



SUCCESSMORE BEING PUBLIC COMPANY LIMITED

THE NEXT LEVEL OF SUCCESS

**Form 56-1 One Report
ANNUAL REPORT | 2021**

Contents		Page
Part 1	Business Operations and Results	1
	1. Company Group Structure and Operation	1
	2. Risk Management Policy	53
	3. Driving Business for Sustainability	64
	4. Management Discussion and Analysis: MD&A	88
	5. General Information and Other Information	119
Part 2	Corporate Governance	121
	6. Corporate Governance Policy	121
	7. Corporate Governance Structure and Important Information of the Board of Directors, Sub-Committee, Executives, Employees, and Others	173
	8. Corporate Governance Report	200
	9. Internal control and Connected Transaction	213
Part 3	Financial Statement	218
Attachment		
Attachment 1	Details of committees, executives, and assigned people for the most responsibility in the financial and accounting work field People who are directly assigned to control and supervise accounting work, and the company secretary	278
Attachment 2	Details of the Directors of the Subsidiary Companies	292
Attachment 3	Details of internal audit supervisor and head of operation supervision of the company (Compliance)	293
Attachment 4	Assets used in business operations and details about the property appraisal list	295
Attachment 5	Good Corporate Governance Policies	300
Attachment 6	Report of the Board of Directors'	320

Part1

Business Operations and Results

1. Company Group Structure and Operation

1.1 Policy and Business Operation Overview

Business Operation Overview

Successmore Being Public Company Limited ("Company") or ("**SCM**") was founded on 8th November 2012 by Dr. Sitthawee Kriatchawanun and Mr. Noppakrit Nitilertvijit, to operate the business of selling consumer products, both domestically and internationally in the network marketing "MLM". The company transformed into a public company on 6th March 2019 and was listed on the Stock Exchange of Thailand on 8 September 2020.

At present, the company has registered capital 400 million and paid-in capital of 300 million Baht, divided into 800 million common stocks with a par value of 0.50 baht per share. The company has 4 subsidiary companies, Successmore Being Laboratory Co., Ltd. ("**SML**"), Success Spirit Co., Ltd. ("**SPT**"), SCM Spirit (Myanmar) Co., Ltd. ("**SPM**") and SCM Innovative Co., Ltd. ("**SMI**") (collectively referred to as the "Group of Companies")

Main Business Operations of the groups of companies can be divided into 3 businesses which are

1. Network Marketing

Networking business to distribute nutritional products and consumer products both domestically and internationally which is the main business of the group of companies. The company group will focus on operating a network business with a compensation policy in an appropriate "**Compensation Business Plan**" form and focuses on the development of businessmen. At present, the company has consumer products that are distributed which can be classified into 7 product groups, including

1. Dietary supplements products
2. Cosmetic products
3. Personal care products
4. Household Products
5. Agricultural products
6. Technology-related product
7. General products majorly sold by using the distributor's trademark

The company which is in the group of companies that operates a networked business is SCM

2. Consulting Services Business in Networking Business Operation and Seminar Organization

Consulting services business in operating networking business is operated by SPT and SPM. SPT and SPM have personnel with knowledge and ability to provide network business-related advice such as general management, businessmen management, marketing, accounting, tax planning, information technology system, etc. At present, SPT provides services within the group of companies and all foreign distributors except those in Myanmar where SPM is the service provider.

For seminar organization business, the business is also operated by SPT which will provide seminar services according to the specified company's curriculum. The service will serve only businessmen from Successmore and distributors in foreign countries.

3. Manufacturing Business

The company has a manufacturing business that has been operated by SML, which is already a subsidiary company in the group of companies. It has a production capacity of approximately 15,000 pieces per month, with the production of 5 SKUs including F4, Orysamin, Right, Phytaplex and Vistaplex.

The company foresees the opportunities from networking business and competition which may be stronger in the future. The company, therefore, has an idea to expand the growth in the form of Backward Integration in the form of manufacturing plants. To operate the business to distribute products to the group of companies. The company, therefore, considers a joint venture with an external supplier. To operate as a new manufacturing plant of the company, the company has acquired shares from the existing shareholder SCM Innovative Company Limited ("SMI") which is registered in Thailand by purchasing shares from a group of existing shareholders Zen Biotech Co., Ltd. ("ZEN") in the proportion of 55 % of SMI's issued and paid-up share capital, equal to 115 million Baht. This venture will help the company reduce the cost of production in the long run due to the scale (Economy of scale) increasing flexibility in production planning and management. This helps reducing dependence on outsourcing contractors. Moreover, ZEN also has experience and expertise in the production of the company's main products. These will transfer employees who are involved in the original production process to SMI to maintain and control the quality and taste of the products to be the same. SMI is currently testing its machine process to prepare for the product production.

1.1.1 Vision, Objectives, Goals, Strategies

The Group of Companies intend to operate a stable networking business and to have a high standard that can deliver sustainable success to business people by providing distribution services of consumer products that have been selected of excellent qualities and high standards from all over the world. With a "Cycle Matching" business plan which is an innovative compensation plan of the era. This makes the company's businessmen able to generate a stable and sustainable income. Also, the group of companies intends to focus on inspiring people to become successful businessmen, achieve a financial goal, staying physically and mentally healthy through the process of learning and taking an action.

Resolution

We aim to keep the spirits up, develop and transform the people's lives to the fullest under the philosophy of "Inspiration for your Being -- Inspiration that changes your life" by offering opportunities with quality products carefully selected by medical specialists and effective human potential development system to make you reach your fullest potential because we believe every change will lead to success in improving financial status, happiness, and achieving the life goals to share worth lives towards a sustainable society.

Vision

Successmore Being is one of the most reliable direct network companies. We are willing to provide the finest products in people's life. We are known as the inspirer of the spirit with a strong intention to develop and change people's life to a high quality of living.

Mission

We aim to continually develop our organization, high-quality products, and a more efficient recruitment system to provide opportunities for our members and consumers to be "Successmore".

Values

We are the company being together with an emphasis on five values which are

1. Focus on success
2. Continuous on self-development
3. Be trusted and fair hearted
4. Work as a team
5. Care about others and be generous

1.1.2 Changes and Developments

Backgrounds and significant developments of the group of companies can be summarized as follows

- 2012**
 - Registered a company established by Dr. Sitthawee Kriatchawanun and Mr. Noppakrit Nithilertvijit with a registered capital of 10 million Baht, divided into 1 million shares with a par value of 10 Baht to operate high a standard networking business to distribute products in consumer products both domestically and internationally.
- 2013**
 - Licensed by the Office of the Consumer Protection Board to register direct sales operations under the Direct Selling and Direct Marketing Act B.E. 2545
 - Launched the company's first product line which is Nutrinal and Body Cheer personal care products - to meet the needs of health-conscious people and can be generally used in daily life.
 - Launched the Phytovy brand, a dietary supplement that helps excretory system, under the Nutrinal product line. Phytovy is currently the company's best-selling product.
 - Launched household products "Neatly Home"
- 2014**
 - Launched skincare and cosmetics products S Mone'
 - Registered Successmore Being Laboratory Company Limited ("**SML**"), a subsidiary within the group of companies, with a registered capital of 1 million Baht to operate a manufacturing plant and to distribute dietary supplement and cosmetics products in the group of companies.

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- 2015**
- Increased registered capital from 10 million Baht to 20 million Baht to be used for business expansion and working capital within the business.
 - Launched an agricultural product “Growing More”
 - Increased registered capital from 20 million Baht to 40 million Baht for a branch expansion venture and inventory reserves.
- 2016**
- Established a subsidiary company in Vietnam under the name Successmore Being Vietnam Co., Ltd. with registered capital of 11,000 million VND to start a direct sales networking business in Vietnam along with expanding the consumer and businessmen base to Vietnam.
 - Established a subsidiary company in Cambodia under the name Successmore Being (Cambodia) Co., Ltd. with registered capital of 200,000 USD to start a direct sales networking business in Cambodia along with expanding consumer and business base to Cambodia.
 - Officially appointed a distributor in Myanmar, Successmore Being Yangon Trading Co., Ltd., a company established in Myanmar, to distribute products under the company's brand and to expand the customer base abroad by acting to manage businessmen in the country (Originally the company has sold products to Myanmar for such distributor since 2015 but has not been appointed as an official distributor.)
 - Increased the registered capital from 40 million Baht to 100 million baht for a branch expansion venture and inventory reserves. Issuing 6 million additional common stocks with a par value of 10 per share, called for a payment of 2.50 Baht per share, amounting to 15 million Baht.
- 2017**
- Appointed a distributor in Laos, Success More-Laos Sole Co., Ltd., a company established in Laos, to distribute products under the company's brand and to expand the customer base abroad by managing businessmen in the country.
 - Reconstructed the group of companies by selling all shares of Successmore Being (Cambodia) Co., Ltd. and Successmore Being Vietnam Co., Ltd. to third parties who have no connection with the company due to reasons of management and the uncertainty of the direct sales network marketing license in the country.
 - Registered Success Spirit Company Limited (“SPT”), a subsidiary company in the group of companies with a registered capital of 10 million Baht to operate a business of researching and developing food supplements and cosmetics products, to provide training and service seminars, and to consult about direct sales network marketing.

- 2018**
 - Appointed overseas product distributors in Cambodia and Vietnam to distribute products under the company's brand and to expand the customer base abroad by managing businessmen in the country.
 - Established SCM Spirit (Myanmar) Co., Ltd. ("**SPM**") in Myanmar, a subsidiary within the Group. With a registered capital of \$50,000 to engage in a human resource service business and organizing seminars in Myanmar.
 - Obtained approval for a request to establish tax measures to promote the establishment of international headquarters (IHQ) to receive tax benefits.
 - Increased the registered capital from 100 million Baht to 225 million Baht in preparation for listing on the Stock Exchange of Thailand by increasing the number of ordinary shares of 12.5 million shares at a par value of 10 Baht per share, calling for a payment of 4 baht per share, equal to 50 million baht.
 - Launched Smart Creation technology products.
- 2019**
 - Converted Successmore Being Company Limited into Successmore Being Public Company Limited company and had its common stocks been a listed company on the Stock Exchange of Thailand.
 - Changed the par value of the company's shares from the value of 10 Baht per share to 0.50 Baht per share for convenience and flexibility in trading and calculating the share value.
 - Increased the company's registered capital from the amount of 225 million Baht to 300 million Baht by adding 150 million new common stocks at the par value of 0.50 Baht per share and approved the allocation of 150 million newly issued ordinary shares at a par value of 0.50 Baht per share.
 - Appointed product distributors in Malaysia and Singapore to distribute products under the company's brand and to expand the customer base abroad by managing businessmen in the country.

2020	- Invested in acquiring shares of SCM Innovative Company Limited (“SMI”), a company registered in Thailand from existing shareholders in the total number of 5,499,998 shares or equivalent to 55 percent of SMI's issued and paid-up capital, amounting to 115.01 million Baht. - On March 10, 2020, the company already acquired shares of SCM Innovative Company Limited (“SMI”), a company registered in Thailand from existing shareholders in the total number of 5,499, 998 shares or equivalent to 55 percent of SMI's issued and paid-up capital, amounting to 115.01 million Baht. - Raised capital through the sale of 150 million ordinary shares to the public for the first time (IPO) at the par value of 0.50 Baht per share or 25 percent of the company's paid-up capital. The IPO price is set at 1.90 Baht/share, which is 13.86 times the P/E ratio before the capital increase. - On September 8, 2020, the company had the shares traded in the Stock Exchange of Thailand under the name “SCM”, makes the first Thai direct seller that was listed on the Stock Exchange. Its strength is that it has a network of over 180,000 people across the country and dealers in 6 countries of Southeast Asia.
2021	- Increase the registered capital of the Company from 300 million baht to 400 million baht by issuing 200 million new ordinary shares with a par value of 0.50 baht per share for underlie the exercise of rights under the Warrant No. 1 (SCM-W1) at 2 years, which is allocated to the existing shareholders of the Company according to the shareholding ratio in the ratio of 3 existing ordinary shares per 1 unit of warrant free of charge, the exercise price is 9 baht.

1.1.3 Fundraising Expenses

The company offers shares to the public offering to trade in the Stock of Exchange for the first time (“IPO”) up to 150,000,000 shares or 25 percent of the company's paid-up capital after the offering of new ordinary shares of the company at an offering price of 1.90 Baht per share. The offering period is 27, 28, 31 August, and 1 September 2020.

(1) The details of the expenses from of new ordinary share for purposes are as follows

Purposes	Approximate Expenses (Million Baht)	Approximate Duration (Year)	Amount spent until 31 December 2021 (Million Baht)	Balance As of 31 December 2021 (Million Baht)
To be used as an investment in a branch expansion and renovating some branches that are currently renting	36.00	2020 - 2023	5.83	30.17
To be used as working capital in the business	236.11	2020 - 2023	223.94	12.17
Total	272.11		229.77	42.34

(2) Governing Law

The company has no bond offering.

1.1.4 An obligation that is pledged by the company in the registration statement and/or the office's approval conditions (if any) and/or SET's listing conditions (if any), including regulations to comply with the obligation or condition in subsequent years

According to the regulations of the Stock Exchange of Thailand, Accepting Ordinary Shares or Preferred Shares as Listed Securities 2558 B.E. (2015) dated 11th May 2015 (amendment included), prohibit any participants in the administration and/or other shareholders from bringing their ordinary shares together equal to 55 percent of the paid-up capital after the offering of the newly issued ordinary shares to be issued within 1 year from the date that the company's shares start trading on the stock market. After the date of the company's shares trading on the stock market for 6 months, banned individuals will be able to sell 25 percent of the total shares or securities that have been prohibited, and will be able to sell the rest of the whole after the expiration of 1 year.

In 2021, the company has complied with the following requirements: prohibiting any participants in the management and/or other shareholders from selling the shares that they hold within the specified time by strictly following the regulations of the Stock Exchange of Thailand.

1.1.5 General Information

Company Name	:	Successmore Being Public Company Limited
Registration Number	:	0107562000041
Registered Capital	:	400.00 Million Baht
Issued and Paid-up Capital	:	300.00 Million Baht
Par	:	0.50 Baht
Nature of Business	:	Operate consumer products distribution in form of a direct sale network marketing and sell consumer products to the dealers
Headquarters Location	:	10/1-2Ratchadapisek Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
Telephone	:	0-2511-5955
Fax	:	0-2511-5944
Website	:	http://www.successmore.com

1.2 Nature of Business

The group of Companies conducts the business of distributing products in the consumer products group in the form of a network (Multi-level Marketing or “MLM”), the company, SCM, will distribute products through a network of business people and distributors, both inside and outside Thailand. There are four subsidiaries of the company, where Successmore Being Laboratory Co., Ltd. (SML) and SCM Innovative Co., Ltd. (SMI) that operates a factory for production and distributes products to companies in the group of companies, while Success Spirit Co., Ltd. (SPT) and SCM Spirit (Myanmar) Co., Ltd. (SPM) will operate a business consulting service in network business operations and organizing seminars both in Thailand and abroad.

The company group has various distribution channels for both domestic and international, including distributing through the company's direct sales businessmen, which is a type of direct sales network. There are 24 branches of distribution centers across the country. Besides, the group has appointed foreign distributors to expand markets

in the South East Asia region. The overseas dealers will manage the overseas branches and businessmen by themselves. At present, there are 6 countries, Myanmar, Cambodia, Vietnam, Laos, Malaysia, and Singapore. Moreover, the company plans to increase foreign distributors to increase the capability of the company in the future.

For consulting services business about business operations and hosting seminars, is operated by SPT and SPM which are subsidiaries of the company's group. SPT and SPM have personnel with knowledge and capabilities in various areas such as general management, marketing, accounting, tax planning, information technology system (IT) in a form of services. It will be a long-term contract with both providing customer service in the group of companies and all foreign distributors. For business hosting seminars, SPT will serve both customers in the company group and foreign distributors with the course content to improve MLM business skills as well as stimulate the self-development of the seminar participants. The service contract is charged according to the program provided, depending on the number of times organized each year.

1.2.1 Income Structure

The group of companies has an income structure that can be classified by products categories sold as in the following table:

List	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
1) Income from selling products through businessmen						
Nutrinal	672.52	60.47	588.13	67.10	658.51	66.74
Body Cheer	104.43	9.39	95.84	10.94	97.47	9.88
Growing More	243.48	21.89	86.48	9.87	97.78	9.91
S Mone	49.00	4.41	50.93	5.81	77.90	7.89
Neatly Home	22.50	2.02	21.70	2.48	19.78	2.00
Smart Creation	18.89	1.70	29.14	3.33	35.34	3.58
Multi Potential	1.38	0.12	4.10	0.47	-	-
Total income from selling products through businessmen	1,112.20	100.00	876.32	100.00	986.78	100.00
2) Income from selling products through product distributors						
Nutrinal	31.46	39.18	38.21	47.15	18.48	52.47
Body Cheer	7.50	9.34	11.53	14.24	6.89	19.58
Growing More	35.70	44.46	26.07	32.17	5.89	16.73
S Mone	2.76	3.44	3.36	4.15	2.07	5.87
Neatly Home	2.56	3.19	1.74	2.15	1.41	4.01
Smart Creation	0.31	0.39	0.11	0.14	0.47	1.34
Total income from selling products through product distributors	80.29	100.00	81.02	100.00	35.22	100.00
Total income from selling products	1,202.49	-	957.11	-	1,022.00	-

1.2.2 Product Information

1. Product Information, Service, and Innovation Development

Product and Service Information

(1) Network Marketing

The main business of the group of companies is the network business to distribute products in supplementary food products and consumer products both in the country and abroad.

The group of companies is motivated to develop products of the best quality, with particular regards for the needs and the safety of consumers. Every product has been carefully looked after from a recipe development process, a selection of quality materials, a selection of standardized and innovative production plants, and evaluation of results from the use of products from representative sample until the product become the highest quality, a beautiful and modern packaging design as well as the product pricing that consumers can afford to make customers satisfied, recognize the value, and have a strong bond with products, brands, and organizations that will bring consumers back to purchase again.

At present, the company focuses on hiring external manufacturers to produce products under their brands (Original Equipment Manufacturer: OEM) and reduce manufacturing products by themselves. The company has consumer products for sale on the website of the company www.successmore.com which can be classified into 7 product groups as follows

1. Nutrinal



Our dietary supplementary products are the new healthcare alternative that can meet every healthcare needs. Valuable nutrients gathered from premium sources all over the world as well as innovative production processes make these products safe and results are noticeable after use.

2. S Mone'



Our facial skin products include a full range of products from cleaning products to skincare and cosmetic products. The ingredients used are nature-derived and contain substances harmful to health to meet the needs of every skin type and help women to beautify themselves safely and boost their personalities and confidence.

3. Body Cheer



Our diverse group of daily use products for body cleansing and skin nourishment is suitable for any gender and age. The products are safe to use and produce clear, noticeable results. Also, the quality received is worth the price paid.

4. Neatly Home



Our home products emphasize the use of gentle, safe, eco-friendly, and high-quality materials at reasonable prices. The products are highly concentrated, so they are worthwhile to use. They are also trusted by most housewives who always keep their homes well stocked.

5. Growing More



The plant supplementary products help in the improvement of agricultural productivity. The natural ingredients are chemical-free and can be used with all types of plants. The products are considered as an alternative for farmers who want to grow chemical-free vegetables or reduce production costs and raise crop yield.

6. Smart Creation



The modern innovative products meet the needs of modern lifestyles to improve quality of life.

7. Multi Potential



Generic products sold, using the branding of the manufacturers/distributors in the country by especially select the items that are highly competitive and with outstanding marketing properties to enable business people to purchase consumer products in a complete range at the Successmore branch.

(2) Consulting Services Business in Network Marketing Operation and Seminar Organization

Consulting services business in operating networking business is operated by SPT and SPM. SPT and SPM have personnel with knowledge and ability to provide network business-related advice such as general management, businessmen management, marketing, accounting, tax planning, information technology system, etc. At present, SPT provides services within the group of companies and all foreign distributors except those in Myanmar where SPM is the service provider.

For seminar organization business, the business is also operated by SPT which will provide seminar services according to the specified company's curriculum with a purpose to develop network marketing skills, understanding of the company's products, inspiring to the success as well as to stimulate the self-development of the seminar participants. The information of all courses that the SPT offers are as follows.

No.	Curriculum	Information
1.	The Success	A seminar for successful businessmen from all over the country annually held every 4 months to honor business people who have achieved Platinum and higher levels with special guests from both domestic and international. There will be a new product launch at the event. 
2.	Start Your Business with WHY	A seminar with course content that is inspired from world-class seminar courses to motivate business people to question and find their life goals to develop the potential of business people to achieve their goals through various activities which are held continuously both in the country and abroad. 
3.	Inspiration	A seminar for businessmen of the company in each region held to honor successful businessmen in Bronze, Silver, and Gold levels with special guests at Diamond level and above to convey real work experience and tactic of elevating positions to the next level. 

No.	Curriculum	Information
4.	The 5 Levels of Leadership	A seminar with course content to develop leadership skills at 5 levels to bring participants to the advance "Leadership" that influences people to change their lives. In other words, leaders must have the skills and abilities to connect people, inspire, and be able to help others develop themselves to become leaders in the future. 
5.	Diamond Forum	A training seminar that aims at providing ideas, knowledge, and methods of successful work in higher-level positions and conveying knowledge by Dr. Sitthawee Kriatchawanun, Chairman of the Executive Committee and Mr. Noppakrit Nithilertvijit, Chief Executive Officer, for businessmen of the company who are in a Diamond position or higher by being held regularly every year. 
6.	President Talk	A seminar held to raise the level of confidence in the company by Dr. Sitthawee Kriatchawanun, Chairman of the Executive Committee, to talk about business opportunities and the support from the company that can be a tool to enable people to enhance their success in lives. 

No.	Curriculum	Information
7.	SCM Leaders Forum	A Seminar that is held to provide working knowledge from basic to intermediate level and to teach about concepts, attitudes, human management principles, and general business that can be further developed in corporate management for Successmore's businessmen holding Bronze level positions or above. The seminar is hosted by Dr. Sitthawee Kriatchawanun, Chairman of the Executive Committee, and Mr. Noppakrit Nithilertvijit, Chief Executive Officer. The event is regularly held monthly.

Also, the company has policies to consider organizing seminars and training courses other than the above, depending on the appropriate time for the event. All course materials will be developed and updated regularly to help business people develop their new knowledge and update the new information consistently with the constantly changing environment and consumer behaviors in the society.

(3) Manufacturing Business

The company has a manufacturing business that has been operated by SML, which is already a subsidiary company in the group of companies. It has a production capacity of approximately 15,000 pieces per month, with the production of 5 SKUs including F4, Orysamin, Right, Phytaplex and Vistaplex.

The company foresees the opportunities from networking business and competition which may be stronger in the future. The company, therefore, has an idea to expand the growth in the form of Backward Integration in the form of manufacturing plants. To operate the business to distribute products to the group of companies. The company, therefore, considers a joint venture with an external supplier. To operate as a new manufacturing plant of the company, the company has acquired shares from the existing shareholder SCM Innovative Company Limited ("SMI") which is registered in Thailand by purchasing shares from a group of existing shareholders Zen Biotech Co., Ltd. ("ZEN") the total number of 5,499,998 shares in the proportion of 55 % of SMI's issued and paid-up share capital, equal to 115 million Baht. This venture will help the company reduce the cost of production in the long run due to the scale (Economy of scale) increasing flexibility in production planning and management. This helps reduce dependence on outsourcing contractors. Moreover, ZEN also has experience and expertise in the production of the company's main products and it will transfer employees who are involved in the original production process to SMI to maintain and control the quality and taste of the products to be the same. SMI is currently testing its machine process to prepare for the product production.

Research and Development

The company emphasizes research and product development by foreseeing the benefits of development in terms of adding benefits to the original products, help to reduce production cost as well as developing new product formulas to present to the consumers. The company's product development team, therefore, is working closely with the marketing team, the sales department, the production department, as well as the product research and development team of the contractor. Moreover, the company aims to launch five new products every year.

At present, the company has its product development department. The product development team knows food science and food recipes. The company's product development department will work with the product development department of the manufacturer who has been preliminarily selected, to work together to develop the product formulas and improve the quality to the best, before testing the sample to present to the consumers.

In March 2020, the company has invested in a new manufacturing plant to increase the production capacity of products and increase the efficiency of the production process. Also, there is a research and development room for high-quality products in the factory. This will help promote the quality of the company's research, innovate, and develop new products of the company in the future as well.

2. Marketing and Development

(1) MLM (Multi-level Marketing) Business Operation Strategy

The company conducts the business by recommending products or soliciting from one person and forwarding it to one person in a network form, endlessly. This comes up with the result of the wide expanse of the number of consumers and businessmen. The company will focus on both consumers who are interested in the products and business people who help to expand the consumer groups and businessmen network. The details of the network marketing of the company are as follows:

1. Application to be a Businessman

Subscription as a business person of the company has only one application form. Everyone who applies in any way will get equal benefits, be able to conduct various transactions with the company as specified in the Businessman Handbook in all respects.

Qualifications

- Applicants must be 18 years old or over. In case that the applicants are less than 20 years old, they must obtain consent from parents or legal guardians by attaching both a copy of the national ID card with a certified true copy of both the parents and the applicants.
- In the case of husband and wife, either married (by law) or not registered a marriage certificate (de facto) are considered as the same person and must apply in the same code only.
- Applicants must accept and follow the rules and regulations, as well as agreements on Successmore operation and the company's cycle matching plan in all respects.
- The subscription fee for being a Successmore businessman is 300 Baht.

Note: Application can have one person for one code only (husband and wife are considered the same person).

Application Submission

The application submission can be submitted in two ways, a general application and an online application.

The general application can be submitted at the Successmore Being service center or any branches operating nationwide on business days and hours or can be sent by post to head office only. Once the employee receives the application form together with supporting documents and verifies that it is correct and complete, then they will enter the information into the system. For online applications, businessmen can use an application from the company or print it form online to enter the information of the completed application form into the online system all day and then submit the application including application documents to the company within 30 days. The application form and supporting documents can be submitted at a Successmore Being Service Center or any branches operating nationwide or mailing to the head office only.

Applied Assemble FoundationGeneral People

1. A copy of valid national ID cards of the primary applicant and joint applicant (if any) with certified true copies
2. A copy of only the primary applicant's savings bank account book
3. A copy of the parent's national ID card (Parents / legal guardian) in case the applicant is less than 20 years old

Corporation

The company does not accept applications on behalf of a juristic person if only business people can apply to change the status of the application from an individual to a legal entity by filling out a change request form. In this regard, to request to change the status from an ordinary person to a juristic person, it must be a limited company or limited partnership juristic person only, and Successmore businessman which is a primary applicant must have the name of the authorized director of a limited company or a limited partnership and having shareholder's name more 90% or over. The documents must be certified true copy and stamped of a limited company or partnership are as follows:

1. Copies of national ID cards of the main applicant and joint applicants (if any) that are not expired with a certified true copy
2. A copy of house registration of the main applicant with a certified true copy
3. A copy of limited company certificate or a limited partnership with purposes
4. A copy of the bank account book of a limited company or limited partnership
5. For VAT registration (if any), a copy of the VAT registration must be submitted by the 25th of every month. Additional documents to be added are as follows:
 - Copy of VAT Registration form under the Revenue Code (Phor Phor 01)
 - Copy of VATRegistration certificate (Por Por 20)

2. Benefits

1. An application set consisted of a catalog, a Businessmanual, receipt, and normal Order Forms
2. Success Magazine throughout the membership duration
3. Training under the company's conditions
4. Income and compensation under Cycle Matching Business Plan
5. Accident insurance covering accident, death, loss of organs, loss of eyesight, or permanent disability with the coverage of 100,000 Baht for each member and 50,000 Baht for each member for co-applicants under the conditions of accident welfare. This welfare will be started from the 1st day of the next month of the date of applying.

3. Membership Renewal

1. Successmore businessmen will have the status of Successmore businessmen for 1 year from the date of the application.
2. The renewal fee of Successmore businessmen is 150 Baht per year. The members can renew 90 days before the expiration date, annually only.

3. The company has a grace period after the expiration of the membership for 90 days. The company is still transferring the commission as usual if that member still has other qualifications in receiving the commission according to the criteria of the company. On the other hand, the company will clear the commission of that member from the system after the grace period has passed.
4. Members who do not renew their membership can still be able to purchase products but will not be paid any bonus. according to the company's marketing plan. For members who have expired membership, the remaining PV will not be carried over.
5. Any member who can complete renewal within the grace period will get a new membership for 1 year from the expiration date of the former members. However, if the membership is renewed after the grace period, a new membership period will be commenced from the renewal date.
6. During the period after the expiration of membership without any renewal, Successmore's businessmen shall not receive any accident welfare in the event of death, loss of organs, and permanent disability as defined in the conditions of accident insurance defined by the company and shall not receive any Success magazine until the renewal is completed.
7. Members can renew the membership at the branch or online.
8. Our company reserves the right in considering accepting or denying any person who applies for a businessman of Successmore without giving any reason to such person in all cases whether such person has ever applied for a businessman of Successmore. To apply for a businessman of Successmore, the complete status of Successmore's businessman will be gained after recording data of the Application Form in the computer system and completeness of such application form and other documents shall be inspected completely by the company's staffs. Sending any application form or document to the company via mail or in-person is not considered as completion of the application.
9. Our company would like to reserve the right to consider accepting or denying any renewal of membership of any businessman in all cases if such businessman performs any action that is contrary to the code of conduct of perform any business under the improper guidelines or ignores the warning of the company and pays no attention to changing his/her business operation to base on good principles.
10. To cancel member code, our company will cancel member code in the following cases:
 - If the member has already applied for the membership but fails to send a copy of his/her ID Card later than 2 months of the applying date.
 - If the member fails to purchase any product consecutively over than 3 years from the last order.

4. Resignation from Business

1. Successmore businessman can apply for resignation from the business at any time by sending a written letter of intent to resign, with a copy of a national ID card signed to certify a true copy to the company's head office.
2. Businessmen who have already resigned can apply to be a new businessman again once the following conditions are met.

- If the original application has no documents and evidence to be submitted yet, a businessman can apply for a new application immediately, after the company approves the resignation of the original application.
 - If the original application has no purchase of any company's products continuously for 6 months, a businessman can apply for a new application immediately after the company Approved the resignation of the original application.
3. Businessmen who apply for resignation within 30 days from the date of application must fill out the "Resignation Form" along with attaching a copy of the national ID card that is certified true copy and must return all the application documents together as of the resignation date. You will receive a full refund of the application fee. If there is a product that you want to return, a businessman is required to complete the return following the conditions of returning the product before resignation. The company will refund the purchase price of the product once deducting discounts and compensation that the company had paid to business people.

(2) Strategy and Policy of Cycle Matching Compensation

To achieve the goals, the company has set a suitable compensation plan for both business people and companies called "Compensation Business Plan", an innovative compensation plan that enables network marketing businessman to succeed easily, to be able to generate a stable income and to achieve financial goals through the process of active learning. The details of the compensation business plan are as follows:

1. Type of Businessman

Can be divided into 3 types depending on PV (Point Value) within the specified period

- Member Level: Members who accumulate less than 750 PV points in 60 days from the application date or in each month
- Supervisor Level: Members who accumulate more than 750 PV points in 60 days from the application date or in each month
- Executive Level: Member who accumulate more than 3,000 PV points in 60 days from the application date or in each month
- To renewal membership, members at Supervisor or Executive level must accumulate more than 250 PV points per month from purchases to receive the benefits.

The level of the businessman will matter to the calculation of compensation that the businessman will receive. To be explained in the section.

Example

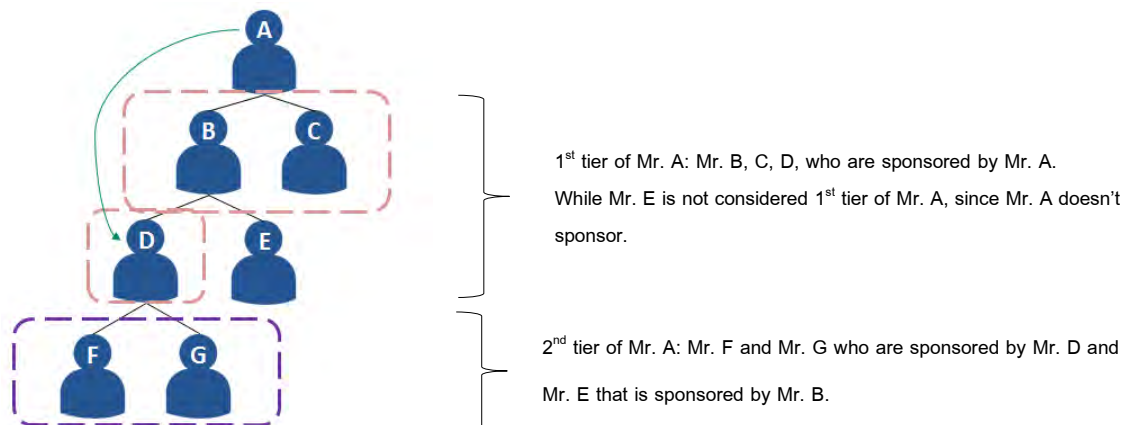
- Mr. A became a businessman on 15th January 201x. If Mr. A purchases the product and accumulates more than 3,000 PV points by March 16, 201x, Mr. A will become an Executive level.
- Mr. B became a businessman on 15th January 201x and has never made any purchases. If Mr. B starts purchasing the product for the first time on August 10, 201x, Mr. B will become the Supervisor in case he has more than 750 PV points by 31 August 201x.

- Mr. C became a businessman and accumulates more than 3,000 PV points for purchases within 60 days from the date of application, Mr. C will become Executive level. In case that Mr. C has less than 250 PV points from purchasing in the following month, Mr. C will remain in the Executive position but will not be eligible for compensation in that month.
- Mr. D becomes a businessman with more than 750 PV points from the purchase within 60 days from the date of application, Mr. D will become the Supervisor. If Mr. D has extra purchases making the PV points exceed 3,000 PV points within one month, Mr. D will be promoted to Executive level.

2. Definitions

- Sponsor: Businessmen who open up business opportunities of the company to another person until that person has completely applied to be a businessperson of the company.
- Upline: Businessman who is next to that person at the upper level of the organizational chart.
- Downline: A child businessperson attached to that person in the organizational chart or a business person who is a sponsor.

Example



According to the example, if Mr. A is introducing Mr. B, C, D as a Successmore businessman, Mr. A will be considered a sponsor of Mr. B, C, D (child class), but only Mr. B and C will be upline of Mr. D and Mr. E will be uplines of Mr. B according to the organizational chart. Mr. D, who is sponsored by Mr. A, sponsors Mr. F and Mr. G, Mr. F and G, therefore will be the grandson of Mr. A. In other words, the organization chart is different by counting the hierarchies to pay compensation.

Details of the company's compensation plan to receive benefits are as follows:

1. Profit from retailing

A businessman can purchase products from the company at a lower price than the general selling price. The businessman, therefore, profits from retailing 5-30 percent on average.

2. First Order Bonus

The referrer will receive 30 percent of the PV points of the child class. This reward will be awarded once per referral. There is a ceiling for the calculation of returns not more than 4,000 points per referral. However, if the referrer is at the Executive level, the referrer will receive 10% additional

compensation of the grandchildren level. The referrer will also receive additional compensation in the case that the referral is promoted from Supervisor to Executive for the first time. The referrer will receive 30 percent of PV points that the referrals are promoted to the Executive level (but not more than 4,000 points) subtracting from the PV points previously earned.

Condition

The referrer must be at the supervisor level or above and accumulates a minimum of 250 PV points for the calculation. The referrals must be the Supervisor Level for the first time (minimum 750 PV points within 60 days from the date of application or accumulate a minimum of 750 PV points within that month).

Example

Mr. A is an Executive Businessperson, Mr. B's sponsor, and Mr. B has purchased the product until he has accumulated 2,500 points within a month after the first purchase and became a Supervisor level. Mr. B recommends Mr. who earns 1,000 points. Mr. A will receive $(0.3 \times 2,500) = 750$ Baht, plus $0.1 \times 1,000 = 100$ Baht, total 850 Baht.

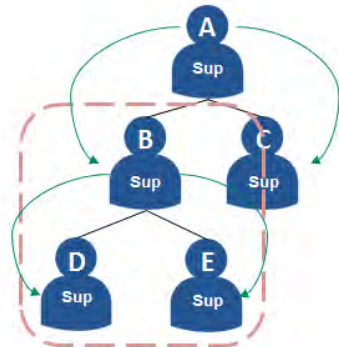
However, in the next calculation round, if Mr. has 3,900 PV points within that month (first raised to Executive level), Mr. A will receive additional compensation equal to $[(3,900 - 2,500) \times 0.3] = 420$ Baht.

3. Star Maker Bonus

It means the bonus paid for the development of membership in the organization to have knowledge and understanding of the products for the benefits of their consumption or distribution to other consumers. In addition to product knowledge, we develop people in the organization to have knowledge and understanding of how to recommend to others, by mainly using information from the products.

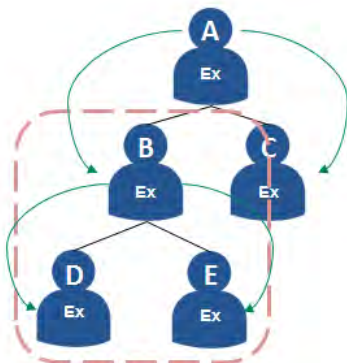
Conditions

- Having a Supervisor status with a minimum of 250 PV points within the calculation round.
- The newly introduced members are being introduced and developed to have a Supervisor status with a minimum of 250 PV points within the calculation cycle, at least 2 lines of work.
- The newly introduced members will be trained to recommend new members to have Supervisor status and have a minimum of 250 PV points within the calculation round, at least 2 lines of work.

Example**Scenario 1 Supervisor level and accumulating a minimum of 250 PV points within the calculation cycle**

When Mr. A maintains Supervisor status within the calculation cycle, then Mr. A introduces Mr. B and Mr. C to become a new member. Mr. B and C have Supervisor status within the calculation cycle. Then Mr. A helps develop Mr. B, making Mr. B can introduce Mr. D and Mr. E as new members who can go up to the Supervisor level. In this case, Mr. A will receive a bonus equal to 400 Baht per line development.

However, Mr. A has the right to receive additional compensation if he can develop himself, Mr. B, Mr. C, Mr. D, and Mr. E until reaching the level of Executive. Mr. A will receive additional compensation equal to 800 Baht per line development, but will not be eligible for a career development bonus in scenario 2 below

Scenario 2 Executive level and accumulating a minimum of 250 PV points within the calculation cycle

Once Mr. A maintains the Executive status within the calculation cycle, then Mr. A recommends Mr. B and Mr. C, who is in Executive status within the calculation cycle, to become a new member. Mr. A then helps develop Mr. B's work making Mr. B can introduce Mr. D and Mr. E as new members and can go up to the Executive level. In this case, Mr. A will receive a bonus equal to 1,800 Baht per line development.

4. Bonus Paid According to the numbers of rounds calculated from the weak and strong side (Cycle Bonus)

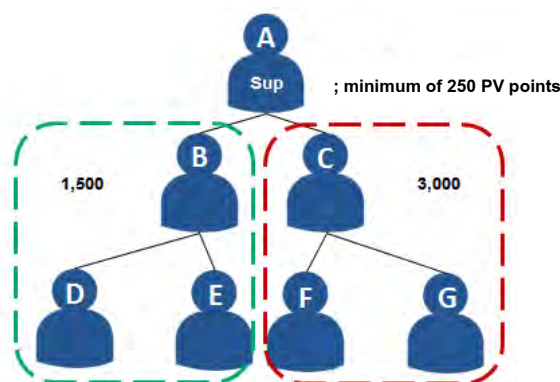
Bonus paid based on the calculation of units in around. The calculation round is derived from accumulated points from the points of organization members on both the left and right side, by using the weak side score of 1,500 points and strong side 2,250 points for 1 round. The company will pay compensation of 600 Baht per cycle for Supervisor businessmen and 720 Baht per round for Executive businessmen.

Conditions

- Supervisor member who has a minimum of 250 PV points for the calculation round will be eligible to receive a bonus according to the amount of 600 Baht per round.
- The executive member who has a minimum of 250 PV points for the calculation round will be eligible to receive a bonus according to the amount of 720 Baht per round.
- The maximum number of payments is 1,600 rounds per month, equal to 1,152,000 Baht per month.
- The remaining points from the equivalent of 1,500 and 2,250 points will be carried over to both sides. However, the maximum points will be raised not more than 2,400,000 points per side.

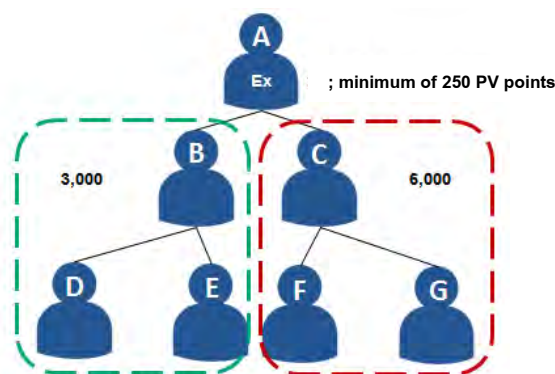
Example

Case 1 Mr. A has a Supervisor level and accumulating a minimum of 250 PV points within the calculation cycle



Mr. A has a supervisor level with a minimum of 250 PV points in the calculation round with 1,500 weak line points and 3,000 strong line points, Mr. A will receive a bonus equal to 1 round, and a reward of 600 Baht while the remaining points of 750 on the strong line will be carried over in next round

Case 2 Mr. A has an Executive level and accumulating a minimum of 250 PV points within the calculation cycle



Mr. A has a supervisor level with a minimum of 250 PV points in the calculation round with 3,000 weak line points and 6,000 strong line points, Mr. A will receive a bonus equal to 2 rounds of $720 \times 2 = 1,440$ Baht and the remaining points of 1,500 on the strong line will be carried over to the next round

5. 3 Level Matching Bonus (Generation Matching Bonus)

The rewards are tied to Cycle Bonus rewards (according to no. 4), where the businessperson will receive the highest three rank of the next member in the organization. However, the rate of return depends on the position of the business person.

Order	Position	Direct Line	Weak and Strong PV		Or Only Weak PV	Matching Bonus			Qualification
			Weak Side	Strong Side		1 st tier	2 nd tier	3 rd tier	
	StartBusiness (Sup/Ex)	-	-	-	-	10%	-	-	-
1	Bronze	1:1	10,000	15,000	12,500	15%	-	-	-
2	Silver	2:2	20,000	30,000	25,000	20%	-	-	-
3	Gold	3:3	30,000	45,000	37,500	20%	10%	-	-
4	Platinum	1B:1B	60,000	90,000	75,000	20%	15%	5%	2 times in 6 months
5	Pearl	1B:1B	100,000	150,000	125,000	20%	20%	10%	2 times in 6 months
6	Ruby	1B:1B	150,000	225,000	187,000	20%	20%	10%	2 times in 6 months
7	Sapphire	1B:1B	200,000	300,000	250,000	20%	20%	10%	2 times in 6 months
8	Emerald	1B:1B	300,000	450,000	375,000	20%	20%	10%	2 times in 6 months
9	Diamond	1P:1P	400,000	600,000	500,000	20%	20%	10%	2 times in 6 months
10	Blue Diamond	2P:2P	800,000	1,200,000	1,000,000	20%	20%	10%	2 times in 6 months
11	Black Diamond	3P:3P	1,500,000	2,250,000	1,875,000	20%	20%	10%	2 times in 6 months
12	Crown Diamond	5P:3P	3,000,000	4,500,000	3,750,000	20%	20%	10%	2 times in 6 months
13	Imperial Diamond	7P:3P	6,000,000	9,000,000	7,500,000	20%	20%	10%	2 times in 6 months
14	Presidential Diamond	9P:3P	12,000,000	18,000,000	15,000,000	20%	20%	10%	2 times in 6 months
15	Royal Diamond	11P:3P	20,000,000	30,000,000	25,000,000	20%	20%	10%	2 times in 6 months

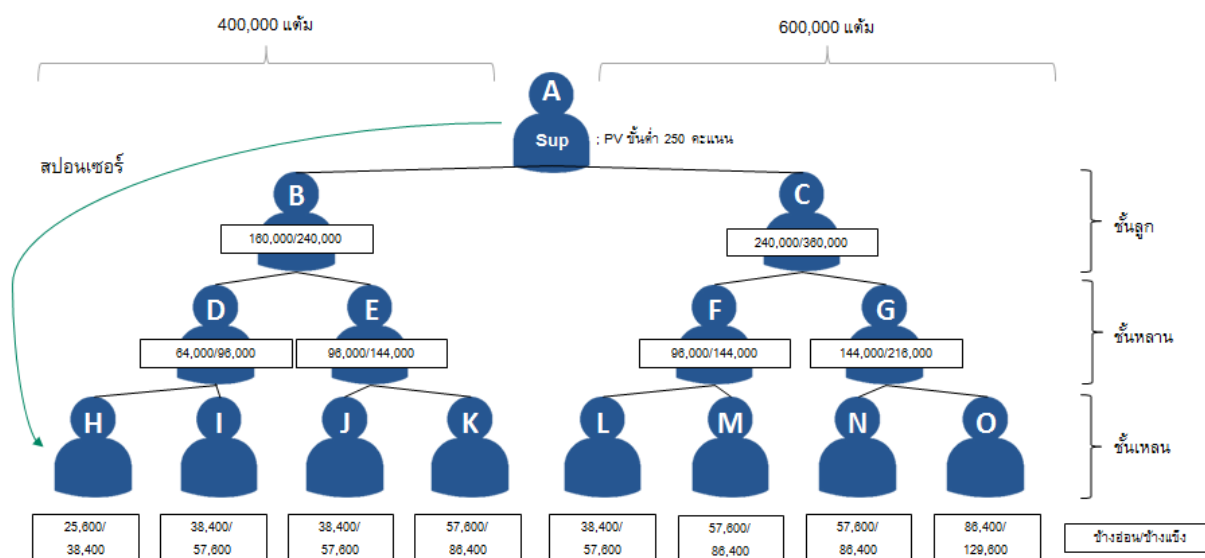
Note: B = Bronze, P = Platinum, Ex. Black Diamond Level must be a platinum member for at least 3 people per line

If a businessman has taken that position but the total points don't meet the qualifications of that position, the businessman will receive compensation according to the position in that month. The position on behalf will not be downgraded, for example, the Emerald position will receive a return of Platinum position if the position in that month is Platinum.

Example

Details of Mr. A are as follows:

- Mr. A has 400,000 points on the weak side and 600,000 on the strong side.
- Mr. A has the above score for the 2nd month in the past 6 months.
- Mr. A has a businessman in the 1st tier, 2nd tier, and 3rd tier, who have a Platinum position in the weak leg and strong leg, more than one person per leg.



According to the information, Mr. A has the right to receive the rewards at the Diamond level, which will receive 20 percent Generation Matching Bonus and 10 percent of the Cycle Bonus return (according to item 4) of their 1st tier, 2nd tier, 3rd tier respectively. The return of Cycle Bonus that Mr. A will receive can be calculated as follows:

A Table showing Generation Matching Bonus Calculation of Mr. A

Name	Generation	Leg	Weak Leg	Strong Leg	Cycle	Cycle Bonus	Matching Bonus	Amount
B	G1	Weak	160,000	240,000	106	76,320	20%	15,264
C	G1	Strong	240,000	360,000	160	115,200	20%	23,040
D	G2	Weak	64,000	96,000	42	30,240	20%	6,048
E	G2	Weak	96,000	144,000	64	46,080	20%	9,216
F	G2	Strong	96,000	144,000	64	46,080	20%	9,216
G	G2	Strong	144,000	216,000	96	69,120	20%	13,824
H	G1 (Sponsor)	Weak	25,600	38,400	17	12,200	20%	2,440
I	G3	Weak	38,400	57,600	25	18,000	10%	1,800
G	G3	Weak	38,400	57,600	25	18,000	10%	1,800

Name	Generation	Leg	Weak Leg	Strong Leg	Cycle	Cycle Bonus	Matching Bonus	Amount
K	G3	Weak	57,600	86,400	38	27,360	10%	2,736
L	G3	Strong	38,400	57,600	25	18,000	10%	1,800
M	G3	Strong	57,600	86,400	38	27,360	10%	2,736
N	G3	Strong	57,600	86,400	38	27,360	10%	2,736
O	G3	Strong	86,400	129,600	57	41,040	10%	4,104
Compensation Plan from Matching Bonus								96,760

6. One Time Leadership Bonus

- When members accumulate points until having the specified level 2 times in 6 months.
- Eligibility to receive One Time Leadership Bonus once a member holds new positions 6 times in 12 months and can suit "Elite" qualification. "Elite" qualification is for Diamond position and higher positions. When qualifying for that position 6 times in any 12 months, the position name is added with the word Elite at the end, e.g. Diamond Elite.
- One Time Leadership Bonus is a payment based on the achievement level, not all positions. That is, even if members hold qualifications at a higher reward level than the first level, they will be awarded the first level first.
- It is a first-time bonus that is qualified and paid only once

Order	Position	Qualification	Elite	One Time Bonus(Baht)
	Start Business	-	-	-
1	Bronze	-	-	-
2	Silver	-	-	-
3	Gold	-	-	-
4	Platinum	According to the specified conditions	-	-
5	Pearl	According to the specified conditions	-	-
6	Ruby	According to the specified conditions	-	-
7	Sapphire	According to the specified conditions	-	-
8	Emerald	According to the specified conditions	-	-
9	Diamond Elite	According to the specified conditions	6 times in 12 months	200,000
10	Blue Diamond Elite	According to the specified conditions	6 times in 12 months	300,000
11	Black Diamond Elite	According to the specified conditions	6 times in 12 months	600,000
12	Crown Diamond Elite	According to the specified conditions	6 times in 12 months	1,200,000
13	Imperial Diamond Elite	According to the specified conditions	6 times in 12 months	2,400,000
14	Presidential Diamond Elite	According to the specified conditions	6 times in 12 months	5,000,000
15	Royal Diamond Elite	According to the specified conditions	6 times in 12 months	10,000,000

In summary, the criteria for considering the calculation of return from the compensation business plan are as follows:

1. The only businessman who is in Supervisor or Executive level with a minimum of 250 PV points within the calculation round will be eligible for the calculation and payment of the compensation under the business plan (Being a Supervisor and Executive Businessperson which means achieving 750 points per month and 3,000 points respectively, in 60 days from the date of application or within one month)
2. Cycle Bonus (rewards in no. 4) pays the maximum amount not more than 1,600 rounds or 1,152,000 Baht per month and the points will be carried over to both sides, accumulating not more than 2,400,000 points per side.
3. Referral bonus and the bonus paid by round (Returns in items 2 and 4) will be paid twice a month. The contributions from the 1st - 15th of the month will be paid at the end of the same. The contributions from the 16th to the end of the month will be paid on the 15th of the following month.
4. Job development bonus, 3 Level Matching Bonus and One Time Leader Bonus (Returns in no. 3, 5, and 6) will be paid once a month on the 15th day of the following month.
5. If the transfer date to the bank account falls on a holiday or official holidays, the company will postpone the transfer of money faster.
6. The company will deduct the transfer fee from the bonus balance of the businessman. If the bonus amount is less than 300 Baht, the company will accumulate the balance until reaching the threshold and then transfer money to the businessman's account.

(3) Businessman and Distributor Management Strategies

According to the company's primary business operation to distribute consumer products in the MLM style, therefore, the company gives priority to channel management, with a strategy for managing businessmen and dealers to operate smoothly and efficiently as follows:

1. Businessman

The company will set regulations and business ethics for business people appropriately and practically. It will be in the same standard in every country for business people to strictly follow the guidelines, to facilitate control and management as well as reducing problems or corruption that may occur. The company will determine the compensation in the form of PV points to be appropriate and fair, which is the amount that the company considering that is reasonable for both the company and the businessmen and will regularly monitor whether it is reasonable or not together with comparing with competitors and the current market conditions to assess the situation of the company and help the businessmen to build trust and love in the organization.

The company will focus on the development of business people as a priority, that is, the company will develop the leadership potential of business people through training courses, seminars, and advice from experts, to create a stable network as well as to help develop new leaders to be the main force in driving the business in the future.

The company also attaches great importance to effective marketing and management tools since the company believes that a suitable marketing tool will help the management to be more efficient, including compensation calculation system, interesting advertising media, training courses, and seminars that are quality and up to date.

2. Distributors

The company pays attention to dealers as well because it is another distribution channel that helps to expand the consumer and business base overseas. It also has a lower risk than self-marketing. The distributor has to distribute the company's products in overseas branches, supervises, and manages businessmen in that country, including organizing seminars, providing product usage information as well as supervising the businessmen. The company will provide consulting services in operating network business, information technology system service as well as bringing high-level personnel of the company goes to organize seminars for businessmen of foreign dealers occasionally.

The company will select distributors in countries where is expected that consumers will have high purchasing capabilities and have an opportunity to expand the business by considering the expertise and experience in operating a network marketing including financial status and trade credit. The dealer contract will be in the form of Non-exclusive, that is, not only an exclusive distributor. The company can consider adding distributors depending on the company. However, the company's distributor is not a person with a connection to the company.

(4) Marketing and Sales Strategy

The company foresees the importance of marketing since a good marketing plan will help encourage consumers to become more interested in the product and allow business people to be able to present the product more easily. The details are as follows:

In terms of products, the company plans to release new products that have clear marketing guidelines which are consistent with the target group, that is, the company will plan the time to launch new products, not too frequently or intermittently, to encourage consumers to know the new products as efficiently as possible. It will also plan new product releases to be balanced in every product group, not particularly focusing on only one product group in order to increase consumer choices and create awareness of a wide range of brands. The company will organize training and demonstrations on how to use the product for business people every time after a product launch to have expertise in new products and to be able to teach or educate consumers and/or other businessmen further. The company is also planning a promotion to promote products according to various festivals to stimulate sales periodically, such as New Year and Chinese New Year, etc.

The company uses seminar courses as part of the public relations and marketing of the company, that is, the company will organize seminars courses for free to attend the event for businessmen to make businessmen feel involved with activities organized by the company, to gain knowledge from seminars, to meet new career partners, to understand the company's products better, and to reward businessmen.

Also, the company plans to expand branches continuously to increase the distribution area for business people, helping to foster new businessmen and networking in the area, and to be a place for businessmen in the same line to meet and exchange knowledge and experiences with each other. The company has a strategy to select a branch area from an area that expects consumers to have high purchasing capabilities and has not yet marketed thoroughly. The branch will be planned to arrange the products at the store as efficiently as possible and to plan appropriate in-store sales promotions to create the participation of businesspeople in the area and become a quality network.

(5) Target Customer

Businessman

To be considered in terms of operations, businessmen are considered one of the Company's customers who need to be sensitively focused and considered. The company, therefore, has set target customer groups (businessmen) using all 4 criteria as follows:

- **Demographic Segmentation**

The company sets target customer groups according to demographic segmentation, which are individuals in the age of 20 years and over. Because the company runs the business intending to change people's quality of life for the better until success, the above age period is appropriate because it is the time of big changes to choose their path. Also, the people at this age mature enough to show leadership, to share knowledge, and to be ready to build a stable and sustainable network in their line of work.

- **Geographic Segmentation**

The company classifies the target customers based on geographical Segmentation, which can be divided into 3 areas as follows:

- Customers who live and reside in Bangkok and surrounding areas
- Customers who reside in upcountry areas
- Customers who reside in ASEAN countries

The target customer groups that the company has defined will cover all 3 groups because the company has branches in Bangkok and other provinces, including distributors with businesspeople reaching consumers in ASEAN countries including Myanmar, Laos, Cambodia, Vietnam, Malaysia, and Singapore.

- **Behavior Segmentation**

The company divided into 3 groups according to the behavior of consumers as follows:

- A group of customers with a behavior that is quickly connected to the social network (Tech-Savvy).
The customer groups that always follow the news, always compare prices from other sources and give credibility to word of mouth from friends or trustworthy people or from their direct experience instead of trusting advertisement.
- Customers who regularly purchase consumer products. They make the purchase for themselves and are ready to make decisions when there are any discounts or other benefits are available with each purchase.

- Customers who want recognition and success in life. In normal terms of humanity, to be recognized or glorified and succeeded in life is something that everyone desires. This type of customer would do whatever it takes to be admired.

The target customers set by the company are (1) Tech-Savvy and (3) those who want to be successful in life. Because MLM is a business that relies on credibility, hearsay, or the experiences they encountered. They have a desire to transform themselves for a better quality of life and need a high level of acceptance in society. Therefore, the customer groups as above are suitable for the company.

- Social Class

The company classifies the target group by using the social class of consumers. It was found that the suitable target customers of the company are the middle class, whose characteristics are of great importance to the quality of products and services. They also need social acceptance and success in their work. Therefore, these customer groups are suitable for the company.

Consumer

Consumer groups of the company can be classified by product group as follows:

- Nutrilal

Healthy people aged 20-60 years, both female and male who have health problems or want recovery from hard work or personality. This group also consists of the elderly group with health problems such as poor excretory system. Most of them live in Bangkok and perimeter and have a very hasty lifestyle. Lack of time to take care of yourself or not get enough rest and therefore rely on aids like supplements.

- S Mone'

Group of women aged 25 - 55 years who are interested in beauty and want to use safe products at reasonable prices, mainly for the maintenance and rejuvenation of their facial skin. Women in this group mostly are of working age.

- Body Cheer

The general group of people, not limited by age and genders that care about health, cleanliness and is meticulous in selecting products. They are willing to buy quality products at a reasonable price if the products are suitable for quality and price. This group of customers will use the product regularly and be brand loyal.

- Neatly Home

A group of working people living alone in a condominium or with a large family, aged 30 - 55 years. They have a healthy habit, care about cleanliness, considered smart housekeepers because the products in this group use gentle ingredients that are user safety and eco-safety.

- Growing More

A group of young farmers aged 30-60 who dare to change and try new things for better productivity. They give priority to health-conscious products, the environment, and society. They often live in other provinces where they can do agriculture.

- Smart Creation

A new generation who is conscious of technology between ages of 20-45, both male and female, who often live in Bangkok and its perimeter, having a working lifestyle. They are interested in health and technology and also want a better quality of life.

(6) Distribution and Distribution Channels

- Distribution through Direct Sales Businessman

Distribution through business people is the main distribution channel of the company. It is also the heart of the company's business operation that the business people will bring their products to consumers through MLM network marketing by recommending or soliciting from one person to another. That person will continue to slightly recommend more in-network manner. This results in the rapid expansion of the number of consumers and it will be a business endlessly.

There are two types of businessperson products order:

1. Normal Order ROC (Regular Order Channel)

It means that the Successmore Businessman purchase of goods, then get points (PV) products in the Code of this person immediately.

2. Special Orde BMC (Business Mobile Channel)

It means a special ordering where shoppers can place orders for distribution to other business people in their line to save time, to increase mobility, and to reduce the cost of traveling to pick up the product by yourself. PV points are distributed to the member encryption of the businessperson who continues shopping in the proportion of the purchase amount. The PV points from the purchase will be cut off the buyer's member encryption balance immediately at the end of every month to prevent stockpiling.

Businessmen can order products for distribution to consumers through the two company distribution channels as follows:

- To order at the counter (Counter Order)

The Successmore Businessmen can order the goods at headquarters of Successmore Being or service centers of all branches where it links to open the operation in the future around the country. On 31 December 2021, the company has 24 branches as follows:

No.	Branch	Installation Year	Location
1.	Head Office / Ratchayotin	2014	10/1-2 Ratchadapisek Road, Chatuchak sub-district, Chatuchak District, Bangkok
2.	HatYai	2014	492/12-13 Petchkasem Road, Hat Yai sub-district, Hat Yai district, Songkhla
3.	Chiang Mai	2015	201/4 Mahidol Road, Haiya sub-district, Mueang Chiang Mai district, Chiang Mai

No.	Branch	Installation Year	Location
4.	Navanakorn	2015	430/14 Moo 13 Road, Khlong Nueng Sub-district, Khlong Luang District, Pathum Thani
5.	Ayutthaya	2015	139-139/1 Moo 3 Phai Ling Sub-district, Phra Nakhon Si Ayutthaya District, Phra Nakhon Si Ayutthaya
6.	Chanthaburi	2015	19/74-75 Thetsaban 2 Road, Wat Mai Sub-district, Chanthaburi District, Chanthaburi
7.	Mahachai	2015	99/16-17 Moo 4 Khok Kham Sub-district, Mueang Samut Sakhon District, Samut Sakhon
8.	Surat Thani	2015	142/215, 142/218 Moo 1 Wat Bang Pho Yai Road, Makham Tia Sub-district, Mueang Surat Thani District, Surat Thani
9.	KhonKaen	2016	567/3 Moo 8 Mittraphap Road, Mueang Kao Sub-district, Mueang Khon Kaen District, Khon Kaen
10.	Chumphon	2016	416 Pracha Uthit Road, ThaTaphao Sub-district, Mueang Chumphon District, Chumphon
11.	Narathiwat	2016	29,31 Bypass Road, Bang Nak Sub-district, Mueang Narathiwat District, Narathiwat
12.	Phitsanulok	2016	260/10-12 Moo 4 Ban Khlong Sub-district, Mueang Phitsanulok District, Phitsanulok
13.	Rayong	2016	18/28 The Design, Ratchumpon Road, NoenPhra Sub-district, Mueang Rayong District, Rayong
14.	Ubon Ratchathani	2016	401/8-9 Moo 10 Bypass Road, Chaeramae Sub-district, Mueang Ubon Ratchathani District, Ubon Ratchathani
15.	Nakhon Sawan	2016	118/18-20 Moo 10 Nakhon Sawan Tok Sub-district, Mueang Nakhon Sawan District, Nakhon Sawan
16.	Bang Bo	2017	320/9 Moo1 Bang Bo Sub-district, Bang Bo District, Samut Prakan
17.	Kanchanaphisek - Bang Bon	2017	53, 55, 57 Kanchanaphisek Road, Bang Bon Sub-district, Bang Bon District, Bangkok
18.	Pattaya	2017	47/8-9 Moo 9 Soi Pattaya Klang, Nong Prue Sub-district, Bang Lamung District, Chonburi
19.	Kamphaeng Phet	2017	87 Bypass Road, Nai Mueang Sub-district, Mueang Kamphaeng Phet District, Kamphaeng Phet
20.	Chon Buri	2018	161/3, 161/4, 161/5, 161/6 Ban Suan Sub-district, Mueang Chonburi District, Chonburi
21.	Klang Lat Krabang *	2018	1 1/15 Pattana Chonnabot 3 Road, Khlong Song Ton Noon Sub-district, Lat Krabang District, Bangkok

No.	Branch	Installation Year	Location
22.	Nakhon Si Thammarat	2020	22/41-42 Sin Udom Shopping mall, Phatthanakan, KhuKhwang Road, Nai Mueang Sub-district, Mueang Nakhon Si Thammarat District, Nakhon Si Thammarat
23.	Ratchayotin2 **	2020	10 Ratchadapisek Road, Chatuchak Sub-district, Chatuchak District, Bangkok
24.	Udon Thani	2020	140/61 Lane Station Road, MakKhaeng Sub-district, Mueang Udon Thani District, Udon Thani

Note: *The branch does not have a storefront. It is established as a channel for businessmen to pick up products only in the case of online orders.

** The branch was established as an office building and for the approval of online orders.

- To order the goods online (Order Online)

The company increased the ease and speed of service for the purchase order for the Businessman Successmore by adding transaction purchase order products through the website www.successmore.com. This online system will help to manage the time, convenience, and accuracy of items ordered. The businessmen can collect the product at all Successmore Being Service centers nationwide or the company will deliver to the name and address specified in the membership application.

However, each business person may consider selling different product types and products, depending on product expertise, economic conditions, and competitors in the business sector.

The number of businesspeople of the company as of 31 December 2017–31 December 2021 are as follows:

List	2021	2020	2019	2018	2017
A number of businessmen – Beginning	179,055	196,758	227,204	212,091	167,347
A number of new businessmen	77,099	72,676	81,604	112,282	126,042
A number of retired businessmen	97,457	90,379	112,050	97,169	81,298
Active members ⁽¹⁾	158,697	179,055	196,758	227,204	212,091

Note: 1. Business people who have active members status are businessmen who have not yet expired members, that is, new businessmen and business people who have renewed their membership in the past year.

- Distribution through Distributors

The company has appointed product dealers to be the distributors of the company both domestically and internationally. The company will distribute products to distributors with a commercial discount so that they can profit from the difference in selling price. There will be no compensation paid to distributors. The details of the distributions are as follows:

● Domestic Distributors

Agents will be in the form of general people with good distribution capability in certain areas which is the area that the company doesn't have sufficient expertise and/or have not established a branch in that area. The company has the policy to cancel domestic distributors because the businessmen of the company have a wider network and sufficient area expertise. To reduce the competition between businessmen and distributors, the company, therefore, has a conclusion to cancel its distribution channels through local distributors with the cancellation of the contract completed within January 2019.

● International Distributors

The company will appoint international distributors by giving rights to use the company's name and trademark in being product distributors abroad. They are responsible for managing businessmen in foreign countries, managing foreign branches, importing and distributing products to foreign businessmen, doing marketing in the country, and giving their businessmen in their country compensation according to the business plan. The company will appoint distributors in countries where consumers are expected to have high purchasing capabilities making opportunities to expand the business to reduce the risk of doing business by themselves. This is because the distributors have more expertise in conducting business in the country and reach consumers in those countries better than the company does.

The company will supervise foreign dealers closely to prevent the risk from the dealers' operations that may affect the reputation of the company. It will follow up with the dealers via online channels and other media presented by the representatives to mass media to monitor and verify whether the action is appropriate or not. The company has a sales department responsible for overseas distributors by meeting international dealers to summarize the past performance and to plan the future operations monthly.

A number of the company's distributors as of 31 December 2018 – 31 December 2021 are as follows:

Distributors (person)	2021	2020	2019	2018
Domestic Distributors	-	-	-	2
International Distributors	7	7	7	5

At present, the company's foreign dealers are as follows.

No.	Name	Responsibility Area
1.	Successmore Being Yangon Trading Co., Ltd.	Myanmar ⁽¹⁾
2.	SCM Trading Co., Ltd.	Myanmar ⁽²⁾
3.	Success More-Laos Sole Co., Ltd.	Laos
4.	Successmore Being Vietnam Co., Ltd.	Vietnam
5.	Successmore Being (Cambodia) Co., Ltd.	Cambodia
6.	Successmore Being (Malaysia) Sdn. Bhd.	Malaysia
7.	Successmore Being (Singapore) Pte. Ltd.	Singapore

Notes: 1. SCM Trading Co., Ltd. is an importer of the company and resold to Successmore Being Yangon Co., Ltd., both of which have the same major shareholders.

2. The dealer is not a person who is related to the company.

(7) Relevant Laws

The company operates a distribution business in the form of MLM under the Direct Selling and Direct Marketing Act 2545, with relevant government agencies as the Consumer Protection Division for Direct Selling Business and Direct Marketing Office of the Consumer Protection Board ("OCPB"). Direct sales and direct marketing committee are responsible for overseeing direct sales operators and following up on the conduct of business, checking the compensation plan whether it has been followed through the CPB or not, as well as accepting grievances from consumers who have been suffered or damaged as a result of the actions of business people, dealers or business operators.

In the past, the company has never been reported from OCPB that consumers have suffered or damaged from the company's business operation.

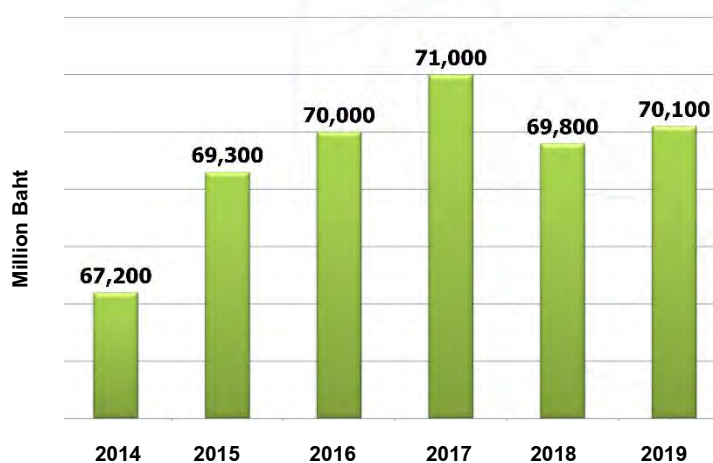
(8) Industrial Condition

According to the Thai Direct Selling Association (TDSA), Asia is a region that is continuously growing in direct sales business especially the direct selling market in the ASEAN region, which is the target of foreign entrepreneurs. This is because of the population of more than 600 million people and the behavior of people starting to pay more attention to the selling business including traditions that are consistent with direct sales practices as well. This can be considered from many foreign direct sales companies operating in the ASEAN region.

At present, the ASEAN region has established an ASEAN Direct Selling Association, which is called ASEAN DSAs (Direct Selling Association), consisting of 6 countries: Malaysia, Thailand, the Philippines, Indonesia, Vietnam, and Singapore. There is no direct selling association and clear direct selling-related laws. The association of the ASEAN Direct Selling Association will help strengthen the cooperation of the associations in the ASEAN countries to exchange knowledge of personnel, to do marketing abroad, to frame the concept of business operation. They will jointly create benefits at the regional level to enable entrepreneurs to grow and expand their businesses in the regional level more conveniently and efficiently. They also help combat behaviors that make direct sales appear unreliable, such as chain sharing.

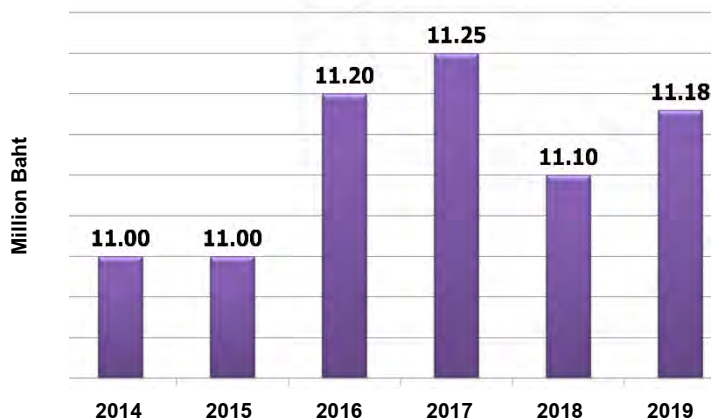
For Thailand, the total net market value of direct selling businesses in 2019 is 70,100 million Baht, making it the second in the ASEAN region after Malaysia. A number of businessmen and members 11.18 million people (including business people with Active and Non-Active status). 32 companies are members of the Thai Direct Sales Association and have direct selling laws that need to apply for permission to do business. The overview of the direct sales industry is that it has been growing steadily since 2014, resulting in intense competition within the industry from its major competitors. This includes competition for the market share of new entrepreneurs because the direct selling industry is an industry that is easy to start and the products of each company is similar, along with a variety of substitute products. Therefore, companies in the industry must adapt to prepare for fierce competition in the future.

Net Market Value of Direct Selling Business in Thailand in 2014 - 2019



Source: Thai Direct Selling Association (TDSA)

A Number of Direct Selling Business people in Thailand 2014 - 2019



Source: Thai Direct Selling Association (TDSA)

For an overview of the dietary supplement industry which is the main product group of Nutrinal Company, it was found that the food supplement industry in Asia is the largest market in the world. The behavior of each consumer group may differ. They can be divided into two consumer groups which are expected to be the main target group of the dietary supplement industry.

The Elderly

From the changing structure of the Thai population to an aging society making it undeniable that the elderly will be the main target for this industry in the future because they need some health-maintenance products to help heal ailments, to facilitate lives, and to reduce the chance of illness. The key factor in reaching this consumer group is the quality and reliability of products and services, including the ways to present the consumers. However, with the limitation of purchasing capability of the elderly that is not very high. It may also need to consider the purchasing power of the caregivers such as their children. Therefore, product offerings whing aiming at the elderly market may have to consider the satisfaction of the children who are the people who decide to shop for the elderly as well.

Young Generation

A new generation is a group of people who have grown up with the development of technology, the internet, and mobile phone. The group's age range is between 17 - 37 years, which is the main target of the company because the market is the largest and consumers in that age have a high purchasing capability To reach this group of customers, there will be differences from the elderly, ie, the new generation will have distinctive behaviors or lifestyles such as freedom and independence of thought, flexibility to adapt well to every situation and they do not like to be too obsessed with a particular product. Therefore, this group of people has a consumption behavior that is not attached to a particular brand but likes to change if they feel more satisfied with other brands. Moreover, the younger generation also has behaviors that are especially relevant to social media, so, online advertising can better reach this group of consumers. They also tend to trust in word of mouth telling from friends or more reputable people, such as a beauty Blogger or a YouTuber.

