings

3.1 The minutes of shareholders meetings records the explanation of the voting and vote counting procedures used to the meeting prior to commencement of the meeting, as well as the opportunity provided for the shareholders to raise issues and questions. It also records the questions and answers, the voting results for each agenda item of the number of shareholders approving, dissenting and abstaining, and the list of directors who attended or missed the meetings.

3.2 The Company discloses to the public the voting results and the minutes of the meeting on its website. The details of the practice are as follows:

3.2.1 Disclose the resolutions of the meeting separated into approving, dissenting or abstaining votes on the next working day

3.2.2 Disseminate the minutes of the meeting within 14 days from the shareholders' meetings to serve as a channel for shareholders to express an opinion without having to wait for the next meeting.

3.2.3 Post the videos of the shareholders' meeting on the Company's website.

### 4. The Company Provides More Care to the Shareholders than Their Legal Rights

by Providing Current Important Information on its Website.

For the Annual General Meeting of Shareholders for the year 2021, the Company held the meeting on Friday, April 30, 2021 at 2 p.m. via Electronic Method (E-AGM). There were 20 shareholders attending the meeting in person, holding in aggregate 18,434,700 shares and 95 proxies, holding in aggregate 365,419,196 shares, so totaling 115 shareholders attending the meeting, holding in aggregate 383,853,896 shares which is equal to 68.7762% of the total number of subscribed shares of issued shares. 10 committee members have attended the meeting, representing 100% including Chairman, Chairman of the Audit Committee and 8 Directors. In addition, there are including Chairman of the Executive Committee, top management of the Company and subsidiaries companies, top management of accounting, finance, and laws, company secretary, and auditor also attended the meeting.

For all Annual General Meeting of Shareholders, the Company assigned the Thailand Securities Depository Co., Ltd, which is the share registrar of the Company, to send the notice of the meeting together with the rules and procedures for attending the meeting and all relevant supporting information of the various agendas, which included adequate and clear opinions from the directors for each agenda item, to inform the shareholders prior to the meeting date and disseminated such information in both Thai and English were also posted at least 30 days prior to the meeting date on the Company's website [www.premier-marketing.co.th](http://www.premier-marketing.co.th) so as to allow the shareholders time to review the information in advance of the date of the meeting. The minutes of the meeting was prepared and filed with the Stock Exchange of Thailand and disseminated on the Company's website within 14 days from the date of the meeting for the shareholders to review.

In 2021, the Company was assessed for the management quality of its Annual General Meeting of Shareholders under the Annual General Meeting of Shareholders (AGM) Assessment project organized by the Thai Investors Association together with the Office of the Securities and Exchange Commission and the Thai Listed Companies Association. The criteria used in the assessment covers the various steps in arranging the shareholders' meeting before the meeting day, on the meeting day and after the meeting day. The Company received an "Excellent" rating with a full score of 100 points for 11<sup>th</sup> consecutive years

The Company did not comply with criteria in Section 1 "The Rights of Shareholders" of Corporate Governance Report of Thai Listed Companies (CGR) in 2021 as followings:

The Company did not facilitate vote auditors in the shareholders' meeting. Vote monitoring by independent parties cannot be fraud. However, the Company has provided complete systems of vote count, vote documentation, and video recording. Details were disclosed in the Company's website. The meeting and vote counting were thus transparent and accountable.

## Chapter 2 The Equitable Treatment of Shareholders

The Board of Directors supervises and protects the fundamental rights of all individual and groups of shareholders equally, including the process of calling the meeting of shareholders, the protective measures to prevent the use of inside information by the directors, management and employees for abusive self-dealing, and for the directors and management to disclose information regarding their interests and those of their related parties

The Company has established guidelines for the equitable treatment of shareholders as follows:

### 1. Release of Information Prior to the Shareholders' Meeting

1.1 The Company informs the Stock Exchange of Thailand of the meeting schedule together with the agenda and opinions of the Board of Directors and disseminated this information on the Company's website. The details of the procedures are as follows:

1.1.1 The Company provides an opportunity for the shareholders to review the supporting information of the meeting on its website at least 30 days prior to the date of the shareholders' meeting.

1.1.2 The supporting information of the meeting posted on the Company's website contains the same information that the Company will send to the shareholders in the form of hard copy documents.

1.1.3 The Company sends the notice of the meeting and the supporting documents to the shareholders for more days in advance than that stipulated by law (at least 30 days prior to the meeting date).

1.2 The Company informs the shareholders of the various meeting rules and procedures for voting, including the voting rights attached to each class of shares, both in the notice of the meeting and at the shareholders' meeting.

1.3 The above notice of the shareholders' meeting is fully translated into English and disseminated at the same time as the Thai version.

## 2. Protection of the Rights of Minority Shareholders

2.1 The Board of Directors has clearly pre-determined the criteria for minority shareholders to propose additional agenda items in advance of the shareholders' meeting date in order to demonstrate fairness and transparency in considering whether the agenda items proposed by the minority shareholders should be included, the Company has the following criteria:

- 1) All shareholders have the right to propose agenda items.
- 2) Details of the supporting information for consideration.
- 3) Criteria to determine inclusion/non-inclusion of the matter proposed as an agenda item.
- 4) Channels through which to propose agenda items, such as send a letter to the Board of Directors that may be sent in advance through the Company's website, by email, etc.
- 5) Period for proposing agenda items
- 6) The Board of Directors informs the shareholders via the Company's website of the criteria for proposing agenda items
- 7) There is a screening process of the matters proposed by the shareholders for consideration by the Board of Directors in the Board meeting.
- 8) Inform the shareholders of the Board of Directors' decision together with the reasoning by informing the shareholder who proposed the agenda item and informing the shareholders' meeting.

2.2 The Board of Directors established procedures for minority shareholders to nominate candidates to serve as directors and to provide supporting information regarding the candidates' qualifications and their consent in advance of the shareholders' meeting date. The rules for nomination are as per the following topics:

- 1) Nomination channel is by submitting a letter to the Board of Directors.
- 2) Nomination period is from 1 January to 31 December of every year.
- 3) Supporting information for consideration, such as detailed information on the qualifications of the proposed candidates, the candidates' letters of consent, etc.
- 4) The Board of Directors informs the shareholders of the rules for nomination candidates through the dissemination channels of the Stock Exchange of Thailand and through the Company's website.
- 5) The Board of Directors considers the qualifications of the candidates proposed by the minority shareholders according to the criteria set by the Company.
- 6) The Company Secretary informs the shareholders who proposed candidates of the Board of Directors' decision and its reasoning and the Chairman informs the shareholders' meeting.

2.3 Shareholders in a management position may not add an agenda item without prior notice unless necessary, especially important agenda items that the shareholders require time to review before making a decision.

2.4 The Board of Directors provides the opportunity for the shareholders to exercise their rights to elect directors individually.

## 3. Protection Against Abuse of Insider Information

3.1 The Board of Directors has established in writing the policies and procedures for safe-guarding and prevention of use of insider information and has communicated them to everyone in the Company for compliance, together with the rules for trading the Company's stocks for the directors, executives and employees with knowledge of insider information to use as a guideline. Directors, management, and employees with knowledge of insider information must not trade, transfer or accept the transfer of Company stocks during the period of 1 month prior to the disclosure of the financial statements and within 2 working days after the said disclosure.

3.2 All directors and executives who have a duty by law to report on their stocks holding of the Company are required to regularly send such report to the Board of Directors and this information must be disclosed in the Company's annual registration statement (Form 56-1 One Report).

#### 4. Conflicts of Interest of Directors

4.1 The Board of Directors has policy and requirement for the directors and executives to report any conflict of interest regarding each agenda item prior to consideration and that such conflict must be minute in the minutes of the Board of Directors' meeting as follows:

- 1) The Board of Directors has set the guideline for the directors and executives to disclose their interests and those of their related persons to the Board so that it can make a decision for the benefit of the Company as a whole.
- 2) This guideline is consistent with the nature of the business and the regulations of the relevant authorities, such as the Bank of Thailand, the Securities and Exchange Commission, the Stock Exchange of Thailand, etc.
- 3) The Company Secretary has been assigned as the recipient for information on any interest of the directors, executives and their related persons.
- 4) The Company Secretary has the duty to report any interest of the directors and executives, together with related persons to the Board of Directors, especially when the Board has to consider any transaction between the Company and the director or executive who have an interest or is connected.

4.2 The Board of Directors supervises that directors with material interest in a manner that may impede the said directors from providing an independent opinion shall not participate in the meeting to consider the agenda item in which he has an interest.

At the General Meeting of Shareholders for the year 2021, there were no changes in the order of the agenda items or the addition of an agenda item and the meeting was not requested to consider any other matters other than those detailed in the notice of the meeting.

In addition, the directors and executives have reported their own holding and those of their spouse and minor children of the stocks of the Company to the Board of Directors or a person assigned by the Board regularly every quarter. Such information has been disclosed to the Board and in annual registration statement (Form 56-1 One Report) The Company did not comply with criteria in Section 2 "The Equitable Treatment of Shareholders" of Corporate Governance Report of Thai Listed Companies (CGR) in 2021 as follows;

The Company does not employ cumulative voting in member election. The company has appropriate recruitment system to hire qualified management personnel. It manages by concerning rights of the minority.

### Chapter 3 The Role of Stakeholders

The Company believes that the private sector is a sector that is important to the economy and society of the country and considers it is a duty to care for the survival and sustainability of social cohesion. Therefore, the Company and its subsidiaries adheres to its intent to operate its businesses with sustained success with consideration of the groups of stakeholders under the Premier Group's business intention for "Progressive Business, Stable Employees, Sustainable Society". The Company believes that in maintaining balance between business, employees and society will support the business, society and the environment to grow strongly and sustainably together.

The Company has established guidelines on the role of stakeholders as follows:

#### 1. Setting Policies Affecting Stakeholders

1.1 The Board of Directors has set the policy on the treatment of each stakeholder group together with implementation measures that are in effect. The policy has been announced and there are measures related to fair treatment that ensures that the Company and its value chain are responsible for the stakeholders as follows:

##### 1) Shareholders

Perform duties with integrity, transparency and for the benefit of the Company and its shareholders; manage the Company's operations cautiously and carefully in order to prevent any damages to the shareholders; refrain from seeking personal gains for oneself or related persons by exploiting any non-public information of the Company; and refrain from any action that might cause conflicts of interest with the Company, including the divulgence of any confidential information of the Company to outsiders, especially its competitors.

##### 2) Employees

The Company recognizes the importance of its employees as valuable assets and has treated all employees equally and fairly based on human rights principles without discrimination of skin color, race, sex or religion without any illegal form of the use of all kind of forced labour and/or child labour. The Company has compensation and remuneration policies that are based on the principles of fairness, which are appropriate for the job description, responsibilities

and competency of each employee and are comparable with other companies within the same industry. The Company also has a policy for the continuous development and promotion of knowledge and competency for the employees to develop their skills and abilities for career advancement.

Regarding the policy and rules on employee benefits, the Company has established supplementary employee benefits other than required by law i.e. the provident fund for employees as a tool to create motivation among employees to perform their tasks and to retain human resources with the Company in a long-term perspective. The fund provides constant savings which will become a security for living after retirement. Further, the cooperative is a mechanism for saving and a source of fund in case of emergency. Group health insurance, group life insurance, group accidental insurance, yearly medical check-up, first-aid room of the Company in assistance of medical doctors and professional nurses, library for employees, sports clubs, employee transportation vehicles, and financial benefits to assist employees for many occasions have been also provided.

The Company has set a safety policy and set up a committee to oversee that safety, bio-sanitation, and the work environment are in accordance with the laws and international standards and to closely monitor performance. Knowledge and training on safety, bio-sanitation, and the work environment are provided to the employees and related persons along with promotion of all employees' awareness towards the importance of safety and to seriously comply. There is regular testing of the office building's safety system and annual fire drills, as well as illumination and noise intensity measurement.

### 3) Customers

The Company has set a policy to meet customer satisfaction by offering quality products of standard that are safe to fulfill the needs of the customers. Complete and accurate information about the products and services are disclosed without distortion of facts, as well as provision of information that is accurate, adequate, and beneficial to the customers. It also has a product recall process in case any quality defect is found.

### 4) Trade Partners and Creditors

The Company selects its trade partners impartially and conducts mutual business fairly without exploitation, respects and abides by the terms of the agreement, and does not solicit, accept or give any undue benefit in dealing with trade partners or creditors. In the case that there should be any information regarding the bestowment of any undue benefits, the Company will consult with the trade partners or creditors to mutually resolve the matter quickly and with fairness to all parties.

### 5) Competitors

The Company supports and encourages the policy for free and fair trade competition with no monopolization or requirement for the business partners to sell only the Company's products and has no trade and competition policy that employs any illegal and unethical means to obtain information of its competitors.

The Company promotes trade competition under the rules of fair competition and does not discredit competitors through slandering or take any action without the truth and unjustifiably. Also, the Company is prepared to support and cooperate with its competitors on various matters that are beneficial to the consumers.

### 6) Communities/Society

The Company has set the policy and rules for the treatment of communities and society in its Code of Conduct for use as a guideline for practice by all employees as follows:

- 1) Support activities that are beneficial to the communities and society as a whole and build a good relationship with the communities in which the Company's place of business is located.
- 2) Comply or ensure compliance with relevant laws and regulations.
- 3) Refrain from supporting or participating in transactions with any persons that are detrimental to the communities and society.
- 4) Pay attention to and be responsible for rectifying any danger that society is apprehensive of that may have been caused by the Company's products/services or business operation.
- 5) Participate in the improvement of quality of life, build a harmonious society, develop virtue and morality, preserve good traditions, and instill a strong sense of social responsibility and volunteerism among the employees.

### 7) Environment

The Company determined its business operation policy based on the environmental standards as follows:

- 1) Refrain from any action that may damage the natural resources and the environment.

- 2) Comply or ensure compliance with laws and regulations related to the environment.
- 3) Refrain from supporting or participating in transactions with outside persons that threaten the environment as a whole.
- 4) Encourage the efficient use of resources and set policies on conservation of energy and other resources through the adoption of energy-efficient technologies for use in the Company.
- 5) Promote employees' knowledge on the environment, as well as organize in collaboration with the employees activities related to the environment. This is set as a policy with disclosure of the practices for the awareness of all concerned.

1.2 The Board of Directors has assigned the Company Secretary as the recipient of complaints and to handle the complaints filed by the stakeholders. The reporting procedures and channels have been disclosed on the website and in the annual registration statement (Form 56-1 One Report) of the Company.

1.3 Have in place mechanisms for whistle-blower protection and compensation measures in the case that stakeholders receive any damage from the Company's violation of their legal rights.

**2. The Company has Policies and Practices in Anti-Corruption** and prohibits bribery for business gains by the Company, as well as supports activities that promotes and instills all employees to be aware of and to comply with the relevant laws and regulations throughout.

The Company and its subsidiaries have included the topic "Anti-Corruption Policy" in the new employee orientation program held on a monthly basis by using media video presentations and lectures by the human resources management unit.

**3. The Company has set Policies on Intellectual Property** for Which Employees are prohibited from Infringement of the Intellectual property rights of others disregarding whether domestic or foreign, and are prohibited from bringing pirated software for use in the Company. The Company has anti-corruption policies and prohibits bribery for business gain by the Company. The Company has informed all employees of these policies to which they have complied with all along. In addition, the Company has signed the declaration of intent to join the Private Sector Collective Action Coalition against Corruption.

In 2021, the Company had no significant dispute with the stakeholders. Moreover, the Company had practice in accordance with the related laws and regulations in order to take good care of the rights of such stakeholders.

1. In the Annual General Meeting of Shareholders for the year 2021, shareholders are entitle to the rights of giving suggestions and opinions for the Company's business operation, as the owner of the Company, through independent director in advance. Every comment will be collected to propose to the Board of Directors to consider. In such meeting, none of the shareholders suggest or comment in advance.

2. The Company has allowed employee to determine saving rate in the provident fund to be suitable with individual age and income. It was to provide opportunities for employees, especially at operational level, capable to have savings. Also, the Company has revised the contribution rate on the provident fund for high-range employees to provide saving source and guarantee the livelihood after retirement and in the present year, 248 additional employees have become members, which is 83.78% of the employees eligible to apply for membership of the provident fund as well as campaigned for the employees to save money with the savings cooperative to promote savings through another channel. At present, the Company has 248 employees who are members or 77.26% of its total number of employees.

3. The Company does not have any violation against labour law, employment law, consumers law, competition law, environment law; has no action against violation of intellectual properties, fraud or business ethics misconduct. The statistic of accident rate, leave of absence rate, sickness from workplace rate are reported in the information related to sustainable development which is disclosed on the Company's website.

4. The Company has disclosed the information on sustainable development on social responsibility by using The Stock Exchange of Thailand's corporate social responsibilities guideline, under the vision, mission and Premier Group philosophy and disclosed on the Company's website.

5. The Board of Directors has approved and enacted the anti-corruption policies on 25 February, 2014. The Company has been approved as a member of the Private Sector Collective Action against Corruption by the Committee of Private Sector Collective Action Coalition against Corruption on 4 April, 2014. The Company has prepared anti-corruption

manual; from establishing policy, determining procedures, training to create a sense of integrity with ethic and morality, assessing the risks of fraud, monitoring and reviewing policy and procedures, as well as performance report. Policy and practices were transferred to its subsidiary to adopt similar manners. On 9 March, 2017, the Company's certification under the Thailand's Private Sector Collective Action Coalition against Corruption was 1<sup>st</sup> renewal. And the 2<sup>nd</sup> renewal of the certification was complete on 14 February, 2020.

In 2021, in order to adhere to and comply with the anti-corruption manual, the Company promoted and supported and passed on the policies and practices to its subsidiaries in order for them to be certified as members of the Thai Private Sector Collective Action against Corruption (CAC) by the CAC Council. From this determination to encourage its subsidiaries to become members of the project, Premier Canning Industry Co., Ltd. and P.M. Food Co., Ltd., which are subsidiaries, were certified as members of the CAC on 30 June, 2021.

The assessment criteria of the Corporate Governance Report of Thai Listed Companies (CGR) under category 3 Role, of Stakeholders, that the Company failed to comply with is the Company did not prepare an integrated report as it believes that the Company has disclosed complete information in the Sustainable Development Report 2021 on the Company's website.

## Chapter 4 Disclosure and Transparency

The Board of Directors recognizes the importance of disclosure of information, both financial and non-financial, that is accurate, complete and transparent as stipulated by the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as other material information that may affect the price of the Company's securities that influences the decision-making process of its investors and stakeholders. Information on the Company is disseminated to the shareholders, investors and general public through the channels of the SET and the Company's website in Thai and English, which is constantly updated.

The Company has set guidelines on the disclosure and transparency of information as follows:

### 1. Disclosure of Information

1.1 The Board of Directors has mechanisms to ensure that the information disclosed to the investors is accurate, not misleading and adequate for their decision-making as follows:

- 1) The disclosure of material information, both financial and non-financial, of the Company is accurate, complete, timely, transparent and in accordance with the criteria stipulated by the SEC and the SET.
- 2) The effectiveness of the disclosure process is evaluated regularly.

1.2 The Board of Directors provides a summary of the corporate governance policy, code of conduct, risk management policy and corporate social responsibility policy as approved by the Board and the steps in implementing such policies, including cases of non-compliance along with the reasons, through various channels, such as the Company's annual registration statement (Form 56-1 One Report) and website.

1.3 The Board of Directors has arranged for the Report of the Board of Directors' Responsibilities for Financial Statements to be presented together with the report of the independent auditor in the annual registration statement (Form 56-1 One Report). The report covers the following subjects:

- 1) Compliance with generally accepted accounting principles that is suitable for the business and use of appropriate accounting policies that are consistently adopted.
- 2) The financial reports contain information that is accurate, complete and factual in accordance with accounting standards.
- 3) The Report of the Board of Directors' Responsibilities for financial statements is signed by the Chairman and the Managing Director.

1.4 The Board of Directors encourages the Company to prepare a Management Discussion and Analysis (MD&A) to supplement the disclosure of each quarterly financial statement. This is done in order for investors to be informed of the information and to understand the changes that occurred to the financial position and results of operations, the significant changes in the Company, including factors and events that affect the financial position or results of operations, and not just be presented with only the figures in the financial statements.

1.5 The Board of Directors stipulates that the audit and other fees of the auditor be disclosed in the Company's annual registration statement (Form 56-1 One Report)

1.6 The Board of Directors stipulates that the following information be disclosed in the annual registration statement (Form 56-1 One Report)

- 1) Roles, duties and opinions from their work performance in the previous year of the Board of Directors.
- 2) Roles, duties and opinions from their work performance in the previous year of the committees.
- 3) Number of meetings held and attendance record of each director in the previous year.
- 4) Record of training and ongoing professional education of the directors.

1.7 The Board of Directors discloses the policy for remuneration of directors and executives that corresponds with the duties and responsibilities of each person, including the forms and manner of remuneration, the remuneration amount and the amount of payment received by each director as a director of the Company's subsidiary.

## 2. Minimum Information Disclosed on the Company's Website

2.1 In addition to disclosing information as specified by the regulations through the SET and annual statements (Form 56-1 One Report), the Board of Directors deems it appropriate to regularly disclose information that is up-to-date both in Thai and English through other channels, such as the Company's website. The minimum information on the Company's website should at least comprise the following and must be regularly updated:

- (1) Vision and mission of the Company;
- (2) Nature of business of the Company;
- (3) Organization chart and list of members of the Board of Directors and management team;
- (4) Qualification and experience of the Company Secretary;
- (5) Financial statements and reports on the financial position and results of operations for both the current and prior year.
- (6) Downloadable annual statements (Form 56-1 One Report);
- (7) Information or other materials provided in briefings to analysts, fund managers and the media;
- (8) Direct and indirect shareholding structure;
- (9) Group corporate structure, detailing the subsidiaries, affiliates, joint ventures and special purpose enterprises/vehicles (SPEs/SPVs);
- (10) Direct and indirect shareholding of beneficial owners holding 5% or more of the total paid-up shares with voting rights;
- (11) Direct and indirect shareholdings of major and/or substantial shareholders, directors, and senior management;
- (12) Notice of the Annual General Meeting and Extraordinary General Meetings;
- (13) Articles of Association, Memorandum of Association and shareholders' agreement (if any);
- (14) Policy and practices according to the principles of good corporate governance of the Company;
- (15) Risk management policy and its implementation;
- (16) Code of conduct of the Company's employees and directors;
- (17) Code of conduct of the investor relations officer;
- (18) News of the Company and its subsidiaries;
- (19) Contact details of the unit or officer responsible for investor relations (e.g. name of contact person who can provide information and telephone number);
- (20) Annual investor relations plan.

In 2021, the Company published the annual registration statement (Form 56-1 One Report) in both Thai and English within 120 days of the end of the financial year. The Company has sent the shareholders a copy of the invitation letter of the Annual General Meeting of Shareholders on 19 March, 2021 and can be downloaded from the Company's website on the same day. Moreover, the Company published the minutes of the meeting on the Company's website within 14 days after the meeting date.

The Company presented its operating results, both financial and non-financial information, to shareholders, retail investors, institutional investors, analysts and various stakeholders through various channels as follows:



No.	Information Disclosure and Presentation	Number of Times
1.	Join an activity "Opportunity Day" on 24 November, 2021	1
2.	Provide information to investors through conference call	8
3.	Executive interview	1

In addition, questions from shareholders, investors and analysts are answered by email and telephone regularly and equitably.

The company did not comply with criteria in Section 4 "Information Disclosure and Transparency" of the Corporate Governance Report of Thai Listed Companies (CGR) in 2021 as follows:

1. The company did not hold a press conference or publish a newsletter to present the financial status. The company has disclosed important information and financial information completely in its annual registration statement (Form 56-1 One Report), Sustainability Development Report, Shareholders' meeting report, and the Company website. The company is prompt to provide the information to the press.

2. The Company did not disclose the details of the remuneration of the Chairman of the Executive Committee since it has a policy of not disclosing the remuneration of all personnel, including the Chairman of the Executive Committee to third parties

## 6.2 Code of Conduct

The Company conducts its business properly and fairly. The Group has core values that have been practiced throughout by all its employees of honesty, responsibility and commitment to work, discipline, unity, sacrifice and ongoing development. These values are considered the ethics and morality of the Group which have been practiced continuously.

In compliance with the principles of good corporate governance and as a clear guideline for the good conduct of its employees, the Premier Group of Companies has compiled a code of conduct based on the Group's core values for use of its executives and employees as the guiding principles in conducting their work as follows:

- i. Treatment for Customers
- ii. Treatment for Business Partners and Creditors
- iii. Treatment for Business Competitors
- iv. Treatment for Shareholders
- v. Treatment for Society
- vi. Code of Conduct for Employees
- vii. Treatment of Colleagues (Supervisors, Subordinates and Colleagues)
- viii. Code of Conduct for Investor Relation

The Company prepares the Code of Conduct on the Company's website.

## 6.3 Major Changes and Developments of Policy, Practices and Corporate Governance System in the Past Year

### 6.3.1 Significant Changes and Developments of the Revision of Policy, Guideline and Corporate System in the Past Year

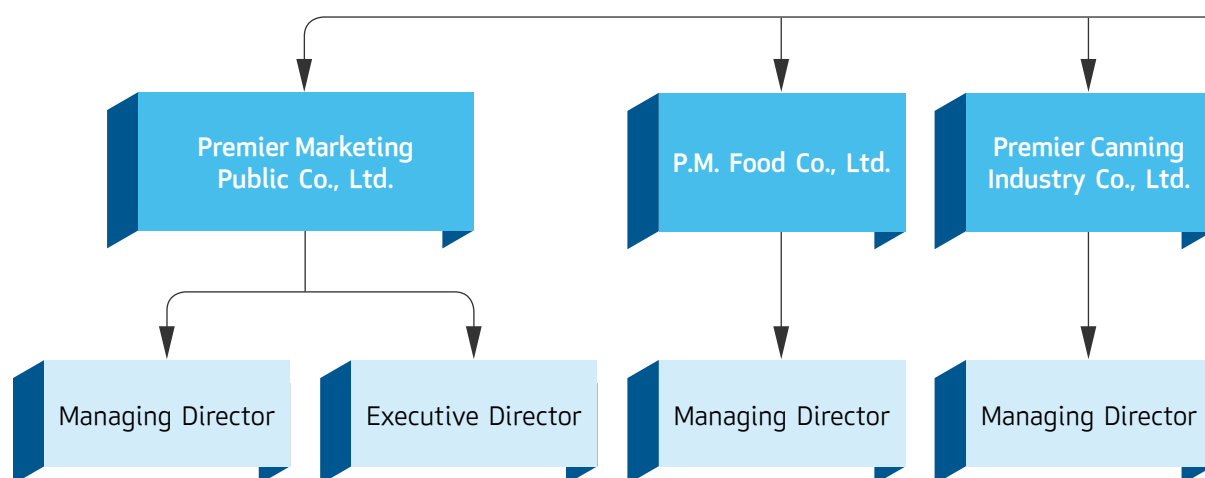
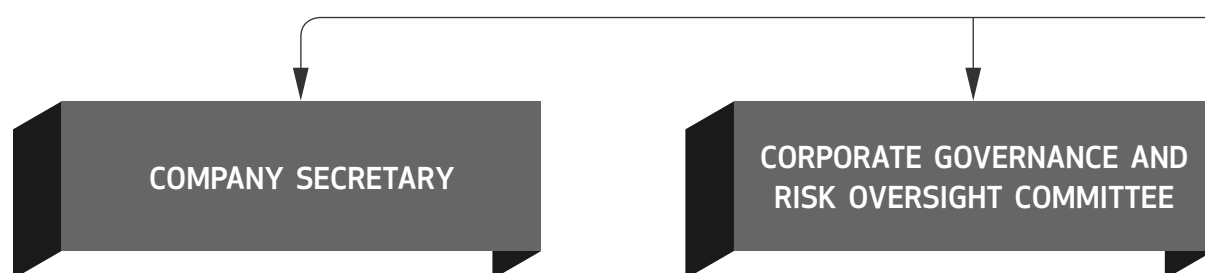
The Company still believes and adheres to the Corporate governance policy as the last year. However, the Company considers that corporate governance and risk oversight is the management's responsibilities. Therefore, the Company established the Corporate Governance and Risk Oversight Committee as a sub-committee on 4 August, 2020. The committee consists of 3 members, which are directors from supporting unit or persons with knowledge and experience sufficient to perform governance and risk functions and also independent from management. In 2021, the Corporate Governance and Risk Oversight Committee held 4 meetings.

### 6.3.2 Other Good Corporate Governance Practices

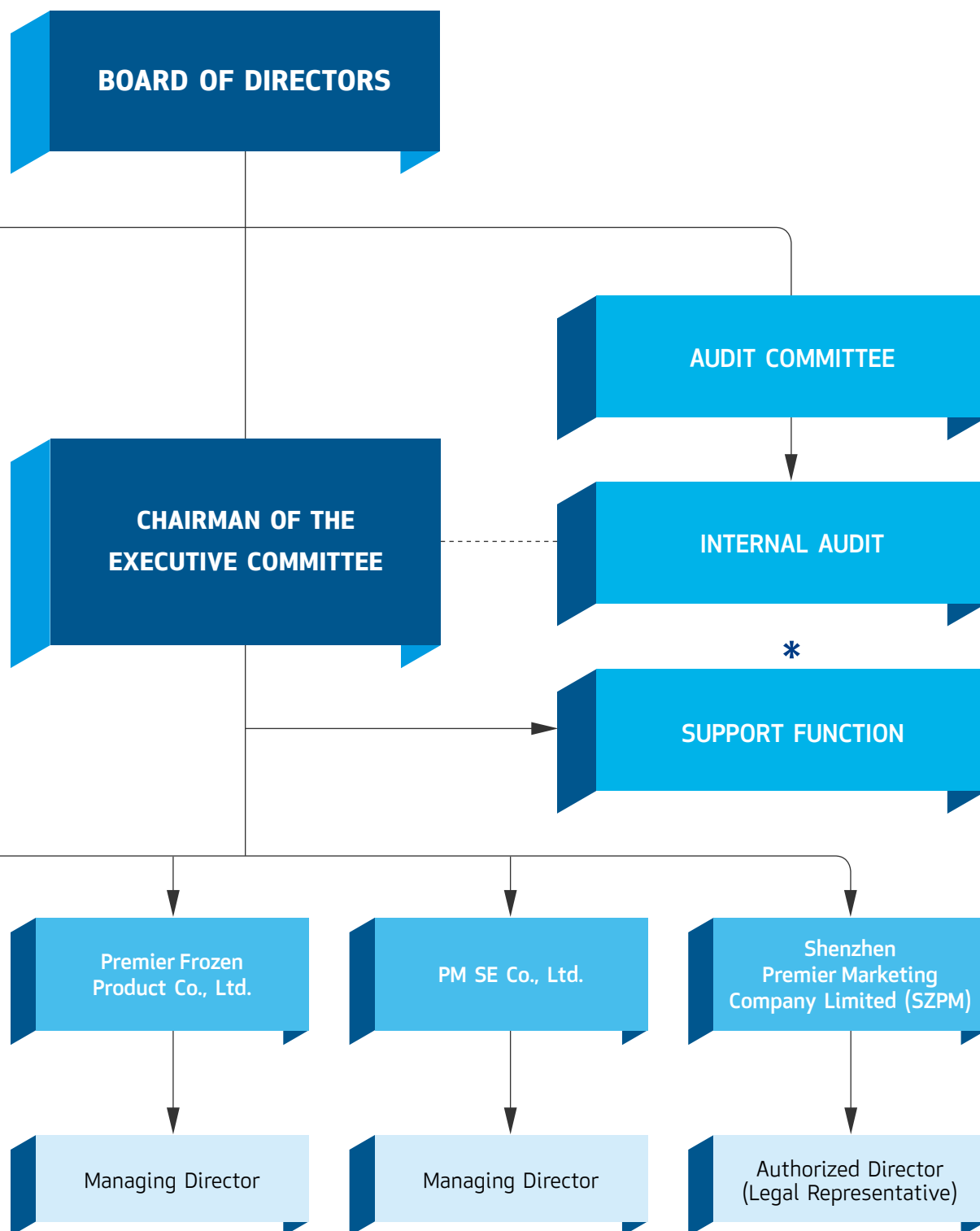
The Company recognizes the importance of good corporate governance and adheres to the good corporate governance guidelines as prescribed by the Stock Exchange of Thailand. In addition, the Company determined that there shall be a process to review the application of the corporate governance code for listed companies, which has been adapted to suit its business context, regularly each year or at least once a year. There shall be a review and the reasons why any of the principles has not been applied shall be recorded.

## 7. Corporate Governance Structure and Important Information about the Board of Directors, Sub-Committees, Executives, Employees and Others

### 7.1 Corporate Governance Structure



\* = Reporting to Support Functions of Premier Group of Companies in terms of Policy and Guideline of the Group



## 7.2 The Board of Directors

### 7.2.1 The Board's Structure

As at 31 December 2021, the Board of Directors consisted of 10 directors as follows:

- ▶ There are 4 independent directors representing 40% of the total directors and
- ▶ There are 4 directors which are not management representing 40% of the total directors

Name	Position	Attendance/Total Number of Meetings (Times)			
		Board of Directors Meeting	Audit Committee Meeting	Corporate Governance and Risk Oversight Committee Meeting	Shareholders' Meeting
1. Mr. Somchai Choonharas	Chairman and Member of the Corporate Governance and Risk Oversight Committee	7/7	-	4/4	1/1
2. Mrs. Duangthip Eamrungraj	Director and Chairman of the Corporate Governance and Risk Oversight Committee	7/7	-	4/4	1/1
3. Mr. Katiya Greigarn*	Independent Director and Chairman of the Audit Committee	2/2	2/2	-	1/1
4. Miss Naengnoi Chai-onnom**	Independent Director and Chairman of the Audit Committee	7/7	5/5	-	1/1
5. Mr. Wichai Hirunwong	Independent Director and Member of the Audit Committee	7/7	5/5	-	1/1
6. Mr. PanaEk Warawit***	Independent Director and Member of the Audit Committee	3/3	2/2	-	-
7. Mrs. Nangnoi Bunyasaranand	Independent Director	7/7	-	-	1/1
8. Mr. Suradej Boonyawatana	Director and Member of the Corporate Governance and Risk Oversight Committee	7/7	-	4/4	1/1
9. Mrs. Pensri Dettingeng	Director	7/7	-	-	1/1
10. Mrs. Walairat Pongjitt	Director	7/7	-	-	1/1
11. Mr. Piya Smutkochorn	Director, Managing Director	7/7	-	-	1/1

\* No.3 Mr. Katiya Greigarn has resigned from Independent Director and Chairman of the Audit Committee, effective from 2 May, 2021.

\*\* No.4 Miss Naengnoi Chai-onnom has been appointed as Chairman of the Audit Committee, effective from 19 July, 2021.

\*\*\* No.6 Mr. PanaEk Warawit has been appointed as Independent Director, effective from 16 July, 2021. and has been appointed as Member of the Audit Committee, effective from 19 July, 2021.

Miss Kulthida Verathaworn, the Company Secretary served as the Secretary to the Board of Directors and the Secretary to the Audit Committee. In this regard, the profile of Miss Kulthida Verathaworn is shown in [Attachment 1](#).

All directors attended all the Board meetings held during the year, accounting for 100%

## 7.2.2 Profiles of Directors and Controlling persons

Detailed in Attachment 1.

## 7.2.3 The Board's Responsibilities

### Authorized Directors

Mrs. Duangthip Eamrunroj, Mr. Suradej Boonyawatana, Mrs. Pensri Dettingeng and Mrs. Walairat Pongjitt with any two directors of the four directors signing jointly with the Company's seal affixed. Or Mrs. Duangthip Eamrunroj or Mr. Suradej Boonyawatana or Mrs. Pensri Dettingeng or Mrs. Walairat Pongjitt, any one person signing together with Mr. Somchai Choonharas or Mr. Piya Smutkochorn as another person, totaling two persons signing jointly with the Company's seal affixed.

### Term of the Board of Directors

At every Annual General Meeting of Shareholders, one-third of the directors must resign. If one-third is not a round number, the number closest thereto shall be the applicable number. The directors to vacate office within the first and second year following company registration shall draw lots. In subsequent years, the directors serving the longest shall resign. The directors who vacate office are eligible for re-election by shareholders.

### Scope of Responsibilities of the Board of Directors

- 1) Administer the corporate affairs in compliance with all relevant laws and regulations, the Company's objectives and Articles of Association, including the resolutions of the shareholders' meetings, except for issues where the approval of the shareholders' meeting is required prior to implementation, such as issues that by law requires the resolution of the shareholders' meeting, related transactions, acquisition or sale of substantial assets according to the criteria of the Stock Exchange of Thailand or as determined by other government agencies, etc.
- 2) Review and approve major issues, such as policies, strategies, plans and budgets, organization structure, authority of the management, corporate governance policies, and other issues as prescribed by the Stock Exchange of Thailand or by law annually.
- 3) Supervise the management to act in accordance with the approved policies, strategies, plans and budgets.
- 4) Appoint a qualified person who does not possess the prohibited characteristics as specified in the Public Company Limited Act B.E. 2535 (1992), including any amendments thereof, and the securities and exchange laws, as well as related notifications, rules and/or regulations, to replace a director who has vacated office by any reason other than retirement by rotation.
- 5) Appoint the Audit Committee and other sub-committees, and Chairman of the Executive Committee.
- 6) Install reliable accounting, financial reporting and financial audit systems, as well as oversee the establishment of efficient and effective internal control and internal audit systems
- 7) Ensure that the Company has a comprehensive risk management system and process, with effective reporting and monitoring.
- 8) Report on the execution of the Board of Directors' responsibilities in the preparation of the financial statements, which is to be presented together with the report from the independent auditor in the annual registration statement (Form 56-1 One Report).
- 9) Protect fairly the benefits of the major shareholders and minority shareholders according to their rights; provide equitable treatment of major shareholders and other stakeholders with consideration for the avoidance of conflict of interest; ensure operational transparency and the disclosure of sufficient and accurate information.
- 10) The following transactions can be undertaken only after approval from the shareholders' meeting has been granted. However, it is prescribed that in a transaction where a director or any other person may have a conflict of interest with the Company or its subsidiary (if any) the director is not eligible to vote on the transaction.
  - (a) Transactions that by law require the resolution of the shareholders' meeting.
  - (b) Transactions in which directors have an interest and are required by law or SET's requirements to be approved by the shareholders' meeting.
- 11) The Board of Directors may delegate one or more director(s) or any other person to carry out particular activities on behalf of the Board. However, this delegation excludes the authorization or sub-authorization of the director(s) or appointee(s) in the approval of transactions with potential conflict of interest with the Company or its subsidiary. Approval from the shareholders' meeting is required for related transactions and the acquisition or sales of substantial assets of the Company as stipulated by the requirement of the Capital Market Supervisory Board.

## Authority and Responsibility of the Chairman of the Board of Directors

- 1) Call the Board of Directors' meetings and preside as Chairman of the Board of Directors' and shareholders' meetings.
- 2) Consider and determine the agenda of the Board of Directors' meeting together with the Executive Chairman.
- 3) Control the Board of Directors' and shareholders' meetings to be carried effectively in accordance with the Company's rules and regulations and encourage and provide opportunities for the Directors to express their opinions independently.
- 4) Support and encourage the Board of Directors to perform their duties to their full capacity in accordance with the scope of authority and responsibilities and the principles of good corporate governance and support and advise the management on operation.
- 5) Perform duty as assigned by the Board of Directors and/or the Audit Committee.

## 7.3 Sub-Committee

### 7.3.1 Structure of Directors of the Company

The Appointed Sub-Committee are as follows:

- ▶ Audit Committee
- ▶ Corporate Governance and Risk Oversight Committee

### 7.3.2 List of each Committee

#### Audit Committee

As at 31 December, 2021, the Audit Committee comprised 3 members:

Name	Position	Attendance/Total Number of Meetings (Times)
1. Miss Naengnoi Chai-onnom*	Chairman of the Audit Committee	5/5
2. Mr. Katiya Greigarn**	Chairman of the Audit Committee	2/2
3. Mr. Wichai Hirunwong	Member of the Audit Committee	5/5
4. Mr. PanaEk Warawit***	Member of the Audit Committee	2/2

\* is a person with sufficient knowledge and experience to verify the creditability of the financial statements.

\* No.1 Miss Naengnoi Chai-onnom has been appointed as Chairman of the Audit Committee, effective from 19 July, 2021.

\*\* No.2 Mr. Katiya Greigarn has resigned from Independent Director and Chairman of the Audit Committee, effective from 2 May, 2021.

\*\*\* No.4 Mr. PanaEk Warawit has been appointed as Independent Director, effective from 16 July, 2021 and has been appointed as Member of the Audit Committee, effective from 19 July, 2021.

In 2021, the Audit Committee had a total of 5 meetings, consisted of 4 meetings of the Quarterly Audit Committee Meeting and 1 meeting with the auditors without the management attendance.

Miss Kulthida Verathaworn, the Company Secretary, act as the Audit Committee secretary from 10 August, 2021 onwards. Mr. Akapan Nuanmuang, a Chief of Internal Audit Unit, review and evaluate internal control system, and plan internal audit plan by reporting directly to the Audit Committee. Mr. Akapan Nuanmuang's profile is presented in [Attachment 3](#).

#### Term of the Audit Committee

The term of office of the Audit Committee member is 3 years. Members of the Audit Committee who vacate office upon the expiration of the term are eligible for re-appointment. In the event of the resignation of any Audit Committee member prior to the expiration of their term, the independent director appointed as a replacement shall hold office only for the remainder of the term of the Audit Committee member who resigned. If any Audit Committee member who must retire from the director position due to the expiration of his tenure at the Annual General Meeting of Shareholders is re-appointed by the same Annual General Meeting of Shareholders to be an independent director, such independent director shall return to serve as an Audit Committee member for the remaining term of that Audit Committee member.

### Scope of Duties and Responsibilities of the Audit Committee

The Audit Committee has duties and responsibilities as delegated by the Board of Directors as follows :

- 1) Review the Company's financial reporting process to ensure accuracy and adequacy;
- 2) Review that the Company has an internal control system and internal audit system suitable and efficient which consider the independence of the internal audit department as well as to approve the appointment or transfer of the Chief of the Internal Audit Department or any other department responsible for internal auditing.
- 3) Review the Company's compliance with the securities and exchange law, regulations of the Stock Exchange of Thailand and other laws relevant to the Company's businesses.
- 4) Consider, select and nominate an independent person to act as the Company's auditor and propose the remuneration of such person, as well as attend a non-management meeting with the auditor at least once a year.
- 5) Review and approve the connected transactions, significant related party transactions or those with possible conflicts of interest to ensure that they comply with all relevant laws and regulations of the Stock Exchange of Thailand. This is to ensure that these transactions are reasonable and of maximum benefit to the Company.
- 6) Prepare and disclose a report on the Audit Committee's monitoring activities in the Company's annual registration statement (Form 56-1 One Report), which must be signed by the Chairman of the Audit Committee and consist of at least the following information:
  - ▶ An opinion on the accuracy, completeness and creditability of the Company's financial reporting
  - ▶ An opinion on the adequacy of the Company's internal control system
  - ▶ An opinion on the compliance with the securities and exchange laws, regulations of the Stock Exchange of Thailand or laws relevant to the Company's businesses
  - ▶ An opinion on the suitability of the auditor
  - ▶ An opinion on transactions that may have conflicts of interest
  - ▶ The number of audit committee meetings and attendance of such meetings by each committee member
  - ▶ Opinions or observations received by the audit committee through the performance of its duties as defined in its charter
  - ▶ Disclosure of other reports that the Audit Committee considers the shareholder and general investors should be aware of, within the scope of its duties and responsibilities as assigned by the Company's Board of Directors
- 7) To perform any other task assigned by the Company's Board of Directors with the approval of the Audit Committee.

### Corporate Governance and Risk Oversight Committee

The Company's Board of Directors' Meeting No. 6/2020 held on 4 August, 2020 resolved to appoint of the Corporate Governance and Risk Oversight Committee effective from 4 August, 2020 onwards.

As at 31 December, 2021, the Corporate Governance and Risk Oversight Committee comprised 3 members:

Name	Position	Attendance/Total Number of Meetings (Times)
1. Mrs. Duangthip Eamrungrroj	Chairman of the Corporate Governance and Risk Oversight Committee	4/4
2. Mr. Somchai Choonharas	Member of the Corporate Governance and Risk Oversight Committee	4/4
3. Mr. Suradej Boonyawatana	Member of the Corporate Governance and Risk Oversight Committee	4/4

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

- 1) Monitor, review, evaluate, and advise on the management's corporate governance framework including managing director and executives from the Company and its subsidiaries which can be summarized as follow:
  - ▶ Monitor strategic planning and the management in good governance and risk management
  - ▶ Review and evaluate the management's implementation of the Company's annual plan and its achievement.
  - ▶ Advise and review whether the Company's good governance and risk management plan is suitable for its business.



- 2) Determine the meeting with the management of the Company and its subsidiaries at least twice a year.
- 3) The Corporate Governance and Risk Oversight Committee presents the report to the Company's Board of Directors at least once a year.
- 4) Perform any other duties assigned by the Board of Directors.

## 7.4 Executives

### 7.4.1 List of Executives

#### 1. Chairman of the Executive Committee

The Company's Board of Directors' Meeting No. 1/2018 held on 13 February, 2018 resolved to appoint of a Chairman of the Executive Committee of the Company effective from 1 March, 2018 onwards.

#### Authority and Responsibility of the Chairman of the Executive Committee

The Chairman of the Executive Committee has duty and responsibility for the management of the Company's business in accordance with the Board of Directors' assignments including the following duties:

- 1) Consider and screen the policy, strategic framework and budget, management structure as well as management authority of the Company prior to presenting them to the Board of Directors for further approval.
- 2) Supervise and monitor the administration of the Company and its subsidiaries to be in accordance with approved policies, strategies, plans and budgets to be efficient and productive.
- 3) Has the power to execute and approve various expenditures within the limit prescribed in the authorization manuals of the Company and its subsidiaries.
- 4) Provide consultation and advice on management to senior executives.
- 5) Foster and preserve the core values of the organization and promote the management of the business in accordance with the core values of the organization, corporate governance and risk management
- 6) Perform duty as assigned by the Board of Directors.

#### 2. Executive Committee

As of 31 December, 2021, the Executive Committee consisted of 7 members as follows:

Name	Position
1. Mr. Vichien Phongsathorn	Chairman of the Executive Committee
2. Mrs. Duangthip Eamrungraj	Executive Director
3. Mrs. Pensri Dettingeng	Executive Director
4. Mrs. Walairat Pongjitt	Executive Director
5. Mr. Piya Smutkochorn	Executive Director
6. Mrs. Porntip Saowapak	Executive Director
7. Mr. Viphas Jirapas	Executive Director

#### Authorities and Responsibilities of the Executive Committee

The Executive Committee has the authority and duty to direct the administration of the affairs of the Company and its subsidiaries as assigned by the Board of Directors, including the following matters or businesses:

- 1) Plan the overall image, policy, strategy, plan and budget.
- 2) Provide advice on the administration of the Company and its subsidiaries in accordance with approved policies, strategies, plans and budgets.
- 3) Foster and preserve the core values of the organization and promote the management of the business in accordance with the core values of the organization.

- 4) Consider and acknowledge any other matters both related and unrelated to the management of the Company's business that the Executive Directors deem necessary or appropriate to propose for acknowledgement.
- 5) Acknowledge the internal audit report on issues related to measures to prevent, review and rectify problems and in case of the occurrence of damage or probable damage to the Company or its subsidiaries.
- 6) Perform any other duties assigned by the Board of Directors and/or the Audit Committee.

### 3. The Management

As of 31 December, 2021, the management consisted of The Company and its subsidiaries as follows:

Premier Marketing Public Company Limited	Position
1. Mr. Vichien Phongsathorn	Chairman of the Executive Committee
2. Mr. Piya Smutkochorn	Managing Director
3. Mr. Vorathep Rangchaikul	Executive Director
4. Mr. Pornsak Sinkanarak	Deputy Managing Director – Business Development
5. Miss Suthisa Klaiate	Deputy Managing Director- Domestic Marketing
6. Mr. Pitoon Pungvirawat	Deputy Managing Director- Domestic Sales
7. Mr. Choocheep Auekarn	Deputy Managing Director- Human Resources and Administration
8. Mrs. Pathomporn Srisuthamporn	Deputy Managing Director- Finance and Accounting

Premier Canning Industry Company Limited	Position
1. Mrs. Porntip Saowapak	Managing Director

Premier Frozen Products Company Limited	Position
1. Mrs. Porntip Saowapak	Managing Director

P.M. Food Company Limited	Position
1. Mr. Viphas Jirapas	Managing Director

PM SE Company Limited	Position
1. Mrs. Duangthip Eamrunroj	Authorized Director
2. Mrs. Walairat Pongjitt	Authorized Director

Shenzhen Premier Marketing Company Limited	Position
1. Mrs. Walairat Pongjitt	Authorized Director (Legal Representative)

Accordingly, The Company Management has been assigned the authority to operate under the policy, strategy and objectives determined by the Board of Directors.

## Authorities and Responsibilities of the Managing Director

The Managing Director has the authority and duty to manage the affairs of the Company as assigned by the Chairman of the Executive Committee, which includes the following matters and businesses:

- 1) Administer and/or manage the Company in accordance with its objectives, goals, and plans.
- 2) Prepare policies, strategies, plans and budgets, structure of administration and various management authorities of the Company submit to the Chairman of the Executive Committee for consideration.
- 3) Operate and manage the Company's businesses in accordance with the approved policies, strategies, plans and budgets.
- 4) Have the power to execute and approve all expenditures within the scope prescribed by the Company's authority manual.
- 5) Develop the quality and effectiveness of the organization and personnel continuously.
- 6) Administer and monitor the Company's businesses in compliance with the core values, corporate governance and risk management of the organization.
- 7) Perform any other duties assigned by the Board of Directors and/or Chairman of the Executive Committee.

**Remark:** Authorities and Responsibilities of the Managing Director means the Managing Director of the Company and its subsidiaries.

## 7.4.2 Remuneration Policy of Directors and Executives

The Company has a policy to remunerate the directors and executives at a level that is appropriate with consideration of the Company's performance and by comparison with companies within the same industry, as well as the appropriateness to the duties and responsibilities of each director and executive. The remuneration for the directors is in the form of annual bonus and meeting allowance while the remuneration of the executives is in the form of salary, bonus and provident fund contribution.

## 7.4.3 Remuneration of Directors and Executives

### 1) Monetary Remuneration

#### A) Remuneration of Director

The Annual General Meeting of Shareholders for the year 2021, held on 30 April, 2021, passed a resolution to pay remunerations to directors as follows:

Type of Remuneration	2020	2021
<b>Board of Directors Meeting Allowance</b>		
▶ Chairman of the Board of Directors (Baht/time)	24,000	24,000
▶ Board of Directors (Baht/person/time)	17,000	17,000
<b>Audit Committee Meeting Allowance</b>		
▶ Chairman of the Audit Committee (Baht/time)	24,000	24,000
▶ Audit Committee (Baht/time)	17,000	17,000
<b>Board of Corporate Governance and Risk Oversight Committee Meeting Allowance</b>		
▶ Chairman of the Corporate Governance and Risk Oversight Committee (Baht/time)	-	12,500
▶ Member of the Corporate Governance and Risk Oversight Committee (Baht/time)	-	10,000
<b>Bonus</b>		
▶ Chairman of the Board of Directors (Baht/time)	345,000	345,000
▶ Chairman of the Audit Committee (Baht/time)	500,000	500,000
▶ Audit Committee (Baht/time)	460,000	460,000
▶ Non-Audit Committee (Baht/person/time)	310,000	310,000
<b>Other special benefits and any other benefits</b>	- None -	- None -

In 2021, remuneration was paid to the directors of the Company, in the form of meeting allowance and directors' reward for the number of attendance and paid remuneration to the Audit Committee in the form of meeting for the number of attendance allowance as follows:

Name	Position	Remuneration (Baht)				
		Meeting Allowance			Director Pension	Total
		Board of Directors	Audit Committee	Corporate Governance and Risk Oversight Committee		
1. Mr. Somchai Choonharas *	Chairman and Member of the Corporate Governance and Risk Oversight Committee	-	-	-	-	-
2. Mrs. Duangthip Eamrungraj *	Director and Chairman of the Corporate Governance and Risk Oversight Committee	-	-	-	-	-
3. Mr. Suradej Boonyawatana *	Director and Member of the Corporate Governance and Risk Oversight Committee	-	-	-	-	-
4. Mrs. Pensri Dettingeng *	Director	-	-	-	-	-
5. Mrs. Walairat Pongjitt *	Director	-	-	-	-	-
6. Mr. Piya Smutkochorn *	Director, Managing Director	-	-	-	-	-
7. Mr. Katiya Greigarn**	Independent Director and Chairman of the Audit Committee	34,000	24,000	-	165,753.42	223,753.42
8. Miss Naengnoi Chai-onnom**	Independent Director and Chairman of the Audit Committee	119,000	82,000	-	478,191.78	679,191.78
9. Mr. Wichai Hirunwong	Independent Director and Member of the Audit Committee	119,000	68,000	-	460,000	647,000
10. Mr. PanaEk Warawit **	Independent Director and Member of the Audit Committee	51,000	34,000	-	209,205.48	294,205.48
11. Mrs. Nangnoi Bunyasaranand	Independent Director	119,000	-	-	310,000	429,000
<b>Total</b>						<b>2,273,150.68</b>

**Remark :** \* Executive director, do not receive remuneration

\*\* No.7 Mr. Katiya Greigarn has resigned from Independent Director and Chairman of the Audit Committee, effective from 2 May, 2021.

\*\* No.8 Miss Naengnoi Chai-onnom has been appointed as Chairman of the Audit Committee, effective from 19 July, 2021.

\*\* No.10 Mr. PanaEk Warawit has been appointed as Independent Director, effective from 16 July, 2021 and has been appointed as Member of the Audit Committee, effective from 19 July, 2021.

## B) Remuneration of Executives

In 2021, the Company and its subsidiaries remunerated the executives in the form of salary and bonus as follows:

Remuneration (Salary and bonus)	2021		2020	
	No. of Executive	Amount (Baht)	No. of Executive	Amount (Baht)
Premier Marketing Public Co., Ltd.	8	31,857,200	7	30,787,514.66
Subsidiaries (PMF, PCI, PFP, PMSE)	16	26,932,234	20	28,334,881.57

Remuneration of Executives does not include incentives and sales commission, which are selling expenses.

## 2) Other Remuneration

### A) Other Remuneration for the Directors

- None -

### B) Other Remuneration for the Executives Provident Fund

The Company has established a provident fund for its executives and employees with the contribution of the Company. The fund is added by % of salary determined by company. In 2021, the Company and its subsidiaries made contributions to the provident fund as follows:

Provident Fund	2021		2020	
	No. of Executive	Amount (Baht)	No. of Executive	Amount (Baht)
Premier Marketing Public Co., Ltd.	8	3,557,789	7	3,767,323.38
Subsidiaries (PMF, PCI, PFP, PMSE)	16	2,335,136	20	2,278,339.39

## Employment of Management and Business Consultant

The Company and its subsidiaries have engaged Premier Fission Capital Co., Ltd. (PFC), currently a major shareholder of the Company, to provide management and administrative support services to the Company and its subsidiaries under a management and business consultancy agreement. The objective of such hiring is the separation of tasks (outsourcing) in order to employ the services of the centralized unit of the Premier Group, which is a type of centralization and cost sharing according to the size and volume of transactions of each company, in order to reduce overall costs from the Company having to recruit more personnel to handle all aspects of the support functions.

### The scope of services covers various areas as follows:

Management and governance of the business and support of strategies and business innovations to achieve the goals of each organization, operation of the business in accordance with the core values of the organization and in compliance with relevant rules and legal requirements, and provision of personnel with ability and expertise to serve as directors and executives in each organization serviced.

Consulting services where counsel is provided to the organizations in all aspects related to business operation of the enterprises, including planning, determining business strategies, financial planning, compliance with relevant laws on human resources management, office administration and corporate communication together with provision of knowledge in various areas to develop the knowledge base of officers within the organizations.

Services on education, analysis, planning and work to the organizations in order that the business operations achieve the goals and are in accordance with various relevant rules and regulations or in case where such matters require specialized expertise, such as internal audit, corporate governance, compliance with laws related to the securities, exchange, litigation, company register, accounting and taxation, IT Services, including management of funding sources of the businesses and in contacting financial institutions.

However, the execution of such agreement with PFC is deemed a connected transaction with a person who may have a conflict of interest with the Company where the Company must strictly comply with the policies, measures and procedures for entering into connected transactions. Should PFC amend the details of the agreement or the terms for calculating the service fees to the Company and its subsidiaries, the Company shall propose the details and conditions of such amendments to the Audit Committee meeting for consideration and comment on the appropriateness of the amended agreement every time prior to entering into the new agreement.

## 7.5 Personnel

With the economic condition in the country remaining volatile and is likely to deteriorate and higher competition, along with the rapid technological changes, business operations are forced to adjust quickly as well, especially the employees that are considered the heart of the organization and are considered an important factor that enables the business of the Company to compete and maintain continuous growth over the past several years. Paying attention to employees at all levels is therefore considered essential, from the recruitment process, the development, the payment of motivational salary and compensation according to the success of the job and the caring of employees to have good quality of life, and is thus a mission of the Company that must be continuously developed. As at 31 December, 2021, the Company had a total of 321 employees and paid total remuneration of 230 million Baht to its employees, which included salary, overtime pay, cost of living allowance, bonus, financial support, social security contribution, provident fund contribution, etc. The subsidiaries paid the same types of remuneration as the Company to its employees, totaling 550 million Baht (excluding incentives and commission that are considered selling expenses).

As for the annual salary increase, the Company has set policies and guidelines on remuneration of employees that correspond with its performance including consider from other aspects such as base salary versus the evaluation of the employee competency and performance and then compare to the industry rate.

Number of Employees and Remuneration In 2021	PM	PCI (Subsidiary)	PFP (Subsidiary)	PMF (Subsidiary)	PMSE and Subsidiary (Subsidiary)	SZPM (Subsidiary)	Total
Executives - Male (persons)	5	-	-	1	1	-	7
- Female (persons)	3	2	-	1	3	-	9
Operation and support staff							
- Male (persons)	134	169	10	243	25	-	581
- Female (persons)	179	348	28	778	23	-	1,356
Total (persons)	321	519	38	1,023	52	-	1,953
Employee remuneration (million Baht)	230	200	11	317	22	-	780

During the past 3 years, the Company has no labor dispute with its employees. Since the Company's management focuses on the employees' participation in all activities such as participation in business planning, activities and participation in implementation, as well as focusing on service work with transparency with regard to quality and ethics of collaboration.

### Human Resources Policy

The Company has a policy to continuously promote and develop its human resources at all levels and have prepared human resources development guidelines in accordance with all its 5 core values and the direction of business growth. Implementation guidelines have been defined for the working system and human resources as follows:

#### 1) Work System Development Plan

From the changes in the digital technology that have enabled work to be efficient, convenient, faster and accurate, the Company focuses on the development of work systems and procedures in the form of automation, online and e-document under the Smart Office project through the review of the main work processes (sales, logistics and support) to reduce duplication and optimize efficiency through the introduction of operating systems (software) to help connect the data and give the users access, as well as continuous use.

#### 2) Personnel Competency Development

The Company focuses on and promotes development of employees to have knowledge and work skills in line with its 5 core values by emphasizing on reinforcing employees at all levels to be aware of their duties and be responsible towards society in order to lay the groundwork in the development of the competency of employees to be effective and lead to the sustainable strengthening of the organization and create a harmonious balance between the business, its employees and society. The Company prepares and develops personnel at all levels in 3 main ways as follows:

## SECTION 2 CORPORATE GOVERNANCE

- ▶ Core Competency
- ▶ Managerial Competency
- ▶ Functional Competency

Each employee in each function will receive knowledge, skill and ability development in line with the responsibilities of the job in order to allow them to perform their duty with maximum efficiency and at full capacity so as to achieve work effectiveness and to have the same standards.

In order to allow the development of personnel competency to have the highest potential according to determined guidelines at levels that can be concretely measured, a policy was established for competency development for each individual employee with the setting of a policy framework as follows:

1. Evaluate the competency of personnel compared to the standard competency defined (Competency Gap Evaluation) to learn of the impairment or the insufficient competency of each personnel to perform work effectively.
2. Individual development through setting plans for individual competency development.
3. Focus on Core Value Behaviour through emphasis on the development of personnel behaviour to possess suitably the qualities in accordance with the core values of the Company.

### PM HUMAN RESOURCES DEVELOPMENT PROGRAM



In order to see a concrete direction for personnel development that creates continuous development in line with the policies and rapid changes in the business world and technology, a training road map has been determined for continuous personnel development that can be concretely measured.

In 2021, the Company and its subsidiaries have carried out competency development for its personnel in many areas, with consideration and accordance with the organization's core values as follows:

- ▶ Core Competency

Company	Number of (Courses)	Number of Participants (Persons)	%
PM	2	144	44.85
PMF	2	82	8.15
PCI	2	43	8.28
PMSE and Subsidiary	4	27	16.36



► Managerial Competency

Company	Number of (Courses)	Number of Participants (Persons)	%
PM	3	50	15.62
PMF	3	6	0.59
PCI	4	15	2.89
PMSE and Subsidiary	2	16	9.70

► Functional Competency

Company	Number of (Courses)	Number of Participants (Persons)	%
PM	24	320	100.00
PMF	20	997	99.20
PCI	35	456	88.83
PMSE and Subsidiary	14	122	73.94

- PM employee training under the plan in 2021 equaled 7.47 hours per person
- PMF employee training under the plan in 2021 equaled 3.19 hours per person
- PCI employee training under the plan in 2021 equaled 65.25 hours per person
- PMSE and Subsidiary employee training under the plan in 2021 equaled 23.47 hours per person

In 2021, the Company joined the Premier Group in organizing a human development course on leadership management according to the core values of the organization for employees continuous from the last year at the supervisory level so that they can understand these values and adapt them for use in personnel performance evaluation (Performance Management System (PMS)) in consistence with and in the same direction as that of the Group companies, as well as can be used as the principle and guideline for human resources development. The core values are used to define and as guideline for the personnel of Premier to know the expected behaviours that will lead to a sustainable organizational culture.

### 3) Knowledge Management Processes

The Company has continuously operated its business into its 44<sup>th</sup> year, which resulted in its employees having the knowledge, expertise and skills to perform important tasks. The Company considered that all units shall review and prepare knowledge management plans, techniques and work practices for important processes, gather and organize systems to access critical knowledge in various forms such as documents, document files, video clips, etc. so that the employees may access, learn and exchange in performing particular tasks and promote learning activities in the form of e-learning, including defining the measurement of the learning process clearly.

### 4) Career Path & Succession Planing

In order to prepare the personnel, both quantitatively to adequately meet demands and qualitatively where each employee shall be developed according to the individual program, in 2021, the Company and its subsidiaries have jointly reviewed and prepared a development plan in line with the Career Path & Succession Plan and proceed with the development according to the specified road map concretely.

### 5) Care for Personnel under the Core Values

Promote employees to live happily through the Happy Workplace project that encompasses the creation of the 8 happiness (Happy 8 Menu) that focus on the participation of employees in creating happiness and good atmosphere together. The drive of the Happy 8 working group created learning and exchanges among each other and within the organization through various communication channels made accessible to employees at all levels, which brought about positive behavioural changes where the sharing of happiness became initially the culture of an activity group but expanded to become a good culture in an organization that has a policy for employees to live happily with the 8 happiness and to create sustainable mutual sharing.

## Work Plan /Guidelines for Human Resources Development in 2022

Work Plan /Guidelines for Human Resources Development in 2022

In order to ensure continuity and sustainability in human resources development, the Company has prepared a human resource development plan for the year 2022 as follows:

1) Continuous Development and Empowerment of Personnel

Management of personnel development according to the Individual Development Plan (IDP) by using the competency survey data to assess the competency gap for the preparation of individual development plans, which are divided into 2 groups as follows:

- ▶ Operational level group by focusing on development, training and learning according to the competency gap to raise the level of knowledge, competence and skills of employees to increase work efficiency and effectiveness in work.
- ▶ Supervisory level and successor groups with development according to the competencies that the organization requires in all aspects and development on the part of knowledge and skills specific to the position, including the development of career paths for the successor group according to the position.

2) Human resources development using digital technology to help effect change (HR digital transformation) through reduction of unnecessary steps, reduction of service time for employees and upgrading the Company's operations to change for the better in terms of technology as follows:

- ▶ Promote electronic commerce (e-commerce) for online marketing (digital marketing) by developing courses to support modern sales in the digital era and support learning development to increase new online sales channels.
- ▶ Integrate digital technology with each work process of the Human Resources Department, such as recruitment, welfare, training, etc., and also learning of the modern technology required for the use in work so that they can be sourced to meet the needs.
- ▶ Develop a self-learning system via an e-learning system developed from learning media videos or the application of various learning platforms adapted for use in human resources development in accordance with the core values and desired competencies.

3) Promote the quality of life of employees for good living in order to create a bond with the organization and create sustainable mutual growth.

- ▶ Conduct survey on the quality of work life of sales staff with the expected results being the enhancement of the quality of work life that is competitive with the labour market in order to create morale and encouragement for employees in order to build a bond with the organization.
- ▶ Create fairness in performance appraisals with the aim of a standardized implementation of the performance appraisal system that is in line with the Premier Group, which is fair, measurable and competitive with the market.

4) Adhere to moral and ethical principles, promote and participate in activities that support good Thai ways and activities that benefit society and the environment, as well as adhere to and comply with the anti-corruption policy manual.

## 7.6 Other Important Information

### 7.6.1 Detail of Company Secretary, Person Assigned Direct Responsibility for Supervising Accounting and Chief of Internal Audit Unit are as follows;

▶ **Company Secretary**

The Board of Directors had a resolution to appoint Miss Kulthida Verathaworn as the Company Secretary as of 17 April, 2021 in order to perform in relation to the Shareholders' Meetings, the meeting of the Board of Directors and the Sub-Committees as well as to support the corporate governance in accordance with the standards of corporate governance. The profile of Miss Kulthida Verathaworn is shown in [Attachment 1](#). As such, the Company Secretary must have the qualifications and responsibilities as follows;

### Qualifications

- 1) Must possess basic knowledge of the principles of laws and regulations of regulatory agencies related to the public limited companies laws and the securities and exchange laws.
- 2) Must have knowledge and understanding of the principles of good corporate governance and the good practices in corporate governance.
- 3) Must have knowledge in the various businesses of the Company and good communication skills, which are supplementary qualifications that assist the Company Secretary in efficiently carrying out his duties.

### Roles and Responsibilities

The main roles and responsibilities of the Company Secretary are to support the Board of Directors regarding regulatory requirements. The specific roles and responsibilities of the Company Secretary include the following duties:

- 1) Manage the Shareholders Meetings, the Board of Directors Meetings and the related Sub-Committees' Meetings as appointed by the Board of Directors by complying with law, the Articles of Association of the Company, and the Charters of each committee and the good practice.
- 2) Inform the related executives of the resolutions and policies of the Board of Directors and shareholders and monitor the implementation through the Chairman of the Executive Committee of such resolutions and policies.
- 3) Provide advice and preliminary recommendations to the Board of Directors and the committees appointed by the Board on statutory matters, regulatory practices and desirable practices related to corporate governance.
- 4) Ensure that the Company Secretary's unit is the center for corporate data, such as the juristic person registration certificate, Memorandum of Association, Articles of Association, shareholder's register and licenses for various types of businesses.
- 5) Supervise the disclosure of information and reports under his responsibility to the regulatory agencies in accordance with the law, regulation and policy on the disclosure of information and news of the Company.
- 6) Contact and communicate with the general shareholders to inform them of their various rights.
- 7) Provide news and information to the directors on issues related to the business operations of the Company to support them in the execution of their duties.
- 8) Arrange for advice to be provided to the newly appointed directors.

#### ► Person Assigned Direct Responsibility for Supervising Accounting

The Company appointed Mrs. Pathomporn Srisuthamporn, Deputy Managing Director- Accounting and Finance as the person assigned as the highest responsibility in finance and accounting and Miss Tanasukant Kумыim, Assistant Accounting Manager as the person assigned the person supervising accounting which is qualified according to the qualification specified in the announcement of the Department of Business Development. The curriculum vitae of both persons are as detailed in [Attachment 1](#).

#### ► Chief of Internal Audit Unit

Mr. Akapan Nuanmuang, Director of Internal Audit, review and evaluate internal control system, and plan internal audit plan by reporting directly to the Audit Committee. Mr. Akapan Nuanmuang profile is presented in [Attachment 3](#).

## 7.6.2 List of Investor Relations and Contacts

Contact Persons : Mrs. Pathomporn Srisuthamporn

Telephone 0-2301-1740

Fax 0-2301-1711

E-mail ir@pm.premier.co.th

## 7.6.3 Remuneration of the Auditor

### (1) Audit Fee

The Company and its subsidiaries paid audit remuneration to EY Office Co., Ltd., which is the audit firm that the auditors work under.

EY Office Co., Ltd. is an auditor approved by the Securities and Exchange Commission and was appointed by the Annual General Meeting of Shareholders for the year 2021, is an auditor that is independent in auditing and providing opinions on the Company's financial statements, is reputable and has no relationship or no interest whatsoever with the Company/subsidiaries/directors/executives/major shareholders or any related person. Therefore, it is independent in auditing and providing opinions on the Company's financial statements.

The audit fee to the auditor in the past accounting year was as follows :

Item	Company	Auditor	Audit Fee 2020	Audit Fee 2021
1	Premier Marketing Public Co., Ltd.	Mr. Chatchai Kasemsrithanawat	1,886,000	1,886,000
2	P.M. Food Co., Ltd.	Mr. Chatchai Kasemsrithanawat	900,000	900,000
3	Premier Canning Industry Co., Ltd.	Mr. Chatchai Kasemsrithanawat	1,013,000	1,013,000
4	Premier Frozen Products Co., Ltd.	Mr. Chatchai Kasemsrithanawat	400,000	400,000
5	PM SE Co., Ltd.	Mr. Chatchai Kasemsrithanawat	150,000	100,000
6	Mivana Co., Ltd..	Mr. Chatchai Kasemsrithanawat	120,000	170,000
Total Remuneration Paid for the Audit			4,469,000	4,469,000

## (2) Non-Audit Fee

Item	Company	Service	Non-Audit Fee	Non-Audit Service	
				Paid During the Future	Payable In
1	Premier Marketing Public Co., Ltd.	An Observation the destruction of the inventory	EY Office Ltd.,	60,000	-
2	Premier Canning Industry Co., Ltd.	An Observation the destruction of the inventory and Compliance with conditions stipulated in the investment promotion Certificate (BOI)	EY Office Ltd.,	10,000	100,000
3	PM SE Co., Ltd.	Compliance with conditions stipulated in the investment promotion Certificate (BOI)	EY Office Ltd.,	-	300,000
4	Mivana Co., Ltd.	An Observation the destruction of the inventory	EY Office Ltd.,	10,000	-
Non-Audit Fee				80,000	400,000

Accordingly, Shenzhen Premier Marketing Company Limited (SZPM), a subsidiary has audit fee for Hongyi Certified Public Accountants in the People's Republic of China, in the accounting year as follows:

Item	Company	Auditor	Audit Fee 2020	Audit Fee 2021 (RMB)
1	Shenzhen Premier Marketing Co., Ltd.	Mr.Chengyou Zhong	-	15,000
Total Remuneration Paid for the Audit			-	15,000

## 7.6.4 In Case of Foreign Company or a Thai Company that is a Holding Company

- None -

## 8. Corporate Governance Report

### 8.1 Summary of the Board's Performance in the Past Year

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

##### (1) Independent Directors

The Board of Directors or the shareholders' meeting (depending on the case) shall appoint independent directors to join the Company's Board. The Company has a policy that not less than one-third of the Board must be independent directors and that it must have at least 4 independent directors. Currently, the Company has 4 independent directors. (Miss Naengnol Chai-onnom, Mr. Wichai Hirunwong, Mr. PanaEk Warawit, and Mrs. Nangnoi Bunyasaranand)

The Company has defined an independent director as specified in the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand according to notification Tor Jor. 4/2552 of the Capital Market Supervisory Board dated 20 February, 2009 regarding the qualifications of the independent director. Independent director means a director who has the following qualifications :

1. Must not hold more than 1% of all shares with voting rights of the Company, its parent company, a subsidiary, an affiliated company, a major shareholder or a controlling person of the Company. This shall also include shareholding by related persons of the independent director.
2. Must not be or have been either a director with management authority, an employee, staff, consultant on retainer or a controlling person of the Company, unless relieved of such characteristics for not less than two years prior to appointment. Such prohibited characteristic shall not include independent directors who are former government officials or consultants to a government agency that is a major shareholder or a controlling person of the Company.
3. Not being a person related by blood or by legal registration as a father, mother, spouse, sibling and child, including spouse of children of the executive, a major shareholder, a controlling person of the Company or any person that has been nominated as an executive or a controlling person of the Company or its subsidiaries companies.
4. Neither having nor used to having a business relationship with the Company, its parent company, a subsidiary, an affiliated company, a major shareholder or a controlling person of the Company in a manner which may impede his independent judgment. Neither being nor used to being a principal shareholder or a controlling person of any person having a business relationship with the Company, its parent company, a subsidiary, an affiliated company, a major shareholder or a controlling person of the Company unless relieved of such characteristics for not less than two years prior to the date of appointment as an independent director.

The business relationship under the first paragraph includes normal business transactions for rental or lease of immovable property, transactions related to assets or service or the granting or receipt of financial assistance through the receipt or extension of loans, guarantees, provision of asset as collateral, and other similar actions that result in the Company or its counterparty being subject to indebtedness payable to the other party of 3% or more of the Company's net tangible assets, or of 20 million Baht or more, whichever is the lower. The amount of such indebtedness shall be calculated according to the calculation method for the value of connected transactions specified in the notification of the Capital Market Supervisory Board concerning rules on connected transactions mutatis mutandis. However, in the consideration of such indebtedness, any indebtedness that occurred during the course of one year prior to the commencement date of the business relationship with the same person shall also be included.