(9) Industrial Competition

Competition within the MLM Direct Selling Business

The company operates in a direct selling business model MLM, in which there are many entrepreneurs in the business both domestic entrepreneurs and foreign entrepreneurs who do marketing in Thailand. This results in having very high competition. There are approximately 5-6 large operators with approximately 40% of the market share based on total income, resulting in each company must have an appropriate compensation plan for their businessmen to create competitiveness and maintain the profit level of the company.

The details of the entrepreneurs that the company considered to be direct competitors are as follows:

1. AMWAY



Amway Corporation is a subsidiary of Ultcore, Inc., operates a direct sales business with Multi-Level Marketing (MLM) for Amway Thailand, established on May 4, 1987. At present, the head office is now located on Ramkhamhaeng Road, Bangkok with office space over 9,440 square meters and 83 service centers nationwide. It has over 500 quality products for sale and is the number 1 direct selling company,

in Consumer Network in Thailand and the world. At present, Amway Thailand has Amway businessmen who have Active status of 330,000 people.

Amway products in each country may sell different products, depending on the consumers' behaviors and the distribution requirements of each country. In case if they belong to the same group, they will have the same product name and the same standard all over the world. For Thailand, the product groups are divided as follows:

- Health supplement products: food supplements, meal replacement products, strainers, air filters
- Beauty products: Facial skincare, Cosmetics
- Personal care products: body cares, oral and dental cares, hair styling products, perfumes
- Home products: household products, kitchen implement products
- Agriculture products: Macronutrient fertilizers, performance enhancers
- Others

Also, Amway Thailand is also a distribution channel for quality products under the leading brands in both domestic and international markets under Personal Shoppers Catalog Products

Source: <https://www.amwayshopping.com/th>

2. Giffarine



Giffarine Skyline Unity Co., Ltd. was established on March 17, 1996, due to the determination of Thai doctors and pharmacists who intend to bring knowledge, capabilities, and experience in research to develop quality products for Thai people. The objective is to offer quality products at fair prices, making consumers be able to continually purchase them under the Giffarine brand. All of the products are manufactured in the Giffarine Group factory that has received international standard production.

The Giffarine company has 96 service centers nationwide with more than 300,000 affiliated businessmen. In addition to expanding member networks in the country, Giffarine has exported its products to more than 40 countries around the world such as Australia, Hong Kong, Korea, Germany, the USA, UK, Japan, etc. It also has a proactive policy to expand its MLM business in Asia through a business license. At present, the company has network operations in Myanmar, Malaysia, the Kingdom of Cambodia, etc. In terms of products, Giffarine is divided into product groups as follows:

- Products for health and quality of life: dietary supplements, juices
- Food products: healthy food, bakery, seasoning
- Cosmetics products
- Beauty and personal care products: facial care products, baby products, oral and dental care products
- General household products: cleaning products. strainers

Source: <https://www.giffarine.com>

3. Unicity



Unicity is an American business networking company that is a leader in the production of dietary supplements and health care. It has an intention of operating the business that all business people can achieve success and achieve their goals under the inspiration of sharing good things to the people around. It believes that the business opportunity structure of the company will help thousands of more people all over the world lead a better life.

Unicity Marketing (Thailand) Co., Ltd. was established in Thailand on August 27, 2002. The first office in Thailand is located on the 8th floor of the Swissotel Le Concorde Building, Ratchadaphisek Road, HuaiKhwang, Bangkok. Until now, Unicity has a well-known product in both domestic and international markets.

The company currently offers a wide variety of products with a focus on health products which can be classified by type as follows:

- Health products: dietary supplement products, products for bones and joints, vitamin supplement products
- Cosmetics
- Beauty products: body care products
- Soap, sunscreen
- General products: strainers, air purifiers

Source: <https://www.unicity.com/tha/>

4. Nuskin



Nu Skin Enterprise is an American network company founded in 1984 in the United States of America, Provo, Utah. The company is primarily focusing on the development of nutritional supplements under the Nuskin and Pharmanex brands.

From seeing the potential of the growth of the direct selling business in Thailand, the company, therefore, opened its operations in Thailand on March 13, 1997, with a commitment to improving the quality of life and the well-being of Thai people by offering products for beauty and health, along with creating business opportunities for the company's businessmen.

At present, Nu Skin Thailand operates in Bangkok and other provinces to be a service center for members and distributors nationwide. Its head office is located at Chamchuri Square Office Building, 15th Floor, Pathumwan District, which is a business center in the heart of Bangkok creating flexibility for the users to use the service more conveniently. Most of the company's products focus on beauty products such as skincare products and other products in all related to beauty and health which can be classified by product group as follows:

- Beauty products: skincare products, body care products
- Cosmetic products
- General products: oral care products

Source: <https://www.nuskin.com>

Product summary table of MLM operators classified by product groups

	Successmore	AMWAY	Giffarine	Unicity	Nu Skin
Food supplement product group	✓	✓	✓	✓	✓
Skin & Cosmetic product group	✓	✓	✓	✓	✓
Personal care product group	✓	✓	✓	-	✓
Household product group	✓	✓	✓	-	-
Agricultural product group	✓	✓	-	-	-
Technological product group (strainers, air purifiers)	✓ (strainer)	✓	✓ (strainer)	✓ (air purifier)	-
Kitchen product group	-	✓	-	-	-
Fitness product group	-	✓	-	-	-

Source: Website of related companies

3. Product and Service Procurement

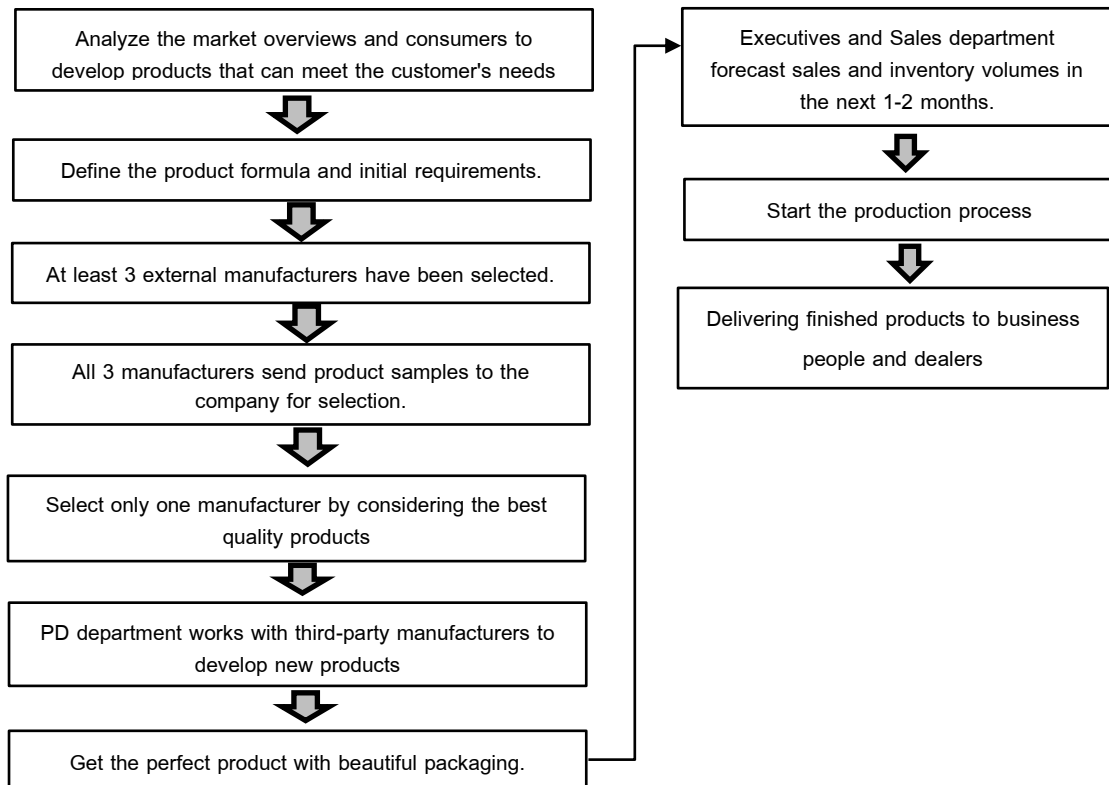
(1) Production Process

In case of hiring an external manufacturer

The company hires third-party manufacturers to produce products in the form of OEM (Original Equipment Manufacturing), where the company will determine the product formulation and product quality by themselves. The ownership of the formula of the product will be owned by the company produced under the company's trademark. The company will have the manufacturer supply all raw materials for production. There are only some products that the company will supply some of the raw materials and the manufacturer will request for product registration with relevant agencies according to the announcement of the Ministry of Public Health and the Ministry of Agriculture and Cooperatives that the person who has the right to apply for product registration must be the manufacturer only. The FDA number and the registration number are the property of the manufacturer. However, if the company wishes to change the manufacturer, new product registration is required by the new

manufacturer since the FDA number and the registration number will not be able to transfer. The company can use the production formula that the company owns to submit a new application.

The process of procurement of products and products from third-party manufacturers is as follows:



1. Study consumer needs, market overview, and forecast trends (Trend) in the future. The company will carefully study consumers' behaviors and analyze the possibility of launching new products that can meet the needs of consumers during that time, including the possibility to improve the formulation of the company's already sold products to be more efficient, to continue to increase/maintain market share of that product.
2. Determine the preliminary product recipe, including the advantages of the product by discussing between the company's management team and product development department.
3. Contact and select external manufacturers by selecting at least 3 persons, selected from certificates of quality and international standards such as GMP, FDA. The company will initially identify the needs of the product and product formula to the manufacturers so that all 3 manufacturers will send samples of products to the company to continue selecting.
4. The company will select only one manufacturer by selecting manufacturers those sample products of the highest standard and quality.
5. The company's Product Development team will work with the manufacturer to improve the formulation of the product samples to add properties/nutrients and/or improve the taste even better, etc. The performance test will be performed on the samples so that the results can be observed clearly and lead to further development.

6. When the product is complete, the manufacturer will request the FDA for a registration number and/or Halal from the relevant departments. And the company will use the said products to trademark at the Department of Intellectual Property, Ministry of Commerce. Moreover, the company will be the sole distributor of the manufacturer of such products (Exclusive).
7. The company's management and sales team will work together to plan the production at the appropriate level based on the inventory in the next 1-2 months and forecasting the market condition.
8. Start the production order process with a deposit of 30 - 50% of the value ordered in each lot. The average credit period is about 30 days and all conditions depend on the agreement between the manufacturer and the company.
9. Deliver products to businessmen/distributors.

In the case of producing products at their factories

Currently, a subsidiary within the group of companies (SML) has its manufacturing plant, located at 892 Ladkrabang Road, Ladkrabang Sub-district, Lat Krabang District, Bangkok 10520, with a total production capacity of approximately 15,000 pieces per month. There are 5 SKUs in total, including nutritional supplements F4, Orysamin, Right, Phytaplex and Vistaplex. Product Development and management will jointly develop product formulas and all required material.

For purchasing raw materials at present, SML is a self-procurement of raw materials, with are raw materials commonly used in industry, not specific from any one of them and procured from third parties who have no connection with the company.

In March 2020, the company acquired shares of SCM Innovative Company Limited ("SMI"), a company registered in Thailand in the proportion of 55% of the issued and paid-up capital. It will operate as a new manufacturing factory of the company for the benefit of saving production costs including flexibility in planning the long-term production which can be found in section 2.2.6, Future Projects.

Product registration with the Food and Drug Administration and other relevant agencies

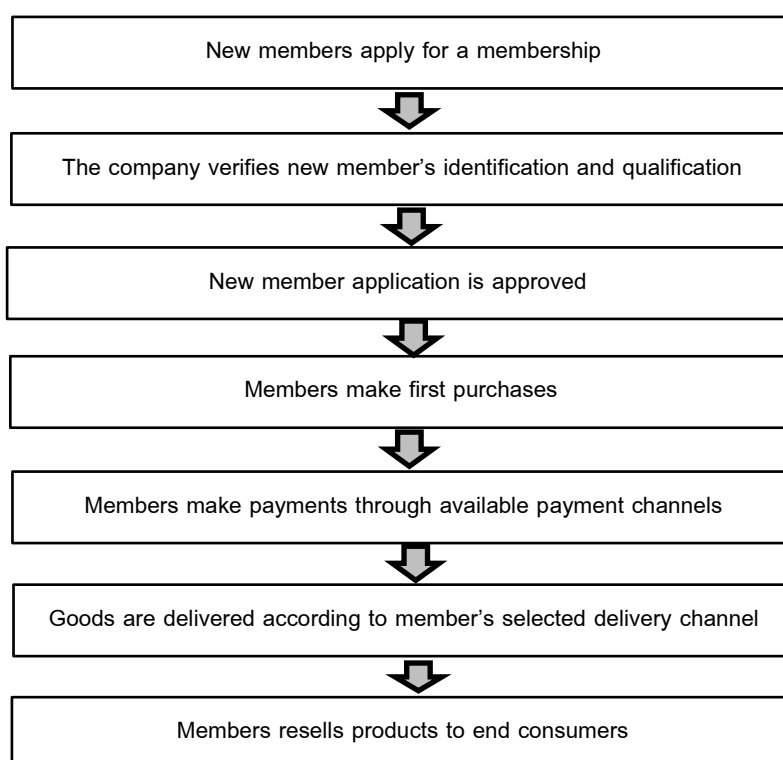
According to the announcement of the Ministry of Public Health and the Ministry of Agriculture and Cooperatives in the relevant agencies on Registration Issuance of certificate and the renewal of the certificate stipulated that Those who have the right to apply for product registration with the Food and Drug Administration or register fertilizer formulas with the Department of Agriculture, Ministry of Agriculture and Cooperatives is the manufacturer who owns the factory. Therefore, the FDA number and the registration number are owned by the manufacturer, so the company cannot apply for product registration with the Food and Drug Administration or request to register fertilizer formula with the Department of Agriculture Ministry of Agriculture and Cooperatives, and unable to transfer ownership in the FDA number or the registered number from the original manufacturer. However, the ownership of the production formula is the ownership of the company because it is under the conditions agreed in the product production contract that is agreed between the company and the manufacturer of the product whose company has the right to the aforementioned formula as specified in the agreement.

Therefore, in the case that the company wishes to change the manufacturer, the company will have to re-register the product with the relevant department, which can use the original production formula and the same trademark in applying for registration. When the contract for the original product manufacturer is terminated, the original manufacturer will no longer be able to operate the production under the company's proprietary formula.

(2) Process of business people and distributors

Business People Operating Procedures

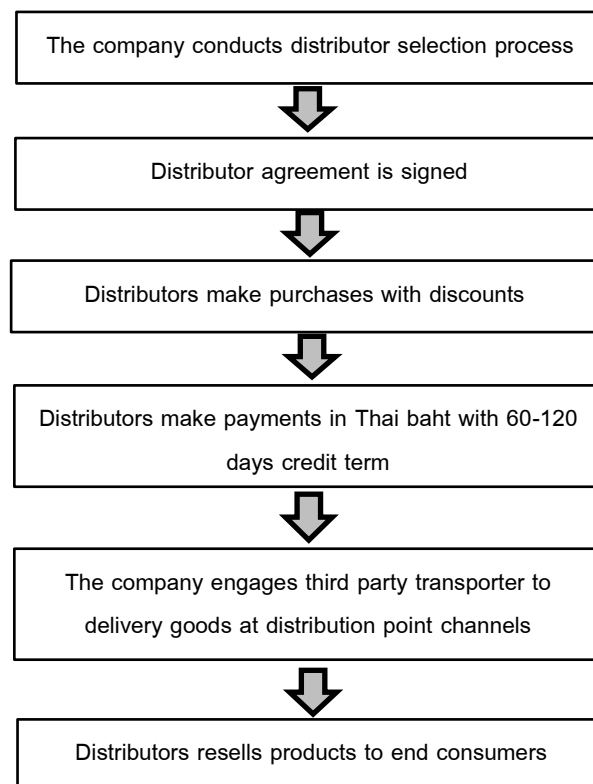
The steps in the business operation start from the application of membership to become the company's businessmen until selling products to consumers. There are steps to do as follows.



No.	Steps	Details
1	Register	Interested persons can apply for membership as the company's businessmen with an application fee of 300 baht by submitting documents at the service center or applying online. Applicants must be individuals 18 years of age or over. More details about the membership will be further considered in clause 2.2.4.
2	Order	Businessmen order products from the company through the store, phone, or online, then they will earn PV points according to the conditions when placing an order. Orders can be divided into (1) Regular Order (ROC) and (2) Special Order (BMC), which can be further considered in clause 2.2.6.
3	Purchase	Businessmen can pay by themselves at the service center, the bank counter, or ATM (Pay within the next day for phone and online orders)

No.	Steps	Details
4	Ship and deliver	Businessmen can pick up the products by themselves at a branch or headquarters, or let the company deliver, which the shipping fee depends on the weight. It may offer free shipping if ordered according to certain criteria.
5	Distribute to customers	Businessmen bring their products to resell or use for personal consumption. The company has strict control over the selling price, not to exceed the retail price or lower than the price that businessmen bought from the company.

Operating procedures of product distributors



No.	Steps	Details
1	Appoint a representative	The company appoints a person or a juristic person to be a distributor in the form of Non-exclusive. The agent is responsible for conducting business in the form of MLM or distribution of the company's products through various channels in the specified area and has the right to use the brand SUCCESSMORE.
2	Order	Dealers order products from the company at the standard price that the company sells. Each agent will have a different limit for ordering products. The agent may be entitled to receive the discount as the company deems appropriate.

No.	Steps	Details
3	Purchase	The dealer pays in Thai Baht. The average credit duration is 60 - 120 days from the date of delivery of the order. Apart from the product cost, the dealer also has to pay an entrance fee and annual service fees to the company as well, each of which has different conditions.
4	Ship and deliver	The company delivers products to foreign agents with FOB terms at the delivery point in Bangkok, NongKhai, Trat, etc., depending on the destination. There is a warranty from such third parties if an accident occurs during transportation to the dealers.
5	Distribute to customers	Businessmen bring their products to resell or use for personal consumption. The company has strict control over the selling price, not exceeding the retail price or lower than the price that businessmen bought from the company.

4. Assets used in business operation

The Company has the following operating assets:

- (1) Fixed assets comprise land, building, leasehold improvement, furniture & fixture, office equipment, computer and vehicles.
- (2) Intangible assets comprise computer software, software under development and business combination
- (3) A registered trademark

(Please refer to Attachment 4 for the list of operating assets.)

The company has entered into an insurance contract to cover the risks that may occur to the business and assets of the company. At present, the details of the insurance policies of the group are as follows:

Types of Insurance	Location	Insurance Limit (Million Baht)	Insurance Period	Beneficiaries
Industrial All Risks	Furniture and stock products at all branches and the head office of the company and SML as well as various furniture of SPT and SMI.	205.83	1 May 2021 - 1 May 2022	The company and /or SML and/ or SPT and/ or SMI

5. Work not yet delivered

- None-

6. Awards and Achievements

Awards of the Company

- Award: "Thailand's Smart Awards 2018" in the category of best and organization by the Department of Business Development of the year 2018
- Award: "Cheewajit Awards 2020" in the category of innovation Reader's Vote of S.O. D More and S Vera Plus

- Award: International Gold Medal Award “International Invention Innovation Competition in Canada, iCAN 2021 Canada”

Awards of Dr. Sitthawee Kriatchawanun (Chairman of the Executive Committee)

- Award: “Role model in the personal care and pharmaceutical business” for the quality role model of 2017
- Award: “Asia Pacific Entrepreneurship Award 2018” in the category of direct Selling, which is an Asia-Pacific Regional Award 2018

Awards of Mr. Noppakrit Nithilertvijit (Director / Chief Executive Officer)

- Honorary plaque “A role model who has made academic merit to the Thai direct sales industry” by the College of Management Studies, Sripatum University 2016
- Award: “Outstanding Executive of the Year 2016” by the Prime Minister’s Office for the year 2016
- Award: “Best Executive” by Market Analysis (TaladVikror) Newspaper 2016 and 2017
- Award: “CEO OF THE YEAR” by the Radio and Television Broadcasting Association of Thailand together with the ASEAN People’s Media Council of Thailand for the year 2017
- Award: “Asean Awards 2018 Best of ASEAN Executives of 2018” by Global Awards Enterprise 2018
- Award: “Thailand’s Smart Awards 2018” in the category of outstanding management businessmen and team development, by the Department of Business Development for the year 2018
- Award: “Outstanding Alumni of the Year 2019” by National Institute of Development Administration (NIDA)
- Award: “Outstanding Alumni Outstanding Contribution to the 50th Anniversary” by the Demonstration School of Prince of Songkla University
- Award: “Thailand’s Smart Awards 2019 Privilege Award” in the category of corporate Governance Achievement by the Ministry of Digital Economy and Society.
- Award: “A role model in the business of personal care and medical supplies” for qualified individuals for the year 2020 by the Foundation of the Science and Technology Council of Thailand (IPST), supported by the Ministry of Science and Technology Council of Science and Technology Society of Thailand (IPST)

7. Information Technology

Information technology systems are extremely important in the management of the company’s businesses and businessmen. It helps to quickly and accurately calculate the return of businessmen. It can also respond to the needs of users quickly making it easier to manage business people and track the movement of the score balance daily to analyze company performance and for flexibility in organizational strategy as well.

Businessmen can log in username and password that the company creates to check the status of the PV score, their line diagram, including considering people related to their line of work as well. You can log in via smartphone or personal computer for ease of work.

For internal operating systems, the company started to use Microsoft Dynamic NAV, an enterprise resource planning system. The system has linked various processes and business operations together through the same online system, which can respond immediately. This enables the company to manage the process of sending orders, production planning effectively. It also provides real-time online information to be able to make decisions and control work better.

The company and the group companies share all technology and use the same policies and safety measures. They focus on enhancement, capability, safety, and mobility. There is a data center at the head office and a network that distributes data to all operating units of the company. The company also has backups from the company's data centers stored in the Cloud Backup system by the company backup center, Internet Thailand Public Company Limited.

8. Environment and Safety

Environment

The main factory is SMI, which is a subsidiary. It is subject to environmental protection laws and regulations, strictly according to the Ministry of Industry regulations. SMI is currently testing its machine process to prepare for the product production. It is expected to start operations in the first quarter of 2022.

Security

The company supervises the employees of the company to work with safety and compliance regarding applicable safety regulations. The company will designate the person responsible for safety that can reduce injuries and accidents in the factory. The company makes yearly adjustments on safety and environmental goals and conducts an annual assessment of the actions of each department. The results of the evaluation will be reported and used in further consideration of the company's safety management.

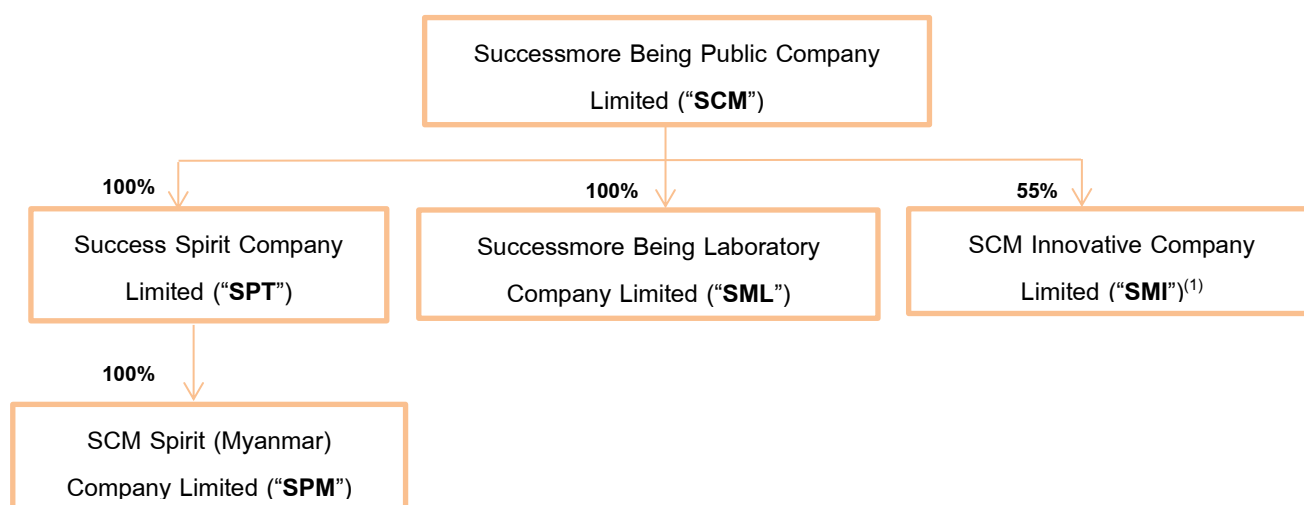
The company organizes training on safety, occupational health, and working environment for employees. The training includes safety orientation for new employees, safety training to managers and supervisors, and other special safety training courses such as basic firefighting methods and fire safety, electrical safety, first aids. The company has hired external auditors to inspect the quality and safety of the factory regularly to review the safety management system.

The company constantly improves the communication guidelines about the safety of employees at all levels by encouraging employees to discuss safety issues and to have opinions on how they can improve the management of safety, health, and the environment.

Also, the company's factory receives GMP (Good Manufacturing Practice) standard, which is a standard for operating in the production process that is efficient and safe for factories and products that are produced. And it also receives HACCP (Hazard Analysis Critical Control Point) standards, which are certified systems for hazard analysis and critical control points in food production by the Department of Agriculture and Bureau Veritas, a quality management system with safety measures to ensure that food products processes are free of pathogens, chemicals, and contamination.

1.3 Company Group's Shareholding Structure

1.3.1 AS of 31 March 2021, the company group's shareholding structure is as follows:



Note: 1. Shareholders of SCM Innovative Company Limited ("SMI"), holding 45% of the total registered capital, are Zen Biotech Company Limited ("ZEN"), which is not a connected person with the company. ZEN is the main contractor of the company that generally operates the business of producing products for outsiders, and ZEN will take over and control the production of products in SMI.

(1) Division of Operations of Companies in the Group

Successmore Being Public Company Limited ("SCM")	Businesses selling food supplements and products in the consumer products group both domestically and internationally in the form of a direct sales network (Multi-level Marketing or MLM)
Success Spirit Company Limited ("SPT")	Operating research and development of supplements products, cosmetics, and seminars.
Successmore Being Laboratory Company Limited ("SML")	Operating factories' production and distributing food supplements and cosmetics for distribution within the group of companies.
SCM Spirit (Myanmar) Company Limited ("SPM")	Operating personnel services and organizing seminars only in Myanmar.
SCM Innovative Company Limited ("SMI")	Operating factories production and distributing food supplements and cosmetics for distribution within the group of companies

(2) Investing in other companies in which the company holds shares of 10 percent or more.

Company Name	: Success Spirit Company Limited
Registration Number	: 0105560204144
Paid-up Capital	: 10.00 Million Baht
Shareholding Proportion	: 100 percent of paid-up capital
Nature of Business	: Operating research and development of supplements products, cosmetics, and seminars.
Head Office Location	: 10/1 Soi Vibhavadi Rangsit 36 Ratchadapisek Road, Chatuchak Sub-district, Chatuchak District, Bangkok Metropolis, 10900

Company Name	: Successmore Being Laboratory Company Limited
Registration Number	: 0105557180426
Paid-up Capital	: 5.00 Million Baht
Shareholding Proportion	: 100 percent of paid-up capital
Nature of Business	: Operating factories' production and distributing food supplements and cosmetics for distribution within the group of companies.
Head Office Location	: 892 Lat Krabang Road, Lat Krabang Sub-district, Lat Krabang District, Bangkok 10520

Company Name	: SCM Spirit (Myanmar) Company Limited
Registration Number	: 104651291
Paid-up Capital	: 50,000.00 USD
Shareholding Proportion	: 100 percent of paid-up capital
Nature of Business	: Operating personnel services and organizing seminars only in Myanmar
Head Office Location	: Building No.993, Room No. (B), Aung ThaPyae12St., 7 Quarter Thar Kay Ta Tsp Yangon, Myanmar

Company Name	: SCM Innovative Company Limited
Registration Number	: 0135562027258
Paid-up Capital	: 100.00 Million Baht
Shareholding Proportion	: 55 percent of paid-up capital
Nature of Business	: Operating factories production and distributing food supplements and cosmetics for distribution within the group of companies
Head Office Location	: 36/53 Moo 13 Bueng Kham Phoi Sub-district, Lam Luk Ka District, Pathum Thani 12150

1.3.2 A person who may have a conflict of shareholdings in a subsidiary or an associated company in a total of more than 10% of the voting shares

Shareholders of SCM Innovative Company Limited ("SMI"), holding 45% of the total registered capital, are Zen Biotech Company Limited ("ZEN"), which is not a connected person with the company. ZEN is the main contractor of the company that generally operates the business of producing products for outsiders, and ZEN will take over and control the production of products in SMI.

1.3.3 Relationship with the business group of major shareholders

- None -

1.3.4 Shareholder

(1) Top 10 major shareholders list as of 31 December 2021

Rank	Shareholders	Shares	Shareholding Proportion (%)
1.	Dr. Sitthawee Kriatchawanun's family group	209,700,000	34.95
2.	Mr. Noppakrit Nithilertvijit's family group	139,485,000	23.24
3.	Mrs. Ananya Yaowansiri's Family Group	78,706,000	13.13
4.	Mr. Athirot Lertritathikit	35,242,800	5.87
5.	MORGAN STANLEY & CO. INTERNATIONAL PLC	25,376,400	4.23
6.	Thai NVDR Co., Ltd.	23,254,569	3.88
7.	Mr. Wichai Wichianwatthanachai	13,863,500	2.31
8.	Mr. Kittapon Teerachinkun	10,696,900	1.78
9.	Mr. Thotsaphon Arunrungrueangkit	7,149,800	1.19
10.	Mr. Wiboon Kosolthanawong	5,393,700	0.90
Total		548,868,669	91.48

The family group is as follows:

Rank	Shareholders	Shares	Shareholding Proportion (%)
1.	Dr. Sitthawee Kriatchawanun's Family Group	209,700,000	34.95
1.1	Dr. Sitthawee Kriatchawanun	184,500,000	30.75
1.2	Miss Kamonthip Kriatchawanun	25,200,000	4.20
2.	Mr. Noppakrit Nithilertvijit's Family Group	139,485,000	23.24
2.1	Mr. Noppakrit Nithilertvijit	138,600,000	23.10
2.2	Mrs. Thanyarat Nithilertvijit	625,000	0.10
2.3	Mr. Nanthawat Nithilertvijit	260,000	0.04
3.	Mrs. Ananya Yaowansiri's Family Group	78,706,000	13.13
3.1	Mrs. Ananya Yaowansiri	54,126,300	9.02
3.2	Mr. Chinnapong Yaowansiri	18,873,900	3.15
3.3	Mr. Chinkrit Yaowansiri	4,655,800	0.78
3.4	Mr. Kajornwut Yaowansiri	1,050,000	0.18

Note Investors can visit the company's website www.successmore.com., under the Investor Relations category Shareholder Information for the information as of the closing date of the current shareholder register book from before the 2022 Annual General Meeting of Shareholders.

● **Information on the distribution of shareholders' equity as of 31 December 2021**

Shares Distribution	Shareholdings			Juristic Person			Ordinary Person		
	Persons	Shares	%	Persons	Shares	%	Persons	Shares	%
- Holds shares more than 0.5%	15	529,957,869	88.33	2	48,630,969	8.11	13	481,326,900	80.22
- Hold shares not more than 0.5% but not lower 1 board lot	2,626	70,039,649	11.67	5	1,018,900	0.17	2,621	69,020,749	11.50
- Holds shares lower than 1 board lot	144	2,482	0.00	0	0	0.00	144	2,482	0.00
Total	2,785	600,000,000	100.00	7	49,649,869	8.28	2,778	550,350,131	91.72

● **Institutional Investor Ownership Proportion**

The company has no institutional investor ownership.

● **A group of major shareholders who, by behavior, have a significant influence on the policy, management, or operation of the company. (For example, a person is sent to be a director with management power (authorized director))**

- None-

● **Cross Holding**

- None-

(2) **Business operation by holding shares in other companies) Holding Company)**

- None-

(3) **An agreement between the major shareholders that affects the issuance and offering of securities or the management of the company and matters affecting the operations.**

- None-

1.4 A number of registered capital and paid-up capital

1.4.1 A number of registered capital and paid-up capital

- The company has a registered capital of 400,000,000 Baht, a paid-up amount of 300,000,000 Baht divided into 800,000,000 common shares with a par value of 0.50 Baht per share.
- The company is listed on the Stock Exchange of Thailand (SET), a service industry group, commercial category. Trading commencement date 8 September 2020.

1.4.2 Other types of shares with rights or condition different from ordinary shares

- None-

1.4.3 The company's shares or convertible securities are the underlying securities for the issuance of investment units of the Thai Trust Fund and the Warrant of Benefit arising from the Thai Underlying Securities (NVDR).

- None-

1.5 Other Insurance of Securities

1.5.1 Convertible securities

The Warrants to purchase ordinary shares (Warrant)

Name of Securities	Details
Warrant to purchase Ordinary Shares No.1 (SCM-W1)	- Issuance of warrants amounting of 199,998,673 units - Issuance shares for reserve amounting of 199,998,673 shares (par value equal Baht 0.50) - Type of warrant; specify name and Transferable - Lifetime of warrant equal 2 year (counting from date of issuance) - Date of issuance; December 22, 2021 - Offering to existing shareholders as the ratio of 3 ordinary shares to 1 warrant (no charge) - 1 unit of warrant has right to buy 1 ordinary Share as Baht 9 per share - Last exercise date; last business day of 21 June and December of each calendar year - First exercise date; June 21, 2022 - Final exercise date; December 21, 2023

1.5.2 Debt Securities

-None-

1.6 Dividend payment policies of the company and subsidiaries

The company has the policy to pay dividends at the rate of not less than 50 % of the net profit after deducting corporate income tax for the separate financial statements and after deducting various reserves of all types as required by the law and the company. The payment of dividends does not significantly affect the normal operation of the company. The payment of dividends must be approved by the shareholders' meeting, except it is an interim dividend which the Board of Directors may approve the payment of interim dividends from time to time when it considers that the company is profitable enough to do, and report the payment of the interim dividends to the shareholders' meeting in the next time. However, such dividend payment is subject to change depending on necessity and another suitability as the Board of Directors deems appropriate by considering various factors. It is mainly for the benefit of the shareholders such as economic conditions, performances and financial conditions of the company, financial liquidity, cash flow, reserves for business management, business expansion, and investment in the future, reserves for the loan pay-off or as working capital within the company. The conditions and limitations as specified in the loan agreement and the dividend payment do not affect the normal operation of the company significantly

The dividend payment of the subsidiaries will be under the approval of the Board of Directors and the shareholders' meeting of each subsidiary. The subsidiary company has the policy to pay dividends to shareholders at the rate of not less than 50 % of the net profit from the separate financial statements after deducting corporate income tax and various reserves of all types as specified in the laws and regulations of each subsidiary company, but there must be no accumulated loss in equity. However, such dividend payment is subject to change depending on necessity and another suitability as the Board of Directors deems appropriate by considering various factors. It is mainly for the benefit of the shareholders such as economic conditions, performances and financial conditions of the company, financial liquidity, cash flow, reserves for business management, business expansion, and investment in the future, reserves for the loan pay-off, or as working capital within the company. The conditions and limitations as specified in the loan agreement and the dividend payment do not affect the normal operation of the company significantly

Dividend payment information for the past year

Successmore Being Public Company Limited (Separate Financial Statements)		2021*	2020	2019	2018
Net earnings per share	(Baht)	0.34	0.14	0.14	4.04
Net dividend per share	(Baht)	0.29	0.086	0.143	2.238
Net Dividend payout	(%)	85.71	65.19	94.06	93.97

Note * The Board of Directors Meeting No. 1/2021 held on 23 February 2022 resolved to propose to the Annual General Meeting of Shareholders of 2022 which is scheduled to be held on April 26, 2022, to approve the payment of a dividend from the operating results for the year 2021 at the rate of 0.29 Baht per share. The company has paid an interim dividend at the rate of 0.12 Baht per share, the rest will be paid at the rate of 0.17 Baht per share.

2. Risk Management Policy

2.1 Risk Management Policy and Plan

The Extraordinary General Meeting of Shareholders No. 1/2019, held on February 20, 2019, approved the risk management policy whereby the company and its subsidiaries be aware of the importance of risk management, which is considered part of good corporate governance and the basis for helping achieve the company's objectives. In this regard, risk identification and management will help the company to make better decisions both in overall management, project planning, finance, work process. It also helps see opportunities and be able to mitigate the impact from important events that may occur to the shareholders. The company has established a risk management policy to cover the entire organization and supervise the system or risk management processes. The measures to mitigate the risks of the company and its subsidiaries are as follows:

1. The company will set up a system, a risk management guideline, and ways to mitigate potential impacts, including risk analysis to be in line with international standards of strategies and business goals.
2. The company will manage the business risks to the acceptable level (Risk Appetite) or deviate not exceeding the acceptable level (Risk Tolerance) to achieve the company's objectives by requiring the company to make an annual business plan, work management, and risk management before investing in projects.
3. The company will have a process for monitoring and reviewing the risk management according to the plan. It will assess the results, prioritize, track reports and evaluation, and continuously communicate information about risks to put into practice throughout the company.
4. All executives and employees are responsible for participating in risk management and risk assessment of the work for which they are in charge as specified by the company.

2.2 Risk Factors for the Company's Business Operation

Risk factors that the company considers that it was significant and may cause an impact on the financial position of the company, performance of the company, and the value of the company's ordinary shares. Besides, it may affect the return on investment in the company's ordinary shares. The ways to prevent such risks can be summarized as follows

2.2.1 Business risks of the company or group of companies

(1) The risk from dependence on Dr. Sitthawee Kriatchawanun And Mr. Noppakrit Nithilertvijit, Executive and Major shareholders of the Company

Dr. Sitthawee Kriatchawanun and Mr. Noppakrit Nithilertvijit is the founder, executive of the company's core business. They are also a long-time veteran in network marketing and have a good knowledge and understanding of the business. At present, Dr. Sitthawee Kriatchawanun and Mr. Noppakrit Nithilertvijit is the Chairman of the Executive Committee and Chief Executive Officer respectively. Also, they are the people who lay the stable business foundation and inspiration for the company's businessmen through training, seminars, and networking business activities both inside and outside the organization to enable business people to sell products efficiently. Therefore, if both persons cannot be executives of the company in the future, it may affect the results of operations and financial status of the company.

The Company gives great importance to the risk of relying on both executives. There are a succession plan and a policy for developing executive directors and staffs by organizing internal training and encouraging employees to participate in external training courses, to develop knowledge and abilities, to keep up with the events as well as to gain experiences to step up to the highest management level of the organization.

(2) The risk from having a distributor debtor in Myanmar as the main debtor and the uncertainty of the laws related to the ban on direct selling network in Myanmar

Originally, distributors in Myanmar had run a direct sales business as usual. Until September 2018, the Government of Myanmar by the Ministry of Commerce issued announcement No. 46/2018 to cease direct sales operations in Myanmar, which will be put into effect immediately. Anyone who runs a network in Myanmar will face a 6-month to 3-year imprisonment and a fine of up to 500,000 Burmese Kyat. Myanmar's political crisis still causing uncertainty. As a result, the consideration of the draft law relating to Direct Selling business has paused. Therefore, the impact has prevented the distributors in Myanmar from conducting the sales and activities related to the direct sales business. They can only sell products at stores or sell products to the final consumers, as usual, thus the company has affected the performance, financial status, and future business opportunities. Issues relating to operating business in Myanmar can be summarized as follows.

Current business models and regulations

The company has started operating the business with distributors in Myanmar since 2015 due to seeing the opportunity and potential for the growth of marketing products by expanding the network of business people. It was started with the study of business models and got to know the shareholders of the distributors in Myanmar, who are interested in direct sales and also have potential. In 2016, the company signed a distributor appointment agreement. (Distribution Agreement) with Successmore Being Yangon Trading Co., Ltd. (SBYT) to be appointed as a distributor in Myanmar. SBYT will pay a license fee to the company annually throughout the contract period for the use of the SUCCESSMORE brand in business and will buy products from the company at dealer price. It will bring the products to market in Myanmar through direct sales methods. In the past, the company was successful in business negotiations with SBYT with a continued increase in product orders and it represents a significant proportion when compared to the revenue from foreign channels. At present, Myanmar distributors have five storefronts, namely, their headquarters in Yangon. Mandalay branch, Mawlamyeng branch, Manichina branch and Taunggyi branch. However, the company is unable to operate the direct sales business by itself due to Myanmar's law that prohibits companies that do not have Burmese citizenship from operating domestic direct selling business. The company has to market in Myanmar through distributors instead.

However, during 2017, the government of Myanmar has passed additional laws requiring companies that operate the business of importing products to have the purpose of importing goods only. They cannot be a product seller. Companies operating businesses selling products are required not to be importers. Therefore, the shareholders of the distributors have to divide the distributors into 2 companies to operate the business according to the specific objectives of each organization. SBYT will pay royalties to the company annually throughout the contract period for the use of the SUCCESSMORE brand in conducting business under the dealer appointment agreement while SCM Trading Co., Ltd. (SCMT), a new company established in September 2017 by the same group of shareholders and directors after the announcement of the ban on importers to sell products in Myanmar, will conduct a transaction with the company to order products according to the specified price with no annual compensation paid to the company.

With reasons of such uncertainty, therefore, distributors of the products cannot operate the business in a direct sale. They can operate a specific business at the storefront, or can only sell products to the final consumer only. The merchandiser will pay the members in the form of Commission Rebate based on the purchase amount, which is not a compensation plan in the form of a networking business where compensation usually depends on the number of members, an adjustment of the position of members under the line of work, and the total purchase number of businessmen under the line, etc. Therefore, in 2018, distributors in Myanmar have been delayed to fit the changing business model. As a result, the income from selling products through international distributors and the revenue of seminars hosting for that year overall is decreased. It is expected to grow down from the relatively high growth in the past until the law of direct selling business in Myanmar is clearer.

Risk factors related to operating business in Myanmar

At present, Myanmar's economy is characterized in many ways that are different from those of developed countries. This includes the level of government involvement, level of development and foreign investment control, access to funding, and the development and integrity of the country's legal system, thus making it a risk from operating business in Myanmar that the company is facing. However, the company has mitigated the risks from operating business with a distributor. The distributor is a resident of that country. They would be familiar with the environment, economy, politics, and various relevant regulations more than the company. They are also able to reach local people to market more effectively.

Hence, the key risk issue is the important of the content of Direct Selling law, which the management team expect to wait until the end of the Myanmar government's political problems. However, in cases where such laws are more clarify, the company will able to adapt business strategies to comply with legal requirements for the maximum benefit of the company and shareholders. The Company cannot certify that such changes in laws, rules and regulations and others any future related changes in law enforcement policies, which are not have a material adverse effect on the business opportunity and the Company's operations in Myanmar.

In addition, the term credit was originally given to the dealer from the company for 180 days because, in the past, the company wanted to expand its business in Myanmar. This country has restrictions on import licenses, which each operator has a limit of approximately 100,000 USD per import license. The operator must complete the purchase order per 1 license before being able to pay the seller. Therefore, there will be a delay in payment from the date of receipt of the product. However, the company is more aware of the risk of debt repayment and has supervised the payment of the debtor who is the dealer of Myanmarincluding others closely. Currently, the credit term has been negotiated for the debtor to be reduced to 120 days to provide a faster standard of payment than in the past. Also, there is a limit for purchasing products including accrued income for distributors in Myanmar at 40.00 million Baht. The accrued incomes are accrued trip fees, accrued seminar fee businessmen commissions charged from the dealers to limit the outstanding amount per time and limit the loss if the customers are unable to pay. Also, the company has regularly monitored all debtors' payments. In the past, it has been able to collect money all the time. There are ways to increase sales and distributors in other countries to distribute income channels and the risks of relying on a few foreign distributors.

To tighten the operations and to prevent the problems of overdue receivables that may arise in the future, the company therefore considers and approves the policy on selecting and appointing distributors and guidelines for tracking account receivable and preventing overdue trade receivables as follows:

Distributor Selection and Appointment Policy

1. Consider selecting a product distributor by mainly considering countries that have clear and unambiguous laws on direct sales license applications to prevent any problems that may arise in the future.
2. Carefully consider the distributor's financial and commercial credit status by considering the financial statements of the agent, private property details, and history of operating various businesses.
3. Consider the experience in operating network marketing.
4. Consider a limit on the purchase limit for products with credit to prevent damage arising from the default of the distributor. It will be considered according to each country to set a limit that is appropriate for the situation, product sales of the distributor, and liquidity in the business operation of the distributor.

Guidelines for tracking trade receivables and preventing overdue receivables

1. Consider appointing a debt collection working group for foreign dealers and advisory team to track total trade accounts receivable and accrued income from foreign dealers, to report trade accounts receivable status, to remind and call for trade accounts receivable balance that is nearing due, to proceed for the senior management team to give advice and care closely, and to visit the area to collect debts if it is near the due date.
2. For dealers in Myanmar, the company will consider selling the products by considering together with the report on the stock of products in Myanmar branches to select and sell only products that do not have a number of long stock of products at a branch in Myanmar. The company will consider selling only popular products and easily able to sell through the storefront to provide dealers in Myanmar with a product that can quickly generate cash flow to prevent damage from debt default of Myanmar dealers.
3. Consider presenting information about the current status of debt collection to regularly report to the Executive Committee Meeting at every meeting held twice a month for all Executive Directors to acknowledge the status of the debtor and the accrued income to jointly find solutions and approaches for debt collection that are close to due. Besides, the company will present the current status information on debt collection to reporting to the Audit Committee meeting quarterly to inform the current status of accounts receivable and accrued income to consider solutions and make suggestions later.

(3) The risk from hiring original equipment manufacturers (OEM) and mainly relying on a group of contractors

The company hires third parties to produce OEM products from various manufacturers, mainly from both domestic and overseas in the form of joint research and development of product formulas. At present, there are only 5 types of products that the company manually produces by itself, while the rest of the products will be hired by a contractor for the entire production operation. The company will have its research and development team working with the manufacturer's factory. Each product manufacturer will enter into a commercial contract with the company to produce that kind of product for the company. Generally, all types of products that are distributed must pass a request for a mark from the Food and Drug Administration. ("FDA sign"). In the case that employment is for a product, the mark

will be registered with the manufacturer, while the company will own the ownership of the product formula and the trademark only. Therefore, in the case that there is an incident with the manufacture that causes the factory to be unable to continue production, the company will be not able to continue selling such products. The FDA mark will not be transferred to other manufacturers to produce the products, making the company's operations may be interrupted and affect the company's operating results and financial status.

This is because the company manufactures has a good track record of dealing with the company and have expertise in manufacturing that product, Therefore, there may be a risk from relying on the manufacturer of this product in case of being unable to produce the products in the future, including the case that this company is unable to deliver the products as agreed upon quantity and time which may affect the company's business operation.

The company is aware of the issue of dependence on a contractor, especially the risk of the FDA mark of the product that is now with the manufacturer's factory. However, such a producer group is considered a well-known manufacturer and has productions for many companies. The company has a long history of dealing with this product contractor from the beginning to the present and also has a good history of trade dealings with each other. Therefore, the company has chosen to use this contractor to produce the main product items of the company. In addition, in the case that this group is unable to produce products in the future, the company can choose other manufacturers, which can be a manufacturer that the company currently uses or possibly another manufacturer to produce products, depending on the company's consideration. Also, there is a policy to increase the proportion of self-production of products in the future to reduce production costs and reduce dependence on third-party manufacturers. This will make the company reduce the risk of dependence on the contractor in the future. In the past, the company has never changed manufacturers due to quality defects because all manufacturers have maintained their production standards and have a good relationship with the company.

The company has hired several manufacturers, each of which can produce many types of products. In case there is an incident that the manufacturer company is unable to continue the production of the product and the company still intends to sell that type of product, the company can terminate the employment of the said manufacturer. The company can request a new FDA mark by SML, SMI, or other contract manufacturing companies. However, the ownership of the product formula and brand still belongs to the company, so the company may consider using the original production formula or adjust the formula and may consider using the original trademark or designing and registering a new trademark in a similar manner to the original product or in a same way to the original product, or according to the company considered appropriate for the customer groups. For the said products in the event of the above incident, the company expects that the request for the FDA mark and the new trademark registration will take approximately 2 months before it can legally distribute the product.

At present, the company has entered into a production contract with a product contractor. There is a deposit of 30% to 50% of the value of each product order. The remaining amount will be paid to the contractor upon receiving the complete product right on time with the quality as agreed. Therefore, there is a limit on the damage value in the case that the manufacturer is unable to deliver the product after an order has been made. In the past, the company has always had a good track record of dealing with manufacturers and has never had a history of not receiving products from a contractor after placing an order under a joint contract.

(4) The risk from business people misconduct of rules, ethics, and laws and be complained by consumers making damage and defame the company

The company has established a code of business ethics to be the same standard for all businessmen, for example, forbidding businessmen from selling products that are lower than specified thus the company faces a risk that the businessperson may violate the company's ethics including various related laws. The company may receive complaints from consumers to the Office of the Consumer Protection Board ("OCPB") in the case that the company's products are not up to standard or the consumers have been damaged from the actions of businessmen. Because there are many company's business people scattered in many areas, causing the company to be unable to control thoroughly. In this case, the company may damage its reputation and be damaged that may affect its operations and financial status.

In the past, the company had canceled 263 members due to violations of rules, such as selling lower prices, doing the same business with competitive nature, applying but the agent does not operate, etc. The company has an internal team that monitors the situation in the market whether there is a violation or not. There is also a channel for businessmen or others involved to complain if the businessmen behave inconsistently with the code of ethics. In addition, the company has clear guidelines in selecting business people considering the member's age, maturity, identity, and ability to conduct business.

Also, the company has a policy for all related parties to communicate with businessmen and personnel of the company to know the company's policies and the code of business conduct regularly. There are also penalties for offenders, such as an admonition or a cancelation of membership as mentioned above. This helps screen the company to have businesspeople with good quality, morals, and ethics. From the past until today, the company has never received a report from OCPB that there are complaints from consumers who have suffered from damages from the company's business operation.

(5) The risk from a limitation of the number of businessmen and dependence on the main business groups of the company

The company operates a distribution business in a network marketing which the incomes from operating of the company are important factors coming from the driving of the company's businessmen, in particular, high-ranking businessmen who are the main business people of the company. The company may be at risk in the case that the expansion of new businessmen is not as expected, or any cases that significantly affect the expansion of businessmen.

In this regard, the company has a risk in case of the main business persons and the overall number of businessmen of the company decreased by releasing the status of the company's businessmen, for example, canceling the networking business, becoming a network businessman for another network company, etc. This could be due to many reasons such as moving to other places for better returns. The new generation of businessmen is forwarding the concept and building a network of young businessmen who are not tenacious enough and not as competent as the previous generation. This makes it the younger generation is more difficult to find their line of work together with the intention not to renew the membership of the businessmen because they only want to be consumers. This may cause businesspeople to not order products or less order. Therefore,

if the network of such businessmen cannot achieve sales as a goal set by the company, it may affect the performance and financial status of the company.

The company is aware of the risk from relying on main business groups, it thus emphasizes building relationships with business people to have a strong relationship and loyalty to the organization, shared corporate values through various activities such as seminars, workshops, tourism activities, etc. Moreover, the company has designed a relatively high compensation structure for business people to attract quality businessmen. The compensation is approximately 52% to 60% of the total sales of products sold through businessmen during 2017 - present. It was higher than the industry average, which is approximately 35% to 48%. So, in the past, there were no businessmen in an important position of the company resigned or moved to become a network businessman of another network company and make the company has an opportunity to attract more businessmen from network companies in the future.

(6) The risk from obsolete inventory

The company sells many types of products and there must be a reserve of inventories to support the demand for orders from businessmen and distributors. Most of the products are consumer products that have an average shelf life of 1-2 years, thus making the company face a risk of obsolete inventories which may affect the performance and financial status of the company. However, the company has planned to reserve products to meet the needs of customers with advance demand estimates. The company has also planned to reserve the inventories 1-2 months in advance. In addition, the company has continued tracking the shelf life of the inventories. In the past, the company had no record of significantly making an allowance for a reduction in inventory value.

(7) The risk from having a businessperson commission as a primary operating expense and risk from limitations in adjusting the selling price of the product

The company has a commission for businessmen as the main operating expenses. For the principal businessmen commission payment, the company will set a fixed rate of compensation to businessmen for selling products (Point value: PV) depending on the types of the products. When the businessmen order products with the company, it will allow that business person to get the cumulative PV according to each type of product. Once the company assigns the PV value to a particular product, the company will not have the policy to adjust the PV and the selling price of that product at all. Therefore, the company lacks the flexibility to adjust product prices in case that the competitors of the company produce similar products to compete with the company or the market of those products and have many competitive products and substitute products that available at lower prices, better quality, or more uniquely suited to the needs of the final consumer, it will make the company lack price competitiveness for that type of product and may affect performance, the company's financial status, and business opportunities in the future.

The company does not have policies of changing the PV and selling price of the product frequently in n order not to allow each business person to have an advantage or disadvantage from the selling price that may vary from time to time. Before setting the PV value, the company will analyze the supply and demand of that product in the market to set the selling price and the PV value of that product and to attract business people to bring their products to market. The compensation calculated from PV is at the appropriate level that the company be

able to compete with competitors. Therefore, if the company analyzes and sees what types of products may lack competitiveness, it will analyze consumer demand according to the situation at that time. The company may gradually cancel sales of products that lack competitiveness or the products that the company considers with a strategic analysis that it deserves to be canceled. The company may also launch and promote new types of products that are likely to have more potential in the market to replace previous products.

However, the company has focused on product development into outstanding products to prevent competitors from substitute products. Also, all types of products are requested for the FDA logo to demonstrate the quality of the product and to prevent an imitation.

In addition, in case that the businessman commission rate significantly increases, it may affect the net profit margin of the company. The company has monitored the expense ratio regularly. In case that the ratios are getting higher, the company may use strategies to increase or decrease products, considering the appropriate PV value that the businessmen should receive which will still attract business people to continue working in building networking businesses.

(8) The risk from counterfeit products or being impersonated to take the company's trademark to a commercial use

The company has been very successful with good quality products and management, marketing with effective network marketing businessmen. Thus, the company has a fast-growing income and makes many products of the company very popular in the market. From the popularity the company receives, it may cause counterfeit products in the market making consumers mistakenly think that counterfeit products are the company's products and it may affect the company's image and performance.

The company places great importance on the issue of counterfeit products and the company's image. It has registered trademarks of the products to prevent illegal imitation. Also, the company also conducts market surveys to determine whether there are counterfeit products or not. The company also keeps the market is constantly to check if there are counterfeit products let businessmen and other relevant persons complain to the company if counterfeit products are found. In the past, the company encountered counterfeit products in 2015 so it held a press conference to inform the broader of the facts. and has proceeded until there is no counterfeit product anymore since the incident until now. The company will emphasize the inspection of counterfeit products by the company's team and emphasize the communication about the method of imitated product inspection to business people and consumers to have more knowledge. The company also aims to regularly improve the quality of product packaging to make the products unique more difficult to copy.

(9) The risk from the stability of information technology system

The company has used information technology systems to calculate the remuneration that businessmen will receive and kept a database of business people and business operations in daily life. As a result, the information technology system is the heart of the company's business operation. Therefore, if the system is faulty or cannot be used, it may result in the interruption of the company's operations and affect the company's operating results. This may result in the interruption of the company's operations that may affect the company's operating results. Thus, the company provides an adequate and effective backup system to prevent data corruption. It develops, repairs. and maintains the company's information system to be stable at all times. Since the company gives

importance to information technology systems, Therefore, the company has not encountered any significant information technology problems from the beginning of the business to the present.

(10) Risk of not being renewed for the land lease agreement of the company's office and branches

The company does not have its land for conducting business. The area of the head office, factories, and all branches of the company is the area that the company rents from all outsiders. The lease agreement of each area has a lease term of 3 years. Therefore, in the case that the lease term is expired in any area and the company is unable to negotiate a lease extension with the landlord, it may interrupt that part of the company's operation and may affect the operating results, the company's financial status, and business opportunities in the future.

This is because the core of the company's business is the company's network of businessmen and dealers, with each branch, is established to support the growth of the number of businessmen in each area, while the company's factories are still small. At present, the income from the sale of manufactured goods is still insignificant when compared to the total income. Therefore, it can be seen that the risk of not extending the land lease agreement of the company is relatively low. Besides, the company has good relationships with all landlords and can always negotiate a contract renewal. In case of force majeure in which the land lease contract cannot be renewed with the landlord upon expiration of the agreement, the company may consider renting the land from other nearby parties. It may also consider purchasing some of the existing branches that have the potential to reduce the rental burden and the risk of not being renewed in the future.

(11) The risk from a competitive situation of the direct selling business

At present, Thailand is a country where the movement of direct selling business is quite large when compared to other countries in ASEAN. That are members of the Thai Direct Selling Association, each direct sales companies mostly sell similar products and have a similar business approach, that is, focusing on expanding the network of quality business people as much as possible, creating competition between companies in the industry in terms of products and attracting quality businessmen. Moreover, the direct selling industry is an industry that is easy to start operating because it focuses on selling products and marketing even if it has to obtain a license from a government agency. It is still possible to have more new players in the future. This may exacerbate the competition of direct selling business in the future that may affect the performance, the company's financial status, and business opportunities in the future.

Although the industry is easy to start a business, in the present, few direct selling companies survive in the industry when compared to the number of companies that have dissolved. The company is considered one of the leading direct selling businesses that are still operating today. It also focuses on sustainable network expansion focusing on four key success factors: 1) Making SUCCESSMORE brand and product brand strong, reliable, and sustainable. 2) Developing quality products that are marketable and have many products for business people to be able to market flexibly, with many options to cover customer groups with different needs. 3) Human resource development in both employees of the company and business people in terms of work abilities and attitude, and 4) Creating an organizational culture for business people to have the same values by focusing on improving sales skills and building familiarity among businessmen regularly through seminars,

traveling abroad, to foster a harmonious love for colleagues and organizations, and sustainability in business operation.

Apart from the above business strategy and sustainability policy, the company also pays attractive compensation rates to its businessmen which is approximately 52% - 00% during the year 2017 to the present of the total product sales that are sold through businessmen. The remuneration rate is higher than the industry average enabling the company to maintain its competitiveness and to attract quality businessmen to the organization.

(12) The risk from the situation of Coronavirus outbreak (COVID-19)

From the situation of the coronavirus outbreak (COVID-19) in the past, it affects the operations of the company in terms of overall business operation due to the virus outbreak making purchasing capability both domestically and internationally decreased. The company will not be able to organize a meeting or training seminars for members in the presence of a large number of people. As a result, there are restrictions on expanding the base of new businessmen. And the number of businessmen in the system is expected to decline due to not being met to exchange information. Also, the company needs to adjust the branch business hours according to the government's curfew. And the branch's area can be opened for business only by not allowing the use of the meeting room to host meetings.

However, the company places more emphasis on online service channels, such as online ordering and delivery services. It provides promotional activities such as free delivery, which has received quite a good response from the company's businessmen. The company also provides seminars organized through the Zoom program, etc. Also, after the situation of the epidemic, it tends to be better and the government has initiated relief measures. This makes the company has resumed a full service but still maintain security measures and closely monitor the spread of the virus, such as temperature measurement before using the service, serving alcohol spray and gel, social distancing measures, and reducing congestion within the branch area by providing seats at least 1 meter apart and forcing all service customers to wear masks.

2.2.2 Financial and investment risk

(1) The risk from environment and regulations in conducting overseas direct sales business

The company sells its products through overseas distributors, including distributors in Myanmar, Laos, Vietnam, Cambodia, Malaysia, and Singapore, each of which has different environmental restrictions and regulations related to the direct selling business. If the environment and rules for conducting direct sales business in each country change, it may affect the results of operations, the company's financial status, and business opportunities in the future.

The business model of the company is a wholesale business to foreign dealers with a rebate in case that product sales reach the target. The distributors of the company may import the company's products to operate a direct sales business in each country or a storefront, causing the risk of illegal practices. Fundamentally, it is mainly located at the dealers. Also, the company always studies the relevant regulations before every negotiation for a dealer in each country, also studies and follows the relevant regulations continues to be able to adjust the business strategies immediately.

(2) Risks from Exchange Rate

The company sells its products abroad to overseas dealers, such as dealers in Myanmar, Laos, Vietnam, Cambodia, Malaysia, and Singapore. The company thus receives money in foreign currencies. This may cause the company's income to be changed from the forecast depending on the increase or decrease in the exchange rate of each country. Therefore, there is a risk of being affected by the fluctuation of the exchange rate which may affect the performance of the company.

The Company realizes the risk in this issue, therefore it has organized the company's money management as well as regularly monitoring the movement of the exchange rate and various factors that may affect the exchange rate. Besides, the company has entered FX Forward Contract with local commercial banks to hedge the risks.

3. Driving Business for Sustainability

3.1 Sustainability Management Policy and Goals

Successmore Being Public Company Limited and its subsidiaries are committed to sustainable development in society and the environment through the company's business activities by applying the philosophy of sufficiency economy as a guideline for sustainable development with a concern about all stakeholders and create value and benefits for both business and society. Also, pay attention to the management system and the production process, both technology and innovation for product development, and promote the most efficient use of resources with minimal impact on the environment. This includes communicating with related people to understand in the same direction as follows:

- **Corporate Governance** The company has the policy to conduct business with ethics, honesty, and transparency based on good corporate governance. Be responsible to all groups of stakeholders, adhere to all relevant laws, rules, and regulations, not commit or support corruption. Finally, have the directors, executives, and employees of all levels adhere to as a norm to create sustainable value for the organization.
- **Triple Bottom Line** The company operates its business under the concept of sustainable and balanced development in 3 areas; economic, social, and environmental aspects by integrating the concept into the operational processes at all levels and create returns and business values along with society and the environment for all stakeholder to be benefited and to reach the vision at the end.
- **Stakeholder Management** The Company is aware of the role of stakeholders in the company's business strategy and direction. Therefore, it focuses on all groups of stakeholders both internal and external by considering the mission and policy to balance the needs and expectations of each stakeholder group.
- **Innovation Management** The company promotes the creation of innovation in the organization to create value-added of business from product development, production process, or a new service. This does not only help create sustainable value for the organization but also helps make money, reduce costs, or provision of resources resulting in good effects to both the economy, society, and the environment.
- **Employee Engagement** With concerns of the importance of human resources which is an important factor in driving business operations to achieve the goals, the company places great emphasis on human capital management by developing knowledge and capabilities of employees continuously. Also, encourage broadcasting, sharing knowledge, and exchanging knowledge between employees and business partners or other stakeholders and promote the participation of employees in the development of the organization towards sustainability through products and services innovations that are socially and environmentally responsible.
- **Collaborative Sharing** The company aims to conduct business responsibly, develop competitiveness through the innovation of products and services by working with partners, communities, society, or other stakeholders in developing projects or activities that benefit the company and stakeholders at the same time. With the expertise of the company, it can conduct projects or activities that will create benefits and values for the company as well and enhance the quality of life for stakeholders throughout the supply chain.

The company continuously operates towards building a sustainable organization. Therefore, the company produces products that are safe for consumers and environmentally friendly, maintain corporate governance standards with a policy against corruption to link with the corporate strategy making the organization more sustainable.

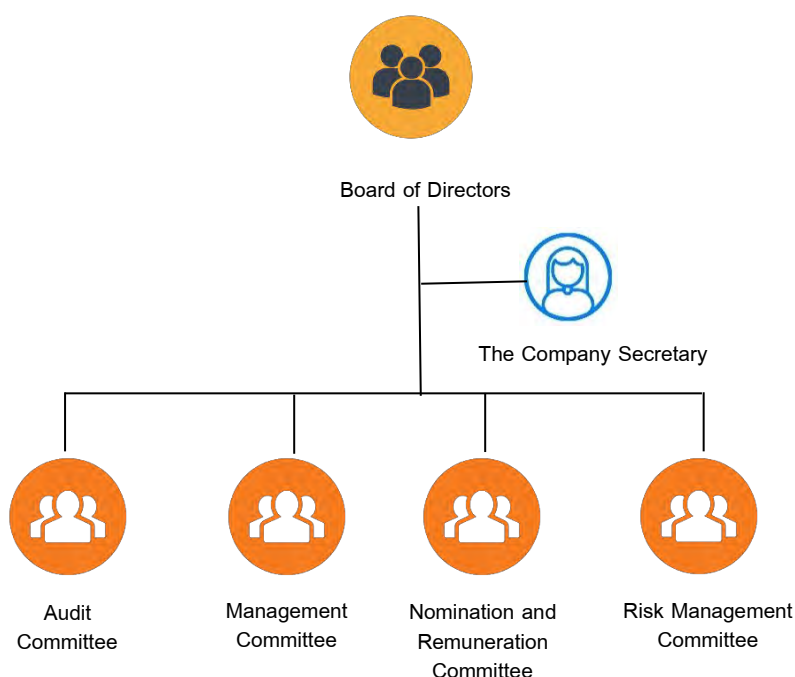
Management Guideline

The company has a vision of “Network to build success, happiness and goal achievement” with a commitment to creating inspiration for the soul development, and changes in people’s lives under the philosophy, “Inspiration for Your Being” by offering opportunities with quality products selected by expert physicians and efficient systems for building human potential, so you can have access to maximum self-potential because we believe every change will lead to success in upgrading your status in terms of wealth, happiness and lifetime achievements, so you can share a life of value for a sustainable society.

The company operates business according to the sustainable development guidelines by raising awareness among executives and employees to be aware of the most cost-effective and beneficial use of energy and resources continually striving to develop environmentally friendly products. This is to work towards the goal of reducing greenhouse gas emissions and to contribute to reducing the impact on global warming with the development of management, work processes, and production, procurement, and distribution of products and services, good corporate governance, code of business ethics including the anti-corruption. The company is also responsible to society, community, and environment for the company to grow along with the creation of value for society and the environment sustainably.

Management Structure for Sustainability

To perform the duties of the Board of Directors efficiently, the company has established 4 sub-committees to carefully scrutinize the assigned work under the principles of good corporate governance. The company secretary will be a coordinator who will continue to improve the board structure to have the linked scope to increase efficiency and effectiveness. The structure diagram is as follows:



Sub-committees serves to manage specific tasks covering economic, social, and environmental aspects as well as consider various matters to be correct, suitable, and efficient as follows

Economic Aspect

The Executive Committee consists of 2 directors and 1 executive director. The Chairman of the Executive Committee and Chief Executive Officer have duties to supervise the operations to be following the mission and follow the company's business policy to achieve the business goals and objectives of the company under the resolutions of the shareholders' meeting.

Risk Management Committee consists of 3 directors, two are independent directors and one is the chief executive officer. They are responsible for ensuring that the company has appropriate and efficient risk management to warn the signal and any unusual items that may occur.

Social Aspect

Board of Directors consists of 7 directors, with the Chairman of the Board as an independent director who assigns the sub-committees and the Chief Executive Officer to propose good corporate governance practices, review the guidelines and principles of good corporate governance, and monitor the corporate social responsibility activities to respond to all stakeholders completely, equitably, and efficiently under the corporate governance policy and business ethics focusing on maintaining standards and developing good corporate governance to be continuous and sustainable to be an organizational culture and observe the following actions

- Review the corporate governance policy, good corporate governance principles, and business ethics
- Encourage the adoption of an anti-corruption policy throughout the organization
- Provide feedback on guidelines for setting business goals and formulating organizational strategies.

Also, the company have followed up on the implementation of the principles of good corporate governance development in various areas as follows

1. Rights of shareholders
2. Equitable treatment of shareholders
3. Roles of stakeholders
4. Disclosure of information and transparency
5. Responsibilities of the Board of Directors
6. Corporate Governance Policy
7. Anti-Corruption Policy

The company has communicated and publicized to all employees to emphasize the practice of good corporate governance policy for employees, which is an important part of preparing to step into the ASEAN economy. Including a campaign for anti-corruption practices for employees and expansion to business partners of the organization.

Chief Executive Officer assigns the Chief People & Governance Officer to be responsible for setting guideline plans for safety, occupational health, and the environment as a mediator to assist in welfares to employees to have a good quality of life. Also, it has a duty to promote participation in community and social development, set guidelines and plans for participation in community and society development of the company, and arrange the operations as well as continuously monitor and evaluate the performance to improve and develop the work regularly.

Environmental Aspect

Chief Executive Officer assigns the Chief Operating Officer to manage energy to be following the established energy conservation policies as well as supervising the energy management methods to be efficient, and coordinate with all concerned parties to achieve energy management to meet the set goals.

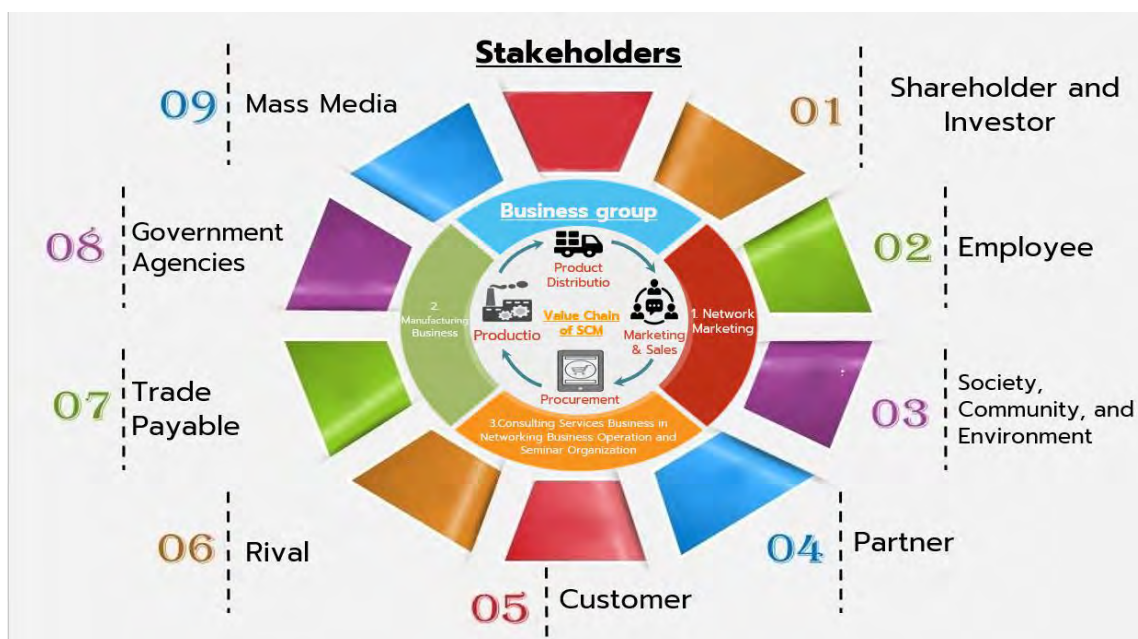
3.2 Impact Management of Stakeholders in Business Value Chain

3.2.1 Business Value Chain

Value Chain processes are a key strategy for the company's business success. Therefore, the company pay attention to every step and every process of the value chain. Starting from the procurement of raw materials, control system, factory management, including both raw materials and products must pass quality checks, and on the way of storage, packing and before delivery to customers.

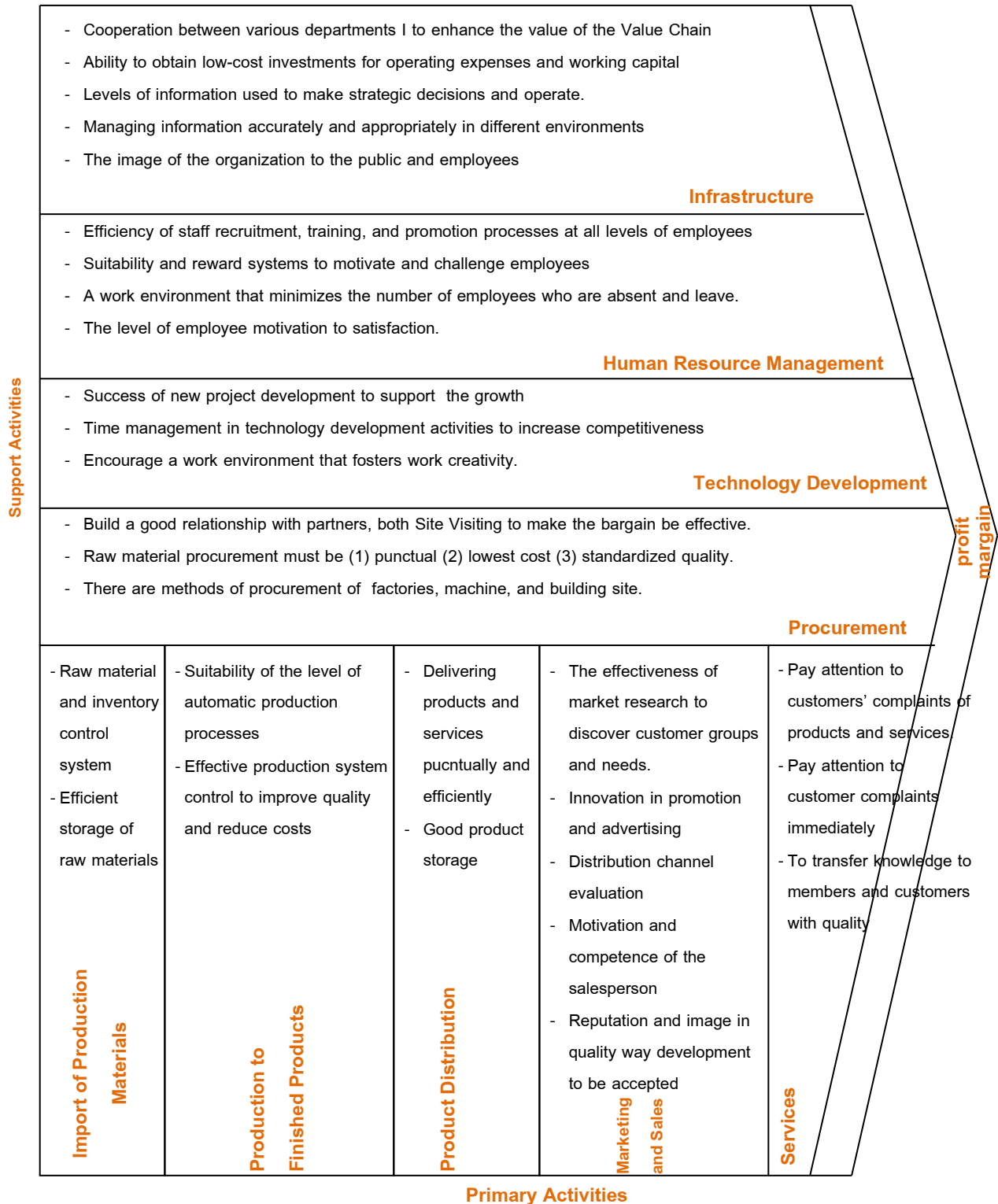
The key stakeholders in SCM business value chain include shareholders and investors, executives and employees, community society and the environment, suppliers, customers, competitors, trade accounts payable, government agencies and media agencies in order to build the strengthen confidence in quality products and sustainable growth together.

Value Chain of SCM



Corporate strategy





Procurement

As a leader in operating network business to supplement products and consumer products, both domestic and international, the company gives great emphasis on efficient and transparent procurement focusing on maintaining the quality of products and services.

- Set the guidelines for trading partners, product and service risk management along with reviewing the work to be under the standards and appropriate management processes
- Concern about the corporate governance factors to ensure that products and services are delivered to consumers with quality and safety
- Concern about the effects after consumption

Production

With the nature of the business hiring external manufacturers to produce OEM products, the company gives importance and pay attention to every step of the product selection process with:

- Control of product quality to comply with legal requirements and various management standards according to international principles covering environmental, safety, and consumer aspects such as ISO 9001, ISO 22000, GMP, HACCP, Drinking Water Quality Mark, National Sanitation Foundation: NSF, etc.
- Production security through good hygiene management, the selection of quality and safe raw materials

Product Distribution

The company has established an efficient distribution system covering all areas throughout Thailand with:

- Maintaining and delivering the highest quality products to customers with professional services
- Using modern technology in the management of transportation and distribution systems
- Supporting customer service among overseas agents with a professional courier service system

Marketing and Sales

The company delivers products to consumers through efficient distribution channels by

- Create good relationship with members, customers and overseas distributors. Through various kind of marketing activities such as My Success Shop, product image library, Nutritional Challenges, etc.
- Communicating and promoting the brand of the organization in knowledge, the ability of self development, knowledge of health through communication channels in social media

Greenhouse Gas Emission Information

The company has no greenhouse gas emissions data due to the company is during the studying process.

3.2.2 Stakeholder Analysis in the Business Value Chain

The company operates its business under business ethics, adheres to responsibility, and respects the rights of all stakeholders both internal and external, society, community, and environment to ensure that stakeholders are protected to their rights under applicable laws and with fair treatment fairly. However, the company knows that stakeholders play an important role in shaping the business direction. Therefore, the sustainable development strategy for all stakeholders is set as follows:



Group of Stakeholders	Expectations of Stakeholders	Expectations of Stakeholders Response
 Shareholder and Investor	- Annual General Meeting of Shareholders - Annual Report - Reporting earnings every quarter and disclosing information through the SET news system and on the company's website - Opening channels for proposals and complaints through "Investor Relations", website, or contact the company secretary directly	- Have a good performance and grow steadily and sustainably - Supervision of the rights of all shareholders in all groups to receive their rights equitably. Do nothing that is an infringement or deprivation of rights following the good corporate governance principles and equal treatment. - Disseminate important information that is correct, transparent, and verifiable in both Thai and English completely correctly, and time via the specified channels - Have a clear dividend policy - Operate with transparency and fairness under the corporate governance principles.

Group of Stakeholders	Expectations of Stakeholders	Expectations of Stakeholders Response
 Employee	● Training and development of employees ● Various activities allowing employees to participate ● Internal communication between employees via electronic systems such as Intranet ● Publicize news through LINE group chat and post announcements on the communication boards ● Accept suggestions and complaints via Posts Box or supervisors by the work line	● Take care of and promote the quality and stability of the employees' work. ● Treat employees equally without discrimination on the principle of human rights ● Pay compensation and welfare appropriately and fairly ● Develop potential and support education and progress in the field of work for employees ● Provide communication channels for employees to suggest or complain on various matters. ● Provide safety and standardized control systems and devices and organize the workplace to be efficient and productive concerning safety and hygiene
 Society, Community, and Environment	● Education activities for the public ● Community projects in the profession, education, and environmental care. ● Social activities involving communities to participate ● Energy conservation campaign to save the environment and use resources efficiently ● Accept suggestions and complaints through the website, e-mail to Chairman of the Audit Committee and company secretary	● Follow the social responsibility guidelines. ● Support the overall development of the community and society ● Share knowledge and organizational skills in the occupational aspect to the community ● Community projects in the profession, education, and environmental care ● Train employees about anti-corruption and disseminate the policy on the company website and internal communication channels ● Consider the environmental standards in business operations.
 Partner	● Clarify and promote the business partners to know the policy and code of conduct in business operations. ● Visiting partners to exchange knowledge, experience, and expertise with each other. Also, listen to problems/suggestions ● Fairness and equality. ● Provide channels to give suggestions and requests via the website, e-mail to Chairman of the Audit Committee and company secretary	● Follow the commercial terms and contracts ● Consider the framework of fair competition ● Communicate with business partners about the policy and business ethics ● Exchange knowledge, experience, and expertise ● Not ask, receive, or accept to receive property or any other benefit apart from the trade agreement ● Consider appropriate procurement according to the regulations

Group of Stakeholders	Expectations of Stakeholders	Expectations of Stakeholders Response
 Customer	- Meeting with customers - Communication channels through the company website/ electronic media /customer visits /product exhibitions - Explore the needs and preferences. - Provide channels for customers to complain or suggest to improve the operations	- Develop the product quality that is safe for consumers - Innovate and create the innovation to increase the value of the products and service continuously - Keep confidentiality of customers - Provide a system and communication channel for customers to give inquiries, suggestions, comments, and complaints - Improve and develop products to respond to the customers' requirement from their complaints or suggestions
 Rival	Receive information from public forums	- Operate the business with transparency under fair trade and competition. - Not to seek competitors' confidential information dishonestly - Not to destroy the reputation by accusing competitors
 Trade Payable	- Annual Report/responsibility for society, community, and environment - Through the relevant departments and company website - Accepting suggestions and complaints through the website or e-mail to Chairman of the Audit Committee and company secretary	- Strictly adhere to the terms of connected trade. - Make payments to creditors on time according to the agreements without default via mobile banking in the Media Clearing system, which facilitates the payables
 Government Agencies	- Ask for legal and taxation advice by the phone and the website of the Revenue Department - Requesting advice on laws and practices related to operations from relevant government agencies such as the Ministry of Labor, Department of Business Development, Department of Intellectual Property, etc.	- Comply with laws and regulations related to the correct and transparent business operation - Control environmental quality to be better than the legal standard. - Clarify information to government agencies accurately and quickly
 Mass Media	Give interviews with information in journals, magazines, and company websites	- Promote a good image for the organization. - Communicate complete and accurate information, refrain from false communications misrepresentation, or good morals

3.3 Management of Environmental Sustainability

3.3.1 Environmental Policies and Guidelines

Successmore Being Public Company Limited and its subsidiaries have the intention to grow the business based on good corporate governance and sustainable social and environmental responsibility, as well as concern about the interests of shareholders, the company, and all stakeholders under the concept of "Care", "Share", and "Respect" to aim for the shareholders of the company and stakeholders can live happily with the community and society. The Company is committed to conducting business with honesty, transparency, fairness, environmental, friendliness, and accountability focusing on the growth of the company along with improving the quality of employees, communities, society, and environment in all dimensions. Including taking care of the interests of stakeholders following the vision and mission set by the company.

To comply with the aforementioned intention and concept, the company has established a social and environmental responsibility policy as follows

1. Conduct business with honesty, transparency, fairness, environmental friendliness, and verifiability, focusing on the growth of the company along with the improvement of the quality of life of the employees, community, society, environment in all dimensions. Including taking care of the interests of stakeholders according to the vision and mission set by the company.
2. Support and provide social and environmental knowledge to all employees of the company to be used as a guideline for developing society and the environment throughout the organization.
3. Promote projects or activities for society and the environment using the company's potential and resources to achieve the goals and objectives cost-effectively and efficiently.
4. Communicate and publicize the projects or two ways communication activity in social and the environment with communities, society, and stakeholders. Also, providing opportunities for stakeholders to participate in that projects or activities as appropriate.
5. Promote and support respect for human rights by treating all stakeholders, including employees, communities, and surrounding society with respect for human values concerning equality and freedom, not violating basic rights or discriminating by race, nationality, religion, language, skin color, sex, age, education, physical condition, or social status. Including ensuring that the business of the company and its subsidiaries is not involved in human rights violations in direct and indirect ways
6. Support human resource development and treat the laborers fairly, which are factors that will increase the value to the business and enhance the competitiveness and sustainable growth of the company and its subsidiaries in the future.
7. The company and its subsidiaries will treat customers fairly in terms of products and services without discrimination and will not disclose customer information due to business operations and will not use the information for the benefit of oneself and others unless it is a disclosure according to the legal duty. Also, the company is committed to and concern with the utility and the safety of consumers by controlling the quality of products to meet the standards.
8. Promote the conservation of natural resources and use energy efficiently. Also, be aware of the safety of the society, the environment, the quality of life of the employees and communities that may receive the impact of the operations of the company.

9. Will conduct the business that benefits the economy and society and adhere to good corporate citizenship, and comply with all relevant laws and regulations. Therefore, it has a policy of providing assistance and social development by donating scarce goods and health checks to the disadvantaged.
10. Promote innovation at the work process level in the organization and the cooperation level between organizations, by doing new things in new ways. It may also change in the thinking of production to increase value with the goal of innovation is a positive change to change for the better making more products to benefit the society as much as possible.
11. Summarize the project results that the company, employees, the shareholders have done together with the community, the mentioned outsiders. Then, report to the management of the company to report to the shareholders at least once a year.
12. Support democratic government with political neutrality.
13. Have executives in all departments cooperate and encourage employees to jointly follow the policies set by the company to be successful.

3.3.2 Environmental Operating Results

The company focuses on the preservation of the environment by operating and controlling the production of the company's products. There is strict compliance with all laws related to environmental protection under the concept of caring and protecting the environment focusing on supervising and developing the production process and environmentally friendly choosing materials.

Also, the company pays attention to the reduction of waste from the production process based on the principle of less using as necessary to have the most efficient use of shared resources, maintain, and avoid environmental damage with an environmental protection system that is set as a guideline and a device in business operations. The company also campaigns on energy saving, the use of various office supplies worthy such as using re-used paper, using electrical appliances and air conditioning during breaks, sharing soft files instead of paper. For communication, it focuses on online meetings, organizing transactions.

3.4 Social Sustainability Management

3.4.1 Social Policies and Guidelines

Board of Directors of Successmore Being Public Company Limited gives importance and determination to conduct business based on the principles of good corporate governance by adopting the good corporate governance regulations of the Stock Exchange of Thailand and regulations of the Securities and Exchange Commission and the Capital Market Supervisory Board as a factor in strengthening the organization. As a result, there is an efficient management system with honesty, transparency, and fairness considering the rights of all stakeholders completely, appropriately following the circumstances based on a sufficiency economy. The company has social responsibility guidelines in various areas as follows:

(1) Good Corporate Governance

The Board of Directors has adopted the corporate governance policy in the supervision of the company's operations. It believes that good corporate governance, which consists of the Board of Directors and executives with vision and responsibility, good management system, control and balance mechanism to make a transparent, verifiable administration, and respect for the rights and equality of shareholders and accountability to stakeholders, will be a key factor in increasing value and the highest return to the shareholders of the company in the long term sustainably.

Corporate Governance Policies

The Board of Directors has an important role in setting the direction of the company's operations, supervise, and monitor the anti-corruption policy of the management's work.

Monitoring the Compliance with Corporate Governance Policies

The Board of Directors, executives, and employees have complied with the good corporate governance policy and follow up on the results of operations according to the operational plan regularly.

In 2021, there were no situations that were inconsistent with the policy. Also, the company has not received any complaints from stakeholders.

(2) Fair Business Operation

The company and its subsidiaries value the importance of conducting business with ethics and transparency following the code of business conduct under the fair and equitable trade competition under the legal framework with the following management guidelines

1. Build business alliances with partners for the growth and develop together for the long term under the framework of fair competition rules according to the procurement regulations starting from selection, partners evaluation, and price comparison.
2. Not destroy the reputation of competitors and not seeking information dishonestly, not infringe the intellectual property of others for personal gain.
3. Not ask/receive/agree to receive the property or any benefit beyond the commercial terms.
4. Conducting the business with business partners, customers both in the public and private sectors including trade competitors must not cause damage to the reputation of the company or against the law as follows
 - Customers: Aim to build customer satisfaction and confidence, take care and be responsible for the customers receive quality, safe, eco-friendly products at an affordable price, meeting the standards while providing the information necessary for decision making without obscuring or twisting the facts. As well as strictly follow the terms and conditions with the customers, develop and upgrade standards to increase the higher value of products and services to meet the needs of customers, maintain a good relationship and sustainable with customers seriously and regularly. Including not doing any action that violates the rights of customers and keeps the customers' trade secrets not to use for their benefits.

- Partners: Comply with trade agreements based on fair competition with equality, not to take advantage, be honest in business operation, maintain benefits with trading partners. Also, having a partner selection system to ensure that the company's value chain consists of trading partners operating legally, complying with safety and occupational health standards that are environmentally friendly. Including building relationships and understanding with each other, exchanging knowledge, jointly develop, and increase value to products and services for mutual growth.
- Trade Rivals: Treat business competitors under the framework of fair competition, not to seek out the competitor's confidential information through dishonest or improper means, not to destroy the reputation of the competitors by accusing them.
- Government Agencies: Pay attention to transparency and consider honesty in dealing the transactions with government agencies to avoid improper actions and contradiction of good management principles including anti-bribery to government officials to facilitate or gain business interests of the company.

The company has provided communication channels for business partners, customers, and relevant stakeholders to complain to the company. All complaints should be dealt with and improved fairly

Reception, Receiving or Giving Gifts, Entertainment

The company focuses on the importance of building a good business relationship with its trade partners. The Anti-Corruption Policy does not prohibit any action that is transparent and is a part of normal business operations with applicable laws, regulations, local traditions, or trade practices that can be performed such as entertainment, reception, giving or receiving gifts on special occasions under the company's business ethics guidelines.

Non-Infringement of Intellectual Property

The company and its subsidiaries do not take any action related to intellectual property infringement. Also, encourage directors, executives, and employees to use the resources and assets of the company and subsidiaries efficiently, use copyrighted products and services, and do not support products or acts that infringe intellectual property by stipulating the following guidelines

1. Conduct business following laws, regulations, and contractual obligations relating to intellectual property rights.
2. Take care of work that is the intellectual property of the company and not uses the intellectual property or allow other people to use it without permission.
3. Respect the intellectual property rights of others. Not to violate or use other people's work for personal gain.

Also, all directors, executives, and employees must respect the legitimate intellectual property rights of others.

In 2021, the company and its subsidiaries did not take any action related to intellectual property infringement.

Promoting Social Responsibility in Business Chain

The company and its subsidiaries have brought processes and technologies related to the possible impact on the environment. It starts with the selection of raw materials, choosing the appropriate energy and technology to ensure that the product manufacturing process uses energy from the most cost-effective and productive resources as well as instant products. Therefore, the company and its subsidiaries have managed the risks in the supply chain to make a continuous business operation by adopting sustainable development practices and a commitment to conduct business with integrity under the principles of corporate governance as a mechanism and strategies to make the connection of operations in each part.

Environmentally Friendly Procurement Process

The procurement process is important in the management of value along with the quality of the product by selecting quality products and services while reducing the impact on the environment not only the price consideration to encourage change and foster good environmental awareness among all stakeholders, both employees, and suppliers. There is also an adjustment of the product and service selection with more consideration of the environmental impact.

The procurement of the company and subsidiaries that is environmentally friendly consist of legal compliance, the production process control to be environmentally friendly, energy management, water management, waste management, etc.

The company has selected partners with an inspection and selection process by considering the suppliers who have obtained quality standards, as well as having a system to audit, assess, select, and follow up the operations. In this regard, the company concerns about the quality, quantity, and delivery as well as the labor as law requirements, and quality management systems such as ISO 9001, ISO 14001, in which 205 partners were assessed at a very good level (grade A) of 42 companies, at a good level (B grade) of 142 companies, and fair level (grade C) of 21 companies.

Partner, Service Person, and Distributor

The company regularly evaluates its performance and visits its partners, service providers, and distributors to make sure there is compliance with the ISO 14001 environmental management system and the energy conservation management policy, making the company systematically select partners. This is to ensure that the entire supply chain of the company and its subsidiaries consists of trading partners operating under the law, comply with safety and occupational health standards by supporting environmentally friendly procurement based on the products and services of the operators following environmental standards or the company standards. For example, legal compliance, efficient use of resources and energy, production control, waste management, to strengthen the capacity and efficiency of business operations and upgrade the company's procurement process to be more Green Procurement in the future.

From the aforementioned activities, the company and its subsidiaries expect that trading partners, service providers, and distributors who are business partners of the company and subsidiaries, will be able to implement environmental management guidelines to expand as the standard in the chain in the future.

Customer, Consumer, and Product User

The company and its subsidiaries realize that the business organization will be sustainable if it understands the real needs of the customers. Currently, it is found that the expectation of the customers is not limited to specific areas that are directly impacted by business operations but it has expanded to create sustainability for society and the environment as well. They develop and create innovative products to be a branding of healthy development and quality of life, which continually takes into account the impact on society and the environment and be ready to increase competitiveness and business value.

Responsibility to consumers

The company and its subsidiaries know that customer satisfaction and confidence are the key that leads to the success of the company and subsidiaries sustainably by setting the following policies and guidelines

- (1) Conduct business by producing safe and eco-friendly products for consumers.
- (2) Develop products and services, invent innovations, increase value to products and services to meet the needs of customers continuously along with providing the necessary information to decide without obscuring or distorting.
- (3) Conduct the business with honesty, fairness, and not taking any action that violates the rights of customers, keep the trade secrets of customers not for the benefits of oneself or the person involved in the wrong way.
- (4) Not request, receive, or agree to receive property or any other dishonest benefit from customers both directly and indirectly.

The company and its subsidiaries are committed to producing quality products with long life and reasonable prices. In this regard, the quality and safety standards of the product are concerned, therefore, the company and its subsidiaries have a quality inspection system starting from the process of selecting raw materials to the production process as a product until handing to the consumer not to be risky and harmful to the consumers.

Product and Service Label

The company realizes the importance of presenting the correct information about the product. Therefore, it labels product usage information, instructions, and other information under the laws, regulations, various international standards, the criteria of the Food and Drug Administration (FDA) registration number, and the Consumer Protection Office (OCPB) in every product.

Customer Satisfaction Evaluation

The company believes that the level of customer satisfaction is one of the indicators of the organization. Therefore, it is important to listen to customers' opinions with a process to evaluate customer satisfaction. The feedback received from our customers will be analyzed and improved including developing products to meet customer needs. In 2021 the company has achieved level 4 of customer satisfaction and no significant customer complaints.

Receiving Complaints

The company provides a system and channel for customers to complain, inquire, and suggest information about the quality of products and services via call center 02-511-5951 and via social media including www.successmore.com, Facebook, and LINE Official to communicate effectively and quickly through the activities of the company.

In 2021, there were no significant customer complaints. As for all other complaints, the company has analyzed for the causes to fix, prevent, monitor the entire system, and deploy the entire organization so that the defect does not recur.

(3) Anti-Corruption

The company and its subsidiaries fight against corruption in all forms being aware that corruption is a serious threat that destroys the free and fair competition. It also causes damage to the economy and society. development. The company and its subsidiaries have no policy to offer money, incentives, gifts, privileges either directly or through third parties, to customers, business partners, companies, external organizations, or government officials to acquire or maintain a business advantage. Also, there is no policy of reward or any other payment to expedite or facilitate the operation.

The company and its subsidiaries operate the business with transparency and correctness. There is a guideline for anti-corruption and the creation of consciousness, values, and attitudes by supporting activities that encourage and cultivate executives and employees to follow relevant laws and regulations, and not to support the success creation corruptly.

The company and subsidiaries are aware of anti-corruption and encourage the orientation of new employees as preparation before starting work. Besides, the company also assigns executives and supervisors to join training on "Corruption Risk Assessment" to communicate to the workforce level and practice to ensure that the company truly leads the practice. Therefore, the anti-corruption measures are set as follows

Board of Directors

- Be determined to fight against the anti-corruption
- Chairman of the Board of Directors announces his intention to certificate in anti-corruption

Risk Management Committee

- Supervise and assess risks throughout the organization
- Support anti-corruption

Audit Committee

- Assess on anti-corruption measures by themselves
- Be responsible for reviewing the internal control system, risk management system, and the risk of corruption. Also, supervise and review the risk management and anti-corruption measures

Internal Auditor

Have the duty of organizing an efficient internal control system, auditing, monitoring, and evaluating results to the Audit Committee and the Board of Directors

Directors, Executives, Employees, and Business Representatives

Comply with the policy of anti-corruption without being involved in the corruption either directly or indirectly.

In 2021, the Board of Directors reviewed the policy to comply with Anti-Corruption Laws by specifying in writing as a guideline for Code of Conduct which was approved by the Board of Directors Meeting No. 1/2021, on February 25, 2021.

"Anti-Corruption Policy within the Organization" was approved by the Board of Directors Meeting No. 3/2021 on August 11, 2021 to prepare the "Guidelines for Anti-Corruption Policy" and published on the company website www.successmore.com under the heading "Investor Relations" in Corporate Governance Section : Corporate Governance Report and Download Documents : Anti-Corruption Policy within the Organization and Anti-Corruption Policy Guidelines.

As the Board of Directors has approved the signing of the Declaration of Intent of the Private Sector Collective Action Coalition Against Corruption on November 12, 2020, to be following the principles of good governance of the company and overall intention and social responsibility. The Board of Directors has the policy to comply with anti-corruption laws by prohibiting the directors, executives, and employees from accepting or supporting all forms of corruption directly and indirectly.

From the past until now, the Board of Directors and executives have been committed to managing the principles of good corporate governance strictly and empowering their employees to perform their duties diligently with honesty and fairness, including recognizing the importance of and following the anti-corruption guidelines and risk management.

As a result, in 2021, there were no complaints of corruption and giving or receiving a bribe for the benefit of the company's business.

3.4.2 Social Operating Results**(1) Employee**

The company emphasizes human resources and believes that quality employees are the key factor in driving the business towards its goals and creating a competitive advantage in business. Therefore, it supports management and human resource development at all levels continuously and supports employees to use their knowledge and skills to the fullest for equal opportunities for advancement in work duties to grow together with the organization's success.

Promoting Diversity and Fair Labor Practices

The company widely opens and offers opportunities for various characteristics people to work, such as gender, age, education, nationality, race, color, religion, citizenship rights, sexual orientation, and disability. These factors are diverse for the company to manage different challenges effectively following the employee treating guidelines equally under labor standards in labor law and the code of business conduct. In other words, to comply with relevant laws and standards, and treat employees and workers fairly with human rights, such as fair compensation and benefits, welfares not less than those prescribed by law or as appropriate, healthcare, and work safety, training, potential development. It also gives opportunities for employees to develop their working skills in other areas.

(2) Fair Labor Practices

The company encourages good quality of life and engagement of employees based on fair treatment and respect for each other. Therefore, the company has established the guidelines as follow

Employment Guidelines

1. The company does not use forced labor in all forms of employment.
2. The company follows the law and regulations and will protect the rights of employees equally.
3. The company provides an employment system with a legal contract and clear employment agreements.
4. The company treats its employees in terms of employment based on ability and performance more than individual personality.

Salary Practices

1. The company determines the remuneration not less than the minimum wage rate specified by law or according to industry standards with fairness. Also, not discriminate against nationality, race, religion, gender, but the principle of equal work and compensation.
2. The company adjusts the fair wage to distinguish employees who have different knowledge and competence by setting criteria following performance evaluation regulations and promotion.
3. The company has a transparent and verifiable recording and reporting system.

Labor Relation Practices

1. The company provides an opportunity for employees to participate in management through the system of the Human Resources Department and other systems where they can share their opinions and make decisions.
2. The company complies with the law according to the rights that all employees will be entitled to.
3. The company does not obstruct, interfere, or take any action that will be an effect on the exercise of the rights of the employees who don't damage the business in carrying out the activities of employees who adhere to the principles of beliefs of race, religion, gender, disability, and nationality.
4. The company provides a complaint system to be a medium for creating understanding and good relationships as well as creating fairness in employment.

Recruitment and Employment

The company develops employees' potential and supports internal turnover. It continues to recruit personnel with knowledge and capabilities to strengthen and become a capability in driving the organization according to the suitable manpower rate that is consistent with the business drive under the fluctuation of economic conditions.

The company has set up a process for dealing with any complaints by the employees by setting a policy and guidelines for protecting employees or whistleblowers in the "Whistleblowing Policy".

The Board of Directors provides an opportunity for employees and stakeholders to provide whistleblowing or complaints when encountering a situation that may be illegal fraud or misconduct of employees in the company, including behaviors that may cause damage to the company. The complaints are received in case that employees and stakeholders are violated with unfairness through the channels and processes set by the company.

The company will listen and deal with the complaints equally, transparently, and fairly, with systematic measures to protect the complainant and the information will be kept confidential.

Employment of Disabilities

The company complies with the principles of human rights starting from employment to taking care of employees and personnel to make all employees and personnel feel bonded as a family with the organization. In 2021, the company has important employee operations as follows.

Details	Number of Employee (Persons)		Total (Persons)
	Male	Female	
Full-time employee	46	86	132
Disabled employee	1	-	1
Total	47	86	133

Complainants Protection Measures

The complainants or whistleblowers will receive appropriate protection from the company, such as no change of job position, job description, or workplace. Including non-suspension. It will not threaten or disturb the work performance, termination, or any unfair treatment towards that person. The personal information of the complainants or whistleblower will be kept confidential and not disclosed to the irrelevant unless law requirement.

Any person who is informed of the complaint, whistleblowing, or information related to that issue under this regulation must protect the information about complaints or whistleblowing to be confidential and not disclose to others concerning safety and damage of the compliment or whistleblower or those who are related unless necessary or required by law. If there is an intention to disclose the information, the company will take disciplinary action and/or take legal action against violators case by case.

Besides, the company will not allow to retaliate employees who make complaints or report clues and will take disciplinary action against persons found with retaliation. The company will take reasonable steps to prevent the effects on the working environment and/or working relationships of the identified employees.

(Details of complaint channels are published on the company's website www.successmore.com under the heading of "Investor Relations" in Corporate Governance: Corporate Governance Report and Download: Whistleblowing Policy)

Wages, Salary, Compensation and Benefits Management

The company operates a compensation management policy with fairness as appropriate to the economic conditions, living, and competition standards of the same business. It uses the principles that connect the success of the work appropriately with their duties aligned with the competence of employees in all gender and physical conditions equally to attract people with knowledge and abilities to work for the company and motivate them to develop their performance. Also, the company has provided welfare with care in the quality of life of employees apart from the law to create a good relationship between employees and the company as follows

- Future of the welfare stability such as Provident Fund Benefits, Home Loan Welfare Program, Health Life Insurance Welfare Program, and Accident Insurance Welfare Program.
- Living expenses welfare such as uniforms, requisition of company's products monthly

Welfares and other Benefits

The company complies with the laws related to labor and welfare and aims to promote employees to have a good quality of life by providing appropriate welfare for all employees following the job description and social status. It also supports, promotes, and organizes various activities.

Personnel Development

The company believes that employees are the most valuable resource to the organization and are the key to the organization's success. Therefore, the company is determined to develop the employee's potential continuously and retain knowledgeable and competent employees to be with the organization. The company will take care of all employees equally based on respect for human rights and labor rights encourage them to develop their knowledge and abilities through internal and external training according to the nature of work resulting in human resources as required by the organization that meets business needs. Besides, it also promotes and offers career opportunities equally without discrimination like a family to make them feel bonded and pride in the organization making the organization can continue continuously.

Employee Training

In 2021, the company organized 21 training courses for employees to increase their skills and work potential, with the number of training or activity hours 8 hours per person per year on average from the target of 8 hours per person per year.

(3) Human Rights Respect

The company operates its business concerning the law and human rights principles without discrimination against employment. Either origin, nationality, race, color, religion, language, gender deviation, or disability are a factor in the consideration and judgment of employment. The company does not use child labor and respects the rights and freedoms of employees. In the meantime, the company emphasizes employee development to practice skills and increase their potential by providing opportunities for employees to learn thoroughly and consistently.

In case the employees do not receive justice, the company will provide channels to complain or inform clues about illegal issues with an improvement system and fair measures for the protection of complainants. In the meantime, it focuses on employee development to train their skills and increase their potential by allowing them to have thorough and consistent learning.

Protection and Respect of Employees' Privacy

The company respects the privacy of employees by protecting and not taking employee personal information such as salary, family background, medical history, etc., to disclose to third parties or unrelated persons. Information related to provisions is an exception for disclosure.

(4) Community and Environment

The company operates its business with responsibility towards the community and society focusing on reducing environmental impact and avoiding activities that may affect the quality of the communities. In 2021, there were no complaints from the community on social or environmental issues.

Also, the company has a policy to encourage employees, executives, customers, and business partners to continuously take part in giving back and responsibility to society and the community through CSR activities. Therefore, there is a policy to assist and develop society apart from internal work processes. In 2021, there were corporate social responsibilities as follow

Power of Sharing

The company wants to deliver the social value by sharing kindness and passing on happiness to other people in the society. "The Power of Sharing" to be in line with the Company's mission that is committed to creating a sharing society to change people's lives for the better.



The Endless Expression of Generosity Project.

The company sent encouragement to flood victims in the south of Thailand by joining with core leading businessmen in the south for donations in order to buy food, drinking water and necessities stuffs for suffering in Pattani, Yala and Narathiwat provinces under the CSV project.

Successmore is ready to stand by Thai people and the Successmore members throughout the flood crisis by sending encouragement with the Power of Sharing



Successmore throughout the COVID-19 crisis Project.

The company leading by Dr. Sitthawee Kriatchawanun Chairman of the Executive Board and Mr. Noppakrit Nithilertvijit, Chief Executive Officer, donated 1,000,000 baht to be part of supporting the medical supply, equipment to treat patients infected with the Coronavirus 2019 to the Faculty of Medicine Siriraj Hospital under the concept of "The Power of Sharing", share happiness and send kindness to help Thai people go through this crisis together.



Successmore Care & Share Project.

The Company in collaboration with the National Blood Service Center, Thai Red Cross Society, organized the "Blood Donation During the New Wave of COVID-19 Crisis" activity, inviting employees and Successmore members to donate blood. In order to alleviate the crisis of insufficient blood reserves from the outbreak of COVID-19 under the measures to prevent the spread of COVID-19 at the head office. "The Power of Sharing" to create good things for society

5th December, Doing Good for Father Project, following in the footsteps of the King in the reign of King Rama IX.

The Company are join together with Green Life Plus magazine, a medium to send encouragement and promote good health and wellness to the staff working at Kaeng Krachan National Park which is part of promoting community tourism to conserve nature and the environment Cultivate conscience for Thai people to be aware of environmental conservation together under the concept of "The Power of Sharing" to create good things to society.



COVID-19 Crisis Action Project.

The company has supported the project "Covid-19 Crisis Test for Infection Operations" amounting to 100,000 baht, together with Thairath to provide Rapid Antigen Test Kits to distribute to people in various communities for self-examine. This makes it possible to screen the infected people from the uninfected groups, as well as to reduce the spread of the infection within the family and close ones under the concept of "The Power of Sharing" to create good things to society.

Value Sharing Campaign through Human Development System

The company understands the importance of human resources as one of the strategies to drive industrialized countries and the company's business. Therefore, it focuses on delivering the value by human development through the Successmore Leadership Academy, with Neuro Linguistic Programming or behavior organizing and thinking techniques under the subconscious into a curriculum to develop personnel to have more ideas, knowledge, and skills. Also, the company shares this course with society. Mr. Noppakrit Nithilertvijit, Chief Executive Officer, who has knowledge and experience in human resource development, is a lecturer for educational institutions and various media.



4. Management Discussion and Analysis: MD&A

4.1 Operation and Financial Status Analysis

For the calculation of numbers in the analysis and explanation of the management team, decimal numbers may arise from rounding the second decimal place, so the calculated numbers may not match the results of the calculations as shown. Besides, the statements of financial status for the year 2019 - 2021, including the statements of comprehensive income and cash flow statement for that year based on the financial statements for the fiscal year ended 31 December 2019, the financial statements for the fiscal year ended 31 December 2020, and the financial statements for the fiscal year ended 31 December 2021, audited and reviewed by Deloitte Touche Thomas Jaiyos Audit Co., Ltd. It may reclassify certain income and expenses from those included in the audited and reviewed financial statements for the sole purpose of making a management discussion and analysis in this section only.

4.1.1 Operation Results of the Company and Affiliated Company Overview

The Company and its affiliates operate the business of producing and distributing products in the form of multi-level marketing with products consist of supplementary products, beauty products, daily-used products, and household products including plant supplement products. Currently, the total income of the company and affiliates are divided into 4 main groups which are

1. Multi-Level Marketing Income
2. Distribution Agents Income
3. Services Income
4. Other Income

The first three groups of income are from sales of goods and services which accounted for approximately 95.81%, 96.19%, and 94.13% of total income in the period 2019 to 2021 respectively. The total income in that period was 1,100.76 million Baht, 1,029.80 million Baht, and 1,283.61 million Baht respectively. The summary of income of operating costs including operating profit and the company's net profit for the year 2019 to 2021 are as follows

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Total Income	1,283.61	100.00	1,029.80	100.00	1,100.76	100.00
Goods Sales and Service Income	1,208.32	94.13	990.53	96.19	1,054.67	95.81
Costs of Sales and Services	291.19	22.68	275.36	26.74	254.26	23.10
Gross Profit	917.13	71.45	715.18	69.45	800.41	72.71
Earning before Expenses of Financial Status and Income Tax	285.03	22.21	86.46	8.40	72.33	6.57
Net Profit for Period	223.81	17.44	66.64	6.47	59.04	5.36

4.1.2 Operating Results Analysis

(1) Income

Total income for the year 2019 to 2021 were 1,100.76 million Baht, 1,029.26 million Baht, and 1,283.61 million baht, respectively.

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Product Sales Income through Businessmen	1,112.20	86.65	876.09	85.12	986.78	89.65
Product Sales Income through Distributors	80.29	6.25	81.02	7.87	35.22	3.20
Services Income	15.83	1.23	33.18	3.22	32.68	2.97
Other Income	75.29	5.87	38.96	3.79	46.08	4.18
Total Income	1,283.61	100.00	1,029.26	100.00	1,100.76	100.00

A total income in the 2020's period decreased by 71.27 million Baht or equivalent to 6.47 percent from the same period of the previous year. This was mainly due to a decrease in domestic sales income from the slowdown in consumption of domestic consumers and the COVID-19 outbreak since March 2020 making the company unable to organize marketing activities effectively, and unable to hold meetings in places with many members. As a result, the number of businessmen and the domestic sales have decreased in particular, sales of Nutrinal products declined significantly and continued from 2019, as it is the main product group of the company and is a group that new businessmen are interested in consumption and/or distribution to neighbors as the first product group. This is because it is a consumable product with a quick result, making it easy to close sales. However, during the aforementioned operating periods, the company has increased revenue from sales through distributors, mainly because dealers in Myanmar were affected by its government announcement to delay the network business in September 2018, able to adapt to the situation, and have purchased more products from the company compared with the same period of the previous year.

A total income in the 2021's period increased by 254.35 million Baht or equivalent to 24.71 percent from the same period of the previous year. This was mainly due to an increase in domestic sales income from the consumption of healthcare consumers to prevent the COVID-19 outbreak. As a result, the number of businessmen and the domestic sales have increased in particular, sales of Nutrinal products increased significantly, as it is the main product group of the company and is a group that new businessmen are interested in consumption and/or distribution to neighbors as the first product group. This is because it is a consumable product with a quick result, making it easy to close sales. However, during the aforementioned operating periods, the company has increased revenue from from agricultural products, which has a good feedback from businessmen in terms of increasing agricultural products and has seen a significant impact from the use of company's agricultural products. Furthermore, the company recognizes revenue from the use of trademarks in 2021 which increased from 2020.

Product Sales Income through Businessmen

Revenue from merchandising through businessmen accounted for 89.65 percent, 85.12 percent, and 86.65 percent of total revenue for the period of 2019 to 2021 respectively. This income comes from the Multi-Level Marketing business, which is the sale of products from the company to consumers through businessmen who are members of the company with a remuneration paid to the members according to the system following the network hierarchy and the type of remuneration according to the company's business plan. The company has a total number of businessmen members as follows:

List	As of December, 31		
	2021	2020	2019
Number of Businessmen – Beginning of the period	179,055	196,758	227,204
Number of New Businessmen	77,099	72,676	81,604
Number of Expired Businessmen	97,457	90,379	112,050
Number of Businessmen ending of the period ⁽¹⁾ (Active members)	158,697	179,055	196,758

Note: 1. Active businessmen refer to those who have not expired their membership, that is, new businessmen and businessmen who have renewed their membership in the past year.

The number of businessmen has decreased during 2019 - 2021 because there are new businessmen applicants in a number less than those retired (not renewed). The preliminary survey of the company found that the proportion of new businessmen applicants decreased compared to the previous year, mainly due to forwarding ideas and building networks of young entrepreneurs who were not yet tenacious and incompetent equivalent to the previous generation, resulting in new businessmen is more difficult to find their line of work. Also, some businessmen do not wish to renew their membership because they only want to be consumers and not doing business in networking business or in the process of a decision to renew membership later. The company foresees the problem and provides promotional and business activities by organizing promotional activities which businessmen will have more PV from selling their products by themselves while still receiving compensation under the normal business plan if there are additional downline membership, award competition, new market expansion, and corporate custody including developing new seminar courses to focus on developing principles of selling products and expanding markets. However, from the COVID-19 situation making the company unable to organize marketing activities effectively, and unable to hold meetings in places with many members. As a result, the company found new businessmen less than the number of retired businessmen resulting in an active member status of the businessmen at the end of 2021, which decreased from 2020

The income from product sales through businessmen can be classified by product line as follows

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Nutritional	672.52	60.47	588.13	67.10	658.51	66.73
Body Cheer	104.43	9.39	95.84	10.94	97.47	9.88
Growing More	243.48	21.89	86.48	9.87	97.78	9.91
S Mone	49.00	4.41	50.93	5.81	77.90	7.89
Neatly Home	22.50	2.02	21.70	2.48	19.78	2.00
Smart Creation	18.89	1.70	29.14	3.33	35.34	3.58
Multi Potential	1.38	0.12	4.10	0.47	-	-
Good Sales Income through Businessmen	1,112.20	100.00	876.32	100.00	986.78	100.00

Revenue from merchandising through businessmen in the 2020's period decreased by 110.46 million Baht or 11.19 percent from the same period of the previous year. This was mainly due to a decrease in domestic sales income from the slowdown in consumption of domestic consumers and the COVID-19 outbreak since March 2020 making the company unable to organize marketing activities effectively, and unable to hold meetings in places with many members. As a result, Nutritional products declined significantly from 2019, as it is the main product group of the company and is a group that new businessmen are interested in consumption and/or distribution to neighbors as mentioned above. However, the company launched a product line in the second quarter of 2020, which is a general-purpose product line that is mostly sold under the manufacturer's branding/domestic distributors. However, the income proportion of the product line is still relatively small.

Revenue from merchandising through businessmen in the 2021's period increased by 235.88 million Baht or 26.92 percent from the same period of the previous year. This was mainly due to an increase in domestic sales income from the consumption of healthcare consumers to prevent the COVID-19 outbreak. As a result, the number of businessmen and the domestic sales have increased in particular, sales of Nutritional products increased significantly, as it is the main product group of the company and is a group that new businessmen are interested in consumption and/or distribution to neighbors as the first product group. This is because it is a consumable product with a quick result, making it easy to close sales. However, during the aforementioned operating periods, the company has increased revenue from agricultural products, which has a good feedback from businessmen in terms of increasing agricultural products and has seen a significant impact from the use of company's agricultural products.

Product Sales Income through Distributors

The company has distributors in 6 countries: Myanmar, Laos, Vietnam, Cambodia, Malaysia, and Singapore, where laws and business environment will differ in each country. The details can be summarized as follows.

Myanmar

Myanmar is one of the countries that is the company's distributor and a network of businessmen under the branding Successmore is the second largest after Thailand. Distributors in Myanmar have 5 branches under the Successmore branding, namely Yangon, Mandalay, Taunggyi, Myitkyina, and Mawlamyine. Originally, Myanmar did not have clear direct selling laws, therefore, distributors in Myanmar have operated their direct sales business as usual. However, after the government of Myanmar by the Ministry of Commerce issued Notification No. 46/2018 to cease the direct selling business in Myanmar in September 2018, the distributors in Myanmar were unable to operate the business in the form of direct selling. They can be operated only at the point of sale or selling products to the final consumers. The distributors will pay the remuneration to their members in the form of a Commission Rebate based on the purchase amount, which is not a network business compensation plan. Currently, the Burmese government is considering establishing a new direct selling bill before issuing clear announcements or laws again.

Laos

Currently, distributors in Laos have are 2 branches under the Successmore branding, namely Vientiane and Pakse. Laos has no clear laws of the direct selling network, that is, there are no requirements and limitations for conducting direct sales business. As a result, the company can operate network business freely but due to the limitation on the number of the population and the purchasing power of consumers, making the business based in Laos is still relatively low in the scale. The company is expecting to continue growing in the future.

Cambodia

Currently, distributors in Cambodia have one branch under the Successmore branding, namely Phnom Penh, which direct selling law of the company is similar to Laos's. Cambodia's law has no clear indication of conducting a direct sales network making the company can operate the network business freely but due to the limitation on the number of the population and the purchasing power of consumers. As a result, at present, the expansion of the business based in Cambodia is still increasing. In Cambodia, the compensation paid in the form of a network business will result in more people interested in the business and may cause the number of businessmen to grow rapidly in the future.

Vietnam

Currently, distributors in Vietnam have one branch under the Successmore branding, namely Hanoi with its legal restrictions related to operating a direct sales network. The operators have to apply for a license to operate a direct sales business first. At present, the company's distributors in Vietnam are in the process of submitting for a direct selling network license expected to be granted by 2020. After receiving the license, the company expects Vietnam to be a country that has continued growth in the number of businessmen due to the structure of population and purchasing power similar to Thailand. Moreover, the Vietnamese population is also interested in many types of Thai products.

Malaysia

Malaysia is one of the two new countries that the company has entered into an additional distributor appointment agreement in 2019 and currently has one branch, namely Selangor with its laws related to direct selling network business. Although it is in the early stages of business in Malaysia, the company has seen the potential and competence of people in the area, population, and the knowledge and understanding of dietary supplements well. It also expects that the number of businessmen in Malaysia will grow well despite the high competition in the business.

Singapore

Singapore is the latest country in which the company has entered into a distributor appointment agreement in 2019 and has one branch. Singapore has opened up independent business operations to entrepreneurs in the direct selling network business which can conduct business as usual but it must be subject to law and fairness in operating business. With the limitation of the population and the fact that consumers pay more attention to comparing product quality and price before deciding to consume the product, as a result, the number of businessmen in Singapore is still very small. The company sees that appointing a distributor in Singapore will further enhance the confidence of consumers abroad and open up business opportunities to expand to other countries in the future, such as the Philippines, Indonesia, etc.

In this regard, the product sales income through distributors accounted for 3.20%, 7.87%, and 6.25% of total income in 2019 to 2021's period respectively, This income is generated from selling a large number of products at a special price to the distributors, to distribute products to consumers through various channels. The income from selling products through distributors can be classified by product lines and a group of countries as follows.

Classified by Product Line

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Nutritional	31.46	39.18	38.21	47.15	18.48	52.47
Body Cheer	7.50	9.34	11.53	14.24	6.89	19.58
Growing More	35.70	44.46	26.07	32.17	5.89	16.73
S Mone	2.76	3.44	3.36	4.15	2.07	5.87
Neatly Home	2.56	3.19	1.74	2.15	1.41	4.01
Smart Creation	0.31	0.39	0.11	0.14	0.47	1.34
Product Sales Income	80.29	100.00	81.02	100.00	35.22	100.00

Classified by a Group of Countries

Classified by a Group of Countries	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Domestic Distributors	-	-	-	-	0.15	0.43
Myanmar	3.60	4.48	36.17	45.11	21.33	60.57
Vietnam	0.39	0.49	0.36	0.41	3.58	10.16
Laos	-	-	4.55	5.67	4.50	12.77
Cambodia	53.42	66.53	28.55	35.60	3.70	10.49
Malaysia	7.70	9.59	0.79	0.98	0.66	1.87
Singapore	15.18	18.91	10.59	13.08	1.30	3.70
Product Sales Income through Distributors	80.29	100.00	81.02	100.00	35.21	100.00

Income from sales through distributors in 2020 increased by 45.80 million Baht or 130.06 percent from the same period of the previous year. This was mainly because dealers in Myanmar were affected by its government announcement to delay the network business in September 2018. It can adapt to the situation better by becoming familiar with selling through distribution channels at branch stores in Myanmar resulting in the purchase of products from the company. Also, the company also earned income from distributors in Laos and Cambodia since the company's brand became more popular with customers in both countries.

Income from sales through distributors in 2021 increased by 0.73 million Baht or 0.90 percent from the same period of the previous year which was a normal level of sales through distributors.

Considering the income from selling products by distributors by countries, it was found that most of the income are mainly from selling to Cambodia and Myanmar distributors, accounted for 60.57 percent, 45.11 percent, and 66.53 percent of the sales income through distributors in the period of 2019 to 2021. The income from distributors in other countries accounted for a very small percentage compared to distributors in Cambodia and Myanmar due to the number of businessmen in other countries are relatively smaller and the brand perception in each country is not as popular as Cambodia and Myanmar. However, after the government of Myanmar announced it would suspend direct sales operations in September 2018, it has a significant impact on the business operation of distributors in Myanmar. The Company anticipates that after the law on direct sales business in Myanmar is clearer, income from sales to distributors in Myanmar is likely to return to the same level and grow in the future.

Service Income

Service income accounted for 2.97 percent, 3.22 percent, and 1.23 percent of total income in the 2019 to 2021's period respectively. This income is from providing networking business-related advice such as general management, businessman management, marketing, accounting, tax planning, information technology system to the company's distributors to provide standards in various operations and bring the company's products to sell in the same standard. The company has separated the service activities by

allowing SPT, the company's subsidiary to manage these activities instead by transferring the service activities, training and seminars, and business consulting services to SPT to divide the business for the efficiency in the management of the service business group. However, during the COVID-19 outbreak, the company could not hold a meeting or training seminars for large participants and the meeting or training seminars has been held online instead at the present.

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Services Income	15.83	1.23	33.18	3.22	32.68	2.97

Service income in the 2020's period increased by 0.51 million baht or 1.56 percent from the same period of the previous year. This was mainly due to the service income from the growth of product sales in Malaysia and Singapore.

Service income in the 2021's period decreased by 17.35 million baht or 52.29 percent from the same period of the previous year. This was mainly due to the the COVID-19 outbreak, the company could not hold a meeting or training seminars for a large participants and the meeting or training seminars has been held online instead at the present. As a result, the service fee has been reduced.

Other Income

Other income accounted for 4.19%, 3.78%, and 5.87% of total income for the 2019 to 2021's period respectively. This income is the income related to the main business operation, which is, membership fee collected from businessman, copyright fee collected from distributors which is the income from allowing distributors to use the company's brand, income from selling souvenir products at the company's branches and headquarter, including other income such as net income from seminar ticket selling, interest income from bank and gain from foreign exchange, which can be classified as follows:

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Income from the membership fee	22.99	30.53	23.74	60.45	28.68	62.23
Income from allowing distributors using brand	35.37	46.97	3.41	8.68	8.05	17.48
Income from souvenir selling	4.76	6.32	8.41	21.42	4.94	10.72
Exchange gains	5.56	7.39	0.31	0.79	-	-
Other Income	6.61	8.79	3.40	8.66	4.41	9.57
Total Other Income	75.29	100.00	39.27	100.00	46.08	100.00

Other income for the year 2020 decreased by 6.81 million Baht or 14.78 percent from the same period of the previous year. This was mainly due to the decrease in membership fee income from the decrease of businessmen. At the same time, the company doesn't collect any income from distributors for using the company's brand due to the COVID-19, which affects business operations in all regions that the company having distributors operating.

Other income for the year 2021 increased by 36.02 million Baht or 91.72 percent from the same period of the previous year. This was mainly due to the increased in revenue from allowing distributors using company's brand and trademark.

(2) Sales Cost

The sales cost in 2019 to 2021 were 248.46 million Baht, 261.49 million Baht, and 280.50 million Baht respectively. The cost of sales comprises the cost of all products sold through businessmen and distributors channels which can be summarized as follows

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Sales cost from product sales through businessmen	236.52	84.32	204.63	78.25	221.15	89.01
Sales cost from product sales through distributors	43.98	15.68	56.86	21.75	27.31	10.99
Total sales cost	280.50	100.00	261.49	100.00	248.46	100.00

The total sales cost in the 2020's period increased by 13.03 million Baht or 5.24 percent from the same period of the previous year, mainly due to an increase in revenue from distributors.

The total sales cost in the 2020's period increased by 13.03 million Baht or 5.24 percent from the same period of the previous year, mainly due to an increase in revenue from businessmen.

Service Cost

Service costs in 2019 to 2021 equal to 5.80 million Baht, 13.87 million Baht and 10.70 million Baht respectively. The service cost mainly consists of salaries, and remunerations of the involved employees.

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Cost of Services	10.70	0.83	13.87	5.30	5.80	2.33

Service costs in the 2020's period increased by 8.07 million Baht or 139.03 percent from the same period of the previous year since the company has a more fixed cost to operate the service.

Service costs in the 2021's period decreased by 3.17 million Baht or 22.86 percent from the same period of the previous year consistent with the decreased in service income.

(3) Gross Profit

The gross profit in 2019 to 2021 were 800.41 million Baht, 715.17 million Baht, and 917.12 million Baht respectively. The gross profit margin ratio were 75.89%, 72.20%, and 71.45% respectively.

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Gross profit from product sales through businessmen	875.68	68.22	671.70	76.65	765.63	77.59
Gross profit from product sales through distributors	36.31	2.83	24.15	29.81	7.90	22.44
Gross profit from total sales	911.99	71.05	695.85	72.69	773.53	75.69
Gross profit from services	5.13	0.40	19.32	58.22	26.87	82.25
Total gross profit	917.12	71.45	715.17	72.20	800.41	75.89

Note: The percentage refers to the gross profit rate from the operations of each business.

Gross profit in the 2020's period decreased by 85.24 million Baht or 10.65 percent from the same period of the previous year, mainly due to a decrease in domestic product sales, although there has been an increase in revenue from overseas sales. However, the increased in gross margin from the overseas sales through distributors was lower than the decreased in gross margin from domestic sales. As a result, the total gross margin decreased from the same period of the previous year.

Gross profit in the 2021's period increased by 201.95 million Baht or 28.24 percent from the same period of the previous year, mainly due to an increase in domestic product sales. In addition, gross margin from overseas sales through distributors also rose. As a result, the total gross margin increased from the same period of the previous year.

(4) Sales Expenses

Sales expenses in 2019 to 2021 were 677.70 million Baht, 579.81 million Baht, and 608.19 million Baht respectively with details as follows

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Businessman Commission	457.05	75.15	459.46	79.24	542.54	80.06
Advertising and sales promotion	18.80	3.09	18.38	3.17	18.88	2.79
Variable executive remuneration ⁽¹⁾	29.80	4.90	23.93	4.13	25.55	3.77
Employee expenses	46.23	7.60	34.52	5.95	42.45	6.26

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Travel	6.67	1.10	9.97	1.72	14.14	2.09
Rental fee	2.20	0.36	2.93	0.51	14.97	2.21
Shipping	21.82	3.59	9.80	1.69	6.03	0.89
Equipments and public utility	6.77	1.11	3.15	0.54	3.99	0.59
Insurance	1.91	0.31	2.13	0.37	2.89	0.43
Others	3.08	0.51	3.79	0.65	2.61	0.38
Sales expenses before the depreciation and amortization	594.34	97.72	568.06	97.97	674.05	99.46
Depreciation and amortization	13.85	2.28	11.75	2.03	3.65	0.54
Total	608.19	100.00	579.81	100.00	677.70	100.00

Sales expenses mainly consist of businessman commission, advertising and sales promotion, variable executive remuneration, and employee expenses. In this regard, the businessman commission is the remuneration paid to the network businessmen according to the remuneration plan, while variable executive remuneration is the remuneration that the main executive of the company, Dr. Sitthawee and Mr. Noppakrit, and Vice Chairman of Executive Officer, or a person that the Board of Directors considered appropriate to receive, which accounts for approximately 2.50 percent of the total product sales income.

Sales expenses in the 2020's period decreased by 97.89 million Baht or 14.44% from the same period of the previous year. It was mainly due to the decrease in the businessman commission and variable executive remuneration according to the income from the product sales through businessmen as the same in 2019, and the decrease in employee expenses from the resignation of sales executives, decrease in employee bonus including reducing the working time of employees due to the change in opening-closing hours according to the government policy during the COVID-19 outbreak. In addition, the company has a decrease in rental fees since it has started recording a lease with a rental period of more than 1 year as a right-of-use asset under IFRS 16 on the Lease Agreement starting from January 1, 2020, causing an additional record of depreciation of the above-mentioned right-of-use assets in the 2020's period.

Sales expenses in the 2021's period increased by 28.38 million Baht or 4.89% from the same period of the previous year due to the growth of revenue that lead to the increase in sales expenses, this included the increase in variable executive remuneration, employee expense due to paying more bonuses than the previous year, transportation cost for online sale channel as the company adjusted the distribution channel in accordance with COVID-19 outbreak situation. However, the proportion of sales expenses to total revenue decreased by 8.90% from the same period of the previous year due to the expenses management in the coronavirus pandemic situation.

(5) Administrative Expenses

Administrative expenses in 2019 to 2021 equal 88.89 million Baht, 88.17 million Baht, and 99.20 million Baht respectively. The details of administrative expenses can be summarized as follows.

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Employee expenses	40.21	40.54	40.02	45.38	48.79	54.89
Rental fee	0.65	0.65	1.14	1.29	1.93	2.17
Consultant	8.13	8.20	6.71	7.61	11.03	12.40
Taxes	1.35	1.36	1.27	1.44	1.14	1.28
Equipments	2.44	2.46	2.49	2.82	3.62	4.07
Other services	5.77	5.82	4.91	5.56	3.83	4.31
Research and development	3.64	3.67	1.52	1.72	1.61	1.82
Bank fee	0.45	0.45	0.25	0.29	0.60	0.68
Insurance premium	0.78	0.78	0.64	0.72	0.80	0.90
Public utility	1.34	1.35	1.12	1.27	0.33	0.37
Travel	0.00	0.00	0.01	0.01	0.04	0.04
Others	5.42	5.47	3.87	4.39	4.53	5.09
Sales expenses before the depreciation and amortization	70.18	70.75	63.93	72.51	78.24	88.02
Depreciation and amortization	29.02	29.25	24.24	27.49	10.65	11.98
Total	99.20	100.00	88.17	100.00	88.89	100.00

Administrative expenses mainly consist of employee expense, depreciation and amortization, rental fee, consultant fee, and taxes.

Administrative expenses in the 2020's period decreased by 0.73 million Baht or 0.82 percent from the same period of the previous year. This is because the company had some cost controls during the COVID-19 outbreak because of some operating restrictions that are not feasible during the outbreak along with reduced costs including employee-related expenses, research and development fee, other miscellaneous expenses, and expenses related to recruiting new employees. In 2020, the company has recorded the amortization of dietary supplements, and cosmetics recipes, which is an intangible asset arising from the acquisition of SMI, equal to 8.42 million Baht.

Administrative expenses in the 2021's period increased by 11.03 million Baht or 12.50 percent from the same period of the previous year. This is because the company had consulting fee, service fee, R&D cost for new products that launch in 2021, coupled with an increased in depreciation and amortization cost of intangible assets. However, the proportion of administrative expenses to total revenue decreased by 1%

from the same period of the previous year due to the expenses management in the coronavirus pandemic situation.

(6) Loss from Net Exchange Rate

The Company had a net exchange loss in the period of 2019 to 2021 equal to 7.57 million Baht, 0.00 million baht, and 0.00 million Baht, which was caused by the exchange rate loss from the overseas sales transactions in the countries with a 120-day trade term credit given to overseas dealers.

(7) Profit before Financial Costs and Income Tax Expenses

The company had the profit before financial costs and income tax expenses for the period of 2019 to 2021 equal to 72.33 million Baht, 86.46 million Baht, and 285.03 million Baht, mainly due to the increase revenue from domestic sales of 235.88 million Baht and the decrease in product cost and commission for businessmen from the same period of the previous year due to the revision of the organization's strategy to increase online sales along with cost management in the coronavirus pandemic situation.

(8) Financial Cost

Financial costs in the period of 2019 to 2021 equal to 0.28 million Baht, 3.46 million Baht, and 3.52 million Baht respectively, accounted for 0.03 percent, 0.34 percent, and 0.27 percent of total income. However, the financial costs of the company are relatively small and are insignificant to the operating results. These financial costs are from the interest expense as a result from the company has begun recording leases with a lease term of more than one year as a right-of-use asset under IFRS 16 "Lease Agreement" from January 1, 2020, and the liability under the finance lease is recorded in conjunction with the recording the use of rights assets list. As a result, the additional financial costs have to be recorded in the 2021's period with the amount of 3.52 million baht.

(9) Income Tax Expense

Income tax expenses for the period of 2019 to 2021 equal 13.01 million Baht, 16.36 million Baht, and 57.69 million Baht. The effective tax rate was 18.05%, 19.70%, and 20.00% of profit before income tax expenses. The effective tax rate in the period of 2019 to 2021 is at the normal level and in line to the income tax rate of a juristic person, which is equal to 20 percent since the company obtained the approval of the International Business Center (IBC) tax promotion measure which submitted SPT to receive tax incentives for services to overseas affiliates at a tax rate of 8%. However, since 2020, there has been a coronavirus outbreak. Therefore, it is not possible to organize any service activities, so it does not meet the conditions of use of tax benefits, which causes the tax payment rate rise to be 20% in 2021.

(10) Net Profit

The net profit for the period of 2019 to 2021 was 59.04 million Baht, 66.64 million Baht, and 223.81 million Baht respectively, accounting for 5.36, 6.47, and 17.43 percent of total income. This was mainly due to the increase revenue from domestic sales of 235.88 million Baht and the decrease in product cost and commission for businessmen from the same period of the previous year due to the revision of the organization's strategy to increase online sales along with cost management in the coronavirus pandemic situation.

4.1.3 Financial Status

Description of financial status is a description of the significant changes in the financial statements audited for the financial status at the end of 2019 to 2021.

Asset

Total assets at the end of 2019 to 2021 were 385.31 million Baht, 886.38 million Baht, and 1,048.00 million Baht, respectively. Most of the major assets are current assets, accounting for 83.93 percent, 67.80 percent, and 73.50 percent of total assets, which mainly consists of cash and cash equivalent, trade receivables and other receivables, and inventories. However, the proportion of current assets has increased in 2021 because the increase in cash and cash equivalent, trade receivables and other receivables, and inventories, along with the increase in total revenue.

Total assets as of 31 December 2020 increased by 501.07 million Baht or 130.04 percent from 31 December 2019. This is mainly because the company had an increase in rights-of-use assets of 51.31 million Baht under Financial Reporting Standard No. 16 regarding lease agreements and had a record of the goodwill of 1.07 million Baht and intangible assets from business acquisitions of food supplement and cosmetics recipes, for 126.17 million Baht (value as of December 31, 2020) from the investment in SCM Innovative Company Limited (SMI) during the first quarter of 2020.

Total assets as of 31 December 2021 increased by 161.62 million Baht or 18.23 percent from 31 December 2019. This was mainly due to the increase in cash and cash equivalent, trade receivables and other receivables, and inventories, along with the increase in total revenue.

Current Asset

- **Cash and Cash Equivalents**

Cash and cash equivalents at the end of 2019 to 2021 were 206.28 million Baht, 468.18 million Baht, and 563.62 million Baht, consisting of cash, current account, and savings account, etc.

Cash and cash equivalents as of 31 December 2020 increased by 261.91 million Baht or 126.97 percent from 31 December 2019, mainly due to the company has invested in SCM Innovative Company Limited (SMI) in March 2020, whose assets were land and factory buildings. In addition, the company received a capital payment of 285.00 million Baht from the initial public offering (IPO) of 150,000,000 new ordinary shares at the price of 1.90 Baht per share to general persons, directors, executives, and/or employees of the company, during the third quarter of 2020.

Cash and cash equivalents as of 31 December 2021 increased by 95.44 million Baht or 20.38 percent from 31 December 2020, mainly due to the company has increased cash gains from higher sales of goods and services while the company can manage the cost of goods to a lower level.

- **Trade and other Current Receivables**

Trade and other current receivables at the end of 2019 to 2021 were 68.95 million Baht, 79.94 million Baht, and 115.72 million Baht with details as follows:

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Trade receivables	39.44	34.08	43.37	54.24	25.87	37.52
Other receivables	38.38	33.17	-	-	-	-
Prepaid expense	7.39	6.39	5.57	6.97	7.72	11.20
Accrued interest	0.02	0.02	7.49	9.36	6.49	9.41
Goods prepaid expense	30.49	26.35	23.52	29.42	28.87	41.87
(deduct) Allowance for Doubtful Accounts	-		-	-	-	-
Total	115.72	100.00	79.94	100.00	68.95	100.00

Most of the trade receivables are merchandise distributors who trade in wholesale manner and have term credits, which can be classified according to the age of debt as follows

List	For Period Ending December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Undue payment	20.04	50.80	43.37	100.00	25.87	100.00
3 months or less	19.40	49.20	-	-	-	-
More than 3 to 6 months	-	-	-	-	-	-
More than 6 to 12 months	-	-	-	-	-	-
Total	39.44	100.00	43.37	100.00	25.87	100.00

Trade accounts receivable as of 31 December 2020 increased by 17.50 million Baht or 67.65 percent from 31 December 2019. This is due to the company sold more products to distributors in foreign countries during this period and payment deadline has not yet been reached.

Trade accounts receivable as of 31 December 2021 decreased by 3.93 million Baht or 9.05 percent from 31 December 2020. This is due to the company's declining sales to oversea distributors.

Other receivable including trademark fee, service charges and commission charged from distributors with detail as follows.

Other receivable as of 31 December 2021 increased by 31.99 million Baht or 500.63 percent from 31 December 2020. This is due to the company will receive the trademark fee, service charges and commission charged from distributors which the payment deadline has not yet been reached.

Goods prepaid expense as at 31 December 2020 decreased by 5.35 million Baht or 18.53 percent from 31 December 2019, according to the decrease in product sales.

Goods prepaid expense as of 31 December 2021 increased by 6.97 million Baht or 29.63 percent from 31 December 2020, according to the increase in product sales.

As of 31 December 2020, the company has 19.80 million Baht overdue debt of trade receivables and other receivables from distributors in Cambodia, and the overdue debt will be paid from distributors in Cambodia within the first quarter of 2022. Detail of distributors in Cambodia's outstanding debt as at 31 December 2021 are shown below,

List	Unit: million Baht				
	As of December 31, 2021				
	Undue	3 months or less	More than 3 to 6 months	More than 6 to 12 months	Total
Receivable of sales from Cambodia distributors	7.80	17.25	-	-	25.05
Receivable of the service fee to Cambodia distributors	2.16	2.15	-	-	4.31
Other receivable from Cambodia distributors	22.75	0.40	-	-	23.15
Total	32.71	19.80	-	-	52.51

Doubtful Account Policy

The company has established a policy for setting aside doubtful debts by applying financial reporting standard No. 9 (TFRS9) : financial instruments, impairment estimation and expected credit loss model, by considering past events, current situations, and forecast of future economic situations. (In the past, the company set aside doubtful debts when there were past and present indications that it would not be able to collect debts)

● **Inventory**

Inventories at the end of 2019 to 2021 were 45.73 million Baht, 48.25 million Baht, and 79.60 million Baht, which are consumer goods that the company is waiting for sale to businessmen or distributors with details as follows

List	Ending on December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Instant products	73.30	92.08	46.53	96.44	41.12	89.93
Material	7.11	8.93	2.84	5.89	5.62	12.29
(deduct) Allowance for devaluation of inventories	(0.81)	(1.01)	(1.12)	(2.33)	(1.01)	(2.22)
Total	79.60	100.00	48.25	100.00	45.73	100.00

Inventories as of 31 December 2020 increased by 2.52 million Baht or 5.51% from 31 December 2019. The company has ordered products preparing to be sold after 2020 while the level of inventories in this period is considered as a normal level.

Inventories as of 31 December 2021 increased by 31.35 million Baht or 64.97 percent from 31 December 2020. The company has ordered products preparing to be sold after 2021 while the level of inventories in this period is considered as a normal level.

From 2019 to 2021, the company has the devaluation of inventories of 1.01 million Baht, 1.12 million Baht, and 0.81 million Baht, representing 2.22 percent, 2.33 percent, and 1.01 percent of the inventory value before deducting the allowance. The management estimates that it is at a normal level and there are not significant numbers.

- **Other Current Asset**

Other current assets at the end of 2019 to 2021 were 2.44 million Baht, 4.56 million Baht, and 11.29 million Baht, mainly consist of undue input vat.

Non-Current Asset

- **Fixed Deposits Used as Collateral**

Fixed deposits used as collateral at the end of 2019 to 2021 equal to 7.50 million Baht, 5.50 million Baht, and 5.70 million Baht, which is cash guaranteeing a working capital limit with a financial institution.

- **Rights Asset**

The company started recording rights assets from 1 January 2020, under Financial Reporting Standard No. 16 regarding lease agreements for rental items with a period of more than 1 year. Mostly, they are the rent for the location of the head office and branches of the company scattered throughout the country, with depreciation recorded (amortization) in each period according to the remaining period of the lease agreement. As of 31 December 2021, the company has right-of-use assets of 46.51 million Baht.

- **Leasehold Improvements and Equipment**

Leasehold improvements and equipment at the end of 2019 to 2021 were 32.52 million Baht, 82.88 million Baht, and 82.85 million Baht, which can be summarized as follows

List	Ending on December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Land	7.09	8.56	7.09	8.56	1.37	4.22
Buildings	40.60	49.01	42.83	51.68	3.58	11.01
Leasehold improvements	11.80	14.24	12.82	15.47	7.80	24.00
Tools	9.08	10.96	5.35	6.46	1.27	3.91
Furnishing and office equipment	5.59	6.75	5.05	6.10	4.49	13.81
Computer	3.81	4.59	2.04	2.46	1.60	4.92
Vehicles	4.88	5.89	7.69	9.28	12.40	38.13
Total	82.85	100.00	82.88	100.00	32.52	100.00

Leasehold improvements and equipment as of 31 December 2020 increased by 50.56 million Baht or 154.85 percent from 31 December 2019. This was mainly due to the company's investment in SMI, a subsidiary of the group of the companies, to operate as a manufacturing factory for the company.

Leasehold improvements and equipment as of 31 December 2021 decreased by 0.03 million Baht or 0.04 percent from 31 December 2020. The company has no significantly changed in leasehold improvements and equipment from the previous year.

- **Goodwill**

For the year 2021, goodwill of the company amounted to 1.07 million Baht that's an unchanged number from 2020. The company has successfully tested for the impairment of goodwill and the result shown there're no impairment.

- **Intangible Asset**

Intangible assets at the end of 2019 to 2021 were 14.78 million Baht, 141.10 million Baht, and 136.44 million Baht, which is mostly from business acquisitions, ERP systems, websites, applications, etc. Intangible assets from business acquisitions are recipes of supplements and cosmetics from the company's investment in SMI, a subsidiary of the group of the company, to operate as a manufacturing factory for the company. It was assessed by an independent appraiser to assess the value of know-how and the production expertise of the employees transferred from ZEN. In this regard, the company estimates that the recipes of dietary supplements and cosmetics can be used for the year 2021 amounted to 115.81 million Baht.

Intangible assets as of 31 December 2020 increased by 126.31 million Baht or 854.60 percent from 31 December 2019 since the company has recorded the intangible assets as a result of business acquisitions which are recipes of dietary supplements and cosmetics amounted to 126.17 million Baht (value as of 31 December 2020) from the fair value valuation of know-how and production expertise of employees transferred from ZEN. In this regard, the company estimates that the recipes of dietary supplements and cosmetics can be used for 20 years, which the company has already utilized for 7 years and remaining of 13 years. The Company required to know the amortization of intangible assets in the consolidated financial statements as expenses of the company for a total of 13 years using a straight-line method over the useful life of the asset equal to 10.35 million Baht per year, which recognized the amortization charge starting from the date of acquisition of SMI (from March 10, 2020), which is equivalent to 8.42 million Baht for the year 2020.

Intangible assets as of 31 December 2021 decreased by 4.66 million Baht or 3.30 percent from 31 December 2020, which was the normal amortization rate in 2021.

- **Deferred Tax Asset**

Deferred tax assets at the end of 2019 to 2021 were 2.64 million Baht, 0.00 million Baht, and 0.00 million Baht. This is due to the difference between accounting and tax expenses as a result of certain items, such as provisions for employee benefit obligations and the value of assets according to

accounting is lower than income tax assets, etc. For the period of 2020 to 2021, the company has no deferred tax assets due to offsetting against the deferred tax liabilities.

- **Non-Current Asset**

Other non-current assets at the end of 2019 to 2021 were 4.46 million Baht, 4.64 million Baht, and 5.19 million Baht, which mostly consist of lease guarantee and utility expenses.

Source of Funds

- **Appropriateness of the Capital Structure**

The company has a debt to equity ratio of 0.40 times, 0.40 times, and 0.37 times at the end of 2019 to 2021 respectively.

The debt to equity ratio as of 31 December 2020, is the same as on 31 December 2019, since the company recorded liabilities under lease agreements together with right-of-use assets since January 1, 2020, under IFRS 16 on lease agreements for the lease transactions with a rental period of more than 1 year. The company has offered 150,000,000 new ordinary shares at the price of 1.90 Baht per share to the general persons, directors, executives, and/or employees of the company with a par value of 0.50 Baht, resulting in a share premium of 197 million Baht.

The debt to equity ratio as of 31 December 2021 decreased by 0.03 times from 31 December 2020 due to the increase in retained earnings, thus lowering the debt to equity ratio.

Liability

Total debt at the end of 2019 to 2021 were 109.37 million Baht, 226.50 million Baht, and 257.40 million Baht, which mostly consist of trade and other current payables, lease liabilities, and deferred tax liabilities.

- **Trade and other Current Payables**

Trade and other current payables at the end of 2019 to 2021 were 81.23 million Baht, 121.43 million Baht, and 134.83 million Baht with details as follows

List	Ending on December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Trade payables	38.46	28.52	39.96	32.91	14.59	17.96
Other payables	9.80	7.27	5.73	4.72	2.96	3.64
Unearned revenues	19.64	14.56	18.42	15.17	15.00	18.47
Accrued commission	50.33	37.33	42.13	34.70	34.98	43.06
Accrued expenses	16.61	12.32	15.18	12.50	13.70	16.87
Total	134.83	100.00	121.43	100.00	81.23	100.00

Trade and other current payables as of 31 December 2020 increased by 40.20 million Baht or 49.49 percent from 31 December 2019, since the company had an increase in trade payables according to the order period.

Trade and other current payables as of 31 December 2021 increased by 13.40 million Baht or 11.04 percent from 31 December 2020, since the company had an increase in trade payables according to the order period.