5. Neither being nor used to being an auditor of the Company, its parent company, a subsidiary, an affiliated company, a major shareholder or a controlling person of the Company, and not being a principal shareholder, a controlling person or a partner of an audit firm that employs the auditors of the Company, its parent company, a subsidiary, an affiliated company, a major shareholder or a controlling person of the Company unless relieved of such characteristics for not less than two years prior to the date of appointment as an independent director.

6. Neither being nor used to being a provider of any professional service, including legal counselor or financial advisor, who receives a service fee exceeding 2 million Baht per year from the Company, its parent company, a subsidiary, an affiliated company, a major shareholder or a controlling person of the Company, and not being a principal shareholder, a controlling person or a partner of the provider of professional service unless relieved of such characteristics for not less than two years prior to the date of appointment as an independent director.

7. Not being a director appointed as a representative of the Company's director, a major shareholder or shareholder who is related to the major shareholder.

8. Not operate any business of the same nature as and is in significant competition with the business of the Company or its subsidiary or not being a principal partner in a partnership or being an executive director, an employee, a staff, a consultant on a retainer or holding more than 1% of all shares with voting rights of any other company operating a business of the same nature as and is in significant competition with the business of the Company or its subsidiary.

9. Not having any other characteristic that impedes the ability to render independent opinions with regard to the Company's operations.

## (2) Nomination of Directors and Senior Executives

### A. Board of Directors

In the selection of directors, the Company's Board of Directors, excluding any director with conflicts of interest, will identify and select qualified candidates for nomination to the Board of Directors for its approval. The Board would then nominate the selected candidates to the shareholders' meeting for election and appointment. The appointment of the Company's directors will be in line with the criteria prescribed in the Company's Articles of Association as follows :

1. The Board of Directors of the Company will comprise not less than 5 members whose appointment has been approved by the shareholders' meeting and not less than half of the directors must reside in Thailand.

2. The shareholders' meeting elects the directors according to the following criteria and procedures:

(1) Each shareholder shall be entitled to one share to one vote.

(2) Each shareholder must exercise all his votes under (1) above to elect one or more nominees to be directors but may not divide the votes among several nominees.

(3) Nominees who receive the largest number of votes in descending order shall be elected as directors equal to the number of directors to be elected at that time. In the event that the nominees elected in subsequent order receives equal votes and the number of directors to be elected at that time is exceeded, the Chairman of the meeting shall cast the deciding vote.

3. At every Annual General Meeting of Shareholders, one-third of the directors shall retire. If one-third is not a round number, the number closest thereto shall be the applicable number. The directors to vacate office within the first and second year following company registration shall draw lots. In subsequent years, the directors serving the longest shall retire. The directors who retire by rotation are eligible for re-election by the shareholders.

4. Any director who wishes to resign from office shall submit a letter of resignation to the Company. The resignation shall be effective on the date that the Company receives the letter. The director may notify the Registrar of his resignation.

5. In the event that a position of director becomes vacant for any reason other than the end of the office term, the Board of Directors shall appoint any individual with the characteristics prescribed by law to be a new director at the next Board meeting, except if the remaining office term is less than 2 months. The replacement director shall hold office only for the remainder of the office term of the director whom he replaces. The resolution of the Board of Directors pursuant to the first paragraph must consist of votes of not less than three-fourths of the number of remaining directors.

6. The shareholders' meeting may remove any director from office before the end of term with a resolution of not less than three-fourths of the total votes of shareholders present and eligible to vote and altogether holding not less than one-half of the total number of all shares held by the shareholders present and eligible to vote at that meeting.

### B. Audit Committee

The Board of Directors appoints at least 3 members to serve as the Audit Committee of the Company. Each member of the Audit Committee must be an independent director and must possess the qualifications stipulated by the securities and exchange laws, as well as relevant notifications, regulation and/or rules of the Stock Exchange of Thailand that prescribes the qualifications and scope of duties and responsibilities of the Audit Committee.

### C. Executives

The Company has a policy to recruit executives through the selection of persons who possess knowledge, capability, skill and experience beneficial for the Company's operations, fully understands the Company's business and is capable of managing the business to achieve the objectives and goals set by the Board of Directors. Selections are made in accordance with the human resources regulations and must be approved by the Board of Directors and/or any person assigned by the Board of Directors.

### ► Board and Management Training

1. The Board encourages and facilitates training and educating for those involved in corporate governance of the Company, such as directors, members of the audit committee, executives, Company Secretary, etc., to assist them to continuously improve their performance. Training and educating can be done internally or through the use of the services of external institutions.

2. The Board of Directors determined to have orientation for all new directors, to build knowledge and understanding of the business and various aspects of the Company's operation. The purpose is to prepare the readiness of directors in practicing their duties. The Company secretary will be a coordinator in various matters such as business structure, directors structure, scope of duties, Laws to know, general knowledge of business, operation guideline and etc.

3. The Board has assigned the Managing Director to organize an executive development program and disclose it in the Company's annual registration statement (Form 56-1 One Report).

4. The Board requires the Managing Director to present them with the Company's succession plan at least once a year. The Managing Director and senior executives have prepared continuous succession plans in case they cannot perform their duties.

In 2021, the Directors have attended seminars and training courses of the Thai Institute of Director (IOD) as follows:

Name	Position	Training Course in 2021	Training Period
1. Mr. Somchai Choonharas	Chairman and Member of the Corporate Governance and Risk Oversight Committee	► Governing in Tomorrow's World	online training 1 hour
2. Mr. Wichai Hirunwong	Independent Director and Member of Audit Committee	► Governing in Tomorrow's World ► GRC Through the Perfect Storm ► CHAIRING A VIRTUAL BOARD MEETING ► It's Time for Board Meeting Reformation	online training 1 hour online training 1.30 hours online training 1 hour online training 1.30 hours
3. Mr. PanaEk Warawit	Independent Director and Member of Audit Committee	► Training on Director Certification Program (DCP) Course, Batch 312/2021	online training 5 Days
4. Mr. Suradej Boonyawatana	Director and Member of the Corporate Governance and Risk Oversight Committee	► Governing in Tomorrow's World ► What Your Board Needs to Know about C-Suite Succession in time of Uncertainty ► GRC Through the Perfect Storm	online training 1 hour online training 1 hour online training 1.30 hours
5. Mrs. Nangnoi Bunyasaranand	Independent Director	► Governing in Tomorrow's World	Online Training 1 hour



### ► Board Self-Assessment

1) The Committee and Subcommittee conduct self appraisal at least once a year, in order for the committee to join together to consider the work and the problems so that it can be improved and adjusted; by setting norms that will be used to compare with the performance.

2) Evaluation of the Board of Directors performance is an assessment of both individual and the entire committee and evaluation of the sub-committee performance is an assessment of the entire committee. These assessments are disclosed procedures principle in the Company's annual registration statement (Form 56-1 One Report).

3) The Committee annually evaluates Chairman of the Executive Committee or Managing Director to be used in determining their remuneration of which the Company evaluate in accordance with the principle that the Stock Exchange of Thailand has set.

For the Board self-assessment process, the Company Secretary will send the evaluation form mentioned above to all directors in November and respond within 15 December of every year. After that, the Company Secretary will collect and report the results of the evaluation in comparison with the previous year to the next Board of Directors' Meeting to acknowledge and improve the work to be more effective.

For the Board self-assessment criteria, the Company has evaluate the performance of the entire committee and evaluate the performance of individual by using the method of scoring for each topic with 5 level which are :

- 0 = Strongly disagree or there has been no implementation of the matter
- 1 = Disagree or there has been little implementation of the matter
- 2 = Agree to a limited extent or there has been initial implementation of the matter
- 3 = Mostly agree or there has been progressive implementation of the matter
- 4 = Strongly agree or there has been complete implementation of the matter

Evaluation topics consisted of 6 main topics, which are

- 1. Structure and qualification of the Board
- 2. Roles, duties and responsibility of the Board
- 3. Board meeting
- 4. Duties of directors
- 5. Relationship with the management division
- 6. Directors' self development and executive development

The assessment of the Board of Directors' performance as a whole in 6 main topics has shown "Strongly Agree" as an average score.

## 8.1.2 The Attendance of Directors and Remuneration of Each Directors

As of 31 December, 2021, the attendance of directors is shown on 7.2 The Board of Directors, 7.2.1 The Board's Structure and the remuneration of each directors are shown on 7.4 Executives, 7.4.3 Monetary Remuneration of Executive Directors and Executives.

## 8.1.3 Governance of the Subsidiaries

### Governance of the Subsidiaries' Operation

The Company has a policy for its subsidiaries and associates to adhere to and comply with the corporate governance principles of the Company according to the guidelines set by the Company. It is set in the authorization manual of the subsidiaries that important operations or material transactions must first be approved by the Company's Board of Directors. In addition, a large number of directors of the subsidiaries and associates are also directors of the Company and, therefore, the various operations of the subsidiaries and associates will largely take into consideration and adhere to the guidelines for operation of the Company.

### Machanism of Governance and Responsibility of the Subsidiary's Operation

The Chairman of the Executive Committee has authority and duties in supervision and management of the Company's subsidiary in accordance with the authority and responsibility of the Chairman of the Executive Committee (7.4.1)

## 8.1.4 Monitoring of the Compliance with Corporate Governance Policies and Practices

### (1) Conflict of Interest Prevention

The Board of Directors has established a written policy on related transactions and any transactions that may lead to conflict of interest, which are included in the corporate governance policy and code of conduct. The Company complies with the guidelines of the Stock Exchange and the Securities and Exchange Act for the best interest of the Company. It is the duty of personnel at all level to carefully resolve conflict of interests' problem by upholding to the principles of honesty, rationale and independence in good ethical framework.

### (2) Abuse of Insider Information

The Company supervises and protects against the use of insider information according to the good corporate governance principles, as well as requires the directors and executives to disclose information on their interests and those their related parties. The Company has the following guidelines :

1) Set policies regarding the safe-guarding of the information system in order to maintain the standard of the work system, computer system, and information and communication system, which are important in the creation of a control system of quality.

2) Set policies regarding trade secrets and intellectual properties. The Company has entered into confidentially agreements with its employees, contractors, suppliers/service providers and visitors of the Company to prevent disclosure of information or news of the Company and its subsidiaries that are confidential. In addition, the employees are prohibited from infringement of the intellectual property rights of others.

3) The Board of Directors has set in writing the procedures for use of insider information to promote transparency, equality and fairness equally to all shareholders and to prevent the use of such non-public information for personal gains, as well as avoid criticism regarding the appropriateness of the trading of the Company's stocks. The directors, executives and employees of the Company must protect the secret and/or insider information of the Company and may not disclose or use such information, directly or indirectly, for personal gains for oneself or others. They must not trade, transfer or receive stocks of the Company by using the Company's secret and/or insider information except where the information has been made public and must not enter into any transaction by using the Company's secret and/or insider information, which may directly or indirectly cause losses to the Company. They are also prohibited from trading, transferring or receiving the Company's stocks for a period of 1 month prior to the disclosure of the Company's financial statements and within 2 working days after revealing the information. This requirement includes spouses and minor children of the directors, executives and employees of the Company. Violators of the requirements will be punishable according to the Company's disciplinary rules and/or the law depending on the case.

4) Stipulate that every director and executive is responsible for reporting on their company's stocks holding and in the case where the director or executive trade the Company's stocks, they must report their holding of company's stocks and the holding of stocks by their spouse and minor children of the stocks of the Company as prescribed by Section 59 of the Securities and Exchange Act B.E. 2535 within 3 working days to The Securities and Exchange Commission to be disseminate to the public. This also includes the determination to report the holding of securities in accordance with the laws and quarterly submitted such report to the Board or individuals that the Board assigned to acknowledge. Furthermore, these details must be disclosed at the Board meeting and in annual registration statement (Form 56-1 One Report).

5) The Board of Directors has set guidelines and procedures for reporting the interest of directors and executives as prescribed by Section 89/14 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008) and notification Tor Jor. 2/2552 of the Capital Market Supervisory Board.

### (3) Against Fraud and Corruption

The Company emphasizes in good corporate governance and ensure to manage under the corporate governance framework that are transparent and accountability for the best interest of all stakeholders. The Company has also set the "anti-fraud and corruption" policy and informed the executives and employees of all level to adhere and practice in accordance with the policy. There are scope of anti-fraud and corruption management system that covered every steps and every working process of the Company and its subsidiaries that involved with the business, procurement, employ, distribute, supply and other operating procedure where there is risk of fraud and corruption. The company has been approved as a member

of the Private Sector Collective Action against Corruption by the Committee of Private Sector Collective Action Coalition against Corruption on 4 April, 2014. On 9 March, 2017, the Company's certification under the Thailand's Private Sector Collective Action Coalition against Corruption was 1<sup>st</sup> renewal. And the 2<sup>nd</sup> renewal of the certification was complete on 14 February, 2020. In this regard, management responsibility is clearly defined as follows:

### **Management Commitment**

The Company is committed to push forward the anti-fraud and corruption measure system into the operating process and adjust management system to be transparent in accordance with the corporate governance principles. By doing so, the managing directors have established policies and are committed to operate the business without fraud and corruption, which is in accordance with the regulations of anti-corruption measure, as well as a complete promote of the resources. The Company has clarified and made understanding with all employees in the consumer good business line and related external parties to realized the importance in operating each procedures transparently to be in line with the regulations, policy and requirements of laws and other related regulations.

### **Anti-Corruption Policy**

- ▶ The directors, management and employees of the Company and its business lines are prohibited from performing, accepting or supporting corruption in any form, whether directly and/or indirectly. This shall be applicable to all companies in the consumer products business line, including all related contractors and sub-contractors. Regular reviews on compliance with the anti-corruption policy shall be made, as well as reviews on implementation to ensure compliance with the policy, practices, regulations, rules, notifications, laws and business changes.

- ▶ The anti-corruption standard is part of business operation and it is the duty and responsibility of the Company's board of directors, management, supervisors, employees at all levels and suppliers or sub-contractors to express their opinion regarding the practice on the implementation of the anti-corruption actions to ensure achievement of compliance with the policy set.

- ▶ The Company formulated its anti-corruption measures in accordance with related laws, including the principles of moral. Risk assessment was conducted on activities that are related or at risk for corruption and the results were used in preparing the operating guidelines for all related parties.

- ▶ The Company does not offer or support bribery in any form in all activities under its supervision, including supervision of charitable contributions, political contributions, and the offer of gifts in business transactions, and supports various activities with transparency and without the intention of convincing officials of the government or private sector to undertake inappropriate actions.

- ▶ The Company has appropriate internal control with regular reviews in order to prevent improper practices by employees, especially in sales, marketing and procurement.

- ▶ The Company provides knowledge on anti-corruption to its directors, management and employees to promote integrity, honesty and sense of responsibility in fulfilling their duties, and to show the Company's commitment.

- ▶ The Company has in place mechanisms for transparent and accurate financial reporting.

- ▶ The Company has provided a variety of communication channels for employees and stakeholders to raise concerns and report suspicious circumstances with confidence of being protected from punishment, unfair transfer or harassment in any way, as well as appoint person(s) to investigate and monitor the complaints.

The Company has set up channels for whistle-blowing, complaints, suggestions or recommendations that indicate that the stakeholders are affected or are at risk of being affected by any action that may cause damages for all groups of stakeholders arising from its business operations or violation of laws, rules, regulations and the code of conduct by its employees, as well as behaviors that may indicate fraud, unfair treatment, or careless or reckless actions. Whistle-blowing or filing of complaints together with details and evidences can be made through the following channels:

- ▶ Audit Committee
- ▶ Secretary to the Board of Directors / Board of Directors  
Premier Marketing Public Co., Ltd.  
No.1 Premier Corporate Park, Soi Premier 2, Srinakarin Road  
Nong-bon, Prawet, Bangkok 10250  
Telephone : 0-2301-2071  
Facsimile : 0-2748-2063  
E-mail : Kulthida.act@pm.premier.co.th

The whistle-blowers or filers of complaints that are employees, customers, individuals hired for work by the Company or other groups of stakeholders who are whistle-blowers will have their rights protected and defended according to the law or the guidelines set by the Company.

#### (4) Whistleblowing

##### **Policies and Measures on Whistle Blowing and Human Rights Violation**

Whistle-blowing measures and Human rights violations the Company requires that executives at all levels assume responsibility for ensuring that employees under their supervision acknowledge, understand and comply rigorously with the code of conduct and policy/regulations/requirements of the Company, the principles of good corporate governance and various laws. The Company has determined the procedures for consideration and investigation of grievances or complaints that are systematic, transparent and accountable so that the complainants will have trust and confidence in a fair investigation process.

In order to treat all stakeholders equally and with fairness, the Company has set up channels for whistle-blowing, complaints, suggestions or recommendations that indicate that the stakeholders are affected or are at risk of being affected by any action that may cause damages for all groups of stakeholders arising from its business operations or violation of laws, rules, regulations and the code of conduct by its employees, as well as behaviors that may indicate fraud, unfair treatment, or careless or reckless actions. Whistle-blowing or filing of complaints together with details and evidences can be made through the following channels :

- ▶ Audit Committee
- ▶ Secretary to the Board of Directors / Board of Directors  
Premier Marketing Public Co., Ltd.  
No.1 Premier Corporate Park, Soi Premier 2, Srinakarin Road  
Nong-bon, Prawet, Bangkok 10250  
Telephone : 0-2301-2071  
Facsimile : 0-2748-2063  
E-mail : Kulthida.act@pm.premier.co.th

Once the Company receives the tips / complaints / comments / suggestions, it will collect, assess and verify the data and determine remedial measures to mitigate the damage to the affected persons, taking into account the total problem and damage. Subsequently, the person responsible for the matter has the duty to monitor the results of the proceedings and report to the receiver of the tips / complaints / comments / suggestions and the informer of the tips / complaints / comments / suggestions, as well as report such results of the proceedings to the Audit Committee and / or the Board of Directors as the case may be.

In order to protect the rights of the informer of the tips / complaints / comments / suggestions or those who cooperate in the investigation, including employees, customers, individuals hired for work by the Company or other groups of stakeholders, the Company shall not disclose any other information of the informer of the tips / complaints / comments / suggestions or those who cooperate in the investigation and they shall be protected and their legal rights shall be defended according to the law or the guidelines set by the Company.

In 2021, the Company did not have any material dispute with the stakeholders.

## 8.2 Audit Committee's Report for the Past Year

### 8.2.1 The Attendance of the Audit Committee Audit Committee

As at 31 December, 2021, the Audit Committee comprised 3 members:

Name	Position	Attendance/Total Number of Meetings (Times)
1. Miss Naengnoi Chai-onnom*	Chairman of the Audit Committee	5/5
2. Mr. Katiya Greigarn **	Chairman of the Audit Committee	2/2
3. Mr. Wichai Hirunwong	Member of the Audit Committee	5/5
4. Mr. PanaEk Warawit ***	Member of the Audit Committee	2/2

\* is a person with sufficient knowledge and experience to verify the creditability of the financial statements.

\* No.1 Miss Naengnoi Chai-onnom has been appointed as Chairman of the Audit Committee, effective from 19 July, 2021.

\*\* No.2 Mr. Katiya Greigarn has resigned from Independent Director and Chairman of the Audit Committee, effective from 2 May, 2021.

\*\*\* No.4 Mr. PanaEk Warawit has been appointed as Independent Director, effective from 16 July, 2021. and has been appointed as Member of the Audit Committee, effective from 19 July, 2021.

In 2021, the audit committee had a total of 5 meetings, consisted of 4 meeting of the Quarterly Audit Committee Meeting and 1 meeting with the auditors without the management attending.

Miss Kulthida Verathaworn, the Company Secretary, served as the Audit Committee secretary from 10 August, 2021 onwards. Mr. Akapan Nuanmuang, Chief of Internal Audit Unit, review and evaluate internal control system, and plan internal audit plan by reporting directly to the Audit Committee. Mr. Akapan Nuanmuang profile is presented in [Attachment 3](#).

### 8.2.2 Performance of the Audit Committee

The Performance of the Audit Committee is presented in Report of the Audit Committee.

## 8.3 Other Sub-Committee Report

### 8.3.1 Attendance of the Committee Corporate Governance and Risk Oversight Committee

As at 31 December, 2021, the Corporate Governance and Risk Oversight Committee comprised 3 members:

Name	Position	Attendance/Total Number of Meetings (Times)
1. Mrs. Duangthip Eamrungraj	Chairman of the Corporate Governance and Risk Oversight Committee	4/4
2. Mr. Somchai Choonharas	Member of the Corporate Governance and Risk Oversight Committee	4/4
3. Mr. Suradej Boonyawatana	Member of the Corporate Governance and Risk Oversight Committee	4/4

### 8.3.2 Performance of the Committee Corporate Governance and Risk Oversight Committee

The performance of the Corporate Governance and Risk Oversight Committee is presented in Report of the Corporate Governance and Risk Oversight Committee.

## 9. Internal Control and Related Transactions

### 9.1 Internal Control

The Board of Directors of the Company and its Subsidiaries have continuously placed importance on the internal control system which covered the area of finance, operation and performance to be in accordance with the related laws, rules and regulations since this is an important mechanism that builds the managements' confidence in reducing business risks. Adequate, efficient and effective risk management are established by appropriately allocating resources in securing and maintaining properties as well as clearly specified risk management policy. The Corporate Governance and Risk Oversight Committee is assigned to supervise and monitor the Corporate Governance System and Risk Management System and the Audit Committee, which comprises of the independent directors, is assigned to review the internal control system to be appropriate and efficient; ensuring that the Company and its subsidiaries practices in accordance with the related laws and policies as well as supervises to prevent conflict of interest, conducting related party transaction and monitoring the use of assets in order to prevent fraud or misconduct. By which the Internal Audit Unit will perform independently from the management and report directly to the Audit Committee as well as reviewing and evaluating the efficiency and the adequacy of the Company and its subsidiaries internal control system and operations of all departments to be in compliance with the annual audit plan approved by the Audit Committee; by applying the international standards framework guideline of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) and the Enterprise Risk Management framework into practices and to be in accordance with the rules of corporate governance guideline of the Stock Exchange of Thailand, Thai Institute of Directors (IOD) and Organization for Economic Co-operation and Development (OECD). These guidelines are adapted for a more completeness, in order for the Company's performances to pursue every aspect of effective and efficient work. In addition, the Board of Directors has determined that all employees must adopt The Control Self-Assessment (CSA) to take personal responsibility and develop the internal control systems of their work system under their own responsibility in order to strengthen the internal control system to meet all applicable requirements and in accordance with the changing situation in a timely manner to reasonably ensure that the outcome will be able to help achieve the Company and its subsidiaries' objective as well as an evaluation of internal control system at least once a year annually.

### Opinion of the Board of Directors on the Internal Control

The Board of Directors held the Meeting No. 6/2021 on 9 November, 2021. The Audit Committee attended and commented on the assessment of adequacy and appropriateness of internal control system. In 2021, the Company and its Subsidiaries have reviewed the assessment of the adequacy of the internal control system. It referred to "Internal Control Sufficiency Evaluation Form" of the Securities and Exchange Commission (SEC). Review of internal control system, with giving recommendation to internal control system and monitoring focuses on monitoring the operation to achieve effectiveness and efficiency. The committee has asked the management and approved evaluation form. Assessment of the internal control system assessed 5 elements and 17 principles according to the internal control assessment form developed by the Securities and Exchange Commission (SEC). There are organization control, risk assessment, operational control, information systems and data communication, and monitoring system.

#### 9.1.1 Sufficiency and Appropriateness of Internal Control System

The Board of Directors agreed that the internal control systems of the Company and its subsidiaries are sufficient and appropriate. Manpower is provided sufficiently to operate the system effectively. There are sufficient internal control system that monitors the operations to be able to protect assets of the Company and its subsidiaries from being used by committee members or executives illegally or without authority, and also prevents transactions with persons who may have conflicts of interest and related persons. In consultation with the auditors, it was concluded that no significant defects on the internal control systems, the Company and its subsidiaries prepared financial statements in accordance with accounting and financial standards and disclosing the information in accordance with the relevant law.

The Company and its subsidiaries evaluated the internal control system aligned with the internal control evaluation form, fully based on the standard of The Stock Exchange of Thailand which are as follows:

## 1) Organization's Internal Control

The Company and its subsidiaries clearly define the targets and objectives which are measurable. The target will be reviewed and compared the actual outcomes to the expected ones periodically. Moreover, the Company has provided the structure of reporting and the organization chart classifying the duties and responsibilities, as well as determined proper authority and responsibility in order to reach the objectives under oversight of the Board of Directors. Additionally, the Company has established the Code of Ethics, Code of Business Ethics, the corporate's good governance policies, anti-corruption policy and the conflict of interest which represents the adherence of moral and integrity values. The Company has determined the important delegation of authority manual and work manual for the entire system in written document, which are regularly revised to be in conformity to the new standard. Furthermore, the manuals are used as operational guideline by considering from roles and responsibilities as well as internal control system. The Company has established personal development policy, recruitment process and employee performance evaluation process by applying Competency System and Key Performance Indicators: KPI to the Enterprise level, field of work, department, division and personal level by connecting to the employee performance evaluation results in the organization. Moreover, the Company has recruit employees with potential in compliance with the succession plan to develop, promote and maintain personnel with knowledge and competency to stay with the Company and its subsidiaries as well as promote and campaign for all employees to have conscience and continually comply with. The Company offered training to provide knowledge to the employee annually in order for the employee performance to be transparent and fair to all group of stakeholders. A clear monitoring process and penalties are established and promote the Executives to practice in conform to the good corporate governance policy as specified by the Company and its subsidiaries.

The Board of Directors is independent from the management team, who possess knowledge and expertise that are beneficial for the business. The Company has clearly specified the roles and responsibilities of the committees and management team as well as supervised to ensure that the committees and the management team practices in accordance with the roles and responsibilities. The Board of Directors is responsible for determining the organizational structure and clear chain of command for a proper check and balances as well as appropriate internal control, in order to assess the efficiency of performance and to regularly follow its results compared with the organization's goals. The Board of Directors' responsibilities are to perform the oversight functions, develop the operations of internal control and aim to motivate, develop and keep efficient employees with knowledge and capability. Besides, the Board of Directors also determined the personnel's be responsible for the internal control to achieve the organization's objectives. The Internal Audit Unit, which reports directly to the Audit Committee, will promote and add value to the internal control system of the Company and its subsidiaries.

The Audit Committee and the Board of Directors mention that the internal control system of the Company and its subsidiaries is sufficient and appropriate for the size of the business. It is able to protect the assets of the Company and its subsidiaries from loss or use by unauthorized persons and support the financial reports of the Company and its subsidiaries to be accurate and reliable.

For anti-corruption, the Company has provided an assessment of the risks associated with fraud within the Company, including a review of the implementation of anti-corruption policy. The Company has been certified as a member of Thai Private Sector Collective Action Against Corruption (CAC) and is confident that the Company has adequate measures to defeat and detect fraud and corrupt effectively.

## 2) Risk Assessment

The Company and its subsidiaries have clearly determined the objectives in order to identify and assess risk concerning the organization's goal achievement. The Audit Committee and the Corporate Governance and Risk Oversight Committee have worked with the management of the Company and its subsidiaries to regulate organizational risk management in a holistic form in accordance with its objective and acceptable risk levels (risk appetite), determine the risk management policy for everyone to comply, consider and assess the internal and external risks affecting the business operations. The risk identification and analysis such as strategy, operation, finance, compliance and other situation, divided by organizational and department, including the Corruption Risk Assessment will be determined the impact of each type of potential threat on the objectives within the organization. And the Company needs to prioritize risks according to their impact and probability in each business process for defining the risk management plan and measures to maintain adequate manner. The Company and its subsidiaries have determined the significant policies and strategies of risk management by combining the risk management with its business plan along with considering the chance of corruption in the business through the identification and assessment



of variation which may effect on the internal control system. In addition, the Company and its subsidiaries have followed up the circumstance and risk factors from The Control Self-Assessment (CSA) regularly, including review the risk factors that change both internally and externally, which might impact the organization annually.

The Corporate Governance and Risk Oversight Committee believe that the Company and its subsidiaries have good corporate governance under the principles of good governance and operation of the business according to the vision and mission of the organization. The Company and its subsidiaries have managed risks effectively and appropriately including both strategy and business operation under conditions of risk in compliance with internationally accepted governance management and risk management framework.

### 3) Operational Control

The Company and its subsidiaries have defined the significant policies in the business operations for using as guideline to operate the business systematically and efficiently as well as be able to reach the goals and objectives. There are control measures to reduce risks to an acceptable level. Besides, the Company has also selected and developed the general control activities with the technology system in order to ensure the achievement of objectives. The organization has arranged the control activities through the policies determined the expectation and the operational procedures in order to become the practical policies. The delegation of authority manual has been designed to determine the scope of authority and incur the expenditure of the management at each level clearly in writing. The preparation and review of the delegation of authority manual and the work manual/procedures suit for present organizational structure and operational practices. An anti-corruption manual has also been prepared in accordance with the determined policy. The operational structure has been organized by separating their duties and responsibilities of each position clearly in approving and recording transactions, and custody of assets. Furthermore, the organization will conduct the operations in strict compliance with laws and regulations. Internal Audit Unit is assigned to continuously revise the performance to be in line with the rules, regulations, the delegation of authority manual and the work manual to ensure that the operations are efficient and under adequate internal control system which includes using information system in the operation to make it fast and more efficient

Moreover, the Company and its subsidiaries have impose policies, rules, and regulations in making transactions with a party involved with the Company and its subsidiaries, to practice in the same direction and to maintain accuracy, transparency and fairness in accordance with the regulations of the Securities and Exchange Commission (SEC).

### 4) Information Systems and Data Communications

The Company and its subsidiaries focus on information system and data communication and have provided the important information systems adequately, promote and encourage the development continuously such as providing the internal and external information completely, precisely and potentially in order to ensure that the internal control is able to operate as designed. Besides, the organization is required to achieve the objectives. The Company has set and to make the reports of all departments to propose the management for decision-making by using modern and effective information technology, including data security since data collection, data processing, storage and data result monitoring so that the operation and important data used for the management and business decision making is accurate enough and within a reasonable time. The Company and its subsidiaries also prepare the analytical report comparing between principle and reason with reference to the facts. For accounting and financial reporting, the accounting recorded documents are completely filed with transparency and to be used as operation's information. The Audit Committee has considered with the auditors, the Internal Audit Unit and those associated with the preparation of the Company and its subsidiaries' Financial statements of each quarter to ensure that the Company and its subsidiaries are in accordance with accounting standards and financial reporting standards suitable for the nature of the business of the Company and its subsidiaries, including appropriate timely disclosure of information. There are additional meetings on the agenda as appropriate.

The Company has established the proper communication channels to share duties and responsibilities, and other relevant topics with its employees. The Company has also set secure channels for whistle-blowing and filing of complaints regarding fraud and corruption. There is communication between the business units within the Company and with external parties regarding matters that may affect the functioning of internal control as well as specified information technology and data usage security policies and provide communication channel for the recipient both inside and outside the organization to conveniently and quickly access the data.

The Company and its subsidiaries have assigned the Company Secretary to be responsible in preparing meeting information and documents prior to the meeting, provide opinion and resolution of the meeting in the minute of the Board of Directors' meeting at all times.

## 5) Monitoring System

The Company has monitored the performance of the Company whether it will meet the goals by evaluating all levels from the Board of Directors to Executive Committee and administrators as to track progress and monitor the implementation of the strategic plans, plans and projects determined in the annual business plan approved by the Executive Committee on a monthly basis, and to resolve any problems that may occur so the Company can adjust plans in line with changing of circumstances by comparing actual results with estimated results. In case that actual results are different from estimated results, each department will analyze and determine the cause of the differences to establish measurement to improve operational efficiency. The involved parties present reports to review the performance and analyze the root cause as well as collaboratively resolve problems. Also, the timeline is set for monitoring results clearly. In addition, disclosure of relevant and useful information for decision-making needs to be sufficient, complete, accurate, and connected transactions or conflicts of interest transactions are disclosed transparently and can be examined.

### 9.1.2 Opinion of the Audit Committee on Internal Audit System of the Company and its Subsidiaries

The Board of Directors possesses a system for assessing and monitoring the results of the internal control system that covers all aspects such as accounting and finance, operation, legal/regulatory compliance and asset custody and corruption which significantly affects the financial status and reputation of the Company and its subsidiaries to promptly take corrective actions and provides regular audits for internal control system compliance to ensure that the internal control system continues to operate in a complete and appropriate manner. Deficiencies in the internal control system are assessed and communicated in a timely manner to those responsible, including senior management and the Board of Directors as appropriate. There are responsible persons from the relevant departments to supervise the practice to be in accordance with the internal control system.

The Audit Committee oversees and reviews the internal control system through the Internal Audit Unit. It audits, monitors, and evaluates performance standards for the practice of the professional practice of internal auditing to ensure that audit findings or reviews are appropriately and timely revised. The Audit Committee's opinion is consistent with the Board of Directors; it is of the view that the internal control system of the Company and its subsidiaries is sufficient, appropriate and there are no significant flaws.

### 9.1.3 Opinion of the Audit Committee on Internal Audit Unit

The Audit Committee reviews the performance of the Internal Audit Unit which serves to build confidence and give advice freely and fairly to audit and assess the sufficiency of the internal control system as well as to follow up on the improvement of the operating process as appropriate, covering the work processes of the Company and its subsidiaries. Internal Audit Unit reports directly to the Audit Committee to ensure that the operations of the Company and its subsidiaries have an internal control system that is sufficient, appropriate and efficient along with risk management at an acceptable level and have good corporate governance. Mr. Akapun Nuanmuang, the position of Director of Internal Audit Department, is assigned to be the Chief of the Internal Audit Unit of the Company and its subsidiaries in which the qualifications of Mr. Akapun Nuanmuang is considered as appropriate enough to perform the said duties.

### 9.1.4 Guidelines for Appointment and Transfer the Chief of the Internal Audit Unit

The appointment, transfer, and dismissal of the Chief of the Internal Audit Unit of the Company and its Subsidiaries is considered and approved by the Audit Committee.

The Internal Audit Division operates the internal auditing to conform with the standards for the professional practice of internal auditing. The Company assigned a self-assessment according to the standards and stakeholder satisfaction assessment. Moreover, audit competency is imposed to assess the performance quality of internal auditors in order to continuously develop and improve the internal audit operation to be efficient and effective. By doing so will allow the Company and its subsidiaries to recognize the actual conditions and performance as well as to use such results to analyze the problems, obstacles and limitations in order to perform their task appropriately. This is in consistent with the development of the internal auditor to have skills, knowledge and competency of the international standard as well as to efficiently conduct the auditing by means of promoting and encouraging the auditors to participate in the knowledge of the internal audit and various business profession training and training in the area of Company's business group, including other professional knowledge and promoting certification testing for those who practice internal audit related professions, etc.

## 9.2 Related Transactions

Related Transactions of the Company and its Subsidiaries for 2021.

Related Companies	Transaction Type	Description	Relationship	Transaction Value (Million Baht)	Necessity and Rationale
Premier Fission Capital Co., Ltd. Premier Resorts and Hotels Co., Ltd. Premier Products Public Co., Ltd.	Normal Business	<u>The Company and its Subsidiaries</u> ▶ Sell products that the Company distributes/manufactures ▶ Account Receivables	Premier Fission Capital Co., Ltd. is the parent company, others are common directors	0.09 0.05	Selling prices are under normal business conditions.
Premier Inter Leasing Co., Ltd.	Support Normal Business	<u>The Company and its Subsidiaries</u> ▶ Car rental for the Company and its subsidiaries' business (recorded as depreciation expenses of right-of-use assets, interest paid lease agreement) ▶ Right-of-use assets - Vehicle ▶ Account Payable - Related Parties	Common directors	10.18 5.64 0.78	Rental fee are under normal business practice and recorded as right-of-use asset according to TFRS 16 Lease by calculating depreciation and interest expense throughout the contract period.
Premier Fission Capital Co., Ltd.	Support Normal Business	<u>The Company and its Subsidiaries</u> ▶ Consulting fee under management and business consultancy contract ▶ IT Service fees for software, e-mail, internet and system maintenance. ▶ Account Payable - Related Parties	Premier Fission Capital Co., Ltd. is the parent company.	54.10 26.89 0.14	Consulting fee is computed from the average actual cost of each business structure of Premier Fission Capital Co., Ltd.'s customers. Information service fee is under normal business practices.
Premier Capital (2000) Co., Ltd.	Support Normal Business	<u>The Company and its Subsidiaries</u> ▶ Computer and related equipment rental for the company's businesses continues from the previous years under 3-5 years rental agreement. ▶ Account Payable - Related Parties	Common directors	5.26 -	Rental fees are under normal business practices.