Unearned revenues consisted of products awaiting delivery, unearned product costs, membership fees awaiting recognition, etc., which are advance money and have not yet delivered the products and/or service.

Unearned revenue received as of 31 December 2020 increased by 3.42 million Baht or 22.80 percent from 31 December 2019, which was not a significant change.

Unearned revenue received as of 31 December 2021 increased by 1.22 million Baht or 6.62 percent from 31 December 2020, which was not a significant change.

- **Accrued Income Tax**

Accrued income tax at the end of 2019 to 2021 were 9.28 million Baht, 13.15 million Baht, and 31.45 million Baht, which was an additional net income tax from the operating results in each fiscal year.

- **Other Current Liability**

Other current liabilities at the end of 2019 to 2021 were 6.66 million Baht, 5.47 million Baht, and 8.41 million Baht respectively, which consisted of suspense tax and cash mainly guaranteed by the domestic distributors.

Other current liabilities as of 31 December 2020 decreased by 1.19 million Baht or equivalent to 17.87% from 31 December 2019 since the company have a lower pending tax.

Other current liabilities as of 31 December 2021 increased by 2.94 million Baht or equivalent to 53.75% from 31 December 2020 since the company have a lower pending tax.

- **Other Non-Current Liability**

Other non-current liabilities at the end of 2019 to 2021 equal to 0.00 million Baht, 0.00 million Baht, and 0.00 million Baht respectively.

- **Financial Lease Liability**

The liabilities under finance lease agreements at the end of 2018 to 2020 were 0.00 million Baht, 52.74 million Baht, and 48.96 million Baht, which can be summarized as follows:

List	Ending on December 31					
	2021		2020		2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Due within one year	15.25	31.15	11.51	21.82	0.00	-
Due more than one year	33.71	68.85	41.23	78.18	0.00	-
Total	48.96	100.00	52.74	100.00	0.00	-

As of 31 December 2020, the finance lease liabilities increased by 52.74 million Baht from 31 December 31 2019, since the company recorded liabilities under lease agreements together with right-of-use assets since January 1, 2020 under IFRS 16 on lease agreements for the rental items that have a rental period of more than 1 year.

As of 31 December 2021, the finance lease liabilities decreased by 3.78 million Baht from 31 December 31 2019, due to the recording of the amortization of lease liabilities in conjunction with right-of-use assets.

- **Deferred Income Tax (Net)**

Deferred income tax at the end of 2019 to 2021 were 0.00 million Baht, 22.48 million Baht, and 19.70 million Baht respectively, due to the adjustment of the fair value of net identifiable assets from the acquisition of SMI. As a result, the company has to record intangible assets such as recipes of dietary supplements and cosmetics with an increase of 126.17 million Baht (value as of 31 December 2020), resulting in deferred tax liabilities of 25.23 million Baht (20 percent of 126.17 million Baht). Also deducted deferred tax assets of, resulting in the company's net deferred tax liability of 19.70 million Baht.

Commitment and Contingent Liability

As of the end of 2019 to 2021, the company has commitments and contingent liabilities as follows

- **Non-Current Provisions for Employee Benefits**

The company has a non-current provision for employee benefits at the end of 2019 to 2021 equal to 12.21 million Baht, 11.23 million Baht, and 14.07 million Baht respectively.

- **Commitments Under Lease and Service Agreements for Headquarters Building and Branches**

The company has commitments under lease and service agreements for head office buildings and branches at the end of 2019 equal to 20.82 million Baht.

- **Commitments under Management Service Agreements**

The company has commitments under management service agreements at the end of 2019 to 2021 equal to 0.15 million Baht and 0.08 million Baht, and 0.00 million Baht, which is a security service contract.

Shareholders' Equity

Shareholders' equity as of the end of 2019 to 2021 were 275.94 million Baht, 564.03 million Baht, and 693.58 million Baht.

Shareholders' equity as of 31 December 2020 increased by 288.09 million Baht or 104.40 percent from 31 December 2019, from the increase in net profit from the operating period and the increase in non-controlling interests of SMI, a subsidiary that the company has acquired during the first quarter of 2020, which requires a consolidate financial statement. Besides, the company has offered 150,000,000 new ordinary shares at the price of 1.90 Baht per share to the general persons, directors, executives, and/or employees of the company with a par value of 0.50 Baht, resulting in a premium on ordinary shares of 197 million Baht.

Shareholders' equity as of 31 December 2021 increased by 129.55 million Baht or 22.96 percent from 31 December 2020, from the increase in retained earnings.

4.1.4 Liquidity

Cash Flows from Operating Activity

Net cash inflow (outflow) from operating activity for the year 2019 to 2021 has a total of 138.39 million Baht, 181.45 million Baht, and 228.96 million baht respectively. This was mainly due to the profit from the operation, including the add back of non-cash items such as depreciation, amortization, assets, and liabilities for the unstable operations.

Cash Flow from Investing Activity

The company had net cash flow for investment activity in a total of 14.81 million Baht in 2019. The main reason was the company has made additional investments in Nakhonratchasima branch, and the renovation of rental space for Rachayotin 2 branches.

Net cash flow from investing activity in 2020 was in the total of 126.45 million Baht, because of the investment in a subsidiary (SMI) for manufacturing purposes.

Net cash flow from investing activity in 2021 was in the total of 24.30 million Baht, this was due to the investment in online trading program, to increase company's distribution channels.

Cash Flow from Financing Activity

The company had net cash outflow from financing activity in a total of 24.89 million Baht in 2019. This was mainly due to the dividend paid in the amount of 94.50 million Baht and the loan repayment to financing institution amounted to 5.00 million Baht.

The net cash inflow from financing activity was 206.47 million baht in 2020. This was mainly due to the dividend paid amounted to 51.30 million baht, in combination with the initial public offering (IPO) newly ordinary shares in the total amount of 150,000,000 shares at the price of 1.90 baht per share to the public, directors, executives, and/or the employees in the total of 285 million baht. The company had a face value of 0.50 baht. This causes the excess of the value of an ordinary share of 197 million Baht.

The company had net cash outflow from financing activity in a total of 108.50 million Baht in 2021. This was mainly due to the dividend paid in the amount of 92.40 million Baht, the lease liabilities paid in the amount of 12.58 million Baht and the interest paid in the amount of 3.52 million Baht.

4.1.5 Analysis of Important Financial Ratios

Liquidity Ratio

The company has a liquidity ratio of 3.33 times, 3.96 times, and 4.06 times at the end of 2019 to 2021 respectively.

The liquidity ratio as of 31 December 2020 increased from 31 December 2019. This was mainly due to the initial public offering (IPO) which issued 150,000,000 new ordinary shares at the price of 1.90 baht per share to the public, directors, executives, and/or the employees worth 285 million baht.

The liquidity ratio as of 31 December 2021 increased from 31 December 2020. This was mainly due to the increase in cash, cash equivalents, receivables and inventories, according with the increase in total revenue.

The average collection period in 2019 to 2021 were 21.45 days, 12.58 days, and 12.34 days respectively. The average collection period for the year 2021 decreased from the previous year due to the constant sales volume to overseas distributors.

The average sales period in 2019 to 2021 were 84.98 days, 60.34 days, and 76.90 days respectively. The average sales period in 2021 increased from the previous year. This was mainly due to the company ordering products for sale after 2021.

The average repayment period in 2019 to 2021 were 39.37 days, 37.55 days, and 50.32 days respectively. The repayment period is likely to increase due to the term credits negotiated with supplier consistent with the continued growth of company's business.

The cash cycle in 2019 to 2021 were 67.06 days, 35.37 days, and 38.91 days respectively. The decrease in the cash cycle due to the faster average collection period.

Profitability Ratio

Net profit margins for the year 2019 to 2021 were 5.36 percent, 6.47 percent, and 17.44 percent respectively.

The net profit margin in 2020 increased from 2019. This was mainly due to the company had a reduction in expenses related to sales from efficiently controlling expenses, such as commission fee controlling which continuing from the first quarter of 2020, including the result from limitations of operating some activities due to the COVID-19 outbreak. As a result, expenses on some items decreased.

The net profit margin in 2021 increased from that of 2020. This was mainly due to the company gain the higher revenue while a reduction in expenses related to sales from efficiently controlling expenses, such as commission fee controlling, including the result from limitations of operating some activities due to the COVID-19. As a result, expenses on some items decreased.

Return on equity (ROE) for the year 2019 to 2021 were 23.05 percent, 56.97 percent, and 30.86 percent respectively. The return on equity for the year 2020 increased from the previous year due to the company had paid the amount of 51.30 million Baht dividend, together with the initial public offering (IPO) which the company issued 150,000,000 new ordinary shares at the price of 1.90 baht per share to the public, directors, executives, and/or the employees total worth 285.00 million Baht. The company had a face value of 0.50 baht, therefore, there was a premium in the ordinary shares of 197 million Baht. While the return on equity for the year 2021 decreased from the previous year even the net profit margin was higher, this was mainly due to in 2021 the company does not have the premium in the ordinary shares as in the previous year.

Operating Efficiency Ratio

Return on assets (ROA) for the year 2019 to 2021 were 14.72 percent, 10.48 percent, and 23.14 percent respectively. The return on asset for the year 2021 increased from the previous year, this was mainly due to the higher net profit in 2021.

The return on fixed assets in 2019 to 2021 were 225.46 percent, 135.84 percent, and 287.08 percent respectively. Due to the nature of company's business, there're a petty investment in fixed assets compared to sales volume. The company mainly focused on networking building and the overseas business partners. Therefore, the return on fixed asset was relative high.

The asset's turnover ratio in 2019 to 2021 were 2.74 times, 1.62 times, and 1.33 times respectively. The turnover ratio continued to decline due to the company had a steady growth of total assets.

Financial Policy Ratio

The debt to equity ratio (D/E) at the end of 2019 to 2021 were 0.40 times, 0.40 times, and 0.37 times respectively.

The debt to equity ratio as of 31 December 2021 decreased from 31 December 2020 due to the increase in retained earnings.

4.2 Major factors that may influence future operations and financial status

1. The company dependencies on Dr. Sitthawee Kriatchawanun and Mr. Noppakrit Nithilertvijit, who are the main executives, also considered as an important figure of the company. They also inspire other employees through training, seminar, and activities both inside and outside the organization related to the business. Therefore, these are the issue that both of them unable to continue working with the company and may cause the operation to be interrupted, and affect the performance and financial status of the company.
2. The operation in Myanmar is in the form of selling products to the dealers and followed the form of networking business which depend on related legal in Myanmar. The company executive expected that there will be more legal clarity in Myanmar. However, the management has a policy of delaying the sale of products to dealers in Myanmar according to the market conditions forecasting, to prevent the risk from inability to pay for goods. As a result, revenue from operations in Myanmar may slow down during the time that legally in Myanmar still unclear.
3. Commission fee, which is the compensation paid to the businessmen according to the networking business plan, is considered as the company's significant expenses. It sums up to 54.98 percent, 52.43 percent, and 41.09 percent for 2019, 2020, and 2021 respectively. Therefore, the proportion of such expense increases significantly, which may due to the business person generate returns even if they buy not many products from the company, and will affect the net profit margin of the company. However, the company monitors this expense ratio regularly.
4. The pandemic of COVID-19 affects the company in overall aspects. The COVID-19 outbreak decreases both domestically and internationally purchasing power. The company cannot hold meetings, seminars for members in the area with a large number of people. As a result, there are restrictions on expanding the base of a new networking businessmen, and the number of businessmen in the system is expected to decline due to the lack of meeting to exchange information between networking businessmen. Additionally, the company has to adjust the business working hours following the government's curfew, all of company's branches can operated only the store area while the meeting rooms and other areas was not allowed to hold any meetings. However, the company's management will control the cost as efficient as possible and may consider new business strategies consistent with consumer behavior that may change in the future. The company expects that the situation of the COVID-19 in Thailand still have an impact on the company's future performance, in terms of lower purchasing power. However, the situation of the COVID-19 in Thailand shows a better trend, the company's activities tend to move to the normal operation and able to organize the marketing activities, such as meetings and seminars. The company expects that if there is no serious recurrence of the COVID-19 outbreak in Thailand, the company will be able to operate normally.

4.3 Key Financial Data

4.3.1 Financial Summary

Statement of Financial Position

Statement of Financial Position	For the year ended 31 December					
	2021		2020		2019	
	THB Million	%	THB Million	%	THB Million	%
Current Assets						
Cash and cash equivalent	563.62	53.78	468.18	52.82	206.28	53.54
Marketable securities	-		-	-	-	-
Trade and other current receivables	115.72	11.04	79.94	9.02	68.95	17.90
Inventories	79.60	7.60	48.25	5.44	45.73	11.87
Other Current Assets	11.29	1.08	4.56	0.51	2.44	0.63
Total Current Assets	770.24	73.50	600.94	67.80	323.40	83.93
Non-Current Assets						
Fixed deposit used as collateral	5.70	0.54	5.50	0.62	7.50	1.95
Right-of-Use Assets	46.51	4.44	51.31	5.79	-	-
Property, plant and equipment	82.85	7.91	82.88	9.35	32.52	8.44
Intangible Assets	137.51	13.12	141.10	15.92	14.78	3.84
Deferred tax assets	-	-	-	-	2.64	0.69
Other Non-Current Assets	5.19	0.49	4.64	0.52	4.46	1.16
Total Non-current Assets	277.76	26.50	285.43	32.20	61.91	16.07
Total Assets	1,048.00	100.00	886.38	100.00	385.31	100.00
Liabilities and Shareholder's equity						
Current Liabilities						
Short-term loans from financial institutions	-	-	-	-	-	-
Trade and other current payables	134.83	12.87	121.43	13.70	81.23	21.08
Current portion of lease liabilities	15.25	1.46	11.51	1.30	-	-
Current income tax payable	31.45	3.00	13.15	1.48	9.28	2.41
Other current liabilities	8.41	0.80	5.47	0.62	6.66	1.73
Total Current Liabilities	189.93	18.12	151.56	17.10	97.16	25.22
NON-CURRENT LIABILITIES						
Lease liabilities	33.71	3.22	41.23	4.65	-	-
Non-current provision for employee benefits	14.07	1.34	11.23	1.27	12.21	3.17
Deferred tax liabilities	19.70	1.88	22.48	2.54	-	-
Other non-current liabilities	-	-	-	-	-	-
Total Non-current Liabilities	67.48	6.44	74.94	8.46	12.21	3.17
TOTAL LIABILITIES	257.41	24.56	226.50	25.56	109.37	28.39
SHAREHOLDERS' EQUITY						
Issued and paid-up share capital	300.00	28.63	300.00	33.85	225.00	58.39
Premium on ordinary shares	197.21	18.82	197.21	22.25	-	-

Statement of Financial Position	For the year ended 31 December					
	2021		2020		2019	
	THB Million	%	THB Million	%	THB Million	%
RETAINED EARNINGS						
Appropriated – Legal Reserve	23.90	2.28	16.90	1.91	14.60	3.79
Unappropriated	163.85	15.63	40.59	4.58	30.17	7.83
Other components of shareholders' equity	8.63	0.82	9.33	1.05	6.17	1.60
Total shareholders' equity attributable to owners of the Company	693.58	66.18	564.03	63.63	275.94	71.61
Non-controlling interests ⁽⁴⁾	97.00	9.26	95.85	10.81	-	-
TOTAL SHAREHOLDERS' EQUITY	790.59	75.44	659.88	74.45	275.94	71.61
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,048.00	100.00	886.38	100.00	385.31	100.00

Statement of Comprehensive Income

Statement of Comprehensive Income	For the year ended 31 December					
	2021		2020		2019	
	THB Million	%	THB Million	%	THB Million	%
REVENUES						
Revenues from sales	1,192.50	92.90	957.34	92.96	1,022.00	92.85
Revenues from rendering services	15.82	1.23	33.18	3.22	32.68	2.97
Total revenues	1,208.32	94.13	990.53	96.19	1,054.67	95.81
COST OF GOODS AND SERVICES						
Costs of sales	(280.50)	(21.85)	(261.49)	(25.39)	(248.46)	(22.57)
Costs of services	(10.70)	(0.83)	(13.87)	(1.35)	(5.80)	(0.53)
Total Cost of Goods and Services	(291.20)	(22.69)	(275.36)	(26.74)	(254.26)	(23.10)
Gross Profit	917.12	71.45	715.17	69.45	800.41	72.71
Other income	69.73	5.43	38.96	3.78	46.08	4.19
Gain on foreign exchange rates - net	5.56	0.43	0.31	0.03	-	-
Net Profit before Operating Expenses	992.41	77.31	754.44	73.26	846.49	76.90
Selling and Administrative Expenses						
Selling expenses	(608.19)	(47.38)	(579.81)	(56.30)	(677.70)	(61.57)
Administrative expenses	(99.20)	(7.73)	(88.17)	(8.56)	(88.89)	(8.08)
Loss on foreign exchange rates - net					(7.57)	(0.69)
Total Selling and Administrative Expenses	(707.39)	(55.11)	(667.98)	(64.86)	(774.16)	(70.33)
EBIT	285.02	22.21	86.46	8.40	72.33	6.57
Finance cost	(3.52)	(0.27)	(3.46)	(0.34)	(0.28)	(0.03)
EBT	281.50	21.93	83.00	8.06	72.05	6.55
Taxes	(57.69)	(4.49)	(16.36)	(1.59)	(13.01)	(18.05)
Net Income / (Loss)	223.81	17.44	66.64	6.47	59.04	5.36
OTHER COMPREHENSIVE INCOME						
Items that will be reclassified subsequently to profit or loss						
Exchange rate differences on translation of financial statements	(0.71)	(0.06)	0.44	0.04	0.01	0.00
Gain on remeasurements of defined benefit plans	-	-	2.96	0.29	-	-
Income tax relating to components of other comprehensive income	-	-	(0.23)	(0.02)	-	-
Net other comprehensive income	(0.71)	(0.06)	3.16	0.31	0.01	0.00
Total comprehensive income for the year	223.10	17.38	69.81	6.78	59.06	5.37

Statement of Comprehensive Income	For the year ended 31 December					
	2021		2020		2019	
	THB Million	%	THB Million	%	THB Million	%
Profit attributable to:						
Owners of the Company	217.61		64.02		-	-
Non-controlling interests	6.20		2.63		-	-
Profit for the years	223.81		66.64			
Total comprehensive income attributable to:						
Owners of the Company	216.90		67.18		59.06	
Non-controlling interests	6.20		2.62		-	
Total comprehensive income for the years	223.11		69.81		59.06	
Basic earnings per share						
Basic earnings per share (Baht)	0.36		0.13		0.12	
Weighted average number of ordinary shares (Thousand shares)	600.00		497.26		498.74	

Statement of Cash Flows

Statement of Cash Flows	For the year ended 31 December		
	2021	2020	2019
	THB Million	THB Million	THB Million
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year	223.81	66.64	59.04
Adjustments:			
Income tax expense	57.69	16.36	13.01
Allowance for doubtful debts		-	-
Loss for diminution in value of inventories	(0.32)	0.11	0.44
Gain on sales of investments in subsidiaries		-	-
Depreciation of plant and equipment	14.06	11.74	11.13
Amortization of intangible assets	15.15	12.64	3.51
Amortization of right-of-use assets	13.74	11.91	-
Difference from the decreasing of rental expense	(0.14)	0.49	-
Loss on disposal of plant and equipment	0.01	1.70	0.36
Gain on sales of plant and equipment	(0.18)	(0.01)	(0.00)
Employee benefit expense	3.01	3.19	2.75
Unrealized loss (gain) on exchange rates	(6.09)	0.46	1.50
Interest income	(1.13)	(1.44)	(1.51)
Finance costs	3.52	3.46	0.28
Operating profit before Changes in operating assets and liabilities	323.13	127.24	90.50
Changes in operating assets and liabilities			
Operating assets (increase) decrease			
Trade and other current receivables	(29.47)	63.99	92.88
Inventories	(31.03)	(2.64)	37.15
Other current assets	(6.73)	(2.12)	2.16
Bank deposit used as collateral	(0.20)	2.00	(0.50)
Other non-current assets	(0.54)	(0.18)	(0.60)
Operating liabilities increase (decrease)			
Trade and other current payables	13.40	10.61	(63.52)
Other current liabilities	2.93	(1.18)	(6.81)
Paid for non-current provision for employee benefits	(0.17)	(1.21)	-
Other non-current liabilities	-	-	-
Net cash received from operation	271.32	196.52	151.77
Income tax paid	(42.36)	(15.07)	(13.38)
Net cash provided by operating activities	228.96	181.45	138.39
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash payments for purchase of a subsidiary, net of cash received	-	(90.01)	-
Cash received (payments) for capital increment	-	-	-
Cash payments for purchases of property, plant and equipment	(14.05)	(34.68)	(14.32)
Cash received from sales of equipment	0.20	0.18	0.05
Cash payments for purchases of intangible assets	(11.56)	(3.29)	(1.48)

Statement of Cash Flows	For the year ended 31 December		
	2021	2020	2019
	THB Million	THB Million	THB Million
Interest income	1.11	1.35	1.44
Net cash provided by (used in) investing activities	(24.30)	(126.45)	(14.31)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash received from short-term borrowings from a financial institution	-	-	3.60
Cash paid for short-term borrowings from a financial institution	-	-	(8.60)
Cash paid for lease liabilities	(12.58)	(10.97)	-
Cash paid for liabilities under finance lease agreements	-	-	(0.11)
Cash received from shares subscription	-	272.21	75.00
Interest paid	(3.52)	(3.46)	(0.28)
Dividends paid	(92.40)	(51.30)	(94.50)
Net cash provided by (used in) financing activities	(108.50)	206.47	(24.89)
Effect of exchanged rate differences on translation of financial statements	(0.71)	0.44	0.01
Net increase in cash and cash equivalents	95.44	261.47	98.69
Cash and cash equivalents as at January 1,	468.18	206.28	107.58
Cash and cash equivalents as at December 31,	563.62	468.18	206.28

4.3.2 Financial Ratios⁽¹⁾

Financial Ratios	Unit of Measurement	For the year ended 31 December		
		2021	2020	2019
Liquidity Ratios				
Current Ratio	Times	4.06	3.96	3.33
Quick Ratio	Times	6.46	5.43	2.83
Cash flow current ratio	Times	1.34	1.44	1.03
Receivable current ratio	Times	29.19	28.61	16.78
Avg. debt collection period	Days	12.34	12.58	21.45
Inventory turnover period	Times	4.68	5.97	4.24
Avg. selling period	Days	76.90	60.34	84.98
Payable current ratio	Times	7.15	9.59	9.14
Loan repayment period	Days	50.32	37.55	39.37
Cash cycle	Days	38.91	35.37	67.06
Profitability Ratios				
Gross profit margin	%	75.90	72.20	75.89
Operating profit margin ⁽²⁾	%	23.04	8.39	6.44
Other profit margin ⁽³⁾	%	0.51	0.33	0.40
Cash to profit margin	%	80.40	207.54	191.33
Net profit margin	%	17.44	6.47	5.36
Return on equity	%	30.86	56.97	23.05
Efficiency Ratios				
Return on assets	%	23.14	10.48	14.72
Return on fixed assets	%	287.08	135.84	225.46
Asset turnover	Times	1.33	1.62	2.74
Financial Policy Ratios				
Debt to equity ratio	Times	0.37	0.40	0.40
Interest coverage ratio	Times	90.09	61.51	592.87
Commitment coverage ratio (cash basis)	Times	1.75	1.79	1.25
Pay out ratio *	%	41.28	76.98	160.05

Remarks:

1. The calculation is made on an annualized basis for comparison and analytical purposes
2. Operating Profit Margin calculation = (Operating profit / Operating Revenue on Sales and Services). Please note that other income (eg. Income from sales of investments in subsidiaries, interest income, etc) is not taken into account.
3. Other Profit Margin calculation = (Non-operating income / Total Revenue). Such income are, for example, sales of investments in subsidiaries and interest income.
4. Included Non-controlling interest

5. General Information and Other Information

5.1 General Information

5.1.1 Other References Information

(1) Auditor

Company Name	:	Deloitte Touche Tohmatsu Jaiyos Audit Company Limited
Auditor	:	Mr. Wonlop Vilaivaravit CPA Number 6797and/or Miss Chantira Chantrachaichote CPA Number 6326 and/or Miss Sophaphan Saptipayarattana CPA Number 6523 and/or Mr. NantawatSumraunhant CPA Number7731
Head Office Location	:	AIA Sathorn Tower, 23rd - 27th Fl., 11/1 South Sathorn Road, Yannawa Sub-district, Sathorn District, Bangkok 10120
Telephone	:	0-2034-0000
Fax	:	0-2034-0100

(2) Securities Registrar

Company Name	:	Thailand Securities Depository Company Limited
Location	:	The Stock Exchange of Thailand93 Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok 10400
Telephone	:	0-2009-9000
Fax	:	0-2009-9991

5.1.2 Direct Selling Business License

The company is authorized by the Office of the Consumer Protection Board according to the registration document number 5603250100005 to register the direct sales operation under the Direct Selling and Direct Marketing Act, B.E. 2545 since 25 March 2013. The license has no expiration date.

5.2 Other Important Information

- None—

5.3 Legal Dispute

5.3.1 Cases that may have a negative impact on the company's assets of more than 5% of the shareholders' equity.

- None-

5.3.2 Cases that significantly affect the business operations of the company but cannot be evaluated in numbers

- None-

5.3.3 Cases that are not from normal business operations of the company

- None-

5.4 Secondary Market

The company has no securities listed on the stock exchange of other countries.

Part 2

Corporate Governance

6. Corporate Governance Policy

The company has given importance to the establishment of a good corporate governance system and conducted business with transparency, honesty, and responsibility for the performance of their duties. The company is also competent and fair to all stakeholders to create prosperity, increase economic value and wealth for shareholders. It adheres to the principles of corporate governance of the Stock Exchange of Thailand and the basis of the sufficiency economy, which is moderation, reasonableness, and self-immunity by virtues of knowledge, prudence, and caution using for planning and operation. At the same time, it has strengthened all executives and employees to have morality, honesty, diligence, sharing, and use of intelligence in the operation and it has been ready to support economic, political, cultural, and social changes for a balanced and sustainable benefit.

The Board of Directors gives great emphasis on good corporate governance by conducting business ethically, respecting rights, and being responsible to shareholders and stakeholders, giving benefit to society, and developing or reducing the negative impact on the environment. This is sustainable value creation for the company and its subsidiaries, making them be able to compete and have a good performance by considering the long-term effects and being adaptable under changing factors.

The principles of good corporate governance of the company including good corporate governance policy, code of business conduct, anti-corruption policy within the organization, Guidelines for Anti-Corruption Policy, policy of using the company's internal data, policy on supervision of operations of subsidiaries and associated companies, and policy on prevention of conflicts of interest. The company has regularly reviewed and updated the suitability, which it considers is still appropriate for the current situation. The company announced and published the policies to employees, shareholders, and the general persons through the company's website under the heading of "Investor Relations" in corporate governance: Corporate Governance Report and Download Documents.

In 2021, the Board of Directors realizes the importance of participating in the development of corporate governance in accordance with the current situation by reviewing and proceeding to prepared "Guidelines for Anti-Corruption Policy" approved by the Board of Directors Meeting No. 3/21 on August 11, 2021 stipulates the following guidelines:

Participation of Thai Private Sector Collective Action Against Corruption

As the company sees the importance of anti-corruption and creating a transparent business standard, the company has participated in expressing its intention by participating in a campaigning activity with network partners of the Thai private sector to combat corruption. Therefore, it is accepted to establish the policy of anti-corruption practice guideline, by establishing an anti-corruption policy within the organization and the code of business conduct on "Anti-Corruption and Bribery for Business Benefit" and "Giving or Accepting gifts or other benefits" to drive the broader anti-corruption efforts and in the year 2021 prepared "Guidelines for Anti-Corruption Policy" which was approved by the Board of Directors Meeting No. 3/2021 on August 11, 2021.

For the standard of the company's transparent business operation in 2020, the Board of Directors allows the company to show the intention of participating in the Thai Private Sector Collective Action Against Corruption ("CAC") project, which was approved by the Board of Directors Meeting No. 5/2020 on November 12, 2020.

In 2021, the meeting of the Board of Directors No. 4/21, held on November 11, 2021. The meeting resolved to approve a self-assessment on anti-corruption measures and been submitted to the CAC committee for the certification process.

Therefore, the company has determined that all directors, executives, and employees including employees of the subsidiary company not claim or receive gifts, assets, or any other benefits from customers, partners, contractors, or any other related persons with the company's business in any cases. The company has made a channel for reporting if there any actions are within the scope of, or take risks in the way. It has also set measures to protect any person who complaints or provides information about non-compliance with laws, rules, regulations, and employee ethics.

Besides, the company has set up a communication channel for employees and related persons to be able to report any suspicious whistleblowing or complaints when encountering situations that may be illegal, corrupt, or misconduct of management and employees in the company as well as behavior that may cause problems and damage to the company. The company will listen and deal with all complaints equally, transparently, and fairly, with systematic and fair protection measures for complainants. Complainant information will be kept in the company in secret through the following channels:

- By E-mail, please contact
Asst. Prof. Dr. Kanyarat Sanoran, Chairman of Audit Committee
E-mail: scm.advise.bod@successmore.com
- By mail, please contact
Asst. Prof. Dr. Kanyarat Sanoran
Address: 777/137 The Room Rama 4 Rong Muang Sub-district, Pathum Wan District, Bangkok 10330

6.1 Corporate Governance Policy and Practice Overview

The Company is aware of the importance of good corporate governance as an important factor to help promote the company's operations and subsidiaries for efficiency and sustainable growth. This will lead to the best interests of all stakeholders, starting from employees, investors, shareholders, and other stakeholders. Therefore, the Board of Directors sees it appropriate to establish a policy on better corporate governance that covers the main content from the structure, roles, duties, responsibilities of the Board. It includes principles of management of the executives that are clear, transparent, and can be examined to be a guideline for the management of the organization creating confidence that any operations of the company and its subsidiaries will be conducted with fairness and considering the best interests of shareholders and all stakeholders.

At the Extraordinary General Meeting of Shareholders No. 1/2019 held on February 20, 2019, it was approved the policy on good corporate governance and made it in writing to make the company reliable for all shareholders and stakeholders, and for the benefit of creating sustainable business value meeting the expectations of both the business sector and investors, as well as the capital market and society as a whole. The company has established

a policy on good corporate governance based on good corporate governance principles for listed companies in 2017 by the Securities and Exchange Commission Board to be a guideline for corporate governance of the company. The Board of Directors has given importance to the practice of good corporate governance principles that covers 8 principles of corporate governance principles as follows:

- Principle 1** Recognize the role and responsibility of the Board of Directors as the leader of the organization that creates sustainable value for the business.
(Establish Clear Leadership Role and Responsibilities of Board)
- Principle 2** Define Objectives and Main Goals of the Business for Sustainability
- Principle 3** Strengthen Effective Board
- Principle 4** Recruit and Develop High-Level Executives and Personnel Management
- Principle 5** Promote Innovation and Conduct Business Responsibly
- Principle 6** Strengthen Effective Risk Management and Internal Control
- Principle 7** Maintain Financial Credibility and Disclosure
- Principle 8** Promote Engagement and Communication with Shareholders

The Company has disseminated the 8 principles of good corporate governance policy for employees, shareholders, and the general persons through the company's website under the heading of "Investor Relations". Corporate Governance: Corporate Governance Report and Download Document: Policy on Corporate Governance

(The 8 good corporate governance policies, please refer to Attachment 5.)

6.1.1 Policy and Guideline Related to the Board

The Board of Directors gives the importance of good corporate governance since it knows that good corporate governance can enhance business competitiveness including management based on responsibility, honesty, morality, and ethics. This is an important factor that results in the transparent business operation of the company to be efficient and effective, stable and sustainable growth, as well as increasing economic value with the following guidelines:

The Nomination of the Board of Director

The Board of Directors gives importance to the selection of company directors following the principles of good corporate governance. They, therefore, had the Nomination and Remuneration Committee recruit qualified persons with suitable qualifications to serve as directors of the company. It presented to the Board of Directors to consider before proposing to the Annual General Meeting of Shareholders for election, with the majority vote of the shareholders attending the meeting and voting. Except in the case that it is not retiring by rotation and the term remains for at least 2 months, the Board of Directors' meeting will select persons proposed by the Nomination and Remuneration Committee to be the company's directors with a vote of not less than three-fourths of the remaining directors. The person who becomes the director of the company will have the term of office equal to the remaining term of the director he replaces. The Nomination and Remuneration Committee will analyze the skills, experience, knowledge, and expertise of the Board of Directors (Board Skill Matrix) to be used for considering the nomination of directors following the company's business strategy.

Also, for recruiting new directors, the Nomination and Remuneration Committee has considered additional knowledge, competence, and experiences that are beneficial to the performance of directors and are necessary for the missing composition of the board structure. It also considers the opportunity for minority shareholders to participate in nominating persons to be elected as directors.

For the selection of independent directors consideration, the Nomination and Remuneration Committee will consider the qualifications of independent directors that the company has set strictness more than the minimum requirements of the Capital Market Supervisory Board. Independent directors are required to hold **not more than 0.5%** of the total number of shares with voting rights of the company, parent company, subsidiary company, associated company, major shareholders, or a person with control over the company. Moreover, the shareholding of related persons of that independent director is included.

Remuneration for Directors and Executives

The Board of Directors has appointed the Nomination and Remuneration Committee to consider the criteria and policies for determining the remuneration of the Board of Directors, sub-committee, and the top executives, which are the Chairman of the Executive Committee and the Chief Executive Officer to propose to the Board of Directors and/or propose for approval to the shareholder meeting depending on cases.

In 2021, the Board of Directors has established a policy and criteria for the remuneration of directors, divided into 2 parts: 1. Monthly remuneration 2. Meeting allowance paid whenever attending the meeting, considering the duties, responsibilities, appropriateness, and consistency with performance, company's operating results. It will compare with the practice of other companies in the same industry with a similar scale of business, business risks, the ability to persuade qualified directors that meet the needs of the company to become the company's director. The directors who have been assigned to have more duties and responsibilities will receive compensation that is suitable for their duties. For Chief Executive compensation, the Board of Directors has established policies and criteria for Chief Executive Officers' compensation, which are monthly and variable compensation for executives. The Nomination and Remuneration Committee is responsible for reviewing the remuneration of the Chairman of the Executive Committee and the Chief Executive Officer to propose to the Board of Directors for approval. The compensation is appropriately defined according to the company's compensation structure and the performance that is consistent with the duties and responsibilities assigned.

Independence of the Board of Directors from the Management

The company has the policy to divide the duties and responsibilities of the Chairman of the Board of Directors and the Chief Executive Officer (Chief Executive Officer: CEO). It must be a person with knowledge, capability, appropriate experience, and must not be the same person to have a balance of power by separating the supervisory and administrative duties from each other. In case that the Chairman of the Board is not an independent director, the board will appoint an independent director to consider the agenda of the board meeting to comply with the principles of good corporate governance for listed companies.

For independent directors, the company stipulates that independent directors will have a continuous term of office for not more than 9 years unless there is a reason and necessity as the Board deems appropriate.

The company also sets and separates the powers of the Board of Directors and the management division at various levels clearly by considering and making decisions on important matters. It must be approved by the Board of Directors and various committees to balance and review to ensure transparency and fairness to all relevant parties.

Directors Development and Performance of Directors Evaluation

The Board of Directors gives importance to the development of directors by encouraging company directors to attend various training courses or course seminars that are beneficial to the performance of their duties. It sees the benefits of education/training that it will be the development of directors to gain knowledge that is up-to-date with competitive business events all the time. It has the policy to develop the capacity of executive personnel by organizing both internal and external training sessions to be a learning organization. In the past, company directors participated in the director training program of the Thai Institute of Directors Association (IOD) as required by the Securities and Exchange Commission (SEC) requiring the directors of listed companies to pass at least one training that is the Director Accreditation Program (DAP) and Director Certification Program (DCP). Company Directors also give importance to attending other training courses to empower leaders to be professional, knowledgeable, and understandable in their roles and to be role models to drive an organization leading to good corporate governance.

The Company gives the importance of evaluating the performance of the Board of Directors, sub-committee, and Chief Executive Officer to be used to improve the performance of duties of the Board of Directors, various committees, and Chief Executive Officer. The performance appraisal is set to review the results, problems, and obstacles one time each year. The results can be used to develop and improve performance in various fields.

Supervision of Subsidiaries and Associated Companies

At the Extraordinary General Meeting of Shareholders No. 1/2019 on February 20, 2019, approved the policy on supervision of operations of subsidiaries and associated companies and made it in writing. That is, the company will supervise the business and operations of subsidiaries and/or associated companies to be as a unit of the company and to be able to examine and supervise the operations of subsidiaries and/or associated companies effectively under the company's policy, including the Public Company Law, Limited Company Law, Securities, and Exchange Law as well as other relevant laws as well as announcements, regulations, and rules related to the Capital Market Supervisory Board, the Securities and Exchange Commission, and investment policies and operational governance in subsidiaries and associates, and the Stock Exchange of Thailand. To protect the interests of the investment of the company in subsidiaries and associated companies, the company requires the nomination and exercise of voting rights in appointing persons to be directors of subsidiaries and/or associated companies that must be approved by the Board of Directors at least in proportion to the company's shareholding in subsidiaries and/or associated companies. The persons appointed as directors in subsidiaries or affiliated companies are responsible for the actions in the best interest of the subsidiaries or associated companies (Not for the company). The company has assigned the person who was appointed must be approved by the Board of Directors before a resolution can be made or exercising the right to vote on important matters at the same level as requiring the approval of the Board of Directors if it is operated by the company.

In the case of a subsidiary, the company sets regulations for persons appointed by the company must supervise the subsidiary to have important regulations or policies on the business operations of subsidiaries and/or associated companies, disclosure of information and internal control system, making a connected transaction, acquisition or disposition of assets, or any other important transactions of the company to be complete and correct. It has to use the rules related to the above transactions in the same manner as the company's criteria including the need to supervise the storage of information and accounting records of subsidiaries for the company to check and compile to prepare the consolidated financial statements on time as well.

(Supervision of operations of subsidiaries and associated companies Policy is announced and published to employees, shareholders, and the general persons to be informed through the company's website under the heading of "Investor Relations" in the Corporate Governance category: Corporate Governance Report and Download Documents: Corporate Governance Policy of Subsidiaries and Associates)

6.1.2 Policy and Guidelines Related to Shareholders and Stakeholders

Equitable Treatment of Shareholders

The Company considers the equitable treatment for all shareholders, recognizes and values the rights of shareholders such as rights to buy, sell, or transfer shares, having a share of the profit of the enterprise, receiving news and information of the company, attending to vote at the shareholders' meeting freely and equitably. There is a criterion for minority shareholders to be able to propose additional agenda before the meeting of shareholders, propose a person to be considered for election as a director in advance before the annual general meeting of shareholders, and participate in making decisions on important matters affecting the company such as dividend allocation, appointment or removal of directors, determining Directors' remuneration, appointment or removal of auditors, and determining audits' remuneration, etc.

Shareholders are entitled to receive important information equally. The company publishes information in both Thai and English through the company's website the news system of the Stock Exchange of Thailand. Although some matters are not within the criteria required by law to be disclosed, if the company sees that shareholders must be informed, the company will disclose that information correctly, completely, timely, and transparently.

The company discloses the operating results management policy, transactions connected to important assets trading as well as other information that is necessary for shareholders' decision. This is to give the shareholders confidence that the operating structure is transparent, verifiable, and ready to operate efficiently to create sustainable growth, generate returns to shareholders at an appropriate and continuing rate.

Protection Against the Use of Internal Information

At the Extraordinary General Meeting of Shareholders No. 1/2019 on February 20, 2019, approved the policy on the use of internal information and made it in writing, that is, directors, executives, employees, and employees of the company and subsidiaries who have received internal information which may affect the company's securities must be suspended in 30 days before the financial statements or internal information are disclosed to the public, and during the 24 hours after the information of the company has been disclosed to the public. The person involved in the information must not disclose the information to others until it has been already notified to the Stock Exchange of Thailand and/or to the public.

The company secretary prepared the schedule for the annual board of directors meeting and delivered it to all company's directors in advance to inform the duration that should refrain from trading securities. Also, the company secretary wrote a letter every time to inform the period it should refrain from trading securities before disclosing the financial statements to prevent the use of internal information. In case that the director and the executive intend to buy, sell, transfer, or transfer the company's securities. The company has assigned that person to proceed to notify the intention to proceed with the company secretary at least 1 day before.

(Policy on the use of internal information of the company is announced and published to employees, shareholders, and the general persons to be informed through the Company's website under the heading of "Investor Relations" in the Corporate Governance category: Corporate Governance Report and Download Documents: Policy on Use of Inside Information)

Conflicts of Interest Policy

At the Extraordinary General Meeting of Shareholders No. 1/2019 on February 20, 2019, approved the conflicts of interest policy and made it in writing. The directors, executives, and employees of the company are expected to perform their duties with efficiency, transparency, and accountability to benefit the company's business operations and to build confidence among customers and all related parties. The company has made a conflict of interest policy on the principle that any decisions in conducting business activities must be for the best interests of the company and its shareholders and should avoid any acts that cause a conflict of interest. It will require those who are involved or have an interest in the considered transaction must notify the company of their relationship or stake in the transaction and must not participate in the consideration including having no power to approve the transactions.

(Conflicts of interest Policy is announced and published to employees, shareholders, and the general persons to be informed through the company's website under the heading of "Investor Relations" in Corporate Governance: Corporate Governance Report and Download: Policy on the Prevention of Conflicts of Interest).

Anti-Corruption Policy

In 2021, the Board of Directors reviewed the policy to comply with Anti-Corruption Laws by specifying in writing as a guideline for Code of Conduct which was approved by the Board of Directors Meeting No. 1/21, on February 25, 2021. "Anti-corruption Policy within the Organization" and was approved by the Board of Directors Meeting No. 3/2021 on August 11, 2021 to provide in written of "Guidelines for Anti-Corruption Policy". The Company and its affiliates are aware of adhere to ethical business practices, social responsibility and all groups of stakeholders in accordance with the principles of good corporate governance including the business ethics of the Company group which supports sustainable growth for the company by expanding policy to agents, contract parties, or any person acting on behalf of the Company and subsidiary.

Group Directors, Executives, and employees will not solicit, act, or accept any form of corruption form, under any circumstance both directly and indirectly. This is for the benefit of oneself, friends, and acquaintances, covering the businesses of the group of companies and all related units. The group also sets guidelines, roles, and responsibilities of the person as well as conducts a review and regularly reviews the compliance of the anti-corruption policy to comply with business changes, regulations, and relevant laws.

(The anti-corruption policy and Guidelines for Anti-Corruption Policy is announced and published to employees, shareholders, and the general persons to be informed through the company's website under the heading of "Investor Relations" in Corporate Governance: Corporate Governance Report and Download: Policy on the Prevention of Conflicts of Interest).

Measures to take against for those who do not comply with the policy

The company sets measures to take against those who do not comply with the policy and practice of the company, that is, if there is an act breaking the company rules, it will be considered a disciplinary offense according to the company's work regulations and company rules. It will consider punishment as appropriate for the case starting from verbal admonition, warning in writing, probation, as well as the termination of employment.

6.2 Code of Business

The Extraordinary General Meeting of Shareholders No. 1/2019, held on February 20, 2019, resolved to approve the Code of Business Conduct and make it in writing to create sustainability for businesses, to protect the interests of stakeholders and society, and to provide opportunities for stakeholders to express their opinions on the business operation to be a mechanism and processes to take care of the business operation seriously. This leads to truly good corporate governance. The executives and employees of the company must adhere to as a guideline in performing their duties as the company representatives as follows:

1. Strictly comply with laws, regulations, and related rules.
2. Comply with the policy "Good Corporate Governance" and "Business Ethics".
3. Perform duties with honesty, morality, and responsibility.
4. Behave like a professional practitioner with knowledge, expertise, and prudence.
5. Consider the benefits and impacts from the organization's operation with equality and social justice to the stakeholders of the company.
6. Keep confidentiality and do not use internal or confidential information for the benefit of oneself or others in the wrong way.
7. Build a strong work system to prevent corruption through the internal audit system.
8. Assign directors, executives, and employees throughout the organization to take part in anti-corruption, to report a conflict of interests, to communicate effectively, and promote the quality of working life
9. Provide opportunities for stakeholders to have complaints and opinion channels, and to have protection measures of complainant or whistleblower.
10. Disclose information with transparency and reliability to shareholders.

The company has disseminated the code of conduct for conducting business with stakeholders and society to employees, shareholders, and the general persons through the Company's website under the heading "Investor Relations" in the section of Corporate Governance: Corporate Governance Report and Download Documents: Business Conduct

(Code of Business Conduct, please refer to Attachment 5.)

6.3 Major Changes and Developments of Policy, Practices, and Corporate Governance System in the past year

6.3.1 Significant Changes and Developments in Policy Review, Practice, and Corporate Governance or the Board of Directors Charter in the Past Year

The Board of Directors gives great importance to the establishment of a good corporate governance system and strives to continuously raise the standards of good corporate governance to conduct business with transparency, efficiency, stability, and sustainable growth. It also increases the economic value and long-term wealth for shareholders and creates fairness to all stakeholders. The policy is to manage operations under economic and social conditions with balance following good corporate governance principles for listed companies.

The Board of Directors has reviewed the principles of good corporate governance of the company annually by revising and preparing all 8 good corporate governance principles to comply with the “Corporate Governance Principles for Listed Companies 2017 (Corporate Governance Code: CG Code)” of the Securities and Exchange Commission (SEC). It is approved by the Extraordinary General Meeting of Shareholders. 1/2019 on February 20, 2019, for all directors, executives, and all employees to follow as a guideline for their work. The Board of Directors has reviewed the Audit Committee Charter in which the qualifications of independent directors are given more strictly than the minimum requirements of the Capital Market Supervisory Board. Independent directors are required to hold no more than 0.50% of the total number of shares with voting rights of the company, parent company, subsidiary company, associated company, major shareholder, or controlling person of the company. This includes the shares held by related persons of that independent director, which was approved by the Board of Directors Meeting No. 5/2020 on November 12, 2020.

The Board of Directors is aware of the roles and duties of a leader of the organization. Therefore, it has considered and reviewed the application of CG Code to be applied under the company's business context annually to create sustainable value for the business. Compliance with each CG code was assessed to ensure that a process was applied or there is a development plan suitable for the business.

The company gives importance to good corporate governance by seeing that the aforementioned principles would benefit the company in the organization's development. It brings the good corporate governance principles for listed companies of the Stock Exchange of Thailand to use continuously. However, there are still some issues that the company has not yet completely done which are:

The Board should consider appointing a CG Committee.

The company has a company secretary and corporate governance department that can perform their work fully and comply with the principles of good corporate governance under CG principles.

6.3.2 Compliance with Good Corporate Governance in Other Areas



The Board of Directors gives importance to good corporate governance by conducting business with ethics and responsibilities to shareholders and stakeholders. The company has also complied with good corporate governance principles covering 5 content categories: Rights of Shareholders, Equitable Treatment of Shareholders, The Role of Stakeholders, Disclosure, and Transparency, and Board Responsibilities.

Category 1 Rights of Shareholders

The Company gives importance to the right of shareholders by allowing more stakeholders to take part in corporate governance by paying attention to good practices for shareholders' meetings on the quality of the meeting invitation letter, the quality of the meeting minutes, and the roles and meeting attendance of the Chairman and the various committees in the minutes of the shareholders' meeting. This is to allow shareholders to be informed of the meeting results and to be able to verify their accuracy through the channels of the Stock Exchange of Thailand and the company's website within 14 days from the meeting date. It also continues to operate in terms of shareholders' rights for sustainability.

The Board of Directors recognizes and respects the ownership rights of shareholders with no actions violating or depriving the rights of shareholders by treating shareholders equally and taking care of the benefits of shareholders fairly. It also supports and encourages all groups of shareholders, whether they are domestic or foreign shareholders both being major and minor shareholders, or institutional shareholders exercising their rights

both basic rights of shareholders and other rights. Apart from basic rights, this is to determine the operational direction and decide on matters that have significant impacts on the company as follows:

Operations in 2021

1. The company has set a general shareholders meeting once a year within 4 months (120 days) from the end of the fiscal year by setting the date, time, place, and procedure that will not be an obstacle to attend the meeting. This is to allow shareholders to participate in monitoring the performance of the company. In case of an urgent need that it is necessary to propose an agenda in a special case that affects or involves the interests of the shareholders, or related to conditions or rules, governing law requiring shareholder approval, the company will call an extraordinary general meeting of shareholders on a case-by-case.

In 2021, the company held a 1-time general meeting of shareholders and 1 times of extraordinary shareholders meetings.

2. For setting the date for the Shareholder Meeting, the company will not schedule the meeting on public holidays, commercial bank holidays. The company will set the appropriate time between 8:30 am - 5:00 pm and the meeting location will be in Bangkok.

The Company has set the date of the Annual General Meeting of Shareholders for the year 2021 on Thursday 29 April 2021 by organizing the meeting via electronic media (E-AGM) only. There was a place to control the meeting system at the Company's meeting room, no. 10/1-2 Ratchadaphisek Road, Chatuchak, Chatuchak, Bangkok. The meeting began at 3:00 p.m. in accordance with the rules and laws relating to meetings via electronic media B.E. 2563. The Company has a policy to promote and facilitate the shareholders for support the shareholders' meeting, no matter where the shareholders are, they can attend the meeting via electronic media conference system (E-AGM).

3. The Board of Directors recognizes and respects the ownership rights of shareholders with no actions violating or depriving the rights of shareholders by taking care of the benefits of shareholders fairly. as well as supporting and encouraging all groups of shareholders, whether they are domestic or foreign shareholders, whether they are major or minor shareholders, or institutional shareholders to exercise their rights. The rights include the basic rights of shareholders, the right to access sufficient and timely information, and the right to attend meetings to determine operational directions and make decisions on matters that have significant impacts on the company.
4. In the shareholder meeting, the company has set a procedure for meeting legally and mainly considering the convenience, rights, and equality of shareholders. In the meeting registration, the company arranged for registration at least 2 hours before the meeting until the meeting was completed. In the registration, the company has provided.
 - Provide adequate personnel for meeting registration.
 - Prepare revenue stamp for attaching the proxy without charge of service for shareholders who authorize others to attend the meeting on their behalf.
 - To provide a voting system for every agenda via electronic media (E-AGM) for all shareholders to use for voting.

5. Every time of Annual General Meeting of Shareholders every time in the agenda for the election of directors to replace those who retired by rotation, the company provides an opportunity for the shareholders to vote for each director election to allow them truly have the right to elect the desired director. The company has attached details of each director who has been proposed to an election with sufficient information for shareholders to consider.
6. The Board of Directors grants shareholders the right to approve the remuneration of company directors annually, to propose compensation policies, criteria, and procedures by clarifying the elements proposing remuneration to directors in each group and each position in all forms. The forms can be separated into monthly compensation, meeting allowance per time when attending the meeting, and any other benefits which contain sufficient information for shareholders to consider annually.
7. Every time of Annual General Meeting of Shareholders, the company has set an agenda for the appointment of auditors and the determination of auditor remuneration by proposing for shareholders to approve. It contains details of the auditors who are proposed for appointment including the details of the auditors' remuneration with sufficient information for the shareholders to consider.
8. The Board of Directors promotes the use of technology in shareholder meetings to ensure accuracy. There is a resolution for each item and the shareholders were allowed to vote on the election of Company Directors individually.
9. At the shareholders' meeting via electronic media (E-AGM), the quorum count, count the votes, check the results of the resolution, and the outcome of the vote to be transparent comply with the laws and regulations of the company in accordance with the rules and laws on electronic media, B.E. 2563.
10. At the Annual General Meeting of Shareholders for the year 2021, the Board of Directors provides an opportunity for shareholders to propose issues to be included as agenda during December 1 - December 30, 2020, with clear methods and procedures in Thai and English on the company's website under the heading of "Investor Relations", Shareholder Information category: Meeting. The company also informed shareholders through the news system of the Stock Exchange of Thailand.

However, in the duration, no shareholder was proposing any matters to be included in the agenda.
11. For shareholders who are institutional investors or foreign investors, and appoint a custodian in Thailand to be a shared depository and keeper, the company facilitates and encourages the shareholders including institutional investors to attend the meeting. The company will be the coordinator of documents and evidence that must be presented before attending the meeting in advance to make registration faster.
12. In the 2021 Annual General Meeting of Shareholders, the company has set a clear agenda for the shareholder meeting conducted the shareholder meeting according to the agendas stated in the notice of the meeting. No agenda switching, no additional agenda, or change of important information without prior notice to shareholders. It allocated time appropriately for presenting various issues of each agenda, and the chairman of the meeting allowed shareholders to ask questions, give opinions, suggestions, or raise questions in each agenda fully and independently. The questions and answers were recorded in the minutes of the shareholder meeting.

If any shareholders wish to add an agenda during the meeting to consider issues other than those specified in the invitation letter, they must be approved by the shareholders meeting with a vote of not less than one-third of the shareholders who attend the meeting and have the right to vote.

In 2021, one shareholder asked questions. The Chief Executive Officer explained and answered questions and has already been recorded in the minutes of the shareholders' meeting.

13. The company gives great importance to all matters and issues that are stipulated in the law and may affect the direction of the company's business operations. The company will set the agenda of the shareholder meeting to certify and approve. Each agenda proposed in the notice of the meeting has a history with the objectives, reasons, and opinions of the Board of Directors for each agenda that is mentioned. It includes supporting documents for shareholders to consider in detail in the annual general meeting of shareholders important agenda such as

- **Director's Agenda:** Separate director elections and director remuneration into each agenda.
- **Appointment of Directors:** The Company provides an opportunity for shareholders to elect individual directors. The basic information of the persons proposed for election is 1. Name - Surname 2. Age 3. Education and Work Background 4. Holding a position in other businesses specified if it is a company operating a business that has the same nature and is in competition with the business of the company 5. Criteria and method of selection, which has been considered and screened by the Nomination and Remuneration Committee. It will consider the suitability of qualifications, experience, and expertise in a variety of professions, having a vision, being virtuous, have a flawless work history, and can express opinions independently including their performance as a director of the company in the past and attendance of the Board of Directors meetings 6. Type of director proposed 7. Date of appointment as the Company's director.
- **Director Compensation:** The Nomination and Remuneration Committee considers the credit line and allocation by considering the payment in the form of monthly remuneration and meeting allowance per time when attending the meeting. It will scrutinize details on suitability with duties, responsibilities, performances compared to companies in similar businesses, and the benefits expected to receive from the directors, including the appropriateness of the number of the Board of Directors. This is under the remuneration policy and criteria. However, the company proposes the compensation to the shareholders meeting annually, divided into remuneration that is in form of money which is a monthly payment, and meeting allowances with no other compensation or benefits. It discloses the remuneration of individual directors in item "8.1.2 Meeting attendance and payment of remuneration for individual directors"
- **Appointment of auditors and setting audit fees:** The auditor must not be a director, employee, or any person holding any position in the company. The auditor must be an expert with an accepted inspection standard, be independent, and meet all the qualifications following regulations of the company and the Office of the Securities and Exchange Commission. The company has provided details of the name of the auditor, audit office, independence, remuneration, reasons for auditor selection, the quality of their performance over the past year, relationship with the company, number of years serving as auditor for the company, information of the auditors' remuneration comparison between the current and the past

year, and other service fees which are received from the audit firm that the auditor is affiliated with both of the company and subsidiaries. It was considered by the Audit Committee of the Company which is described in item "7.6.3 Auditor's remuneration".

- **Profit Allocation and Dividend Payment:** The company provides details about profit allocation, dividend payment, dividend Policy, a proposed dividend paid, following the company's dividend payment policy. There is also a comparison of the dividend paid between the current year and the past year. In case that dividends are not paid, the cause will be identified.

14. Every time of shareholder meeting, the company has sent a notice calling for a shareholder meeting along with documents supporting the meeting with complete information of each agenda. It includes a clear statement of the objectives, reasons, and opinions of the committee for each agenda for shareholders to consider in detail.
15. Before starting the shareholder meeting according to the agenda, the conductor of the meeting is responsible for informing the number and proportion of shareholders attending the meeting with clarification on how to vote and methods for counting votes of shareholders who have to vote in each agenda according to the law and the company's articles of association. The conductor also introduces the Board of Directors, various committees, high-level executives, who attended the meeting to the shareholders. It also introduces the auditors of the company of the year 2021 and the Chairman of the Board of Directors who acts as the chairman of the meeting opening remarks.

The announcement of the vote-counting results in the meeting can be summarized as follows

- Determine the voting rights in the meeting according to the number of shares held by the shareholders. One share is equal to one vote and no share has the privilege of limiting the rights of other shareholders.
 - Voting on each agenda item via electronic media (E-AGM) allows the meeting to consider and vote on each agenda item by voting "Agree", "Disagree" or "Abstain" at the specified time. If the shareholders and proxies do not vote in the specified period of time. It will be deemed that it is unanimously resolved to approve the agenda proposed by the Board of Directors. Shareholders who have interests in any matter will not have the right to vote on that matter. As for the agenda for the election of Directors of the Company, it is stipulated to be an individual vote. The voting results were displayed on the screen for the shareholders to acknowledge at the same time to ensure accuracy and speed, the results of the scores can be announced immediately after the end of each agenda.
16. The Board of Directors prepares the minutes of the shareholder meeting that was recorded correctly and completely according to the meeting. The data was recorded in the minutes of the meeting that consists of voting and counting methods, a list of company directors, sub-committees, and executives attending and not attending the meeting, including the reasons for leaving the auditor, resolution of the meeting together with the votes of agreeing, disagreeing, and abstaining in every agenda that requires voting, shareholders' questions including name – surname, and the responses from the directors and executives, were included in the minutes of the meeting. It will be published on the company's website after the meeting to assure the shareholders that the elements of the meeting starting from verification of registration documents, counting

the number of shareholders and proxies to count as a quorum. The meeting was conducted according to the specified agendas, no other agendas were added as well as the vote counting. The resolution of the meeting was transparent, correct according to the laws and regulations of the company.

17. The Board of Directors gives importance to the shareholders' meeting. It is constituted a duty to attend the meeting every time except the case of illness or an important mission. The shareholders can ask questions to the chairman of various sub-committees in a relevant matter.

In the 2021's Annual General Meeting of Shareholders, there were a total of 7 directors, with all directors attending the meeting representing 100% including the Chairman of the Board, Chief Executive Officer, the Chairman of the Audit Committee, the Chairman of the Nomination and Remuneration Committee, the Chairman of the Risk Management Committee, Chief Executive Officer, and the Chief Executive of Accounting and Finance of the Company, and the company's auditors, attended the meeting to clarify and answer inquiries on matters related to the agenda or the company.

18. The 2021 Annual General Meeting of Shareholders, the Company adheres to the principles of Good Corporate Governance means the Company discloses the resolutions of the Annual General Meeting of Shareholders by informing the public about the voting results of each agenda in both Thai and English throughout the Stock Exchange of Thailand news system and the Company's website on the meeting day after the meeting.
19. The company does not have a policy of cross-shareholding in the group of the company.
20. The company does not have a pyramid shareholding structure in the group of the company.
21. The Board of Directors sums spouses and children who are immature to hold more than 25% of the company's issued shares due to complying with the regulations of the Stock Exchange of Thailand in the subject of Accepting Ordinary Shares or Preferred Shares as Listed Securities B.E. 2558 (2015) dated May 11, 2015, prohibiting any participants in the management and/or other shareholders bring their ordinary shares together equal to 55% of the paid-up capital after the offering of the newly issued ordinary shares issued within 1 year from the date that the company's shares started trading on the stock market. After the date of the company's shares was being traded on the stock market for 6 months, individuals subject to a ban will be able to sell 25% of the total shares or securities that have been prohibited and will be able to sell all the rest after the expiration of 1 year.
22. The 2021 Annual General Meeting of Shareholders, the Company had 2,343 shareholders as of the closing date of the register book with a shareholding of minority shareholders (Free Float) equal to 36.55% of the total issued shares.
23. The company does not hamper or create barriers to allow shareholders to communicate with each other.
24. In the case of the shareholders' agreement, the company will disclose the information and will not let the agreement between the shareholders have a significant impact on the company or other shareholders.

Category 2 Equitable Treatment of Shareholders

The company strives to create equality for all shareholders in every group whether they are major or minor shareholders, institutional investors, or foreign shareholders. This is an issue that the company gives importance to and has set up tools to support equality regardless of gender, age, race, nationality, religion, belief, social status, disability, or political opinion. Therefore, it establishes a process that will facilitate the shareholders to attend the meeting without too much difficulty and to open opportunities without restrictions. The company also treats the shareholders equally as follows:

Operations in 2021

1. The company sets the voting rights at the shareholder meeting according to the number of shares held by the shareholders. One share is equal to one vote and the company has only one type of share, that is, ordinary shares. There is no particular share having the privilege of limiting the rights of other shareholders in voting openly with the method of collecting ballot papers.
2. The company has a policy on dividend payments to all shareholders at the same rate.

However, in case the shareholders approve the payment of dividends, the company will notify the resolution of the meeting including the payment of dividend details to shareholders through the news system of the SET and will coordinate with the Thailand Securities Depository Co., Ltd. registrar to assure shareholders that they will receive accurate and complete returns according to their rights.
3. The company gives the right to shareholders to attend the meeting after the start of the meeting with the right to vote on any agenda pending consideration and not yet voted being ready to be counted as a quorum since the agenda attended and voted onwards.
4. The company takes care of shareholders by providing information, news, performance results, and management policies regularly and timely. In addition to disclosing information through the news system of the Stock Exchange of Thailand, it also brings important information including various current news to be displayed on the company's website: www.successmore.com.
5. The company strives to create equality for all shareholders in every group whether they are major or minor shareholders, institutional investors, or foreign shareholders. This is an issue that the company gives importance to and has set up tools to support equality regardless of gender, age, race, nationality, religion, belief, social status, disability, or political opinion. Therefore, it establishes a process that will facilitate the shareholders to attend the meeting without too much difficulty and to open opportunities without restrictions.
6. At the Annual General Meeting of Shareholders for the year 2021, the Board of Directors allows shareholders to nominate persons to be elected as directors of the company between December 1 - 30, 2020, with clear methods and procedures. The information is published in both Thai and English on the company's website under the heading of "Investor Relations", category Shareholder Information: Meeting, as well as informing shareholders through the news system of the Stock Exchange of Thailand.

However, during that period, there were no shareholders nominating candidates for election as directors.

7. The company gives importance to the protection of the use of inside information of the company and related persons. It has a policy on the use of the company's internal information by forbidding the directors, executives, employees, and employees of the company to take the company's secret and/or internal information that has not been disclosed to the public to disclose or seek benefits for oneself or others, either directly or indirectly and whether or not it receives returns. They must not trade in the company's securities by using internal information. The company has disseminated employees, shareholders, and the general persons through the company's website under the heading "Investor Relations" in the Corporate Governance section: Corporate Governance Report and Download Documents: Company's Insider Trading Policy.

The company has also set the penalty in case of using internal information of the company to use for their benefits in the regulations of the company. The penalties are ranged from a verbal warning to termination of employment.

In 2021, the company's directors, executives, and employees have strictly complied with the policy and regulations. As a result, it did not appear that the company's internal information was used in the wrong way.

8. The company has disclosed information for equality in receiving information such as relevant transactions. The company has complied with the announcement of the Stock Exchange of Thailand regarding information disclosure and the conduct of listed companies on relevant transactions. In case there is a relevant transaction that is subject to disclosure or request approval from the shareholders, the company has followed the regulations of the Stock Exchange of Thailand and the requirements of the SEC. Before the transaction, the company has disclosed details and reasons for the transaction to the shareholders every time.

The company had directors who have interests to leave the meeting room and/or abstain from voting on that agenda to be fair to the directors who have no interests can share their opinions fully and vote freely. The company secretary will inform the meeting that in the agenda, which directors have interests. After the meeting, the names, relationships of the connected persons, pricing, transactions value, and list of directors who have different opinions from the Board of Directors (if any) will be disclosed to the Stock Exchange of Thailand as scheduled. It will be published on the company's website to be transparent and will be recorded in the minutes of the meeting that can be examined.

In 2021, the company has no violation or non-compliance with the rules of relevant transactions.

9. The company has a clear and transparent shareholding structure, does not cause a conflict of interest to any parties by disclosing the shareholding structure of the company in the annual report thoroughly. It also discloses the securities holding of the Board of Directors and executives.
10. For related party transactions, the Board of Directors has conducted prudently, reasonably, taking into account the best interests of the company with fairness. It sets the price following the market price based on the typical form of business and fair-trade conditions as if transactions with third parties. They establish the operating system in the issue with transparency and comply with the regulations of the Stock Exchange of Thailand. The company has set the connected transaction policy of the company and has disseminated it to employees, shareholders, and the general persons through the company's website under the heading

"Investor Relations" Corporate Governance Section: Corporate Governance Report and Download Documents: Policy on the Company's Related Transactions.

In 2021, there was no violation or non-compliance with the rules of connected transactions.

11. The company has facilitated the shareholders who are unable to attend the meeting in person by allowing to give a proxy to the audit committee, independent directors, or any person as a representative to attend the meeting to protect their rights especially the Proxy Form B, which is a form that shareholders can depend on for voting. The Proxy Form B will be attached with the invitation to the meeting and published on the company's website enabling shareholders to download it.
12. The Company has set guidelines on the documents, evidence, and meeting rules that the attendees have to show before attending the meeting. This includes necessary documents and the procedure for authorizing others to attend the meeting on their behalf attached in the invitation letter. This is to the shareholder meeting for the shareholder who can attend and/or proxies (In case of proxy) can prepare documents and evidence order to identify themselves in the meeting according to the law and the company's articles of association. The Company does not set any conditions that hamper or cause a burden on the shareholders.
13. The 2021 Annual General Meeting of Shareholders, the Company complied with the principles of good corporate governance as follows:

- (1) The Company has assigned Thailand Securities Depository Co., Ltd., a share registrar of the company, to deliver the invitation to shareholder meeting along with supporting documents by mail at least 21 days before the shareholding meeting date.

The 2021 Annual General Meeting of Shareholders on Thursday 29 April 2021, Thailand Securities Depository Company Limited (TSD) has sent the invitation letter to the shareholders' meeting on April 5, 2021, which is sent in advance of 24 days before the date of the shareholders' meeting.

- (2) The company will publish the invitation to shareholder meeting with all attachments through the company's website in which information is the same as the information in the company including attendance rules and regulations concerning meetings in a document form in both Thai and English. All documents will be posted on the company's website at least 30 days in advance of the meeting to give shareholders sufficient time to consider the important agendas. The information is complete and sufficient enough for shareholders to conveniently access faster.

The 2021 Annual General Meeting of Shareholders on Thursday 29 April 2021, the Company published the notice of the Annual General Meeting of Shareholders and meeting documents via the Company's website in both Thai and English on March 26, 2021, in advance of 34 days before the meeting.

- (3) The documents that will be sent to the shareholders for the year 2021 consist of 1. Invitation letter to the shareholder meeting containing details of the agenda with facts and reasons, the opinion of the Board of Directors in all agenda, and supporting documents for the meeting used to consider in voting in various agenda 2. Annual registration statement/Annual report (Form 56-1 One Report) in QR Code form 3. Profiles of persons nominated for a director replacing directors who are due to retire by rotation 4. Definition of Independent Director 5. Information of the Nominated Auditor 6. Information of Independent director nominated by the company as a shareholder's proxy 7. Company's Articles of

Association concerning the general meeting of shareholders 8. Documents, evidence, and meeting rules that the attendees have to show before attending the meeting. This includes necessary documents and the procedure for authorizing others to attend the meeting on their behalf. 9. Procedures of sending questions in advance about the Annual General Meeting of Shareholders 10. Procedures of the meeting and registration form 11. Proxy Form B, which is a form that shareholders can depend on for voting. They can use either Proxy Form A or C, all proxies can be downloaded on the company's website.

For foreign shareholders or institutional investors, the company has sent an invitation letter to the shareholder meeting with supporting documents in English to facilitate and encourage all types of shareholders including investors attending the meeting.

The company publishes the list of annual registration statements/annual reports (Form 56-1 One Report) within 120 days from the end of the accounting period (31 December) at 34 days before the meeting date through the company's website. The shareholders can scan the QR Code of the information in the invitation letter to the shareholder meeting which was sent to shareholders by mail at least 24 days before the meeting date.

- (4) Notification of the resolutions of the 2021 Annual General Meeting of Shareholders with agenda and meeting details in both Thai and English from February 25, 2021, which was 63 days prior to the meeting date, therefore, shareholders can arrange a time to attend the meeting via the Company's website and throughout the Stock Exchange of Thailand news system. Shareholders can be allocated to attend the meeting.
- (5) The notice of the shareholders' meeting has been published in newspapers for 3 consecutive days and 22 days prior to the meeting date, i.e., 7-9 April, 2021 in order to provide sufficient advance notice for the shareholders' meeting before attend the meeting.
- (6) Allow shareholders to submit questions on the agenda of the 2021 Annual General Meeting of Shareholders in advance before the AGM. This is notified on the company's website and submit the procedures of the issues with the invitation to the shareholder meeting.
- (7) Allow shareholders to register via electronic media (E-AGM) to attend the meeting at least 2 hours in advance which is continuous until the meeting is completed. This is to grant the right to shareholders who attended the meeting after the meeting started with the right to vote on any agenda which is in pending consideration and not yet voted. It is counted as a quorum since the agenda was attended and voted onwards unless the shareholders have other opinions. The company has provided adequate personnel for the registration of meeting attendance.
- (8) The Electronic Conference System (E-AGM) are used to summarize the voting results of each agenda and will be monitored on the screen in the meeting room for shareholders to be informed.
- (9) Disclose the resolutions of the shareholder meeting to the public to be informed of the voting results on each agenda in the Annual General Meeting of Shareholders both Thai and English through the news system of the Stock Exchange of Thailand and on the company's website within the meeting date.

- (10) Prepare the minutes of the annual general meeting of shareholders and the summary of the voting results for each agenda which are divided into agree, disagree, and abstain. The important discussion points and explanations are recorded and summarized which is based on facts appearing in the shareholder meeting and delivered to the Stock Exchange of Thailand within 14 days from the meeting in both Thai and English. It will be published on the company's website for shareholders to acknowledge and be able to verify information without waiting for the next meeting. It also submits the minutes to the Ministry of Commerce within the time limited by law. For shareholders who are not available to attend the meeting, the company has posted the meeting photos on the company's website to receive meeting details.
- (11) Record a video of the company's general meeting of shareholders.
- (12) The Company assigns Thailand Depository Company Limited, which is the company's share registrar to deliver the invitation letter to the shareholder meeting.
14. The Company has measures to supervise the connected transactions and limit financial assistance to companies that are not subsidiaries. There is no connected transaction violating or failing to comply with the regulations of the Stock Exchange of Thailand and the SEC and it must disclose the related transactions with fairness according to the market price.
- In the year 2021, the company does not have any connected transactions in the form of providing financial assistance to companies that are not the company's subsidiaries.
15. The company supervises the trading of assets under the announcement of the Capital Market Supervisory Board on the acquisition or disposition of assets. For the transaction, the stakeholder director does not participate in the decision to be transparent and fair.
- In 2021, the Company and its subsidiaries have no acquisition or disposition of assets transaction with other persons. The company has complied with the regulations of the Stock Exchange of Thailand and the SEC.
16. The Company prohibits Company Directors, Executives, and employees to receive internal information, buy or sell company securities in the 1 month before the public disclosure of financial statements. They must not trade in the company securities in 24 hours since all information has been released to the public. It is also assigned to the company directors and executives (including spouses and immature children) who are responsible for reporting the holding of securities. If the company shares are bought and sold, they must notify the Securities and Exchange Commission within 3 business days from the changing date and send a copy to the company secretary who will be in charge as required.

The company secretary has prepared the schedule for the annual board of directors meeting and delivered it to the company's directors in advance to inform the prohibiting period of trading securities. Also, the company secretary always makes a letter to inform of the prohibiting period of trading securities before disclosing the financial statements.

For company directors and chief executive officers, apart from reporting a change in securities holding to the Securities and Exchange Commission, they must notify the company at least 1 day before trading the securities.

In 2021, the company's directors and chief executive officers have strictly complied with the policy and regulations. As a result, no shares were traded during the prohibition period.

17. The shareholders have equal rights to receive information, in which the company disseminates information in both Thai and English via the news system of the Stock Exchange of Thailand and the company's website. Although some issues are not in the criteria required by law to be disclosed, if the company thinks that the shareholders must be informed, it will reveal that information correctly complete, timely, and transparently information as follows:

- The company disclosed the shareholding structure of the company and the list of the company's top 10 shareholders as the record date for the current annual general meeting before the minority shareholding meeting date.
- Connected Transaction Information, Major Assets Trading
- Report the shareholder meeting within 14 days of the shareholder meeting and publish it on the company's website for shareholders to acknowledge and be able to verify the information without waiting for the next meeting.
- Performance information, management policy, connected transaction, and major assets trading as well as other necessary information for shareholders' decision to give them confidence that the operating structure is transparent, verifiable, ready to operate efficiently to create sustainable growth and returns to the shareholders at an appropriate and continuous rate.
- The company provides a channel for shareholders whether they are major or minority shareholders, institutional investors, or foreign shareholders to send inquiries about the company directly from the company secretary via e-mail: info.ir@successmore.com or by direct telephone 02-511-5955 ext. 113.