Related Companies	Transaction Type	Description	Relationship	Transaction Value (Million Baht)	Necessity and Rationale
Seri Properties Holding Co., Ltd.	Support Normal Business	<u>The Company and its Subsidiaries</u> ▶ Rental fee on Lease contract and Right-of-use assets and Right-of-use prepaid rental on Long-term Lease contract (recorded as depreciation expenses of Right-of-use assets, interest paid under lease agreement) and Common facilities charge under lease. ▶ Electricity charge / telephone bill / medical supplies / maintenance ▶ Right-of-use assets ▶ Right-of-use prepaid rental ▶ Account Payable – Related Parties	Common directors	10.67	Rental fee according to lease contract recorded as Right-of-use assets according to TFRS 16 Lease by calculating depreciation and interest expense throughout the contract period. Rental fees are under normal business practices. Electricity charge/ telephone bill are levied under actual consumption.
				2.24	
				8.97	
				25.11	
				0.01	
Premier Products Public Co., Ltd.	Support Normal Business and Asset Acquisition	<u>Subsidiaries</u> ▶ Purchase materials for water treatment system ▶ Solar Rooftop system and installation equipment ▶ Account Payable – Related Parties	Common directors	0.17 21.63 3.85	Purchase price are under normal business practices.
Premier Resorts and Hotels Co., Ltd.	Support Normal Business	<u>The Company and its Subsidiaries</u> ▶ Accommodation and other fees ▶ Design and control the prototype coffee shop project (MIVANA FLAGSHIP STORE) ▶ Account Payable – Related Parties	Common directors	0.13 0.40 -	Purchase price are under normal business practices.

Related Companies	Transaction Type	Description	Relationship	Transaction Value (Million Baht)	Necessity and Rationale
Datapro Computer-Systems Co., Ltd.	Asset Acquisition	The Company and its Subsidiaries ► Purchase of computer equipment and work systems for use in business	Common directors	0.32	Selling price are under normal business practices.
Premier Fission Capital Co., Ltd.	Normal Business	The Company ► The Company pays dividend to the Company's shareholder	Premier Fission Capital Co., Ltd. is the parent company.	151.27	It is paid in proportion of shareholders of the Company in accordance with the resolution of dividend payment.

## Policies or Trend of Related Transaction in the Future

The Company and/or its subsidiaries expect that, in the future, related transactions will remain on the basis of normal business practices and support i.e. purchase of goods for resale, leasehold amortization, service for office based on the space rental contracts, management fees under management and consulting contract, information technology service contract, car rental for business operations and discount of account receivable, etc. All of the related transactions will incur as necessary and for business operation effectiveness within the group. The pricing policies are clearly determined based on the appropriate and fair prices and conditions in consideration into the Company's benefits. However, the Company's the Audit Committee will review these related transactions which have been treated as normal business practice or normal business support every quarter.

Borrowings between the Company and its subsidiaries incur as necessary for business operations and as working capital. The contracts executed with clear and fair terms and conditions are prepared. Nevertheless, in the future, the Company and its subsidiaries will have no borrowing policies for persons who may have conflicts of interest. Related transactions in the future, which are not for normal business practice, will be based on the Company's necessity and the Company's policy is to request the Audit Committee to consider and provide opinion for such transactions before making decisions.

With respect to the significant emergencies within any ongoing issues, the Company will address them to the Audit Committee for relevant consideration and thereafter present them to the Board of Directors for further approval.

In the meantime, for related transactions that may cause possible conflict of interest in the future, it is mandatory that the Board of Directors comply with the governing securities and exchange law and the Securities and Exchange Commission's rules and regulations, notifications, orders and requirement. In addition, the Company is under obligations to comply with the requirements of disclosure regarding the transactions, acquisition and sales of the Company's and its subsidiaries' assets as well as the accounting standards as specified by the Federation of Accounting Professions.

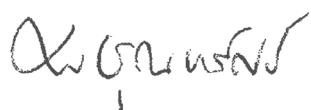
# Financial Statements



# Report of Board of Directors' Responsibilities' for Financial Statements

Board of Directors are responsible for the financial report as prepared by Premier Marketing Public Co., Ltd. and its subsidiaries in order to ensure the accurate and reasonable presentation of financial position, revenues and expenses and statement of cash flow. The presentation reflects accurate, complete and sufficient data entry of assets; prevents frauds and abnormal business operations. In preparing the financial report, appropriate accounting policies have been practiced consistently and in compliance with the Thai Financial Reporting Standards. Significant information has also been sufficiently disclosed in notes to financial statements and the auditors provided their opinion in Report of the Independent Auditors

Board of Directors appointed the Audit Committee consisting of the independent directors to review the financial report and the sufficiency of internal control system. The opinion of the Audit Committee presented in Report of the Audit Committee in the annual registration statement (Form 56-1 One Report).



**(Mr. Somchai Choonharas)**  
Chairman



**(Mrs. Pensri Dettingeng)**  
Director



# Independent Auditor's Report

## TO THE SHAREHOLDERS OF PREMIER MARKETING PUBLIC COMPANY LIMITED

### OPINION

I have audited the accompanying consolidated financial statements of Premier Marketing Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Premier Marketing Public Company Limited (the Company) for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Premier Marketing Public Company Limited and its subsidiaries and of Premier Marketing Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### BASIS FOR OPINION

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

### KEY AUDIT MATTERS

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

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

Key audit matter and how audit procedures respond to the matter are described below.

### REVENUE RECOGNITION

Revenue from sales of goods is one of the Group's key accounts because the amounts recorded directly affect the Group's profit or loss. The Group offers a variety of types of promotion at different times, including discounts to boost sales. As a result, the Group recognition of revenue from sales is complex. There are therefore risks with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group by

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

- ▶ On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- ▶ Reviewing credit notes that the Company issued after the period-end.
- ▶ Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

### OTHER INFORMATION

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

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

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

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

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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

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

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

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

EY Office Limited

Bangkok: 15 February 2022

*Chai Kasemsrih*

**Chatchai Kasemsrithanawat**

Certified Public Accountant (Thailand) No. 5813

Premier Marketing Public Company Limited and its subsidiaries

# STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	56,981,222	23,866,006	12,864,360	15,385,146
Trade and other receivables	7	672,136,729	787,269,920	588,419,257	682,146,311
Short-term loans to related parties and interest receivables	8	-	-	574,105,582	463,322,296
Inventories	9	569,126,160	487,280,706	27,446,978	34,011,478
Other current financial assets	10	31,480,348	29,730,972	3,429,411	9,935,943
Other current assets		<u>84,895,542</u>	<u>40,900,398</u>	<u>58,105,561</u>	<u>10,037,013</u>
<b>Total current assets</b>		<u>1,414,620,001</u>	<u>1,369,048,002</u>	<u>1,264,371,149</u>	<u>1,214,838,187</u>
<b>Non-current assets</b>					
Escrow account for debt repayment		118,561	118,561	118,561	118,561
Non-current financial assets	11	91,847,440	80,301,009	74,314,924	64,972,560
Investments in subsidiaries	12	-	-	261,534,200	256,254,200
Property, plant and equipment	13	965,087,542	895,618,765	8,817,243	8,965,840
Right-of-use assets	18	21,196,495	28,465,973	7,020,784	20,017,231
Right-of-use assets - prepaid rental	18	25,114,667	28,096,728	25,114,668	28,096,728
Non-operating assets	14	22,045,726	22,551,161	-	-
Deferred tax assets	25	11,758,231	14,437,711	11,602,403	13,515,392
Other non-current assets		<u>33,355,014</u>	<u>18,637,094</u>	<u>24,626,736</u>	<u>7,216,254</u>
<b>Total non-current assets</b>		<u>1,170,523,676</u>	<u>1,088,227,002</u>	<u>413,149,519</u>	<u>399,156,766</u>
<b>Total assets</b>		<u><u>2,585,143,677</u></u>	<u><u>2,457,275,004</u></u>	<u><u>1,677,520,668</u></u>	<u><u>1,613,994,953</u></u>

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

Premier Marketing Public Company Limited and its subsidiaries

# STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2021

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	15	158,000,000	26,767,429	158,000,000	24,000,000
Trade and other payables	16	626,333,532	653,583,369	537,899,148	581,456,170
Current portion of long-term loans and accrued interests	17	26,709,517	45,380,022	-	-
Current portion of lease liabilities	18	11,222,380	16,777,049	5,842,344	12,917,069
Income tax payable		45,340,562	35,330,710	23,576,667	20,960,480
Other current financial liabilities		2,366,276	-	134,640	-
Other current liabilities		14,866,191	21,154,353	5,980,549	8,377,276
<b>Total current liabilities</b>		<b>884,838,458</b>	<b>798,992,932</b>	<b>731,433,348</b>	<b>647,710,995</b>
<b>Non-current liabilities</b>					
Long-term loans, net of current portion	17	10,046,874	36,747,497	-	-
Lease liabilities, net of current portion	18	10,391,055	11,923,144	1,368,936	7,211,280
Deferred tax liabilities	25	84,518,567	80,299,770	-	-
Provision for long-term employee benefits	19	165,032,864	165,395,297	62,547,361	62,770,588
<b>Total non-current liabilities</b>		<b>269,989,360</b>	<b>294,365,708</b>	<b>63,916,297</b>	<b>69,981,868</b>
<b>Total liabilities</b>		<b>1,154,827,818</b>	<b>1,093,358,640</b>	<b>795,349,645</b>	<b>717,692,863</b>

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

Premier Marketing Public Company Limited and its subsidiaries

# STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2021

		(Unit: Baht)			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Shareholders' equity</b>					
Share capital					
Registered					
598,245,300 ordinary shares of Baht 1 each		<u>598,245,300</u>	<u>598,245,300</u>	<u>598,245,300</u>	<u>598,245,300</u>
Issued and fully paid up					
598,245,300 ordinary shares of Baht 1 each		598,245,300	598,245,300	598,245,300	598,245,300
Surplus (deficit) from the changes in the ownership interests					
in subsidiary	12	(8,319,648)	(8,319,648)	-	-
Treasury stocks	20	(299,976,760)	(299,976,760)	(299,976,760)	(299,976,760)
Retained earnings					
Appropriated - statutory reserve	21	62,180,270	62,180,270	62,180,270	62,180,270
Reserve for treasury stocks	20	299,976,760	299,976,760	299,976,760	299,976,760
Unappropriated		582,569,450	520,590,060	221,745,453	235,876,520
Other components of shareholders' equity	12	<u>217,096,606</u>	<u>202,447,803</u>	-	-
Equity attributable to owners of the Company		1,451,771,978	1,375,143,785	882,171,023	896,302,090
Non-controlling interest of the subsidiary		<u>(21,456,119)</u>	<u>(11,227,421)</u>	-	-
<b>Total shareholders' equity</b>		<u>1,430,315,859</u>	<u>1,363,916,364</u>	<u>882,171,023</u>	<u>896,302,090</u>
<b>Total liabilities and shareholders' equity</b>		<u>2,585,143,677</u>	<u>2,457,275,004</u>	<u>1,677,520,668</u>	<u>1,613,994,953</u>
		-	-	-	-

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

Premier Marketing Public Company Limited and its subsidiaries

# STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales		4,363,622,167	4,159,087,539	3,058,400,346	3,129,120,953
Rental and service income		660,255	1,423,587	-	-
Dividend income	12	-	-	110,078,019	150,489,012
Gain on sales of investment		144,734	1,172,459	94,483	1,064,960
Other income		22,040,020	22,279,615	20,265,328	16,912,974
Unrealised gain from revaluation of fair value of financial assets		8,516,273	-	9,207,710	-
<b>Total revenues</b>		<u>4,394,983,449</u>	<u>4,183,963,200</u>	<u>3,198,045,886</u>	<u>3,297,587,899</u>
<b>Expenses</b>					
Cost of sales and services		3,015,706,089	2,811,339,477	2,224,365,530	2,295,883,332
Distribution costs		463,407,061	431,330,483	420,911,877	402,080,211
Administrative expenses		477,319,357	442,189,802	226,938,980	223,267,444
Write-off goodwill	12.2	-	943,704	-	-
Unrealised loss from revaluation of fair value of financial assets		-	12,055,188	-	10,295,522
<b>Total expenses</b>		<u>3,956,432,507</u>	<u>3,697,858,654</u>	<u>2,872,216,387</u>	<u>2,931,526,509</u>
<b>Operating profit</b>		<u>438,550,942</u>	<u>486,104,546</u>	<u>325,829,499</u>	<u>366,061,390</u>
Share of loss from investment in joint venture		-	(746,672)	-	-
Finance income	22	124,132	276,396	16,252,892	13,232,570
Finance cost	23	(10,474,048)	(9,063,506)	(5,755,501)	(2,288,687)
Impairment loss from financial assets		(1,051,510)	(21,355)	(1,045,983)	(16,829)
<b>Profit before income tax expenses</b>		<u>427,149,516</u>	<u>476,549,409</u>	<u>335,280,907</u>	<u>376,988,444</u>
Income tax expenses	25	(82,561,342)	(77,757,259)	(48,203,367)	(49,097,067)
<b>Profit for the year</b>		<u>344,588,174</u>	<u>398,792,150</u>	<u>287,077,540</u>	<u>327,891,377</u>

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



Premier Marketing Public Company Limited and its subsidiaries

# STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 December 2021

		(Unit: Baht)			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of					
financial statements in foreign currency	9,803	-	-	-	
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods - net of income tax	9,803	-	-	-	
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Actuarial gain (loss)	19	17,656,266	(11,745,603)	7,191,448	(2,455,094)
Less: Income tax effect	25	(3,531,253)	2,349,121	(1,438,290)	491,019
Changes in revaluation surplus on land		18,298,750	-	-	-
Less: Income tax effect	25	(3,659,750)	-	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		28,764,013	(9,396,482)	5,753,158	(1,964,075)
<b>Total other comprehensive income for the year</b>		<b>28,773,816</b>	<b>(9,396,482)</b>	<b>5,753,158</b>	<b>(1,964,075)</b>
<b>Total comprehensive income for the year</b>		<b>373,361,990</b>	<b>389,395,668</b>	<b>292,830,698</b>	<b>325,927,302</b>
<b>Profit or loss attributable to:</b>					
Equity holders of the Company		354,816,872	404,321,699	287,077,540	327,891,377
Non-controlling interest of the subsidiary		(10,228,698)	(5,529,549)		
		<u>344,588,174</u>	<u>398,792,150</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		383,590,688	394,925,217	292,830,698	325,927,302
Non-controlling interest of the subsidiary		(10,228,698)	(5,529,549)		
		<u>373,361,990</u>	<u>389,395,668</u>		
<b>Basic earnings per share</b>					
27					
Profit attributable to equity holders of the Company		0.64	0.69	0.51	0.56

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

Premier Marketing Public Company Limited and its subsidiaries

# STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2021

Consolidated financial statements													(Unit: Baht)			
	Issued and fully paid-up share capital	Surplus (deficit) from the changes in the ownership interests in subsidiary	Treasury stocks	Appropriated - statutory reserve	Retained earnings Reserve for treasury stocks	Unappropriated	Other components of shareholders' equity						Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity	
							Other comprehensive income		Exchange differences on translation of financial statements in foreign currency		Difference on reorganisation of business of group companies					Total other components of shareholders' equity
							Other comprehensive income by the owners									
<b>Balance as at 1 January 2020</b>																
	598,245,300	(10,358,192)	-	62,180,270	-	801,443,343	327,302,981	-	(124,855,178)	202,447,803	1,653,958,524	(6,652,728)	1,647,305,796			
Profit for the year	-	-	-	-	-	404,321,689	-	-	-	-	404,321,689	(5,529,549)	398,792,150			
Other comprehensive income for the year	-	-	-	-	-	(9,396,482)	-	-	-	-	(9,396,482)	-	(9,396,482)			
Total comprehensive income for the year	-	-	-	-	-	394,925,217	-	-	-	-	394,925,217	(5,529,549)	389,395,668			
Change in non-controlling interests of the subsidiary as a result of change in status of investment and purchase of investment in subsidiary (Note 12.2)																
Treasury stocks (Note 20)	-	2,038,544	-	-	-	-	-	-	-	-	2,038,544	954,856	2,993,400			
Dividend paid (Note 30)	-	-	(299,976,760)	-	299,976,760	(299,976,760)	-	-	-	-	(299,976,760)	-	(299,976,760)			
<b>Balance as at 31 December 2020</b>	598,245,300	(8,319,648)	(299,976,760)	62,180,270	299,976,760	520,560,060	327,302,981	-	(124,855,178)	202,447,803	1,375,143,785	(11,227,421)	1,363,916,364			
<b>Balance as at 1 January 2021</b>																
Profit for the year	-	-	-	-	-	354,816,872	-	-	-	-	354,816,872	(10,228,698)	344,588,174			
Other comprehensive income for the year	-	-	-	-	-	14,125,013	14,639,000	9,803	-	14,648,803	28,773,816	-	28,773,816			
Total comprehensive income for the year	-	-	-	-	-	368,941,885	14,639,000	9,803	-	14,648,803	383,590,688	(10,228,698)	373,361,990			
Dividend paid (Note 30)	-	-	-	-	-	(306,982,495)	-	-	-	-	(306,982,495)	-	(306,982,495)			
<b>Balance as at 31 December 2021</b>	598,245,300	(8,319,648)	(299,976,760)	62,180,270	299,976,760	592,569,450	341,941,981	9,803	(124,855,178)	217,096,606	1,451,771,978	(21,456,119)	1,430,315,859			

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

Premier Marketing Public Company Limited and its subsidiaries

# STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

For the year ended 31 December 2021

(Unit: Baht)

	Separate financial statements				
	Issued and fully paid-up share capital	Treasury stocks	Retained earnings		Total shareholders' equity
			Appropriated - statutory reserve	Reserve for treasury stocks	
<b>Balance as at 1 January 2020</b>	598,245,300	-	62,180,270	-	1,246,152,297
Profit for the year	-	-	-	-	327,891,377
Other comprehensive income for the year	-	-	-	-	(1,964,075)
Total comprehensive income for the year	-	-	-	-	325,927,302
Treasury stocks (Note 20)	-	(299,976,760)	-	299,976,760	(299,976,760)
Dividend paid (Note 30)	-	-	-	-	(375,800,749)
<b>Balance as at 31 December 2020</b>	<b>598,245,300</b>	<b>(299,976,760)</b>	<b>62,180,270</b>	<b>299,976,760</b>	<b>896,302,090</b>
<b>Balance as at 1 January 2021</b>	598,245,300	(299,976,760)	62,180,270	299,976,760	896,302,090
Profit for the year	-	-	-	-	287,077,540
Other comprehensive income for the year	-	-	-	-	5,753,158
Total comprehensive income for the year	-	-	-	-	292,830,698
Dividend paid (Note 30)	-	-	-	-	(306,961,765)
<b>Balance as at 31 December 2021</b>	<b>598,245,300</b>	<b>(299,976,760)</b>	<b>62,180,270</b>	<b>299,976,760</b>	<b>882,171,023</b>

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

Premier Marketing Public Company Limited and its subsidiaries

# CASH FLOW STATEMENT

For the year ended 31 December 2021

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities</b>				
Profit before tax	427,149,516	476,549,409	335,280,907	376,988,444
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Share of loss from investment in joint venture	-	746,672	-	-
Depreciation and amortisation	102,032,395	97,454,139	19,499,296	25,528,614
Allowance for expected credit loss	1,051,510	21,355	1,045,983	16,829
Reduce cost of inventory to net realisable value (reversal)	(9,119,218)	135,335	4,515,995	4,519,412
Gain on sales of current investments - open-ended fund	(144,734)	(1,172,460)	(94,483)	(1,064,960)
(Gain) loss on disposal and write-off machinery equipment vehicles and non-operating assets	1,128,176	(668,231)	(389,333)	(707,148)
Long-term employee benefits expenses	23,601,944	21,323,299	9,254,533	8,463,476
Unrealised (gain) loss on exchange rate	(188,471)	204,063	(221,828)	26,857
(Gain) loss on fair value adjustments of financial assets	3,035,115	(668,838)	-	-
Unrealised (gain) loss on changes in value of investments in unit trust - open-ended fund	(11,551,387)	12,724,026	(9,207,709)	10,295,522
Write-off goodwill	-	943,704	-	-
Dividend income	-	-	(110,078,019)	(150,489,012)
Finance income	(124,132)	(276,396)	(16,252,892)	(13,232,570)
Finance cost	8,454,125	6,055,701	4,878,660	1,467,194
Profit from operating activities before changes in operating assets and liabilities	545,324,839	613,371,778	238,231,110	261,812,658
Operating assets (increase) decrease				
Trade and other receivables	114,074,554	(96,289,102)	92,676,255	(59,476,710)
Inventories	(72,726,236)	(52,290,033)	2,048,505	23,097,698
Other current assets	(44,566,173)	(8,903,931)	(48,068,548)	2,663,907
Other non-current assets	(19,283,623)	99,853	(19,124,555)	(552,476)
Operating liabilities increase (decrease)				
Trade and other payables	(27,133,243)	96,173,606	(43,409,331)	243,986,357
Other current liabilities	(6,099,444)	8,289,035	(2,223,711)	(675,910)
Cash paid for long-term employee benefits	(6,308,111)	(14,731,495)	(2,286,312)	(8,987,752)
Cash flows from operating activities	483,282,563	545,719,711	217,843,413	461,867,772
Cash receipt from refundable income tax	563,387	611,007	-	-
Cash paid for corporate income tax	(72,658,549)	(80,642,826)	(45,285,497)	(47,748,732)
<b>Net cash flows from operating activities</b>	<u>411,187,401</u>	<u>465,687,892</u>	<u>172,557,916</u>	<u>414,119,040</u>

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

Premier Marketing Public Company Limited and its subsidiaries

# CASH FLOW STATEMENT (CONTINUED)

For the year ended 31 December 2021

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Cash flows from investing activities</b>				
Increase in other current financial assets - fixed deposit	(524)	(20,815)	-	-
Cash paid for purchase of current investments - open-ended fund	(1,235,578,000)	(1,844,316,524)	(690,779,000)	(1,636,940,855)
Proceeds from sales of current investments - open-ended fund	1,233,310,000	2,054,693,221	697,380,000	1,810,285,014
Decrease in restricted bank deposits	-	10,000,000	-	-
Increase in short-term loans to related parties	-	-	(110,799,999)	(151,530,000)
Decrease in long-term loan to related party	-	-	-	5,600,000
Cash paid for purchase in investment in subsidiary	-	(4,854,386)	(5,280,000)	-
Proceeds from sales of machinery, equipments, vehicles and non-operating assets	763,776	1,509,190	389,336	708,940
Acquisition of machinery, equipments and building improvement	(128,696,714)	(83,139,315)	(1,658,122)	(847,432)
Interest received	85,395	226,468	16,269,605	13,199,220
Dividend received	-	-	110,078,019	150,489,012
<b>Net cash flows from (used in) investing activities</b>	<b>(130,116,067)</b>	<b>134,097,839</b>	<b>15,599,839</b>	<b>190,963,899</b>
<b>Cash flows from financing activities</b>				
Increase in bank overdrafts and short-term loans from financial institutions	131,232,571	21,781,254	134,000,000	24,000,000
Decrease in long-term loans	(45,360,000)	(19,833,126)	-	-
Repayment of lease liabilities	(19,461,311)	(24,952,536)	(13,440,600)	(19,785,180)
Interest paid	(7,474,195)	(5,062,475)	(4,335,634)	(852,294)
Dividend paid	(306,902,986)	(375,787,927)	(306,902,307)	(375,785,395)
Acquisition of treasury shares	-	(299,976,760)	-	(299,976,760)
<b>Net cash flows used in financing activities</b>	<b>(247,965,921)</b>	<b>(703,831,570)</b>	<b>(190,678,541)</b>	<b>(672,399,629)</b>
<b>Translation adjustments</b>	<b>9,803</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>33,115,216</b>	<b>(104,045,839)</b>	<b>(2,520,786)</b>	<b>(67,316,690)</b>
Cash and cash equivalents at beginning of year	23,866,006	127,911,845	15,385,146	82,701,836
<b>Cash and cash equivalents at end of year</b>	<b>56,981,222</b>	<b>23,866,006</b>	<b>12,864,360</b>	<b>15,385,146</b>
	-	-	-	-
<b>Supplemental disclosures of cash flows information</b>				
Non-cash item:				
Increase in right-of-use assets under the lease during the year	11,402,990	-	-	-

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

Premier Marketing Public Company Limited and its subsidiaries

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2021

## 1. General information

### 1.1 General information about the Company

Premier Marketing Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Premier Fission Capital Company Limited, which was incorporated in Thailand. The Company is principally engaged in the distribution of consumer products. The registered office of the Company is at 1 Premier Corporate Park, Soi Premier 2, Srinakarin Road, Kwaeng Nongbon, Khet Prawet, Bangkok.

### 1.2 Coronavirus disease 2019 Pandemic

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

## 2. Basis of preparation

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

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

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

## 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Premier Marketing Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) collectively as “the Group”:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2021</u>	<u>2020</u>
<u>Subsidiaries owned by the Company</u>			Percent	Percent
1. Premier Frozen Products Company Limited	Cold storage warehouse, manufacturer and distributor of frozen foods and rent out space	Thailand	100	100
2. Premier Canning Industry Company Limited	Manufacturer and distributor of tuna can and tuna pouch	Thailand	100	100
3. P.M.Food Company Limited	Manufacturer and distributor of snack foods	Thailand	100	100
4. PM SE Company Limited	Invest in social impact business and engage in manufacturing, marketing, product development and product distribution for socially responsible businesses	Thailand	100	100
5. Shenzhen Premier Marketing Company Limited	Distributor of snack foods and pet food	China	100	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.



- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

**2.3** The separate financial statements present investments in subsidiaries under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

#### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

## **4. Significant accounting policies**

### **4.1 Revenue and expense recognition**

#### *Sales of goods*

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

#### *Rental income*

Rental income is recognised on the straight-line basis over the lease term.

#### *Rendering of services*

Service revenue is recognised at a point in time upon completion of the service.

#### *Interest income*

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

#### *Finance cost*

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

#### *Dividends*

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

### **4.2 Cash and cash equivalents**

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

### **4.3 Inventories**

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

Raw materials and other supplies are valued at the lower of cost under the first in-first out method and net realisable value and are charged to production costs whenever consumed.

#### 4.4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

#### 4.5 Property, plant and equipment/Depreciation

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

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to its fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When land's carrying amount is increased as a result of a revaluation of The Group's land, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus on land". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same land previously recognised as an expense.
- When land's carrying amount is decreased as a result of a revaluation of The Group's land, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus on land" in respect of the same land.

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

Buildings and structures	5 - 25	years
Machinery	5 - 25	years
Improvements of leased building	5 - 20	years
Tools and equipment	5, 10	years
Furniture, fixtures and office equipment	3, 5 - 10	years
Motor vehicles	5	years

Depreciation is included in determining income.

No depreciation is provided on land, construction in progress and machinery under installation.

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

#### 4.6 Goodwill

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

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

#### 4.7 Leases

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

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

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

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

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

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

Buildings	2, 6	years
Furniture, fixtures and office equipment	4 - 5	years
Motor vehicles	5	years

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

#### ***Right-of-use assets - prepaid rental***

Prepaid rental, which represents office rental from the related company, is stated at cost less accumulated depreciation. Depreciation is calculated by reference to cost on a straight-line basis over the expected future period of 20 years, for which the assets are expected to generate economic benefit.

Depreciation is included in determining income.

#### ***Lease liabilities***

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

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

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

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

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

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

#### **4.8 Related party transactions**

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

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

#### **4.9 Foreign currencies**

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

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

Gains and losses on exchange are included in determining income.

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

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



An impairment loss is recognised in profit or loss. However, in cases where land was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

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

#### 4.11 Employee benefits

##### ***Short-term employee benefits***

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

##### ***Post-employment benefits***

###### *Defined contribution plans*

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

###### *Defined benefit plans*

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognise restructuring-related costs.



#### 4.12 Provisions

Provisions are recognised when The Group have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### 4.13 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### 4.14 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

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

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

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

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

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

#### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

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

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

### **Regular way purchases and sales of financial assets**

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

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

### **Impairment of financial assets**

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

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

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

#### **Offsetting of financial instruments**

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

### **4.15 Derivatives**

The Group uses derivative financial instruments, such as forward currency contracts to hedge their foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

### **4.16 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, The Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, The Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## 5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

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

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

### **Property plant and equipment/Depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measure land at revalued amount. Such amount is determined by the independent valuer using the market approach. The valuation involves certain estimates.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

#### Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

#### Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

### 6. Cash and cash equivalents

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash	385	455	150	150
Bank deposits	56,596	23,411	12,714	15,235
Total	56,981	23,866	12,864	15,385

As at 31 December 2021, bank deposits in saving accounts carried interests between 0.25 and 0.38 percent per annum (2020: between 0.05 and 0.38 percent per annum).



## 7. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b><u>Trade and other receivables - related parties</u></b>				
(Note 8)				
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	24	24	3,134	10
Past due				
3 - 6 months	30	-	-	-
<b>Total trade receivables - related parties</b>	<b>54</b>	<b>24</b>	<b>3,134</b>	<b>10</b>
Other receivables - related parties	-	451	12,337	13,958
<b>Total trade and other receivables - related parties</b>	<b>54</b>	<b>475</b>	<b>15,471</b>	<b>13,968</b>
<b><u>Trade and other receivables - unrelated parties</u></b>				
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	584,334	717,781	520,459	626,755
Past due				
Up to 3 months	55,065	41,027	25,034	20,990
3 - 6 months	1,441	819	1,431	555
6 - 12 months	2,256	497	2,246	453
Over 12 months	2,372	1,969	1,778	1,475
<b>Total</b>	<b>645,468</b>	<b>762,093</b>	<b>550,948</b>	<b>650,228</b>
Less: Allowance for expected credit losses	(2,292)	(2,434)	(2,279)	(2,427)
<b>Total trade receivables - unrelated parties, net</b>	<b>643,176</b>	<b>759,659</b>	<b>548,669</b>	<b>647,801</b>
Other receivables - unrelated parties	33,858	32,087	24,279	20,377
Less: Allowance for expected credit losses	(4,951)	(4,951)	-	-
<b>Other receivables - unrelated parties, net</b>	<b>28,907</b>	<b>27,136</b>	<b>24,279</b>	<b>20,377</b>
<b>Total trade and other receivables - unrelated parties, net</b>	<b>672,083</b>	<b>786,795</b>	<b>572,948</b>	<b>668,178</b>
<b>Total trade and other receivables - net</b>	<b>672,137</b>	<b>787,270</b>	<b>588,419</b>	<b>682,146</b>



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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 1 January 2021	7,385	2,427
Provision for expected credit losses	78	72
Amount written off	(220)	(220)
As at 31 December 2021	7,243	2,279

## 8. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group.

	(Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2021	2020	2021	2020	
<b><u>Transactions with parent company</u></b>					
Administrative expenses	81	81	31	31	Contract price
<b><u>Transactions with subsidiaries</u></b>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	16	13	2.84 and 2.93 percent per annum (2020: 3.40 - 4.50 percent per annum)
Other income	-	-	15	15	Contract price
Purchases of goods	-	-	1,479	1,518	Cost plus a certain margin
<b><u>Transactions with related companies</u></b>					
Distribution costs	9	7	7	7	Contract price
Administrative expenses	19	21	14	15	Contract price

As at 31 December 2021 and 2020, the balances of the accounts between the Group and those related parties are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Trade and other receivables - related parties (Note 7)</b>				
Subsidiaries	-	-	15,462	13,958
Related companies (related by common directors)	54	475	9	10
Total trade and other receivables - related parties	54	475	15,471	13,968
<b>Trade and other payables - related parties (Note 16)</b>				
Subsidiaries	-	-	239,200	268,800
Related companies (related by common directors/ related person)	3,971	5,154	106	2,199
Total trade and other payables - related parties	3,971	5,154	239,306	270,999
<b>Lease liabilities, net - related parties</b>				
Related companies (related by common directors/ related person)	14,872	11,593	2,611	4,360
Total lease liabilities, net - related parties	14,872	11,593	2,611	4,360

#### Loans to related parties

As at 31 December 2021 and 2020, the balances of loans between the Company and those related parties are the loans in the form of promissory notes which the Company granted to its subsidiaries. The are repayable on demand and unsecured. The movement are as follows:

(Unit: Thousand Baht)							
			Separate financial statements				
			Interest rate			Balance as at	Balance as at
			(percent per annum)	31 December 2020	Increase during the year	Decrease during the year	31 December 2021
			<u>2021</u>	<u>2020</u>			
<b><u>Short-term loans to related parties and interest receivables</u></b>							
PM SE Company Limited	2.84	3.50	413,304	115,950	(23,151)	506,103	
P.M. Food Company Limited	2.84	3.40	50,018	165,158	(147,173)	68,003	
Premier Frozen Products Company Limited	2.84	-	-	2,102	(2,102)	-	
Premier Canning Industry Company Limited	2.84	-	-	50,348	(50,348)	-	
Total			463,322	333,558	(222,774)	574,106	

As at 31 December 2021, PM SE Company Limited (Subsidiary) has short-term loan to a related party amounting to Baht 471 million (2020: Baht 380 million). The loan which the subsidiary company granted to Mivana Company Limited in the form of promissory notes carries interest at the rate of 2.84 and 2.93 percent per annum (2020: 4.00 percent per annum) and is repayable on demand and have mortgaged inventories as collateral.

#### Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	66,956	65,168	37,688	34,555
Post-employment benefits	3,507	2,728	2,099	1,493
Total	<u>70,463</u>	<u>67,896</u>	<u>39,787</u>	<u>36,048</u>

#### Guarantee obligations with related parties

The Group has outstanding guarantee obligations with related parties, as described in Note 31.4 to the financial statements.

## 9. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Finished goods	82,849	56,530	(2,524)	(2,175)	80,325	54,355
Work in process	26,263	13,409	(315)	(177)	25,948	13,232
Raw materials	392,263	366,438	(9,440)	(24,058)	382,823	342,380
Packing materials	62,528	51,288	(7,918)	(7,283)	54,610	44,005
Other supplies	5,534	4,966	(2,095)	(1,748)	3,439	3,218
Goods in transit	21,981	30,091	-	-	21,981	30,091
Total	<u>591,418</u>	<u>522,722</u>	<u>(22,292)</u>	<u>(35,441)</u>	<u>569,126</u>	<u>487,281</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	29,349	33,933	(1,902)	(1,338)	27,447	32,595
Goods in transit	-	1,416	-	-	-	1,416
Total	29,349	35,349	(1,902)	(1,338)	27,447	34,011

During the current year, the Group reduced cost of inventories by Baht 5 million (2020: Baht 6 million) (the Company only: Baht 5 million, 2020: Baht 5 million), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 18 million (2020: Baht 10 million) (the Company only: Baht 4 million, 2020: Baht 5 million), and reduced the amount of inventories recognised as expenses during the year.

## 10. Other current financial assets

10.1 As at 31 December 2021 and 2020, other current financial assets consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<u>Debt instruments at amortised cost</u>				
Fixed deposit	26	25	-	-
Total debt instruments at amortised cost	26	25	-	-
<u>Financial assets at FVTPL</u>				
Investments - unit trust in debt securities				
open-ended fund (Note 10.2)	31,454	29,037	3,429	9,936
Derivative assets	-	669	-	-
Total financial assets at FVTPL	31,454	29,706	3,429	9,936
Total other current financial assets - net	31,480	29,731	3,429	9,936

Investments in unit trust in debt securities open-ended fund is stated at fair value using inputs of Level 2 which is use of other observable inputs for such assets or liabilities, whether directly or indirectly. Such fair value of investments in unit trust has been determined by using the net asset value as published by the Asset Management.

10.2 Movement in investments - unit trust in debt securities open-ended fund are summarised below.

	(Unit: Thousand Baht)	
	Consolidate financial statements	Separate financial statements
Net book value as at 1 January 2021	29,037	9,936
Purchase during the year	1,235,578	690,779
Dispose during the year	(1,233,165)	(697,286)
Unrealised gain on changes in value of investment - unit trust in debt securities open-ended fund	4	-
Net book value as at 31 December 2021	31,454	3,429

## 11. Non-current financial assets

Non-current financial assets are investments in unit trust equity securities open-ended fund is stated at fair value using inputs of Level 2 which is use of other observable inputs for such assets or liabilities, whether directly or indirectly. Such fair value of investments in unit trust has been determined by using the net asset value as published by the Asset Management.

## 12. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2021	2020	2021	2020	2021	2020	2021	2020
			(%)	(%)				
Premier Frozen Products Company Limited	230,000	230,000	100	100	311,699	311,699	-	-
Premier Canning Industry Company Limited	93,000	93,000	100	100	92,999	92,999	59,985	100,439
P.M. Food Company Limited	8,750	8,750	100	100	182,500	182,500	50,093	50,050
PM SE Company Limited	100,000	100,000	100	100	100,000	100,000	-	-
Shenzhen Premier Marketing Company Limited	1,000*	-	100	-	5,280	-	-	-
Total					692,478	687,198	110,078	150,489
Less: Loss from impairment in value of investments					(211,775)	(211,775)		
Total					480,703	475,423		
Less: Allowance for impairment in value of investments					(219,169)	(219,169)		
<b>Investments in subsidiaries - net</b>					<b>261,534</b>	<b>256,254</b>		

\* Thousand Chinese yuan

## 12.1 Subsidiary indirectly owned by the Company - Mivana Company Limited (held by PM SE Company Limited)

On 23 March 2018, a meeting of the Board of Directors of PM SE Company Limited (Subsidiary) No.2/2018 passed a resolution approving the acquisition of additional shares in Mivana Company Limited, for a total of Baht 12 million (121,334 ordinary shares with a par value of Baht 100 each).

Subsequently, in April 2018, the subsidiary acquired an additional 121,334 ordinary shares of Mivana Company Limited, representing a 16.85% interest, from its existing shareholder at a price of Baht 12 million. As a result, the subsidiary's shareholding in the Mivana Company Limited increased from 72.04% to 88.89%.