Category 3 The Role of Stakeholders

The Board of Directors gives importance to the rights of all groups of stakeholders. It put the policies and guidelines in the "Business Ethics" and disseminated to directors, executives, and employees at all levels to adhere as a guideline for treating stakeholders. To ensure that stakeholders are treated fairly, the company has disseminated the code of conduct for conducting business with stakeholders and society to employees, shareholders, and the general persons through the company's website under the heading "Investor Relations", Corporate Governance Category: Corporate Governance Report and Download Documents: Business Conduct.

Operations in 2021

The company has protected all stakeholders' right equally with the following guidelines:

1. Shareholder

The company respects the basic rights of shareholders as conducted by relevant laws, regulations, business ethics, and rules and treats them equally. It aims to be a good representative of shareholders in operating business to make the most satisfaction by concerning of business growth value with appropriate, fair, and continuous returns. This includes the transparent management system, and reliable account system; provides protection of the company's assets, controls the connected transaction, has measures to prevent beneficial conflicts, and prevents the use of internal information for self-benefits with the ways to give trust to the shareholders with reliable information.

In 2021, the company paid a dividend from 2020's operating results at the rate of 0.086 Baht per share, equal to 65.19% of the net profit of the separate financial statements.

The company reports accurate, complete, and truthful performance on a quarter regularly and discloses transactions with connected persons on the same conditions as with third parties through the news system of the SET and the company's website.

Also, all shareholders of the company were invited to attend the 2021 Annual General Meeting of Shareholders and have the right to vote on important agenda.

2. Employee

Employees of the company and every subsidiary is a valuable resource and is the most important factor in driving the business towards success incorporating business goals. Therefore, the company aims to develop and strengthen the culture and working atmosphere together as a team to create new things both innovation and the use of new technology to support the working process and to make all employees proud and believe in the organization. It will treat the employees with politeness and respect human rights equally without discrimination. The company has a basic policy to encourage employees to have unity, confidence, and trust in each other politely, and to respect human dignity. Personal rights, hiring, appointment, and transferring, the employees will consider based on virtue and the use of human resources in the best interest of the company.

The company aims to develop the potential of employees and allows employees to create work progress equally. There is an encouragement of skill development, knowledge, and competence of all employees to make them ready to work and support future business expansion. Including creating career security and giving opportunities for advancement according to the potential of each person and giving employees to participate in determining operational direction and development, along with setting a policy on remuneration management with a fair compensation that is suitable for knowledge, ability, responsibility, and the performance of each employee.

Compensation and Benefits for Employee

The company has the policy of short-term employee compensation structure, based on the company's profits each year which is the company's profitability and the cooperation of all employees in the organization. For the overall compensation of employees, the performance evaluation method is based on the key performance indicators (KPIs) and the compensation rate must be consistent with the labor market compensation rate considering the knowledge, ability, experience, and performance of each person. The company's remuneration structure determination not only looks at competitive compensation rates in the labor market but also considers the equality within the company as well. The equality is assessed from the responsibilities of each job position, experience, and various work skills used. In each year in the company, there will be a salary adjustment for employees based on inflation data and gross domestic product (GDP) as a criterion and in the long-term, the performance and employee's potential are clearly measured and provide for growth along the individual career pathing including taking care of various welfare to employees appropriately.

The proper welfare arrangements for employees.

The Company had setting up provident funds to serve employees for long-term benefits and to encourage future savings, including an incentive for employees who work with the company for a long time. For those employees who are members of the provident fund will receive monthly contributions at the rate of 2% of the wage rate and

members must accumulate money into the fund at the same rate. When the employee's membership is terminated, employees will receive contributions including the net benefit contribution average of the fund. In the future, the company is ongoing to adjust the rate of contributions to the additional fund for employees.

The company gives the importance of the welfare and safety of employees by providing welfare and benefits according to the law, such as working days, holidays, annual holidays, and other types of vacation, including social security, compensation fund, provident fund, with the PR of various benefits to employees continuously.

In addition to the monthly remuneration, the company also awards employees annually, based on the performance each year. There are also benefits provided such as diligence allowance, allowance for working in the provinces, foreign working allowance, monthly free products requisition, money supporting the cost of living, employee wedding allowance, funeral allowance in case of the death of an employee or their family, health insurance for employees, staff uniform, provident fund, and home loan welfare. Moreover, the company also concerns about the work-life balance of employees, inspecting the safety of the workplace regularly, providing various safety equipment to employees.

Employee Development Policy

The company has the policy to develop employees to be knowledgeable and competent according to the needs of each department to create the competitiveness of the organization in marketing, professional development, management, and quality of life. It will provide training to employees at least 6 hours/person/ year, which must not be less than 50% of the number of employees at the end of the year.

Training	Employees	Training Rate
Training fully 6 hours	97 persons	55.75%
Training not fully 6 hours	77 persons	44.25%
Employees as the end of 2021	174 persons	100.00%

Course Name	No. of Hours
Make a vector easily with Photoshop.	6
In-depth knowledge of Transform 1-2	6
Effective supervision and assessment of work	3
Creating a mentoring system in the organization	3
New-employee onboarding	3
Leadership Skills	12
Service Design	3
Anti-aging and Rejuvenating science	12
Company products	3
PDPA Personal Data Protection Act	3
Orientation For New IPOs	6
Sales Skills	6
Service Blueprint	2

Course Name	No. of Hours
360 Business Mastery	18
Marketing strategy, low cost, high profit	2
Fraud detection and prevention	6
Accounting on Income and Expenses that effect on Net Profit Calculation	6
Taxes on Wages and HR Benefits	6
Precautions for filing financial statements for the year 2021	6
Techniques for creating JD based on KPIs	6
Professional design and Management of salary structures	6
Total 21 courses	124

Security and Hygiene of Working and Environmental Workplace

The company aims to create a safe workplace for employees to have a good working life. It continuously develops occupational health, safety, and environmental management system focusing on building a culture and safe behavior. Thus, it provides the necessary facilities to perform their duties for all employees and workers of the company to obtain safety and good health, under good working conditions and environment focusing to zero accidents and any losses since the human resources are the most valuable resource of the organization.

In the year 2021, no employees are suffering from accidents during the time off, equal to the accident rate up to stop working 0 percent of the total number of employees.

The company has communicated to all employees and workers to acknowledge and participate in the following practices:

- Promote and create to work in safety and preserve the environment.
- Support to contribute to safety in the workplace, provide available tools in a safe condition including manage working conditions with a safe working method, and inform and motivate workers to work safely.
- The company has set a policy for all supervisors to be responsible for safety in their work strictly complying with the rules and regulations set by the company and its subsidiaries.

The company also communicates and disseminates information about disease prevention and healthcare for employees through the company's news dissemination system, such as an intranet system or LINE group.

Communication Channel for Employees

The company has provided opportunities for employees to have a direct channel to communicate, make suggestions, make complaints, report any problems and complaints about the conflict between employees and supervisors through the company's website. Chief People & Governance Officer and company secretary will be received and summarize recommendations and to the Executive Committee and the board.

The company has set measures to protect the employee complainant including those who cooperate in the investigation will be protected from unfair treatment due to the cause of the complaint, such as disturbing the performance, position change, dismissal, etc.

In 2021, the Company has not received any complaints from employees. Suggestions have been considered and corrective action has been taken. In order to maintain a good relationship with each other, the Company always listens to opinions and suggestions from employees at all levels equally.

3. Customer

The Board of Directors has focused on customer creation and maintenance. Therefore, it set a policy for the company to operate with honesty, fairness, not take any action violating the rights of customers, and treat customers equally and fairly based on obtaining fair compensation for both parties and deliver products and services at fair prices.

The company has the policy to satisfy the customers leading to the business success according to various conditions agreed with the customer.

- Provide advice including correct and sufficient information to customers. Respond to the customer needs with speed and keep customers' secrets including not using the customer's secrets to wrongfully use for their benefit or to those involved.
- Focus on developing products and services to continuously meet the needs of customers by inventing innovations to increase the value of products and services.
- Focus on maintaining trade secrets without the use for their benefit or wrongful parties.
- Give importance to provide the customer with useful information with clear product labels, in addition to what the law requires.
- Set up a customer relations department to provide customers or consumers' complaints, inquiries and suggestions in term of products quality and the convenience of services. By focusing on truly needs of customers with ready to act fairly to customers or consumers via phone, email and line official.

In 2021, no significant customer complaints appeared. As for all other complaints, the company analyzes the causes to fix, prevent, monitor the entire system, and apply to the entire organization not to recur. The Chief Executive Officer has given importance to such matters by requiring relevant departments to report to the management every time to implement solutions, to accomplish well, to foster good relationships with each other, to create satisfaction for existing and new customers resulting in continuous orders for products.

4. Competitors

The Company has the policy to treat competitors without violating the secrets or knowing the trade secrets of competitors by fraudulent means. Therefore, it stipulates the following principles:

- The Company operates the business by adhering to the framework of the honest and fair-trade competition, complying with the agreements with competitors equally within the framework of the law and business ethics of the company.
- Not seeking the competitors' confidential information through dishonest or improper means.
- Not destroying the reputation by accusing the competitors.
- Support and promote fair free trade with no monopoly, or require the company's customers must trade with the company only.
- Not doing anything that violates the intellectual property of the competitors.

In 2021, the company has no dispute regarding trade competitors.

5. Partners

The company has the policy to treat trade partners based on fair competition, equality, and mutual respect following the agreement, trade terms and provides correct information, good relationships, and understanding with each other. Business operation with trading partners must not lead to the detriment to the reputation of the company or against the law

- Do not request, receive, or agree to receive the property or any other benefits which are beyond the commercial terms.
- Focus on building good relationships and cooperation and product development with partners to strengthen the potential and efficiency in business cooperation in the long term in Win-Win Situation.
- The procurement process is an important process in cost and product quality management for the maximum benefit of the company. Therefore, there is a criteria and evaluation and partner selection system and there are procurement guidelines as follows:
 - (1) Make a suitable contract format that is fair to trade partners. Fulfill the conditions in the contract in full and prevent fraud misconduct in the procurement process.
 - (2) Examine and evaluate the quality of the goods and services received.
 - (3) Deliver the products and services on time as specified.
- Provide guidelines for promoting trade partners to participate in international standards related to the environment.

In addition, the company has established procurement regulations to be a guideline for doing business with partners in appropriate efficiency and fair according to good corporate governance principles.

In the year 2021, there was no case of the company's failure to comply with contracts with partners.

6. Creditors

The company is committed to conducting business with principles and discipline to build trust among creditors with the following guidelines:

- (1) Treat all creditors equally and fairly.
- (2) Strictly abide by contract or condition with creditors especially regarding guarantee conditions, capital Management, and debt settlement.
- (3) In case that any of the conditions cannot be met, the creditors must be informed in advance to jointly find solutions and prevent any damage.
- (4) The Company uses a bank transfer method in Media Clearing system, which is convenient to creditors.

In addition, the company has set guidelines for capital management for stability and strength as well as liquidity management in order to be able to pay back debts to creditors in full amount within the specified period. This is to prevent the company defaulting on payment and the Company has no policy to guarantee loans that are not subsidiaries or affiliates of the Company.

In 2021, the Company made payments to all creditors in accordance with the advance agreement payment terms without any default and the company is currently no creditors for any loans.

7. Labour

The company is using illegal labor for performance.

8. Human Right

The Company realizes and gives importance to fundamental human rights. It conducts business with strict respect to the law and human rights principles, which is an important role in enhancing the value of human resources and it is a key factor for businesses to create added value and increase efficiency through non-discrimination. The company also promotes and supports respecting human rights by treating stakeholders, including employees, communities, and surrounding society with human value respect on equality and equal freedom not violating basic rights, and not discriminating whether regarding race, nationality, religion, language, skin color, sex, age, education, physical condition or social status. Including not letting the business of the company and its subsidiaries are directly or indirectly involved in human rights violations.

- Provide knowledge about human rights to employees and not support activities that violate human rights principles.
- Avoid alliances with organizations that lead to human rights violations.
- Give employees the right to challenge themselves in case that they have been guilty of corruption. There is no unfair termination of employment.
- Provide communication channels so that employees or people who believe their rights have been violated or treated unfairly can complain to the company. The complaints should be dealt with fairly.

Throughout the business operations, the company has never had a record of unfair treatment towards employees and cases to court in such matters.

9. Political Rights

- The company policy is political neutrality.
- The company encourages executives and employees to exercise their rights as good citizens under the constitution law and relevant laws.
- Executives and employees do not use their authority to induce their colleagues including subordinates to support any political activities either directly or indirectly.

10. Government Sector

The company operates the business under the laws and regulations of the organization strictly by cooperating in providing accurate information as requested by the government agency and building a good relationship with government agencies. In this regard, the company has paid taxes accurately, completely, in time according to the law.

11. Community and Society

The company is aware of the responsibility towards the community and society. It has established the policy to make awareness of responsibility to the community and society to occur within the company and all employees continuously. Including having the policy to support activities that benefit the community and society as a whole in helping and social development with a policy to help the disadvantaged by donating scarce goods and health check-ups. It also provides communication and public relations for the project or Two Ways Communication with

communities, society, and stakeholders. Including giving opportunities for stakeholders to participate in the project or activity as appropriate with a social responsibility set that is "Committed to producing quality and safe products for consumers, taking care and being responsible for the impact that arises from the operation of the organization in various fields to all groups of stakeholders by adhering to business principles that are transparent, verifiable, ethical, respectful to human rights of the stakeholder interests. Comply with laws and other requirements or any relevant international practice to create a foundation of continuous and sustainable social responsibility"

The Company operates its business with responsibility to communities and society by emphasis on placed the reducing environmental impacts and avoiding operations that may have a negative impact on the quality of life of communities surrounding. No complaints from communities on social or environmental issues were found in 2021.

In addition, the Company has a policy to encourage employees, executives, as well as customers and business partners to participate in giving back and being continuously responsible to society and the community through CSR activities. Therefore, it has a policy to provide assistance and social development above the working processes within the organization. There will be a project "The Power of Sharing" in every year, and in 2021 the company supports social and community responsibility activities of total 5 projects.

12. Environment

The company realizes the importance of taking part in environmental responsibility and operates the business considering the impact on resources and the environment. Therefore, it has established a policy of social and environmental responsibility, which is one of the missions of the company. It promotes and provides social and environmental knowledge to employees of the company at all levels to serve as a common guideline for developing and responsible for social and environmental throughout the organization.

- Promote campaigns or activities for society and the environment by using the company's potential and resources performing goals and objectives worthy and efficiently
- Improve and develop machinery and technology production processes continuously with systematic management of both products and services to reduce the impact on the environment.

To ensure the efficiency of environmental operations and consumer safety, subsidiaries, and partners, therefore, the standard of Food Safety Management System (ISO22000) and the GHP/HACCP standard system must be defined as the food factory system or entrepreneurs in the food chain. It must be in accordance with the policy of the World Health Organization that wants food to be safe beginning from growing vegetables, raising animals until reaching to the dining table, known as "FARM TO TABLE" or "FARM TO FALK".

Employee Training on Environment

The company is aware of the importance of campaigning to cultivate good conscience for executives and employees in taking part in environmental conservation. Therefore, activities are organized continuously inside and outside the organization.

Efficient Use of Resources Promotion

The company promotes efficient use of resources in all processes related to business operations to make the most beneficial concerning the environmental impact, evaluates the impact, and formulates measures to prevent and mitigate the impacts that may occur systematically.

The company encourages employees to use resources efficiently and worthwhile with an energy consumption control system, builds awareness of all employees to continuously participate in energy saving in all aspects, including electricity, oil, and water both in the workplace and the household, gives knowledge about energy savings and the impact of global warming.

The company reduces paper consumption by promoting the use of 2-page paper and developing an information technology system in the form of a Workflow system to replace the use of paper both in the office and teleconference via the VDO Conference system.

13. Policy not to Deal with Intellectual Property Violations

The company adheres to the policy of conducting business on ethics and morality. Therefore, the company is not involved in the violation of intellectual property but creates its business innovations by encouraging employees to create innovations in products and services production processes including continuously joint thinking with customers, business partners, and government organizations to get innovative, quality products that meet the needs of the market and customers and has a policy prohibiting all types of infringement of intellectual property rights according to the following guidelines.

1. All employees have a duty to protect and maintain the confidentiality of the Company's intellectual property in order not to leak that information and must not use various types of intellectual property of the Company for personal gain or for other persons without permission.
2. All employees must respect and honor the intellectual property of others and do not use any works that contain intellectual property of others at all or part of the work to be used without permission from the owner.

Trademark

The company has a policy not to infringe on the intellectual property or copyright of others and has its own innovation policy. The company has registered 32 trademarks with the Department of Intellectual Property, Ministry of Commerce, and there are in the process of filing an application for another 10 trademarks.

The Use of Computer Programs

The Company and its subsidiaries, there is a policy for using the Company's computer network properly and appropriately the use of computer programs that are legally licensed. The company has issued regulations and guidelines for everyone in the organization as follows:

- Do not use computer networks to commit illegal acts or to cause damage to other persons.
- Do not use computer networks to act against the peace or good morals of the people.
- Do not use a computer network to send documents or take any action that is in the nature of infringement of the intellectual property rights of other persons.

- Must use a computer network to find information for work or to find useful knowledge to improve work efficiency.
- Computer programs installed and used on your computer must be licensed under the law only.
- Do not install computer programs that infringe on the intellectual property rights of others.

In 2021, the company has no cases of intellectual property infringement and commercial piracy.

14. Policy and Guideline on Anti-Corruption and Bribe

The company has the policy to comply with the anti-corruption laws by preparing “Anti-Corruption Policy within the Organization” and guidelines set in the “Code of Business Conduct” along with creating awareness and attitudes among directors, executives, and employees in performing honestly.

Group Directors, executives, and employees will not demand, proceed, or accept any form of corruption under any circumstances both directly and indirectly for the benefit of oneself, friends, and acquaintances, covering the businesses of the group of companies and all related departments. The group has set roles and responsibilities, reexamined, and reviewed the implementation of the anti-corruption policy regularly to comply with changes in business, regulations, and relevant laws.

The company has a policy against giving/accepting bribery and all forms of corruption. Directors, executives, and employees at all levels must follow the anti-corruption policy without being involved in corruption whether directly or indirectly. Bribery and various forms of improper exploitation such as soliciting, offering, or giving of property including any other benefits to government officials or any other persons doing business with the company for the benefit of ourselves, others or creating business opportunities for the company. The company has the policy to comply with laws and standards related to anti-corruption in Thailand and in every country where the company's representatives do business on behalf of the company.

For the standard of the company's transparent business operation, in 2020, the Board of Directors allows the company to join the Thai Private Sector Collective Action Against Corruption (“CAC”), which was approved by the Board of Directors Meeting No. 5/2020 on November 12, 2020. Currently, The Company arranged an assessment to apply for certification and is under consideration by the CAC Committee.

Risk assessment

In 2021, the Board of Directors' meeting No. 4/21, on November 11, 2021, jointly assessed the corruption risk schedule that is important to the business, in 5 aspects of risks in order to use in applying for certification to the CAC Committee.

Training and Communication

In 2020, the company joined the Private Sector Collective Action Coalition Against Corruption (CAC) on November 12, 2020, and therefore hired East Bar Corporation Co., Ltd., a specialist to communicate and organize training to educate directors, executives, and all employees to acknowledge the anti-corruption practices Gifts and Entertainment Policy

The company communicates anti-corruption policies and measures Including channels for reporting information, complaints, penalties, or suggestions to all groups of stakeholders through various channels such as the orientation of the directors and employees, internet system, the company's website, and annual reports, etc. to build knowledge and understanding and put into practice.

In 2021, the Company organized training and communication for all 178 employees to provide knowledge on anti-corruption policies and practices of the Company for all of them in order to be aware of the practice guidelines in accordance of Anti-Corruption Gift and Entertainment Policy. All employees who attend the training must prepare a training course assessment form by filling "Anti-Corruption Measures and Guidelines" to realize the understanding of employees.

Guideline for Corporate Conduct and Control to Prevent Corruption

The company has set guidelines on the supervision to prevent and monitor fraud risks summarized as follows:

1. Provide a human resource management process reflecting the commitment to anti-corruption policies and measures from personnel selection, training, performance evaluation, compensation, promotion. Including organizational structure to be a suitable separation of duties, transparency, fairness, and can be examined balance check and to ensure that people will have sufficient and appropriate skills for the implementation of the policy.
2. Provide internal audits covering important activities of the group such as customer service work, procurement, contracting, etc., to ensure that the internal control system will achieve the specified goals. Including check the operations to be following operating procedures, requirements, rules, and regulations, and giving advice on developing and improving the operating system to be more efficient.
3. Provide an internal control system covering finance, operation of the accounting process, record-keeping, and other processes within the group of companies involved in anti-corruption measures and report the results of the internal control to the responsible personnel.
4. Provide a clear, concise, efficient, transparent, and verifiable operational authority within the organization.
5. Provide a channel for receiving information, clues, complaints, violation of company regulations, or compliance with the anti-corruption policy to protect whistleblowers and keep the information secret. Including measures for examining and determining the company's disciplinary action and relevant laws of the informant to be confidential. In case that the whistleblower can be contacted, the company will notify the operation result in writing.
6. The head of the relevant department is responsible for monitoring the implementation, improvements, and fixes (if any), and report them to the supervisors in the line of work respectively.

Guideline for Monitoring and Evaluating the Performance Result Following Anti-Corruption Policy

The Board of Directors has set guidelines for monitoring and evaluating the implementation of the anti-corruption policy as follows:

1. Establish a whistleblowing channel for complaints, investigation, penalties, measures for the protection of whistleblowers on the company's website and communicate to employees of all levels.

2. Assign the audit committee to review the possibility of business fraud to comply with the company's anti-corruption policy and recheck an effective risk management system of the company and report to the Board of Directors.
3. Assign all directors, executives, and employees must strictly abide by. It is considered as one of the conditions of employment. If anyone violates, will be considered punished according to the company regulations and punishments as required by law (if any).

In 2021, the company has strictly followed the policy and there was no abnormality in any way.

Policy and Guideline of Giving and Accepting Gifts or other Benefits

1. Directors, executives, and employees at all levels must follow the anti-corruption policy without being involved in corruption whether directly or indirectly, bribery and improper exploitation in various forms such as soliciting, offering, or giving of property including any other benefits to government officials or any other person doing business with the company for their benefit, or to create business opportunities for the company.
2. The company has the policy to comply with laws and standards related to anti-corruption in Thailand and in every country that the representative of the company operating the business on behalf of the company.

In 2021, the company does not receive gifts or other benefits.

Scope of Complaints or Clues

Directors, employees, or any person on behalf of the company may be complained if there are violations or not obeying the law or the company's regulations including the good corporate governance policy and the company's business ethics.

However, the incidents may cover various forms of misconduct³ including but not limit to the following events:

- Criminal offenses or incitement to the commission of offenses.
- Any risky actions including corruption, bribery, and extortion.
- Not performing duties or guidelines in-laws or cooperate governance.
- Actions, conduct, or omissions in accounting, reports, records, and guidelines and/or financial reporting or internal controls that are suspicious or do not meet common standards or guidelines.
- When there is an event that hazards someone's health and safety.
- When there is an event that damages the environment.
- Acts of serious offenses.
- Intentional actions causing the company damaged or beneficially lost
- In case that the company cannot fix or act in reporting matters that may inevitably cause costs or serious damage to the company.
- Intentional concealment of various types of offenses as above

Whistle Blowing Policy

The company has good corporate governance and gives all employees and stakeholders the right to communicate or give a clue when encountering matters that may be corruption, directly and indirectly, illegal offense, the code of conduct, the company policy or piracy infringement as well as behavior that may be problematic and cause

damage or unfairness to the company, and suggestions about the company's business operations. The company provides channels for whistleblowing and complaints as follows:

- By E-mail, please contact
Asst. Prof. Dr. Kanyarat Sanoran, Chairman of Audit Committee
E-mail: scm.advise.bod@successmore.com
- By mail, please contact
Asst. Prof. Dr. Kanyarat Sanoran
Address: 777/137 The Room Rama 4 Rong Muang Sub-district, Pathum Wan District, Bangkok 10330

Clues, complaints, and suggestions will be considered and proceeded as appropriate on a case by case.

1. The Board of Directors will assign the audit committee to supervise and set guidelines for complaints or clues management through the specified channels.
2. The Audit Committee appoints independent persons in their performance to act as a recipient of complaints or clues and report directly to the Audit Committee via the specified channels.
3. Persons assigned by the Audit Committee will manage, collect, screen, and examine complaints or clues received, and consider the clarity and sufficiency of the evidence initially. If there is truthful information, an investigation will be conducted to gather evidence and witness to the audit committee.
4. The audit committee may appoint a person or a subcommittee to investigate persons involved in corruption and consider the information received and any additional evidence. If any misconduct is caused by intention or significantly affecting the business of the company, the audit committee will use appropriate measures to correct the situation.
5. The company will fix and improve according to the complaints or clues received and notify the complainants or the whistleblowers within a suitable time.
6. The person subject to the complaint is a director, employee, or any person acting on behalf of the company accused by the person informing of misconduct.
7. In considering the matter received complaints or clues If it is found that anyone else is involved in supporting the action, hiring, or commanding the complaint, that person will be also the subject of the complaint.
8. The people who cooperate in the investigation of complaints are a director, employee, or a third party who has been asked for cooperation from the audit committee to provide relevant information or complaints.

In 2021, the company has no complaints or bribes for the benefit of the company's business in any way.

Whistle Blowing Policy

1. The whistleblower will receive appropriate protection from the company such as no change of job position/ job description and workplace, not threatening or interfering with work performance, termination, or any other acts of unfair treatment towards that person. The personal information of or the complaint/ whistleblowing information will be kept confidential and not be disclosed to the irrelevant unless law required.
2. Any person who is aware of the complaint, whistleblowing, or information related to the report of complaints or whistleblowing must conceal the information related to complaints, whistleblowing to be confidential with concerns of the whistleblowers' safety and damage, source of information or relevant persons except there

is necessary for the process of implementing this regulation or as required by law. If there is an intention to violate the disclosure of information, the company will take disciplinary action and/or take legal action against the violator, depending on the cases.

3. The company will not allow any retaliation to employees who make complaints or report clues and will take disciplinary action against persons who are found to have committed the retaliation. The company will deal by step appropriately to prevent the working environment and/or working relationships of the employees who identify or make clues for the benefit of the company.
4. The company provides opportunities for stakeholders to express their opinions and suggestions as well as complaints through channels and activities organized by the company such as the annual general meeting of shareholders of the company, Opportunity Day, where inquiries, feedback, suggestions, and complaints will be forwarded to the relevant departments to make corrections to meet the needs of all stakeholders.

In 2021, the company's business operations were not operated by regulators since the information of important events was not announced within the time specified. Also, there was no case that the company violates laws of labor, employment, consumers, trade competition, and the environment with no complaints from stakeholders. Also, the company has an audit committee to be responsible for reviewing the internal control system and follow up the internal audit results. In case a fraud is found, the audit committee will report to the Board of Directors.

Category 4 Disclosure and Transparency

The company operates businesses with potential and growth opportunities by focusing on using expertise, technology, and management to develop business efficiency and create a variety of shareholder returns in long-term stability. Therefore, the Board of Directors gives importance by allowing the company to disclose important information both financial and non-financial information or information that may have an impact on changes in the company's securities prices to shareholders and investors correctly, completely, adequately, timely, transparently, and fairly through channels with easy access that is equal and reliable for shareholders and interested parties to get the important news of the company with accuracy, completeness, promptness, transparency, equality and the same quality.

Operations in 2021

The company discloses information through various and easily accessible channels in both Thai and English through the channels of the Stock Exchange of Thailand and the company's website: www.successmore.com to make all stakeholders confident as follows:

1. Corporate Governance The company has prepared and disclosed the corporate governance policy, code of business conduct, risk management policy, internal use policy, conflicts of interest prevention policy, connected transactions policy, social and environment responsibility policy including internal anti-corruption policies and regulations in writing on the company's website.

In 2021, the company reported the performance of the corporate governance policy corresponded to the good corporate governance principles for listed companies of the Stock Exchange of Thailand and was published on the company's website.

2. Disclose important information in both financial and non-financial the company has disclosed important information of the company in both financial and non-financial information under the regulations of the Stock Exchange of Thailand and the SEC correctly completely, timely, and transparently, which have been reviewed according to specified procedures and published through the Stock Exchange of Thailand and the company's website in Thai and English as follows:

- **Information disclosed in the annual information / annual report (Form 56-1 One Report)**

The company has prepared and disclosed clearly and completely under the regulations of the Stock Exchange of Thailand and the SEC for the benefit of shareholders in making decisions. The information is always up to date and published through the company's website.

In 2021, the company has not been operated from The Stock Exchange of Thailand or the SEC due to the disclosure of information being not complied with the requirements.

- **Annual financial statements and quarterly financial statements**

The company has prepared financial statements authorized by the auditor of the company, approved by the audit committee and the Board of Directors before disseminating to the shareholders and submitting them to the Stock Exchange of Thailand and the SEC before the expiration of the specified period. It also disclosed the additional important information in the notes to the financial statements with an explanation and analysis of the management for the disclosure of the financial statements every quarter, which can be used by the shareholders and general investors for investment consideration.

- **Quarterly operating result report**

The company reports its operating results quarterly in case that the net profit according to the latest financial statements has changed from the same period of the previous year by more than twenty percent. It has published a quarterly explanation of its performance through the information dissemination system of the Stock Exchange of Thailand and the company's website.

The company's auditors are well-informed, expert, independent, and have been approved by the SEC. Also, they have no relationship or interest in the company/subsidiary/associated company/ management/major shareholders or those related to mentioned persons. Therefore, they are independent in auditing and express their opinions on the company's financial statements. The company has disclosed the audit fee and other service fees which are paid to the auditor in "7.6.3 Auditor's Fee".

In 2021, the company's financial statements and annual financial statements are disclosed quarterly in Thai and English, downloadable via the company's website. The company's financial statements are certified unconditionally by the auditor of the company. It has submitted financial statements to the Stock Exchange of Thailand and the SEC on time and has not been ordered to amend the financial statements in any parts and has not been dealt with due to non-compliant disclosure.

3. Supervision of the report of the Board of Directors' responsibility for the financial report

The company is aware of the preparation of financial reports to be correct, complete, under the accounting standards. The disclosure has been audited by an independent auditor and has been approved by the Audit Committee and the Board of Directors before publishing to the shareholders. To ensure confidence, the Board

of Directors has prepared a report of the Board of Directors' responsibility for financial reports, presented with the auditor's report. The auditor's report shows compliance with generally accepted accounting principles uses appropriate accounting policies for the investors' consideration.

4. Disclosure of the connected transaction and/or acquisition or disposition of assets

The transaction of the company must be approved by the Audit Committee and the Board of Directors to eliminate conflicts of interest prudently, reasonably. For the best interests of the company and shareholders, the company has disclosed the items that have been considered and approved complying with the regulations of the Stock Exchange of Thailand and the SEC, disclosing names of persons doing the transaction, relationships, nature of the transaction, and the value of the transaction in Thai and English to the Stock Exchange of Thailand through the company's website with a summary list in item "9.2 Connected Transactions"

5. Designation of Company Directors and Executives must prepare securities trading and the company's securities holding reports. Relevant persons are spouses and underage children by preparing various reports according to the law relating to the directors and executives. The company will report to the Board meeting and the SEC as follows:

- Report any changes in the Company's securities holding when trading, transferring (Form 59) within 3 business days from the date of the change.
- Display of names of persons in the information system of directors and executives of the issuing company (Form 35-E1) within 7 business days from the date of taking office.

In 2021, the company directors and executives including the spouses and underage children of mentioned person had already made a report on securities trading, company securities holding if there is a change in the year with a summary list in item "7.2 Information about the Board of Directors."

6. Determination of Company Directors and Executives must report personal interests and those involved

which is a stake about the management of the company's business and must report to the company whenever changing with supervision measures and policies to comply with the specified criteria as follows:

- Interest transaction when taking a position of director or senior management for the first time.
- Report stake every time. when there is a change in the information.
- In case that a director retired and continued to resume his position as a new director, that director does not have to submit a new report if there is no change in the stakeholder information.
- Have Directors and Executives submit a report of their interest to the company Secretary within 1 month from the date of election/appointment and within 15 days when there is a change. The company secretary must send a copy of this report of interest to the chairman of the board of directors and chairman of the audit committee within 7 working days from the date of receiving the report.

In 2021 company directors and executives prepared a report on interest in a case that there is a change in the year.

7. Supervision of internal Information Use The Company has measures to monitor the use of internal information set out in the Company's internal information usage policy and keeps confidential information for the company, shareholders, and stakeholders. with integrity, responsibility, being disciplined, and have a good conscience for the public and oneself, not using their position for the wrongful benefit for oneself and/or others protects the interests and assets of the company without taking the information and assets of the company for one's benefit and/or others. The company has also set a penalty for violating the use of the company's internal information for personal gain in the company's regulations. The penalties are ranged from a verbal warning to termination of employment.

Also, this matter is set the regulations on the work of the company with disciplinary action. The directors, executives, and employees have complied with the regulations.

In 2021, the company's directors, executives, and employees have strictly followed the policy and regulations, resulting in no misuse of the company's internal information.

8. Policy of social responsibility, community, and environment The Company has established a policy of social and environmental responsibility and defined in the mission of the company to be a guideline and implement a concrete action that everyone in the organization must be involved in.

9. Meeting and communication of information between the Executive Committee, the senior management, and the highest commander of all departments throughout the company the company holds a meeting between the executive committee, the senior management, and the highest commander of every department on a weekly and monthly to be informed of the organization's business goals and business strategies by informing all employees to understand and act in the same direction. It is also a guideline in duty performance as assigned to achieve business goals.

In 2021, the Chairman of the Board emphasizes attending meetings with the Executive Committee, senior management, and the highest commander of all departments by suggesting the main idea, SO strategy, philosophy and being ready to exchange ideas independently to support the management to achieve the business goals of the organization.

10. Meeting and communicating with investors, shareholders, and analysts. The Company participated in the Opportunity Day in 2nd times, which was report the results of the first quarter and the third quarter of the year 2021 and met with analysts organized by the company at the event of "Successmore Group Interview & Thank Press 2021", in 1st time on December 7, 2564.

In addition to the disclosure of financial reports or other information to the Stock Exchange of Thailand and the SEC via various channels following the requirements accurately, completely, and timely, the company has also disclosed the following information:

1. Disclose shareholding structure with shareholding proportion and list of first ten major shareholders of the company as book closing date for general shareholder meeting before the meeting date published via the company's website.

2. Disclose the change in shareholding of the directors and executives by presenting several shares being hold early and final in the year and traded between the year of the directors and executives directly and indirectly in item “7.2 Information about the Board of Directors.”

3. Disclose the nature of the company’s business and analyze the industrial situation and competitive capability of the company including operating results and financial status of the company in item “1.2 Nature of business” published and downloadable through the company’s website

4. Disclose the structure of the company and subsidiaries’ business group in item “1.3 Structure of the group of company’s shareholdings” published and downloadable through the company’s website.

5. Disclose the’s company risky factors, risks, causes, Impacts, and solution to prevent or lessen the risks in item “2 Risk Management”

6. Disclose names of directors, independent directors, and sub-committees including their profile, roles, duties, the number of attendances of each director's meeting, shareholding proportion, the tenure of the directors and independent director positions in listed companies, the date of appointment as directors and independent directors were appointed in item “7.2 Information on the Board” and “8.1.2 Meeting attendance and remuneration of the Individual Directors”

7. Disclose the remuneration policy of directors and executives of the company including the form, nature, amount of remuneration each person will receive from being the company's directors and sub-committee members, and the remuneration policy of senior management and chief executive officer. The Company has no policy to compensate other than the remuneration as a director or employee, which is normally received from the company in “7.4.3 Executive compensation” and “8.1.2 Meeting attendance and remuneration of the Individual Directors”.

8. Disclose the information of development and training attendance in the past years in “category 5 Board Responsibilities No. 21 Directors and Executive Development.

9. Disclose the dividend policy of the company and a subsidiary in item 1.6 Dividend Policy of the Company and a Subsidiary

10. Disclose the designation of the auditor who is independent and approved by the SEC and disclose the audit fee and other fees which are paid to the auditor or audit company in item “7.6.3 Auditor Remuneration”

11. Disclose the structure of the company’s organization in item “7.1 Corporate Governance Structure” published and downloadable through the company’s website.

12. Disclose internal control and internal control evaluation result under requirements of SEC and report the corporate governance from the audit committee in item “Attachment 6 Corporate Governance of Audit Committee Report”

13. Disclose whistleblowing policy in “Category 3 Roles of stakeholders No. 14 Anti-Corruption and Bribery Policy and Guidelines via the company’s website.

14. Disclose the company’s final statement quarterly in Thai and English published and downloadable through the company’s website.

15. Disclose annual information/ annual report (Form 56-1 One Report) of the company and shareholder invitation letter in Thai and English published and downloadable through the company’s website.

16. Disclose the regulations, vision, and mission of the company in Thai and English via the company's website.

17. Disclose the information and news of the company via the company's website.

Information Channel of the Company

The company focuses on the disclosure of complete, correct, and transparent information with various communication channels for the benefit of stakeholders.

1. Provide an investor relation to be a direct channel to contact investors

The company has designated a person who acts as a center for the disclosure of important information to investors and related parties to facilitate stakeholders to access information easily with various channels, which can be contacted at

Tharika Thannakornwat

The company's secretary and Investor Relation Department

Phone: 02-511-5955 ext. 113

E-mail: info.ir@successmore.com

2. Important information published on the company's website in Thai and English are as follows:

- Nature of Business
- Financial Statement of the Company
- Company Press Release
- Shareholder Structure
- Organization Structure
- Groups of the Company Structure
- Directors and Executives Information
- Investor Relation Information
- The Company's Regulations
- Annual Information Form 56-1 One Report / Annual Report
- Shareholder's Meeting invitation Letter
- Shareholder's Meeting Report
- Good Corporate Governance
- Organization's Anti-Corruption Policy
- Business Ethics
- Report of Directors

Category 5 Board Responsibilities

The Board of Directors plays an important role in guiding the direction of the Company's operations, follow up on the work of the management, establish a policy on good corporate governance, set up Code of Conduct for Anti-corruption policy within the organization. Including guidelines to follow the Anti-corruption policy, ready to be prepared in writing and published for acknowledgment and practice throughout the organization through the company's website by supervising the business for the best outcomes of the Company and shareholders ready to take care of the Company with various kind of activities in properly and legally.

The company gives importance to the roles and responsibilities of the company to protect the interests of shareholders and stakeholders, such as setting business strategies, monitoring the operation to be transparent. The company has performed as follows:

Operations in 2021

1. The Board of Directors is aware of the roles, duties, and responsibilities of supervising the company with good management as a leader of the organization with a clear goal that business operation of the company must not only aim to generate economic growth but also has the intention of creating a sustainable business and driving society at the same time including social and environmental responsibility and good governance as a "value organization".
2. The Board of Directors has established objectives and goals to create value and sustainable growth for the group of companies and for the best interest of all stakeholders which is the ultimate goal of the company under the principles of good corporate governance and taking into account all stakeholders whether it considers the maximum return and passes that return to the shareholders.
3. The Board of Directors has jointly set the company's strategies and annual work plans that must be consistent with the vision and mission. In setting strategies and plans for each year, the Board of Directors will consider all aspects including the risk factors, such as financial, strategic and operational, etc., concerning the society, environment, and all stakeholders. It has reviewed and approved the company's vision, mission, and strategy to provide executives and employees to work in the same direction and set guidelines for participation as follows:
 - (1) Determination of the company's vision, mission, strategies, goals, business plans, and budgets by expressing opinions independently to jointly determine the organization direction through annual workshops between the Board of Directors and the management
 - (2) Determine the review and practice each year to monitor the management to consistently comply with business plans and directions.
 - (3) Provide an independent discussion and express opinions of the management freely to define the organization's direction and prepare for the situation that may change in the economy.
 - (4) Provide advice, opinions, and guidelines for organizational management for the use in arranging a plan meeting the goals.
 - (5) Communicate policies, goals, and operational directions to all employees through the company's communication channel monthly, explained by the Chairman of the Executive Committee and the Chief Executive Officer.

For the year 2021, the company reviewed the vision and mission one time and set short, medium, and long-term goals to focus on developing products that are strong in cost, quality, delivery, and meet the customers' need including creating value for stakeholders in all aspects.

4. The Board of Directors monitors and supervises the implementation of the company's strategy. That is, the Board of Directors has monitored the operating results of the management in every quarter. The results of operations and results of the Company are required to be reported especially in terms of strategic plans and financial goals to be following the strategies specified.
5. To lead to effective corporate governance, the Board of Directors has set policies on directors are as follows:
 - (1) The Chairman of the Board of Directors is an independent director so that the position of Chairman of the Board of Directors and the position of Chief Executive Officer is not the same person and no one has unlimited power.
 - (2) Independent directors holding the position for a continuous period of not more than 9 years from the date of the first appointment as an independent director.
 - (3) Appoint independent directors to be the chairman of other committees such as the chairman of the audit committee and Chairman of the Nomination and Remuneration Committee.
 - (4) The number of listed companies in which each director may hold the director positions is not more than 5 companies.
 - (5) Independent directors holding positions as directors are not more than 3 listed companies.
 - (6) Executives holding director positions in other listed companies are not more than 2 companies.

In 2021

- 1) The Chairman of the Board of Directors is an independent director
- 2) Holding a position of independent director is not more than 9 consecutive years
- 3) Each director holds a director position in one listed company.
- 4) Independent directors hold director positions in 1 listed company.
- 5) There is no executive director that holds a director position in other listed companies.
- 6) All directors attend the Board of Directors' meetings regularly counted as 100 percent of all Board meetings.

6. Directors and senior management of the company have never been an employee or partner of an external audit that the company has served in the past 2 years.
7. The company, directors, and senior management have no record of violating the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.
8. The Board of Directors provides an internal control system covering both financial and operations under relevant laws, regulations, and relevant rules as well as provides an appropriate and adequate risk management and checking and balance mechanism that are effective enough in the operation. Also taking care of the property by an external independent internal audit, namely Isbar Corporation Company Limited, and Mr. Sirisak Manikunacarn position Chief Audit Executive which is an independent agency, reporting directly to the Audit Committee and with Mrs. Tharika Thannakornwat as the audit committee secretary. They will prepare the audit committee report which revealed the number of audit committee

meetings that year with an assessment, check, and review of the internal control system, connected transaction, consideration of an auditor appointment, review of financial reports. They also establish a risk management policy, compliance with rules and policies, and have conclusions and opinions of the Audit Committee towards the operations in various areas overall.

9. The Board of Directors had the Board of Directors consists of directors with various qualifications in terms of skills, experience, abilities, and specific characteristics to ensure that there will be an overall committee with suitable qualifications, able to understand and meet the needs of stakeholders. The Board of Directors considers the necessary skills that are still lacking in the Board of Directors without limitation on gender, age, educational history, professional experience, skills, and knowledge to become a director to enable the Board of Directors to operate more efficiently in line with business strategies and support the composition of the entire Board of Directors to be complete in knowledge, competence, and diversity dimensions for the best capability.

At present, it consists of 7 directors, 5 of which are non-executive directors (there are 4 independent directors in these 5 and 2 executive directors who have completed their structure. The company has no directors holding positions in more than 5 listed companies.

10. The criteria and process for recruiting and selecting new directors are in case of a vacancy of the company's directors. Nomination and Remuneration Committee will be responsible for considering recruiting new directors by qualifications, knowledge, ability, work experience, essential skills that are still lacking on the board of directors according to the business operations of the company to perform their duties fully Including having no prohibited characteristics under the law and good corporate governance principles. Also, the company has the policy to give shareholders the right to nominate suitable candidates to be the director. The Nomination and Remuneration Committee is responsible for scrutinizing the qualifications and suitability of applicants or directors who are due to retire by rotation by offering opinions to the Board of Directors to the shareholders' meeting to elect the company's directors by considering at least the following features:

- (1) Must be qualified and does not have prohibited characteristics under the Public Limited Companies Act 2535 (including the amendments), the Securities and Exchange Act B.E. 2535 (including the amendments), or under the rules prescribed by the Securities and Exchange Commission including having no characteristics indicating the lack of suitability to be entrusted to manage businesses with the general public as shareholders as prescribed by the Office of the Securities and Exchange Commission and other related rules.
- (2) Being knowledgeable, capable, honest, moral, and ethical in business operations and have experience in conducting the business of the company.
- (3) Can exercise fair and independent discretion from the management and any other interest group.
- (4) Can devote sufficient time to the company that he or she is a director and take care of the performance of their duties according to their responsibilities.

11. Criteria and process for recruiting chief executive especially the position of Chief Executive Officer, the company assigns the Nomination and Remuneration Committee to be responsible for recruiting, selecting, and nominating qualified persons with appropriate qualifications, knowledge, experience, talents, and specific skills that are beneficial to the company or involved in the business that the company is operating following the strategy and business direction of the company to propose to the Board of Directors for the appointment.
12. Provide compliance unit and assign Mr. Amarin Suthat Na Ayutthaya, compliance assistant, to operate.
13. The company has a policy for Non-Executive Directors: NED having the opportunity to meet with each other to discuss issues related to business or other matters that they are interested in with no management at least once a year.
14. The Board of Directors establishes a risk management policy with an adequate risk management system and regularly monitors risk management.
15. The Board of Directors and the Nomination and Remuneration Committee have set the performance measured as a performance index (KPI) compared to the targeted KPIs associated with the rate of compensation received following the criteria set by the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee will consider the remuneration appropriately according to the company's compensation structure and will compare the remuneration survey data from institutions, organizations, trusted agencies that are trusted, GDP growth rate, and inflation rate. It also considers the work performance following the assigned duties and responsibilities. (Disclosed in clause 7.4.3 Total Remuneration of Executive Directors and Executives)

16. The Board of Directors has supervised the operations of the company, subsidiaries, and associated companies with a governing mechanism to control and monitor the management and operational responsibility of subsidiaries and associated companies to maintain the interests of the company's investments. The company will send a representative of the company which has qualifications and experiences that are suitable for the business of the company, to invest in a subsidiary and an associated company director of that company, which can be the chairman of the board, Chief Executive Officer, Director, Senior Executive, or any person of the company who has no conflict of interest with the business of those subsidiaries and associated companies. To control and supervise the business and the operation of the subsidiary company as a department of the company and/or able to inspect and supervise the operations of associated companies effectively, the company, therefore, requires its representatives to manage the subsidiary's business and/or associated companies (depending on cases) to comply with the rules and regulations set out in the regulations and laws relating to the business operation of subsidiaries and/or the associated company. Also, sending a representative to be a director of the subsidiary and the associated company has to be under a shareholding proportion of the company and/or agreements between shareholders in the subsidiary or associated company.
17. The Board of Directors has arranged to review the scope, roles, powers, and duties of the company's directors regularly at least once a year.

18. The company has set up a communication channel for employees and all stakeholders (external, internal, personal, personal group, an organization such as employees, investors, customers, partners, community, society, environment, governmental organization, and corporate governance organization) to be able to communicate and report any suspicious whistleblowing or complaints when encountering situations that may be a corruption, directly and indirectly, illegal actions, misconduct of the business ethics/ the company policy as well as behavior that may cause problems and damage to the company, and suggestions about the company's business operation. The company has provided the channels for reporting as follow:

- By E-mail, please contact
Asst. Prof. Dr. Kanyarat Sanoran, Chairman of Audit Committee
E-mail: scm.advise.bod@successmore.com
- By mail, please contact
Asst. Prof. Dr. Kanyarat Sanoran
Address: 777/137 The Room Rama 4 Rong Muang Sub-district, Pathum Wan District, Bangkok 10330

Whistleblowers, complaints, and suggestions will be considered and taken appropriate action on a case by case.

The Board of Directors has assigned the Chairman of the Audit Committee to take the responsibility of reporting clues, complaints, and suggestions of stakeholders to the Audit Committee and investigate and report to the Board of Directors by whistleblowers and various complaints will be kept confidential.

In 2021, the company and its subsidiaries had no complaints about giving or receiving bribes for the benefit of the company's business.

19. Set policies on prevention of conflicts of interest, the policy of using internal information of the company, the policy of entering into connected transactions of the company to prevent the use of opportunities for personal gain.
20. The Board of Directors has appointed sub-committees, namely the Audit Committee, the Nomination, and Remuneration Committee, Risk Management Committee, the Executive Committee and Chief Executive Officer with clear authority and duties (Disclosed in Clause 7.3 Sub-Committees Information)
21. The Board of Directors sets a schedule for the Board of Directors and sub - committees' meetings for the whole year in advance. Each meeting has a clear agenda. It is an agenda to know and agenda for approval with complete and sufficient documents for the meeting and delivers to the directors at least 7 days in advance for them to study the information with sufficient time before attending the meeting. In the meeting, the Chairman of the Board of Directors will be the chairman of the meeting so that all directors can freely open up and express their opinions. The chairman will compile the opinions and summarize the issues raised from the meeting. The company secretary prepares the minutes of the meeting in writing, which will be kept at the company secretary at the company office after the meeting has been approved.

22. Orientation for new directors

In the case of new directors, the company has established guidelines for the performance of the directors so that the directors can perform their duties immediately. The company secretary is the coordinator in various areas as follows:

- (1) Coordinate to provide information about the company in legal and other areas such as company regulations, company objective, organizational structure, manual policy on good corporate governance, anti-corruption policy within the organization, policy of using internal information of the company, and code of business ethics, etc.
- (2) Arrange a meeting of the Chairman of the Board of Directors, Board of Directors, Sub-committees, and the management of the company to receive information about business operations.

In 2021, there was no orientation for new directors since there is no appointment of a new director.

23. Directors and executives development

The Board of Directors has given importance to the development of directors by encouraging them to attend various training courses or course seminars that are beneficial to the performance of their duties. The company sees the benefits of education/training that it will be the development of directors to gain up-to-date knowledge in the competitive business situation with a policy to develop the capacity of executive personnel by organizing both internal and external training to be a learning organization. As of lately, the company directors have participated in the director training courses of the Thai Institute of Directors Association (IOD) as required by the Securities and Exchange Commission (SEC) training at least one course, including the Director Accreditation Program (DAP) and Director Certification Program (DCP). Apart from the required courses, the company directors also give importance to attending other training courses of the Thai Institute of Directors Association (IOD), such as the Roles of Compensation Committee Program (RCC), Company Secretary Program of the Thai Institute of Directors Association (IOD), intending to enhance professional leadership potential, a real understanding of roles and be a model to drive an organization to lead to good corporate governance. The Board of Directors has completed a basic training course, Director Accreditation Program (DAP).

In 2021, the company directors and the executives attended the seminars and training as follows

Company Directors / Executives	Courses / Trainings / Activity Attendance
Mr. Narongrit Tavorntvisitporn Chairman / Audit Committee / Independent Directors	- Director Leadership Certification Program (DLCP) 3/2021
Dr. Sitthawee Kriatchawanun Vice Chairman / Chairman of the Executive Committee	- Anti-Corruption Measures and Guidelines
Mr. Noppakrit Nithilertvijit Vice Chairman /	- Digital Transformation for CEO No. 3 - The Secret Sauce Strategy Forum 2022 - Marketing strategy, low cost, high profit

Company Directors / Executives	Courses / Trainings / Activity Attendance
Vice Chairman of the Executive Committee / Chief Executive Officer	- Anti-Corruption Measures and Guidelines
Asst. Prof. Dr.Kanyarat Sanoran Independent Directors / Chairman of Audit Committee	- Oracle Fusion, Oracle NetSuite, Oracle EPM - The Eighth International Conference of the Journal of International Accounting Research - Excellence in Teaching for the Next Normal - Train the Trainer: Communication Skills - Accounting for Risk - Deloitte Forum Week 2021 Beyond the Crisis Thriving in the Post Pandemic World: ● The Secret Sauce of Driving Successful Digital Transformation – How to Turn the Digital Transformation Strategy into a Reality ● The Next Normal: Emerging Trends Shaping the Future of Business ● Accounting Snapshot and Sustainability Trend & Reporting ● Post-Pandemic Business Transformation - Recover and Thrive Through Value Creation ● Creating Value Through Digital Identity, and the Game Changing World of Data - Growth: Rectifying Two Common Mistakes
Dr. Wijit Techakasem Independent Directors	- Guide and the preparation of greenhouse gas emissions reports for listed companies. - ESG Q&A: One on Group
Mr. Nitchakul Kongphawitthakul Executive Director / Chief People & Governance Officer	- Effective supervision and assessment of work - Leadership skills - Personal Data Protection Act - Taxes on wages and HR benefits - Techniques for creating JD based on KPIs - Professional design and management of salary structure - The leader as coach. The science of leadership through coaching - Questions change - Results change - Anti-Corruption Measures and Guidelines

Company Directors / Executives	Courses / Trainings / Activity Attendance
Mr. Phongnarin Krasarenak Chief Operating Officer (Acting) / Senior Warehouse Manager	- Effective supervision and assessment of work - Leadership skills - The leader as coach. The science of leadership through coaching - Questions change - Results change - Anti-Corruption Measures and Guidelines
Ms. Thitimaporn Pinthong Chief Sales Officer (Acting) / Senior Sales Manager	- In-depth knowledge of Transform 1-2 - Effective supervision and assessment of work - Leadership skills - Company products - The leader as coach. The science of leadership through coaching - Questions change - Results change - Anti-Corruption Measures and Guidelines
Ms. Kantapakon Attakamol Chief Financial Officer (CFO) (Acting) / Senior Accounting Manager	- Precautions for filing financial statements for the year 2021 - Accounting on Income and Expenses that effect on Net Profit Calculation - Leadership skills - The leader as coach. The science of leadership through coaching - Questions change - Results change - Anti-Corruption Measures and Guidelines
Ms. Channutcha Kaewsuphahirun Financial Manager	- The leader as coach. The science of leadership through coaching - Questions change - Results change - Anti-Corruption Measures and Guidelines

24. For the performance evaluation of the company directors, sub-committee, and chief executive officer, the board of directors conducts a self-assessment of the performance of the whole board at least once a year to utilize the results of the assessment to improve the performance of duties of the board of directors, sub-committee, and chief executive officer by informing the assessment results to the board of directors and analyzing the evaluation results to develop and improve operational efficiency. The score ratings are as follows:

Score Range	Criteria
More than 80 percent	Very Good
More than 70-80 percent	Good
More than 60-70percent	Fair
Lower or equal to 60 percent	Below the Standard

In 2021, the assessment results of the board of directors, sub-committees, and chief executive officer are as follows

(1) The Board of Director Assessment

- Assessment results of the board of directors **by group**

Topics of Assessment	Result (Percent)	Level
1. Structure and qualification of the board of directors	98.10	Very Good
2. Roles, duties, and responsibilities of the board of directors	99.37	Very Good
3. The board of directors meeting	98.41	Very Good
4. Performance of the board of directors	99.32	Very Good
5. Management department relationship	98.10	Very Good
6. Self-development of the directors and executives	94.44	Very Good
Average Overall	97.96	Very Good

- Assessment results of the board of directors **by person**

Topics of Assessment	Results (Percent)	Level
1. Structure and qualification of the board of directors	97.62	Very Good
2. The board of directors meeting	100.00	Very Good
3. Roles, duties, and responsibilities of the board of directors	99.05	Very Good
Average Overall	98.89	Very Good

(2) Audit Committee Assessment

- Assessment results of Audit Committee **by group**

Topics of Assessment	Results (Percent)	Level
1. Structure and qualification of Audit Committee	97.78	Very Good
2. Audit Committee meeting	96.30	Very Good
3. Roles, duties, and responsibilities of Audit Committee	98.15	Very Good
Average Overall	98.41	Very Good

- Assessment results of Audit Committee **by person**

Topics of Assessment	Results (Percent)	Level
1. Structure and qualification of Audit Committee	94.44	Very Good
2. Audit Committee meeting	97.22	Very Good
3. Roles, duties, and responsibilities of Audit Committee	97.78	Very Good
Average Overall	96.48	Very Good

(3) Nomination and Remuneration Committee Assessment

- Assessment results of Nomination and Remuneration Committee **by a group**

Topics of Assessment	Results (Percent)	Level
1. Structure and qualification of Nomination and Remuneration Committee	100.00	Very Good
2. Nomination and Remuneration Committee meeting	98.15	Very Good
3. Roles, duties, and responsibilities of Nomination and Remuneration Committee	97.78	Very Good
Average Overall	98.64	Very Good

- Assessment results Nomination and Remuneration Committee **by person**

Topics of Assessment	Results (Percent)	Level
1. Structure and qualification of Nomination and Remuneration Committee	100.00	Very Good
2. Nomination and Remuneration Committee meeting	100.00	Very Good
3. Roles, duties, and responsibilities of Nomination and Remuneration Committee	100.00	Very Good
Average Overall	100.00	Very Good

(4) Executive Committee Assessment

- Assessment results of Executive Committee **by a group**

Topics of Assessment	Results (Percent)	Level
1. Structure and qualification of Executive Committee	91.67	Very Good
2. Executive Committee meeting	98.15	Very Good
3. Roles, duties, and responsibilities of Executive Committee	97.22	Very Good
Average Overall	95.68	Very Good

- Assessment results of Executive Committee **by person**

Topics of Assessment	Results (Percent)	Level
1. Structure and qualification of Executive Committee	100.00	Very Good
2. Executive Committee meeting	100.00	Very Good
3. Roles, duties, and responsibilities of Executive Committee	100.00	Very Good
Average Overall	100.00	Very Good

(5) Risk Management Committee Assessment

- Assessment results of Risk Management Committee **by a group**

Topics of Assessment	Results (Percent)	Level
1. Structure and qualification of Risk Management Committee	97.22	Very Good
2. Risk Management Committee meeting	98.15	Very Good
3. Roles, duties, and responsibilities of Risk Management Committee	100.00	Very Good
Average Overall	98.46	Very Good

- Assessment results of Risk Management Committee **by person**

Topics of Assessment	Results (Percent)	Level
1. Structure and qualification of Risk Management Committee	100.00	Very Good
2. Risk Management Committee meeting	100.00	Very Good
3. Roles, duties, and responsibilities of Risk Management Committee	100.00	Very Good
Average Overall	100.00	Very Good

(6) Chief Executive Officer Assessment

Topics of Assessment	Results (Percent)	Level
1. Leadership	100.00	Very Good
2. Strategy Formulation	97.62	Very Good
3. Strategy Compliance	98.41	Very Good
4. Financial Planning and Results	100.00	Very Good
5. Relationship with Directors	98.41	Very Good
6. Performance and Relationship with Personnel	98.10	Very Good
7. Knowledge of Products	100.00	Very Good
Average Overall	98.93	Very Good

23. The Board of Directors has planned a succession plan and established a clear and transparent recruitment process based on knowledge, abilities, experience, ethics, and leadership to ensure that the company and its subsidiaries receive professional executives. Besides, there is an assessment of the effectiveness and potential of the executives and continuously monitor the development results to ensure that the operations of the company and its subsidiaries can continue as planned. The company's succession plan covers the following positions:

1) Chief Executive Officer Level

When the position of chief executive officer level is vacant or the person in the position is unable to perform his duties, the company will provide a system for management at a similar level or the secondary level, acting in the position until the recruitment and selection of persons with qualifications according to the criteria set by the company. The qualifications of the person to be the Chief Executive Officer must have a vision, knowledge, experience, and expertise and be suitable for the organization's culture. The Nomination and Remuneration Committee will nominate and present the names to the Board of Directors' meeting to consider and approve the appointment of suitable persons to replace in the next position.

2) Executive Level

When a position at the executive level from more than chief officer position becomes vacant or the person in the position is unable to perform the role. The direct supervisor in the line of work is primarily responsible for the recruitment and submission for approval. Executive succession planning has the following processes:

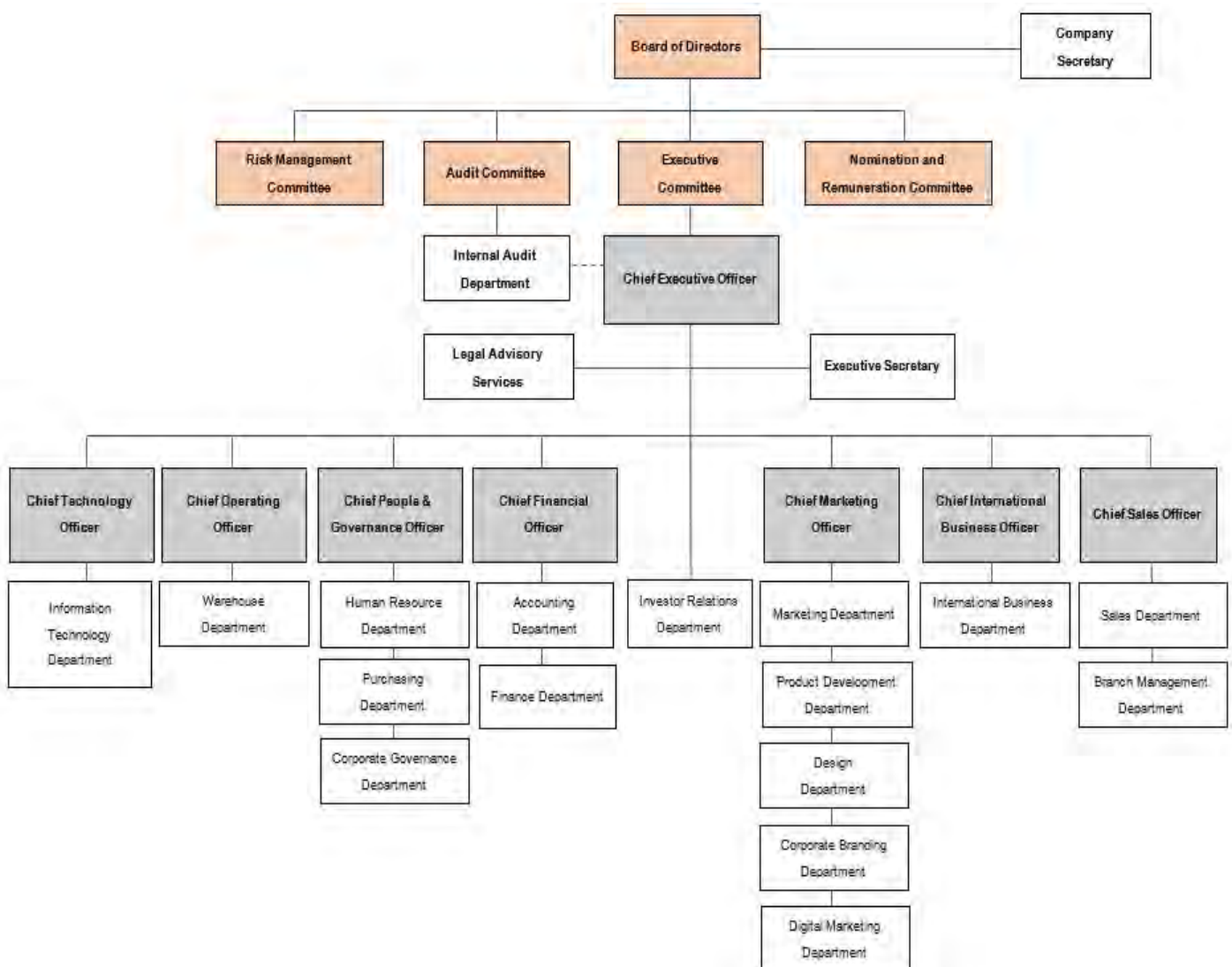
- (1) Analyze the business situation of the company in terms of company strategy, investment plan, and expansion plan.
- (2) Assess the readiness of manpower following the strategy of the company both for the short and long term.
- (3) Establish a plan to create the readiness of manpower by developing employees or recruiting employees to prepare for the replacement.
- (4) Create recruitment and employee training and development in advance before employees retire or leave their positions early.
- (5) Define competencies, which refer to the knowledge, skills, personality, and desirable attitudes of the employees in that position and make an individual development plan.
- (6) Select, evaluate work performance and potential of employees to determine suitability.
- (7) Use tools for testing and evaluating personnel to analyze the potential of employees.
- (8) Identify successors from the assessment and analysis of the potential of the employees, and employee performance. Employees must be informed in advance to prepare and determine to find an alternate successor.
- (9) Develop and evaluate employees who are expected to be heirs that can develop and produce works as expected. The heirs are subject to be changed in case that the assessment results are not as expected.

24. In the Board of Directors' meetings each year, apart from setting a mission, they also jointly formulate strategies and operating policies to be in line with the missions each year for the management division to act according to the policy. The directors of the company are required to manage the company's operations under the law, regulations, resolutions of the shareholder meeting as well as the guidelines that have been set. There is also a process for approving important operations to be under the law including the determination of the authority to approve various matters of the company.
25. The Company appoints Mrs. Tharika Thannakornwat as the Company Secretary to responsible for giving advice on laws and regulations to the Board of Directors and overseeing the activities of the Board of Directors, including coordinating the implementation of the Board's resolutions. (Disclosed in clause 7.6.1, list of persons assigned)

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

7.1 Corporate Governance Structure

Corporate Governance Structure as 31 December 2021



7.2 The Board of Directors Information

7.2.1 The Board of Directors Composition

To comply with the principles of corporate governance and to have a balance between independent directors, non-executive directors, and executive directors. Therefore, the composition of the Board of Directors as of December 31, 2021 consists of

The Board of Directors Composition	Number (Person)			Percent
	Male	Female	Total	
Executive Director	2	-	2	29
Non-Executive Director	-	1	1	14
Independent Director	3	1	4	57
Total	5	2	7	100

The Board of Directors consists of 4 independent directors, representing 57 percent of the entire board, which is one-third of 33.33 percent **higher than the standard**, according to the regulations of the Capital Market Supervisory Board.

7.2.2 Information of the Board of Directors and Individual Company Regulators

The Board of Directors of Successmore Being Public Company Limited as of December 31, 2021, has a total of 7 people according to the Ministry of Commerce's Certificate of Registration which consists of experts who have knowledge, abilities, and experience that are beneficial to the company's business operations with names as follows

List of Company Directors		Position	Appointment date	Years in the Position
1. Mr. Narongrit	Tavornvisitporn	- Independent Director - Chairman	20 December 2019	2 year 10 months
2. Dr. Sitthawee	Kriatchawanun	- Vice Chairman - Chairman of the Executive Committee	20 December 2019	2 year 10 months
3. Mr. Noppakit	Nithilertvijit	- Vice Chairman - Vice Chairman of the Executive Committee - Chairman of Risk Management Committee - Nomination and Remuneration Committee - Chief Executive Officer	20 December 2019	2 year 10 months

List of Company Directors		Position	Appointment date	Years in the Position
4. Asst. Prof. Dr. Kanyarat	Sanoran	- Independent Director - Chairman of Audit Committee - Nomination and Remuneration Committee - Risk Management Committee	20 December 2019	2 year 10 months
5. Mr. Sahasak	Srisarnparnk	- Independent Director - Audit Committee - Chairman of Nomination and Remuneration Committee	20 December 2019	2 year 10 months
6. Dr. Wijit	Techakasem	- Independent Director - Risk Management Committee	20 December 2019	2 year 10 months
7. Ms. Kamonthip	Kriatchawanun	- Director	20 December 2019	2 year 10 months

As of December 31, 2021, the company has 4 independent directors out of the total 7 directors of the company, accounting for 57% and 3 members of the audit committee who have qualifications as independent directors and audit committees according to the criteria of the Board of Capital Market Supervisory Directors are:

1. Mr. Narongrit	Tavornvisitporn	Independent Director / Audit Committee
2. Asst. Prof. Dr. Kanyarat	Sanoran	Independent Director / Audit Committee
3. Mr. Sahasak	Srisarnparnk	Independent Director / Audit Committee
4. Dr. Wijit	Techakasem	Independent Director

Director with authority to sign on behalf of the company

The Director with the authority to sign on behalf of the company is Dr. Sithawee Kriatchawanun signed with Mr. Noppakrit Nithilertvijit with the company's seal.

Personal profile of directors

Please refer to Attachment 1, details of the directors, executives, authority, persons who have been assigned the highest responsibility in accounting and finance, persons who have been assigned to be directly responsible for the supervision of bookkeeping, and company secretary.

7.2.3 Roles of Directors

Charter of the Board of Directors

The Board of Directors has an important role in conducting corporate governance for the best interests of the company and its shareholders to be under the policy, law, objectives, company regulations, resolution of the Board of Directors and the shareholders' meeting with responsibility, caution, and honesty to protect the interests of the company. Also, the Board of Directors is responsible for determining the direction, business policies, and strategies of the company and its subsidiaries to ensure that the company and its subsidiaries will operate in a direction that is the most beneficial to the shareholders including following up the operation of the management to examine, balance, and be responsible for the performance of the company to the shareholders, which reviewed the charter of the Board of Directors and was approved by the Board of Directors Meeting No. 1/2021 on February 25, 2021.

(Charter of the Board of Directors is announced and published to shareholders and the general public through the company's website under the heading of "Investor Relations" in the Corporate Governance category: Corporate Governance Report and Download Documents: Charter of the Board of Directors).

Authorities and Responsibilities of the Board of Directors

The Board of Directors has the authority, duties, and responsibilities in conducting the company's affairs with honesty and avoids conflicts of interest to be careful with the interests of the company as a whole without being limited to any groups of shareholders or any individual. In general, the board will have the authority and duty to supervise the company in formulating policies ensuring that there is an appropriate management process with a monitoring and audit system to comply with the specified policies:

- (1) Perform duties following the law, objectives, regulations, company policies, and the board meeting resolution as well as the resolution of the shareholders' meeting with responsibility, caution, and honesty to protect the rights and interests of the company and all shareholders.
- (2) Consider approval and setting details on vision, mission, goals, business objectives, business strategy, business plan, and annual budget plans of the company and its subsidiaries as prepared and presented by the management.
- (3) Supervise the administration and the performance of the management team or any person who is assigned to perform the above duties to be under the vision, mission, goals, business objectives, business strategy, business plan, and the annual budget set by the board of directors.
- (4) Continually and regularly monitor the performance of the company and its subsidiaries to comply with the operational plan and budget of the company.
- (5) Conduct the company and its subsidiaries to adopt an appropriate and efficient accounting system including an internal control system and an adequate and effective internal audit system, also providing a process for assessing the suitability of the internal control system of the company and its subsidiaries regularly.
- (6) Provide a balance sheet and income statement as of the end of the fiscal year of the company and sign to certify the financial statements to propose to the shareholders' meeting at the annual general meeting for approval.

- (7) Consider and approve the selection and propose to appoint an auditor and consider appropriate compensation as proposed by the Audit Committee before presenting to the shareholders' meeting in the annual general meeting for the approval.
- (8) Establish a written corporate governance policy and the effective implementation of the policies to ensure that the company has a fair responsibility to all stakeholders.
- (9) Appoint persons having qualifications and not having prohibited characteristics as prescribed in the Public Limited Companies Act B.E. 2535 (including the amendments), the Securities and Exchange Act B.E. Amendments), including relevant announcements, regulations and/or regulations, inauguration in case that the director position is vacant due to reasons other than the termination. Also, consider and approve the appointment of directors to replace the directors who retired by rotation (Unless the remaining term of directors is less than 2 months) and the determination of remuneration for directors to propose to the shareholders' meeting for the approval.
- (10) Appoint sub-committees and determine the powers and duties of the aforementioned sub-committees to assist and support the performance of the committee and to determine the total remuneration for the sub-committees under the budget proposed by the management. (Not more than the total approved by the shareholders)
- (11) Appoint the Chief Executive Officer, evaluate the performance, and determine the compensation of the Chief Executive Officer.
- (12) Consider and approve the money spent for investment, various operations, any loan or loan application from financial institutions as well as being a guarantor for business operations of the company and its subsidiaries under the company regulations and related regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board.
- (13) Consider and approve the connected transaction between the company, subsidiary company, associated company, and connected person as specified in the Securities and Exchange Act 2535 (including amendments) as well as related regulations of the Stock Exchange and the Capital Market Supervisory Board. Also, consider approving the principles of trade agreements with general trade conditions in entering into transactions between companies and subsidiaries with directors, executives, or related persons to establish a framework for the management to have the power to conduct such transactions within the framework and scope of relevant laws and regulations.
- (14) Provide appropriate communication channels with each group of shareholders and supervise the disclosure of information to ensure accuracy, clarity, transparency, reliability with the highest standards.
- (15) Appoint a person to take a position as a director or the executive of a subsidiary or associated company at least in proportion to their shareholding in subsidiaries or associated companies. Set boundaries, powers, duties, and responsibilities of the appointed directors and executives. This includes setting a clear discretionary power framework, voting in the board of directors' meetings of the subsidiaries or associated companies in important matters, which must be approved by the Board of Directors first to control the management to be following the company policy and to make various transactions legally including disclosing financial position information, performance result, connected transaction, and the acquisition or disposition of significant assets completely and correctly.

- (16) Approve the payment of interim dividends to the shareholders of the company.
- (17) Determine and amend the names of directors who are authorized to sign to bind the company.
- (18) Ask for professional opinions from external organizations if necessary to make an appropriate decision.
- (19) Monitor the operation of the company to be efficient and protect any interests related to all stakeholders.
- (20) Hold an annual general meeting of shareholders within 4 months from the end of the accounting period of the company.
- (21) Arrange a meeting of the board of directors at least every 3 months.
- (22) Prepare the annual report of the committee and be responsible for the preparation and disclosure of financial statements of the company and its subsidiaries to demonstrate their financial status and the performance of the company and its subsidiaries in the past year and present to the shareholders' meeting for consideration and approval.
- (23) Evaluate the performance results of the entire committee to review the performance, problems, and obstacles each year to be able to use the evaluation results to develop and improve performance in various fields.
- (24) Supervise the management and various operations of the company and its subsidiaries to comply with the company's policies, securities laws, as well as announcements, regulations, and rules related to the Capital Market Supervisory Board, the Securities and Exchange Commission, such as connected transactions and the acquisition or disposition of important assets as they are not contrary to or inconsistent with other laws. Also, provide an adequate and appropriate internal control and internal audit system.
- (25) Supervise a subsidiary as a division of the company and subsidiaries to strictly abide by the regulations of subsidiaries.
- (26) Review the Board of Directors charter at least once a year.
- (27) Approve various matters by concerning the interests of shareholders and all groups of stakeholders fairly.

The Board of Directors can authorize and/or assign other persons to perform specific tasks on their behalf. The authorization is within the scope of the authorization under the power of attorney provided and/or following the rules, regulations, or orders set by the Board of Directors and/or the company. The delegation of powers, duties, and responsibilities of the Board of Directors will not be the delegation that enables the Board of Directors or the attorney of the Board of Directors to approve transactions that may have conflicts (According to the definition of the Notification of the Securities and Exchange Commission and/or the Notification of the Capital Market Supervisory Board and/or the stock exchange and/or relevant agencies), a stake, or it may benefit in any way, or there may be a conflict of interest with the company/a subsidiary of the company. The exception is the approval of the transaction that complies with the policy and the criteria approved by the shareholders' meeting or the board of directors following normal business and normal commercial conditions. This is under the announcement of the Securities and Exchange Commission and/or the announcement of the Capital Market Supervisory Board and/or the stock exchange and/or related agencies.

Report of changes in securities holding of directors and executives of the company

As of December 31, 2021

List of Directors and Executives		Brought Forward As of December 1, 2021			Increase (Decrease) between 2021			As of December 31, 2021				
		Directors/ Executives	Spouse	Underage Child	Directors/ Executives	Spouse	Underage Child	Directors/ Executives	Spouse	Underage Child	Total	%
1. Mr. Narongrit	Tavornvisitporn	None	None	None	None	None	None	None	None	None	None	-
2. Dr. Sitthawee	Kriatchawanun	184,500,000	25,200,000	None	None	None	None	184,500,000	25,200,000	None	209,700,000	34.95
3. Mr. Noppakrit	Nithilertvijit	138,600,000	525,000	260,000	None	100,000	None	138,600,000	625,000	260,000	139,485,000	23.25
4. Asst. Prof. Dr.Kanyarat	Sanoran	500,000	None	None	(300,000)	None	None	200,000	None	None	200,000	0.03
5. Mr. Sahasak	Srisarnparnk	None	None	None	None	None	None	None	None	None	None	-
6. Dr. Wijit	Techakasem	None	None	None	None	None	None	None	None	None	None	-
7. Ms. Kamonthip	Kriatchawanun	25,200,000	184,500,000	None	None	None	None	25,200,000	184,500,000	None	209,700,000	34.95
8. Mr. Nitchakul	Kongphawitthakul	220,000	None	None	None	None	None	220,000	None	None	220,000	0.04
9. Ms. Thitimaporn	Pinthong	10,500	None	None	(1,100)	None	None	9,400	None	None	9,400	0.00
10. Mr. Phongnarin	Krasarenak	None	None	None	1,900	None	None	1,900	None	None	1,900	0.00
11. Ms. Kantapakon	Attakamol	1,300	None	None	81,000	None	None	82,300	None	None	82,300	0.01
12. Ms. Channutcha	Kaewsuphahirun	None	None	None	None	None	None	None	None	None	None	-

Note: No. 8 - 12 are executives, according to the definition of the Securities and Exchange Commission

7.3 Sub-Committee Information

7.3.1 Sub-Committee Structure

As of December 31, 2021, consists of 4 sub-committee which are: Audit Committee

1. Audit Committee
2. Nomination and Remuneration Committee
3. Executive Committee
4. Risk Management Committee

7.3.2 Names and Scope of Powers and Duties of the Sub-Committee

Audit Committee

The Audit Committee consists of committees that are independent to audit the operations of the company and subsidiaries, review the effectiveness of the internal controls to ensure that the performance is effective, legitimate, and appropriate complying with good operating regulations. The Audit Committee is also responsible for reviewing the financial reports of the company and its subsidiaries to build confidence and credibility to investors and stakeholders carefully, fairly, transparently with an operation following good corporate governance principles.

The resolution of the Extraordinary General Meeting of Shareholders No. 1/2019 on February 20, 2019, resolved to appoint 3 audit committee members, all of whom are independent directors to hold the position for 3 years.

As of December 31, 2021, there are 3 audit committee members as follows:

Lists of Audit Committee	Position	Experience/ Expertise	Number of Attendance
1. Asst. Prof. Dr.Kanyarat Sonoran	- Independent Director - Chairman of Audit Committee	Accounting and Finance Expertise	4/4
2. Mr. Narongrit Tavorvisitporn	- Independent Director - Audit Committee	Business Management Expertise	4/4
3. Mr. Sahasak Srisarnparnk	- Independent Director - Audit Committee	Law Expertise	4/4
4. Mrs. Tharika Thannakornwat	Audit Committee Secretary		

The Audit Committee by Asst. Prof. Dr. Kanyarat Sanoran, Chairman of the Audit Committee, has knowledge and experience in reviewing the reliability of the company's financial statements.

There are the meetings of the Audit Committee regularly and it is reported to the Board of Directors. In 2020, there are 4 Audit Committee meetings.

All of the Audit Committee of the company have no business relationship or professional service with the company, subsidiaries, associated companies, or juristic persons that may have conflicts and do not hold any position as an audit committee member of a subsidiary or an associated company.

Scope of authority and duty

- (1) Review the company and its subsidiaries to have accurate and reliable financial reports including adequate information disclosure following financial reporting standards by coordinating with external auditors and management who are responsible for preparing financial reports both quarterly and annually. The Audit Committee may recommend the auditor to review or examine any items which are deemed important and necessary during the audit of the company and its subsidiaries.
- (2) Review the internal control system and the internal audit system of the company to be appropriate and effective, and may suggest for a review or audit of any items deemed necessary and important with suggestions on improvements and revisions of the internal control system and internal audit systems that are important and necessary to the Board of Directors together with the external auditors and the internal system audit department manager.
- (3) Consider the independence of the internal audit department and approve the appointment, transfer, and termination of the head of the internal audit unit or any other department responsible for internal auditing.
- (4) Have the power to access all information at all levels of the company including inviting executives, management, supervisors, employees, or related persons to attend the meeting to clarify information, deliver and provide relevant information under the performance of duties as assigned by the Board of Directors.
- (5) Review compliance with Securities and Exchange Act 1992, including announcements, regulations, and/or regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand and other laws related to the company.
- (6) Consider, select, and appoint an independent person to act as the company's auditor along with the proposed audit fee and to attend a meeting with the auditor without the management of the meeting at least once a year to propose to the meeting.
- (7) Consider the connected transaction or transactions that may lead to conflicts of interest to be under the law on securities and exchange including regulations and announcements of the Stock Exchange of Thailand/related laws which is effective for the company and/or the business of the company to ensure that the transactions are reasonable and most beneficial for the company and its shareholders.
- (8) Review the company's internal audit plan according to normal accepted methods and standards.
- (9) Consider and approve the annual budget, the rate of manpower, and necessary resources for the performance of the internal audit department. Also, approve the annual audit plan including reviewing and modifying the audit program in the significant matter and supervise the performance of the internal audit department to be under approved annual audit plan and international standards in the performance of internal auditing and assess the quality of internal audit activities annually.

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- (10) Jointly share opinions in the consideration of appointment, removal, and evaluation of the staff of the internal audit unit.
 - (11) Review to ensure that the company has an appropriate and efficient risk management system.
 - (12) Report on the performance of the Audit Committee to the Board of Directors for acknowledgment at least 4 times a year.
 - (13) In the performance within the scope of duties, the Audit Committee has the power to invite the management, executives, or employees of the company to share opinions and attend the meetings or send documents that are relevant or necessary.
 - (14) Have the power to propose and consider hiring an advisor or third party according to the company's regulations to share opinions or give advice if necessary.
 - (15) Prepare a report on the corporate governance of the audit committee disclosed in the annual report of the company and must be signed by the Chairman of the Audit Committee.
 - (16) The Audit Committee must evaluate the performance by a self-assessment and report the results of the assessment, including problems and obstacles in the work that may cause the operation to fail to achieve the objectives of setting up the audit committee to the Board of Directors every year.
 - (17) Review and revise the Audit Committee Charter.
 - (18) Prepare a report of the Audit Committee to the Board of Directors which is disclosed in the annual report of the company and must be signed by the Chairman of the Audit Committee and must contain at least the following information.
 - (A) Opinions on the accuracy, completeness, and creditability of the financial reports of the company and its subsidiaries.
 - (B) Opinions on the adequacy of the internal control system of the company and its subsidiaries.
 - (C) Opinions on the compliance with the law on securities and exchange, regulations and notifications of the Stock Exchange of Thailand, and other relevant laws, applicable to the company and its subsidiaries and/or the business of the company and subsidiaries.
 - (D) Opinions on the suitability of the auditor.
 - (E) Opinions on transactions that may lead to conflicts of interest.
 - (F) A number of audit committee meetings and the attendance of each audit committee's meeting.
 - (G) Comments or overall remarks received by the Audit Committee in the performance of their duties under the charter.
 - (H) Other items that the shareholders and general investors should know under the scope of duties and responsibilities assigned by the Board of Directors.
 - (19) Review and propose to the Board of Directors to consider revising the scope of powers, duties, and responsibilities assigned by the Board of Directors.
 - (20) Examine and investigate relevant persons under the authority of the Audit Committee with the power to hire or bring in specialized experts to assist in the inspection and investigation.
 - (21) If there is any doubt of the following items or actions which may have a significant impact on the financial position and results of operations of the company. The Audit Committee promptly reports to the Board of Directors. for the Board of Directors to improve.
 - (A) Transactions leading to conflicts of interest

- (B) Fraud or unusual or defect in the internal control system.
- (C) Violation of the law on securities and exchange, regulations, and notifications of the Stock Exchange of Thailand or other relevant laws, applicable to the company and/or business of the company.

If the Board of Directors or executives do not adjust within the time mentioned above, any audit committee member may report any of the above transactions or actions to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

- (22) Review and comment on the corporate governance policy, social responsibility, and anti-corruption.
- (23) Review the corporate governance and social responsibility including the anti-corruption of the company.
- (24) Review and comment on the company's annual corporate governance, social responsibility, and anti-corruption assessment report.
- (25) Perform other tasks as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

(Charter of the Audit Committee was announced and published to shareholders and the general public through the Company's website under the heading of "Investor Relations" in Corporate Governance: Corporate Governance Report and Download Documents: Audit Committee Charter).

Remuneration and Nomination Committee

The nomination and Remuneration Committee was established to carry out the duties and responsibilities in the implementation of the nomination process approved by the Board of Directors with transparency to acquire a person with appropriate qualifications, ethics, and experience for a director or independent director position. Be responsible for considering the criteria, remuneration method, and benefits to directors, sub-committees, and groups appointed by the Board of Directors with fair and reasonable, and propose to the Board of Directors to the shareholders' meeting for approval.

In this regard, the resolution of the Extraordinary General Meeting of Shareholders No. 1/2019 on February 20, 2019, resolved to appoint 3 members of the Nomination and Remuneration Committee, which are 2 independent directors and executive directors is the Chief Executive Officer of 1 person to hold a position for a term of 3 years.

As of December 31, 2021, the Nomination and Remuneration Committee has 3 members with the details are as follows:

Lists of Remuneration and Nomination Committee		Position	Number of Attendance
1. Mr. Sahasak	Srisarnparnk	- Independent Director - Chairman of the Remuneration and Nomination Committee	2/2
2. Asst. Prof. Dr.Kanyarat	Sanoran	- Independent Director - Remuneration and Nomination Committee	2/2
3. Mr. Noppakrit	Nithilertvijit	- Remuneration and Nomination Committee - Chief Executive Officer	2/2
Mrs. Tharika	Thannakornwat	Remuneration and Nomination Committee Secretary	

In 2021, there is two meeting of the Nomination and Remuneration Committee.

Scope of Authorities and Duties

(1) Recruiting

1. Define qualifications, criteria, and policies for nominating company directors, sub-committee, and chief executive by considering the appropriateness of the number, structure, and composition of the board to comply with relevant rules and/or laws to propose to the Board of Directors and/or propose for approval at the shareholders' meeting case by case.
2. Recruit, select, and propose suitable persons to serve as directors of the company that expires and/or has a vacant position and/or appoints more than another.
3. Recruit and select top executives of the company especially the position of managing director or Chief Executive Officer.
4. Consider criteria for evaluating the performance of the Chief Executive Officer to the board of directors for consideration and approval.
5. Consider and share opinions with the board of directors and monitor the implementation of the vision and the company's human resource strategy, as well as the company's management development plan.
6. Perform any other selection activities as assigned by the board of directors.

(2) Remuneration Consideration

1. Prepare the criteria and policies on determining the remuneration of the board of directors, sub-committees, and chief executives to propose to the board of directors and/or propose for approval at the shareholders' meeting, case by case.
2. Determine necessary and appropriate remuneration, both monetary and non-monetary, of the board of directors individually considering the suitability of duties, performance, responsibility, comparison with companies in similar businesses, and the benefits expected to receive from the directors and executive of the company to propose to the board of directors for consideration and approval.
3. Be responsible to the board of directors providing clarification and answering the questions on the remuneration of the directors, sub-committee, and chief executive of the company at the shareholders' meeting.
4. Report policies, principles, and reasons for determining remuneration for directors and executives according to the regulations of the Stock Exchange of Thailand disclosed in the annual registration statement (56-1) and the annual report of the company.
5. Perform any other activities related to the determination of remuneration as assigned. The board of directors, executives, and other departments must report or present relevant information and related documents to the Nomination and Remuneration Committee to support the performance of the Nomination and Remuneration Committee to achieve their assigned duties.

(Charter of the Nomination and Remuneration Committee was announced and published to shareholders and general public through the company's website under the heading of "Investor Relations" section of corporate governance: Corporate Governance Report and Download Documents: Charter of the Nomination and Remuneration Committee)

Executive Committee

The Executive Committee was established to assist the board of directors in managing the company's affairs to be under any policies, plans, regulations, and orders, as well as established goals under the framework assigned by the Board of Directors. The Executive Committee has to perform their duties, manage the company's operations following the policy with care, prudence, honesty, and adhere to the principles of management according to the principles of good governance rising to clarity on the composition, tenure, authority, responsibility, and executive committee Meetings to use as a guideline in performing duties legally.

In this regard, the resolution of the Extraordinary General Meeting of Shareholders No. 1/2019 on February 20, 2019, passed a resolution to appoint 3 executive committee members, 2 executive directors, and 1 executive to hold positions for 3 years.

As of December 31, 2021, the Executive Committee consists of 3 people as follows:

Lists of Executive Committee		Position	Number of Attendance
1. Dr. Sitthawee	Kriatchawanun	Chairman of Executive Committee (Executive Director)	12/12
2. Mr. Nopakrit	Nithilertvijit	Executive Committee (Executive Director)	12/12
3. Mr. Nitchakul	Kongphawitthakul	Executive Committee (Executive)	12/12
Mrs. Tharika	Thannakornwat	Executive Committee Secretary	

In 2021, the Executive Committee holds a meeting at least once a month, a total of 12 times. The Chief Executive Officer, who is the top executive, will attend a meeting each time to report the operating results of the company

Scope of Authorities and Duties

- (1) Prepare and present policies, vision, missions, goals, objectives, business strategies, and annual work plan and establish a business plan, annual budget, and various management powers of the company and its subsidiaries by considering business factors appropriately to propose for approval to the board of directors.
- (2) Be responsible for managing the business of the company following the objectives, regulations, requirements, orders, goals, business policies of the company, and the resolution of the board meeting.
- (3) Supervise, audit, and follow up on the company's business operations and subsidiaries to be under the vision, mission, goals, business objectives, business strategy, business plan, and annual budget plans of the company and its subsidiaries, which are approved by the Board to be efficient and effective contributing to business conditions and with advice on management to senior management.
- (4) Be responsible for the operation of the company following the law, objectives, regulations of the company, shareholders meeting resolution, board of directors meeting resolution as well as related regulations. Also, set the organization structure and determine the position of the company including revisions. Once finishing

- reporting to the board of directors, must review and revise the executive committee charter and present it to the board of directors for approval.
- (5) Study the possibility of investing in new projects and has power to consider and approve the company and its subsidiaries to invest or co-invest with individuals, juristic persons, or any other business organization in a form that the Executive Committee deems appropriate to operate the business according to the objectives of the company and its subsidiaries as well as considering and approving such investment expenditures, entering into juristic acts, contracts and/or any other action related to the matters until the completion of the specified credit limit and/or the relevant laws and regulations and/or the regulations of the company and its subsidiaries.
 - (6) Monitor the performance and progress of each business investment project and report the results including problems or obstacles arising, and ways to improve and resolve to the board of directors.
 - (7) Advise on the dividend payment of the company and subsidiaries to the board of directors
 - (8) Consider and provide suggestions or opinions to the board of directors regarding the operation, any offers, or transactions related to the business operations of the company and its subsidiaries including considering funding options when necessary and/or where applicable laws, regulations, or the articles of Association of the Company Approval of the shareholders' meeting and/or the board of directors.
 - (9) Consider and approve the expenditure of money for investment, engagement in financial transactions with financial institutions for opening accounts, loans, pledging, mortgages, guarantees, and others including the purchase and registration of any land ownership according to the objectives for the benefit of the company's business operations and subsidiaries as well as entering into juristic acts, contracts, submitting requests for proposals, making contact with the government agencies to acquire the rights of the company and its subsidiaries and/or any action related to the matters until the completion of the specified limit and/or the relevant laws and regulations, or the articles of Association
 - (10) Consider and approve rules, regulations, management policies, and business operations of the company and subsidiaries or any action which are binding on the company and subsidiaries.
 - (11) Determine the organizational structure and authority of the organization
 - (12) Appoint and/or assign an executive director or anyone or groups doing any act within the scope of the authority of the Executive Committee and within the period as the Executive Committee deems appropriate. The Executive Committee may cancel, withdraw, or modify the power as appropriate with no power of attorney that will be given to persons who may have a conflict of interest to operate.
 - (13) Have the executive or employees attend an executive board meeting or prepare and provide the information related to matters that will be discussed at the Executive Committee meeting.
 - (14) Have any authority and responsibility as assigned or as from the policies assigned by the board of directors from time to time.
 - (15) Provide consultants or a person with independent opinions to provide opinions or advice as needed.
 - (16) Report to the Board of Directors on the activities performed by the Executive Committee within the scope of the authority and duties of the Executive Committee regularly. Including any other matters necessary and appropriate to be presented to the Board of Directors.
 - (17) Consider and approve the operating manual and the scope of responsibility of the management to make various actions following the steps systematically.

- (18) Approve the operation which is a normal business transaction of the company according to the investment budget or the budget approved by the Board of Directors with the credit limit for each item is as specified in the approval power table approved by the Board of Directors, but not exceeding the annual budget approved by the Board of Directors, including entering into various contracts related to the aforementioned matters
- (19) Evaluate the performance of the Chief Executive Officer, the entire Executive Committee including the performance of individual executive directors to consider and review the work problems and obstacles each year to be able to use the evaluation results to develop and improve performance in various fields.
- (20) Perform any other duties as delegated by the Board of Directors. Also, the responsibilities of the Executive Committee is not a delegation or delegating power during the period that the Executive Committee or a person who is authorized by the Executive Committee to approve the transaction that oneself or someone who may have a conflict (As defined in the Notification of the Securities and Exchange Commission) having interests or maybe a conflict of interest with the company and/or subsidiaries except for the approval of transactions that are under the policy and regulations which the Board of Directors has approved, following the Securities and Exchange Act B.E. 2535, including announcements, regulations and/or regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand and other relevant laws.

(Charter of the Executive Committee was announced and published to shareholders and the general public through the company's website under the heading of "Investor Relations" in Corporate Governance: Corporate Governance Report and Download Documents: Charter of the Executive Committee).

Risk Management Committee

Risk Management Committee was established to support the performance of the Board of Directors in overall management of the Company's major risks in an acceptable level. To ensure the implementation of the company's business policies and strategies are under an efficient risk management system in order to maintain the benefits of the group of companies and shareholders.

In this regard, the resolution of the Board of Directors Meeting No. 1/2021, on February 25, 2021, resolved to appoint the Risk Management Committee of 3 persons, which are 2 independent directors and Executive Directors is the Chief Executive Officer 1 person for a term of 3 years.

As of December 31, 2021, the Risk Management Committee consists of 3 people as follows:

Lists of Risk Management Committee		Position	Number of Attendance
1. Mr. Noppakrit	Nithilertvijit	- Chairman of Risk Management Committee - Chief Executive Officer	2/2
2. Asst. Prof. Dr.Kanyarat	Sanoran	- Independent Director - Risk Management Committee	2/2
3. Dr. Wijit	Techakasem	- Independent Director - Risk Management Committee	2/2
Mrs. Tharika	Thannakornwat	Risk Management Committee Secretary	

In 2021, there is two meeting of the Risk Management Committee.

Authority Scope

- (1) Consider assess and review the nature of the risks that the Company experiencing or expected to occur and affect the Company (Identification of Risk) and determine the acceptable risk level of the company (Risk Appetite).
- (2) Consider setting the policy for risk management both outside and inside the company to comprehensive and in accordance with the strategy and direction of the business which is at least 4 risks must be covered as follows:
 - a) Financial Risk
 - b) Operational Risk
 - c) Strategic Risk
 - d) Compliance Risk
- (3) Consider formulating strategies and guidelines for risk management in accordance with the risk management policy, assessment, monitor, and supervise the risk level to an acceptable level.
- (4) Consider determining the structure and appointing a risk management working team to assess and monitor the results of risk management.
- (5) Review the appropriateness and adequacy of the Company's policies, strategies and risk management practices. To ensure that such policies, strategies and practices are consistent with the Company's strategy and business direction and can monitor the level of risk to be at an acceptable level.
- (6) Review the scope of powers, duties and responsibilities of the Risk Management Committee in accordance with the circumstances and propose to the Board of Directors for consideration.
- (7) Evaluate and report on the performance of the Risk Management Committee and propose to the Board of Directors for consideration including preparing a report of the Risk Management Committee to disclose in the Company's annual report.
- (8) To perform any other tasks as assigned by the Board of Directors or according to the policy set by the Board of Directors.

Chief Executive Officer

In this regard, the resolution of the Extraordinary General Meeting of Shareholders No. 1/2019 on February 20, 2019, resolved to appoint Mr. To be the Chief Executive Officer.

Scope of Authorities and Duties

- (1) Be the attorney of the Board of Directors in the management of the company to comply with the objectives, regulations, policies, rules, regulations, orders, resolutions of the shareholders' meeting, and/or the resolution of the Board of Directors meeting within the relevant legal framework and the scope of powers set by the commission.
- (2) Supervise the operation and/or daily management of the company.

- (3) Jointly with the board of directors and management to set the vision, business direction, policy, business strategy, goals, operation plan, and annual budget plans of the company and its subsidiaries including defining the structure and administrative authority to propose to the Board of Directors for further approval.
- (4) Review the report on the company's business operation plan and provide an appropriate internal control system following the guidelines assigned by the Board of Directors and/or other sub-committees.
- (5) Bring the policy of the Board of Directors to determine the direction, strategy, and business goals to define the primary tasks for the management to carry out, inspect, and follow up the performance of the management team and suggest the solutions to various problems and obstacles for the executive and the management to operate by the strategy and the business plan to comply with the policy of the company.
- (6) Regularly monitor and evaluate the performance of the company and its subsidiaries. Including supervising the company to have an appropriate risk management and control system to prevent risks from internal and external factors together with the duty to report the performance, management, and working progress towards the Executive Committee Audit Committee and the Board of Directors.
- (7) Seek new business and investment opportunities related to the main business of the company and its subsidiaries to increase income for the company.
- (8) Take care of the human resource management of the company as a whole.
- (9) Approve expenses including any compensation under the budget, work plan, or framework approved by the board of directors and according to the assigned authority.
- (10) Approve the appointment of consultants in various fields that is necessary for the operation of the enterprise to comply with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- (11) Be a representative of the company in promoting the organization to the public, especially in the area of building networks, relations, and a good image of the organization nationally and internationally.
- (12) Have the authority to hire, appoint, transfer, remove employees, set the rate of wages, remuneration, bonus, and various benefits for employees under the workforce framework approved by the Board of Directors.
- (13) Have the authority to issue orders, regulations, announcements, and records to perform the operations following the policy of the company and to maintain work discipline within the organization.
- (14) Have the authority to approve according to the operating regulations and the approval authority approved by the Board of Directors meeting.
- (15) Have the power to delegate and/or to assign another person to perform a specific task on their behalf by submission of the delegation of authority and/or assignment to be under the scope of the authorization under the power of attorney and/or to comply with the regulations, requirements, or orders set by the Board of Directors.

The delegation of authority, duty, and responsibility for any matter that the Chief Executive Officer or an attorney from the Chief Executive Officer or people who may have a conflict (According to the definition of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant departments) having a stake or a conflict of interest with the company and/or subsidiaries and/or related companies. The Chief Executive Officer has no authority to approve the action in this regard and these matters must be proposed to the Board of Directors and/or the shareholders' meeting. (depending on cases) for further

approval except for the approval of transactions that are in normal business and normal trade conditions under the announcement of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.

- (16) Support the Board of Directors in establishing regular communication channels with shareholders and provide the standard and transparent disclosure of information.
- (17) Perform other activities as assigned by the Board of Directors and/or various sub-committees which is subject to the rules and regulations of the company Securities laws, as well as announcements, regulations, and rules related to the Capital Market Supervisory Board Securities and Exchange Commission, and the Stock Exchange of Thailand.

(Scope of duties and responsibilities of Chief Executive Officer was announced and published to shareholders and the general public through the company's website under the heading of "Investor Relations" in Corporate Governance: Corporate Governance Report and Download Documents: Scope of Authority and Responsibility of Chief Executive Officer)

Non-Executive Directors

The Board of Directors emphasizes good corporate governance by allowing non-executive directors to meet among themselves as appropriate with no executive director or management attending the meeting to allow discussing various problems which are related to the company's business and matters that are of interest.

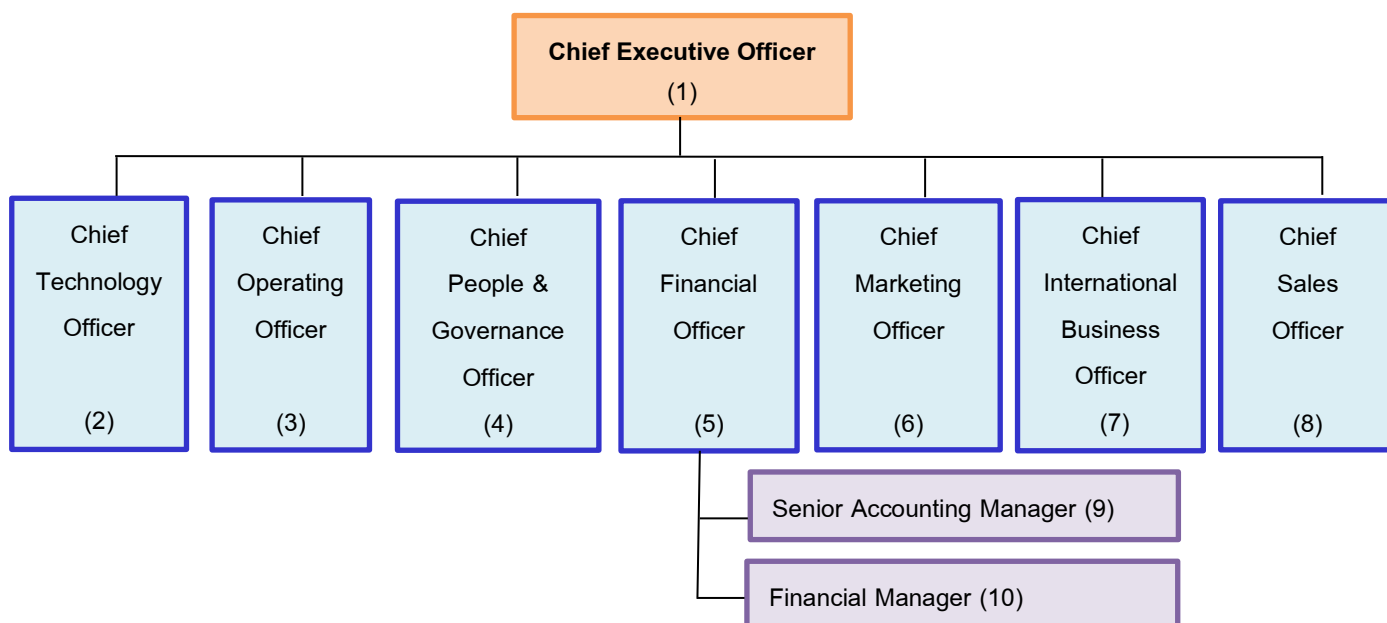
Regulator

- None -

7.4 Executive Information

7.4.1 Names and Positions of Executive

Executive refers to an employee of the company who holds an executive position and/or has management authority of the company. And being an executive according to the definition of the Securities and Exchange Commission, which is, the Chief Executive Officer, or the first four executive positions after the Chief Executive Officer, (The highest person holding the position of the company) who holds the position equivalent to every fourth executive-level position including persons holding managing positions in accounting or finance with a department manager or above or equivalent level.

Executive Chart as of December 31, 2021

Note No. 1 -10 are the management of the company. according to the announcement of the SEC.

As of December 31, 2021, the company has 6 executives as follows:

List of Executive		Position
1. Mr. Noppakrit	Nithilertvijit	Chief Executive Officer Chief Technology Officer (Acting) Chief Marketing Officer (Acting) Chief International Business Officer (Acting)
2. Mr. Phongnarin	Krasarenak	Chief Operating Officer (Acting)
3. Mr. Nitchakul	Kongphawitthakul	Chief People & Governance Officer
4. Ms. Kantapakon	Attakamol	Chief Financial Officer (Acting) Senior Accounting Manager
5. Ms. Thitimaporn	Pinthong	Chief Sales Officer (Acting)
6. Ms. Channutcha	Kaewsuphahirun	Financial Manager

All 6 executives have no following prohibited qualifications:

1. Have no record of criminal offenses related to property committed dishonestly.
2. Have no record of transactions that may cause a conflict of interest with the company.

Also, the company executives are not a person with a lack of trust according to the notification of the Securities and Exchange Commission KorJor. 8/2553, Determination of Trust Characteristics of Company Directors and Executives.

Personal Profile of Executive

Please refer to Attachment 1, details of directors, executives who have control power of the company, a person who has been assigned the highest responsibility in accounting and finance, a person who has been assigned to be directly responsible for the supervision of bookkeeping, the company secretary.

7.4.2 Remuneration Policy for Executive Directors and Executives

Remuneration Policy for Executive Directors

The company has no remuneration policy for executive directors.

Remuneration Policy for Executive

The Board of Directors has established policies and criteria for the remuneration of the top executives reviewed by the Nomination and Remuneration, namely the Chief Executive Officer, to propose to the Board of Directors for approval. Also, define appropriately according to the company's compensation structure and compare the remuneration survey data from trusted institutions, organizations, agencies, GDP growth rate, inflation rate including considering the work performance results to be under the assigned duties and responsibilities.

The Chief Executive Officer will consider the appropriateness of the compensation and annual adjustments of the executive director level by considering the performance of the company, obligations, and responsibilities for the implementation of the business plan, assigned level of responsibility, and the performance of individual executives.

The Board of Directors sees that the chief executive's compensation structure is suitable for their responsibilities and be able to motivate the chief executive to lead the organization to achieve both short-term and long-term goals and be comparable with the industrial practicable level.

7.4.3 Number of Total Remuneration of Executive Directors and Executives

Remuneration for Executive Officer

-None-

(1) Monetary Remuneration

Remuneration of Executive

The remuneration of the Chief Executive Officer and the first four executives, a deputy from the Chief Executive Officer, and all of the fourth level of the executives has 6 persons as follows:

Remuneration of Executive	2021 (Million Baht)	2020 (Million Baht)
Salary, Bonus, and OT	33.61	20.08
Other remuneration such as provident fund, social security	0.54	1.34
Total	34.15	21.42

Variable Remuneration

Variable remuneration for executive refers to the remuneration that the company has given to personnel and main executives of the company, namely the Chairman of the Executive Committee, Chief Executive Officer,

Vice Chairman of Chief Executive Officer, or other personnel as the Board of Directors deems appropriate. This is to be a motivation for personnel and executives who play an important role in the performance of their duties in the organization, build motivation and confidence in business people including duties of senior management such as strategic planning, leadership the training seminars, etc.

The Board of Directors Meeting No. 1/2021 on February 25, 2021, has considered the variable remuneration for the executive to prevent over-payment of variable remuneration to the primary executive in a situation where the operating results are not as expected. Therefore, the variable remuneration for an executive is considered about the variable profit. (Contribution Profit) by the calculation from the separate financial statements, that is, calculated from the gross profit from the product sales excluding affiliates product sales, and other incomes related to direct operations, including income from membership fees and commemorative merchandise sales deducted from selling expense of the company by setting a minimum variable profit of 25 million Baht per quarter and consider paying the remuneration quarterly. Payable by the 15th day of the following month after the end of each quarter.

In 2021, the company has paid variable remuneration for the executive to Dr. Sitthawee Kriatchawanun, Chairman of Executive Committee, and Mr. Noppakrit Nithilertvijit, Chief Executive Officer, in a total of 29.80 million baht. The remuneration is considered appropriate since it is within the average rate of remuneration that executives in the direct selling industry normally receive and at the same level as the remuneration that the company paid to the chief executive each year. The mentioned remuneration will be reviewed appropriately by the Nomination and Remuneration Committee at least once a year or when the Nomination and Remuneration Committee deems it necessary. The stakeholder directors must abstain from voting in the resolution to review the variable executive remuneration.

Remuneration	2021 (Million Baht)	2020 (Million Baht)
Variable Remuneration for Executive	29.80	23.93

(2) Non-Monetary Remuneration Other Benefits

It consists of group health insurance, which is a group insurance transaction with a group of employees throughout the organization. Besides, the company does not provide any remuneration policy other than remuneration as a director or employee, which is normally received from the company with no shares, debentures, ESOP, EJEPP warrants or securities, or any other directors and executives of the company.

The Company has set up a provident fund, executives who are provident fund members will receive a monthly contribution at the rate of 2% of the wages. Members can accumulate money into the fund at the rate of 2-15 percent of the member's voluntary wages. Upon the termination of the membership, the member will receive contributions including the net benefit average according to the fund conditions.

(3) Compensation Received from Subsidiaries

All subsidiaries do not pay any monetary and non-money other remunerations or other benefits to all executives.

7.5 Employee Information

7.5.1 Total Employees

As of December 31, 2021, the company and its subsidiaries has a total of 177 employees, with details as follows:

Field	2021	2020
Branch Management Department	80	81
Warehouse Management Department	22	19
Marketing and Communicating Department	14	22
Human Resources Department	17	13
Production and Product Development Department	8	7
Accounting and Finance Department	14	14
Other	22	20
Total	177	176

7.5.2 Significant Change in Number of Employees in the Last 3 Years

- None -

7.5.3 Significant Labor Disputes over the Last 3 Years

- None -

7.5.4 Total Remuneration for all employees

In 2021, the company and its subsidiaries pays the remuneration to its employees with details as follows

Employee Remuneration	2021 (Million Baht)	2020 (Million Baht)
Salary, Bonus, and OT	91.17	52.60
Other Remuneration such as provident fund, social security, and other benefits	3.31	2.87
Total	94.48	55.47

- **Salary and wages**

Monthly remuneration paid to employees for their performance for the company, determined by the job position, duties, and responsibilities towards the organization

- **Bonus**

Extra money is paid to employees based on the results of that year without setting a fixed rate.

- **Provident Fund Contribution**

The company established a provident fund (PVD) as welfare provided to its employees and to promote money-saving, also an incentive for employees to work with the company for a long time. Employees who are members of the provident fund members will receive a monthly contribution at the rate of 2% of the wages. Members can accumulate money into the fund at the rate of 2-15% of the member's voluntary wages. Once the member is terminated, the member will receive a contribution including the net benefit average of the fund.

The Company / Subsidiaries	With / Without PVD	Employees attending PVD (Persons)	Rate of Employees Attending PVD / All Employee (%)
Successmore Being Public Co., Ltd.	With	128	75.74%
Success Spirit Co., Ltd.	With	39	23.08%
Successmore Being Laboratory Co., Ltd.	With	2	1.18%
SCM Spirit (Myanmar) Co., Ltd.	Without	-	-
SCM Innovative Co., Ltd.	Without	-	-

7.5.5 Employee Development Policy

The Company and its subsidiaries have realized that human resources as valuable to corporate development for sustainable growth, the company, therefore, has established a policy for the development of directors, executives, and employees which was approved by the Board of Directors Meeting No. March 14, 2019, to be used as a guideline for the development of the capabilities of all personnel for them to have increased knowledge and abilities and progress in their positions and duties and strengthen the personnel to be happier in their work.

Director and Executive Development

The company and its subsidiaries have the policy to promote and facilitate training and education for those involved in the corporate governance system of the company. Including the company's directors, Audit Committee, Sub-committees, executive, and company secretary to be knowledgeable about the current situation and to improve operations continue through the training internally or using the services of an external institution.

For training courses, the company will consider as appropriate with the duties and responsibilities of each director and executive position, related to the business operation of the company and its subsidiaries following the regulations and requirements of the Securities and Exchange Commission, The Stock Exchange of Thailand, and related government agencies.

In case of a change of director or new directors or those involved in the above corporate governance systems, the management and/or the human resources department will provide documents and useful information for their performance including the introduction of the nature of the business and the business conduct of the company and its subsidiaries to the directors or personnel in that position.

Employee Development

The company and its subsidiaries value the development of knowledge and employee competence by providing thorough and consistent opportunities through the policy of continuous training and development of personnel of the company at all levels in academic knowledge, personality development including developing a positive attitude to provide employees with the ability to meet job requirement, preparing to perform work in a higher position, job duties, and responsibilities in the future, and to progress along the career path. The company and its subsidiaries will support training and seminars both internal and external with expertise in that particular area as appropriate.

- In-House Training

The Human Resources Department of the company and its subsidiaries will provide necessary training courses to run the business of the company and subsidiaries and for the performance of personnel in each department by defining as an annual development plan and curriculum. Also, external experts may be invited to provide training to company personnel to give employees with the knowledge, capabilities, and skills necessary to perform their jobs both present and in the future.

- Public Training

External training provides an opportunity for employees to train with various standardized and internationally accepted organizations to keep up with changing situations and develop employees to have the knowledge and skills necessary to perform their duties in the present and future. Employees who will take the external training courses will be considered with moral aspects, the effectiveness of the training organization, and the benefits that will be received worthwhile.

Also, the company and subsidiaries have set guidelines with a system of training and development of all employees to be following the organizational development plan and training and development plans by observing the needs of departments in the group of company to be appropriate enhancing their capability.

7.6 Other Important Information

7.6.1 List of Persons Assigned to be Responsible

Company Secretary

The company provides a company secretary to perform various activities of the Board of Directors, including the meeting of the board of directors and shareholders as well as advising the Board of Directors on how to perform and operate following relevant laws and regulations. Also, ensure that the directors and the company have correct, complete, and transparent disclosure of information and support corporate governance to be the good corporate governance standards being ready to comply with the regulations and announcements of the Stock Exchange of Thailand. In this regard, the Board of Directors Meeting No. 5/2020 on November 12, 2020, resolved to appoint Mrs. Tharika Thannakornwat t as the company secretary, who has passed the Company Secretary Program (CSP) of the Thai Institute of Directors Association (IOD 7/2004).

Qualifications

- (1) Know and understand the company business.
- (2) Understand the roles and duties of the company secretary.
- (3) Have knowledge and understanding of the law of the Securities and Exchange Act B.E. 2535, the Public Limited Company Act B.E. 2535, the regulations of the Securities and Exchange Commission, and the Stock Exchange of Thailand.
- (4) Do not seek personal gain from the company's business opportunities and keep the company secret.
- (5) Have a good human relationship and the ability to coordinate with various departments internal and external.

Authorities, Duties, and Responsibilities

- (1) Prepare and maintain the following documents
 - (A) Director Registration
 - (B) Invitation letter to the board meeting, board meeting minutes, and the annual report of the company.
 - (C) Invitation letter to the shareholders' meeting and minutes of the shareholders' meeting.
- (2) Keep the reports of interest as reported by directors or executives.
- (3) Have directors and executives prepare the reports of interests of themselves and related persons according to legal requirements including sending a copy of the report of interest under Section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date the company received the report. The company must set up a system of documents and evidence keeping, which are related to the presentation of information completely and verifiable within not less than 10 years from the date that the document or information is prepared.

Storage of documents and evidence under paragraph one means to include the storage by a computer system or any other system that can be viewed without alteration of the text.

- (4) Organize and coordinate the board meetings, the Board of Directors, and shareholders' meetings including supervising and coordinating follow the objectives, articles of association, resolutions of the Board of Directors/ shareholders, and other relevant legal and regulatory requirements.
- (5) Advise on related laws, regulations, and supervisory practices in conducting activities of the commission to be under the law.
- (6) Contact the regulators such as the Office of the Securities and Exchange Commission, monitor the disclosure of information, and report the information to the regulators and the public correctly and completely according to the law.
- (7) Organize training/orientation and provide information that is necessary for the performance of duties to current and newly appointed directors.
- (8) Perform other activities as specified by the Capital Market Supervisory Board.
- (9) Other duties as assigned by the company.

Principles of Practice of Company Secretary

The company secretary must perform their duty with responsibility, caution, and honesty. The performance also has to align with the Public Limited Company Act, B.E.2535, The Securities and Exchange Act, B.E.2535, as well as objectives, articles of association, board meeting resolution, and shareholders meeting resolution by

- (1) Decisions must base on sufficient information believed to be in good faith.
- (2) Decisions must be made without having any interest, whether it is direct or indirect.
- (3) Act with honesty for the best interests of the company is essential.
- (4) Act with a legitimate and appropriate purpose and do not act contradict with the benefit of the company.
- (5) Not taking advantage of the use of known company information, unless it is a disclosed information that has been published to the public. Also, the use of company assets or company business opportunities in terms of violating the rules as specified by the capital market supervisory board is not allowed.
- (6) Not entering into any agreement or contract that might lead to a conflict of interest with the company, employees, or clients. It is also contrary to their duties.

In case the company secretary vacates office or is unable to perform their roles

Guidelines for when company secretary vacates the office or is unable to perform is listed below

- (1) The board of directors has to appoint a new company secretary within 90 days from the day he/she is vacated or unable to perform his/her duty.
- (2) The board of directors has the authority to assign any directors to be a temporary substitute during the period when the company secretary vacates or is unable to perform his/her duty.
- (3) The chairperson of the board has to report the name of the secretary to the SEC and SET within 14 days from the day of appointment for the position.
- (4) Proceed to notify the SEC and SET to know the storage of company documents and report any interests by the directors or the executives.

(Qualifications for the company secretary is shown in attachment 1)

Those assigned to be directly responsible for the supervision of accountancy

Company assigned individuals to be directly responsible for supervising accounting and finance, to have a qualified financial report and the management that is under the guidelines from SEC and SET. Fim appoints Ms. Kantapakorn Atthakamol to be the Chief Financial Officer (CFO) (Acting) and get to train for improvements in accounting 12 hours per year. Ms. Kantapakorn Atthakamol is also appointed to be accounting supervisor and get to train for improvements in accounting 12 hours per year. Both of those have the qualifications to be accountants according to criteria from the Department of Business Development (DBD), Ministry of Commerce.

(Qualification for those who are assigned to be responsible for supervising in accounting and finance is shown in attachment 1)

Internal Audit Supervisor

The board of directors assigns the audit committee to review for the company to have a sufficient internal control system that is suitable and efficient for business operation, and the audit committee must report to the board of directors and the shareholders. The company hires Isbar Corporation Co., Ltd ("Internal auditor"), who is widely accepted and reliable with experts and specialists, to review the assessment of adequacy, suitability, and qualifications of the company internal control system and assigned Mrs. Tharika Thannakornwat, the secretary of the Audit Committee, as coordinator.

(Qualifications for supervisor of internal audit is shown in attachment 3)

Supervisor for Compliance Department

The Board of directors has appointed Mr. Amarin Sutat Na Ayutthaya, assistant manager of the compliance department, to be the supervisor for the Corporate Compliance Department. He must supervise the operation. However, the compliance department is under the command of People & Governance Department.

(Qualifications for supervisor for compliance department is shown in attachment 3)

7.6.2 Investors relation supervisor

The company focuses on disclosing complete, accurate, transparent information by having several channels for communication, and messages for benefit of the stakeholders. Therefore, the company arranges a division for investor relations to provide direct communication channels with investors. The firm appoints Mrs. Tharika Thankornwat, senior manager of investors relation, to be the center of disclosing important information to investors and related parties. All in all, the stakeholders can access the information conveniently with several channels by contacting

Mrs. Tharika Thannakornwat

The company secretary and Investors relation department

Tel.: 02-511-5955 dial 113

E-mail: info.ir@successmore.com

7.6.3 Auditor's Remuneration (Audit fee)

Company and subsidiary pay the audit fee to

- Company's auditor in the past fiscal year for the total of **4,825,000 Baht** with details as follows

No.	Company	Amount (Baht)
1.	Successmore Being Public Company Limited	3,650,000. -
2.	SCM Innovative Co., Ltd	470,000. -
3.	Successmore Being Laboratory Co., Ltd	230,000. -
4.	Success Spirit Co., Ltd	475,000. -
Total		4,825,000. -

- The audit firm that the auditor affiliate with, individuals or businesses related to the auditor and audit firm that the auditor affiliate with in the past fiscal year has a total of **-None-**

In 2021, Deloitte Touche Tohmatsu Jaiyos Audit Company Limited to be the company auditor for the year 2021. The auditor is not a director, employee, staff, or holding any position in the company as defined in section 112 of public limited company act B.E.2535. The auditor also does not have any relationship and has no interest with the company, subsidiary, executives, major shareholders, or a person related with those who previously mentioned. The auditor is independent and has been approved by the Securities Commission and the SET. Also, the company does not use other professional services from Deloitte Touche Tohmatsu Jaiyos Audit Company Limited.

Besides, company directors and executives have never been an employee, partner, or related in any way with Deloitte Touche Tohmatsu Jaiyos Audit Company Limited in the past two years.

Non-audit fee

Company and subsidiary do not pay for any non-audit fee.

8. Corporate Governance Report

8.1 Summary of the board's performance from the past year

8.1.1 Recruiting, Improving, and Assessing the Performance of the Board of Directors

(1) Criteria for selecting directors and independent directors

The board of directors pays attention to the selection of company directors and independent directors to be transparent according to the principles of good corporate governance. Therefore, the company has established a policy for recruiting company directors and independent directors for the management structure comprises of directors with various qualifications and corresponding to the direction of the management strategy, as well as having qualifications set by the board of directors.

Criteria for selecting company directors and independent directors

To consider selecting an individual to be a director and an independent director, the company has set the criteria as follows

1. The characteristics of the directors that the company want is to be diverse (Board Diversity), in terms of educational level, professional skills, the specialization that is beneficial to the business of the company and according to the company business strategy without any gender, age, race discrimination
2. Have leadership, vision, morality, and ethics with transparent work experiences.
3. Qualified and does not have any prohibited characteristics according to the law and company's regulation
4. In case of proposing the name of former directors to be re-elected, the board will consider the past performance when he/she was in a committee and subcommittee.
5. In the case of recruitment of independent directors, they must qualify for the position according to the criteria of the Capital Market Supervisory Board.

The process of selecting directors and independent directors

1. The nomination and remuneration committee, two independent directors from three directors in the committee, is responsible for recruiting an individual who is qualified and suitable to be the company director and an independent director. The committee has to make a proposal in the board of directors meeting to consider before proposing to the annual general meeting of the shareholders. During the annual meeting, shareholders will elect by the majority vote of the shareholders who attend the meeting. Unless it is the case that is not a retirement with more than two months of the remaining term, then the board of directors can choose one person from the nomination and remuneration committee to be directors or independent directors with a vote of not less than three-fourth of the remaining directors. In this case, the person who got elected will have the term of office equal to the remaining term of the director whom he/she replaces.
2. The nomination and remuneration committee will analyze the skills, experiences, knowledge, and specialization of the directors (Board Skill Matrix) for information used in the consideration of the nomination of the directors following the business strategy.

Also, when selecting new directors, the nomination and remuneration committee provides more knowledge, skills, and experiences that are beneficial for directors' performance and crucial for the absent elements of the board structure. The committee also allows the shareholders to participate in nominating qualified directors as well.

3. The selection of an individual to be an independent director, the nomination and remuneration committee will consider from the qualifications of independence set by the company, which is under the announcement from the Capital Market Supervisory Board, besides the basic qualifications mentioned above.

The company has defined the definition of independent directors following requirements of the Capital Market Supervisory Board, which requires independent directors to be able to ensure shareholders' benefit equally and does not create a conflict of interests. Moreover, he/she has to have sufficient time to perform the director's duty and can attend board of directors meeting regularly and able to freely express opinions.

The resolution from the board of directors meeting 5/2020 on November 12, 2002, **determined the stricter qualifications than the requirements qualifications of independent directors from the Capital Market Supervisory Board as follows**

1. The number of holding shares must not exceed 0.50 percent of the total number of shares with voting rights of the company, subsidiary, affiliate company, major shareholders, or control person of the company. Moreover, this shall include shares held by persons related to that independent directors.
2. Have not been of used to be directors who take part in the management, employees, staffs, consultant who receive a regular salary or who has controlling authority of the company, subsidiary, affiliate company, same level subsidiary, major shareholders or that of controlling person. Unless he/she is retired from the aforementioned position for at least 2 years before the date of appointment. Also, such prohibited characteristics do not include the case of when independent directors used to be government officials or government counsel, who is the major shareholder who has control of the company.
3. Not being a person who has blood relatives or relationships registered by law in terms of father, mother, spouse, siblings, and the child. This also includes the spouse of the child, directors, major shareholders, controlling person, or individual who will be offered to be executives or person who has authority in the company and subsidiary.
4. Never have a business relationship with the company, subsidiary, affiliate company, major shareholders, or controlling person in a manner that may impede one's independent exercise of judgment. He/she must have never been a significant shareholder or a person with authority that has a business relationship with the company, subsidiary, affiliate company, major shareholders, or controlling person. Unless he/she is retired from the aforementioned position for at least 2 years before the date of appointment.

The business relationship mentioned in the previous paragraph and the business transactions that are normally performed to operate a rental business, property for rent, transactions relating to assets or services, giving or receiving financial aid by receiving, lending, guaranteeing, giving assets for collateral liabilities, and other similar circumstances. All of those results in the company or counterparty having an obligation to pay for the other party from 3% of the net tangible assets of the company or 25 million baht or more, depending on which one is lower. The calculation of the liability shall be following the method of calculation of connected transactions as announced by the capital market supervisory board regarding the rules of connected transactions. However, determining the aforementioned debt shall include the liability arising within 1 year before agreeing to have a business relationship with that person.

5. Never and never used to be the auditor for company, subsidiary, affiliate company, major shareholders, or controlling person and he/she is not a significant shareholder, a person with authority, or a partner of the auditing firm that has the auditor of the company, subsidiary, affiliated company, or the person that control the company. Unless he/she is retired from the aforementioned position for at least 2 years before the date of appointment.
6. Never or have not been any professional service providers, including legal advisory service or financial advisor, which receives a service fee for more than 2 million baht per year from the company, subsidiary, major shareholders, affiliate company, or controlling person, also not a significant shareholder, person with authority to control, as well as a partner of that professional service provider. Unless he/she is resigned from the aforementioned position for at least 2 years before the date of appointment.
7. Not being an appointed director to represent the directors of the company, major shareholders, or the shareholders who related to the significant shareholders.
8. Shall not operate in a business that has the same essence and is insignificant competition with the company business, subsidiary. Not being a significant partner that has implications in a partnership. Also, must not be a director who takes part in managing the operation, employees, staffs, advisors who receive a regular salary or holds more than 1 percent of the shares that have voting rights of other companies, which do not operate in a business that has the same essence and can be significant competitors with the company and subsidiary.
9. Does not contain any other characteristics that may prevent the individual from expressing opinions freely about the company operation.

After being appointed as an independent director who has characteristics following clauses 1 to 9, the independent director might be assigned by the board of directors to decide on the operation of the company, subsidiary, affiliated company, major shareholders, or person with authority. The decision can be in a form of a collective decision.

In 2021, the company's independent directors did not have any business relationship or academic service provision. If they did, the value business or academic service did not exceed the specified criteria stipulated in the announcement of the Capital Market Supervisory Board regarding the application and the approval for the sale of newly issued shares.

Case of Election of Company Directors and Independent Directors through the Shareholder's Meeting

To vote for the directors, shareholders have to use ballot papers to elect individual directors. The shareholders are required to cast all their votes to elect individuals nominated as directors one by one.

Rights of minor shareholders to appoint directors

The company gives opportunities to the minor shareholders to have rights to nominate individuals to be considered for the election of company directors in advance, before the general meeting of shareholders, according to the criteria set by the company. More details can be found on the company website under the section "Investors Relation": Shareholder's information: Shareholder's meeting.

Number of the company directors from each group of shareholders

-None-

(2) Recruitment of Senior Management

Top management of the company means Chief Executive Officer for the selection of the top management of the company. The company has considered and assigned the nomination and remuneration committee to consider the selection of individual who has suitable knowledge, skills, and has qualifications and sufficient understanding of the business, also he/she can perform to achieve the objectives and goals set by the board of directors, and there are no prohibited characteristics stated by the law. After the consideration, the committee can propose the board of directors meeting for further consideration. The selection process will screen for a qualified individual who is completely qualified with knowledge, skills, and experiences that are beneficial for the operation. He/She must clearly understand the business and be able to manage the work to achieve the objectives set by the board of directors.

In 2021, the structure of the management has the proportion of directors who are the executives, directors who are not the executives, and independent directors, which was suitable and had to perform following the good principles of good corporate governance.

Besides, directors and senior management of the company have never been employed by or partnered with the external auditing firm that the company has been using in the past two years.

8.1.2 Meeting attendance and remuneration for individual directors

Number of Attendance in Shareholder's Meeting in 2021

Shareholders, audit committee, institutional shareholders, and nomination and remuneration committee have scheduled the normal meeting for each committee two year prior and will have extra meetings if necessary. Each committee has met and can be summarized as follow

Each committee meeting	Total number in 2021
Annual General Meeting 2021	1
Extraordinary General Meeting	1
The Board of Directors Meeting	4
Audit Committee Meeting	5
Executive Committee Meeting	12
Nomination and Remuneration Committee Meeting	2
Risk Management Committee	2

List of Directors		Attendance / Total Meeting (Times)						
		Annual General Meeting	Extraordinary General Meeting	The Board of Directors	Audit Committee	Executive Committee	Nomination and Remuneration Committee	Risk Management Committee
1. Mr. Narongrit	Tavornvisitporn	1/1	1/1	4/4	4/4	-	-	-
2. Dr.Sithawee	Kriatchawanun	1/1	1/1	4/4	-	12/12	-	-
3. Mr. Noppakrit	Nithilertvijit	1/1	1/1	4/4	-	12/12	2/2	2/2
4. Asst. Prof. Dr.Kanyarat	Sanoran	1/1	1/1	4/4	4/4	-	2/2	2/2
5. Mr. Sahasak	Srisarnparnk	1/1	1/1	4/4	4/4	-	2/2	-
6. Dr.Wijit	Techakasem	1/1	1/1	4/4	-	-	-	2/2
7. Ms. Kamonthip	Kriatchawanun	1/1	1/1	4/4	-	-	-	-
8. Mr. Sirivit	Amcharoen	-	-	-	-	12/12	-	-

Benefits for the directors in 2021

The company has set the compensation clearly and transparently according to their roles and duties, abilities, and responsibility, along with the profits and the turnovers. Mainly considering the benefits of the shareholders and the company.

Monetary Remuneration

- Company

The remuneration for the board of directors and subcommittees got consent from the Nomination and Remuneration Committee and was considered by the Board of Director on February 25, 2021; and approved by Annual General Meeting on April 29, 2021. The payment term will be in the form of Monthly Remuneration and Meeting Allowances which same compared to the year 2020. Considering their roles, duties, responsibilities, achievements, and comparing to other companies in related fields and benefits from the committees, details are as follows

Position	Monthly Remuneration (Baht/Month)	Meeting Allowances (Baht/Meeting)
Chairman of the Board of Directors	35,000. -	15,000. -
Board of Directors	28,000. -	12,000. -
Chairman of Audit Committee	-	12,500. -
Audit Committee	-	10,000. -
Chairman of Nomination and Remuneration Committee	-	12,500. -
Member of Nomination and Remuneration Committee	-	10,000. -
Chairman of Risk Management Committee	-	12,500. -
Member of Risk Management Committee	-	10,000. -

In 2021, the company has paid the remuneration for the board of directors in a total of 3,044,000 Baht, details are as follow

Names of the directors/Position	Compensation (Baht)					
	Monthly Remuneration	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Total
	Salary	Meeting Allowances	Meeting Allowances	Meeting Allowances	Meeting Allowances	
1. Mr. Narongrit Tavorntvisitporn - Independent director - Chairman of the board of directors - Audit Committee	420,000.-	60,000.-	40,000.-	-	-	520,000.-
2. Dr.Sitthawee Kriatchawanun - Vice Chairman of the board of directors - Chairman of the Executive Committee	336,000.-	48,000.-	-	-	-	384,000.-
3. Mr. Noppakrit Nithilertvinij - Vice chairman of the board of directors - Vice Chairman of the Executive Committee - Chairman of Risk Management Committee - Chief Executive Officer - Nomination and remuneration Committee	336,000.-	48,000.-	-	20,000.-	25,000.-	429,000.-
4. Asst. Prof. Dr.Kanyarat Sanoran - Independent director - Chairman of the audit Committee - Nomination and remuneration Committee - Risk Management Committee	336,000.-	48,000.-	50,000.-	20,000.-	20,000.-	474,000.-

Names of the directors/Position	Compensation (Baht)					
	Monthly Remuneration	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Total
	Salary	Meeting Allowances	Meeting Allowances	Meeting Allowances	Meeting Allowances	
5. Mr. Sahasak Srisarnparnk - Independent director - Audit committee - Chairman of Nomination and Remuneration Committee	336,000.-	48,000.-	40,000.-	25,000.-	-	449,000.-
6. Dr.Wijit Techakasem - Independent director - Risk Management Committee	336,000.-	48,000.-	-	-	20,000.-	404,000.-
7. Ms. Kamonthip Kriatchawanun - Director	336,000.-	48,000.-	-	-	-	384,000.-
Total	2,436,000.-	348,000.-	130,000.-	65,000.-	65,000.-	3,044,000.-

Other non-monetary compensation or other benefits

Group health insurance includes the whole organization. However, the company does not have any other compensation apart from the one given for the director or employees as usual. the company does not give out stocks, bonds, ESOP, EJP, Warrant, or any securities for the directors and the executives.

The company has set up a provident fund for the management team, the directors who register for the provident fund will get monthly contributions at the rate of two percent of their salaries. Members can choose the contribution rate between two and fifteen percent of their earnings. After the membership expires, the members will earn back their funding payment and the net average benefit of the fund.

- Subsidiaries

All subsidiaries have no monetary compensation payments and other non-monetary benefits for the directors.

8.1.3 Subsidiary and Affiliated company Governance Policy

The extraordinary general meeting 1/2019 on February 20, 2019, had an approval for the policy for direct and control the subsidiaries and associated companies as follow

The company will manage the business and the operation of the subsidiaries and/or the associated companies as if they are one of the company's institutions. Moreover, the firm has to be able to check the operations of the subsidiaries and/or the associated companies efficiently following the company's policy, as well as the Public Limited Companies Act, Limited Companies Act, Securities, and Exchange Act, and other related acts. Also, the company will follow announcements, rules, and guidelines related to Capital Market Supervisory Board, Office of the Securities and Exchange Commission, and investment policy and the supervision in the subsidiaries and the

associated companies from the Securities and Exchange Commission of Thailand. To retain the return on investment of the subsidiaries and the associated companies, the company has set rules for any nominations and exercises of voting rights for appointing individuals to be directors in the subsidiaries and/or the associated firms by having to be approved from the board of directors at least according to the proportions of the shares they have in the subsidiaries and/or the associated companies. The individuals who got appointed to be directors in the associated firm or the subsidiaries will have the duty to act to gain maximum benefit for the particular subsidiaries and the associated firms. Also, the appointed individuals must have approval from the board of directors before voting or exercising their voting rights for important matters that are the same level of requirements for the approval from the board, if the operation is run by the company themselves.

In the case of the subsidiary, the company has set regulations for appointed individuals for having to regulate rules and major policies for business operation in the subsidiary and/or associated company, including performance reporting, planning, disclosure of information and internal control system, making a connected transaction, acquisition or disposition of assets, or others important matters of that particular company, and must use related guidelines for the transaction above in a similar manner with the company. Moreover, the subsidiary has to supervise data storage, and accounting records for the company to be able to examine and gather for preparing financial statements on time.

(The policy of supervision and operations of the subsidiaries and the associated companies has publicized and published on the company's website for the shareholders and guests under "Investor Relation": Corporate Governance: Corporate Governance Report and Download Documents: Subsidiary and Joint Venture Governance policy)

Agreement between the company and the shareholders in terms of managing the subsidiary and joint venture (shareholder's agreement) **-None-**

8.1.4 Ensuring compliance with corporate governance policies and practices

The company focuses on having good corporate governance by setting policies and guidelines relating to good governance and the code of business conduct. The firm also encourages real action to gain trust from all groups of stakeholders.

In 2021, the company has been following up with practices to ensure results in compliance with corporate governance covering 1) Supervising employees and non-discrimination 2) Resistance unfair competition 3) Caring for the environment, health, and safety in the organization 4) Information security. The result has shown that the firm has completely followed the guidelines of each subject.

Besides, the company has to ensure that good corporate governance practices are relying on the four subjects of guideline as follows

(1) Prevention of Conflicts

The company has a clear shareholding structure; therefore, this prevents any conflict of interests to any party. The firm has disclosed the company's shareholding structure in 56-1 One Report / annual report thoroughly, along with revealing all of the securities holdings of the board of directors and the executives.

To make transactions, the board of directors has proceeded with cautions and considering maximum benefits of the company. The firm has set the price to be at the same level as the market price following the market policy with morality as the transaction with customers. The transaction system is transparent and follows the guidelines

from the Stock Exchange of Thailand, which is one of the policies to make good corporate governance and define in the code of business conduct that must be practiced towards the firm and the shareholders.

The company has shared the information to provide equality in receiving the information, such as any connected arrangement, the company has followed the announcement from the Board of Governors of the Stock Exchange of Thailand and the topic is Disclosure of Information and Actions of Listed Companies on Connected Arrangement. In case of the transactions that needed to be disclosed and required approval from the shareholders, the company also has followed the required procedures from the Stock Exchange of Thailand and the requirements from The Securities and Exchange Commission (SEC). Before the arrangements, the company has disclosed the details and reasons of every transaction to the shareholders as usual.

The firm determines that the stakeholders must leave the meeting room and/or abstain from their votes in that term to let the third-party comments freely and have the freedom to vote. The company secretary will inform in the agenda if stakeholders are attending the meeting. After the meeting is finished, the company will reveal names, involved persons, prices, transaction value, and if there is any disagreement between directors and the board to the SET on time, and will post on the website as well to clarify the necessary information. The secretary will also write down the minutes of the meeting, which will be able to check easily.

In 2021, the company has controlling policies for making connected subject matters, and has restricted financial support to a company that is not the subsidiaries and does not have any connected violating subjects; or if the company does not follow SET rules and the SEC. The firm has revealed connected matters that act fairly following the market price and follow the business standard in the year 2020 in the section “9.2 connected subjects”

(2) Use of inside information for benefits

Inside Information

The company has measurements to monitor the use of inside information which is determined in the policy of using company inside information and securing secret information that has effects on the company, shareholders, stakeholders. They would have to act with integrity, full responsibility has discipline, and have a good sense of public and themselves, they must not use the company information and assets for themselves and/or others. They are also prohibited to support and encourage others to compete with the company/ the subsidiaries. Also, the company has imposed penalties for the case of violating the use of inside information of the company for personal gain in the company's regulations. The penalties can be from verbal admonition to termination of employment.

Besides, the regulations of the work of the company also have determined the issues above by establishing disciplinary penalties. This is mandatory for the board of directors, executives, and employees to act toward the rules.

In 2021, executives, directors, and employees have followed the rules and policies strictly and it did not appear that there was any use of company information in the wrong way.

Other information that may affect the price of securities

The company has prohibited directors, executives, and employees, who are in the position to know the inside information, from trading company securities for one month before disclosing financial statements to the public,

and they are not allowed to trade until the statement is launched for 24 hours. Also, directors and executives (including spouses and underage child), who is responsible for reporting their holdings of securities, have to inform the SEC and SET within three days from making changes and have to send copies to the company secretary. This considers as duties that must be taken into action.

Also, the company secretary has made a schedule for the annual board of directors meeting and distributed it to all the directors in advance for them to know the suitable duration of refraining from trading securities. Moreover, the company secretary also sent out letters to acknowledge the duration of refraining from trading securities every time before disclosing the financial statement.

For the directors and senior management, not only do they have to report changes in their holding of securities to the Securities Commission and the Stock Exchange of Thailand, but they also have to acknowledge the company secretary one day before trading the securities.

In 2021, directors and the senior managers have followed the rules strictly and there is no trading during the period when trading securities is prohibited.

(3) Anti-corruption

The company has shown an intention to join the Thai Private Sector Collective Action Against Corruption (CAC) which was approved in the shareholders' committee meeting 5/2020 on November 12, 2020 and in 2021, the meeting of the Board of Directors No. 4/21, held on November 11, 2021. The meeting resolved to approve a self-assessment on anti-corruption measures and been submitted to the CAC committee for the certification process.

The company has following the anti-corruption policy by

1. The company communicates with directors, executives, and employees to acknowledge that all the operation must be strictly under the scope of the law. If there is an error during the operation because of negligence, or unawareness, then there must receive punishment from the government without any lobbying.
2. The firm has set a policy and process for anti-corruption. The board of directors assigns the audit committee for the internal control system and the executives for having the duty to raise awareness and communicate the performance of their duties with honesty.
3. The company hires ISBAR CORPORATION COMPANY LIMITED, who is an expert, to train directors, executives, and employees to acknowledge the rules and guidelines for anti-corruption, gifts, and entertainment policy.
4. The company conveys the policy and the initiative for anti-corruption. Also, there are platforms for declaring the information, complaints, punishments, or suggestions for all groups of company's stakeholders, such as an orientation for directors and employees, and Internet system, company's website, and an annual report to build knowledge, understanding, and implementing the policy.
5. The company has provided reporting channel in case if there is any policy violation or corruption and also has protection measures for the reporter.

The company discloses the details about policy and the process for preventing any involvements in corruption on the company's website www.successmore.com under the topic "Investor Relations": Corporate Governance: Corporate Governance Reports and Download Documents

In 2021, the company strictly followed the policy, and there were not any irregularities at all.

(4) Whistleblowing

The company has channels for employees and all stakeholders to contact or report for any indication when corruption might occur, both direct and indirect way. The reporting channels for any act against the law, business ethics, company policy, any complaints of the right violation, as well as potentially problematic behavior that cause damage for the business, also an unfairness are as follow

- By E-mail, please contact
Asst. Prof. Dr. Kanyarat Sanoran, Chairman of Audit Committee
E-mail: scm.advise.bod@successmore.com
- By mail, please contact
Asst. Prof. Dr. Kanyarat Sanoran
Address: 777/137 The Room Rama 4 Rong Muang Sub-district, Pathum Wan District, Bangkok 10330

The indication, complaints, and suggestions will be considered and taken into action as they are needed appropriately case by a case basis.

Company directors assign the chairperson of the audit committee to be the person considering and accepting the indications, complaints, and suggestions of stakeholders with the audit committee. The audit committee may assign individuals or subcommittee to investigate the person who involves in corruption and consider the received information, as well as other evidence. If the occurred misconduct is intentional and affected the company directly, then the audit committee will consider which action to take using appropriate measures to make the situation better and report to the board of directors.

In 2021, the company did not receive any complaints in giving or receiving bribes for the benefit of the company in any way.

8.2 The Report on the Performance of the Audit Committee from the Past Year

8.2.1 Number of Meeting and Attendance

In 2021, the audit committee had four meetings in total, all of which are predetermined. The attendees are listed as follows

Member of the Audit Committee	Position	Number of Times of Attendance
1. Asst. Prof. Dr.Kanyarat Sanoran	Chairman of Audit Committee	4/4
2. Mr. Narongrit Tavornvisitporn	Audit Committee	4/4
3. Mr. Sahasak Srisarnparnk	Audit Committee	4/4

8.2.2 Performance Result of the audit committee

The audit committee consists of three company directors, who have an independent quality as the announcement from the SET and the company definition. All of the audit committees are intellectual and have a deep understanding of experiences in accounting, finance, and management. The committee has authority, role, and performance according to the audit committee charter. The audit committee is an independent organization that supports and operates on behalf of the board of directors following the guidelines in eliminating conflicts of interests. Their duties also include reviewing the financial information offered to shareholders and other relevant parties, as well as reviewing the internal controlling system and the internal audit process and communication with the auditors of the company. Moreover, they also play a role in selecting, proposing, and terminating the auditors of the company. The audit committee has a term of three years.

8.3 Summary of the performance of others committee

8.3.1 Number of meeting and attendance

Nomination and remuneration committee

In 2021, the nomination and remuneration committee had two meeting in total, which was a predetermined meeting. The attendees are listed as follows

Names of the nomination and remuneration committee	Position	Number of times of attendance
1. Mr. Sahasak Srisarnpark	Chairman of nomination and remuneration committee	2/2
2. Asst. Prof. Dr.Kanyarat Sanoran	Nomination and remuneration committee	2/2
3. Mr. Noppakrit Nithilertvijit	Nomination and remuneration committee	2/2

Executive Committee

In 2021, the executive committee had twelve meetings in total, all of which were predetermined. The attendees are listed as follows

Names of the executive Committee	Position	Number of Times of Attendance
1. Dr. Sitthawee Kriatchawanun	Chairman of the executive committee	12/12
2. Mr. Noppakrit Nithilertvijit	Executives	12/12
3. Mr. Nitchakul Kongphawitthakul	Executives	12/12

Board meeting of Non-Executive Directors

The board of directors emphasizes good corporate governance by allowing non-executive directors to hold a meeting among themselves as appropriate without executive directors or executives attend the meeting to allow discussing various problems relating to business or matters of interest.

8.3.2 Performance of the Sub-Committee

The nomination and remuneration committee

The nomination and remuneration committee consists of three directors, two of which are independent and another is an executive director. They are responsible for recruiting, selecting, and proposing suitable persons to serve as a director representing whose term is completed and/or having vacancies and/or newly appointed positions. Moreover, their responsibility includes recruiting and selecting senior management of the company, especially the chief executive officer (CEO), and considering the criteria for evaluating the performance of the CEO, as well as determining necessary and appropriate remuneration, both in monetary and non-monetary terms, for each board of directors. The determination of the remuneration of the board of directors and the management team must consider the suitability of their duties, responsibilities, performances, and compare to companies in similar businesses; moreover, the benefits expected to receive from the directors and the executives must be considered as well. All of the consideration has to be proposed to the board of directors for further deliberation and present to the board of directors meeting for approval. The term of office is three years, which is appointed in board meetings every year, after the annual general meeting of the shareholders.

Executive Committee

The executive committee consists of two directors and one executive, who has the knowledge, ability, and experiences in many areas. They understand their roles, responsibilities, and the essence of the business thoroughly.