As a result, the subsidiary recorded the effects of the changes in its shareholding in the company, amounting to Baht 10 million which is deficit from the changes in the ownership interest in subsidiary, under the heading of "Surplus (deficit) from changes in the ownership interests in subsidiary" under shareholders' equity in the consolidated statements of financial position.

## 12.2 Subsidiaries indirectly owned by the Company - The Good Drink Company Limited (held by PM SE Company Limited)

On 11 May 2020, an Annual Meeting of Shareholders of The Good Drink Company Limited No.1/2020 passed a resolution to approve an increase of Baht 8 million in its registered capital (800,000 ordinary shares at par value of Baht 10 each), which resulted in increasing of capital to a total of Baht 23 million (2,300,000 ordinary shares with a par value of Baht 10 each), of which 50 percent was called up on 11 May 2020. The Joint venture registered issuing of new shares with the Ministry of Commerce on 20 May 2020.

Subsequently, on 18 May 2020, PM SE Company Limited (subsidiary) acquired 800,000 newly-issued ordinary shares of The Good Drink Company Limited, of which 50 percent has been paid up at a price of Baht 4 million. As a result, the subsidiary's shareholding in The Good Drink Company Limited increased from 49.99% to 60.53% of the paid-up shares. The subsidiary's management has determined that the subsidiary has control over The Good Drink Company Limited because the subsidiary is a major shareholder and has the ability to direct the significant activities of The Good Drink Company Limited. Consequently, The Good Drink Company Limited is deemed to be a subsidiary of group companies and has to be included in the consolidated financial statements from the date on which the subsidiary assumed control in such entity. The investment was therefore reclassified on the acquisition date, from investment in joint venture to investment in a subsidiary. The fair value as at the acquisition date of the existing interests in The Good Drink Company Limited held by PM SE Company Limited before the acquisition date was approximately Baht 3 million.



During the second quarter of 2020, the subsidiary completed the process of measuring the fair value at the acquisition date of identifiable assets acquired, liabilities assumed and non-controlling interests in the subsidiary. The subsidiary recorded the excess of the cost of the business acquisition which was over the fair value of the net assets received amounting to approximately Baht 1 million as goodwill in its accounts. The management has considered the impairment of goodwill at the second quarter of 2020 and consequently wrote off the full amount, presenting it as “Write-off goodwill”, in the consolidated profit or loss, amounting to Baht 1 million.

Losses of The Good Drink Company Limited as from 18 May 2020 were included in the consolidated statements of income for the year ended 31 December 2020, amounting to Baht 3 million.

On 29 September 2020, a meeting of the Board of Directors of PM SE Company Limited (Subsidiary) No.4/2020 passed a resolution approving the acquisition of additional shares in The Good Drink Company Limited, for a total of Baht 1 million (749,999 ordinary shares, with a par value of Baht 10 each, at a price of Baht 1.29 each).

Subsequently, in September 2020, the subsidiary acquired an additional 749,999 ordinary shares of The Good Drink Company Limited, representing a 39.47% interest, from its existing shareholder at a price of Baht 1 million. As a result, the subsidiary's shareholding in The Good Drink Company Limited increased from 60.53% to 100.00%.

As a result, the subsidiary recorded the effects of the changes in its shareholding in the company, amounting to Baht 2 million which is surplus from the changes in the ownership interests in subsidiary, under the heading of “Surplus (deficit) from the changes in the ownership interests in subsidiary” under shareholders' equity in the consolidated statements of financial position.

### 12.3 Difference on reorganisation of business of group companies

The Company's Board of Directors' meeting No.3/2006 on 15 December 2006 passed the resolution approving the Company's sale of all direct investments in a subsidiary, Premier Pet Products Company Limited, to Premier Fission Capital Company Limited, a parent company, at the price of Baht 314 million. In addition, the meeting of the Company's Board of Directors passed the resolution approving the Company's purchases of two previous indirect investments in Premier Frozen Products Company Limited and Premier Canning Industry Company Limited from Premier Pet Products Company Limited at the price of Baht 193 million and Baht 102 million, respectively.

Subsequently, the Company's Board of Directors' meeting No.1/2007 on 22 August 2007 passed the resolution approving the Company's purchase of the previous indirect investment in P.M. Food Company Limited from Premier Pet Products Company Limited at the price of Baht 60 million. Because the sale and purchase of these shares were made for the purpose of organisational restructuring within the group companies, the Company therefore presented original investment costs of these subsidiaries as the investment costs since these three subsidiaries were purchased from Premier Pet Products Company Limited and have been the subsidiaries of the Company since the beginning, and the results of the sale and purchase transactions have been considered to be “Difference on reorganisation of business of group companies” and presented in other components of shareholders' equity in the consolidated statements of financial position.



#### 12.4 Allowance for impairment in value of investment

During the year 2020, the Company has considered to reserve the allowance for impairment of investment in subsidiary (PM SE Company Limited) on the net realisable value of the investment approximately Baht 100 million.

#### 12.5 Shenzhen Premier Marketing Company Limited

On 11 May 2021, Meeting No.3/2564 of the Company's Board of Directors passed a resolution to establish Shenzhen Premier Marketing Company Limited (SZPM) in the People's Republic of China in order to sell and distribute the Group's products, with a registered capital of RMB 1 million. The Company holds a 100% interest in this SZPM, which was incorporated on 9 October 2021, and paid in the registered capital on 16 December 2021.

### 13. Property, plant and equipment

Consolidated financial statements									(Unit: Thousand Baht)
Revaluation basis	Cost basis								
	Buildings and structures and improvement of building	Machinery	Improvements of leased building	Tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and machinery under installation	Total	
Land									
Cost, Revalued amount:									
1 January 2020	485,484	372,369	531,021	26,756	110,647	49,980	8,133	23,901	1,608,291
Additions	-	5,418	16,073	777	10,735	6,589	-	43,547	83,139
Disposals	-	-	(5,892)	-	(1,836)	(1,975)	(3,053)	-	(12,756)
Transfer in	-	22,114	34,069	9,637	2,735	3,630	-	-	72,185
Transfer out	-	-	-	(9,637)	(98)	-	-	(62,450)	(72,185)
Write-off	-	-	(23)	-	(1)	-	-	(329)	(353)
31 December 2020	485,484	399,901	575,248	27,533	122,182	58,224	5,080	4,669	1,678,321
Additions	-	11,158	27,087	563	10,765	6,578	-	72,545	128,696
Revaluation	18,299	-	-	-	-	-	-	-	18,299
Disposals	-	(548)	(7,450)	-	(5,234)	(1,200)	(1,160)	-	(15,592)
Transfer in	-	10,561	32,436	808	23,403	3,461	-	-	70,669
Transfer out	-	-	-	(233)	-	-	-	(70,436)	(70,669)
Write-off	-	-	-	-	-	-	-	(20)	(20)
31 December 2021	503,783	421,072	627,321	28,671	151,116	67,063	3,920	6,758	1,809,704

## 13. Property, plant and equipment (continued)

(Unit: Thousand Baht)

Consolidated financial statements								
	Revaluation basis	Cost basis						
		Buildings and structures and improvement of building	Machinery	Improvements of leased building	Tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and machinery under installation
Land								Total
<b>Accumulated depreciation:</b>								
1 January 2020	-	255,828	359,779	8,220	62,602	35,036	7,837	-
Depreciation for the year	-	8,590	33,670	1,233	15,831	6,355	-	-
Depreciation on disposals	-	-	(5,873)	-	(1,480)	(1,866)	(3,053)	-
Depreciation on write-off	-	-	(7)	-	-	-	-	(7)
31 December 2020	-	264,418	387,569	9,453	76,953	39,525	4,784	-
Depreciation for the year	-	10,400	39,837	1,351	16,881	7,165	-	-
Depreciation on disposals	-	(245)	(6,384)	-	(4,809)	(1,122)	(1,160)	-
31 December 2021	-	274,573	421,022	10,804	89,025	45,568	3,624	-
<b>Net book value:</b>								
31 December 2020	485,484	135,483	187,679	18,080	45,229	18,699	296	4,669
31 December 2021	503,783	146,499	206,299	17,867	62,091	21,495	296	6,758
<b>Depreciation for the year</b>								
2020 (Baht 54 million included in manufacturing cost, and the balance in administrative expenses)								
2021 (Baht 61 million included in manufacturing cost, and the balance in administrative expenses)								
								65,679
								75,634

### 13. Property, plant and equipment (continued)

(Unit: Thousand Baht)

	Separate financial statements			
	Improvements of leased building	Furniture, fixtures and office equipment	Motor vehicles	Total
<b>Cost:</b>				
1 January 2020	13,727	12,546	7,990	34,263
Additions	-	847	-	847
Disposals	-	(1,480)	(3,053)	(4,533)
31 December 2020	13,727	11,913	4,937	30,577
Additions	-	1,658	-	1,658
Disposals	-	(62)	(1,160)	(1,222)
31 December 2021	13,727	13,509	3,777	31,013
<b>Accumulated depreciation:</b>				
1 January 2020	7,641	9,149	7,694	24,484
Depreciation for the year	550	1,109	-	1,659
Depreciation on disposals	-	(1,478)	(3,054)	(4,532)
31 December 2020	8,191	8,780	4,640	21,611
Depreciation for the year	548	1,258	-	1,806
Depreciation on disposals	-	(62)	(1,159)	(1,221)
31 December 2021	8,739	9,976	3,481	22,196
<b>Net book value:</b>				
31 December 2020	5,536	3,133	297	8,966
31 December 2021	4,988	3,533	296	8,817
<b>Depreciation for the year</b>				
2020 (included in administrative expenses)				1,659
2021 (included in administrative expenses)				1,806

The subsidiary companies arranged for an independent professional value to appraise the fair value of land in 2021 by using the market approach. The fair value of land is measured by using inputs of Level 2, which is use of other observable inputs for such assets whether directly or indirectly.

Had the land been carried in the financial statements based on historical cost, its net book value as of 31 December 2021 and 2020 would have been as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2021</u>	<u>2020</u>
Land	76,356	76,356

Two subsidiaries have mortgaged all of their land with structures thereon with net book value as at 31 December 2021 of Baht 495 million (2020: Baht 473 million) as collateral for credit facilities and bank guarantees granted to the subsidiaries by banks.

Moreover, another subsidiary had registered some of its machinery with net book value as at 31 December 2021 of Baht 36 million (2020: Baht 46 million) as business collateral for long-term loans from financial institution.

As at 31 December 2021, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 549 million (2020: Baht 519 million) and for the Company only approximately Baht 18 million (2020: Baht 19 million).

#### 14. Non-operating assets

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2021</u>	<u>2020</u>
Land	20,459	20,459
Machinery, tools and equipment	35,591	35,591
Total	56,050	56,050
Less: Accumulated depreciation	(34,004)	(33,499)
Non-operating assets - net	22,046	22,551
Depreciation included in profit or loss for the year	505	506

Movements of the non-operating assets during the year ended 31 December 2021 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Net book value as at 1 January 2021	22,551
Depreciation for the year	(505)
Net book value as at 31 December 2021	22,046

Non-operating assets comprise the land, machinery, tools and equipment which were not operated and a project has not yet started of the subsidiaries. In January 2022, the subsidiary considered the value of land by reference to the land prices set by the Treasury Department and found no diminution in the value of land.

The subsidiary has mortgaged its land which is the non-operating assets, with a total net book value as at 31 December 2021 of Baht 20 million (2020: Baht 20 million) as collateral for credit facilities and bank guarantees granted to the subsidiary by a bank.

#### 15. Bank overdrafts and short-term loans from financial institutions

		(Unit: Thousand Baht)			
	Interest Rate	Consolidated financial statements		Separate financial statements	
	(percent per annum)	2021	2020	2021	2020
Bank overdrafts	MOR	-	2,767	-	-
Short-term loans from financial institutions	2.45 - 3.00	158,000	24,000	158,000	24,000
Total		158,000	26,767	158,000	24,000

Credit facilities (bank overdrafts, bank guarantees, trust receipts, letters of credit and forward exchange contracts etc.) provided by banks to the Group. The credit facilities are secured by the mortgage all of the subsidiaries' land with structures thereon and some of subsidiary's machinery and guaranteed by the Company as mentioned in Notes 13,14 and 31.4 to the financial statements.

The Company is required to comply with certain conditions stipulated in the credit facilities agreement with a financial institution. The conditions are as follows:

1. The Company is to maintain its listed company on the Stock Exchange of Thailand.
2. The Company undertakes that Premier Fission Capital Company Limited is to maintain as a major shareholder of the Company.
3. The Company is to maintain the debt to equity ratio of no higher than 1.5:1 according to the annual financial statements.

In addition, a subsidiary, Premier Canning Industry Company Limited, is required to comply with certain conditions stipulated in the credit facilities agreement with a financial institution. The conditions are as follows:

1. The subsidiary is not allowed to pay dividend, make any allocation to shareholders and/or subsidiary if the subsidiary has deficit (according to the annual financial statements).
2. The subsidiary is not allowed to grant loans to related companies, except for those provided in the ordinary course of business.
3. The subsidiary is not allowed to invest or establish any subsidiary or grant loans thereto.

If the subsidiary does not comply with conditions in the credit facilities agreement, the conformity violated facilities agreement and all liabilities on credit facilities (if any) of the above condition will immediately repay.

#### 16. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Trade and other payables - related parties				
(Note 8)	3,971	5,154	239,306	270,999
Trade payables - unrelated parties	342,098	352,952	147,433	149,348
Accrued expenses	209,402	202,058	111,364	101,274
Other payables	70,863	93,419	39,796	59,835
Total trade and other payables	<u>626,334</u>	<u>653,583</u>	<u>537,899</u>	<u>581,456</u>



## 17. Long-term loans and accrued interests

The balances of long-term loans as at 31 December 2021 and 2020 and the movements are detailed as below.

(Unit: Thousand Baht)

Consolidated financial statements					
	Interest rate (percent per annum)	Balance as at 31 December 2020	Increase during the year	Decrease during the year	Balance as at 31 December 2021
<u>Long-term loans and accrued interests</u>					
P.M. Food Company Limited	4.50	61,741	-	(40,200)	21,541
Premier Frozen Products Company Limited	4.30	20,367	-	(5,160)	15,207
Total long-term loans		82,108	-	(45,360)	36,748
Accrued interests		19	2,710	(2,720)	9
Total long-term loans and accrued interests		82,127	2,710	(48,080)	36,757
Less: Current portion of long-term loans and					
accrued interests		(45,380)			(26,710)
Long-term loans - net of current portion		36,747			10,047

A subsidiary (P.M. Food Company Limited) pledged some of its machinery and equipment to back a business collateral agreement made for the long-term loans from financial institutions as mentioned in Note 13 to the financial statements.

On 15 January 2020, a subsidiary (Premier Frozen Products Company Limited) obtained a loan facility of Baht 23 million from a local financial institution for factory improvement and system works, purchases of machinery and equipment, as well as payment of relevant expenses. The loan has a term of 5 years, starting from the first drawdown date. Loan drawdown is to be made within 30 June 2020. The loan carries interest at a fixed rate of 4.30 percent per annum, with the grace period for principal of 6 months, starting from the first drawdown date. The principal payment is to be made in monthly installments, from August 2020 onwards. The subsidiary has mortgaged all its land with structures thereon as collateral for the long-term loan from financial institution as mentioned in Note 13 to the financial statements.

Under the loan agreements, the subsidiaries are required to comply with certain conditions stipulated in the agreements as follows:

P.M. Food Company Limited

1. The subsidiary is to maintain the debt to equity ratio of not more than 2 as at the end of an annual accounting period.
2. The subsidiary is to maintain the debt service coverage ratio of not less than 1.25 as at the end of an annual accounting period.

Premier Frozen Products Company Limited

1. The subsidiary is to maintain the debt to equity ratio of not more than 2 as at the end of an annual accounting period.
2. The subsidiary is to maintain the debt service coverage ratio of not less than 1.25 as at the end of an annual accounting period.
3. The Company is to maintain shareholding in Premier Frozen Products Company Limited and PM SE Company Limited of not less than 99% through the loan period.

## 18. Leases

### The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 2 - 20 years.

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

Movement of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements				
	Prepaid rental	Buildings	Furniture, fixture and office equipment	Motor vehicles	Total
1 January 2020	31,079	29,077	3,274	17,938	81,368
Additions	-	1,661	1,329	4,244	7,234
Depreciation for the year	(2,982)	(12,296)	(1,767)	(10,129)	(27,174)
Termination during the year	-	(2,560)	-	(2,305)	(4,865)
31 December 2020	28,097	15,882	2,836	9,748	56,563
Additions	-	11,403	-	-	11,403
Depreciation for the year	(2,982)	(13,011)	(1,551)	(4,111)	(21,655)
31 December 2021	25,115	14,274	1,285	5,637	46,311

(Unit: Thousand Baht)

	Separate financial statements				
	Prepaid rental	Buildings	Furniture, fixture and office equipment	Motor vehicles	Total
1 January 2020	31,079	22,710	3,179	12,085	69,053
Additions	-	-	1,328	-	1,328
Depreciation for the year	(2,982)	(9,750)	(1,726)	(7,809)	(22,267)
31 December 2020	28,097	12,960	2,781	4,276	48,114
Depreciation for the year	(2,982)	(9,721)	(1,510)	(1,766)	(15,979)
31 December 2021	25,115	3,239	1,271	2,510	32,135

## b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Lease payments	22,366	29,894	7,376	20,816
Less: Deferred interest expenses	(753)	(1,194)	(165)	(688)
Total	21,613	28,700	7,211	20,128
Less: Portion due within one year	(11,222)	(16,777)	(5,842)	(12,917)
Lease liabilities - net of current portion	10,391	11,923	1,369	7,211

A maturity analysis of lease payments is disclosed in Note 32.1 under the liquidity risk.

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Depreciation expense of right-of-use assets	21,655	27,174	15,979	22,268
Interest expense on lease liabilities	927	994	524	611
Expense relating to short-term leases	9,446	5,035	5,741	1,598
Expense relating to leases of low-value assets	5,363	5,970	3,053	3,250

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 34 million (2020: Baht 39 million) (the Company only: Baht 25 million, 2020: Baht 28 million), including the cash outflow related to short-term lease, leases of low-value assets. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 11 million (2020: Baht 2 million) (the Company only: Nil, 2020: Baht 1 million).

**19. Provision for long-term employee benefits**

Provision for long-term employee benefits, which represents compensations payable to employees after they retire, was as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
<b>Provision for long-term employee benefits at beginning of year</b>	165,395	147,058	62,771	60,840
Included in profit or loss:				
Current service cost	20,440	16,620	7,546	6,449
Interest cost	2,297	3,441	843	1,309
Employee retirement compensation	865	1,262	865	705
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	910	(2,501)	(68)	(241)
Financial assumptions changes	(14,934)	8,546	(5,202)	1,809
Experience adjustments	(3,632)	5,700	(1,922)	887
Benefits paid during the year	(6,308)	(16,600)	(1,724)	(9,794)
Increase (decrease) in provision for long-term employee benefits due to transfer employee of affiliated company	-	1,869	(562)	807
<b>Provision for long-term employee benefits at end of year</b>	<b>165,033</b>	<b>165,395</b>	<b>62,547</b>	<b>62,771</b>

The Group expects to pay Baht 24 million of long-term employee benefits during the next year (2020: Baht 9 million) (the Company only: Baht 11 million, 2020: Baht 6 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 7 - 14 years (2020: 9 - 14 years) (the Company only: 11 years, 2020: 11 years).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(%)	(%)	(%)	(%)
Discount rate	1.67 - 2.38	1.17 - 1.50	2.14	1.36
Salary increase rate	1.52 - 4.35	1.65 - 4.90	3.87	4.23
Staff turnover rate (depending on age)	0 - 30.5	0 - 31.5	0 - 22.0	0 - 23.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

(Unit: Million Baht)

	As at 31 December 2021			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(11.2)	12.8	(3.9)	4.5
Salary increase rate	13.3	(11.8)	4.6	(4.2)

	Consolidated financial statements		Separate financial statements	
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Staff turnover rate (depending on age)	(2.6)	3.0	(0.9)	1.0

(Unit: Million Baht)

	As at 31 December 2020			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(12.3)	14.0	(4.3)	4.9
Salary increase rate	14.3	(12.8)	5.1	(4.5)

	Consolidated financial statements		Separate financial statements	
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Staff turnover rate (depending on age)	(2.7)	3.1	(1.0)	1.1

## 20. Treasury stocks

On 5 May 2020, the meeting of the Company's Board of Directors approved the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 300 million or approximately 59.8 million shares, which is approximately 10% of total issued shares at par value of Baht 1 per share by repurchasing in the Stock Exchange of Thailand, which the repurchase price shall not be exceeding 115 percent of the average closing stock price prior to 5 working days on date of purchase of treasury stocks.

The Company has to disclose the proposed share repurchase scheme not less than 14 days prior to the date on which the shares will be repurchased. The implementation period shall not exceed 6 months. The Company's Board of Directors has delegated the Executive Committee to disclose the share repurchase period. The Executive Committee determined the repurchase period from 22 May 2020 to 21 November 2020. The Board of Directors would reconsider the periods of stocks resell after 6 months from the date of complete repurchasing the stocks but not more than 3 years. The reselling price would not be less than 85 percent of the average closing stock price prior to 5 working days on date of sale of treasury stocks.

As at 31 December 2021 and 2020, the Company had an outstanding treasury stocks of 40,125,300 shares in the account with an average cost of Baht 7.48 per share. The total cost was Baht 299,976,760. The treasury stocks of 40,125,300 shares have a par value of Baht 1.00 per share with Baht 299,976,760 had been appropriated from retained earnings to reserve for treasury stocks. The Company can hold treasury stocks not longer than 3 years after repurchasing the stocks.

## 21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the Company's registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

## 22. Finance income

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2021	2020	2021	2020
Interest income on bank deposits	85	50	45	103
Interest income on loans	39	226	16,208	13,130
<b>Total</b>	<b>124</b>	<b>276</b>	<b>16,253</b>	<b>13,233</b>

## 23. Finance cost

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Interest expenses on borrowings	9,527	8,070	5,232	1,678
Interest expenses on lease liabilities	947	994	524	611
<b>Total</b>	<b>10,474</b>	<b>9,064</b>	<b>5,756</b>	<b>2,289</b>

## 24. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Salaries and wages and other employee benefits	779,708	753,156	229,590	215,925
Depreciation and amortisation expenses	102,032	97,454	19,499	25,529
Rental expenses from service agreements	23,571	13,784	10,631	5,904
Purchases of finished goods	2,219,562	2,271,411	2,218,366	2,268,036
Raw materials and consumables used	1,618,076	1,407,189	-	-
Changes in inventories of finished goods and work in process	(39,173)	34,634	4,584	29,263

## 25. Income tax

Income tax expenses for the years ended 31 December 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Current income tax:</b>				
Current income tax charge	82,853	80,686	47,728	51,072
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(292)	(2,929)	475	(1,975)
<b>Income tax expense reported in profit or loss</b>	<b>82,561</b>	<b>77,757</b>	<b>48,203</b>	<b>49,097</b>



The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deferred tax on actuarial gain (loss)	3,531	(2,349)	1,438	(491)
Changes in revaluation surplus on land	3,660	-	-	-
	<u>7,191</u>	<u>(2,349)</u>	<u>1,438</u>	<u>(491)</u>

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Accounting profit before tax	427,150	476,549	335,281	376,988
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by				
income tax rate	85,430	95,310	67,056	75,398
Tax losses for the year of subsidiaries which				
deferred tax assets have not been recognised	19,373	12,237	-	-
Promotional privileges	(25,509)	(28,335)	-	-
Tax effects of:				
Exemption of income	-	(604)	(21,989)	(30,118)
Non-deductible expenses	5,986	4,742	3,491	4,299
Additional expense deductions allowed	(2,396)	(3,494)	(355)	(482)
Others	(323)	(2,099)	-	-
Total	<u>3,267</u>	<u>(1,455)</u>	<u>(18,853)</u>	<u>(26,301)</u>
Income tax expense reported in profit				
or loss	<u>82,561</u>	<u>77,757</u>	<u>48,203</u>	<u>49,097</u>

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Deferred tax assets</b>				
Provision for long-term employee benefits	26,203	26,362	12,509	12,554
Unrealised loss on changes in value of investment in unit trust in equity securities open-ended fund	-	1,262	-	1,020
<b>Total</b>	<b>26,203</b>	<b>27,624</b>	<b>12,509</b>	<b>13,574</b>
<b>Deferred tax liabilities</b>				
Difference in depreciation amount between tax base and accounting base	10,517	10,483	59	59
Revaluation surplus on land	85,485	81,826	-	-
Unrealised gain on changes in value of investment in unit trust in equity securities open-ended fund	1,048	-	848	-
Others	1,913	1,177	-	-
<b>Total</b>	<b>98,963</b>	<b>93,486</b>	<b>907</b>	<b>59</b>
<b>Deferred tax assets (liabilities) - net</b>	<b>(72,760)</b>	<b>(65,862)</b>	<b>11,602</b>	<b>13,515</b>
<b>Presentation in the statements of financial position</b>				
Deferred tax assets	11,758	14,438	11,602	13,515
Deferred tax liabilities	(84,518)	(80,300)	-	-

As at 31 December 2021, subsidiaries have deductible temporary differences and unused tax losses totalling Baht 326 million (2020: Baht 253 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 291 million will expired by 2026.

## 26. Promotional privileges

The subsidiaries have received promotional privileges from the Board of Investment. Subject to certain imposed conditions are summarised as follows:

Promotional privileges for	Promotion certificate No.	Exemption from corporate income tax for a period of (years)	Date of promoted operations commenced	Promoted operating revenues	
				<u>2021</u>	<u>2020</u>
				(Million Baht)	
<b>Premier Canning Industry Company Limited</b>				714	908
The manufacturer of seafood sealed containers	64-1260-1-04-1-0	3	1 December 2021		
<b>P.M.Food Company Limited</b>				465	146
The manufacturer of processed fishery products	63-0099-1-00-1-0	6	4 March 2020		
The manufacturer of processed fishery products	64-0547-1-04-1-0	3	1 October 2021		
The manufacturer of processed fishery products	64-0864-1-00-1-0	6	5 October 2021		

## 27. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares held by outside shareholders in issue during the year.

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit attributable to equity holders of the Company (Thousand Baht)	354,817	404,322	287,078	327,891
Weighted average number of ordinary shares (Thousand shares)	558,120	585,588	558,120	585,588
Earnings per share (Bahtshare)	0.64	0.69	0.51	0.56

## 28. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

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

- Distribution of consumer products segment
- Manufacture of food segment
- Cold storage warehouse and services segment

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

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. However, the Group's central administrative activities, financing activities (including finance costs and finance income) and income taxes are managed on a group basis. Therefore, these income and expenses are not allocated to operating segments.

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

The following tables present revenue, profit (loss) and total assets information regarding the Group's operating segments for the years ended 31 December 2021 and 2020.

(Unit: Million Baht)

	Distribution of consumer products		Manufacture of food		Cold storage warehouse and services		Total segments		Adjustments and eliminations of inter-segment		Consolidation	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>For the year ended 31 December</b>												
<b>Revenues</b>												
Sales and service income from external customers												
Local	3,008	3,089	95	64	1	1	3,104	3,154	-	-	3,104	3,154
Export	48	43	1,212	964	-	-	1,260	1,007	-	-	1,260	1,007
Total sales and service income from external customers	3,056	3,132	1,307	1,028	1	1	4,364	4,161	-	-	4,364	4,161
Inter-segment revenues	2	2	1,479	1,519	14	5	1,495	1,526	(1,495)	(1,526)	-	-
<b>Total revenues</b>	<b>3,058</b>	<b>3,134</b>	<b>2,786</b>	<b>2,547</b>	<b>15</b>	<b>6</b>	<b>5,859</b>	<b>5,687</b>	<b>(1,495)</b>	<b>(1,526)</b>	<b>4,364</b>	<b>4,161</b>
<b>Operating results</b>												
<b>Segment profit (loss)</b>	<b>349</b>	<b>370</b>	<b>471</b>	<b>484</b>	<b>2</b>	<b>(1)</b>	<b>822</b>	<b>853</b>	<b>(1)</b>	<b>5</b>	<b>821</b>	<b>858</b>
<b>Unallocated income and expenses:</b>												
Other income											22	22
Gain on sales of investment											-	1
Administrative expenses											(414)	(382)
Unrealised gain (loss) from revaluation of fair value of financial assets											9	(12)
Write-off Goodwill											-	(1)
Share of loss from investments in joint venture											-	(1)
Finance cost											(10)	(9)
<b>Profit before income tax</b>											<b>428</b>	<b>476</b>
Income tax											<b>(83)</b>	<b>(78)</b>
<b>Profit for the year</b>											<b>345</b>	<b>398</b>
Non-controlling interests of the subsidiary											<b>10</b>	<b>6</b>
Equity holders of the Company											<b>355</b>	<b>404</b>
<b>Segment total assets</b>	<b>2,171</b>	<b>2,017</b>	<b>1,635</b>	<b>1,492</b>	<b>385</b>	<b>388</b>	<b>4,191</b>	<b>2,959</b>	<b>(1,606)</b>	<b>(1,439)</b>	<b>2,585</b>	<b>2,457</b>

### Geographic information

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

	(Unit: Million Baht)	
	Consolidated financial statements	
	<u>2021</u>	<u>2020</u>
Revenue from external customers		
Thailand	3,104	3,154
United Kingdom	715	336
United States of America	343	246
Japan	113	123
Others	89	302
Total	<u>4,364</u>	<u>4,161</u>

Non-current assets (other than financial instruments and deferred tax assets) as reflected in these financial statements, located in the entity's country of domicile in Thailand, pertain to the aforementioned geographical reportable.

### Major customers information

For the year 2021, the Group has total revenues from five major customers in amount of Baht 2,480 million, arising from sales by the distribution of consumer products and manufacture of food segments (2020: Baht 2,423 million).

## **29. Provident fund**

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and their employees contributed to the fund monthly at the rate of 3 to 8 percent of basic salary. The fund, which is managed by Kasikorn Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2021, the Group contributed Baht 18 million (2020: Baht 18 million) to the fund, and the Company only contributed Baht 8 million (2020: Baht 8 million).

### 30. Dividend paid

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Interim dividends for 2019	Board of Directors: Meeting on 1 April 2020	317,069	0.53
Interim dividends for 2020	Board of Directors: Meeting on 4 August 2020	58,732	0.10
Total dividend for 2020		375,801	0.63
Annual dividends for 2020	Annual General Meeting of the shareholders on 30 April 2021	223,248	0.40
Interim dividends for 2021	Board of Directors: Meeting on 10 August 2021	83,714	0.15
Total dividend for 2021		306,962	0.55

### 31. Commitments and contingent liabilities

#### 31.1 Capital commitments

As at 31 December 2021, the Group had capital commitments of Baht 8 million (2020: Baht 15 million), relating to the building construction, the acquisition of machinery and information system development.

#### 31.2 Service commitments

The Group has entered into several service agreements in respect of office building, computer service, advertising fee and other services with related parties and other companies. The terms of the agreements are generally between 1 and 20 years.

Future minimum service payments required service agreements were as follows:

	(Unit: Million Baht)			
	As at 31 December			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Payable:				
Less than 1 year	68	76	60	62
1 to 5 years	22	23	22	23
More than 5 years	18	23	18	23



### 31.3 Long-term management service commitments

The Group has entered into management service agreements with a related company, whereby management fees totaling Baht 5 million per month (the Company only: Baht 1 million per month) are payable in the future. The agreements end in December 2022 but they automatically renew for period of one year each time until terminated.

### 31.4 Guarantees

- a) As at 31 December 2021, the Company has guaranteed bank credit facilities and letter of guarantee for electricity of subsidiary amounting to Baht 113 million (2020: Baht 113 million).
- b) As at 31 December 2021, a subsidiary has guaranteed bank credit facilities of another subsidiary amounting to Baht 102 million (2020: Baht 102 million).
- c) As at 31 December 2021, there were outstanding bank guarantees of approximately Baht 4.3 million (2020: Baht 4.2 million) issued by the banks on behalf of the subsidiaries in respect of certain performance bonds as required in the normal course of their business. These included letters of guarantee amounting to Baht 0.1 million (2020: Baht 0.1 million) to guarantee import duty and Baht 4.2 million (2020: Baht 4.1 million) to guarantee electricity use.

## 32. Financial instruments

### 32.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loan to related parties, investments, trade accounts payable and short-term and long-term loans from financial institutions. The financial risks associated with these financial instruments and how they are managed is described below.

#### Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable and loans to related parties. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable and loans to related parties as stated in the statement of financial position.

### Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding customer receivables are regularly monitored and any shipments to some distribution channels' customers are generally covered by letters of credit obtained from reputable banks and other financial institutions.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns by distribution channel.

### Market risk

There are two types of market risk comprising currency risk and interest rate risk. The Group enters into foreign exchange forward contracts derivative to manage its risk exposure for import.

### Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2021 and 2020, the balances of financial assets and liabilities denominated in foreign currencies of the Group are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Exchange rate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	3	3	-	-	32.2469 and 32.5929	29.8674 and 30.2068
Japanese yen	-	-	1	1	0.2944	0.2945
Chinese yuan	1	2	5	2	5.1828 and 5.3185	4.5447 and 4.6927

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Exchange rate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
Chinese yuan	1	2	5	2	5.1828 and 5.3185	4.5447 and 4.6927

As at 31 December 2021 and 2020, the subsidiary has the outstanding of foreign exchange contracts as below.

Consolidated financial statements			
2021			
Foreign currency	Amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
<b>Forward contracts to "Buy"</b>			
Chinese yuan	4	5.2837	January 2022
<b>Forward contracts to "Sell"</b>			
US dollar	11	32.2150 to 33.9200	February to June 2022

Consolidated financial statements			
2020			
Foreign currency	Amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
<b>Forward contracts to "Buy"</b>			
US dollar	4	29.7620 to 31.2500	January to April 2021

#### Foreign currency sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar, Japanese yen and Chinese yuan exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2021 and 2020 as below.

Currency	Change in FX rate	Effect on profit before tax	
		(Thousand Baht)	
	(%)	2021	2020
US dollar	+1	820	947
	-1	(820)	(947)
Japanese yen	+1	(2)	(4)
	-1	2	4
Chinese yuan	+1	(195)	(10)
	-1	195	10

***Interest rate risk***

The Group's exposure to interest rate risk relates primarily to their cash at banks, loans to related parties, bank overdrafts, short-term and long-term loans from financial institutions. Most of the Groups' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

As at 31 December

Fixed interest rates											
Within 1 year		1 - 5 years		Over 5 years		Floating interest rate		Non-interest bearing		Total	
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
(Million Baht)											
Effective interest rate											
(% per annum)											
-	-	-	-	-	-	57	24	-	-	57	24
-	-	-	-	-	-	-	-	672	787	672	787
-	-	-	-	-	-	-	-	31	30	31	30
-	-	-	-	-	-	-	-	92	80	92	80
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	57	24	795	897	852	921
158	24	-	-	-	-	-	3	-	-	158	27
-	-	-	-	-	-	-	-	626	654	626	654
-	45	37	37	-	-	-	-	-	-	37	82
158	69	37	37	-	-	-	3	626	654	821	763
2.90 - 6.80											
-											
4.30 - 4.50											
4.50											

As at 31 December

Fixed interest rates														
	Within 1 year		1 - 5 years		Over 5 years		Floating interest rate		Non-interest bearing		Total		Effective interest rate	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
(Million Baht)														
Separate financial statements														
Financial assets														
Cash and cash equivalents	-	-	-	-	-	-	13	15	-	-	13	15	0.05 - 0.25	0.05 - 0.38
Trade and other receivables	-	-	-	-	-	-	-	-	588	682	588	682	-	-
Short-term loans to related parties	574	463	-	-	-	-	-	-	-	-	574	463	284	340 - 350
Other current financial assets	-	-	-	-	-	-	-	-	3	10	3	10	-	-
Non-current financial assets	-	-	-	-	-	-	-	-	74	65	74	65	-	-
	574	463	-	-	-	-	13	15	665	757	1,252	1,235		
Financial liabilities														
Bank overdrafts and short-term loans from financial institutions	158	24	-	-	-	-	-	-	-	-	158	24	2.45 - 3.00	2.90
Trade and other payables	-	-	-	-	-	-	-	-	538	581	538	581	-	-
	158	24	-	-	-	-	-	-	538	581	696	605		

### *Interest rate sensitivity*

The Group expected that there is no materiality effect on profit before tax from a possible change in interest rate due to the interest rate of loans of the Group are fixed rate.