They are responsible for the business operation of the company in the directory format. The directors and/or executives are appointed and approved by the board of directors to be an executive directors under the regulated rules by the company. The term of office is three years, which is appointed in the board meeting every year, after the annual general meeting of the shareholders.

9. Internal control and Connected Transaction

9.1 Internal Control

The Board of directors values the internal controlling system and appoints the audit committee to support the performance of the board of directors, reviews the internal system, and inspects the internal system to be following good corporate governance policy, requirements, and ethics that should be performed effectively. Moreover, they are appointed to prevent corruption and conflicts of benefits and to have accurate and credible accounting and financial reports by disclosing complete information.

The board of directors meeting 1/2022 on February 23, 2022, had four independent and three auditing directors, all of which attended the meeting, the committee evaluated the adequacy of the company and the subsidiary internal control system. By asking for information from the executives can conclude that from the evaluation of the internal system according to the sufficiency assessment from the specified internal control system in a total of 17 principals and use the concept of "COSO" including 5 elements which are

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

The meeting has an opinion that the company's internal and auditing system is adequate and appropriate for the essence and the size of the business according to the five elements. The board of directors has an opinion that the company and subsidiary manage the internal control system adequately and appropriately for the business. All five elements of the internal control system are effective and they comply with the accounting standard that is generally accepted, the announcement from SEC and SET, and the regulations of the Stock Exchange of Thailand and consistently reporting quarterly and annual financial statements. Moreover, there are also processes of preparation and disclosure of complete financial statements adequately and in time. Having a sufficient, suitable internal control system with effective adjustment for inconsistent situations will help to achieve the objective of the company operation and comply with the applicable laws and regulations. Nonetheless, no issues that may cause damage to the operation were found, as well as there is an efficient internal system related to the business with major shareholders, directors, executives, or those related to such person. The system can prevent company and subsidiary assets from being used by the executives without any authorities. The independent director and the auditing committee agree with the board of directors, and the audit committee will focus more on supervising the organization to have good corporate governance.

The company manages to have good and sufficient management and internal control system. The executives are encouraged to recognize the importance of internal control by managing to have good corporate governance, clearly define duty and responsibility, as well as set appropriate rules, order, policies, executive levels, and approval levels in written form. Moreover, the firm manages to have an independent internal auditor who has the right to follow and evaluate the performance of the internal control system, which can achieve the company objectives and goals. Overall, there were no issues or drawbacks that were directly affected the internal controlling system from the past evaluation. For other topics in internal control, the directors have concluded that the company had already had a sufficient internal control system.

The company assigned DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT COMPANY LIMITED to be the company auditor for the year 2021. The auditing firm has checked the accounting department of the company in regards to account closing, preparation of the financial statement, and details of the financial statement to keep up with the demand of the information and disclose them in time. Moreover, the auditor evaluated the internal control system related to the preparation of financial reports which was important for the determination of the inspection method to find a conclusion in expressing opinions on the financial statement of the company. In the meeting of audit committee 1/2022 on February 23th, 2022, the auditing firm reported to the audit committee that there were no conditions and notices from the auditing in 2021.

In the audit committee meeting 5/2020 on November 12, 2020, the company assigned Isbar Corporation Co., Ltd. to be the auditor of the company since October 1, 2020 – December 31, 2021. The auditing firm appointed Mr. Sirisak Manitkunacarn, Managing Director and head of internal audit to have the main responsibility to be the internal auditor for the company.

The audit committee had considered the quality of Isbar Corporation Co., Ltd. and Mr. Sirisak Manitkunacarn, and see the possibility and suitability for this position, because of the independence and experiences in the auditing field.

All in all, the consideration and approval for appointing, transferring, laying off the internal audit supervisor or other agency responsible for internal audit must receive approval from the auditing committee.

(The quality of the internal audit supervisor is shown in attachment 3)

The company has appointed Mr. Amarin Sutat Na Ayuthaya to be head of the compliance department and responsible for supervising the compliance with the rules of government policy that supervise the operation of the business

(The quality of the internal audit supervisor is shown in attachment 3)

9.2 Connected Transaction

9.2.1 Summary of the connected transaction of the company, the subsidiary, and related company or person who might have benefit conflicts

The company has done some businesses with people who might have conflicts. The related business that occurs was the business with directors, executives, and/or shareholders of the company and the subsidiary. Also, the business with people who might have conflicts with directors, executives, and/or the shareholders, which happened for the period ended on December 31, 2021. (The connected business from the year before is shown in section 56-1 for that particular year)

Summary of the relationship between individuals and a juristic person that may have conflicts with the company

Person/Juristic Person who might have conflicts	Types of Relationship
1. Successmore Being Laboratory Co., Ltd.	- Company; holding 100.00% and having common directors
2. Success Spirit Co., Ltd.	- Company; holding 100.00% and having common directors
3. SCM Spirit (Myanmar) Co., Ltd.	- Success Spirit Co., Ltd. holds 100% of paid-up capital and have common directors
4. SCM Innovative Co., Ltd.	- Company; holding 100.00% and having common directors
5. Dr. Sitthawee Kriatchawanun	- Authorized director / Vice Chairman / Chairman of the Executive Committee A major shareholder of the company with the holding of 30.75% (34.95% of Kriatchawanun family)
6. Mr. Noppakrit Nithilertvijit	- Authorized director / Vice Chairman / Vice Chairman of the Executive Committee/ Chairman of Risk Management committee / Nomination and Remuneration Committee / Chief Executive Officer / Chief International Business (Acting) / Chief Marketing Officer (Acting) / Chief Technology Officer (Acting) A major shareholder of the company with the holding of 23.10% (23.24% of Nithilertvijit family)

Summary of related transactions of individuals and a juristic person that may have conflicts with the company.

Item Description	Value of Transaction (Baht)	Necessity and reasonability	Opinions of the Audit Committee
Variable Compensation for variable manager			
The company has paid remuneration to - Dr. Sitthawee Kriatchawanun (Chairman of the Executive Committee)		The compensation is considered normal in the industry. It is a variable compensation depending on sales revenue for the company management team according to the	The mentioned transaction is a normal transaction for business operations. However, the mentioned compensation will be review to determine the reasonableness by the

Item Description	Value of Transaction (Baht)	Necessity and reasonability	Opinions of the Audit Committee
- Mr. Noppakrit Nithilertvijit (Vice Chairman of the Executive Committee /Chief Executive Officer) Accounted for 2.50% of the total sales revenue. The compensation is considered normal in the industry that the key management of the company shall receive with details as follows: - Dr.Sitthawee Kriatchawanun - Mr.Noppakrit Nithilertvijit Total	14,901,239.50 14,901,239.50 <u>29,802,479.00</u>	workload of the executive, such as planning business strategy, leading training seminars, etc. So that the returns that the executives receive are in line with the returns that the business receives.	nomination and remuneration committee once a year or when the committee sees the necessity. The director with interests will not be able to vote in the resolution for the variable manager compensation.

9.2.2 The necessity and reasonableness of the connected transaction

The auditing committee has considered the connected transaction as mention in the table above and they mention that the transaction is reasonable and beneficial for the business operation.

9.2.3 Measures or procedures for approval of the related transaction

To make transactions of company and subsidiary with individuals who may have a conflict of interests, or there might be a conflict of interest in the future with the company, such as major shareholders, directors, executives, controlling person, or any related parties, the company will obey the Securities and Exchange Act B.E.2535, rules, announcements, and order of the Capital Market Supervisory Board, and the SET. Besides, the company will comply with the requirements on disclosure of related parties' transactions in the notes of financial statements that have been reviewed by the company auditor and an annual registration statement (56-1). However, stakeholders are unable to participate in the consideration and approval of the aforementioned transaction.

In case if the law has required that the related transactions must be approved by the Board of Directors, and requires to have an audit committee attend the meeting to consider and comment on the necessity of the transactions, under morality with consideration for the highest benefits of the company and the shareholders before proposing to the board of directors. The board will ensure that such transactions comply with the criteria of the Capital Market Supervisory Board, Securities and Exchange Commission, and the SET, along with consideration of disclosing information of related transactions to the public correctly and completely. Also, to enter into a transaction that is both commercial and noncommercial terms generally shall accord to the following principles:

(1) Transactions that are commercial agreements with general commercial terms

The board of directors has approved that the management can accept the transactions that are commercial agreements with general commercial terms between the company, the subsidiary, and the directors, executives, or any related party. The aforementioned transactions shall be in the same manner as when people will act with the general contractors in a similar situation, with trade bargaining power, and without any power from the status of directors, executives, or related parties (depending on the case) and does not cause any transfers of benefits, and/or can show that the transactions have reasonable pricing or conditions.

Also, the company will prepare a report of the aforementioned transactions to report in the audit committee meeting and the board of directors meeting quarterly.

(2) Transactions that are the commercial agreement, but are not in general terms of trade

Transactions that are commercial agreements, but are not in general terms of trade, shall be considered by the audit committee in advance before proposing to the board of directors, or the shareholders meeting (depending on the case) for further consideration. Also, the process shall comply with the Securities and Exchange Act B.E.2535, the rules, the announcements, the order of the Capital Market Supervisory Board, and the SET, as well as complying with the requirements on the disclosure of related transactions.

In case of the audit committee lack of expertise in considering related transactions that may occur, the company will appoint an independent expert or an auditor to give an opinion on the related transactions, to provide information for the audit committee, the board of directors, or the shareholders (depending on the case to use for decision making, to assure that the transaction is necessary and reasonable. This shall consider the company benefits. Besides, the company will disclose the related transaction in the annual report and notes in the financial statements that have been reviewed by the company's auditor.

9.2.4 Trends or Policies on Related Transactions in the Future

For the related transactions that may occur in the future, the board of directors must follow the Securities and Exchange Act B.E.2535, and the rules, announcements, and orders from the Capital Market Supervisory Board, and the SET. As well as following the requirements for disclosure of the related transactions of the company, the subsidiary according to the prescribed accounting standards by certified accountants and auditors associated with Thailand. Also, the transactions shall not be an evacuation or a transfer of interests of the company, but to be the transactions that consider the benefits of the company and the shareholders.

Part 3
Financial Statement

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS SUCCESSMORE BEING PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Successmore Being Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Successmore Being Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders’ equity, and cash flows for the year then ended, and notes to the consolidated and separated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Successmore Being Public Company Limited and its subsidiaries and of Successmore Being Public Company Limited as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Responses
Accuracy of compensations for members The Company paid compensations to its members which is a part of its sales and marketing strategy. There are various types of compensations including different payment conditions and calculation methods. We have focused on accuracy of such compensations which were recognized as part of selling expenses in the statements of profit or loss and other comprehensive income. For the year ended December 31, 2021, compensations for members of Baht 457.05 million was disclosed in Note 21 to the financial statements.	Key audit procedures included • Understanding the compensation plan and internal control procedures related to compensations for members. • Evaluating the design and implementation of internal controls over the accuracy of compensations for members. • Testing of the operating effectiveness of internal control over the accuracy of compensations for members. • Performing substantive testing as follows: - Examining the compensations' terms, conditions and calculation methods, and performing substantive test of details of compensations for members. - Examining supporting documents for the compensations for members payments - Performing disaggregate analytical review of compensations for members.

Other Information

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

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management or those charged with governance for correction of the misstatement.

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

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

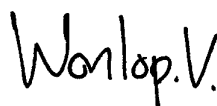
- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

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



Wonlop Vilaivaravit
Certified Public Accountant (Thailand)
Registration No. 6797

BANGKOK
February 23, 2022

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

SUCCESSMORE BEING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

Unit : Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	7	563,623,879	468,184,973	469,616,149	391,334,567
Trade and other current receivables	8	115,719,768	79,944,303	108,943,296	74,144,787
Short-term loans to a related company	5.2	-	-	-	6,000,000
Inventories	9	79,604,476	48,254,412	81,647,409	52,364,606
Other current assets		11,294,009	4,560,945	7,109,739	2,066,712
Total Current Assets		<u>770,242,132</u>	<u>600,944,633</u>	<u>667,316,593</u>	<u>525,910,672</u>
NON-CURRENT ASSETS					
Bank deposit used as collateral	10	5,700,000	5,500,000	5,700,000	5,500,000
Investments in subsidiaries	5.1	-	-	130,004,940	130,004,940
Property, plant and equipment	11	82,845,742	82,877,297	29,619,699	29,619,032
Right-of-use assets	12	46,513,072	51,314,975	46,513,072	51,314,975
Intangible assets	13	137,510,780	141,097,332	17,931,550	10,212,156
Deferred tax assets	14	-	-	2,433,336	2,016,923
Other non-current assets		5,185,760	4,642,891	4,985,760	4,442,891
Total Non-current Assets		<u>277,755,354</u>	<u>285,432,495</u>	<u>237,188,357</u>	<u>233,110,917</u>
TOTAL ASSETS		<u><u>1,047,997,486</u></u>	<u><u>886,377,128</u></u>	<u><u>904,504,950</u></u>	<u><u>759,021,589</u></u>

Notes to the financial statements form an integral part of these statements

SUCCESSMORE BEING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2021

Unit : Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade and other current payables	15	134,825,605	121,426,548	136,817,432	122,554,183
Current portion of lease liabilities	16	15,250,297	11,513,717	15,250,297	11,513,717
Current income tax payable		31,448,513	13,150,376	27,337,536	6,084,910
Other current liabilities		8,406,179	5,473,009	6,339,726	4,579,644
Total Current Liabilities		<u>189,930,594</u>	<u>151,563,650</u>	<u>185,744,991</u>	<u>144,732,454</u>
NON-CURRENT LIABILITIES					
Lease liabilities	16	33,711,663	41,227,983	33,711,663	41,227,983
Deferred tax liabilities	14	19,701,936	22,479,770	-	-
Non-current provision for employee benefits	17	14,068,158	11,229,100	8,911,447	7,533,680
Total Non-current Liabilities		<u>67,481,757</u>	<u>74,936,853</u>	<u>42,623,110</u>	<u>48,761,663</u>
TOTAL LIABILITIES		<u>257,412,351</u>	<u>226,500,503</u>	<u>228,368,101</u>	<u>193,494,117</u>
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital	18				
800,000,000 ordinary shares of Baht 0.50 each		<u>400,000,000</u>		<u>400,000,000</u>	
600,000,000 ordinary shares of Baht 0.50 each			<u>300,000,000</u>		<u>300,000,000</u>
Issued and paid-up share capital					
600,000,000 ordinary shares of Baht 0.50 each, fully paid		300,000,000	300,000,000	300,000,000	300,000,000
Premium on ordinary shares	18	197,210,670	197,210,670	197,210,670	197,210,670
RETAINED EARNINGS					
Appropriated					
Legal reserve	19	23,900,000	16,900,000	23,900,000	16,900,000
Unappropriated		163,846,993	40,586,989	147,050,123	43,440,746
Other components of shareholders' equity		8,625,113	9,332,723	7,976,056	7,976,056
Total shareholders' equity					
attributable to owners of the Company		693,582,776	564,030,382	676,136,849	565,527,472
Non-controlling interests		97,002,359	95,846,243	-	-
TOTAL SHAREHOLDERS' EQUITY		<u>790,585,135</u>	<u>659,876,625</u>	<u>676,136,849</u>	<u>565,527,472</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>1,047,997,486</u>	<u>886,377,128</u>	<u>904,504,950</u>	<u>759,021,589</u>

Notes to the financial statements form an integral part of these statements

SUCCESSMORE BEING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
REVENUES					
Revenues from sales		1,192,495,265	957,342,370	1,192,476,826	957,309,351
Revenues from rendering services		15,825,782	33,184,734	-	-
Gain on foreign exchange rates - net		5,559,853	311,950	6,151,389	-
Other income	20	69,732,635	38,958,577	71,258,240	61,653,016
Total revenues		1,283,613,535	1,029,797,631	1,269,886,455	1,018,962,367
EXPENSES					
Costs of sales		280,496,650	261,493,117	316,908,533	267,039,765
Costs of services		10,698,093	13,866,147	-	-
Selling expenses		608,188,785	579,808,596	587,156,262	569,303,457
Administrative expenses		99,201,821	88,168,406	106,971,476	101,056,637
Loss on foreign exchange rates - net		-	-	-	518,977
Total expenses		998,585,349	943,336,266	1,011,036,271	937,918,836
PROFIT FROM OPERATING ACTIVITIES		285,028,186	86,461,365	258,850,184	81,043,531
Finance costs	22	3,523,052	3,463,420	3,523,052	3,478,757
PROFIT BEFORE INCOME TAX EXPENSE		281,505,134	82,997,945	255,327,132	77,564,774
INCOME TAX EXPENSE	14	57,690,703	16,356,650	52,319,444	10,371,322
PROFIT FOR THE YEAR		223,814,431	66,641,295	203,007,688	67,193,452
OTHER COMPREHENSIVE INCOME					
Items that will be reclassified subsequently to profit or loss					
Exchange rate differences on translation of financial statements		(707,610)	440,293	-	-
Total items that will be reclassified subsequently to profit or loss - net of income tax		(707,610)	440,293	-	-
Items that will not be reclassified subsequently to profit or loss					
Gain on remeasurements of defined benefit plans		-	2,956,743	-	35,235
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss		-	(232,437)	-	(7,047)
Total items that will be not reclassified subsequently to profit or loss - net of income tax		-	2,724,306	-	28,188
Other comprehensive income for the years - net of income tax		(707,610)	3,164,599	-	28,188
Total comprehensive income for the year		223,106,821	69,805,894	203,007,688	67,221,640

SUCCESSMORE BEING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht				
	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS
		2021	2020	2021
			2020	
Profit attributable to:				
Owners of the Company		217,610,930	64,015,436	203,007,688
Non-controlling interests		6,203,501	2,625,859	-
Profit for the years		<u>223,814,431</u>	<u>66,641,295</u>	<u>203,007,688</u>
Total comprehensive income attributable to:				
Owners of the Company		216,903,320	67,180,035	203,007,688
Non-controlling interests		6,203,501	2,625,859	-
Total comprehensive income for the years		<u>223,106,821</u>	<u>69,805,894</u>	<u>203,007,688</u>
Basic earnings per share (Baht)	23	0.36	0.13	0.34
Weighted average number of ordinary shares				
(Thousand shares)	23	600,000	497,260	600,000

Notes to the financial statements form an integral part of these statements

SUCCESSMORE BEING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht

	Notes	Attributions to owners of the Company							Non-controlling interests	Total shareholders' equity	
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of shareholders' equity					Total shareholders' equity attributable to owners of the parent
				Appropriated Legal reserve	Unappropriated	Other comprehensive income (loss)		Total other components of shareholders' equity			
						Exchange rates differences on translation financial statements	Gains on remeasurements of defined benefit plans				
Beginning balances as at January 1, 2020		225,000,000	-	14,600,000	30,171,553	-867,968	7,036,092	6,168,124	275,939,677	-	275,939,677
Changes in shareholders' equity											
Increase shareholding	18	75,000,000	-	-	-	-	-	-	75,000,000	-	75,000,000
Premium on ordinary shares	18	-	197,210,670	-	-	-	-	-	197,210,670	-	197,210,670
Legal reserve	26	-	-	2,300,000	(2,300,000)	-	-	-	-	-	-
Dividends to the Company's shareholders	26	-	-	-	(51,300,000)	-	-	-	(51,300,000)	-	(51,300,000)
Increasing in non-controlling interests arising from new investment in a subsidiary	4	-	-	-	-	-	-	-	-	93,220,384	93,220,384
Total comprehensive income for the year		-	-	-	64,015,436	440,293	2,724,306	3,164,599	67,180,035	2,625,859	69,805,894
Ending balances as at December 31, 2020		300,000,000	197,210,670	16,900,000	40,586,989	(427,675)	9,760,398	9,332,723	564,030,382	95,846,243	659,876,625
Beginning balances as at January 1, 2021		300,000,000	197,210,670	16,900,000	40,586,989	(427,675)	9,760,398	9,332,723	564,030,382	95,846,243	659,876,625
Changes in shareholders' equity											
Legal reserve	26	-	-	7,000,000	(7,000,000)	-	-	-	-	-	-
Dividends to the Company's shareholders	26	-	-	-	(92,398,311)	-	-	-	(92,398,311)	-	(92,398,311)
Reclassification		-	-	-	5,047,385	-	-	-	5,047,385	(5,047,385)	-
Total comprehensive income for the year		-	-	-	217,610,930	(707,610)	-	(707,610)	216,903,320	6,203,501	223,106,821
Ending balances as at December 31, 2021		300,000,000	197,210,670	23,900,000	163,846,993	(1,135,285)	9,760,398	8,625,113	693,582,776	97,002,359	790,585,135

Notes to the financial statements form an integral part of these statements

SUCCESSMORE BEING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht

	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of shareholders' equity	Total shareholders' equity
				Appropriated Legal reserve	Unappropriated	Other comprehensive income Gains on remeasurements of defined benefit plans	
Beginning balances as at January 1, 2020		225,000,000	-	14,600,000	29,847,294	7,947,868	277,395,162
Changes in shareholders' equity							
Increase shareholding	18	75,000,000	-	-	-	-	75,000,000
Premium on ordinary shares	18	-	197,210,670	-	-	-	197,210,670
Legal reserve	26	-	-	2,300,000	(2,300,000)	-	-
Dividends to the Company's shareholders	26	-	-	-	(51,300,000)	-	(51,300,000)
Total comprehensive income for the year		-	-	-	67,193,452	28,188	67,221,640
Ending balances as at December 31, 2020		<u>300,000,000</u>	<u>197,210,670</u>	<u>16,900,000</u>	<u>43,440,746</u>	<u>7,976,056</u>	<u>565,527,472</u>
Beginning balances as at January 1, 2021		300,000,000	197,210,670	16,900,000	43,440,746	7,976,056	565,527,472
Changes in shareholders' equity							
Legal reserve	26	-	-	7,000,000	(7,000,000)	-	-
Dividends to the Company's shareholders	26	-	-	-	(92,398,311)	-	(92,398,311)
Total comprehensive income for the year		-	-	-	203,007,688	-	203,007,688
Ending balances as at December 31, 2021		<u>300,000,000</u>	<u>197,210,670</u>	<u>23,900,000</u>	<u>147,050,123</u>	<u>7,976,056</u>	<u>676,136,849</u>

Notes to the financial statements form an integral part of these statements

SUCCESSMORE BEING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Unit : Baht				
	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the year		223,814,431	66,641,295	203,007,688	67,193,452
Adjustments:					
Income tax expense		57,690,703	16,356,650	52,319,444	10,371,322
Loss (reverse) for diminution in value of inventories		(317,863)	110,289	(317,863)	110,289
Depreciation of plant and equipment		14,061,281	11,735,234	10,520,827	9,826,039
Amortization of right-of-use assets		13,744,976	11,907,987	13,744,976	11,907,987
Difference from the decreasing of rental expense		-	492,376	-	492,376
Gain on terminates lease liabilities agreements		(141,359)	-	(141,359)	-
Amortization of intangible assets		15,146,902	12,638,946	3,840,956	3,453,281
Loss on disposal of plant and equipment		5,526	1,696,045	5,526	1,696,045
Gain on sales of plant and equipment		(184,566)	(6,724)	(53,848)	(6,724)
Employee benefit expense		3,009,698	3,189,318	1,548,407	1,746,707
Unrealized (gain) loss on exchange rates		(6,097,704)	455,235	(4,355,995)	(5,746)
		320,732,025	125,216,651	280,118,759	106,785,028
Changes in operating assets and liabilities					
Operating assets (increase) decrease					
Trade and other current receivables		(29,467,937)	63,996,190	(30,424,867)	(15,627,518)
Inventories		(31,032,201)	(2,636,230)	(28,964,940)	(10,132,822)
Other current assets		(6,733,064)	(2,122,605)	(5,043,027)	214,535
Bank deposit used as collateral		(200,000)	2,000,000	(200,000)	2,000,000
Other non-current assets		(542,869)	(178,665)	(542,869)	21,335
Operating liabilities increase (decrease)					
Trade and other current payables		13,399,057	10,615,532	14,263,249	44,242,412
Other current liabilities		2,933,170	(1,184,815)	1,760,082	(701,697)
Paid for non-current provision for employee benefits		(170,640)	(1,212,840)	(170,640)	(960,000)
Net cash received from operation		268,917,541	194,493,218	230,795,747	125,841,273
Dividend income		-	-	-	(19,499,942)
Interest income		(1,125,190)	(1,440,486)	(1,122,497)	(1,444,259)
Finance costs		3,523,052	3,463,420	3,523,052	3,478,757
Income tax paid		(42,362,577)	(15,071,084)	(31,483,232)	(12,606,629)
Net cash provided by operating activities		228,952,826	181,445,068	201,713,070	95,769,200
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash received from short-term loans to a related company		-	-	-	4,000,000
Cash payments for purchase of a subsidiary,					
net of cash received	4	-	(90,005,300)	-	(115,005,000)
Cash payments for purchases of plant and equipment		(14,052,986)	(34,676,604)	(10,533,416)	(9,623,847)
Cash received from sales of equipment		202,300	177,002	60,244	163,333
Cash payments for purchases of intangible assets		(11,560,350)	(3,293,445)	(11,560,350)	(3,293,445)
Dividend income		-	-	-	19,499,942
Interest income		1,107,543	1,345,810	1,104,851	1,349,583
Net cash provided used in investing activities		(24,303,493)	(126,452,537)	(20,928,671)	(102,909,434)

SUCCESSMORE BEING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received from short-term borrowings from a related company		-	-	6,000,000	-
Cash paid for lease liabilities	6.1	(12,581,454)	(10,973,638)	(12,581,454)	(10,973,638)
Cash received from shares subscription		-	272,210,669	-	272,210,669
Dividends paid		(92,398,311)	(51,300,000)	(92,398,311)	(51,300,000)
Interest paid		(3,523,052)	(3,463,420)	(3,523,052)	(3,478,757)
Net cash provided by (used in) financing activities		<u>(108,502,817)</u>	<u>206,473,611</u>	<u>(102,502,817)</u>	<u>206,458,274</u>
Net increase in cash and cash equivalents before effect of exchange rate		96,146,516	261,466,142	78,281,582	199,318,040
Effect of exchanged rate differences on translation of financial statements		<u>(707,610)</u>	<u>440,293</u>	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		<u>95,438,906</u>	<u>261,906,435</u>	<u>78,281,582</u>	<u>199,318,040</u>
Cash and cash equivalents as at January 1,		<u>468,184,973</u>	<u>206,278,538</u>	<u>391,334,567</u>	<u>192,016,527</u>
Cash and cash equivalents as at December 31,	7	<u><u>563,623,879</u></u>	<u><u>468,184,973</u></u>	<u><u>469,616,149</u></u>	<u><u>391,334,567</u></u>

Notes to the financial statements form an integral part of these statements

SUCCESSMORE BEING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Notes	Contents
1	The Company's operations and general information
2	Basis of preparation and presentation of the financial statements
3	Significant accounting policies
4	Business acquisition
5	Related parties transactions
6	Additional cash flow information
7	Cash and cash equivalents
8	Trade and other current receivables
9	Inventories
10	Bank deposit used as collateral
11	Property, plant and equipment
12	Right-of-use assets
13	Intangible assets
14	Deferred tax assets (liabilities) and income tax expense
15	Trade and other current payables
16	Lease liabilities
17	Non-current provision for employee benefits
18	Share capital and premium on ordinary shares
19	Legal reserve and other components of shareholders' equity
20	Other income
21	Expenses by nature
22	Finance costs
23	Earnings per share
24	Financial information by segment
25	Provident fund
26	Dividends paid
27	Financial instruments
28	Determination of fair value
29	Commitments
30	Event after the reporting period
31	Approval of the financial statements

SUCCESSMORE BEING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1. THE COMPANY'S OPERATIONS AND GENERAL INFORMATION

Successmore Being Public Company Limited (the "Company") was incorporated under the Thai Civil and Commercial Code on November 8, 2012. Subsequently, the Company converted the status into a public limited company in accordance with the Public Limited Companies Act on March 6, 2019. The Company's registered address is at 10/1-2 Rachadaphisek Rd., Chatuchak, Chatuchak, Bangkok. The Company has 5 branches located in Bangkok and Metropolitan Region and 17 branches located in other provinces.

On September 8, 2020, the Company has been approved for offering its shares for initial public offering by the Stock Exchange of Thailand (SET). The symbol is SCM.

The main objective of the Company and its subsidiaries (collectively called as "the Group") is to manufacture and operate direct selling business of cosmetic, equipment and tools for beauty, food supplements, and consumption goods including agricultural goods.

Details of the Group's subsidiaries as at December 31, are as follows:

Name of the entities	Type of business	Country of incorporation	Company ownership interest (%)	
			2021	2020
Direct subsidiaries				
Successmore Being Laboratory Co., Ltd.	To manufacture and distribute supplementary foods and cosmetics	Thailand	100	100
Success Spirit Company Limited	To research and develop supplementary foods and cosmetics and arrange seminar	Thailand	100	100
SCM Innovative Co., Ltd.	To manufacture and distribute supplementary foods and cosmetics	Thailand	55	55
Indirect subsidiaries				
SCM Spirit (Myanmar) Co., Ltd.	Render personnel services and arrange seminar	Myanmar	100	100

The Company has extensive transactions and relationships with its related parties. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred had the Company operated without such affiliations.

Coronavirus Disease 2019 Pandemic

The Coronavirus disease 2019 (“COVID-19”) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. Nevertheless, the Group management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

- 2.1 The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
- 2.2 The Group’s financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2019 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statement (No.3) B.E. 2562” dated December 26, 2020.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).
- 2.4 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Group has adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements.

- 2.5 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Amendment to Thai Financial Reporting Standards No. 16 “Leases” (“TFRS 16”) added the requirements for the temporary exception arising from the Phase 2 of the interest rate benchmark reform amendments, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

The Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards No. 4 “Insurance Contracts”, Thai Financial Reporting Standards No. 7 “Financial Instruments: Disclosures” (“TFRS 7”), and Thai Financial Reporting Standards No. 9 “Financial Instruments” (“TFRS 9”), which have been announced in the Royal Gazette on June 28, 2021 and will be effective for the financial statements for the period beginning on or after January 1, 2022 onwards with earlier application permitted. The amendment to such Thai Financial Reporting Standards is relevant to the Phase 2 of the interest rate benchmark reform amendments which provided practical expedients for the modification of the contractual cash flows of financial assets or financial liabilities resulted from the interest rate benchmark reform, including temporary exceptions from specific hedge accounting requirements, and additional disclosure requirements of TFRS 7.

In addition, the Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards which have been announced in the Royal Gazette on December 22, 2021, as follow:

- Thai Financial Reporting Standards No. 1 “First-time Adoption of Thai Financial Reporting Standards”, to be effective for the financial statements for the period beginning on or after January 1, 2022 onwards.

The Group’s management will adopt such TFRSs in the preparation of the Group’s financial statements when it becomes effective. The Group’s management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The English version of the consolidated and separate financial statements have been prepared from the Thai version of the consolidated and separate financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version consolidated and separate financial statements in accordance with the Thai law is superseded.

The financial statements have been prepared under the measurement basis of historical cost except as disclosed in the significant accounting policies as follows:

3.1 Basis of preparation of the consolidation financial statements

The consolidated financial statements comprise the Company and its subsidiaries’ financial statements.

Business combinations

The Group applies the acquisition method for all business combinations except for the business combination under common control.

The Group’s control is achieved when the Group (1) has power over the investee (2) is exposed, or has rights, to variable returns from its involvement with the investee and (3) has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Goodwill is measured at the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. If the net realized amount (fair value) of identifiable assets acquired and liability assumed is higher than the fair value of the consideration transfer, the Group will recognize the surplus as gain in statement of profit or loss.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognized as other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree or measures using the fair value.

Costs associated with the Group's acquisitions incurred in connection with a business combination, such as legal fees, and other professional and consulting fees are recognized as expenses when incur.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognized at the carrying amounts recognized previously in the Group controlling shareholder's consolidated financial statements. Surplus arising from business combination under common control represents the difference between the cost of the combination and the carrying amounts of net identifiable assets at the date of combination. The difference arising from common control transactions is recognized under shareholders' equity until disposal of the investment.

Transactions eliminated on consolidation financial statements

Significant intra-group balances and transactions have been eliminated in the preparation of the consolidated financial statements. The consolidated financial statements for the years ended December 31, 2021 and 2020 were prepared by using the financial statements of its subsidiaries as of the same date.

3.2 Foreign currencies

Transactions in foreign currencies

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Translation gains or losses are recognized as profit or loss in statement of profit or loss and other comprehensive income.

Non-monetary assets and liabilities measured at historical cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities for which settlement is neither planned nor likely to occur in a foreseeable future is treated as part of net investment in the foreign operation of the Company. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation shall be recognized in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g. consolidated financial statements when the foreign operation is a subsidiary), such exchange differences shall be recognized initially in other comprehensive income and reclassified from equity to profit or loss on a disposal of the net investment.

Foreign entities

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

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

Foreign exchange differences arising on translation are recognized as other comprehensive income in the statement of profit or loss and other comprehensive income and presented as the foreign currency translation reserve in equity until a disposal of the investment.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash, all deposits at financial institutions with the original maturities of three months or less and highly liquid short-term investments, excluding cash at banks used as collateral.

3.4 Trade and other current receivables

Trade receivables and other current receivables are stated at their invoice value less allowance for expected credit losses, if any.

The allowance for expected credit losses has disclosed in Note 3.6.

3.5 Inventories

Inventories are measured at the lower of cost and net realizable value. Cost of inventories is calculated using the weighted average method

Cost of inventories are comprised all costs of purchase deducted trade discounts, rebates and other similar items, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the costs of completion, including selling expenses.

Allowance for diminution in value of inventories is recorded based on the items that are expected to be unused or unsalable.

3.6 Financial instruments

Initial recognition and measurement of financial assets and financial liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Subsequent measurement of financial assets

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

The financial assets that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is held within a business model whose objective is to hold financial assets 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.

The financial assets that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI);

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; 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.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortized cost. The Group applies simplified approach for credit-impaired consideration.

Subsequent measurement of financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

3.7 Investments in subsidiaries

Investments in subsidiaries are presented in the Company's separate financial statements by the cost method less allowance for impairment, if any

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognized as profit or loss in the statement of profit or loss and other comprehensive income.

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

3.8 Property, plant and equipment

Recognition and measurement

Property is measured at cost less allowance for impairment losses, if any.

Plant and equipment are measured at cost less accumulated depreciation and allowance for impairment losses, if any.

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

When parts of an item of property, plant and equipment have different useful lives, they are accounted for separately by major components.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net as profit or loss in the statement of profit or loss and other comprehensive income.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The replaced part are amortized to the carrying amount. The costs of the day-to-day servicing of property, plant and equipment are recognized as an expense in the statement of profit or loss and other comprehensive income as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount of plant and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged as an expense to the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Building	20 years
Leasehold improvements	5 years
Tools and equipment	5 - 10 years
Furniture and office equipment	5 years
Computers	3 - 5 years
Vehicles	5 years

No depreciation is provided on land and construction in progress.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

The Group recognizes repair and maintenance as an expense in the statement of profit or loss and other comprehensive income during the financial year in which they are occurred.

3.9 Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in Note 3.1. Subsequent to the initial recognition, goodwill is measured at cost less allowance for impairment. The Group assesses an impairment of goodwill annually, regardless of consideration of indication that such goodwill may be impaired.

Goodwill is allocated to each of the Group's cash-generating units that is expected to benefit from the synergies of the business combination.

3.10 Intangible asset other than goodwill

Food supplement and cosmetic recipes

Food supplement and cosmetic recipes are intangible assets acquired in a business acquisition which are recognized separately from goodwill and recognized initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business acquisition and with definite useful lives are reported at cost less accumulated amortization and allowance for impairment losses, if any.

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and allowance for impairment losses, if any.

Amortization

Amortization is calculated over the cost of the asset less its residual value.

Amortization is recognized as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of intangible asset, other than goodwill, from the date that they are available for use. The estimated useful lives are as follows:

Computer software	5 years
Food supplement and cosmetic recipes	13 years

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets with definite useful lives are tested for impairment when there is an indicator that the asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired.

3.11 Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized as an expense in the statement of profit or loss and other comprehensive income unless it reverses a previous revaluation credited to equity and it subsequently impairs in which case it is charged to the statements of profit or loss and other comprehensive income.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the higher of the asset's value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of goodwill is not reversed.

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized as an expense in the statement of profit or loss and other comprehensive income.

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications of impairment the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, as if no impairment loss had been recognized.

3.12 Interest-bearing liabilities

Interest-bearing liabilities are recognized initially at fair value less attributable transaction charges in relation to the liabilities. Subsequent to initial recognition, interest-bearing liabilities are stated at amortized cost with any difference between cost and redemption value being recognized as an expense in the statement of profit or loss and other comprehensive income over the period of the borrowings.

3.13 Provision

Provisions are recognized when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.14 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plans under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit or loss and other comprehensive income in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plans is a post-employment benefit plans other than a defined contribution plans. The benefit is discounted to determine its present value based on salary, mortality rate, service period and other factors. The discount rate used in determining post-employment benefit obligation is the yield of the government bond.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized as an expense in the statement of comprehensive income on a straight-line basis until the benefits become vested. To the extent that the benefits is vested, the expense is recognized immediately in the statement of profit or loss and other comprehensive income.

The Group recognizes all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in the statement of profit or loss and other comprehensive income.

Past service cost related to the plan amendment is recognized as an expense in the statement of profit or loss and other comprehensive income when the plan amendment is effective.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted cash flow basis and are recognized as an expense in the statement of profit or loss as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.15 Revenue recognition

3.15.1 Revenue from sales and rendering services

Revenues from sales of goods are recognized at a particular point when control of the goods has transferred to the buyer. Revenues from sales are stated at the invoiced value, excluding value-added tax, of goods supplied after deducting discounts and goods return.

Revenues from services are recognized at over a period of time when the service has been provided

3.15.2 Dividend received

Dividend received is recognized on the date the Group's right to receive payments is established.

3.15.3 Interest income and other income

Interest income and other income are recognized in the statement of profit or loss and other comprehensive income on an accrual basis.

3.16 Expense recognition

Expenses are recognized on an accrued basis.

3.17 Finance costs

Finance costs comprise interest expense on borrowings and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of profit or loss and other comprehensive income using the effective interest method.

3.18 Leases

The Group as lessees

The Group assess whether a lease is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group use its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentive receivables;

- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the leasee under residual value guarantees;
- The exercise price of purchase options, if the leasee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated and separate statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified or/and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Accounting Treatment Guidance on “The temporary relief measure for additional accounting alternative to alleviate the impact from COVID-19 outbreak”. In case the Group receives reduction in lease payments by lessors. The Group reverses depreciation of right-of-use assets and interest on lease liabilities recognized in each month in proportion to the reduction, with any differences than recognized in profit or loss.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under Thai Accounting Standards No. 37 “Provision” (“TAS 37”). To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfer ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated and separate statements of financial position.

The Group applies Thai Accounting Standards No. 36 “Impairment of assets” (“TAS 36”) to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense for the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss.

3.19 Income tax expense

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized as income or expenses in the statement of income and other comprehensive income except to the extent that they relate to a business combination, or items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable derived from a computation of profit or loss using tax rates enacted and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction in the consolidated financial statement that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period when such a determination is made.

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same taxation authority and the Company and its subsidiaries intend to settle its current tax assets and liabilities on a net basis.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized. The Company recognizes deferred tax liabilities for all taxable temporary differences in the consolidated and separate financial statements.

3.20 Earnings per share

The calculations of basic earnings per share for the year are based on the profit for the year attributable to equity holders divided by the weighted-average number of ordinary shares held by outsiders outstanding during the year. The calculations of diluted earnings per share for the year are based on the weighted-average number of ordinary shares on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

3.21 Fair value measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability as market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

3.22 Use of management's judgments

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) requires the Group's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Critical judgments in applying the accounting policies are as follows:

Impairment

The Group's and the Company's balance assets with definite useful lives are tested for impairment when there is an indicator that the asset may be impaired. The asset balances with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired.

Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of such obligations.

Determination of periods covered by an option to extend the lease or periods covered by an option to terminate the lease – lessee

In assessing lease periods, it required to use management judgement whether there is reasonably certain to exercise an option to extend a lease or terminate a lease by consider all relevant facts and circumstances that create an economic incentive to exercise the option. The Group's management will reassess the lease term when there is a significant event or a significant change in circumstances that is within the control and affects to reasonably certain to exercise an option.

4. BUSINESS ACQUISITION

On March 10, 2020, the Company purchased shares of SCM Innovative Company Limited ("SMI") which is a company registered in Thailand from the SMI's former shareholders of 5,499,998 shares or 55% of SMI's issued and paid-up shares capital, totaling of Baht 115.01 million.

During the year 2020, the Company engaged an independent appraiser to appraise the fair value of identifiable assets acquired and liabilities assumed and allocation of fair value at the acquisition date. The Company received the purchase price allocation report dated July 30, 2020 from the independent appraiser. The Company has applied Thai Financial Reporting Standard No. 3 (revised 2017) “Business combinations” to recognize the business combination transaction.

The net identifiable assets acquired on the date of acquisition measured at the carrying amount, were as follows:

	Unit : Baht
Cash and cash equivalents	24,999,700
Other receivables	47,697
Share subscription receivables	75,000,000
Property, plant and equipment (see Note 11)	29,281,730
Food supplement and cosmetic recipes (see Note 13)	134,590,916
Accrued land and building expenses	(29,802,451)
Accrued expenses	(43,000)
Deferred tax liabilities (see Note 14)	(26,918,183)
Identifiable assets and liabilities - net	207,156,409
Non-controlling interests <i>(calculated by acquiree's identifiable net assets according to proportionate ownership held by non-controlling interest)</i>	93,220,384
Consideration transferred	115,005,000
Goodwill	1,068,975

The Company recognized the adjustment to fair value of these identifiable net assets and liabilities and recorded the difference amount between the purchasing price and the value of consideration received as goodwill amounting to Baht 1.07 million.

5. RELATED PARTIES TRANSACTIONS

The Company's business includes transactions with its related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. Therefore, the financial statements reflect the effects of these transactions on the basis determined by the Company and the related parties. The prices of these transactions are based on the prices indicated in the agreements or contracts which are in the normal course of business. The Company does not have purchase transactions for similar goods with other suppliers.

Transactions between related parties are as follows:

5.1 Investments in subsidiaries as at December 31, consist of:

Company name	Paid-up capital		Ownership %		Unit : Baht	
	2021	2020	2021	2020	Cost	2020
Successmore Being Laboratory Co., Ltd.	4,999,970	4,999,970	100	100	4,999,970	4,999,970
Success Spirit Company Limited	9,999,970	9,999,970	100	100	9,999,970	9,999,970
SCM Innovative Co., Ltd.	100,000,000	100,000,000	55	55	115,005,000	115,005,000
					<u>130,004,940</u>	<u>130,004,940</u>

5.2 Balances with related parties as at December 31, consist of:

Account name/ Company's name	Relationship	Unit : Baht			
		Consolidated		Separate	
		Financial Statements	Financial Statements	Financial Statements	Financial Statements
		2021	2020	2021	2020
Trade receivables					
Successmore Being Laboratory Co., Ltd.	Subsidiary	-	-	3,796	6,197
Success Spirit Company Limited	Subsidiary	-	-	27,892	36,944
		-	-	31,688	43,141
Other receivables					
Success Spirit Company Limited	Subsidiary	-	-	451,013	451,013
SCM Spirit (Myanmar) Co., Ltd.	Indirect subsidiary	-	-	-	3,131,354
		-	-	451,013	3,582,367
Short-term loans					
Successmore Being Laboratory Co., Ltd. *	Subsidiary	-	-	-	6,000,000
Advance payments					
Successmore Being Laboratory Co., Ltd.	Subsidiary	-	-	-	1,969,385
SCM Innovative Co.,Ltd.	Subsidiary	-	-	-	261,780
		-	-	-	2,231,165
Accrued income					
SCM Spirit (Myanmar) Co., Ltd.	Indirect subsidiary	-	-	-	1,364,745
Accrued interest income					
Successmore Being Laboratory Co., Ltd.	Subsidiary	-	-	-	29,658
Trade payable					
Successmore Being Laboratory Co., Ltd.	Subsidiary	-	-	-	1,198,202
SCM Innovative Co.,Ltd.	Subsidiary	-	-	11,980,732	10,801,787
		-	-	11,980,732	11,999,989
Other payable					
Successmore Being Laboratory Co., Ltd.	Subsidiary	-	-	2,475	30,550
Success Spirit Company Limited	Subsidiary	-	-	1,218,179	45,181
		-	-	1,220,654	75,731
Accrued Management compensation					
Management and directors	Management	8,306,676	8,071,587	8,306,676	8,071,587

* As at December 31, 2020, the Company had short-term loans to a related company of Baht 6.00 million with interest rates at 5.82% per annum. Such loans are unsecured and due for payment at call. (2021: nil).

5.3 Transactions with related parties for the years ended December 31, consist of:

Account name/ Company's name	Relationship	Unit : Baht			
		Consolidated		Separate	
		Financial Statements	Financial Statements	Financial Statements	Financial Statements
		2021	2020	2021	2020
Revenues from sales and rendering services					
Successmore Being Laboratory Co., Ltd.	Subsidiary	-	-	49,181	22,936
Success Spirit Company Limited	Subsidiary	-	-	336,693	174,309
		-	-	385,874	197,245
Other income					
Successmore Being Laboratory Co., Ltd.	Subsidiary	-	-	588,000	708,000
SCM Spirit (Myanmar) Co.,Ltd.	Indirect subsidiary	-	-	-	1,364,745
Success Spirit Company Limited	Subsidiary	-	-	1,440,000	1,440,220
		-	-	2,028,000	3,512,965
Dividend income					
Success Spirit Company Limited	Subsidiary	-	-	-	19,499,942
Interest income					
Successmore Being Laboratory Co., Ltd.	Subsidiary	-	-	314,758	711,510
Purchases					
Successmore Being Laboratory Co., Ltd.	Subsidiary	-	-	5,384,698	17,059,623
SCM Innovative Co.,Ltd.	Subsidiary	-	-	106,245,230	35,638,311
		-	-	111,629,928	52,697,934
Administrative expenses					
Success Spirit Company Limited	Subsidiary	-	-	27,594,705	32,405,115
Successmore Being Laboratory Co., Ltd.	Subsidiary	-	-	4,065,551	3,246,654
SCM Innovative Co.,Ltd.	Subsidiary	-	-	-	6,930
		-	-	31,660,256	35,658,699
Interest Expense					
Success Spirit Company Limited	Subsidiary	-	-	-	15,337
Managements' remuneration					
Management and directors	Management	48,313,035	29,996,100	39,298,355	19,210,500

Sales are determined based on cost plus margin. Service revenues and other service fee income are determined based on rate as stipulated in the agreements which are in the normal course of business.

Prices for products purchased from related companies are determined by the Company and its related companies, at the cost plus margin. Majority of its products are purchased from SCM Innovative Co., Ltd.

6. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

6.1 Movements of liabilities arising from financing activities are as follows:

For the year ended December 31, 2021

	Consolidated and separate financial statements			Unit : Baht
	Balance as at January 1, 2021	Net financing cash flows	Non-monetary items	Balance as at December 31, 2021
Lease liabilities (included current portion)	<u>52,741,700</u>	<u>(12,581,454)</u>	<u>8,801,714</u>	<u>48,961,960</u>

For the year ended December 31, 2020

	Consolidated and separate financial statements			Unit : Baht
	Consequence from initial apply to TFRS 16 as at January 1, 2020	Net financing cash flows	Non-monetary items	Balance as at December 30, 2020
Lease liabilities (included current portion)	<u>63,025,613</u>	<u>(10,973,638)</u>	<u>689,725</u>	<u>52,741,700</u>

6.2 The unused credit facilities as at December 31 consist of the following:

	Consolidated and separate financial statements		Unit : Baht
	2021	2020	
Short-term credit facilities	145,000,000	85,000,000	

The Group has short-term credit facilities with financial institutions pledged by fixed deposit account (see Note 10).

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consisted of the following:

	Consolidated financial statements		Separate financial statements		Unit : Baht
	2021	2020	2021	2020	
Cash on hand	2,835,989	1,571,507	1,110,895	1,482,314	
Current accounts and savings accounts	560,742,811	361,547,293	468,460,175	284,786,080	
Fixed deposits not exceeding 3 months	<u>45,079</u>	<u>105,066,173</u>	<u>45,079</u>	<u>105,066,173</u>	
	<u>563,623,879</u>	<u>468,184,973</u>	<u>469,616,149</u>	<u>391,334,567</u>	

8. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, consisted of the following:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Trade receivables - related companies	-	-	31,688	43,141
Trade receivables - other companies	39,438,638	43,365,086	33,893,880	32,270,166
	39,438,638	43,365,086	33,925,568	32,313,307
Other receivables - a related company	-	-	451,013	3,582,367
Other receivables - other companies	38,381,686	6,387,917	38,381,686	6,387,917
Prepaid expenses	7,393,960	5,572,218	5,787,545	3,709,629
Accrued income	17,647	1,097,575	17,647	2,491,977
Advance payments for purchase of inventories	30,487,837	23,521,507	30,379,837	25,659,590
	115,719,768	79,944,303	108,943,296	74,144,787

Aging analysis for trade receivables as at December 31, consisted of the following:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Related companies				
Not due	-	-	31,688	43,141
Other companies				
Not due	20,036,550	43,365,086	16,642,680	32,270,166
Over due: Less than 3 months	19,402,088	-	17,251,200	-
	39,438,638	43,365,086	33,925,568	32,313,307

9. INVENTORIES

Inventories as at December 31, consisted of the following:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Finished goods	73,298,402	46,534,855	80,861,073	52,772,571
Raw materials	3,424,117	1,600,805	-	-
Packaging	3,688,303	1,242,961	1,592,682	716,244
<u>Less</u> Allowance for diminution in value of inventories	(806,346)	(1,124,209)	(806,346)	(1,124,209)
	79,604,476	48,254,412	81,647,409	52,364,606

Cost of inventories which was recognized as expenses and included in the cost of sales for the years ended December 31, consisted of the following:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Cost of inventories recognized as an expense in cost of sales:				
- Costs of sales	280,814,513	261,382,828	317,226,396	266,929,476
- Loss on allowance for diminution in value of inventories	(317,863)	110,289	(317,863)	110,289
	<u>280,496,650</u>	<u>261,493,117</u>	<u>316,908,533</u>	<u>267,039,765</u>

10. BANK DEPOSIT USED AS COLLATERAL

As at December 31, 2021 and 2020, the Group and the Company pledged deposits at the bank of Baht 5.70 million and Baht 5.50 million, respectively, as collateral for a guarantee of short-term credit facilities (see Note 6.2) and credit card payment by customers.

11. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment, are as follows:

For the year ended December 31, 2021

	Consolidated financial statements				Unit : Baht
	Balance as at January 1, 2021	Increase	Decrease	Transfer in/ (out)	Balance as at December 31, 2021
Cost:					
Land	7,092,120	-	-	-	7,092,120
Building	44,250,364	-	-	-	44,250,364
Leasehold improvements	27,256,870	65,000	-	4,262,911	31,584,781
Tools and equipment	9,559,980	3,192,985	(1,576,610)	1,815,000	12,991,355
Furniture and office equipment	15,347,024	2,580,581	(131,330)	-	17,796,275
Computers	7,969,205	3,636,508	(1,794,948)	-	9,810,765
Vehicles	15,867,400	-	-	-	15,867,400
Total cost	<u>127,342,963</u>	<u>9,475,074</u>	<u>(3,502,888)</u>	<u>6,077,911</u>	<u>139,393,060</u>
Accumulated depreciation:					
Building	(1,422,042)	(2,223,431)	-	-	(3,645,473)
Leasehold improvements	(16,195,321)	(3,855,862)	-	-	(20,051,183)
Tools and equipment	(4,209,043)	(1,269,438)	1,565,271	-	(3,913,210)
Furniture and office equipment	(10,294,902)	(2,038,838)	126,271	-	(12,207,469)
Computers	(5,930,707)	(1,861,473)	1,788,087	-	(6,004,093)
Vehicles	(8,175,451)	(2,812,239)	-	-	(10,987,690)
Total accumulated depreciation	<u>(46,227,466)</u>	<u>(14,061,281)</u>	<u>3,479,629</u>	<u>-</u>	<u>(56,809,118)</u>
Leasehold improvements under construction	<u>1,761,800</u>	<u>4,577,911</u>	<u>-</u>	<u>(6,077,911)</u>	<u>261,800</u>
	<u>82,877,297</u>				<u>82,845,742</u>

For the year ended December 31, 2020

	Consolidated financial statements					Unit : Baht
	Balance as at January 1, 2020	Increase from business acquisition (see Note 4)	Increase	Decrease	Transfer in/ (out)	Balance as at December 31, 2020
Cost:						
Land	1,373,784	5,718,336	-	-	-	7,092,120
Building	3,626,216	23,563,394	17,060,754	-	-	44,250,364
Leasehold improvements	19,689,779	-	6,474,836	-	1,092,255	27,256,870
Tools and equipment	5,228,133	-	4,888,292	(556,445)	-	9,559,980
Furniture and office equipment	15,539,381	-	2,847,651	(3,040,008)	-	15,347,024
Computers	6,786,230	-	1,643,271	(460,296)	-	7,969,205
Vehicles	17,767,400	-	-	(1,900,000)	-	15,867,400
Total cost	<u>70,010,923</u>	<u>29,281,730</u>	<u>32,914,804</u>	<u>(5,956,749)</u>	<u>1,092,255</u>	<u>127,342,963</u>
Accumulated depreciation:						
Building	(45,203)	-	(1,376,839)	-	-	(1,422,042)
Leasehold improvements	(12,978,684)	-	(3,216,637)	-	-	(16,195,321)
Tools and equipment	(3,956,944)	-	(750,644)	498,545	-	(4,209,043)
Furniture and office equipment	(11,049,790)	-	(2,122,046)	2,876,934	-	(10,294,902)
Computers	(5,185,630)	-	(1,173,890)	428,813	-	(5,930,707)
Vehicles	(5,366,410)	-	(3,095,178)	286,137	-	(8,175,451)
Total accumulated depreciation	<u>(38,582,661)</u>	<u>-</u>	<u>(11,735,234)</u>	<u>4,090,429</u>	<u>-</u>	<u>(46,227,466)</u>
Leasehold improvements under construction	<u>1,092,255</u>	<u>-</u>	<u>1,761,800</u>	<u>-</u>	<u>(1,092,255)</u>	<u>1,761,800</u>
	<u>32,520,517</u>					<u>82,877,297</u>
Depreciation for the years ended December 31,						
2021					Baht	<u>14,061,281</u>
2020					Baht	<u>11,735,234</u>

For the year ended December 31, 2021

	Unit : Baht			
	Separate financial statements			
	Balance as at January 1, 2021	Increase	Decrease	Transfer in/ (out)
	Balance as at December 31, 2021			
Cost:				
Land	1,373,784	-	-	-
Building	3,626,216	-	-	-
Leasehold improvements	26,530,997	-	-	4,262,911
Tools and equipment	3,328,858	265,557	(26,186)	-
Furniture and office equipment	13,836,115	2,538,619	(87,130)	-
Computers	7,590,360	3,216,328	(1,794,948)	-
Vehicles	15,867,400	-	-	-
Total cost	<u>72,153,730</u>	<u>6,020,504</u>	<u>(1,908,264)</u>	<u>4,262,911</u>
Accumulated depreciation:				
Building	(226,514)	(181,311)	-	-
Leasehold improvements	(16,154,430)	(3,710,618)	-	-
Tools and equipment	(2,460,013)	(314,584)	26,182	-
Furniture and office equipment	(9,830,620)	(1,795,154)	82,073	-
Computers	(5,699,470)	(1,706,921)	1,788,088	-
Vehicles	(8,175,451)	(2,812,239)	-	-
Total accumulated depreciation	<u>(42,546,498)</u>	<u>(10,520,827)</u>	<u>1,896,343</u>	<u>-</u>
Leasehold improvements under construction	11,800	4,512,911	-	(4,262,911)
	<u>29,619,032</u>			<u>261,800</u>
				<u>29,619,699</u>

For the year ended December 31, 2020

	Unit : Baht			
	Separate financial statements			
	Balance as at January 1, 2020	Increase	Decrease	Transfer in/ (out)
	Balance as at December 31, 2020			
Cost:				
Land	1,373,784	-	-	-
Building	3,626,216	-	-	-
Leasehold improvements	19,689,780	5,748,962	-	1,092,255
Tools and equipment	3,418,074	442,629	(531,845)	-
Furniture and office equipment	15,023,985	1,852,138	(3,040,008)	-
Computers	6,482,339	1,568,318	(460,297)	-
Vehicles	17,767,400	-	(1,900,000)	-
Total cost	<u>67,381,578</u>	<u>9,612,047</u>	<u>(5,932,150)</u>	<u>1,092,255</u>
				<u>72,153,730</u>
Accumulated depreciation:				
Building	(45,203)	(181,311)	-	-
Leasehold improvements	(12,978,684)	(3,175,746)	-	-
Tools and equipment	(2,580,446)	(367,179)	487,612	-
Furniture and office equipment	(10,754,139)	(1,953,415)	2,876,934	-
Computers	(5,075,073)	(1,053,210)	428,813	-
Vehicles	(5,366,410)	(3,095,178)	286,137	-
Total accumulated depreciation	<u>(36,799,955)</u>	<u>(9,826,039)</u>	<u>4,079,496</u>	<u>-</u>
				<u>(42,546,498)</u>
Leasehold improvements under construction	<u>1,092,255</u>	<u>11,800</u>	<u>-</u>	<u>(1,092,255)</u>
	<u>31,673,878</u>			<u>29,619,032</u>
Depreciation for the years ended December 31,				
2021				Baht <u>10,520,827</u>
2020				Baht <u>9,826,039</u>

As at December 31, 2021 and 2020, the Group had certain items of plant and equipment that were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets was Baht 36.53 million and Baht 22.81 million, respectively, and the Company had certain items of plant and equipment that were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets was Baht 35.95 million and 21.28 million, respectively.

12. RIGHT-OF-USE ASSETS

Movement of right-of-use assets for the year ended December 31, was as follows:

For the year ended December 31, 2021

	Consolidated and separate financial statements			Unit : Baht
	Balance as at January 1, 2021	Increase	Decrease	Balance as at December 31, 2021
Cost:				
Buildings	63,391,968	10,698,186	(3,028,467)	71,061,687
Office equipment	323,370	566,900	(143,167)	747,103
Total cost	<u>63,715,338</u>	<u>11,265,086</u>	<u>(3,171,634)</u>	<u>71,808,790</u>
Accumulated amortization:				
Buildings	(12,258,675)	(13,690,487)	745,469	(25,203,693)
Office equipment	(141,688)	(54,489)	104,152	(92,025)
Total accumulated amortization	<u>(12,400,363)</u>	<u>(13,744,976)</u>	<u>849,621</u>	<u>(25,295,718)</u>
	<u>51,314,975</u>			<u>46,513,072</u>

For the year ended December 31, 2020

	Consolidated and separate financial statements		Unit : Baht
	Consequence from initial apply to TFRS 16 as at January 1, 2020	Increase	Balance as at December 31, 2020
Cost:			
Buildings	62,702,243	689,725	63,391,968
Office equipment	323,370	-	323,370
Total cost	<u>63,025,613</u>	<u>689,725</u>	<u>63,715,338</u>
Accumulated amortization:			
Buildings	-	(12,258,675)	(12,258,675)
Office equipment	-	(141,688)	(141,688)
Total accumulated amortization	<u>-</u>	<u>(12,400,363)</u>	<u>(12,400,363)</u>
	<u>63,025,613</u>		<u>51,314,975</u>

Amortization for the years ended December 31,

2021	Baht	<u>13,744,976</u>
2020	Baht	<u>11,907,987*</u>

- * During the year 2020, the Group has elected to apply Accounting Treatment Guidance on “The temporary relief measure for additional accounting alternative to alleviate the impact from COVID-19 outbreak” which the Group has received reduction in lease payments by lessors it resulted to lease liabilities decreased in the amount of Baht 0.49 million. The Group reversed depreciation of right-of-use assets and interest on lease liabilities recognized in each month in proportion to the reduction, with any differences than recognized in profit or loss.

The Group leases buildings and office equipment with the average lease term is 3 years and the Group has options to purchase equipment for a nominal amount at the end of the lease term.

The maturity analysis of lease liabilities is presented in Note 16.

	Unit : Baht	
	Consolidated and separate financial statements	
	2021	2020
Amounts recognized in profit or loss for the years ended December 31,		
Amortization expense on right-of-use assets	13,744,976	11,907,987
Difference from the decreasing of rental expense (see Note 16)	-	492,376
Gain on terminates lease liabilities agreements	(141,359)	-
Interest expense on lease liabilities	3,049,413	3,361,948

For the year ended December 31, 2021 and 2020, the total cash outflow for leases amount to Baht 12.58 million and 15.76 million, respectively.

13. INTANGIBLE ASSETS

Movements of intangible assets, were as follows:

For the year ended December 31, 2021

	Unit : Baht			
	Consolidated financial statements			
	Balance as at January 1, 2021	Increase	Transfers in/(out)	Balance as at December 31, 2021
Cost:				
Computer software	25,046,688	2,654,850	2,586,250	30,287,788
Food supplement and cosmetic recipes	134,590,916	-	-	134,590,916
Goodwill	1,068,975	-	-	1,068,975
Total cost	<u>160,706,579</u>	<u>2,654,850</u>	<u>2,586,250</u>	<u>165,947,679</u>
Accumulated amortization:				
Computer software	(12,061,905)	(4,793,755)	-	(16,855,660)
Food supplement and cosmetic recipes	(8,424,342)	(10,353,147)	-	(18,777,489)
Total accumulated amortization	<u>(20,486,247)</u>	<u>(15,146,902)</u>	<u>-</u>	<u>(35,633,149)</u>
Computer software under installation	<u>877,000</u>	<u>8,905,500</u>	<u>(2,586,250)</u>	<u>7,196,250</u>
	<u>141,097,332</u>			<u>137,510,780</u>

For the year ended December 31, 2020

	Consolidated financial statements				Unit : Baht
	Balance as at January 1, 2020	Increase from business acquisition (see Note 4)	Increase	Transfers in/(out)	Balance as at December 31, 2020
Cost:					
Computer software	19,270,243	-	2,416,445	3,360,000	25,046,688
Food supplement and cosmetic recipes	-	134,590,916	-	-	134,590,916
Goodwill	-	1,068,975	-	-	1,068,975
Total cost	<u>19,270,243</u>	<u>135,659,891</u>	<u>2,416,445</u>	<u>3,360,000</u>	<u>160,706,579</u>
Accumulated amortization:					
Computer software	(7,847,301)	-	(4,214,604)	-	(12,061,905)
Food supplement and cosmetic recipes	-	-	(8,424,342)	-	(8,424,342)
Total accumulated amortization	<u>(7,847,301)</u>	<u>-</u>	<u>(12,638,946)</u>	<u>-</u>	<u>(20,486,247)</u>
Computer software under installation	<u>3,360,000</u>	<u>-</u>	<u>877,000</u>	<u>(3,360,000)</u>	<u>877,000</u>
	<u>14,782,942</u>				<u>141,097,332</u>
Amortization for the years ended December 31,					
2021				Baht	<u>15,146,902</u>
2020				Baht	<u>12,638,946</u>

For the year ended December 31, 2021

	Separate financial statements			Unit : Baht
	Balance as at January 1, 2021	Increase	Transfer in/(out)	Balance as at December 31, 2021
Computer software				
Cost	20,282,698	2,654,850	2,586,250	25,523,798
<u>Less</u> Accumulated amortization	<u>(10,947,542)</u>	<u>(3,840,956)</u>	<u>-</u>	<u>(14,788,498)</u>
	9,335,156			10,735,300
Computer software under installation	<u>877,000</u>	<u>8,905,500</u>	<u>(2,586,250)</u>	<u>7,196,250</u>
	<u>10,212,156</u>			<u>17,931,550</u>

For the year ended December 31, 2020

	Unit : Baht		
	Separate financial statements		
	Balance as at January 1, 2020	Increase	Balance as at December 31, 2020
Computer software			
Cost	17,866,253	2,416,445	20,282,698
<u>Less</u> Accumulated amortization	<u>(7,494,261)</u>	<u>(3,453,281)</u>	<u>(10,947,542)</u>
	10,371,992		9,335,156
Computer software under installation	-	877,000	877,000
	<u>10,371,992</u>		<u>10,212,156</u>
Amortization for the years ended December 31,			
2021		Baht	<u>3,840,956</u>
2020		Baht	<u>3,453,281</u>

14. DEFERRED TAX ASSETS (LIABILITIES) AND INCOME TAX EXPENSE

Deferred tax assets (liabilities) as at December 31, consisted of:

	Unit : Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax assets	3,460,749	2,753,545	2,433,336	2,016,923
Deferred tax liabilities	(23,162,685)	(25,233,315)	-	-
Deferred tax assets (liabilities) - net	(19,701,936)	(22,479,770)	2,433,336	2,016,923

Movements of deferred tax assets (liabilities), were as follows:

For the year ended December 31, 2021

	Unit : Baht		
	Consolidated financial statements		
	Balances as at January 1, 2021	Recognized in profit or loss	Balances as at December 31, 2021
Deferred tax assets			
Allowance for diminution in value inventories	224,842	(63,573)	161,269
Lease liabilities	285,346	204,432	489,778
Non-current provision for employee benefit	2,243,357	566,345	2,809,702
	<u>2,753,545</u>	<u>707,204</u>	<u>3,460,749</u>
Deferred tax liabilities			
Food supplement and cosmetic recipes	(25,233,315)	2,070,630	(23,162,685)
Deferred tax assets (liabilities) - net	<u>(22,479,770)</u>	<u>2,777,834</u>	<u>(19,701,936)</u>

	Unit : Baht		
	Separate financial statements		
	Balances as at January 1, 2021	Recognized in profit or loss	Balances as at December 31, 2021
Allowance for diminution in value of inventories	224,842	(63,573)	161,269
Lease liabilities	285,346	204,433	489,779
Non-current provision for employee benefit	1,506,735	275,553	1,782,288
	<u>2,016,923</u>	<u>416,413</u>	<u>2,433,336</u>

For the year ended December 31, 2020

	Consolidated financial statements					Unit : Baht
	Balances as at January 1, 2020	Increase from business acquisition (see Note 4)	Recognized in profit or loss	Recognized in other comprehensive income or loss	Reversed	Balances as at December 31, 2020
Deferred tax assets						
Allowance for diminution in value inventories	202,784	-	22,058	-	-	224,842
Lease liabilities	-	-	285,346	-	-	285,346
Non-current provision for employee benefit	2,441,873	-	764,494	(232,437)	(730,573)	2,243,357
	<u>2,644,657</u>	<u>-</u>	<u>1,071,898</u>	<u>(232,437)</u>	<u>(730,573)</u>	<u>2,753,545</u>
Deferred tax liabilities						
Food supplement and cosmetic recipes	-	(26,918,183)	1,684,868	-	-	(25,233,315)
	<u>-</u>	<u>(26,918,183)</u>	<u>1,684,868</u>	<u>-</u>	<u>-</u>	<u>(25,233,315)</u>
Deferred tax assets (liabilities) - net	<u>2,644,657</u>	<u>(26,918,183)</u>	<u>2,756,766</u>	<u>(232,437)</u>	<u>(730,573)</u>	<u>(22,479,770)</u>

During the year ended December 31, 2020, the Group reversed deferred tax assets relating to the temporary difference of Baht 0.73 million because it is no longer probable that sufficient taxable profit will be available to allow the benefit of deferred tax assets to be utilized.

	Separate financial statements			Unit : Baht
	Balances as at January 1, 2020	Recognized in profit or loss	Recognized in other comprehensive income or loss	Balances as at December 31, 2020
Allowance for diminution in value of inventories	202,784	22,058	-	224,842
Lease liabilities	-	285,346	-	285,346
Non-current provision for employee benefit	1,356,442	157,340	(7,047)	1,506,735
	<u>1,559,226</u>	<u>464,744</u>	<u>(7,047)</u>	<u>2,016,923</u>

Income tax expense for the years ended December 31, consisted of:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Current income tax expense	60,468,537	18,382,843	52,735,857	10,836,066
Deferred tax in respect of temporary differences	(2,777,834)	(2,026,193)	(416,413)	(464,744)
Income tax expense	<u>57,690,703</u>	<u>16,356,650</u>	<u>52,319,444</u>	<u>10,371,322</u>

The income tax expense for years ended December 31 can be reconciled to the accounting profit as follows:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Profit before income tax expense	281,505,134	82,997,945	255,327,132	77,564,774
Corporate income tax rates	0-25%	0-25%	20%	20%
Income tax expense using applicable tax rate of 20%	57,314,855	15,287,200	51,065,426	15,512,955
Income tax expense using applicable tax rate of 25%	-	313,154	-	-
Income tax expense using applicable tax rates of 0% - 20%	1,030,733	5,483,236	-	-
Tax effect of expenses that are not taxable expenses	2,122,949	1,730,913	1,670,431	1,316,220
Tax effect of income that are taxable income	-	(3,899,988)	-	(3,899,988)
Tax effect of expenses that are taxable expenses	(2,777,834)	(2,557,865)	(416,413)	(2,557,865)
Tax expense	<u>57,690,703</u>	<u>16,356,650</u>	<u>52,319,444</u>	<u>10,371,322</u>
Effective tax rates	20%	19%	20%	13%

15. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, consisted of:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Trade payables - Related companies	-	-	11,980,732	11,999,989
Trade payables - Other companies	38,458,831	39,961,155	29,709,503	32,394,369
	<u>38,458,831</u>	<u>39,961,155</u>	<u>41,690,235</u>	<u>44,394,358</u>
Other payables - Related companies	-	-	1,220,654	75,731
Other payables - Other companies	9,799,325	5,728,548	8,466,419	4,066,510
Unearned income	19,635,316	18,424,934	19,557,372	18,424,934
Accrued compensations for members	50,325,348	42,134,130	50,325,348	42,134,130
Accrued expenses	16,606,785	15,177,781	15,557,404	13,458,520
	<u>134,825,605</u>	<u>121,426,548</u>	<u>136,817,432</u>	<u>122,554,183</u>

16. LEASE LIABILITIES

Lease liabilities as at December 31, were as follows:

	Unit : Baht	
	Consolidated and separate financial statements	
	2021	2020
Maturity analysis:		
Year 1	17,747,503	14,396,445
Year 2	17,316,132	14,352,345
Year 3	11,256,720	13,780,582
Year 4	7,046,109	9,648,004
Year 5	742,721	7,321,110
Over 5 year	-	742,721
	54,109,185	60,241,207
<u>Less: Unearned interest</u>	<u>(5,147,225)</u>	<u>(7,499,507)</u>
	48,961,960	52,741,700
<u>Less: Current portion</u>	<u>(15,250,297)</u>	<u>(11,513,717)</u>
	<u>33,711,663</u>	<u>41,227,983</u>

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

Additionally, the Group has benefited from a 3 - 5 months lease payment holiday on buildings. The payment holiday reduces payments in the period of April 1, 2020 by Baht 695,360 and increases in payments in the period of August 31, 2020 by Baht 851,191. The Group has remeasured the lease liabilities using the revised lease payments and the discount rate originally applied to the lease, resulting in a decrease in the lease liabilities of Baht 492,376, which has been recognized as a negative variable lease payment in profit or loss (see Note 12).

17. NON-CURRENT PROVISION FOR EMPLOYEE BENEFIT

Non-current provision for employee benefits as at December 31, were as follows:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Statement of financial position				
as at December 31,				
Obligations in statement of financial position:				
Post-employment benefits				
Retirement benefit plans	14,068,158	11,229,100	8,911,447	7,533,680
Statement of comprehensive income for				
the years ended December 31,				
Recognized in profit or loss:				
Post-employment benefits				
Retirement benefit plans	3,009,698	3,189,318	1,548,407	1,746,707
Recognized in other comprehensive income				
Actuarial (gains) losses	-	(2,956,743)	-	(35,235)
	<u>3,009,698</u>	<u>232,575</u>	<u>1,548,407</u>	<u>1,711,472</u>

Retirement benefit plans

The Group operates a retirement benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service.