### **Liquidity risk**

Approximately 76% of the Group's debt will mature in less than one year at 31 December 2021 (2020: 73%) (the Company only: 92%, 2020: 90%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2021				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>					
Bank overdrafts and short-term loans					
from financial institutions	-	159	-	-	159
Trade and other payables	-	626	-	-	626
Lease liabilities	-	11	11	-	22
Long-term loans	-	27	11	-	38
<b>Total non-derivatives</b>	-	823	22	-	845



(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2020

**Non-derivatives**

Bank overdrafts and short-term loans from

financial institutions

- 27 - - 27

Trade and other payables

- 654 - - 654

Lease liabilities

- 17 12 - 29

Long-term loans

- 48 38 - 86

**Total non-derivatives**

- 746 50 - 796

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2021

**Non-derivatives**

Short-term loans from financial institutions

- 159 - - 159

Trade and other payables

- 538 - - 538

Lease liabilities

- 6 1 - 7

**Total non-derivatives**

- 703 1 - 704

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2020

**Non-derivatives**

Short-term loans from financial institutions

- 24 - - 24

Trade and other payables

- 581 - - 581

Lease liabilities

- 13 7 - 20

**Total non-derivatives**

- 618 7 - 625

### **32.2 Fair values of financial instruments**

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

### **33. Capital management**

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods. As at 31 December 2021, the Group's debt-to-equity ratio was 0.8:1 (2020: 0.8:1) and the Company's was 0.9:1 (2020: 0.8:1).

### **34. Event after the reporting period**

On 15 February 2022, the Company's Board of Directors meeting passed a resolution to propose to the Annual General Meeting of Shareholders that a dividend for the year 2021 of Baht 0.45 per share, a total of Baht 251 million, is to be paid to the shareholders. The Company already paid an interim dividend of Baht 0.15 per share on 558,120,000 shares (less treasury stock at that time), a total of Baht 84 million. The dividend to be paid is Baht 0.30 per share on the 558,120,000 shares outstanding (less treasury stock at the end of the stock repurchase program), a total of Baht 167 million.

### **35. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 15 February 2022.

## Attachment 1

Profiles of Directors, Executives, Controlling Persons, Person Assigned as the Highest Responsibility in Finance and Accounting, Person Assigned as the Person Supervising Accounting and Company Secretary As at 31 December 2021

### Profiles of Directors



**Mr. Somchai Choonharas**

Chairman and Authorized Director

Age 71 years

#### Date of Appointment :

20 July 2007

Member of the Corporate Governance and Risk Oversight Committee

#### Date of Appointment :

4 August 2020

#### Education

- ▶ Doctoral Degree of Organization Psychology, California School of Professional Psychology, Los Angeles, USA.
- ▶ Master's Degree of Business Administration (MBA), Faculty of Commerce and Accountancy, Thammasat University
- ▶ Higher Diploma in English Marketing Course (MIM), Faculty of Commerce and Accountancy, Thammasat University
- ▶ Bachelor's Degree of General Business Management, Ramkhamhaeng University

#### Trainings from Thai Institute of Directors (IOD)

- ▶ Training on Director Accreditation Program (DAP) Course, Batch 68/2008
- ▶ Training on Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014
- ▶ Training on Ethical Leadership Program (ELP) Course, Batch 1/2015
- ▶ Training on Anti-Corruption in Thailand : Sustaining the Momentum, 2015
- ▶ Training on Ethical Leadership : Combating Corruption Together, 2016
- ▶ Training on Role of the Chairman Program (RCP) Course, Batch 41/2017
- ▶ Training on Bright Spots : Lighting the Way to a Corruption Free Society, 2017
- ▶ Training on NDC-National Director Conference 2018 (Rising Above Disruptions : A Call For Action)
- ▶ Training on NIKKEI FORUM ASIAN CONSUMERS Winning the Hearts of Powerful Asians, 2018
- ▶ Training on Thailand's 9<sup>th</sup> National Conference on Collective Action against Corruption "Disrupting Corruption", 2018
- ▶ Training on R-CF Chairman Forum (R-CF 1/2019)
- ▶ Training on Successful corporate culture change : from policy to practices, 2019
- ▶ Training on Thailand's 10 National Conference on Collective Action against Corruption "Innovations in the Fight Against Corruption", 2019
- ▶ Training on Forecast Uncertainty: Rapid Scenario Planning Course, 2020
- ▶ Training on Changing Consumer Behavior in a post Covid-19 world Course, 2020

- ▶ Training on Strengthening Good Corporate Governance Course, 2020
- ▶ Training on Leading Boardroom Through Disruption Course, 2020
- ▶ Training on Governing in Tomorrow's World Course, 2021

#### Extraordinary Trainings

- ▶ Training on Corporate Sustainability Strategy Batch 2/2018
- ▶ Training on The Direction of CSR for 2018 and Dialogue of "the Sphere of Sustainability"
- ▶ Training on Thailand Competitiveness Conference Course, 2020
- ▶ Training on TMA Top Talk: Innovative adaptation to fit in new era Course, 2020
- ▶ Training on TQA Live Series EP1-EP3, 2021
- ▶ Training on Effective Risk Management & Internal Control Training Workshop, 2021
- ▶ Training on Forbes Asia CEO Webinar "The Way Forward", 2021
- ▶ Training on SD Professional Sharing 3/2021: Climate Change, a risk that businesses should not be overlooked and greenhouse gas reporting in form One Report in 2021

#### Percentage of Shareholding (%) :

- ▶ 0.84

#### Relationship with Company's Executive (S) :

- ▶ None

#### Experiences over the Past 5 Years :

#### Positions in other Listed Companies

- ▶ 2014 - Present  
Director, Premier Products Public Company Limited
- ▶ 2021 - Present  
Chairman of the Corporate Governance and Risk Oversight Committee, Premier Products Public Company Limited
- ▶ 2021 - Present  
Member of the Corporate Governance and Risk Oversight Committee, Premier Technology Public Company Limited

#### Positions in other Non - Listed Companies

- ▶ 2004 - Present  
Director, Premier Fission Capital Company Limited
- ▶ 2017 - 2018  
Advisor to the Chief Executive Officer, Public Company Business Premier Group of Companies
- ▶ 2017 - Present  
Advisor to Chairman, Premier Group of Companies

• Attachment



**Mrs. Duangthip Eamrungraj**

Chairman and Authorized Director

Age 66 years

**Date of Appointment :**

20 July 2007

Chairman of the Corporate Governance and Risk Oversight Committee

**Date of Appointment :**

4 August 2020

**Education**

- ▶ Executive Master Degree in Consulting and Coaching for Change (CCC) INSEAD, France
- ▶ Master's Degree of Business Administration, Thammasat University
- ▶ Bachelor's Degree of Mechanical Engineering, Chulalongkorn University
- ▶ Diploma in Clinical Organizational Psychology, INSEAD, France

**Trainings from Thai Institute of Directors (IOD)**

- ▶ Training on Director Accreditation Program (DAP) Course, Batch 22/2004
- ▶ Training on Family Business Governance for Sustainability Course, Batch 1/2014
- ▶ Training on Family Business Governance for Sustainability Program (FBG) Course, Batch 5/2016

**Percentage of Shareholding (%) :**

- ▶ 0.17

**Relationship with Company's Executive (S) :**

- ▶ None

**Experiences over the Past 5 Years :**

**Positions in other Listed Companies**

- ▶ 2001 - 2017  
Director, Premier Enterprise Public Company Limited
- ▶ 2012 - Present  
Director, Premier Products Public Company Limited
- ▶ 2013 - Present  
Member of the Remuneration Committee,  
Premier Products Public Company Limited
- ▶ 2017 - Present  
Director, Premier Technology Public Company Limited

**Positions in other Non - Listed Companies**

- ▶ 1992 - Present  
Director, P.M. Food Company Limited
- ▶ 1990 - Present  
Director, Premier Canning Industry Company Limited
- ▶ 1995 - Present  
Director, Premier Frozen Products Company Limited
- ▶ 2015 - Present  
Director, PM SE Company Limited
- ▶ 2015 - Present  
Director, MIVANA Company Limited
- ▶ Present  
Director, Premier Fission Capital Company Limited and  
Premier Group of Companies
- ▶ Present  
Group Corporate Director, Human Resources and  
Corporate Governance, Premier Group of Companies
- ▶ 2017 - Present  
Advisor to Chairman, Premier Group of Companies
- ▶ 1993 - Present  
Director and Treasurer, Yuvabadhana Foundation
- ▶ 2010 - Present  
Director, Kor. Khon Company Limited
- ▶ 2011 - Present  
Vice Chairman and Treasurer, Khonthai Foundation
- ▶ 2011 - Present  
Director and Treasurer, Enlive Foundation



**Miss Naengnoi Chai-onnom**

Independent Director and Chairman of the Audit Committee

Age 79 years

#### Date of Appointment :

19 July 2021

Independent Director and Member of the Audit Committee

#### Date of Appointment :

25 January 2008

#### Education

- ▶ M.B.A. (Accounting) University of Detroit, U.S.A.
- ▶ Bachelor's Degree of Commerce, Thammasat University
- ▶ Bachelor's Degree of Accounting, Thammasat University

#### Trainings from Thai Institute of Directors (IOD)

- ▶ Training on Director Accreditation Program (DAP) Course, Batch 73/2008
- ▶ Training on Director Certification Program (DCP) Course, Batch 121/2009
- ▶ Training on Fraud and Corruption Risk in Economics Downturn Course
- ▶ Training on Auditing Committee Program (ACP) Course, Batch 34/2011
- ▶ Training on Monitoring the Internal Audit Function (MIA) Course, Batch 10/2011
- ▶ Training on Monitoring Fraud Risk Management (MFM) Course, Batch 5/2011
- ▶ Training on Monitoring the System of Internal Control and Risk Management (MIR) Course, Batch 11/2011
- ▶ Training on Monitoring the Quality of Financial Reporting (MFR) Course, Batch 15/2012
- ▶ Training on Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014
- ▶ Training on Ethical Leadership Program (ELP) Course, Batch 1/2015
- ▶ Training on Driving Company Success with IT Governance (ITG) Course, Batch 2/2016
- ▶ Training on Boardroom Success through Financing and Investment (BFI) Course, Batch 1/2017
- ▶ Training on R-ACF Audit Committee Forum (R-ACF 1/2019)
- ▶ Training on Audit Committee Forum 2019 "Strategic Audit Committee : Beyond Figure And Compliance"
- ▶ Training on Audit Committee and Auditor an Important Mechanism for Improving the Quality of Financial Reports, 2021

#### Extraordinary Trainings

- ▶ Training on Data Analytics and Business Intelligence, Omega Worldclass Research Institute, 2020
- ▶ Training on Understanding on Fundamental of TFRS 9, Federation of Accounting Professions under the Royal Patronage of His Majesty the King, 2020
- ▶ Training on Understanding of Fair Value Measurement (TFRS 13), Federation of Accounting Professions under the Royal Patronage of His Majesty the King, 2020
- ▶ Training on Summary of significant change and Important point of TFRS, Federation of Accounting Professions, under the Royal Patronage of His Majesty the King, 2020

- ▶ Training on TFRS All Versions, Federation of Accounting Professions under the Royal Patronage of His Majesty the King, 2020
- ▶ Training on Data Analytics for Internal Auditors, Federation of Accounting Professions under the Royal Patronage of His Majesty the King, 2020
- ▶ Training on Keeping up with Data Analytics as an Accountant 5.0, Federation of Accounting Professions under the Royal Patronage of His Majesty the King, 2021
- ▶ Training on Code of Conduct That Has Changed (Again), Federation of Accounting Professions under the Royal Patronage of His Majesty the King, 2021
- ▶ Training on Adaptive System Design, Federation of Accounting Professions under the Royal Patronage of His Majesty the King, 2021
- ▶ Training on Cyber Risk Related to Auditors, Federation of Accounting Professions under the Royal Patronage of His Majesty the King, 2021
- ▶ Training on Forensic Accounting from AICPA - CIMA, Federation of Accounting Professions, 2021
- ▶ Training on Standard on Auditing 315 (Revised), Federation of Accounting Professions under the Royal Patronage of His Majesty the King, 2021
- ▶ Training on Preparation for after the End of the COVID-19 Pandemic: A Once in a 100-Year Crisis Opportunities and Expectations after the Outbreak of COVID-19, EY Office Co., Ltd.
- ▶ Meeting with the Audit Committee of listed companies in the year 2021, Securities and Exchange Commission (SEC).

#### Percentage of Shareholding (%) :

- ▶ None

#### Relationship with Company's Executive (S) :

- ▶ None

#### Experiences over the Past 5 Years :

#### Positions in other Listed Companies

- ▶ 2010 - 2017  
Independent Director and Member of Audit Committee,  
Ratchthani Leasing Public Company Limited

#### Positions in other Non - Listed Companies

- ▶ 2020  
Chairman of the Election Steering Committee,  
Federation of Accounting Professions
- ▶ 2016 - Present  
Advisor of School of Accountancy,  
University of Thai Chamber of Commerce
- ▶ 2016 - Present  
Advisor of the Professional Ethic Committee,  
Federation of Accounting Professions
- ▶ 2016 - Present  
Tax Auditor Examination Committee, The Revenue Department
- ▶ 2016 - Present  
Advisor of Thammasat Business School in Management  
Information Systems Thammasat University



**Mr. Wichai Hirunwong**

Independent Director and Member of the Audit Committee

Age 75 years

#### Date of Appointment :

20 July 2007

#### Education

- ▶ Master's Degree of Economics, Pittsburg State University, USA.
- ▶ Bachelor's Degree of Economics, (Honors), Thammasat University
- ▶ Bachelor's Degree of Laws, Thammasat University
- ▶ Certificate in Central Banking Policies and Operations in the Money and Foreign Exchange Markets, SEACEN Research and training Centre, Malaysia.
- ▶ The 22<sup>nd</sup> SEANZA Central Banking Course, Wellington, New Zealand
- ▶ Bank of Thailand Program, Harvard University Graduate School of Business Administration, Boston, Massachusetts, USA.
- ▶ The 33<sup>rd</sup> Chartered Director of the Thai Institute of Directors
- ▶ Certificate of Honour "Top Executives" Thammasat University (Nor.Mor.Tor. 13)

#### Trainings from Thai Institute of Directors (IOD)

- ▶ Training on Director Accreditation Program (DAP) Course, Batch 67/2007
- ▶ Training on Financial Statement for Directors (FSD) Course, Batch 3/2008
- ▶ Training on Director Certification Program (DCP) Course, Batch 110/2008
- ▶ Training on Successful Formulation & Execution of Strategy (SFE), Course, Batch 8/2010
- ▶ Training on Audit Committee Program (ACP) Course, Batch 34/2011
- ▶ Training on Monitoring the Internal Audit Function (MIA) Course, Batch 10/2011
- ▶ Training on Monitoring Fraud Risk Management (MFM) Course, Batch 5/2011
- ▶ Training on Monitoring the System of Internal Control and Risk Management (MIR) Course, Batch 11/2011
- ▶ Training on Monitoring the Quality of Financial Reporting (MFR) Course, Batch 13/2011
- ▶ Training on Advanced Audit Committee Program (AAP)
- ▶ Training on Chartered Director Class (CDC) Course, Batch 7/2013
- ▶ Training on Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014
- ▶ Training on Ethical Leadership Program (ELP) Course, Batch 1/2015
- ▶ Training on Driving Company Success with IT Governance (ITG) Course, Batch 2/2016

- ▶ Training on Boardroom Success through Financing and Investment (BFI) Course, Batch 1/2017
- ▶ Training on NDC-National Director Conference 2018 (Rising Above Disruptions : A Call For Action)
- ▶ Training on R-ACF Audit Committee Forum (R-ACF 1/2019)
- ▶ Training on Boards that Make a Difference BMD 9/2019
- ▶ Training on Governing in Tomorrow's World Course, 2021
- ▶ Training on GRC Through the Perfect Storm Course, 2021
- ▶ Training on CHAIRING A VIRTUAL BOARD MEETING Course, 2021
- ▶ Training on It's Time for Board Meeting Reformation Course, 2021

#### Extraordinary Trainings

- ▶ Training on Business Process Transformation, Omega Worldclass Research Institute, 2017
- ▶ Training on Data Analytics and Business Intelligence, Omega Worldclass Research Institute, 2020
- ▶ Meeting with the Audit Committee of listed companies in the year 2021, Securities and Exchange Commission (SEC).

#### Percentage of Shareholding (%) :

- ▶ None

#### Relationship with Company's Executive (S) :

- ▶ None

#### Experiences over the Past 5 Years :

#### Positions in other Listed Companies

- ▶ None

#### Positions in other Non - Listed Companies

- ▶ 2006 - 2018  
Vice President, The Thammasat Economics Association
- ▶ 2014 - 2018  
Advisor to the sub-committee on Commerce, The National Legislative Assembly
- ▶ Present  
Director and Treasurer, Puey Ungphakorn Institute
- ▶ Present  
Director and Assistant Secretary, Puey Foundation
- ▶ Present  
Advisor of the Board of Director, Thammasat Association
- ▶ Present  
Advisor of the Board of Director, The Thammasat Economics Association



**Mr. PanaEk Warawit**

Independent Director and Member of the Audit Committee

Age 51 years

**Date of Appointment :**

16 July 2021

Member of the Audit Committee

**Date of Appointment :**

19 July 2021

**Education**

- ▶ Master of Sciences (Management Information System),  
Chulalongkorn University
- ▶ Bachelor of Engineering (Second-Class Honors),  
King Mongkut's Institute of Technology Ladkrabang

**Trainings from Thai Institute of Directors (IOD)**

- ▶ Training on Director Certification Program (DCP) Course,  
Batch 312/2021

**Percentage of Shareholding (%) :**

- ▶ None

**Relationship with Company's Executive (S) :**

- ▶ None

**Experiences over the Past 5 Years :**

**Positions in other Listed Companies**

- ▶ None

**Positions in other Non - Listed Companies**

- ▶ 2003 - 2016  
Executive Director, Feedback 180 Company Limited
- ▶ 2014 - Present  
Managing Director, Infomobius Company Limite



• Attachment



**Mrs. Nangnoi Bunyasaranand**

Independent Director

Age 76 years

**Date of Appointment :**

20 May 2008

**Education**

- ▶ Bachelor's Degree of Accounting, Chulalongkorn University
- ▶ Certificate - Dynamic Management, Syracuse University, New York, USA.
- ▶ Senior Executive Program (SEP), SASIN

**Trainings from Thai Institute of Directors (IOD)**

- ▶ Training on Director Accreditation Program (DAP) Course, Batch 67/2007
- ▶ Training on Anti-Corruption for Executive Program (ACEP) Course, Batch 9/2014
- ▶ Training on Boardroom Success through Financing and Investment (BFI) Course, Batch 1/2017
- ▶ Training on Governing in Tomorrow's World Course, 2021

**Percentage of Shareholding (%) :**

- ▶ None

**Relationship with Company's Executive (S) :**

- ▶ None

**Experiences over the Past 5 Years :**

**Positions in other Listed Companies**

- ▶ 2012 - Present  
Director, Premier Enterprise Public Company Limited

**Positions in other Non - Listed Companies**

- ▶ None



## Mr. Suradej Boonyawatana

Director and Authorized Director

Age 71 years

### Date of Appointment :

24 April 2014

Member of the Corporate Governance and Risk Oversight Committee

### Date of Appointment :

4 August 2020

### Education

- ▶ Bachelor's Degree of industrial Technology, Eastern Washington State University, U.S.A.

### Trainings from Thai Institute of Directors (IOD)

- ▶ Training on Director Accreditation Program (DAP) Course, Batch 19/2004
- ▶ Training on Finance of Non-Finance Director (FND) Course, Batch 12/2004
- ▶ Training on Director Certification Program (DCP) Course, Batch 97/2007
- ▶ Training on Successful Formulation & Execution of Strategy (SFE) Course, Batch 3/2009
- ▶ Training on Role of the Nomination and Governance Committee (RNG) Course, Batch 1/2011
- ▶ Training on Role of the Compensation Committee (RCC) Course, Batch 15/2012
- ▶ Training on Anti - Corruption for Executive Program (ACEP) Course, Batch 9/2014
- ▶ Training on Role of the Chairman Program (RCP) Course, Batch 34/2014
- ▶ Training on Ethical Leadership Program (ELP) Course, Batch 2/2015
- ▶ Training on Independent Observer Program (IOP) Course, Batch 3/2016
- ▶ Training on Board Matters and Trends (BMT) Course, Batch 1/2016
- ▶ Training on Digital transformations a must for all companies 2018
- ▶ Training on National Director Conference 2019
- ▶ Training on Governing in Tomorrow's World Course, 2021
- ▶ Training on What Your Board Needs to Know about C-Suite Succession in time of Uncertainty Course, 2021
- ▶ Training on GRC Through the Perfect Storm Course, 2021

### Extraordinary Trainings

- ▶ Training on Capital Market Academy Leadership Program, Class 19/2014
- ▶ Training on Introduction to Corporate Sustainability 2019
- ▶ Annual meeting of members of the Anti-Corruption Organization of Thailand for year 2019

- ▶ Training on PwC Forensics Seminar on Employee Fraud and the Labour Law in Action 2019
- ▶ Training on How to Transform Your Business to Become an Exponential Company in a Digital Era 2019
- ▶ Seminar on "Battery Energy Storage Industry in the Electricity Grid and Solution to the Thai Energy Problem" 2019
- ▶ High-level Seminar on "Increasing Transparency and Integrity in Public Procurement in the Context of the SDGs" 2019

### Percentage of Shareholding (%) :

- ▶ None

### Relationship with Company's Executive (S) :

- ▶ None

### Experiences over the Past 5 Years :

### Positions in other Listed Companies

- ▶ 2005 - Present  
Director, Premier Technology Public Company Limited
- ▶ 2021 - Present  
Chairman of the Corporate Governance and Risk Oversight Committee, Premier Technology Public Company Limited
- ▶ 2012 - Present  
Chairman, Premier Products Public Company Limited
- ▶ 2013 - Present  
Chairman of the Remuneration Committee, Premier Products Public Company Limited
- ▶ 2021 - Present  
Member of the Corporate Governance and Risk Oversight Committee, Premier Products Public Company Limited

### Positions in other Non - Listed Companies

- ▶ 2004 - Present  
Director, Premier Fission Capital Company Limited
- ▶ Present  
Director, Companies in the Premier Group of Companies
- ▶ 2017 - Present  
Advisor to Chairman, Premier Group of Companies
- ▶ 2017 - 2018  
Advisor to the Chief Executive Officer, Public Company Business, Premier Group of Companies
- ▶ 2011 - Present  
Vice President and Director, Enlive Foundation
- ▶ 2015 - Present  
Director, Yuvabadhana Foundation
- ▶ 2018 - 2022  
Director, The Federation of Thai Industries
- ▶ Nov 2020 - Nov 2023  
Director, Vajiravudh College

• Attachment



**Mrs. Pensri Dettingeng**

Director and Authorized Director

Age 65 years

**Date of Appointment :**

24 April 2014

**Education**

- ▶ Master's Degree of Accountancy, Sripatum University
- ▶ Bachelor's Degree of Accounting, Ramkhamhaeng University
- ▶ Bachelor's Degree of Faculty of Law, Chulalongkorn University

**Trainings from Thai Institute of Directors (IOD)**

- ▶ Training on Director Accreditation Program (DAP) Course, Batch 106/2013
- ▶ Training on Anti - Corruption the Practical Guide (ACPG) Course, Batch 7/2013
- ▶ Training on Director Certification Program (DCP) Course, Batch 197/2014
- ▶ Training on Successful Formulation and Execution of Strategy (SFE) Course, Batch 26/2016
- ▶ Training on Risk Management Program for Corporate Leader, (RCL) Course, Batch 21/2020

**Percentage of Shareholding (%) :**

- ▶ None

**Relationship with Company's Executive (S) :**

- ▶ None

**Experiences over the Past 5 Years :**

**Positions in other Listed Companies**

- ▶ 2017 - Present  
Director, PremierEnterprise Public Company Limited
- ▶ 2018 - Present  
Director, Premier Products Public Company Limited
- ▶ 2021 - Present  
Member of the Corporate Governance and Risk Oversight Committee  
Premier Technology Public Company Limited

**Positions in other Non - Listed Companies**

- ▶ 2009 - Present  
Director, P.M. Food Company Limited
- ▶ 2009 - Present  
Director, Premier Canning Industry Company Limited
- ▶ 2009 - Present  
Director, Premier Frozen Products Company Limited
- ▶ 2009 - Present  
Director, Premier Fission Capital Company Limited
- ▶ 2015 - 2020  
Director, PMSE Company Limited
- ▶ 2015 - Present  
Director, MIVANA Company Limited
- ▶ Present  
Director, Companies in the Premier Group of Companies
- ▶ Present  
Group Corporate Director, Accounting, Premier Group of Companies



**Mrs. Walairat Pongjitt**

Director and Authorized Director

Age 60 years

#### Date of Appointment :

24 April 2014

#### Education

- ▶ Master of Public Administrative, National Institute of Development Administration (NIDA)
- ▶ Bachelor's Degree of Laws (Business Laws), Chulalongkorn University
- ▶ Bachelor's Degree of Business Administrative (Banking & Finance), Ramkhamhaeng University

#### Trainings from Thai Institute of Directors (IOD)

- ▶ Training on Director Accreditation Program (DAP) Course, Class 106/2013
- ▶ Training on Successful Formulation & Execution of Strategy (SFE) Course, Class 21/2014
- ▶ Training on Director Certification Program (DCP) Course, Class 198/2014
- ▶ Training on Anti-Corruption : The Practical Guide (ACPG) Course, Class 15/2014
- ▶ Training on Anti-Corruption for Executive Program (ACEP) Course, Class 13/2014
- ▶ Training on Boardroom Success through Financing and Investment (BFI) Course, Class 1/2017
- ▶ Training on Ethical Leadership Program (LDP), Course, Class 20/2020

#### Extraordinary Trainings

- ▶ Training on Strategic CFO in Capital Market Program Course, Class 2/2016
- ▶ Training on Executive Development Program (EDP), Premier Group of Companies Course, Class 1/2016
- ▶ Training on Leadership Development Program (LDP, Premier Group of Companies Course, Class 1/2017
- ▶ Effective Risk Governance & GRC + Risk Culture Building Integrating with Strategy & Performance 2021
- ▶ Trends, Direction of doing M&A, Important Issues to Consider and Strategies for Making M&A Successful
- ▶ CFO Refresher Class 2/2021

#### Award

- ▶ Quality Person of the Year 2019, Finance and Securities from the Foundation of Science and Technology Council of Thailand (FSTT)
- ▶ Outstanding Executive of the Year 2021 in the field of Organization Development and Contribution of Benefit's to Society from the Thai Society Foundation

#### Percentage of Shareholding (%) :

- ▶ 0.24

#### Relationship with Company's Executive (S) :

- ▶ None

#### Experiences over the Past 5 Years :

#### Positions in other Listed Companies

- ▶ 2014 - Present  
Director, Managing Director  
Premier Enterprise Public Company Limited
- ▶ 2018 - Present  
Director, Premier Technology Public Company Limited
- ▶ 2021 - Present  
Member of the Corporate Governance and Risk Oversight Committee  
Premier Products Public Company Limited

#### Positions in other Non - Listed Companies

- ▶ 2009 - Present  
Director, P.M. Food Company Limited
- ▶ 2009 - Present  
Director, Premier Canning Industry Company Limited
- ▶ 2009 - Present  
Director, Premier Frozen Products Company Limited
- ▶ 2015 - Present  
Director, PMSE Company Limited
- ▶ 2015 - Present  
Director, MIVANA Company Limited
- ▶ Present  
Director, Premier Fission Capital Company Limited and Companies in the Premier Group of Companies
- ▶ Present  
Group Corporate Director, Finance and Investment,  
Premier Group of Companies



### Mr. Piya Smutkochorn

Director, Managing Director and Authorized Director

Age 53 years

#### Date of Appointment :

21 April 2016

#### Education

- ▶ Master of Business Administration with Marketing Management emphasis, California State University, Los Angeles, USA.
- ▶ Bachelor of Science in Business Administration with Marketing Management, California State University, Los Angeles, USA.

#### Trainings from Thai Institute of Directors (IOD)

- ▶ Training on Director Accreditation Program (DAP) Course, Batch 132/2016
- ▶ Training on Managing Technology & Disruption
- ▶ Training on Ethical Leadership : Combating Corruption Together
- ▶ Training on National Director Conference 2017 "Steering Governance in a Changing World"
- ▶ Training on Director Certification Program (DCP) Course, Batch 250/2017
- ▶ Training on Bright Spots : Lighting the Way to a Corruption Free Society

#### Extraordinary Trainings

- ▶ Effective Risk Governance & GRC + Risk Culture Building Integrating with Strategy & Performance 2021

#### Percentage of Shareholding (%) :

- ▶ None

#### Relationship with Company's Executive (S) :

- ▶ None

#### Experiences over the Past 5 Years :

#### Positions in other Listed Companies

- ▶ None

#### Positions in other Non - Listed Companies

- ▶ None

## B. Profiles of Executives, Controlling Persons, Person assigned the Highest Responsibility in Finance and Accounting, Person Assigned as the Person Supervising Accounting



**Mr. Vichien Phongsathorn**

Chairman of the Executive Committee

Age 65 years

### Date of Appointment :

1 March 2018

### Education

- ▶ Master of Business Administration Rensselaer Polytechnic Institute, Troy, New York, USA.
- ▶ Bachelor degree of Nuclear Engineering Rensselaer Polytechnic Institute, Troy, New York, USA.

### Percentage of Shareholding (%) :

- ▶ 0.84

### Relationship with Company's Executive (S) :

- ▶ None

### Experiences over the Past 5 Years :

- ▶ 1992 - 2017  
Chairman, Datapro Computer Systems Company Limited
- ▶ 1993 - 2017  
Chairman, Premier Enterprise Public Company Limited
- ▶ 2018 - Present  
Chairman of the Executive Committee,  
Premier Technology Public Company Limited
- ▶ 1992 - Present  
Chairman, Premier Technology Public Company Limited
- ▶ Present  
Director, Premier Fission Capital Company Limited and  
Companies in the Premier Group of Companies
- ▶ Present  
Chairman, Premier Group of Companies
- ▶ 1993 - Present  
Chairman, Yuvabadhana Foundation
- ▶ 2011 - Present  
Chairman, Khonthai Foundation
- ▶ 2011 - Present  
Vice Chairman, Enlive Foundation
- ▶ 2014 - Present  
Vice Chairman, Anti-Corruption Organization of Thailand  
Foundation
- ▶ Present  
Chairman, Anti-Corruption Organization of Thailand

• Attachment



**Mr. Vorathep Rangchaikul**

Executive Director

Age 60 years

**Date of Appointment :**

4 August 2020

**Education**

- ▶ Master of Business Administration (Marketing), University of Detroit, USA
- ▶ Bachelor's Degree Mechanical Engineering, Kasetsart University

**Trainings from Thai Institute of Directors (IOD)**

- ▶ Training on Directors Certification Program (DCP), Batch 2014
- ▶ Training on Corporate Governance for Executives (CGE) SCCC/2015
- ▶ Training on Boardroom Success through Financing and Investment (BFI) Course, Batch 1/2017

**Extraordinary Trainings**

- ▶ Advanced Management Program, Harvard Business School, USA

**Percentage of Shareholding (%) :**

- ▶ None

**Relationship with Company's Executive (S) :**

- ▶ None

**Experiences over the Past 5 Years :**

- ▶ 2017 - 2018  
Director and Chairman of the Executive Committee, Premier Enterprise Public Company Limited
- ▶ 2017 - 2018  
Director and Chairman of the Executive Committee, Premier Products Public Company Limited
- ▶ 2017 - 2018  
Director, Datapro Computer Systems Company Limited
- ▶ 2017 - 2018  
Director, Premier Group of Companies
- ▶ 2018 - Present  
Advisor to Chairman, Premier Group of Companies
- ▶ 2018 - Present  
Executive Committee  
TedPartners Company Limited
- ▶ 2020 - Present  
Executive Director  
Premier Marketing Public Company Limited



**Mr. Pornsak Sinkanarak**

Deputy Managing Director - Business Development

Age 57 years

**Date of Appointment :**

29 February 2012

**Education**

- ▶ Master of Degree of Business Administration, Bangkok University

**Percentage of Shareholding (%) :**

- ▶ None

**Relationship with Company's Executive (S) :**

- ▶ None

**Experiences over the Past 5 Years :**

- ▶ 2007 - 2020  
Deputy Managing Director - Marketing  
Premier Marketing Public Company Limited
- ▶ May 2020 - Present  
Deputy Managing Director - Business Development  
Premier Marketing Public Company Limited



**Mr. Choocheep Auekarn**

Deputy Managing Director - Human Resource and Administration

Age 56 years

**Date of Appointment :**

1 May 2013

**Education**

- ▶ Doctor of Public Administration (DPA),  
Valaya Alongkorn Rajabhat University under the Royal Patronage

**Percentage of Shareholding (%) :**

- ▶ None

**Relationship with Company's Executive (S) :**

- ▶ None

**Experiences over the Past 5 Years :**

- ▶ 2013 - Present  
Deputy Managing Director - Human Resource and Administration  
Premier Marketing Public Company Limited



• Attachment



**Miss Suthisa Klaikate**

Deputy Managing Director - Domestic Marketing

Age 51 years

**Date of Appointment :**

1 May 2020

**Education**

- ▶ Bachelor of Journalism (Advertising), Thammasat University

**Percentage of Shareholding (%) :**

- ▶ None

**Relationship with Company's Executive (S) :**

- ▶ None

**Experiences over the Past 5 Years :**

- ▶ 2006 - May 2020  
Senior Marketing Division Manager  
Premier Marketing Public Company Limited
- ▶ May 2020 - Present  
Deputy Managing Director - Domestic Marketing  
Premier Marketing Public Company Limited



**Mr. Pitoon Pungvirawat**

Deputy Managing Director - Domestic Sales

Age 55 years

**Date of Appointment :**

1 February 2019

**Education**

- ▶ Bachelor of Business Administration, Faculty of Commerce and Accountancy, Chulalongkorn University

**Percentage of Shareholding (%) :**

- ▶ None

**Relationship with Company's Executive (S) :**

- ▶ None

**Experiences over the Past 5 Years :**

- ▶ 2015 - 2019  
Assistant Managing Director - Sales  
Premier Marketing Public Company Limited
- ▶ 2019 - Present  
Deputy Managing Director - Domestic Sales  
Premier Marketing Public Company Limited



### Mrs. Pathomporn Srisuthamporn

Deputy Managing Director - Finance and Accounting

Age 49 years

#### Date of Appointment :

1 August 2021

#### Education

- ▶ International Master in Business Administration (IMBA-English Program), Thammasat University
- ▶ Master of Accountancy, Chulalongkorn University
- ▶ Bachelor's Degree in Business Administration (Accounting), Ramkhamhaeng University

#### Training

- ▶ Training on Director Accreditation Program (DAP) Course, Class 159/2019
- ▶ Training on Role of the Nomination and Compensation Committee, 2020
- ▶ CFO Orientation Program (Stock Exchange of Thailand Requirements for CFO of listed company), 2018
- ▶ Certified Professional Internal Auditors of Thailand, CPIAT 2018
- ▶ Advance Risk Management, 2019
- ▶ COSO - ERM 2017 Training course, 2019
- ▶ New Crisis Financial Officer Training with Stock Exchange of Thailand, 2020
- ▶ DATA PROTECTION PDPA & BEYOND 2021, The Stock Exchange of Thailand (SET)
- ▶ Update TFRS 2022, NYC MANAGEMENT Co., Ltd.
- ▶ CFO Refresher Course 2021, The Stock Exchange of Thailand (SET)
- ▶ Fraud Audit for Internal Auditor, Institution of Internal Auditors of Thailand (IIA)
- ▶ Corporate Tax for internal auditor, Institution of Internal Auditors of Thailand (IIA)
- ▶ Innovative IA : Recalibration for the COVID Environment, Institution of Internal Auditors of Thailand (IIA)
- ▶ Total Accounting training for year 2021 = 13 Hours and Total Internal Auditor training for year 2021 = 34 Hours

#### Percentage of Shareholding (%) :

- ▶ None

#### Relationship with Company's Executive (S) :

- ▶ None

#### Experiences over the Past 5 Years :

- ▶ 2018 - Mar 2021  
Chief Finance Office  
I&I Group Public Company Limited
- ▶ Aug 2021-Present  
Deputy Managing Director- Finance and Accounting  
Premier Marketing Public Company Limited

The Audit Committee has an opinion that Mrs. Pathomporn Srisuthamporn, who is the person assigned as the highest responsibilities in Accounting, has direct beneficial experiences to the operation of the Company and such working period for the past year is in accordance with the notification of the Securities and Exchange Commission.

• Attachment



**Miss Tanasukant Kumyim**

Business Finance and Accounting Department Manager

(The Person Assigned as the Person Supervising Accounting)

Age 38 years

**Education**

- ▶ Master of Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University.
- ▶ Bachelor of Accounting, Faculty of Humanities and Social Science, Burapha University.

**Training**

- ▶ Risk Accounting and Risk Management for Accountants, Dharmniti Seminar and Training Co., Ltd.
- ▶ Accounting Information Systems, Department of Business Development.
- ▶ Financial Statement Analysis, Department of Business Development.
- ▶ Total Accounting training for year 2021 = 16 Hours

**Percentage of Shareholding (%) :**

- ▶ None

**Relationship with Company's Executive (S) :**

- ▶ None

**Experiences over the Past 5 Years :**

- ▶ 2012 - 2017  
Senior Manager, Analytics Project  
Bangkokbank Public Company Limited
- ▶ Mar 2017 - Present  
Accounting Manager, Consumer Product Business  
Premier Marketing Public Company Limited

The Audit Committee has an opinion that Miss Tanasukant Kumyim, who is the person assigned as the person supervising accounting, has direct beneficial experiences to the operation of the Company and such working period for the past year is in accordance with the notification of the Securities and Exchange Commission.

## D. Profile of Company Secretary



**Miss Kulthida Verathaworn**

Age 37 years

### Date of Appointment :

17 May 2021

### Education

- ▶ Master of Arts, International Economics and Finance (Scholarship), Chulalongkorn University
- ▶ Bachelor of Economics, Quantitative Economics (First-Class Honors), Chulalongkorn University

### Trainings from Thai Institute of Directors (IOD)

- ▶ Director Certification Program (DCP), Class 262/2018
- ▶ Company Secretary Program (CSP), Class 78/2017

### Percentage of Shareholding :

- ▶ None

### Relationship with Company's Executive (s) :

- ▶ None

### Experiences over the Past 5 Years :

### Positions in other Listed Companies

- ▶ 2016  
Myanmar Joint Venture Asset  
PTT Exploration and Production Public Company Limited
- ▶ 2016 - 2019  
Director, Business Development, and Company Secretary  
DV8 Public Company Limited
- ▶ 2019 - 2020  
Director, Business Development  
DOD Biotech Public Company Limited

### Positions in other Non - Listed Companies

- ▶ 2016 - 2019  
Director, Demeter Power Company Limited
- ▶ 2018 - 2019  
Director, Hero Experience Company Limited
- ▶ 2020 - May 2021  
Assistant to Chairman, Premier Fission Capital Company Limited
- ▶ May 2021- Present  
Corporate Director, Company Secretary Department  
Premier Fission Capital Company Limited

**Remark :** Ms. Kulthida Verathaworn is in a position of Corporate Director, Company Secretary Department, of Premier Fission Capital Company Limited, a business consulting and management service company with the scope of service shown on page 90

## Information of Directors, Executives, and Controlling Persons assigned to be executives in its subsidiaries, associate companies, and related companies

Name of Companies		Company	Subsidiaries							Related Companies*									
Name	PM	PMF	PCI	PFP	PMSE	MIVANA	TGD	SZPM	PFC	PE	PC2000	PIL	PB	PPP	IGC	PT	DCS	PRH	TAM
1. Mr. Somchai Choonharas	X, //								//					//					
2. Mrs. Duangthip Eamrungrroj	//	X, //	X, //	X, //	//	//	//		//			X, //	//	//	//	//	X, //	//	//
3. Mr. Suradej Boonyawatana	//								//					X, //	X, //	//		//	//
4. Mrs. Walairat Pongjitt	//	//	//	//	//	//	//	//	//	//	//	//	//		//	//	//	//	//
5. Mrs. Pensri Dettingeng	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//		//	//	//
6. Mr. Piya Smutkochorn	//																		
7. Miss Naengnoi Chai-onnom	/																		
8. Mr. Wichai Hirunwong	/																		
9. Mr. PanaEk Warawit	/																		
10. Mrs. Nangnoi Bunyasaranand	/																		

**Remark** : X = Chairman // = Authorized Director / = Director

\* Related companies are companies in which authorized directors and executives hold executive positions or as authorized directors.

Name of Companies		Related Companies*																
Name	SP	MS	PAC	PMN	P-PET	SHR	PCE	IME	SPH	PPlanner	PMB	PMC	LPCE	SNE	RKT	CVC	TJ	PS
1. Mr. Somchai Choonharas																		
2. Mrs. Duangthip Eamrunroj	//	//	//	//	//	//		//	//	//		//				//	//	
3. Mr. Suradej Boonyawatana						//						//						
4. Mrs. Walairat Pongjitt	//	//	//	//	//	//	//	//	//	//	//	//	//	//		//		//
5. Mrs. Pensri Dettingeng	//	//	//	//	//	//	//	//	//	//	//	//	//	//	//			
6. Mr. Piya Smutkochorn																		
7. Miss Naengnoi Chai-onnom																		
8. Mr. Wichai Hirunwong																		
9. Mr. PanaEk Warawit																		
10. Mrs. Nangnoi Bunyasaranand																		

**Remark** : X = Chairman // = Authorized Director / = Director

\* Related companies are companies in which authorized directors and executives hold executive positions or as authorized directors.

## Name of companies, subsidiaries, associate companies, and related companies

PM	Premier Marketing Public Co., Ltd.
PMF	P.M. Food Co., Ltd.
PCI	Premier Canning Industry Co., Ltd.
PFP	Premier Frozen Products Co., Ltd.
PMSE	PM SE Co., Ltd.
MIVANA	Mivana Co., Ltd.
TGD	The Good Drink Co., Ltd.
SZPM	Shenzhen Premier Marketing Co., Ltd.
PFC	Premier Fission Capital Co., Ltd.
PE	Premier Enterprise Public Co., Ltd.
PC2000	Premier Capital (2000) Co., Ltd.
PIL	Premier Inter Leasing Co., Ltd.
PB	Premier Brokerage Co., Ltd.
PPP	Premier Products Public Co., Ltd.
IGC	Infinite Green Co., Ltd.
PT	Premier Technology Public Co., Ltd.
DCS	Datapro Computer Systems Co., Ltd.
PRH	Premier Resorts and Hotels Co., Ltd.
TAM	Tamarind Village Co., Ltd.
SP	Seri Premier Co., Ltd.
MS	Moo Ban Seri Co., Ltd.
PAC	Premier Assets Co., Ltd.
PMN	Premier Manufacturing Co., Ltd.
P-PET	Premier Pet Products Co., Ltd.
SHR	Sea Harrier Co., Ltd.
PCE	Premier CE Co., Ltd.
IME	Imperial Eagle Co., Ltd.
SPH	Seri Properties Holding Co., Ltd.
PPlanner	Premier Planner Co., Ltd.
PMB	Premier Metrobus Co., Ltd.
PMC	Premier Motors Co., Ltd.
LPCE	LPCE Co., Ltd.
SNE	Senanee Co., Ltd.
RKT	Khon Thai Shop Ltd.
CVC	Change Ventures Capital Co., Ltd.
TJ	Taejai Co., Ltd.
PS	Sammakorn Co., Ltd.

## Shareholding of the Board of Director Directors and Management

Premier Marketing Public Company Limited

As at 31 December 2021

### Board of Directors

Name	31 December 2020		31 December 2021		Increase (Decrease)
	Number of share owned	%	Number of share owned	%	
Mr. Somchai Choonharas	-	0.00%	-	0.00%	-
Mrs. Marisri Choonharas (Spouse)	5,000,000	0.84%	5,000,000	0.84%	-
Mrs. Duangthip Eamrungraj	1,000,000	0.17%	1,000,000	0.17%	-
Mr. Prasert Eamrungraj (Spouse)	-	0.00%	-	0.00%	-
Ms. Naengnoi Chai-Onnom	-	0.00%	-	0.00%	-
Mr. Wichai Hirunwong	-	0.00%	-	0.00%	-
Mrs. Chuthaporn Hirunwong (Spouse)	-	0.00%	-	0.00%	-
Mr. PanaEk Warawit	-	0.00%	-	0.00%	-
Mrs. Phunnee Yossomsean (Spouse)	-	0.00%	-	0.00%	-
Mrs. Nangnoi Bunyasaranand	-	0.00%	-	0.00%	-
Mr. Boonserm Bunyasaranand (Spouse)	-	0.00%	-	0.00%	-
Mr. Suradej Boonyawatana	-	0.00%	-	0.00%	-
Mrs. Supanee Boonyawatana (Spouse)	-	0.00%	-	0.00%	-
Mrs. Pensri Dettingeng	-	0.00%	-	0.00%	-
Mr. Wijarn Palakarn (Spouse)	-	0.00%	-	0.00%	-
Mrs. Walairat Pongjitt	1,310,100	0.22%	1,450,000	0.24%	0.02%
Mr. Suwat Ponjit (Spouse)	-	0.00%	-	0.00%	-
Mr. Piya Samutkochorn	-	0.00%	-	0.00%	-
Mrs. Varasra Samutkochorn (Spouse)	-	0.00%	-	0.00%	-
Mr. Parich Samutkochorn (Minor Child)	-	0.00%	-	0.00%	-
Total	7,310,100	1.23%	7,450,000	1.25%	0.02%



## Management

Name	31 December 2020		31 December 2021		Increase (Decrease)
	Number of share owned	%	Number of share owned	%	
Mr. Vichien Phongsathorn	-	0.00%	-	0.00%	-
Mrs. Vimolthip Phongsathorn (Spouse)	5,000,000	0.84%	5,000,000	0.84%	-
Mr. Vorathep Rangchaikul	-	0.00%	-	0.00%	-
Mrs. Patarin Nakornchai (Spouse)	-	0.00%	-	0.00%	-
Mr. Pornsak Sinkanarak	-	0.00%	-	0.00%	-
Ms. Nuchanart Ittiponolar (Spouse)	-	0.00%	-	0.00%	-
Mr. Choocheep Auekarn	-	0.00%	-	0.00%	-
Mrs.Pattiya Auekarn (Spouse)	-	0.00%	-	0.00%	-
Mrs. Pathomporn Srisuthamporn	-	0.00%	-	0.00%	-
Miss Achiraya Pranomchaikul (Minor Child)	-	0.00%	-	0.00%	-
Mr. Pitoon Pungvirawat	-	0.00%	-	0.00%	-
Ms. Chancharas Sintamcharoen (Spouse)	-	0.00%	-	0.00%	-
Ms. Praewarun Pungvirawat (Minor Child)	-	0.00%	-	0.00%	-
Ms. Suthisa KlaiKate	-	0.00%	-	0.00%	-
Mr. Songklod Akeunnop (Spouse)	-	0.00%	-	0.00%	-
Mr. Issara Akeunnop (Minor Child)	-	0.00%	-	0.00%	-
Miss Uksorn Akeunnop (Minor Child)	-	0.00%	-	0.00%	-
Total	5,000,000	0.84%	5,000,000	0.84%	-

## Attachment 2

# Information on Directors of Subsidiaries

Subsidiaries Name	PMF	PCI	PFP	PMSE	MIVANA*	TGD*	SZPM
1. Mr. Vichien Phongsathorn					X, //	X, //	
2. Mrs. Duangthip Eamrungrong	X, //	X, //	X, //	X, //	//	//	
3. Mrs. Walairat Pongjitt	//	//	//	//	//	//	//
4. Mrs. Pensri Dettingeng	//	//	//		//	//	//
5. Mr. Viphas Jirapas	//						
6. Mrs. Pornnip Saowapak		//	//				
7. Mr. Tawatchai Tositrakul					//		
7. Mr. Vorathep Rangchaikul							//

**Remark :** X = Chairman // = Authorized Director / = Director

PMF	P.M. Food Co., Ltd.
PCI	Premier Canning Industry Co., Ltd.
PFP	Premier Frozen Products Co., Ltd.
PMSE	PM SE Co., Ltd.
*MIVANA	Mivana Co., Ltd. (Subsidiary of PMSE)
*TGD	The Good Drink Co., Ltd. (Subsidiary of PMSE)
SZPM	Shenzhen Premier Marketing Company Limited.

## Attachment 3

# Profile on Chief of Internal Audit



**Mr. Akapun Nuanmuang**

Corporate Director, Internal Audit Department

Age 58 years

### Date of Appointment :

5 November 2009

### Education

- ▶ Master's Degree in General Management, Burapa University
- ▶ Mini MBA Degree in General Management, Chulalongkorn University
- ▶ Higher Diploma in Auditing (Accounting Examination) Chulalongkorn University
- ▶ Bachelor's Degree in Business Administration, (Accounting) Ramkhamhaeng University

### Education and Training

- ▶ Practical Techniques for Complying with the Data Protection Law
- ▶ Thailand Data Protection
- ▶ Personal Data Protection Act / Fraud Claim
- ▶ Operational Audit and Compliance Audit for Value Adding
- ▶ Integrated Risk Management ISO 31000 - 2018 / COSO - ERM - 2017
- ▶ Business Continuity Managing Disruption Related Risk in Compliance with ISO 31000
- ▶ Application of Risk Management International Standard ISO 31000 : 2009 and Risk Assessment
- ▶ Techniques IEC 31010 : 2009
- ▶ Training on Anti - Corruption : The Practical Guide Course (ACPG), Batch 2/2013

### Percentage of Shareholding (%) :

- ▶ None

### Relationship with Company's Executive (S) :

- ▶ None

### Experiences over the Past 5 Years :

### Position on the other Listed Company

- ▶ 2012 - Present  
Corporate Director, Internal Audit Department,  
Premier Fission Capital Company Limited

**Remark :** Mr. Akapun Nuanmuang is the position of Corporate Director, Internal Audit Department of Premier Fission Capital Company Limited, a business consulting and management service company with the scope of service shown on page 90

## Attachment 4

# Operating Assets and Details of Appraisal Assets

As at 31 December, 2021

### 1) Fixed Assets in Operation consist of:

(Unit: Thousand Baht)

Asset Types	Nature of Ownership	Net Book Value per Consolidated Financial Statement as of 31 December, 2021	Obligation
1. Land and Land Improvement	P.M. Food Co., Ltd. ▶ 1 Plot area of 24 rai Premier Canning Industry Co., Ltd. <sup>1/</sup> ▶ 2 Plots area of 14-1-51 rai and 24-0-28 rai Premier Frozen Products Co., Ltd. <sup>1/</sup> ▶ 1 Plot area of 24-1-89 rai Owner	503,783	Collateral for credit facilities received from financial institution <sup>1/</sup>
2. Building, Structures and Improvement of Building	Premier Marketing Public Co., Ltd. P.M. Food Co., Ltd. Premier Canning Industry Co., Ltd. <sup>1/</sup> Premier Frozen Products Co., Ltd. <sup>1/</sup> Mivana Co., Ltd. Owner	164,366	Collateral for credit facilities received from financial institution <sup>1/</sup>
3. Machinery, Tools and Equipment	Premier Marketing Public Co., Ltd. P.M. Food Co., Ltd. <sup>2/</sup> Premier Canning Industry Co., Ltd. Premier Frozen Products Co., Ltd. PM SE Co., Ltd. Mivana Co., Ltd. Owner	268,390	Collateral for credit facilities received from financial institution <sup>2/</sup>
4. Furniture, Fixtures and Office Equipment	Premier Marketing Public Co., Ltd. P.M. Food Co., Ltd. Premier Canning Industry Co., Ltd. Premier Frozen Products Co., Ltd. PM SE Co., Ltd. Mivana Co., Ltd. Owner	21,495	-

(Unit: Thousand Baht)

Asset Types	Nature of Ownership	Net Book Value per Consolidated Financial Statement as of 31 December, 2021	Obligation
5. Motor Vehicles	PremierMarketing Public Co., Ltd. P.M. Food Co., Ltd. PremierCanning Industry Co., Ltd. PremierFrozen Products Co., Ltd. Mivana Co., Ltd. Owner	296	-
6. Construction in progress and Machinery under installation	P.M. Food Co., Ltd. PremierCanning Industry Co., Ltd. Mivana Co., Ltd. Owner	6,758	-
<b>Total</b>		<b>965,088</b>	

<sup>1/</sup> Land and building of 2 subsidiaries (PremierCanning Industry Co., Ltd. And PremierFrozen Products Co., Ltd.) are collateral for credit facilities received from financial institution amounting to 495 million Baht.

<sup>2/</sup> Some of the machinery of a subsidiary (P.M. Food Co., Ltd.) has registered business collateral to guarantee credit facilities received from financial institutions totaling 36 million Baht.

## 2) Intangible Assets

As at 31 December 2021, the Company and its subsidiaries own important trademarks both domestically and internationally as follows:

Trademark	Ownership
1. "Taro" brand	P.M. Food Co., Ltd.
2. "Coryfin C" brand	PremierMarketing Public Co., Ltd.
3. "Coryfin C-Plus" brand	PremierMarketing Public Co., Ltd.
4. "King's Kitchen" brand	PremierCanning Industry Co., Ltd.
5. "Mivana" brand	Mivana Co., Ltd.
6. "Atlas" brand	PremierCanning Industry Co., Ltd.
7. "Home Cuisine" brand	PremierFrozen Products Co., Ltd.

The certification of trademark registration will be valid for 10 years from the date of registration and may be renewed for 10 years at a time, which the Company and its subsidiaries have continuously renewed.

### 3) Lease

The Company made lease contracts for building space rental for office purpose / warehouse rental stock keeping by making contracts with related party (Office space rental) and third party (Warehouse space rental). The detail of lease contracts are per below table.

Office	Party	Location	Period	Area
1. Premier Marketing Public Co., Ltd. 1.1 Office	Seri Properties Holding Co., Ltd.	1 Premier Corporate Park, Soi Premier 2, Srinakarin Road, Nongbon Sub-district, Prawet District, Bangkok	20 Years (4 June, 2010 - 3 June, 2030)	2,174.5 Sqm.
1.2 Warehouse *	Trans Logistic Co., Ltd.	33/9 Moo 1 Highway No.36 (New Bangkok-Chonburi Road), Khlong Sam Prawet Sub-district, Lat Krabang District, Bangkok	1 Year (1 July, 2022 - 30 June, 2023)	5,250 Sqm.
2. P.M. Food Co., Ltd. (Office)	Seri Properties Holding Co., Ltd.	1 Premier Corporate Park, Soi Premier 2, Srinakarin Road, Nongbon Sub-district, Prawet District, Bangkok	3 Years (1 May, 2020 - 30 April, 2023)	107.93 Sqm.
3. Premier Canning Industry Co., Ltd. (Warehouse)	Triumph Reality Co., Ltd.	13/15 Moo 4, Bangna-Trad Road KM.28, Bang Bo Sub-district, Bang Bo District, Samut Prakan	1 Year (1 May, 2021 - 30 April, 2022)	750 Sqm.
4. Mivana Co., Ltd. 4.1 Office and Manufacturing Plants	Premier Frozen Products Co., Ltd.	98/1 Moo 12, Debaratana Road, Bang Phli Yai Sub-district, Bang Phli District, Samut Prakan	3 Years (1 July, 2019 - 30 June, 2022)	1,906.55 Sqm.
4.2 Sales Office	Seri Properties Holding Co., Ltd.	1 Premier Corporate Park, Soi Premier 2, Srinakarin Road, Nongbon Sub-district, Prawet District, Bangkok	3 Years (1 January, 2020 - 31 December, 2022)	121.27 Sqm.
4.3 MIVANA Flagship	Seri Properties Holding Co., Ltd.	1 Premier Corporate Park, Soi Premier 2, Srinakarin Road, Nongbon Sub-district, Prawet District, Bangkok	3 Years (1 July, 2021 - 30 June, 2024)	156 Sqm.
4.4 Warehouse	Dr. Nit Wangviwat	202/1 Moo 2 Sansai Sub-district, Mueang Chiang Rai District, Chiang Rai	2 Years (1 February, 2021 - 31 January, 2023)	Land size 6-0-0 Rai Warehouse size 2,100 sq m.
4.5 Warehouse	Mrs. Buarew Sinthong	9 Moo 12 Si Thoi Sub-district, Mae Suai District, Chiang Rai	2 Years (15 January, 2021 - 14 January, 2023)	Land size 6-2-67 Rai Warehouse size 880 sq m.

\* The lease agreement is valid for 1 year from 1 January 2010, but gives the Company the right to renew the contract for 1 year without limitation number of times, and in each renewal of the lease, the Company also has the right to reduce / increase the rental area.

## Details of Appraisal Assets

As at 31 December, 2021

Company Name	Detail		Property Appraisers / Operation Supervisor or Main Assessor	Objectives	Report Date
	Assets	Appraisal Price (Baht) (Fair Market Value)			
P.M. Food Co., Ltd.	▶ Land in Kabinburi Industrial Estate, 24 rai	49,920,000	KTAC Appraisal and Services Co., Ltd.	New land appraisal by independent appraiser, by using the market price comparison method and the cost analysis method to improve the value of land that has been appraised since January 2018 to show the present value.	13 December, 2021
Premier Canning Industry Co., Ltd.	▶ Land of 14-1-51 rai	140,615,000	KTAC Appraisal and Services Co., Ltd.		30 November, 2021
Premier Frozen Products Co., Ltd.	▶ Land of 24-1-89 rai	313,248,000	KTAC Appraisal and Services Co., Ltd.		11 October, 2021

## Attachment 5

# The Policies and Guidelines for Corporate Governance and Code of Conduct of the Company

## 1) Policies and Guidelines for Corporate Governance

The Company's Board of Directors emphasizes good corporate governance. It believes that good corporate governance and management under the framework of good ethics, transparency, accountability and fairness to all relevant parties will help to promote the Company's stable and sustained growth and help to increase the confidence of the shareholders, investors and all related parties. Therefore, the Board of Directors has established in writing the principles of good corporate governance as guidance for the management and employees as follows:

1. Conduct business with integrity, fairness, transparency and accountability, and disclose adequate information to all relevant parties.
2. Provide appropriate and effective internal control, risk management and internal audit systems.
3. Emphasize on the rights of shareholders and treat shareholders equally with fairness to all parties.
4. Comply with the requirements of all relevant laws and regulations and business ethics in order to protect the rights of all groups of stakeholders.
5. Organize the structure, duties and responsibilities of each group of directors clearly.

The Company's good corporate governance policy adheres to the Principles of Good Corporate Governance for Listed Companies B.E. 2555 (2012) promulgated by the Stock Exchange of Thailand, which covers 5 categories of principles as follows:

- Chapter 1 The Rights of Shareholders
- Chapter 2 The Equitable Treatment of Shareholders
- Chapter 3 The Role of Stakeholders
- Chapter 4 Disclosure and Transparency
- Chapter 5 Responsibilities of the Board of Directors

## Chapter 1 the Rights of Shareholders

The Company recognizes and places importance on the various basic rights of the shareholders, both as investors in securities and as owners of the Company, by defining the guidelines to encourage the exercise of shareholders' rights as follows:

### 1. Shareholders' Meeting

1.1 The Board of Directors has a policy to facilitate and support or encourage all groups of shareholders, including institutional investors, to attend the shareholders' meetings and exercise their rights, which covers the basic legal rights, i.e. obtain a share in the profit of the business; buy, sell or transfer shares; obtain adequate news and information on the business; and participate in shareholders' meetings to exercise their voting rights to elect or remove directors, approve all forms of remuneration for the Company's directors, namely meeting allowance, bonus and other benefits, appoint the auditor and determine the audit fee, and make decisions on any matter that affects the Company, such as allocation of dividends, determination or amendment of the Articles of Association and Memorandum of Association, capital decreases or increases, and the approval of extraordinary transactions.

1.2 The Company has provided information on the date, time, venue and agenda, with rationale and explanation for each agenda item or resolution requested, in the notice of the Annual General Meeting or Extraordinary General Meeting of Shareholders or attachments to the agenda. The Company has refrained from any action that limits the opportunity of the shareholders to study the information on the Company. The details of which are as follows:

1.2.1 The Company does not undermine the rights of the shareholders to study the Company's information that must be disclosed according to various requirements and to attend the shareholders' meeting. For instance, the Company does not abruptly distribute documents containing additional important information in the meetings, add new agenda items or alter sensitive information without prior notice to the shareholders, not provide shareholders with the right to pose questions to the Board of Directors in the meeting, restrict the right to attend of shareholders who come late for the meeting, etc.



1.2.2 The Company has provided information as to the date, time, venue and agenda of the meetings. Each agenda item of the shareholders' meeting is set as individual subjects and the objective and rationale of each agenda item is clearly defined. Adequate information is provided for decision-making as follows:

**a. Agenda for appointment of directors**

- 1) Preliminary information of the nominated person, such as title, name, age, type of director, education, work history, number of companies in which such person is a director, experience, etc.
- 2) Positions held in other businesses where any business that may have potential conflict of interest with the Company has been clearly stated.
- 3) Nomination criteria and procedures (in the case of appointment of a new director).
- 4) Day, month and year appointed as a director, years in office and performance during the term as director (in the case of reappointment of directors).
- 5) Approved by the Board of Directors serving as the Nominating Committee.
- 6) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.

**b. Agenda to consider the remuneration of directors**

- 1) Amount and form of remuneration by position or responsibilities of the directors.
- 2) Directors' remuneration policy.
- 3) Criteria and procedures for determining remuneration.
- 4) Other benefits received as director (presently the directors do not receive any other benefit apart from meeting allowance and annual bonus).
- 5) Approved by the Board of Directors serving as the Remuneration Committee.
- 6) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.

**c. Agenda to appoint the auditor and determine the audit fee**

- 1) Name of the auditor and the audit firm.
- 2) Experience and competence of the auditor.
- 3) Independence of the auditor.
- 4) Years of service to the Company (in case of appointment of the current auditor) or reason for the change of auditor (in case of appointment of a new auditor).
- 5) How the suitability of the audit fee together with other fees of the auditor is determined. Approved by the Audit Committee.
- 6) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.

**d. Agenda on dividend payment**

- 1) Dividend policy.
- 2) The proposed actual amount of payment compared with the dividend policy, together with supporting reasons and information.
- 3) Reason why dividend payment does not conform to the policy.
- 4) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.

**e. Agenda to consider material matters of the Company, such as capital increase/decrease, amendment of regulations, business sale/dissolution/transfer/merger, etc.**

- 1) Details of the matter proposed.
- 2) Objective, reason or necessity.
- 3) Impact on the Company and its shareholders.
- 4) The opinion of the Board of Directors is sufficient and clear for the shareholders to cast their vote.

1.3 The Board of Directors facilitates shareholder participation and voting in meetings and refrains from any action that could limit the opportunities of the shareholders to attend the meeting. The procedures for attending and voting should not be complicated or too costly for shareholders, and the meeting location should be easily accessible.

1.4 The Company provides the shareholders with an opportunity to send their questions about the Company prior to the meeting date, by clearly determining the criteria for submission of questions in advance and duly informing the shareholders along with the delivery of the notice to the shareholders' meeting. In addition, the Company also disseminates the criteria for submission of questions in advance on its website. The Board of Directors has prescribed the procedure for screening the questions submitted in advance and requires that the Company to provide answers to the shareholders in advance, as well as inform the shareholders' meeting. The details of the procedure are as follows:

1.4.1 The Company provides shareholders with the opportunity to submit questions related to the meeting agenda to the Board of Directors in advance throughout the submission period. As for the Annual General Meeting of Shareholders, the Board will gather the questions until 31 December of the calendar year preceding the meeting date. The Company adheres to the following guidelines:

- 1) Clearly determine the criteria for submission of questions in advance.
- 2) Inform the shareholders along with the delivery of the notice to the shareholders' meeting.
- 3) Prescribe procedures for advance submission of the questions, such as allowing the shareholders to send the questions through the Company's website, by email or by post to the Board of Directors.
- 4) Set the submission period for advance submission of the questions prior to the date of the shareholders' meeting.
- 5) Prescribe the procedure for screening the questions submitted in advance by the shareholders for consideration of the Board of Directors in answering those questions.
- 6) The Company answers the questions for the shareholders in advance of the meeting date.
- 7) The Company answers the questions for the shareholders on the day of the meeting.
- 8) The Company informs the shareholders' meeting of the questions submitted in advance by the shareholders and the answers to such questions.

1.5 The Board of Directors encourages shareholders to use proxy forms on which they can specify their votes and proposes as an option at least 1 independent director for shareholders to appoint as their proxy.

However, the shareholders can download the proxy from the Company's website. The Company is required to provide revenue stamp to the shareholders to seal on the proxy. In addition, the shareholders who attend the meeting after the chairman opened a meeting have a right to vote on the under consideration agenda, without determination by vote and regard as the meeting quorums. Unless there is an agreement otherwise.

## 2. Procedures on the Shareholders' Meeting Date

2.1 The Board of Directors encourages the use of technology with the shareholders' meetings, including registration of the attending shareholders and vote counting and reporting, so that the meeting can be conducted quickly, accurately and precisely.

### 2.2 Directors' Attendance at Shareholders' Meetings

2.2.1 All directors should attend the shareholders' meetings.

2.2.2 In the case where not all the directors can attend, at least the following persons must attend the shareholders' meetings:

- 1) Chairman
- 2) Managing Director
- 3) Chairman of the Audit Committee

2.2.3 The shareholders are presented with the opportunity to pose questions to the chairpersons of the various committees on matters in which they are involved.

2.3 In the shareholders' meeting, voting is made separately for each item in the case of several items in an agenda, such as the election of directors.

2.4 The Company has in place a process for vote counting, storage of voting papers for every agenda item and full video recording of the meetings, which is disclosed on the Company's website. The meeting and vote counting for every agenda item are conducted with transparency and accountability.

2.5 The Chairman has allocated adequate time for discussion and encouraged the shareholders to express opinions and pose questions related to the Company to the meeting.

### 3. Preparation and Disclosure of the Minutes of the Shareholders' Meetings

3.1 The minutes of shareholders meetings records the explanation of the voting and vote counting procedures used to the meeting prior to commencement of the meeting, as well as the opportunity provided for the shareholders to raise issues and questions. It also records the questions and answers, the voting results for each agenda item of the number of shareholders approving, dissenting and abstaining, and the list of directors who attended or missed the meetings.

3.2 The Company discloses to the public the voting results and the minutes of the meeting on its website. The details of the practice are as follows:

3.2.1 Disclose the resolutions of the meeting separated into approving, dissenting or abstaining votes on the next working day

3.2.2 Disseminate the minutes of the meeting within 14 days from the shareholders' meetings to serve as a channel for shareholders to express an opinion without having to wait for the next meeting.

3.2.3 Post the videos of the shareholders' meeting on the Company's website.

**4. The Company provides more care to the Shareholders than their Legal Rights** by providing current important information on its website.

## Chapter 2 The Equitable Treatment of Shareholders

The Board of Directors supervises and protects the fundamental rights of all individual and groups of shareholders equally, including the process of calling the meeting of shareholders, the protective measures to prevent the use of insider information by the directors, management and employees for abusive self-dealing, and for the directors and management to disclose information regarding their interests and those of their related parties

The Company has established guidelines for the equitable treatment of shareholders as follows:

### 1. Release of Information prior to the Shareholders' Meeting

1.1 The Company informs the Stock Exchange of Thailand of the meeting schedule together with the agenda and opinions of the Board of Directors and disseminated this information on the Company's website. The details of the procedures are as follows:

1.1.1 The Company provides an opportunity for the shareholders to review the supporting information of the meeting on its website at least 30 days prior to the date of the shareholders' meeting.

1.1.2 The supporting information of the meeting posted on the Company's website contains the same information that the Company will send to the shareholders in the form of hard copy documents.

1.1.3 The Company sends the notice of the meeting and the supporting documents to the shareholders for more days in advance than that stipulated by law (at least 30 days prior to the meeting date).

1.2 The Company informs the shareholders of the various meeting rules and procedures for voting, including the voting rights attached to each class of shares, both in the notice of the meeting and at the shareholders' meeting.

1.3 The above notice of the shareholders' meeting is fully translated into English and disseminated at the same time as the Thai version.

### 2. Protection of the Rights of Minority Shareholders

2.1 The Board of Directors has clearly pre-determined the criteria for minority shareholders to propose additional agenda items in advance of the shareholders' meeting date, in order to demonstrate fairness and transparency in considering whether the agenda items proposed by the minority shareholders should be included, the Company has the following criteria:

- 1) All shareholders have the right to propose agenda items.
- 2) Details of the supporting information for consideration.
- 3) Criteria to determine inclusion/non-inclusion of the matter proposed as an agenda item.
- 4) Channels through which to propose agenda items, such send a letter to the Board of Directors that may be sent in advance through the Company's website, by email, etc.
- 5) Period for proposing agenda items.
- 6) The Board of Directors informs the shareholders via the Company's website of the criteria for proposing agenda items.
- 7) There is a screening process of the matters proposed by the shareholders for consideration by the Board of Directors in the Board meeting.
- 8) Inform the shareholders of the Board of Directors' decision together with the reasoning by informing the shareholder who proposed the agenda item and informing the shareholders' meeting.

2.2 The Board of Directors established procedures for minority shareholders to nominate candidates to serve as directors and to provide supporting information regarding the candidates' qualifications and their consent in advance of the shareholders' meeting date. The rules for nomination are as per the following topics:

- 1) Nomination channel is by submitting a letter to the Board of Directors.
- 2) Nomination period is from 1 January to 31 December of every year.
- 3) Supporting information for consideration, such as detailed information on the qualifications of the proposed candidates, the candidates' letters of consent, etc.
- 4) The Board of Directors informs the shareholders of the rules for nomination candidates through the dissemination channels of the Stock Exchange of Thailand and through the Company's website.
- 5) The Board of Directors considers the qualifications of the candidates proposed by the minority shareholders according to the criteria set by the Company.
- 6) The Company Secretary informs the shareholders who proposed candidates of the Board of Directors' decision and its reasoning and the Chairman informs the shareholders' meeting.

2.3 Shareholders in a management position may not add an agenda item without prior notice unless necessary, especially important agenda items that the shareholders require time to review before making a decision.

2.4 The Board of Directors provides the opportunity for the shareholders to exercise their rights to elect directors individually.

### 3. Protection against abuse of Insider Information

3.1 The Board of Directors has established in writing the policies and procedures for safe-guarding and prevention of use of insider information and has communicated them to everyone in the Company for compliance, together with the rules for trading the Company's shares for the directors, executives and employees with knowledge of insider information to use as a guideline. Directors, management, and employees with knowledge of insider information must not trade, transfer or accept the transfer of Company stocks during the period of 1 month prior to the disclosure of the financial statements and within 2 working days after the said disclosure.

3.2 All directors and executives who have a duty by law to report on their stock holding of the Company are required to regularly send such report to the Board of Directors and this information must be disclosed in the Company's annual registration statement (Form 56-1 One Report).

### 4. Conflicts of Interest of Directors

4.1 The Board of Directors has policy and requirement for the directors and executives to report any conflict of interest regarding each agenda item prior to consideration and that such conflict must be minuted in the minutes of the Board of Directors' meeting as follows:

- 1) The Board of Directors has set the guideline for the directors and executives to disclose their interests and those of their related persons to the Board so that it can make a decision for the benefit of the Company as a whole.
- 2) This guideline is consistent with the nature of the business and the regulations of the relevant authorities, such as the Bank of Thailand, the Securities and Exchange Commission, the Stock Exchange of Thailand, etc.
- 3) The Company Secretary has been assigned as the recipient for information on any interest of the directors, executives and their related persons.
- 4) The Company Secretary has the duty to report any interest of the directors and executives, together with related persons to the Board of Directors, especially when the Board has to consider any transaction between the Company and the director or the executive who have an interest or is connected.

4.2 The Board of Directors supervises that directors with material interest in a manner that may impede the said directors from providing an independent opinion shall not participate in the meeting to consider the agenda item in which he has an interest.

## Chapter 3 The Role of Stakeholders

The Company believes that the private sector is a sector that is important to the economy and society of the country and considers it is a duty to care for the survival and sustainability of social cohesion. Therefore, the Company and its subsidiaries adheres to its intent to operate its businesses with sustained success with consideration of the groups of stakeholders under the Premier Group's business intention for "Progressive Business, Stable Employees, Sustainable Society". The Company believes that in maintaining balance between business, employees and society will support the business, society and the environment to grow strongly and sustainably together.

The Company has established guidelines on the role of stakeholders as follows:

## 1. Setting Policies affecting Stakeholders

1.1 The Board of Directors has set the policy on the treatment of each stakeholder group together with implementation measures that are in effect. The policy has been announced and there are measures related to fair treatment that ensures that the Company and its value chain are responsible for the stakeholders as follows:

### 1) Shareholders

Perform duties with integrity, transparency and for the benefit of the Company and its shareholders; manage the Company's operations cautiously and carefully in order to prevent any damages to the shareholders; refrain from seeking personal gains for oneself or related persons by exploiting any non-public information of the Company; and refrain from any action that might cause conflicts of interest with the Company, including the divulgence of any confidential information of the Company to outsiders, especially its competitors.

### 2) Employees

The Company recognizes the importance of its employees as valuable assets and has treated all employees equally and fairly based on human rights principles without discrimination of skin color, race, sex or religion a without any illegal form of the use of all kind of forced labour and/or child labour. The Company has compensation and remuneration policies that are based on the principles of fairness, which are appropriate for the job description, responsibilities and competency of each employee and are comparable with other companies within the same industry. The Company also has a policy for the continuous development and promotion of knowledge and competency for the employees to develop their skills and abilities for career advancement.

Regarding the policy and rules on employee benefits, the Company has established supplementary employee benefits other than required by law i.e. the provident fund for employees as a tool to create motivation among employees to perform their tasks and to retain human resources with the Company in a long-term perspective. The fund provides constant savings which will become a security for living after retirement. Further, the cooperative is a mechanism for saving and a source of fund in case of emergency. Group health insurance, group life insurance, group accidental insurance, yearly medical check-up, first-aid room of the Company in assistance of medical doctors and professional nurses, library for employees, sports clubs, employee transportation vehicles, and financial benefits to assist employees for many occasions have been also provided.

The Company has set a safety policy and set up a committee to oversee that safety, bio-sanitation, and the work environment are in accordance with the laws and international standards and to closely monitor performance. Knowledge and training on safety, bio-sanitation, and the work environment are provided to the employees and related persons along with promotion of all employees' awareness towards the importance of safety and to seriously comply. There is regular testing of the office building's safety system and annual fire drills, as well as illumination and noise intensity measurement.

### 3) Customers

The Company has set a policy to meet customer satisfaction by offering quality products of standard that are safe to fulfill the needs of the customers. Complete and accurate information about the products and services are disclosed without distortion of facts, as well as provision of information that is accurate, adequate, and beneficial to the customers. It also has a product recall process in case any quality defect is found.

### 4) Trade Partners and Creditors

The Company selects its trade partners impartially and conducts mutual business fairly without exploitation, respects and abides by the terms of the agreement, and does not solicit, accept or give any undue benefit in dealing with trade partners or creditors. In the case that there should be any information regarding the bestowment of any undue benefits, the Company will consult with the trade partners or creditors to mutually resolve the matter quickly and with fairness to all parties.

### 5) Competitors

The Company supports and encourages the policy for free and fair trade competition with no monopolization or requirement for the business partners to sell only the Company's products and has no trade and competition policy that employs any illegal and unethical means to obtain information of its competitors.

The Company promotes trade competition under the rules of fair competition and does not discredit competitors through slandering or take any action without the truth and unjustifiably. Also, the Company is prepared to support and cooperate with its competitors on various matters that are beneficial to the consumers.

## 6) Communities/Society

The Company has set the policy and rules for the treatment of communities and society in its Code of Conduct for use as a guideline for practice by all employees as follows:

- 1) Support activities that are beneficial to the communities and society as a whole and build a good relationship with the communities in which the Company's place of business is located.
- 2) Comply or ensure compliance with relevant laws and regulations.
- 3) Refrain from supporting or participating in transactions with any persons that are detrimental to the communities and society.
- 4) Pay attention to and be responsible for rectifying any danger that society is apprehensive of that may have been caused by the Company's products/services or business operation.
- 5) Participate in the improvement of quality of life, build a harmonious society, develop virtue and morality, preserve good traditions, and instill a strong sense of social responsibility and volunteerism among the employees.

## 7) Environment

The Company determined its business operation policy based on the environmental standards as follows:

- 1) Refrain from any action that may damage the natural resources and the environment.
- 2) Comply or ensure compliance with laws and regulations related to the environment.
- 3) Refrain from supporting or participating in transactions with outside persons that threaten the environment as a whole.
- 4) Encourage the efficient use of resources and set policies on conservation of energy and other resources through the adoption of energy-efficient technologies for use in the Company.
- 5) Promote employees' knowledge on the environment, as well as organize in collaboration with the employees activities related to the environment. This is set as a policy with disclosure of the practices for the awareness of all concerned.

1.2 The Board of Directors has assigned the Company Secretary as the recipient of complaints and to handle the complaints filed by the stakeholders. The reporting procedures and channels have been disclosed on the website and in the annual registration statement (Form 56-1 One Report) of the Company.

1.3 Have in place mechanisms for whistle-blower protection and compensation measures in the case that stakeholders receive any damage from the Company's violation of their legal rights.

**2. The Company has Policies and Practices in Anti-Corruption** and prohibits bribery for business gains by the Company, as well as supports activities that promotes and instills all employees to be aware of and to comply with the relevant laws and regulations throughout.

The Company and its subsidiaries have included the topic "Anti-Corruption Policy" in the new employee orientation program held on a monthly basis by using media video presentations and lectures by the human resources management unit.

**3. The Company has set Policies on Intellectual Property** for which employees are prohibited from infringement of the intellectual property rights of others disregarding whether domestic or foreign, and are prohibited from bringing pirated software for use in the Company. The Company has anti-corruption policies and prohibits bribery for business gain by the Company. The Company has informed all employees of these policies to which they have complied with all along. In addition, the Company has signed the declaration of intent to join the Private Sector Collective Action Coalition against Corruption.

## Chapter 4 Disclosure and Transparency

The Board of Directors recognizes the importance of disclosure of information, both financial and non-financial, that is accurate, complete and transparent as stipulated by the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as other material information that may affect the price of the Company's stock that influences the decision-making process of its investors and stakeholders. Information on the Company is disseminated to the shareholders, investors and general public through the channels of the SET and the Company's website in Thai and English, which is constantly updated.

The Company has set guidelines on the disclosure and transparency of information as follows:

## 1. Disclosure of Information

1.1 The Board of Directors has mechanisms to ensure that the information disclosed to the investors is accurate, not misleading and adequate for their decision-making as follows:

- 1) The disclosure of material information, both financial and non-financial, of the Company is accurate, complete, timely, transparent and in accordance with the criteria stipulated by the SEC and the SET.
- 2) The effectiveness of the disclosure process is evaluated regularly.

1.2 The Board of Directors provides a summary of the corporate governance policy, code of conduct, risk management policy and corporate social responsibility policy as approved by the Board and the steps in implementing such policies, including cases of non-compliance along with the reasons, through various channels, such as the Company's annual registration statement (Form 56-1 One Report) and website.

1.3 The Board of Directors has arranged for the Report of the Board of Directors' Responsibilities for Financial statements to be presented together with the report of the independent auditor in the annual registration statement (Form 56-1 One Report). The report covers the following subjects:

- 1) Compliance with generally accepted accounting principles that is suitable for the business and use of appropriate accounting policies that are consistently adopted.
- 2) The financial reports contain information that is accurate, complete and factual in accordance with accounting standards.
- 3) The Report of the Board of Directors' Responsibilities for Financial statements is signed by the Chairman and the Managing Director.

1.4 The Board of Directors encourages the Company to prepare a Management Discussion and Analysis (MD&A) to supplement the disclosure of each quarterly financial statement. This is done in order for investors to be informed of the information and to understand the changes that occurred to the financial position and results of operations, the significant changes in the Company, including factors and events that affect the financial position or results of operations, and not just be presented with only the figures in the financial statements.

1.5 The Board of Directors stipulates that the audit and other fees of the auditor be disclosed in the Company's annual registration statement (Form 56-1 One Report)

1.6 The Board of Directors stipulates that the following information be disclosed in the annual registration statement (Form 56-1 One Report)

- 1) Roles, duties and opinions from their work performance in the previous year of the Board of Directors.
- 2) Roles, duties and opinions from their work performance in the previous year of the committees.
- 3) Number of meetings held and attendance record of each director in the previous year.
- 4) Record of training and ongoing professional education of the directors.

1.7 The Board of Directors discloses the policy for remuneration of directors and executives that corresponds with the duties and responsibilities of each person, including the forms and manner of remuneration, the remuneration amount and the amount of payment received by each director as a director of the Company's subsidiary.

## 2. Minimum Information disclosed on the Company's Website

2.1 In addition to disclosing information as specified by the regulations through the SET and annual registration statement (Form 56-1 One Report), the Board of Directors deems it appropriate to regularly disclose information that is up-to-date both in Thai and English through other channels, such as the Company's website. The minimum information on the Company's website should at least comprise the following and must be regularly updated:

- (1) Vision and mission of the Company;
- (2) Nature of business of the Company;
- (3) Organization chart and list of members of the Board of Directors and management team;
- (4) Qualification and experience of the Company Secretary;
- (5) Financial statements and reports on the financial position and results of operations for both the current and prior year.
- (6) Downloadable annual registration statement (Form 56-1 One Report);
- (7) Information or other materials provided in briefings to analysts, fund managers and the media;
- (8) Direct and indirect shareholding structure;

- (9) Group corporate structure, detailing the subsidiaries, affiliates, joint ventures and special purpose enterprises/vehicles (SPEs/SPVs);
- (10) Direct and indirect shareholding of beneficial owners holding 5% or more of the total paid-up shares with voting rights;
- (11) Direct and indirect shareholdings of major and/or substantial shareholders, directors, and senior management;
- (12) Notice of the annual general meeting and extraordinary general meetings;
- (13) Articles of Association, Memorandum of Association and shareholders' agreement (if any);
- (14) Policy and practices according to the principles of good corporate governance of the Company;
- (15) Risk management policy and its implementation;
- (16) Code of conduct of the Company's employees and directors;
- (17) Code of conduct of the investor relations officer;
- (18) News of the Company and its subsidiaries;
- (19) Contact details of the unit or officer responsible for investor relations (e.g. name of contact person who can provide information and telephone number);
- (20) Annual investor relations plan.

## Chapter 5 Responsibilities of the Board of Directors

The Board of Directors is responsible for overseeing the work of the management to ensure compliance with policies, plans and budgets, as well as its responsibilities toward the Company and its shareholders.

The Company has set the guidelines regarding the responsibilities of the Board of Directors as follows:

### 1. Structure of the Board of Directors

1.1 The Board of Directors has prescribed that the structure of the Board shall consist of directors with various characteristics in terms of gender, age, educational background, professional experience, skills and knowledge, experience and specific capabilities that benefit the Company and shall consist of least 1 non-executive director with experience in the business or main industry in which the Company is operating.

1.2 The Board of Directors ensures that the Board's diversity policy and the number of years each director has served as a director of the Company are disclosed in the annual registration statement (Form 56-1 One Report) and on the Company's website.

1.2.1 Disclose the procedures for selection of directors that is formal and transparent and the number of years each director has served as a director of the Company are disclosed in the annual registration statement (Form 56-1 One Report) and on the Company's website.

1.2.2 Disclose the name, history, qualifications, experience and shareholding in the Company of the directors in order to show that the Board has the knowledge, skills, characteristics and experience that are useful to the Company in the annual registration statement (Form 56-1 One Report) and on the Company's website.

1.2.3 Disclose clearly in the annual registration statement (Form 56-1 One Report) the directors representing the shareholders/ non-executive directors/independent directors/executive directors.

1.3 The Board is appropriately sized and is composed of persons with sufficient knowledge, experience and skills to perform their duties efficiently. The Board is composed of at least 5 and not more than 12 directors.

1.4 The Board consists of independent directors who can independently comment on the performance of the management in the number prescribed in the notification of the Securities and Exchange Commission (SEC).

1.5 The proportion of directors is in accordance with the director nomination process, which is mainly based on the criteria of knowledge, competency and suitability of the person to be appointed as a director rather than on the criteria on proportion of investments.

1.6 The Company takes into account the benefits to corporate management according to the director nomination process set by the Company rather than the number or proportion of independent directors.

1.7 The Board of Directors has determined the tenure of each term of office but has not set the limit on the number of consecutive terms in office.

1.8 The Board considers the qualifications of the person to be appointed as an "independent director" to ensure that the independent directors of the Company are truly independent and are appropriate for the specific nature of the Company. Their independence must at least be in accordance with the criteria set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).



1.9 The continuous tenure of the independent director will be beneficial to the corporate management and business operations of the Company. In addition, the search for a competent person to serve as independent directors cannot be implemented immediately.

1.10 The Chairman of the Board and the Managing Director have different roles and responsibilities. The Board has clearly defined the roles and responsibilities of the Chairman and the Managing Director and has recruited different persons to hold the positions of Chairman and Managing Director so that neither person has unlimited power.

1.11 The Board of Directors respects the judgment of the Managing Director and senior executives of the Company not to serve as a director of other companies with the same business as or are in competition with the business of the Company or are contrary to the interests of the Company.

1.12 The Company has appointed a Company Secretary to be responsible for advising on laws and regulations of relevance to the Board of Directors and for overseeing the activities of the Board, including coordinating the compliance with the Board's resolutions.

The Board of Directors has determined the qualifications and experience of the appropriate Company Secretary who will perform the duty as the secretary of the Company. The qualifications and experience of the Company Secretary are disclosed in the annual registration statement (Form 56-1 One Report) and on the website of the Company.

1.13 The Company Secretary has received training and continuous development in legal, accountancy, or company secretarial practices. The Company determines the qualifications and appoints a person as the Company Secretary by taking into consideration of mainly his knowledge, capability and work experience, disregarding whether such person is a permanent employee of the Company or not.

## 2. Sub-Committees

2.1 The Board of Director has appointed the Audit Committee in accordance with the requirement of the Stock Exchange of Thailand with a term of office of 3 year to perform specific duties and to propose matters for consideration or acknowledgement by the Board. The Audit Committee has rights and duties as set out in the scope of responsibilities of the Audit Committee and has qualifications according to the criteria prescribed by the SEC.

2.2 The Board of Directors has appointed the Corporate Governance and Risk oversight Committee which consisting of members who are selected from directors from supporting unit or persons with knowledge and experience sufficient to perform governance and risk functions and also independent from management. The committee consists of at least 3 persons to monitor, review, evaluate and advise on the management's corporate governance and risk framework.

2.3 The entire the Board of Directors, except for directors with conflicts of interest, perform duties for the Remuneration Committee. Duties performed are within the scope of considering the criteria for and forms of remuneration to the directors and presenting its opinion to the Board before presenting such remuneration to the shareholders' meeting for approval.

2.4 The entire the Board of Directors, except for directors with conflicts of interest, perform duties for the Nomination Committee. Duties performed are within the scope of considering the criteria and process for nomination of persons with appropriate qualifications and is in accordance with the business strategy of the Company to serve as directors, as well as select persons according to the determined nomination process and present its recommendation to the Board, which will propose to the shareholders' meeting to appoint as directors. For the process of recruiting the said persons, the Company shall select from the Thai Institute of Directors (IOD)'s list of chartered directors and from persons in various fields by considering their qualifications, seniority and work experience.

## 3. Roles and Responsibilities of the Board

3.1 The Board's duties and responsibilities should include the following matters:

- 1) Consider and approve key matters on the Company's operations, such as the vision and mission, strategy, financial targets, risks management, plans, budget, etc.
- 2) Monitor and ensure efficient and effective implementation by the management of approved policies, Strategies and plans with efficiency and effectiveness.
- 3) Internal control and risk management, including the process for receiving and handling complaints.
- 4) Ensure long-term business continuity, including employee development plan and succession plan.

3.2 The Board of Directors has determined in writing a corporate governance policy for the Company as follows:

- 1) The Board has determined and approved a written corporate governance policy.
- 2) Communicate to everyone in the organization for their understanding.
- 3) Have method to encourage everyone in the organization to comply with the corporate governance policy.

4) Assess compliance to the corporate governance policy and review the policy at least annually.

3.3 The Board of Director promotes the preparation of a written code of conduct so all directors, executives and employees will understand the ethical standards the Company uses in its business operations and seriously monitors compliance with the code.

The Company has arranged for all employees to take the “Sujarit-Thai (or Honest Thai)” test through its intranet system to ensure that employees have knowledge and understanding about anti-corruption, which is part of the business ethics, and can implemented it correctly and appropriately. In addition, the Company has evaluated the performance of all employees on the topic of morality, ethics and good governance in order for them to be good role models for others and society in accordance with the core values of the Premier Group annually.

3.4 The Board of Directors considers any conflict of interests thoroughly. There should be clear guidelines on the approval of transactions with possible conflicts of interest, which is chiefly for the best interests of the Company and all its shareholders. Persons with vested interests should not participate in the decision-making process. The Board should also monitor compliance with regulations regarding the procedures for and disclosure of information on transactions that may have conflicts of interest to ensure accuracy and completeness.

3.5 The Board of Directors ensures that internal control systems for financial reporting and compliance with regulations and policies are in place. The Board has assigned a person or a department that is independent to audit such systems and to review the main systems at least annually, as well as disclose the review results in the annual registration statement (Form 56-1 One report).

3.6 The Board has established a risk management policy covering the whole Company and has assigned the management to implement the policy and regularly report to the Board. The risk management system is review or the effectiveness of risk management is assessed at least once a year with the results disclosed in the annual registration statement (Form 56-1 One report), and whenever, there is a change in risk level, which includes focusing on early warning signs and unusual transactions.

3.7 The Board of Directors or Audit Committee should provide its opinion on the adequacy of the Company's internal controls and risk management systems in the annual registration statement (Form 56-1 One report).

3.8 The Board of Directors has set clear procedures for whistle-blowers or stakeholders through its website or directly to the Company or report directly to the Company. The Board has assigned the Company Secretary as the recipient and handler of complaints from the stakeholders. The procedures and channels for filing complaints are disclosed on the Company's website and annual registration statement (Form 56-1 One report). The Company has mechanisms for whistle-blower protection and compensation measures in the case stakeholders receive damages from the Company's violation of their legal rights.

3.9 The Board of Directors has mechanisms for governing its subsidiaries in order to protect the benefits from its investment. The Board is responsible for determining the suitability of persons to be appointed as directors of its subsidiaries companies in order to ensure that its management complies with the policies of the Company and that various transactions are executed correctly according to securities and exchange laws and notifications of the SET.

3.10 The Board of Directors ensures that the management monitors and evaluates the financial position of the business and reports to the Board of Directors on a regular basis. If there is a problem, the Board of Directors and the management will work together to find a solution quickly and reasonably with regard to fairness to stakeholders, including creditors as well as follow up problem solving by having the management report the status on a regular basis and in approving any transactions or proposing opinions to the shareholders' meeting for approval. The Board of Directors will consider that such transactions will not affect the continuity of business operations, financial liquidity or the ability to pay debts.

#### 4. Board of Directors' Meetings

4.1 The Company sets the schedules and agendas of the Board of Directors' meeting in advance throughout the year and notifies each director of the schedule so that all directors can manage time to attend the meetings.

4.2 The number of Board meetings should correspond with the duties and responsibilities of the Board and the nature of business of the Company. In the case the meetings are not held monthly, the Company will send a performance report to the directors for the months in which there was no meeting so that they can continuously and timeously supervise and oversee the performance of the management.

4.3 The Chairman of the Board of Directors and the Managing Director jointly selects matters for inclusion in the agenda of the Board meeting and ensures that all important matters are included. Opportunity is provided for each director to independently propose any matter that is beneficial to the Company as an agenda item.

4.4 The meeting documents are sent to the directors at least 5 working days in advance of the meeting date.

4.5 All directors attended at least 75 percent of all Board meetings held during the year.

4.6 The Company has set a minimum quorum policy for the Board of Directors' voting at Board meetings requiring that at least two-thirds of the total number of the directors must be present.

In the case of an event/urgent agenda/force majeure that may cause damage to the business or the operations of the Company and it is not possible to arrange for two-thirds of the total number of the directors to attend the meeting, not less than half of the directors in accordance with the Articles of Association have the power to consider and pass a resolution on that agenda.

4.7 The Chairman allocated adequate time for the management to propose matters and enough time for all directors to discuss important problems carefully. The Chairman promotes the prudent use of discretion. All directors paid attention to all matters raised at the meeting, including those concerning corporate governance.

4.8 The Board of Directors encourages the Managing Director to invite the senior executives to attend the Board meetings to provide additional information on the problems to which they are directly related and to provide an opportunity for the Board to learn more about the senior executives for use in supporting the consideration of the succession plan.

4.9 The Board of Directors has access to additional necessary information from the Managing Director, Company Secretary or other executives assigned under the scope of the policy set. If necessary, the Board may obtain independent opinions from external consultants or practitioners at the Company's expense.

4.10 The Board of Directors considers it a policy to provide opportunities for non-executive directors to meet among themselves as necessary to discuss various management issues of interest without participation of the management and to inform the Managing Director of the outcome of such meetings.

4.11 The minutes of the meeting should consist of at least the following information and there should be a good storage system with easy data search but cannot be amended without approval of a Board meeting.

- ▶ Date, start time and end time;
- ▶ Names of the directors present and absent;
- ▶ Summary of important information on the matters proposed to the Board;
- ▶ Summary of the matters discussed and observations of the directors;
- ▶ Resolutions of the Board and opinions of the dissenting directors (if any);
- ▶ Recorder of the minutes - Secretary to the Board of Directors;
- ▶ Certifier of the minutes - Chairman.

## 5. Board Self-Assessment

5.1 The Committee and Subcommittee conduct self appraisal at least once a year, in order for the committee to join together to consider the work and the problems so that it can be improved and adjusted; by setting norms that will be used to compare with the performance.

5.2 Evaluation of the Board of Directors performance is an assessment of both individual and the entire committee and evaluation of the Sub-Committee performance is an assessment of the entire committee. These assessments are disclosed procedures principle in the Company's annual registration statement (Form 56-1 One Report).

5.3 The Committee annually evaluates Chairman of the Executive Committee or Managing Director to be used in determining their remuneration. At which the Company evaluate in accordance with the principle that the Stock Exchange of Thailand has set.

For the Board self-assessment process, the Company Secretary will send the evaluation form mentioned above to all directors in November and respond within 15 December of every year. After that, the Company Secretary will collect and report the results of the evaluation in comparison with the previous year to the next Board of Directors' Meeting to acknowledge and improve the work to be more effective.

For the Board self-assessment criteria, the Company has evaluate the performance of the entire committee and evaluate the performance of individual by using the method of scoring for each topic with 5 level which are:

- 0 = Strongly disagree or there has been no implementation of the matter
- 1 = Disagree or there has been little implementation of the matter
- 2 = Agree to a limited extent or there has been initial implementation of the matter
- 3 = Mostly agree or there has been progressive implementation of the matter
- 4 = Strongly agree or there has been complete implementation of the matter

Evaluation Topics consisted of 6 main topics, which are

1. Structure and qualification of the Board
2. Roles, duties and responsibility of the Board
3. Board Meeting
4. Duties of Directors
5. Relationship with the management division
6. Directors' Self Development and Executive Development

As for the procedure principle of each sub-committee assessment, the Company has the entire committee assessment by using the same method of scoring for both entire committee assessment and individual assessment. The topic of assessment consists of 3 main categories which are as follows:

1. Structure and Qualification of the Sub-Committee
2. Meetings of the Sub-Committee
3. Roles, Duties, and Responsibilities of the Sub-Committee

Moreover, the Company has evaluated the Chairman of the Executive Committee's performance by considering from the Company's business operating performance and operating performance in accordance with the policies assigned by the Board of Directors for improvement. The same method is use with the performance evaluation of the entire committee and individual performance evaluation. The evaluation topic consisted of 3 main sections, which are:

- Section 1 : Progress of work plan
- Section 2 : Performance Measurement
  - 2.1 Leadership
  - 2.2 Strategy Formulation
  - 2.3 Strategy Implementation
  - 2.4 Financial planning and financial performance
  - 2.5 Relationship with the Board
  - 2.6 External Relations
  - 2.7 Administration and Personnel relations
  - 2.8 Succession
  - 2.9 Knowledge of products and services
  - 2.10 Personal Characteristics
- Section 3 : Development of the Chairman of the Executive Committee

## 6. Remuneration

The remuneration of directors is comparable with the level of that of other listed companies in the industry in which the Company operates and reflects the experience, obligations, scope of work, accountability and responsibilities, and expected contributions from each director. Directors who are assigned to more duties and responsibilities, such as being members of sub-committees, shall receive appropriate additional compensation as well.

## 7. Board and Management Training

7.1 The Board of Directors encourages and facilitates training and educating for those involved in corporate governance of the Company, such as directors, members of the audit committee, executives, Corporate Secretary, etc., to assist them to continuously improve their performance. Training and educating can be done internally or through the use of the services of external institutions.

7.2 The Board of Directors determined to have orientation for all new directors, to build knowledge and understanding of the business and various aspects of the Company's operation. The purpose is to prepare the readiness of directors in practicing their duties. The Company secretary will be a coordinator in various matters such as business structure, directors structure, scope of duties, laws to know, general knowledge of business, operation guideline and etc.

7.3 The Board has assigned the Managing Director to organize an executive development program and disclose it in the Company's annual registration statement (Form 56-1 One Report).

7.4 The Board requires the Managing Director to present them with the Company's succession plan at least once a year. The Managing Director and senior executives have prepared continuous succession plans in case they cannot perform their duties.

## 2) Code of Conducts

The Premier Group of Companies conducts its business properly and fairly. The Group has core values that have been practiced throughout by all its employees of honesty, responsibility and commitment to work, discipline, unity, sacrifice and ongoing development. These values are considered the ethics and morality of the Group which have been practiced continuously.

In compliance with the principles of good corporate governance and as a clear guideline for the good conduct of its employees, the Premier Group of Companies has compiled a code of conduct based on the Group's core values for use of its executives and employees as the guiding principles in conducting their work as follows:

### 1. Treatment of Customers

- 1.1 Fulfill the requirements of the customers/consumers with products and services that are of quality, standard and safe.
- 1.2 Provide complete and accurate information about the products and services without distorting facts.
- 1.3 Provide warranties of products and services with appropriate terms.
- 1.4 Strictly comply with terms and conditions made to customers.
- 1.5 Notify the customers immediately in advance in the case of inability to fulfill any agreement made with customers in order to jointly find solutions to the problem and prevent damages.
- 1.6 Strive to maintain production costs at a minimum whilst ensuring that the quality standard of the products and services are maintained at all times.
- 1.7 Organize mechanisms and customer service systems that allow customers to contact the company easily and quickly.
- 1.8 Maintain customers' sensitive information and customer information.

### 2. Treatment of Business Partners and Creditors

- 2.1 Conduct mutual business fairly without exploitation, and honor and comply with the conditions stipulated in the contracts. In the case of inability to fulfill any agreement, negotiations immediately be made in advance with the business partner or creditor to jointly find solutions to the problem and prevent damages.
- 2.2 Do not solicit, accept or give any undue benefits in dealing with business partners or creditors. If there is any information regarding the bestowment of any undue benefits, consultations must be made with the business partners or creditors to mutually resolve the matter on a fair and timely basis.

### 3. Treatment of Business Competitors

- 3.1 Compete under the rules of fair competition.
- 3.2 Do not seek confidential information of the business competitors through dishonest or illegal means.
- 3.3 Do not discredit competitors through slandering or any other actions without the truth and unjustifiably.

### 4. Treatment of Shareholders

- 4.1 Perform duties with integrity and make decisions with honesty, transparency and benefit to the Company and its shareholders.
- 4.2 Perform duties by applying knowledge and management skills to the maximum for the benefit to the Company and its shareholders.
- 4.3 Supervise and manage any asset of the Company to prevent unreasonable depreciation or wrongful loss.
- 4.4 Report on the status and results of operations of the Company completely and accurately.
- 4.5 Refrain from seeking personal gains for oneself or related parties by exploiting any information of the Company that has not been disclosed to the public.
- 4.6 Refrain from divulging any confidential information of the Company to outsiders, especially to competitors.
- 4.7 Refrain from any action that might cause conflicts of interest with the Company without first notifying the Company.

### 5. Treatment of Society

- 5.1 Refrain from any actions that will damage the natural resources or the environment.
- 5.2 Support activities that are beneficial to communities and society as a whole.
- 5.3 Comply with or supervise the compliance with laws and regulations issued by regulatory agencies.

- 5.4 Attend to and resolve the public's fear of any danger that may be caused by the Company's products/ services or operations.
- 5.5 Refrain from supporting or participating in any transactions with third parties that may harm society or the environment.

## 6. Code of Conduct for Employees

- 6.1 Perform duties with responsibility, integrity and perseverance for the progress and stability of the Company and the employees themselves.
- 6.2 Perform duties diligently, as well as seek ways to constantly develop and improve work efficiency.
- 6.3 Strictly comply with the Company's policies and regulations.
- 6.4 Jointly forge and maintain unity and solidarity among employees, work together, and solve problems as an effective team.
- 6.5 Use the Company's assets for the maximum benefit of the Company and ensure no damage or loss of these assets, as well as refrain from using the Company's assets for personal benefit or the benefit of other persons.
- 6.6 Refrain from any action that infringes the intellectual property rights of the Company or others, including the use of pirated software in the Company.
- 6.7 Secure the Company's confidential information by cautiously protecting all confidential documents and information of the Company against any leakage or usage by non-related persons that may cause damages to the Company.
- 6.8 Refrain from disclosing or exploiting any information that is confidential business information of the Company's, which includes the production formula, production process, and important business information and news of the Company that must be concealed from other persons by any means whatsoever.
- 6.9 Provide care and assistance in maintaining work safety and good work environment.
- 6.10 Inform relevant agencies or the management if there is any misconduct or illegal action within the Company, including the possession or use of drugs.
- 6.11 Do not exploit one's authority or permit others to exploit their authority to wrongfully seek personal gains for oneself or for others.
- 6.12 Refrain from any act that causes damage to the Company's image and reputation.

## 7. Treatment of Colleagues (Supervisors, Subordinates and Colleagues)

- 7.1 Provide assistance and support to each other for the benefit of the work and the working environment of the Company as a whole and respect the rights of other employees within the same company.
- 7.2 Supervisors must make themselves respectable to the subordinates, strictly comply with policies and regulations, be a role model for the subordinates and administer the subordinates with principles and reasons that are righteous.
- 7.3 Treat supervisors with respect and treat colleagues with kindness and good human relationship. Do not defame supervisors and colleagues without actual evidence.
- 7.4 Honor others by not claiming ownership of their work.

## 8. Code of Conduct for IR

- 8.1 Conduct duties with integrity.
- 8.2 Disclose necessary information completely and fairly to all relevant groups equally.
- 8.3 Allow all relevant groups to access and enquire the information.
- 8.4 Perform duties by mainly adhering to benefits of the shareholders and the stakeholders.
- 8.5 Preserve confidential information of the Company and must not use inside information for personal gain.
- 8.6 Perform duties at his/her best and professionally.
- 8.7 Keep on studying to develop efficiency of the work.
- 8.8 Observe the principle on not accepting the appointment during the period close to financial statement announcement and the practical guidelines on securities trading specified by the Company.

## Attachment 6

# Report of The Audit Committee

The Audit Committee of Premier Marketing Public Company Limited comprises of 3 independent directors. All members of the Audit Committee possess all the qualifications as prescribed by the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) that at least 1 in 3 people must have knowledge and experience in accounting and finance.

The Audit Committee has performed its duties according to the scope and responsibilities assigned by the Board of Directors, which are in line with the regulations of the Stock Exchange of Thailand. In 2021, the Audit Committee met 5 times, which included 4 quarterly meetings of the Audit Committee, and 1 specific meeting with the external auditor without the management present. Each Audit Committee member attended the meetings as follows:

Miss Naengnoi Chai-onnom	Chairman of the Audit Committee	attended 5/5 meetings
Mr. Wichai Hirunwong	Member of the Audit Committee	attended 5/5 meetings
Mr. PanaEk Warawit	Member of the Audit Committee	attended 2/2 meetings

During the year 2021, Mr. Katiya Greigarn resigned from an Independent Director and Chairman of the Audit Committee, effective from 2 May, 2021. The Board of Directors resolved to appoint Miss Naengnoi Chai-onnom as Chairman of the Audit Committee and Mr. PanaEk Warawit as Member of the Audit Committee, effective from 19 July, 2021.

In addition, the Audit Committee also attended meetings with the management, external auditor and internal auditor as appropriate, which can be summarized as follows:

1. Reviewed the quarterly and annual financial statements, which have been reviewed and verified by the external auditors. The Audit Committee made queries and received clarifications from the management and auditor regarding the accuracy and completeness of the financial statements and the adequacy of information disclosure. The Audit Committee was of the same opinion as the external auditor that financial statements for the year ended 31 December, 2021, which were reported to the Stock Exchange of Thailand, were accurate and conformed to Thai Financial Reporting Standards. The financial statements were adequately and appropriately disclosed and the external auditor's opinion was stated in the independent auditor's report to the Board of directors and Shareholders. The external auditor had performed its duties and expressed its opinions with independence.

2. Reviewed the adequacy of the internal control by consideration of the results of the review and assessment of the adequacy of the internal control system by the Internal Audit Unit in accordance with guidelines established by the Securities and Exchange Commission (SEC). The Audit Committee was of the same opinion as the internal auditors that the Company has adequate and appropriate internal control and found no significant weaknesses or deficiencies.

3. Reviewed the annual internal audit plan proposed by the internal audit unit, which covers both the Company and its subsidiaries, and made recommendations to ensure higher operational efficiency and effectiveness.

4. Reviewed compliance with the securities and exchange laws, regulations of the Stock Exchange of Thailand and other laws relevant to the Company and its subsidiaries' business, which the Audit Committee did not find any significant non-compliance to such laws and regulations.

5. The Company's Board of Directors resolved to appoint of the Corporate Governance and Risk Oversight Committee in order to supervise and monitor the risk management of the Company to be more efficient and suitable for the business. The Internal Audit Unit is responsible for reviewing the risk management of the Company and its subsidiaries and reported to the Audit Committee to acknowledge the risk management operations.

For Business Continuity Management (BCM) and Business Continuity Plan (BCP) including the introduction of information systems throughout the organization, the Audit Committee supervised, monitored and provided recommendations to the executives to make the risk management system more efficient and suitable for the business condition.

6. Reviewed compliance with the handbook on anti-corruption measures under the Private Sector Collective Action Coalition against Corruption project on internal control, preparation of financial reports and other processes related to the anti-corruption measures the Company has prepared and provided an assessment of the risks associated with corruption within the Company, including a review of the compliance with the anti-corruption policy. On 14 February, 2020, the Company's certification under the Thailand's Private Sector Collective Action Coalition against Corruption was renewed for the second time. The Audit Committee is of the opinion that the Company has fully and sufficiently implemented measures rigorously and carefully.

7. Considered related party transactions or transactions that may have conflicts of interest to be in compliance with the laws and rules/regulations of the Stock Exchange of Thailand. The external auditor was of the opinion that significant related party transactions have already been disclosed and presented in the financial statements and the notes to the financial statements. The Audit Committee was of the same opinion with the external auditor and considered the transactions to be reasonable and beneficial to the Company.

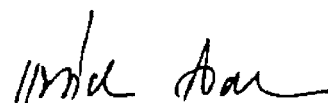
8. Reviewed and monitored the implementation of the good corporate governance policies as assigned by the Board of Directors and made recommendations on improvement of the good governance of the Company.

9. Attended a specific meeting with the external auditor without the management present to ensure the auditor's independence in their work. From the consideration of the qualifications of the auditors, the quality of audit work, the audit team, their expertise and independence in their work, the Audit Committee deemed it appropriate to propose to the Board of Directors to request approval from the Annual General Meeting of Shareholders to appoint EY Office Ltd. as the Company's auditor for the year 2022 because the auditor has performed the audit accurately and completely.

10. The Audit Committee reported on the performance and provided its recommendations to the Board of Directors at every Board meeting.

The Audit Committee had performed its duties with prudence and independence and all opinions expressed were straightforward, transparent and verifiable in accordance with the principles of good corporate governance. The Audit Committee is certain that the Company and its subsidiaries' financial information disclosed is complete and reliable and is consistent with Thai Financial Reporting Standards. The risk management and internal control systems are effective, appropriate and adequate. The internal audit has been independently conducted and covered operational processes at risk and the audit process was in compliance with internal audit standards. There is appropriate supervision of the operation to ensure compliance with applicable laws and regulations appropriate and consistent with the current business operations.

On behalf of the Audit Committee



**(Miss Naengnoi Chai-onnom)**  
Chairman of the Audit Committee



## Attachment 7

# Report of the Corporate Governance and Risk Oversight Committee

The Board of Directors of Premier Marketing Public Co., Ltd. places importance on good corporate governance under the principles of good governance and operation of the business according to the vision and mission of the organization. In order to support the business in reaching its objectives, the Company's Board deemed it appropriate to establish a Corporate Governance and Risk Oversight Committee on 4 August, 2020.

The Corporate Governance and Risk Oversight Committee of Premier Marketing Public Co., Ltd. consists of 3 members who are selected from directors and/or persons with knowledge and experience appropriate and sufficient to perform governance and risk oversight functions. The Chairman of the Corporate Governance and Risk Oversight Committee was elected by the Corporate Governance and Risk Oversight Committee members. Duties performed are within the scope of duties and responsibilities assigned by the Company's Board of Directors, namely monitoring, supervising, evaluating and advising the management on governance and risk management of the business.

In 2021, the Corporate Governance and Risk Oversight Committee held 4 meetings with each committee member attending meetings as detailed below:

Mrs. Duangthip Eamrunroj	Chairman	attended 4/4 meetings
Dr. Somchai Choonharas	Member	attended 4/4 meetings
Mr. Suradej Boonyawatana	Member	attended 4/4 meetings

The essence of the duties performed by the Corporate Governance and Risk Oversight Committee in the year 2021 can be summarized as follows:

1. Monitor and advise on the Company's governance management framework, i.e. the Company's policy for good corporate governance, by proceeding to have improvements and review made of the manual and management standards for good corporate governance to be more complete, comprehensive and explicit.
2. Monitor, review and advise on the risk management framework and have the management revise the risk management manual in accordance with ISO 31000 : 2018 standard. In 2021, the executives and those responsible for overseeing the risks of the Company and its subsidiaries participated in a training course on supervision and monitoring of enterprise risk management according to ISO 31000 : 2018 Risk Management - Guidelines standard from a consultant with expertise in risk management.
3. Monitor the progress of the revision of the risk management manual and the good governance policy.
4. Monitor, supervise and advise on risk assessment and management both in terms of factors for assessment and impacts. Emphasize on having risk management that is linked with the corporate strategy and regular assessment of risks by requiring the management to report on the risk assessment and management to the Corporate Governance and Risk Oversight Committee once every quarter.

The Corporate Governance and Risk Oversight Committee had performed its duties with prudence and independence and all opinions expressed were straightforward, transparent and verifiable in accordance with the principles of good corporate governance. The Corporate Governance and Risk Oversight Committee is certain that the Company and its subsidiaries have governance management that is of good corporate governance standard and is consistent with the vision and mission of the organization and have risk management, which is effective, appropriate and adequate, covering both strategies and operational processes that are at risk and is consistent with international governance and risk management framework.

On behalf of the Corporate Governance and Risk Oversight Committee



(Mrs. Duangthip Eamrunroj)

Chairman of the Corporate Governance and Risk Oversight Committee





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