Obligations in the statements of financial position as at December 31, were as follows:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Present value of unfunded obligations	14,068,158	11,229,100	8,911,447	7,533,680
Obligation in the statement of				
financial position	<u>14,068,158</u>	<u>11,229,100</u>	<u>8,911,447</u>	<u>7,533,680</u>

Movements in the present value of the defined benefit obligations for the years ended December 31, were as follows:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Defined benefits obligations as at January 1,	11,229,100	12,209,365	7,533,680	6,782,208
Service cost and interest cost	3,009,698	3,189,318	1,548,407	1,746,707
Benefits paid during the years	(170,640)	(1,212,840)	(170,640)	(960,000)
Gains on remeasurements of defined benefits plans from:				
- Experience adjustment	-	(3,402,329)	-	(417,731)
- Demographic assumption changes	-	(274,812)	-	(114,916)
- Financial assumption changes	-	720,398	-	497,412
Defined benefits obligations as at December 31,	<u>14,068,158</u>	<u>11,229,100</u>	<u>8,911,447</u>	<u>7,533,680</u>

Employee benefits expenses recognized in the statements of profit or loss and other comprehensive income for the years ended December 31, were as follows:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Current service cost	2,871,028	2,593,803	1,459,208	1,302,746
Interest cost	138,670	105,500	89,199	73,864
Past service cost	-	490,015	-	370,097
	<u>3,009,698</u>	<u>3,189,318</u>	<u>1,548,407</u>	<u>1,746,707</u>

Such expense was recognized in profit or loss and other comprehensive income for the years ended December 31, were as follows:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Cost of sales	11,997	5,710	-	-
Administrative expenses	<u>2,997,701</u>	<u>3,183,608</u>	<u>1,548,407</u>	<u>1,746,707</u>
	<u>3,009,698</u>	<u>3,189,318</u>	<u>1,548,407</u>	<u>1,746,707</u>

The principal actuarial assumptions used to calculate the non-current provision for defined employee benefits as at December 31, were as follows:

	Consolidated and Separate financial statements	
	2021	2020
	(% p.a.)	(% p.a.)
Discount rate	1.20 - 2.60	1.20 - 2.60
Turnover rate	0.00 - 30.00	0.00 - 30.00
Salary increasing rate	3.00	3.00

Significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase rate. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The impact on the employee benefit obligations increased / (decreased) as at December 31, are as follows:

	Consolidated		Unit : Baht	
	financial statements		Separate	
	2021	2020	2021	2020
Discount rate - increase by 1%	(805,167)	(684,554)	(478,878)	(425,893)
Discount rate - decrease by 1%	935,083	784,945	547,887	481,231
Turnover rate - increase by 1%	(863,190)	(731,885)	(526,636)	(464,747)
Turnover rate - decrease by 1%	236,446	175,545	184,423	134,925
Future salary - increases by 1 %	1,120,365	814,069	648,615	488,496
Future salary - decreases by 1 %	(987,001)	(725,430)	(578,887)	(441,338)

The sensitivity analysis presented above might not be representative of the actual change in the defined employee benefit obligations as it was unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions might be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation was calculated using the Projected Unit Credit Method at the end of the report period, which was the same as that applied in calculating the post-employment benefit obligations liability recognized in the statement of financial position.

18. SHARE CAPITAL AND PREMIUM ON ORDINARY SHARES

- During August 27 - 31, 2020, the Company had offered 150,000,000 ordinary shares with a par value of Baht 0.50 per share, at an offering price of Baht 1.90 per share totaling Baht 285.00 million to the initial public offering, directors, the Company's management and/or employees. This resulted in premium on ordinary shares amounting to Baht 197.21 million, net of costs of issuing new ordinary shares of Baht 12.79 million, the Company fully received share subscription of Baht 285.00 million and registered the increase in such paid-up share capital with the Department of Business Development on September 1, 2020.
- On December 15, 2021, the Extraordinary Shareholder's Meeting No. 1/2021 passed a resolution as follows;
 - 1) Approved to increase the Company's authorized share capital from Baht 300.00 million, to 400.00 million, by increasing 200.00 million shares with the par value of Baht 0.50 per share, totaling Baht 100.00 million to support the exercise of rights under the warrants to purchase such shares. The Company registered the increase in share capital with the Department of Business Development on December 16, 2021.
 - 2) Approved the issuance and offering of warrants to purchase ordinary shares of the Company (SCM-W1) to the existing shareholders in proportion to their shareholding free of charge in the amount not exceeding 200.00 million units at the rate of 3 existing ordinary shares per 1 unit of warrant and the exercise price is 9.00 Baht per share which can be exercised on June 21, 2022.

19. LEGAL RESERVE AND OTHER COMPONENTS OF SHAREHOLDERS' EQUITY

Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit less the accumulated losses brought forward, if any, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered capital. The legal reserve is not available for dividend distribution.

As at December 31, 2021 and 2020, the Company's legal reserve equaled to Baht 23.90 million and Baht 16.90 million, respectively.

Other components of equity

Differences on translation of financial statements

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Gains (losses) on remeasurements of defined benefit plans

Gains (losses) on remeasurements of defined benefit plans comprise the actuarial gains and losses arising from defined benefit plans.

20. OTHER INCOME

Other income for the years ended December 31, consisted of:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Membership fee income	22,987,949	23,743,856	22,987,949	23,743,856
Trademark fee income	35,366,253	3,410,000	35,366,253	3,410,000
Souvenir sales income	4,758,668	8,405,746	4,758,668	8,405,746
Dividend income	-	-	-	19,499,942
Other income	6,619,765	3,398,975	8,145,370	6,593,472
	<u>69,732,635</u>	<u>38,958,577</u>	<u>71,258,240</u>	<u>61,653,016</u>

21. EXPENSES BY NATURE

Expenses by nature for the years ended December 31, were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Purchased goods available for sales	312,251,576	261,890,573	346,709,458	277,853,998
Depreciation	14,061,281	11,735,234	10,520,827	9,826,039
Amortization	28,891,878	24,546,933	17,585,932	15,361,268
Employee benefits expenses	3,009,968	3,189,318	1,548,407	1,746,707
Rental and service building expenses	2,600,140	3,520,060	2,600,140	3,520,060
Management fees	-	-	25,800,000	25,800,000
Personnel expenses	127,346,093	111,339,414	94,280,591	84,825,435
Compensations for members	457,047,581	483,389,719	457,047,581	483,389,719
Promotion expenses	49,738,400	37,016,118	49,738,400	37,016,118

22. FINANCE COST

Finance costs for the years ended December 31, were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interest from lease liabilities	3,049,413	3,377,285	3,049,413	3,377,285
Other finance costs	473,639	86,135	473,639	101,472
	<u>3,523,052</u>	<u>3,463,420</u>	<u>3,523,052</u>	<u>3,478,757</u>

23. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing net profit for the year of the equity holders of the Company (excluded other comprehensive income) by the weighted average number of ordinary shares issued during the year.

The earnings per share for the years ended December 31, were calculated by based on the profit for the years attributable to ordinary shareholders of the Group and the number of weighted ordinary shares held by shareholders during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Basic earnings per share				
Profit attributable to owners of the Company (Baht)	<u>217,610,930</u>	<u>64,015,436</u>	<u>203,007,688</u>	<u>67,193,452</u>
Weighted average number of ordinary shares (Thousand)	<u>600,000</u>	<u>497,260</u>	<u>600,000</u>	<u>497,260</u>
Basic earnings per share (Baht)	<u>0.36</u>	<u>0.13</u>	<u>0.34</u>	<u>0.14</u>

The Company calculated the weighted average numbers of ordinary shares for the years ended December 31, as follows:

	Consolidated and separate financial statements	
	2021	2020
Number of ordinary shares as at January 1,	600,000,000	450,000,000
<u>Add</u> Weighted average number of ordinary shares issued and paid-up during the year	<u>-</u>	<u>47,260,274</u>
Weighted average number of ordinary shares as at December 31,	<u>600,000,000</u>	<u>497,260,274</u>

24. FINANCIAL INFORMATION BY SEGMENT

Financial information by segments is presented in respect of the Group's business segments. The primary format in segment information report is based on the type of revenue. The Management analysed and reviewed the internal management report which reported the performance of the Group as a whole in order to assess performance and allocate resources. The performance assessment of the reportable segment is based on a measure of revenue, cost, gross profit and profit before financial cost, income tax, depreciation and amortization. Operating segment information is presented as follows:

The Group comprises the following main business segments:

Segment 1	Multi-Level Marketing
Segment 2	Distributor Sales
Segment 3	Rendering Services

During the years ended December 31, 2021 and 2020, the Group has no revenues from sales and rendering services with a single external customer contributed to 10% or more to the Group's total revenues.

Operating segment, based on business segments, in the consolidated financial statements for the years ended December 31, were as follows:

Unit : Baht

	Consolidated financial statements									
	2021					2020				
	Multi-Level Marketing	Distributor sales	Rendering services	Elimination of inter- segment	Total	Multi-Level Marketing	Distributor sales	Rendering services	Elimination of inter- segment	Total
External revenue from sales and rendering services										
- recognized at a particular point	1,224,246,449	80,290,169	42,001,482	(139,725,833)	1,206,812,267	929,814,819	81,018,637	57,993,554	(104,766,423)	964,060,587
External revenue from rendering services										
- recognized at an over a period of time	-	-	1,508,780	-	1,508,780	-	-	26,466,517	-	26,466,517
Total external revenue from sales and rendering services	1,224,246,449	80,290,169	43,510,262	(139,725,833)	1,208,321,047	929,814,819	81,018,637	84,460,071	(104,766,423)	990,527,104
Cost of goods sold and cost of services	347,795,242	43,981,583	33,639,324	(134,221,406)	291,194,743	252,587,520	56,865,429	27,455,044	(61,548,729)	275,359,264
Gross profit by segments	876,451,207	36,308,586	9,870,938	(5,504,427)	917,126,304	677,227,299	24,153,208	57,005,027	(43,217,694)	715,167,840
Selling expenses	585,626,579	2,036,788	1,529,739	18,995,679	608,188,785	567,899,657	1,612,439	5,536,938	4,759,562	579,808,596
Total profit or loss before finance costs					285,028,186					86,461,365
Finance costs					3,523,052					3,463,420
Total profit or loss					281,505,134					82,997,945
Income tax expense					57,690,703					16,356,650
Net profit for the periods					223,814,431					66,641,295
As at December 31,										
Total assets for reportable segments	976,743,127	73,463,906	37,228,209	(39,437,756)	1,047,997,486	837,999,588	42,673,684	53,258,109	(47,554,253)	886,377,128
Total liabilities for reportable segments	242,060,509	648,409	8,685,524	6,017,909	257,412,351	202,999,361	10,370,758	24,835,118	(11,704,734)	226,500,503

Operating segments by geographical areas in the consolidated financial statements for the years ended December 31, were as follows:

Unit : Baht

	Consolidated financial statements							
	2021			Total	2020			Total
	Country of domicile	Foreign country	Elimination of inter-segment		Country of domicile	Foreign country	Elimination of inter-segment	
For the year ended December 31,								
Total revenue	<u>1,251,841,154</u>	<u>96,205,726</u>	<u>(139,725,833)</u>	<u>1,208,321,047</u>	<u>962,252,896</u>	<u>133,040,630</u>	<u>(104,766,422)</u>	<u>990,527,104</u>
As at December 31,								
Non-current assets ⁽¹⁾	<u>272,569,594</u>	<u>-</u>	<u>-</u>	<u>272,569,594</u>	<u>280,789,604</u>	<u>-</u>	<u>-</u>	<u>280,789,604</u>

⁽¹⁾ Non-current assets excluded investments, deferred tax assets and other non-current assets.

Geographic information

Revenue from external customers for the years ended December 31, is based on locations of the customers, were as follows:

	Unit : Baht	
	Consolidated and separate	
	financial statements	
	2021	2020
Revenue from external customers		
Thailand	1,112,205,096	876,356,694
Myanmar	5,104,696	58,034,959
Cambodia	62,478,011	34,277,902
Singapore	16,011,647	11,783,796
Malaysia	9,693,741	2,784,828
Laos	2,416,400	6,866,930
Vietnam	411,456	421,995
	<u>1,208,321,047</u>	<u>990,527,104</u>

Major customers' information

For the year ended December 31, 2021, the Group had revenue from 3 major customers in the amounts of Baht 100.30 million, Baht 76.57 million and Baht 53.42 million, arising from multi-level marketing and distributor sales.

For the year ended December 31, 2020, the Group had revenue from 3 major customers in the amounts of Baht 39.17 million, Baht 36.17 million and Baht 28.55 million, arising from multi-level marketing and distributor sales.

25. PROVIDENT FUND

The Group and its employee have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530 (1987), are deducted from their monthly salaries at 2 - 15 % of monthly salary, and the Group matches the individuals' contributions not over than 2% of monthly salary. The provident funds are registered with the Ministry of Finance as juristic entities and managed by a licensed Fund Manager and will be paid to the employee when that employee retires in accordance with the Group's fund rules.

For the years ended December 31, 2021 and 2020, the Group's contributions were recognized as expenses in the consolidated financial statements in amounting to Baht 1.05 million and Baht 0.94 million, respectively, and the Company's contributions were recognized as expenses in the separate financial statements in amounting to Baht 0.66 million and Baht 0.59 million, respectively.

26. DIVIDENDS

The extraordinary shareholders' meeting and board of director's meeting of the Company and its subsidiaries has passed a resolution to approve the declarations of dividend, are as follows:

For the year ended December 31, 2021

Companies	Date of meeting	Appropriation of net profit	Baht per share	Amount (Baht)	Payment date	Legal reserve (Baht)
Successmore Being Public Company Limited	29 Apr 21	2020	0.034	20,398,575	28 May 21	3,400,000
	11 Aug 21	2021	0.120	71,999,736	10 Sep 21	3,600,000
				<u>92,398,311</u>		<u>7,000,000</u>

For the year ended December 31, 2020

Companies	Date of meeting	Appropriation of net profit	Baht per share	Amount (Baht)	Payment date	Legal reserve (Baht)
Successmore Being Public Company Limited	26 Feb 20	2019	0.062	27,900,000	9 Mar 20	1,000,000
	8 May 20	2020	0.016	7,200,000	11 May 20	400,000
	31 Jul 20	2020	0.036	16,200,000	6 Aug 20	900,000
				<u>51,300,000</u>		<u>2,300,000</u>
Success Spirit Company Limited	17 Apr 20	2019	7.00	7,000,000	17 Apr 20	-
	30 Jun 20	2020	4.00	4,000,000	8 Jul 20	-
	30 Sep 20	2020	8.50	8,500,000	30 Sep 20	-
				<u>19,500,000</u>		<u>-</u>

27. FINANCIAL INSTRUMENTS

27.1 Credit risk management

Credit risk refers to the risk that counterparty default on its contractual obligations resulting in a financial loss to the Company and its subsidiaries. The Group believes that there is no credit risk with respect to concentrations as Group has a number of customers and most of sales are cash sales.

In case of recognized financial assets in the statement of financial position, the carrying amount of the assets net of a portion of allowance for expected credit losses, if any, represents the maximum exposure to credit risk.

27.2 Interest rate risk management

Interest rate risk arises from the potential change in interest rates having an adverse effect on the Group's operations in the current year and in future years. The Group expects that there is no effect from changes in interest rates to the Group's operations as borrowings are short-term borrowings.

27.3 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows.

27.4 Capital management

The Group's and the Company's objective in managing capital is to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Group's and the Company's management have directed many strategies to support the effective operations, having good performance and strong financial position, including managing and retaining appropriate cost of capital.

28. DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial assets and financial liabilities not measured at fair value

Fair value of financial assets and financial liabilities which are not measured at fair value and their fair value hierarchy level classification as at December 31, were summarized as follows:

					Unit : Baht
Consolidated financial statements					
		2021	2020		
	Carrying amount	Fair value	Carrying amount	Fair value	Fair value hierarchy
As at December 31,					
Financial assets					
Cash and cash equivalents	563,623,879	563,623,879	468,184,973	468,184,973	Level 2
Trade receivables	39,438,638	39,438,638	43,365,086	43,365,086	Level 2
Financial liabilities					
Trade payables	38,458,831	38,458,831	39,961,155	39,961,155	Level 2
Lease liabilities (including current portion)	48,961,960	48,961,960	52,741,700	52,741,700	Level 2

					Unit : Baht
Separate financial statements					
2021		2020			
Carrying amount	Fair value	Carrying amount	Fair value	Fair value hierarchy	
As at December 31,					
Financial assets					
Cash and cash equivalents	469,616,149	469,616,149	391,334,567	391,334,567	Level 2
Short-term loan to a related company	-	-	6,000,000	6,000,000	Level 2
Trade receivables	33,925,568	33,925,568	32,313,307	32,313,307	Level 2
Financial liabilities					
Trade payables	41,690,235	41,690,235	44,394,358	44,394,358	Level 2
Lease liabilities (including current portion)	48,961,960	48,961,960	52,741,700	52,741,700	Level 2

Since the majority of the Group's and 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.

29. COMMITMENTS

The Company has commitments under long-term agreements for management service for a period of 2 - 3 years.

As at December 31, the minimum future payments were summarized as follows:

Remaining period	Unit : Baht	
	Separate	
	Financial Statements	
	2021	2020
Less than one year	1,168,903	26,471,739
Over one year and within five years	1,898,829	851,760
Over five years	-	617,760

For the years ended December 31, 2021 and 2020, the Company recognized management fees as expenses in the statement of profit or loss and other comprehensive income of Baht 28.32 million and Baht 27.01 million, respectively.

30. EVENT AFTER THE REPORTING PERIOD

On February 23, 2022, the Board of Director Meeting No.1/2022 passed the resolutions to pay the interim dividends for the year ended December 31, 2021 to ordinary shareholders at Baht 0.17 per share, totaling Baht 102.00 million, and to make appropriation of the legal reserve in the amount of Bath 6.55 million.

30. APPROVAL OF THE FINANCIAL INFORMATION

The financial statements were authorized for issue by the Board of Directors of the Company on February 23, 2022.

Details of committees, executives, and assigned people for the most responsibility in the financial and accounting work field

People who are directly assigned to control and supervise accounting work, and the company secretary

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
1. Mr. Narongrit Tavornvisitporn Position: ● Chairman ● Independent Director ● Audit Committee Appointment Date: February 20, 2019	69	● Master of Business Administration, Thammasat University ● Bachelor of Engineering) (Electrical Engineering) Chulalongkorn University. Director Training by Thai Institute of Directors (IOD): ● Directors Certification Program (DCP 166/2012) ● Director Leadership Certification Program (DLCP 3/2021)	N/A	N/A	Position in 2 other listed companies		
					2018 - Present	Chairman Independent Director Audit Committee	STC Concrete Product Public Co., Ltd.
					2016 - Present	Chairman Independent Director Audit Committee	CAZ (Thailand) Public Co., Ltd.
					Position in the related company – N/A		
					Position in 1 other non-listed companies		
					2015 - Present	Independent Director Chairman of Audit Committee	Dacon Inspection Technologies Co., Ltd.

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
2. Dr. Sitthawee Kriatchawanun Position: ● Vice Chairman ● Chairman of the Executive Committee ● Authorized Director Appointment Date: February 20, 2019	56	● Doctor of Medicine, Faculty of Siriraj Hospital, Mahidol University ● Diploma in Otolaryngologist, Faculty of Medicine Siriraj Hospital, Mahidol University Director Training by Thai Institute of Directors (IOD): ● Directors Certification Program (DCP 264/2018) Other Courses: ● Hospital Management for Executive Officer, Faculty of Public Health, Mahidol University ● School of Anti-Aging and Regenerative Medicine, MFU	30.75 Spouse 4.20	Spouse of Ms. Kamonthip Kriatchawanun	Position in other registered company – N/A		
					Position in 4 related companies		
					2020 - Present	Director	SCM Innovative Co., Ltd.
					2018 - Present	Director Managing Director	SCM Spirit (Myanmar) Co., Ltd.
					2017 - Present	Director Chief Executive Officer	Success Spirit Co., Ltd.
					2015 - Present	Director Chief Executive Officer	Successmore Being Laboratory Co., Ltd.
					Position in other non-listed company – N/A		

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
3. Mr. Noppakrit Nithilertvijit Position: ● Vice Chairman ● Vice Chairman of the Executive Committee ● Nomination and Remuneration Committee ● Chief Executive Officer ● Chairman of Risk Management Committee ● Authorization Director Appointment Date: February 20, 2019 ● Chief Marketing Officer (Acting) ● Chief International Business Officer (Acting) Appointment Date: September 14, 2021	57	● Master of Business Administration, Major in Financial Management, National Institute of Development Administration ● Bachelor of Business Administration, Major in Marketing, at Ramkhamhaeng University Director Training by Thai Institute of Directors (IOD): ● Directors Certification Program (DCP 264/2018)	23.10 Spouse 0.10 Child (Not reach the legal age) 0.04	N/A	Position in other listed company – N/A		
					Positionin 4 related companies		
					2020 - Present	Director Chief Executive Officer	SCM Innovative Co., Ltd.
					2018 - Present	Director	SCM Spirit (Myanmar) Co., Ltd.
					2017 - Present	Director	Success Spirit Co., Ltd.
					2015 - Present	Director	Successmore Being Laboratory Co., Ltd.
					Positioning in 2 other non-registered companies		
					2020 - Present	Director	Real Magic Co., Ltd.
					2018 - Present	Director	Champ Wealthiness Laundry Co., Ltd.

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
4. Assist. Prof. Dr. Kanyarat Sanoran Position : • Independent Director • Chairman of Audit Committee • Nomination and Remuneration Committee • Risk Management Committee Appointment Date: February 20, 2019	41	• Doctor of Philosophy (Ph.D.) in Accounting, The University of New South Wales, Australia • Master of Business Administration (MBA), Major in Finance, Thammasat University • Bachelor of Accounting, Major in Accounting Information System (First Class Honor), Chulalongkorn University • Allowance Account Inspector for CPA Thailand and CPA Australia Director Training by Thai Institute of Directors (IOD): • Directors Accreditation Program (DAP 123/2016)	0.03	N/A	Position in other listed companies – N/A		
					Position in the related company – N/A		
					Position in other non-listed company – N/A		
					Other position – 1 position		
					2008 - Present	Professor in the faculty of Commerce and Accountancy	Chulalongkorn University

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
5. Mr. Sahasak Srisarnparnk Position : • Independent Director • Chairman of Nomination and Remuneration Committee • Audit Committee Appointment Date: February 20, 2019	59	• Master of International Law Study, Golden Gate University, USA • Bachelor of law, Thammasat University Director Training by Thai Institute of Directors (IOD): • Directors Accreditation Program (DAP 156/2019) Other courses : • Diploma in International Business, California State University, Los Angeles, USA • Diploma in Business Law, California State University, Los Angeles, USA	N/A	N/A	Position in other listed company – N/A		
					Position in the related company – N/A		
					Position in 3 other non-listed companies		
					2017 - Present	Consultant	SSP Law Center Co., Ltd.
					2019 - Present	Consultant	Technopia Co., Ltd.
					2020 - Present	Consultant	Finnolar (Thailand) Co., Ltd.

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
6. Dr. Wijit Techakasem Position : • Independent Director • Risk Management Committee Appointment Date: February 20, 2019	58	• Doctor of Philosophy in Organization Development Administration at Cebu Doctors University, Philippines • Master of Business Administration (MBA), Oklahoma City University, USA. • Bachelor of Economics, Thammasat University Director Training by Thai Institute of Directors (IOD): • Directors Certification Program (DCP 32/2003)	N/A	N/A	Position in other listed company		
					1995 - Present	Director Chairman of Board Executive Directors Managing Director	Filter Vision Public Company Limited
					Position in the related company – N/A		
					Position in 4 other non-listed companies		
					2017 - Present	Director Managing Director	Hi Healthcare Center Co., Ltd.
					2015 - Present	Director	Medical Vision Co., Ltd.
					2015 - Present	Director	KT Medical Service Co., Ltd.
					1991 - Present	Director	Irving Corporation Co., Ltd.

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
7. Ms. Kamonthip Kriatchawanun Position: • Director Appointment Date: February 20, 2019	54	• Bachelor of Business Administration, Major in Marketing, Bangkok University Director Training by Thai Institute of Directors (IOD): • Directors Accreditation Program (DAP 150/2018)	4.20 Spouse 30.75	Spouse of Dr. Sithawee Kriatchawanun	Position in other registered company – N/A		
					Position in the related company – N/A		
					Position in other non-registered company – N/A		

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
8. Mr. Nitchakul Kongphawitthakul Position: - Executive Committee Appointment Date: November 12, 2020 - Chief People & Governance Officer Appointment Date: June 1, 2021 - Chief Operating Officer Appointment Date: October 1, 2019 – May 31, 2021 - Chief International Business Officer Appointment Date: February 23, 2016 - September 30, 2019	41	- Master of Science in Marketing Management, The Manchester Metropolitan University, England - Bachelor of Business Administration, Assumption University Director Training by Thai Institute of Directors (IOD): - Company Secretary Program (CSP 104/2019)	0.04	N/A	Position in other listed company – N/A		
					Position in the related company – N/A		
					Position in other non-listed company – N/A		

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
9. Ms. Thitimaporn Pinthong Position: ● Chief Sales Officer (Acting) Appointment Date: September 14, 2021 ● Senior Sales Manager Appointment Date: January 1, 2020	40	● Bachelor of Business Administration, Major in Business Computer, University of Eastern Asia	0.002	N/A	Position in other listed company – N/A		
					Position in the related company – N/A		
					Position in other non-listed company – N/A		
10. Mr. Phongnarin Krasarenak Position: ● Chief Operating Officer (Acting) Appointment Date: October 1, 2021 ● Senior Warehouse Manager Appointment Date: February 8, 2021	44	● Bachelor of Mechanical Technology, Rajabhat Rajanagarindra Institute	0.0003	N/A	Position in other listed company – N/A		
					Position in the related company – N/A		
					Position in other non-listed company – N/A		

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
11. Ms. Kantapakon Attakamon Position : - Chief Financial Officer (CFO) (Acting) Appointment Date: September 1, 2021 - Senior Accounting Manager Appointment Date: December 1,2017	39	- Bachelor of Business Administration, Major in Accounting, Rajamagala University of Technology Krungthep Other courses: - Orientation Course - CFO Focus on Financial Reporting Class 1/2018 Federation of Accounting Professions under the Royal Patronage together with the Office of the Securities and Exchange Commission Continuously develop knowledge in Accounting: - Financial Model 1- Fundamentals of Finance Class 1/62, 12 hours - Accounting on Income and Expenses that effect on Net Profit Calculation, 6 hours - Precautions for filing the 2021 financial statements and preparation for submitting the 2022 financial statements, 6 hours	0.01	N/A	Position in other listed company – N/A		
					Position in the related company – N/A		
					Position in other non-listed company – N/A		

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
12. Ms. Channutcha Kaewsuphahirun Position: Financial Manager Appointment Date: July 18, 2019	38	Bachelor of Business Economics, Sripatum University	N/A	N/A	Position in other listed company – N/A		
					Position in the related company – N/A		
					Position in other non-listed company – N/A		
13. Mrs. Tharika Thannakornwat Position: - Senior Investor Relations Manager Appointment Date: August 24, 2020 - Secretary of the Executive Committee Appointment Date: September 9, 2020 - Company Secretary - Secretary of the Audit Committee Appointment Date: November 12, 2020 - Secretary of the Nomination and Remuneration Committee Appointment Date: February 26, 2021 - Secretary of the Risk Management Committee Appointment Date: August 11, 2021	51	- Bachelor of Accountancy, Bangkok University Director Training by Thai Institute of Directors (IOD): - Company Secretary Program (CSP 7/2004)	0.04	N/A	Position in other listed company – N/A		
					Position in the related company – N/A		
					Position in other non-listed company – N/A		
					Experience in the company's secretary position 2014 - August 2020: Company Secretary of Capital Engineering Network Public Co., Ltd. and 2 subsidiary companies in the Stock Exchange of Thailand and affiliated companies		

Remarks:

1. Directors: in 1st- 7th order and authorization directors: in the 2nd- 3rd order
2. Executive: in 2nd- 3rd order and 8th - 12th order
3. Chief financial officer (CFO): in 11th order and accounting supervisor: in the 11th order and financial supervisor: in the 12th order
4. Secretary: in the 13th order
5. Executive board of directors and secretary, the total amount of 13 people
 - without legal dispute in the last 5 years
 - without a record of criminal dishonestly offenses related to property in the last 5 years
 - without a record of making a transaction that may cause a conflict of interest with the company in the last 5 years

Details of Directors, Executives, and Authority People Holding a position in the Subsidiary Companies

Company		SCM	Subsidiaries			
Directors and executives			SPT	SML	SPM	SMI
1. Mr. Narongrit	Tavornvisitporn	❶ B C	-	-	-	-
2. Dr. Sitthawee	Kriatchawanun	❷ ❺	❸ A	❸ A	A ❹	❶
3. Mr. Noppakrit	Nithilertvijit	❷ ❻ ❼ ❸ D	A	A	A	❸ A
4. Asst. Prof. Dr. Kanyarat	Sanoran	❸ B D F	-	-	-	-
5. Mr. Sahasak	Srisarnparnk	❹ B C	-	-	-	-
6. Dr. Wijit	Techakasem	B F	-	-	-	-
7. Ms. Kamonthip	Kriatchawanun	A	-	-	-	-
8. Mr. Nitchakul	Kongphawitthakul	E ⬠	-	-	-	-
9. Ms. Thitimaporn	Pinthong	☆	-	-	-	-
10. Mr. Phongnarin	Krasarenak	★	-	-	-	-
11. Ms. Kantapakon	Attakamon	⊗	-	-	-	-
12. Ms. Channutcha	Kaewsuphahirun	◎	-	-	-	-

Remarks: Company

SCM = Successmore Being Public Company Limited

SPT = Success Spirit Co., Ltd.

SML = Successmore Being Laboratory Co., Ltd.

SPM = SCM Spirit (Myanmar) Co., Ltd.

SMI = SCM Innovative Co., Ltd.

Remarks: Positions

❶ = Chairman of the Board of Directors

❷ = Vice Chairman of the Board of Directors

❸ = Chairman of Audit committee

❹ = Chairman of Nomination and Remuneration Committee

❺ = Chairman of the Executive Committee

❻ = Vice Chairman of the Executive Committee

❼ = Chairman of Risk Management Committee

❽ = Chief Executive Officer

❾ = Managing Director

A = Director

B = Independent Director

C = Audit Committee

D = Nomination and Remuneration Committee

E = Executive Committee

F = Risk Management Committee

☆ = Chief People & Governance Officer

☆ = Chief Sales Officer (Acting) and Senior Sales Manager

★ = Chief Operating Officer (Acting) and Senior Warehouse Manager

⚙ = Chief Financial Officer (Acting) and CFO

Senior Accounting Manager and Accounting Supervisor

© = Financial Manager

Details of the Directors of the Subsidiary Companies

Directors of the subsidiary companies		Success Spirit Co., Ltd.	Successmore Being Laboratory Co., Ltd.	SCM Spirit (Myanmar) Co., Ltd.	SCM Innovative Co., Ltd.
1. Dr. Sithawee	Kriatchawanun	③ ⑤	③ ⑤	④ ⑤	①
2. Mr. Noppakrit	Nithilertvijit	⑤	⑤	⑤	③ ⑤
3. Mr. Krittapon	Teerachinkun	-	-	-	②
4. Mr. Pramuk	Wongthanakiat	-	-	⑤	-

Remarks: Positions

- ① = Chairman of the Board of Directors
- ② = Vice Chairman of the Board of Directors
- ③ = Chief Executive Officer
- ④ = Managing Director
- ⑤ = Director

Details of internal audit supervisor and head of operation supervision of the company (Compliance)

Name-surname/position	Age (Year)	Educational qualifications	proportion hold shares in the company (percent)	Relationship family between Director/Executive	Experience		
					Term	Position	Company
Mr. Sirisak Manitkunacarn Position: Chief Audit Executive	47	- Master's degree, Business Administration, Faculty of Graduate Studies Payap University, Chiang Mai - Bachelor's degree in Accounting, Faculty of Accounting Finance and Banking Certificate Certified Internal Auditor (CIA) - Certification in Risk Management Assurance (CRMA) - Certified Professional Internal Audit of Thailand (CPIAT) Training course : - Director Accreditation Program (DAP) #184/2021 Thai Institute of Directors Association (IOD)	-None-	-None-	2018-Present	Managing Director	ISBAR CORPORATION COMPANY LIMITED
					2021-Present	Audit Committee	HINSITSU (THAILAND) PUBLIC COMPANY LIMITED
					Term of Period 2022 -2023	Central Committee	The Institute of Internal Auditors of Thailand
					2011 - 2018	Assistant Vice President	KRUNG THAI BANK PUBLIC COMPANY LIMITED
					2011	Internal Audit Officer Level 5	Tobacco Authority of Thailand
					2010	Assistant Internal Audit Manager	RITA Company Limited
					2007-2010	Head of Internal Audit	The Thai Red Cross Society
					2004-2007	Internal Audit Manager	Chaipattana Transport Chiangmai Co., Ltd.
					1998-2004	Internal Audit Officer	Internal Audit Office Chiang Mai University

Chief of corporate governance work of the company

Chief of corporate governance work of the company has the responsibility to be the center of supervision of the company's and group's business operations legally by follow the rules of related official agency, and work with the secretary to have the responsibility to supervise the company's operations following good corporate governance principles, regulations, policies and related laws, such as Securities and Exchange Act, The Securities and Exchange Commission's notices, Public Companies Limited Act (B.E. 2535), etc., advise the board of directors and executives when it comes to compliance with rules and follows up for them to act properly, also follow up for new rules relate to the company.

Name/Position	Age (years old)	Educational Degree	Proportion of Shareholdings (Percent)	Family Relationship between any directors/executives	Experience(s)		
					Duration	Position	Company
Mr. Amarin Sutat Na Ayutthaya Position: Assistant Manager of Corporate Governance Department Appointment Date: January 1, 2017	29	- Bachelor of Law, University of the Thai Chamber of Commerce - Studying in Master of law, Major in Business Law, Thammasat University - Studying in the Thai Barrister Level Training courses: - Lawyer license 45th generation - A course of certifying the signature and the documents, 26th generation, Lawyers Council	N/A	N/A	2017 - Present	Manager Assistant of Corporate Governance Department	Successmore Being Public Co., Ltd.
					2015 - 2016	Legal Officer	Successmore Being Co., Ltd.

Assets used in business operations and details about the property appraisal list

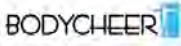
1. Assets used in business operations on 31st December 2021 listed as follows

List	Company	Net value (In million Baht)	Proprietary	Obligation
(1) Main Fixed Assets				
- Land	SCM	1.37	Owner	No obligation
	SMI	5.72	Owner	No obligation
Total		7.09		
- Buildings	SCM	3.22	Owner	No obligation
	SMI	37.39	Owner	No obligation
Total		40.61		
- Leasehold Improvements	SCM	11.19	Owner	No obligation
	SML	0.12	Owner	No obligation
	SMI	0.49	Owner	No obligation
Total		11.80		
- Tools	SCM	0.82	Owner	No obligation
	SML	0.02	Owner	No obligation
	SPT	0.03	Owner	No obligation
	SMI	8.21	Owner	No obligation
Total		9.08		
- Decorations and Office Equipment	SCM	4.74	Owner	No obligation
	SML	0.23	Owner	No obligation
	SPT	0.12	Owner	No obligation
	SMI	0.50	Owner	No obligation
Total		5.59		
- Computers	SCM	3.39	Owner	No obligation
	SML	0.01	Owner	No obligation
	SPT	0.30	Owner	No obligation
	SMI	0.10	Owner	No obligation
Total		3.80		
- Vehicles	SCM	4.88	Owner	No obligation
Total		4.88		
Total Main Fixed Assets		82.85		
(2) Intangible assets				
- Computer Softwares	SCM	10.74	Owner	No obligation
	SPT	2.70	Owner	No obligation
Total		13.44		

List	Company	Net value (In million Baht)	Proprietary	Obligation
- Computer Softwares under Installation	SCM	7.19	Owner	No obligation
Total		7.19		
- Business Buying	SCM	115.81	Owner	No obligation
Total		115.81		
- Goodwill	SCM	1.07	Owner	No obligation
Total		1.07		
Total Intangible Assets		137.51		

(3) Trademark

The company registered its trademark with the Department of Intellectual Property, Ministry of Commerce with details as follows

Trademarks	Images	Product type	No. of register	Date of registration	Expiry date of register
1. ORYSAMIN		Supplement Product	181104678	2 nd September 2016	1 st September 2026
2. EASE		Shower Cream Product	171135644	27 th August 2014	26 th August 2024
3. FN FAIRNEZZ		Cosmetic Product	171121516	28 th December 2015	27 th December 2025
4. NUTRINAL SQUARE		Supplement Product	171121513	28 th December 2015	27 th December 2025
5. BODY CHEER		Personal Care Product	๑410686	18 th July 2013	17 th July 2023
6. NUTRIGA		Supplement Product	๑406730	27 th August 2014	26 th August 2024
7. PHYTOVY		Supplement Product	๑404837	27 th August 2014	26 th August 2024
8. NUTRINAL		Supplement Product	๑404828	18 th July 2013	17 th July 2023
9. DEWY		Body Skin Care Product	๑404846	27 th August 2014	26 th August 2024
10. NUTRINAL COFFEE		Coffee Product	๑404827	18 th July 2013	17 th July 2023
11. ULTIMATCH		Deodorant Product	๑404835	18 th July 2013	17 th July 2023
12. S VERA		Supplement Product	๑404836	27 th August 2014	26 th August 2024
13. S VERA		Body Skin Care Product	161105551	27 th August 2014	26 th August 2024

	Trademarks	Images	Product type	No. of register	Date of registration	Expiry date of register
14.	SUCCESSMORE Inspiration for your Being		Supplement Product	๓398153	18 th July 2013	17 th July 2023
15.	SUCCESSMORE Inspiration for your Being		Coffee Product	๓398154	18 th July 2013	17 th July 2023
16.	FILLYMOR		Supplement Product	๓393926	18 th July 2013	17 th July 2023
17.	COVERMOR		Supplement Product	๓393958	18 th July 2013	17 th July 2023
18.	MORES		Supplement Product	๓393879	18 th July 2013	17 th July 2023
19.	FALITY		Body Wash Product	191106969	8 th December 2017	8 th December 2027
20.	ALKAMAG		Mineral Water Purifier Products	180135687	24 th October 2018	23 rd October 2028
21.	ANADRA		Skin Care Product	201109577	24 th October 2018	23 rd October 2028
22.	BENFITE' Total care mouth wash		Personal Care Product	201110580	24 th October 2018	23 rd October 2028
23.	BENFITE' Mouth spray		Personal Care Product	201110537	24 th October 2018	23 rd October 2028
24.	FIZZY		Skin Care Product	201109560	24 th October 2018	23 rd October 2028
25.	GIENA		Body Wash Product	201109586	24 th October 2018	23 rd October 2028
26.	Successmore (For Radiwise products)		Radiation Protection Tool Product	201110545	24 th October 2018	23 rd October 2028
27.	PROTRI PRO		Supplement Product	200105140	12 th February 2020	11 rd February 2030

Trademarks		Images	Product type	No. of register	Date of registration	Expiry date of register
28.	DEER		Supplement Product	200105141	12 th February 2020	11 rd February 2030
29.	FLOW		Supplement Product	200105142	12 th February 2020	11 rd February 2030
30.	PHYTOVY LIV		Supplement Product	200105144	12 th February 2020	11 rd February 2030
31.	MARINA		Supplement Product	200105145	12 th February 2020	11 rd February 2030
32.	MULTI POTENTIAL		Service Trademark	200122841	22 nd June 2020	11 rd February 2030

The Company is in the process of submitting a trademark registration application for other products and is in the process of filing with the Department of Intellectual Property and is under discussion within the company. Details of trademarks of products that are in the process of registration with the Department of Intellectual Property are as follows:

Trademarks		Images	Product type	No. of register	Date of registration	Status of request
1.	ALL PRO		Supplement Product	180136428	30 th October 2018	Pending
2.	SOD MORE		Supplement Product	180136429	30 th October 2018	Pending
3.	SUCCESSMORE Inspiration for your Being		Service Trademark	180117800	11 th June 2018	Pending
4.	RIGHT		Supplement Product	200103381	28 th January 2020	Pending
5.	SUCCESSMORE LEADERSHIP ACADEMY		Service/ Academic Seminar Trademark	200103382	28 th January 2020	Pending
6.	S MONE'		Cosmetic Product	200103377	28 th January 2020	Pending
7.	PHYTAPLEX		Supplement Product	200103380	28 th January 2020	Pending
8.	VISTAPLEX		Supplement Product	200103378	28 th January 2020	Pending

Trademarks		Images	Product type	No. of register	Date of registration	Status of request
9.	SiTEMS		Supplement Product	200103379	28 th January 2020	Pending
10.	COLLAVY		Supplement Product	200105143	12 th February 2020	Pending

2. Investment policy in the subsidiary and associated companies

At the Extraordinary General Meeting of Shareholders No. 2/2019, held on February 20, 2019, the company was approved to prepare investment and management policies in subsidiaries and associated companies by investing in related businesses that will benefit and support the company's business operations to strengthen stability and operation results of the company. In this regard, the company, its subsidiaries and associated companies may consider investing in other businesses if it is a business that has potential for growth or can be further expanded or be beneficial to the business of the company, which can generate good return on investment. They will consider the feasibility of investments and considering the potential and risk factors of the investment with appropriate investment analysis procedures which must be approved and / or approval from the Board of Directors meeting or the shareholders' meeting of the company (depending on the case). In this regard, the investment approval must be in accordance with the announcement of the Capital Market Supervisory Board, the announcement

In addition, to supervise the operations of subsidiaries and associated companies, the company will send a representative of the company who has qualifications and experience suitable for the business in which the company has invested to be a director of the subsidiary and associated company of that company. The representative may be the chairman of the board, Chief Executive Officer, director, senior management or any person of the company without conflict of interest with the business of those subsidiaries and associated companies. This is to enable the company to control the business and the operation of the subsidiary company like a department of the company and / or to be able to examine the operations of associated companies effectively. The company therefore requires the company's representative to manage the subsidiary's business. and / or associated companies (depending on the case) to comply with the rules and regulations set out in the regulations and laws relating to the business operation of subsidiaries and / or that associated company. In addition, sending a representative to be a director of the subsidiary and associated company is according to the shareholding proportion of the company and / or agreements between shareholders in the subsidiary or associated company.

In this regard, the company will closely monitor the results and the performance of subsidiaries and associated companies. It also supervises the keeping of information and accounting records of subsidiaries and associated companies for the audit company.

3. Property Appraisal List

-N/A-

Good Corporate Governance Policies

In the past operation, the board of Successmore Being Public Company Limited realizes the importance of good corporate governance as important to promote the operation of the company and the subsidiaries for efficiency and sustainable growth. This will lead to the best interests of all stakeholders, from employees, investors, shareholders, and other stakeholders. Therefore, the board of directors agreed that there should be a policy formulation about good corporate governance, covers the main content from the structure, roles, duties, and responsibilities of the board of directors to the management principles of executives with transparency, clarity, and accountability to be a guideline in organizational management to create confidence that any operation of the company and the subsidiaries with fairness and taking into account the best interests of shareholders and all stakeholders.

So that the company has the credibility for shareholders and all stakeholders, for the benefit of creating sustainable business value, and meet the expectations of the business sector, investors, as well as the capital market and society as a whole, the company has therefore established a policy on good corporate governance based on the principles of good corporate governance for listed companies (2560 B.E.), prepared by the Securities and Exchange Commission, as a guideline for corporate governance of the company.

Corporate Governance Principles and Policies

The board of directors has given importance to compliance with good corporate governance principles covering the principles of compliance with corporate governance principles as follows.

- Principle 1** Roles and responsibilities of the board
- Principle 2** Objectives and main goals of the company
- Principle 3** Strengthen effective committees
- Principle 4** Recruiting and developing senior executives and personnel management
- Principle 5** Responsible business operation
- Principle 6** Ensuring that there is appropriate risk management and internal control system.
- Principle 7** Maintain financial credibility and disclosure
- Principle 8** Encourage participation and communication with shareholders.

Principle 1: The Board's Roles and Responsibilities

● Principle 1.1

The board will understand their role and recognize the responsibilities as a leader who must oversee the organization to have good management. Which covers

- (1) Setting objectives and goals
- (2) Strategy formulation, operating policy as well as the allocation of important resources to achieve objectives and goals.
- (3) Monitoring, evaluating, and overseeing the performance report

- **Principle 1.2**

In creating sustainable business value, the board will supervise the company to bring at least the following governance outcome:

- (1) Be able to compete and have a good performance concerning long-term impacts
- (2) Conduct business ethically. Respect rights and be responsible for shareholders and stakeholders.
- (3) Benefit society and develop or reduce the negative impact on the environment
- (4) Be able to adapt under changing factors.

The board of directors will adhere to the following practices for supervising the company to lead to good corporate governance results.

- 1.2.1 The board will consider the moral impact on society and the environment. Apart from financial performance.
- 1.2.2 The board will act as a role model as a leader in corporate governance, corporate the organization's culture to drive adherence to ethics.
- 1.2.3 The board will provide written policy for directors, executives, and employees, which reflect the principles and guidelines for the implementation, such as ethics in business and so on.
- 1.2.4 The board will ensure for having communications for the directors, executives, and employees to understand, have sufficient mechanisms to facilitate the implementation of the above policies, follow up the performance, and regularly review policies and practices.

- **Principle 1.3**

The board of directors will ensure that all directors and executives perform their duties with carefulness (duty of care) and honesty towards the organization (duty of loyalty) and ensure that their operations comply with laws, regulations, and resolutions of the shareholders' meeting. As well as the policies or guidelines set forth, as well as having a process for approving important operations such as investments and transactions that have a significant impact on the company, making a transaction with a connected person acquisition/disposal of assets dividend payment, etc.

- **Principle 1.4**

The committee will understand the scope of their duties and their responsibilities themselves. And clearly define the scope of assignment and responsibilities to the chief executive officer and the management. As well as monitoring and supervising the chief executive officer and the management to perform the duties as assigned.

- 1.4.1 The Commission will prepare a charter or policy governance committee that specifies the duties and responsibilities of the committee for reference in the performance of duties of all directors. And will hold a review of the said charter regularly at least once a year. Also, reviewing the division of roles and duties of the board, chief executive officer, and management regularly to comply with the direction of the organization.
- 1.4.2 Commission will understand the scope of their duties. And assign company management authority to the management by making a written record, however, such assignment does not relieve the board of directors' duties and responsibilities. The board of directors must monitor the management in performing duties as assigned.

Principle 2: Define the Company's Objectives and Main Goals that are for Sustainability**● Principle 2.1**

The board will define or oversee the company's main objectives for sustainability. This is an objective and a goal that is consistent with creating value for the entire company, customers, stakeholders, and society as a whole.

- 2.1.1 The board is responsible for the company's objectives and main goals clear and proper enough to use as a key concept in defining the business model, and communicate to everyone in the organization moving in the right direction by creating a vision and shared corporate values, or principles and purposes, or the like.
- 2.1.2 To achieve main objectives or goals, the board will determine a business model that can create value for the company, stakeholders, and society as a whole, considering:
 - (1) Environment and changes in various factors including the proper use of technology
 - (2) The needs of customers and stakeholders
 - (3) Competence, expertise, and competitiveness of the company
 - (4) Objectives of the establishment of the company
 - (5) The main customer groups of the company
 - (6) Profitability or competitive by creating value for the company and customers
 - (7) Long-term existence of the company under both opportunity and risk factors that affect the company and stakeholders
- 2.1.3 The commission will support the values of corporate governance as well as accountability in the actions, integrity, transparency, attention (due consideration of social and environmental responsibilities), etc.
- 2.1.4 The commission will support communication. And strengthen the organization's objectives and main goals to be reflected in the decisions and actions of personnel at all levels. Until it becomes a corporate culture.

● Principle 2.2

The committee will ensure objectives and goals as well as the medium-term and/or annual strategy of the company, consistent with the achievement of the company's objectives and main goals with the proper and safe use of technology.

- 2.2.1 The committee will supervise the preparation of strategic and annual plans that are consistent with the objectives and goals of the company. Taking into account the environmental factors of the company at that time, as well as the acceptable opportunities and risks, and encouraged the establishment of reviewing the objectives, goals, and strategies for the medium term, 3 - 5 years, to ensure that the strategy and annual plan takes into account the long-term effects and still reasonably anticipated.
- 2.2.2 In the strategic and annual plans. The committee will ensure that the environment is analyzed, various factors and risks that may have impacts on stakeholders involved throughout the value chain, including various factors that may affect the achievement of the company's main goals, with a mechanism to truly understand the needs of stakeholders.

- (1) Identify relevant stakeholders of the company, both inside and outside, both individuals and organizations such as employees, investors, customers, trade partners, communities, government agencies regulators, etc.
- 2.2.3 In formulating strategies, the board will set goals to suit the business environment and potential of the company. The committee will determine both monetary and non-monetary goals. Besides, the committee will be aware of the risks of setting goals that may lead to illegal behavior or lack of ethics.
- 2.2.4 The board will ensure that the objectives and goals will be relayed through strategies and plans across the organization.
- 2.2.5 The Board will oversee the allocation of resources and control the proper implementation and follow up the implementation of the strategy and year annual plans. By providing a person who is responsible for monitoring and monitoring the performance

Principle 3: Build Effective Committees

● Principle 3.1

The committee is responsible for defining and reviewing the board structure. Both in terms of size and composition proportion of independent directors are appropriate and necessary to lead the organization to its stated objectives and goals.

- 3.1.1 The board is responsible for ensuring that the board includes directors who have a variety of skills, experience, abilities, and special features. To ensure there will be an overall committee with suitable qualifications, able to understand and meet the needs of stakeholders.
- 3.1.2 The board will consider for an appropriate amount of committee, able to perform their duties efficiently with the number of directors not less than 5 and not more than 12.
- 3.1.3 The board will have a ratio between directors, executives, and directors who are not the executives that reflects the power balance appropriately. By:
 1. Most of the directors are non-executive directors who can freely express opinions on the operation of the management.
 2. Independent directors have the number and qualifications of independent directors following the regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. It also ensures that the independent directors can work with all committees efficiently and express their opinions independently.

● Principle 3.2

The committee will select a suitable person to be the chairman of the board and to ensure that the composition and operations of the board are conducive to the exercise of independent judgment.

- 3.2.1 Chairman of the board should be independent directors.
- 3.2.2 Chairman and Chief Executive Officer have different responsibilities for it. The board will clearly define the powers and duties of the chairman of the board and the chief executive officer. And to ensure that no one has unlimited power, the company will separate the person who holds the position of the chairman of the board from the person who holds the position of chief executive officer.

- 3.2.3 Chairman's role is the leader of the board. The duties of the chairman of the board cover the following matters.
- (1) Supervision, follow up, and ensure that the duties of the committee are efficiently practiced and achieve the objectives and main goals of the organization.
 - (2) Ensure that all directors take part in fostering an ethical corporate culture in the organization and good corporate governance.
 - (3) Setting the agenda for the board of directors' meetings in consultation with the chief executive officer and having measures to ensure that important matters are included in the agenda.
 - (4) Allocation of sufficient time for the management to present the matter and sufficient for the directors to discuss important issues thoroughly. Encouraging directors to exercise prudent discretion and give opinions freely.
 - (5) Enhancing good relations between executive directors and non-executive directors, and between the committee and the management.
- 3.2.4 The Board will set policies that independent directors have continued in position less than 9 years from the date of the first-time appointment. In case of continuing in the position, the committee will reasonably consider such necessity.
- 3.2.5 So that important matters in detail can be carefully considered, the board may consider appointing sub-committees to consider specific issues, scrutinize information, and propose guidelines for consideration before proposing to the board for further approval.
- 3.2.6 The committees will ensure that the disclosure of the role and functions of the committee and sub-committees, the number of meetings and the number of times each director, and attended the meeting in the past year, and reports on the performance of all sub-committees.

● **Principle 3.3**

The board of directors is responsible for overseeing the selection of directors with a transparent and clear process to obtain a committee with qualifications consistent with the specified elements.

- 3.3.1 The Commission will hold a meeting to consider the rules and procedures for recruiting qualified directors to the board with the appropriate expertise, including a consideration of their profiles, and prepare the opinion of the board of directors before presenting to the shareholders, as the appoint person meeting. Also, the company will inform the shareholders with sufficient information about the persons nominated for decision-making.
- 3.3.2 The committee will review the rules and procedures for the nomination before the selection of directors who are due to expire, and in case the committee nominates the former director, the performance of the said director should be considered.

● **Principle 3.4**

In proposing the remuneration to the shareholders for approval, the board will consider the structure and remuneration to be suitable for responsibilities and motivate the board to lead the organization to achieve both short-term and long-term goals.

- 3.4.1 Directors' remuneration must be consistent with the strategy and long-term goals of the company, experience, duties, accountabilities, and responsibilities, including the benefits expected to be received by each director, shall be in. Besides, characteristics of the benefit are comparable to the level practiced in the industry.
- 3.4.2 Shareholders must approve the structure and the remuneration for committees, both monetary and non-monetary forms. The board of directors will consider each type of remuneration to be appropriate, both fixed-rate (e.g. meeting allowance) and performance-based (such as bonus pension) of the company, tied to the value the company generates for its shareholders, but not too high to focus on short-term results.
- 3.4.3 The board will disclose the remuneration policy and guidelines that reflect the obligations and responsibilities of each, including the form and amount of compensation as well. This includes the remuneration received by each director as a director of the subsidiaries.

- **Principle 3.5**

The board is responsible for ensuring that all directors are responsible for their duties and allocating sufficient time.

- 3.5.1 The committee will ensure that there is a mechanism to support directors to understand their roles and duties.
- 3.5.2 The committee will determine the criteria for the position of director in other companies with regards to the performance of the directors positioning in several companies, and to ensure that directors can dedicate sufficient time to perform their duties in the company. By determining the number of listed companies each director will hold a position to suit the nature of the business condition of the company.
- 3.5.3 The committee will provide a system to report the other position of the directors, and disclose it to be known.
- 3.5.4 In the case of a director or executive. Or having direct or indirect interests in other businesses that have a conflict or they can use the opportunity or company information to their advantage. The board must ensure that The Company has adequate safeguards and informs the shareholders as appropriate.
- 3.5.5 Each director must attend at least half of the number of the board of directors meeting held all year round. Unless there is a necessity.

- **Principle 3.6**

The board of directors is responsible for ensuring that there are a framework and mechanism for governance of policies and operations of subsidiaries and other businesses in which the company has significantly invested, at the level appropriate for each business, including subsidiaries and other businesses that the company invested, have the same understanding as well.

- 3.6.1 The board will determine the regulatory policies to supervise the subsidiaries, including
 - (1) The degree of appointment of persons to be directors, executives, or controlling persons of the subsidiaries, appointed by the board of directors, unless such company is the small one that is the operating arms of the company, the board might assign the chief executive officer to consider the appointment instead.

- (2) Determine the scope of duties and responsibilities of the representative of the company according to tot item (1) and have the representative take care of the implementation to be along with the policy of the subsidiaries. And in case the subsidiaries have other venture capitalists, the board of directors will determine the policies for the representative to do the best for the benefit of the subsidiaries. following with the main company's policies.
- (3) Make the internal control system of the subsidiary suit and concise enough. And various transactions must be made legally and related guidelines.
- (4) Disclosure of financial status and performance of transactions with connected persons, acquisition or disposition of assets, other important transactions, capital increase, capital decrease, dissolution of subsidiaries, etc.

3.6.2 If the investment is in other business significantly such as - a proportion of shareholders with voting rights, since the percentage of 20 but not more than 50, and the amount invested or will invest more is significant to the company, where necessary, the commission will hold the contracting between shareholders (The Shareholders' Agreement) or other agreements to be clear about the powers of management and involvement in making important decisions. Performance tracking is important as information in the preparation of financial statements of the company, there are standards and deadlines.

● Principle 3.7

The committee will arrange for an evaluation of the work of the entire committee. Including evaluating the performance of individual directors to consider and review the work problems and obstacles each year to be able to use the evaluation results to develop and improve performance in various fields.

● Principle 3.8

The board of directors shall supervise the board and each director to have known roles, duties, nature of business operations and laws relating to business operation. As well as encouraging all directors to acquire skills and knowledge for their regular performance of duties.

- 3.8.1 The Commission will ensure that person appointed as new director will receive advice and provide useful information on the performance of their duties. This includes an understanding of the objectives, main goals, vision, mission, corporate values, as well as the nature of the business and the business direction of the company.
- 3.8.2 The board of will ensure that treasurers will receive training and improving the knowledge needed steadily.
- 3.8.3 The committee will understand the laws, regulations, standards, risks, and environment associated with its business. Including receiving updated information regularly.
- 3.8.4 Commission will disclose training information and develop knowledge continuously in the commission's annual report.

- **Principle 3.9**

The committee will ensure that the operations of the committee are carried out in an orderly manner with access to necessary information. And has a company's secretary who has the knowledge and experience necessary and appropriate to support the board's operations.

- 3.9.1 The Commission will organize a meeting schedule and agenda for the board meeting before the board can manage time and attendance.
- 3.9.2 Number of meetings of the board is considered to fit with the obligations and responsibilities of the board and the nature of its business. But not less than 4 times a year.
- 3.9.3 The Commission will ensure that there are mechanisms for each director. The management is also free to propose matters that are beneficial to the company on the agenda of the meeting.
- 3.9.4 Meeting documents will be sent to the directors at least seven days before the meeting. Except in the case of urgent need to protect the rights or benefits of the company, may notify the meeting by other methods and set the meeting date earlier than that.
- 3.9.5 The commission will support the chief executive officer invites senior executives to attend board meetings to provide more detailed information related to the issue directly. And to have opportunities to get to know the top executives for use in consideration of succession plans.
- 3.9.6 The commission will have access to additional necessary information from the chief executive officer, company's secretary, or other executives, who have been assigned, within the scope of the policy set. And if necessary, the committee may provide independent opinions from external advisors or professionals. It is considered an expense of the company.
- 3.9.7 The Board may determine a policy for non-executive directors to have the opportunity to meet among themselves to discuss issues on the handling of interest, without the management, by informing the chief executive officer of the meeting result, as needed.
- 3.9.8 The commission will determine the appropriate qualifications and experience of the company secretary, who will be on duty to provide advice on the laws and regulations that the committee must know, oversee the management of board meeting documents, important documents, and board activities, and coordinate the implementation of the resolutions of the board of directors. Besides, the board of directors will disclose the qualifications and experiences of the Company Secretary in the annual report and on the company's website.
- 3.9.9 The secretary will train and develop knowledge continuously that will benefit the ongoing duty. And in the event of course certifications, the company's secretary will attend the training course as well.

Principle 4: Recruiting and Developing Senior Executives and Human Management

- **Principles 4.1**

The board will ensure that the chief executive officer and senior management are recruited and developed with the knowledge, skills, experience, and characteristics necessary to drive the organization towards its goals.

- 4.1.1 The Board will consider and authorize the board of directors to consider the criteria and procedures for recruiting a qualified person to hold the position of chief executive officer.

- 4.1.2 The commission will follow up to ensure that the chief executive officer is right, at least, the commission will, together with the chief executive officer to consider criteria and procedures for the recruitment and appointment. Agree with the person who the chief executive officer proposes to be the top management.
- 4.1.3 So that the business is going to continue, the board oversees a succession plan to prepare for the succession of the chief executive officer and senior management.
- 4.1.4 The commission will promote and support the chief executive officer and senior executives to train and develop to increase knowledge and experience that is beneficial to the operation.

- **Principle 4.2**

The board ensures that appropriate compensation and evaluation structures are established.

- 4.2.1 The board will set up an incentive structure for executives and employees at all levels to perform work in line with the objectives and main goals of the organization and line with the long-term benefits of the company.
- 4.2.2 The board will consider and approve the criteria and factors for performance evaluation. As well as approve the compensation structure of the senior executive. And follow up for the chief executive officer to evaluate the top executives following the said assessment principles.

- **Principle 4.3**

The board will understand the structure and relationship of shareholders that may affect the management and operation of the company.

- 4.3.1 The board will understand the structure and relationship of shareholders. This could be in the form of an agreement within the family affairs, whether in writing or not, shareholder agreement, or the policies of the parent company group that affects the power to control the management of the company.
- 4.3.2 The board shall ensure that the agreement as specified in 4.3.1 is not an obstacle to the commission's performance, such as having a suitable person to inherit the position.
- 4.3.3 The board will ensure that information is disclosed according to various agreements that affect the control of the company.

- **Principle 4.4**

The committee will monitor the management and development of personnel to have appropriate knowledge, skills, experience, and motivation.

- 4.4.1 The board shall ensure that the human resource management is in line with the direction and strategy of the organization. Employees at all levels have appropriate knowledge, abilities, motivation. And being treated fairly to retain the organization's competent person.
- 4.4.2 The Board shall oversee the establishment of a provident fund or another mechanism to ensure that employees have sufficient savings to support retirement. As well as supporting employees to have knowledge and understanding of money management, choosing an investment policy that corresponds to the age and range risk level.

Principle 5: Do Business Responsibly**● Principle 5.1**

The committee values and supports actions that create business value while creating benefits for customers or stakeholders. And have a social and environmental responsibility.

5.1.1 The board will pay more attention to organizational culture creation. And ensuring that the management takes part in the strategy review planning, developing, improving operations, and monitoring performance.

5.1.2 The Board will promote the implementations that add value to the company according to the constantly changing environment. This may cover business model, way of thinking, perspectives in product and service design and development, research, process improvement, and work processes. Including cooperation with partners.

The above actions should be taken to create mutual benefits for the company, customers, business partners, society, and the environment. And does not encourage abusive behavior, activities that are illegal or unethical.

● Principle 5.2

The board will monitor and supervise the management to conduct business with social and environmental responsibility, and reflected in the operational plan to ensure that every organization has performed in line with the main objectives, goals, and strategies of the company.

5.2.1 The Board shall make sure that there has a mechanism to ensure that the company operates business ethically, with social and environmental responsibility, and not violating the rights of stakeholders, to guide all parts of the organization to achieve the main goals that are sustainable. By preparing a business ethics policy to cover the following matters.

- (1) Responsibility to shareholders which business will be transparently operated, effective and fair information will be disclosed. Also committing to good performance and stable growth to maximize the benefits of shareholders in the long term.
- (2) Responsibilities to staff and workers by acting following the relevant laws and standards and treating employees and workers fairly and respecting human rights, such as fair compensation and benefits, welfare arrangements not less than those prescribed by law, or rather than as appropriate health and safety at work, training to develop potential and promote progress. And also provides opportunities for employees to develop their working skills in other areas.
- (3) Responsibility to customers by performing following relevant laws and standards and consider the health, safety, fairness, and retention of customer data, after-sales service throughout the product and service lifecycle, monitoring and measuring the satisfaction of customers for the improvement of products and services, including advertising, public relations, and sales promotions must be done responsibly. Not misleading or take advantage of the misunderstanding of customers.
- (4) Responsibility to business partners by having a procurement process and fair terms of contracts or agreements, helping to educate, develop potential, and enhance the ability of production and service to meet standards, clarify and supervise trade partners to respect human rights and treat

their workers fairly, responsible for society and environment, including monitoring, auditing and evaluating business partners to develop sustainable business operations.

- (5) Responsibility to creditors by complying with the conditions of the contract with the creditors, including repayment of principal, the interest, and the care of collaterals under the related contract strictly.
- (6) Responsibility towards the community by bringing knowledge and business experience to develop projects that can create tangible benefits to the community Long-term progress and success are monitored and measured.
- (7) Environmental responsibility by preventing, reducing, managing, and ensuring that the company does not create or cause any negative impact on the environment, which covers the use of raw materials, energy use, water use, renewable resource use, the release and management of waste arising from doing business greenhouse gas emissions, etc.
- (8) Fair competition by operating the business in an open, transparent manner and does not create an unfair competitive advantage.
- (9) Anti-Corruption and Corruption by adhering to the relevant laws and standards, and requiring the company to have and publicly announce the anti-corruption policy. Including supporting other companies and trading partners have and announce an anti-corruption policy, including joining as a network partner.

● Principle 5.3

The board will monitor and supervise the management to allocate and manage resources to be efficient to be able to sustainably achieve objectives and main goals.

- 5.3.1 The committee recognizes the need for resources to be used. As well as realizing that the use of each type of resource affects each other.
- 5.3.2 The board is aware that different business models have different effects on resources. So that in the decision of choosing a business model, consider the impact and cost-effectiveness that will occur on resources. While still based on ethical conduct, be responsible and create sustainable value for the company.
- 5.3.3 The board will ensure that in achieving objectives and the main goal of the business, the management has reviewed, developed, and controlled the efficient and effective use of resources, while always considering the changes of internal and external factors.

The resources that companies take into consideration are at least 4 types of finance (The Financial-Capital), wisdom (The Intellectual-Capital), personnel (The Human-Capital), social relations (The Social Relationship Capital), and nature (The Natural-Capital).

● Principle 5.4

The committee will provide a framework for corporate governance and management of information technology at a level of the organization that corresponds to the needs of the company. Including ensuring that information technology is used to increase business opportunities and improve operations, risk management so that the company can achieve its objectives and main goals.

- 5.4.1 The board will establish a policy on the allocation and management of information technology resources. This covers the allocation of sufficient resources for business operations and setting guidelines to accommodate if the resources cannot be allocated enough as specified.
- 5.4.2 The board shall oversee the organization's risk management to cover information technology risk management.
- 5.4.3 The board will make a policy and measure the security of the information system.

Principle 6: Ensure that there is Appropriate Risk Management and Internal Control System.

● **Principle 6.1**

The committee will ensure that the company has a system of risk management and internal control to achieve its objectives effectively, and practice following the relevant laws and standards.

- 6.1.1 The board will understand the significant risks of the company, and approve acceptable risks.
- 6.1.2 The board will consider and approve the risk management policy that is consistent with the objectives, main goals, strategies, and acceptable risks of the company, as a framework for the performance in the risk management process of everyone in the organization to the same direction. The board of directors will pay attention to early warning signs and ensure that the risk management policy is reviewed regularly.
- 6.1.3 The board will ensure that the company has identified risks by considering factors both outside and within the organization that may cause the company to fail to achieve the specified objectives. The main risk that the board of directors will pay attention to may be divided into strategic risk, risk operations, financial risk, compliance regulations risk, and so on.
- 6.1.4 The board will ensure that the company has assessed the impacts and opportunities that may cause the identified risks to prioritize the risks, and have appropriate risk management methods.
- 6.1.5 The board may assign the audit committee to screen items 6.1.1– 6.1.4 before proposing to the board for consideration.
- 6.1.6 The board will regularly monitor and evaluate the effectiveness of risk management.
- 6.1.7 The board of directors is responsible for ensuring that the company conducts business following the law and related standards. Both locally and internationally.
- 6.1.8 If the company has subsidiaries or other businesses that the company has significantly invested (for example, having a shareholding percentage of 20 % but not exceed 50 %), the board of directors will assess the internal control system and risk management as part of the consideration under item 6.1.1-6.1.7.

● **Principle 6.2**

The board will establish audit committees capable of performing duties efficiently and independently.

- 6.2.1 The board of directors will arrange for audit committees consisting of at least 3 members, all of them must be independent directors and have qualifications and duties following the rules of the Securities and Exchange Commission and the Stock Exchange of Thailand.

- 6.2.2 The board will set the duties of the audit committee in writing, having their duties at least as specified in the charter of the audit committee.
- 6.2.3 The board will ensure that the company has a mechanism or tool to enable the audit committee to access necessary information of performing their assigned duties, such as allowing the audit committee to call for relevant persons to provide information, discuss with the accounting auditor or seek independent opinions from any other professional advisor for consideration of the audit committee.
- 6.2.4 The board will arrange for an internal audit person or organization those are independent in performing their duties to be responsible for developing and reviewing the efficiency of the risk management system and the internal control. And report to the audit committee and disclose the review report in the annual report.
- 6.2.5 The audit committee must comment on the adequacy of the risk management and internal control system. And disclosed in the annual report.

- **Principle 6.3**

The board will monitor and handle conflicts of interest that may arise between the company and the management, board of directors, or shareholders. This includes preventing improper use of company assets, information and opportunities, and conducting transactions with those having a relationship with the company in an inappropriate manner.

- 6.3.1 The board shall supervise the information security system. This includes policy formulation and procedures to maintain the confidentiality, maintaining integrity, and availability of information, including management of market-sensitive information. Besides, the board will supervise the directors, senior management, and employees, as well as relevant third parties such as legal advisors, financial advisors, who follow the information security system as well.
- 6.3.2 The board will ensure management and monitoring of transactions that may lead to conflicts of interest, including ensuring that there are guidelines and procedures to make such transactions comply with the operating method and disclosure procedures as required by law and is for the benefit of the company and the shareholders as a whole. Where stakeholders should not be involved in the decision-making.
- 6.3.3 The board will set up a requirement for directors to report their interests at least before considering the agenda of the board meeting, and recorded in the board meeting. The board of directors shall oversee the directors who have significant interests in a manner that may prevent such directors from expressing independent opinions. Refrain from participating in the meeting to consider in that agenda.

- **Principle 6.4**

The committee will ensure that the anti-corruption policy and practice are formulated and communicated at all levels of the organization and to outsiders so that it can be practiced. Including supporting activities that promote and instill in all employees to comply with the law and related regulations

- **Principle 6.5**

The board of directors will oversee the company have a mechanism for receiving complaints and to act in case there are clues.

Principle 7: Maintain Financial Credibility and Disclosure of Information**● Principle 7.1**

The board is responsible for ensuring that the financial reporting system and the disclosure of important information are correct, adequate, timely, under relevant rules, standards, and practices.

- 7.1.1 The board shall ensure that personnel involved in the preparation and disclosure of information have knowledge, skills, and experience suitable for their duties and responsibilities, and have enough numbers. Therefore, mentioned personnel include the chief executive officer of the accounting and finance department, accountant, internal auditors, company's secretary, and investor relations.
- 7.1.2 In approving disclosure of information, the board of directors shall take into relevant factors. In case that the event is a financial report, at least the following factors will be considered.
 - (1) Evaluation of the adequacy of the internal control system.
 - (2) Opinion of the auditor in the financial report and observations of the auditor regarding the internal control system. Including observations of the auditor through other communication channels (if any).
 - (3) Opinion of the audit committee.
 - (4) Consistency with the objectives, main goals, strategies, and policies of the company.
- 7.1.3 The board will ensure that information is disclosed, including financial statements, annual reports, and Form 56-1 adequately reflects financial status and operating results. The boards also support the company to prepare Management Discussion and Analysis (MD&A) for the disclosure of the financial statements every quarter for investors to be informed and understand the changes in financial position and the performance of the company in each quarter better, in addition to the numbers in the financial statements.
- 7.1.4 If any disclosure relates to a particular director, such director will ensure that the disclosure of his or her part is complete and accurate, such as the shareholder information of his or her group, disclosure under the agreement between the shareholders of their group.

● Principle 7.2

The committee will monitor the sufficiency of financial liquidity and debt servicing ability.

- 7.2.1 The board will ensure that the management monitors and evaluates the financial status of the company, and regularly reported to the board of Directors. The Board of Directors and the management are encouraged to find solutions as soon as possible if there are signs of financial liquidity problems and debt servicing ability.
- 7.2.2 In approving any transaction or proposing opinions to the shareholders' meeting for approval, the committee will ensure that making such transactions will not affect the continuity of business operation, financial liquidity, or the ability to pay debts.

● Principle 7.3

In the condition that the company has financial problems or is likely to have problems, the committee will ensure that the company has a plan to fix the problem. Or there are other mechanisms to resolve financial problems under consideration of the rights of stakeholders.

- 7.3.1 In case that the company is likely to be unable to pay debts or has financial problems, the board will follow up closely and supervise the company to operate its business carefully and comply with the disclosure requirements.
- 7.3.2 The board of directors will supervise the company to formulate a plan for solving financial problems concerning fairness to stakeholders, including creditors. As well as follow-up problem solving by having the management report on the status regularly.
- 7.3.3 The board will ensure that any decision in solving the financial problems of the company, either way, must be justifiable.

- **Principle 7.4**

The committee will consider preparing a sustainability report as appropriate.

- 7.4.1 The board will consider the appropriateness to disclose information on compliance with the law, code of conduct, anti-corruption policy, treatment of employees and stakeholders, which includes fair treatment and respect for human rights. Including social and environmental responsibility by taking into a nationally or internationally recognized reporting framework, such information may be disclosed in the annual report or may be prepared as a separate book as appropriate for the company.
- 7.4.2 The board will ensure that disclosures are important matters and reflect practices that will lead to sustainable value creation for the company.

- **Principle 7.5**

The board of directors will supervise the management to set up an organization or a person in charge of the investor relations that is responsible for communicating with the shareholders and other stakeholders such as investors and analysts to be appropriate, equal, and timely.

- 7.5.1 The board will establish a communication policy and disclosure policy to ensure that communication and disclosure of information to the third parties are appropriate, equitable, timely, using appropriate channels, protecting confidential information and information that affects stock prices. Including communication to understand with the whole organization in the implementation of the said policy.
- 7.5.2 The board will set up the person responsible for the provision of information to the third parties. By being a person who is suitable for performing their duties, understand the business of the company, including objectives, main goals, values, and able to communicate well with the capital market.
- 7.5.3 The board will supervise the management to direct and support investor relations, such as providing practice in providing information. Insider Information Policy Including stipulating duties and responsibilities of investor relations to provide effective communication and disclosure of information.

- **Principle 7.6**

The committee will promote the use of information technology to disseminate information.

- 7.6.1 In addition to disseminating information according to the specified criteria and through the channel of the Stock Exchange of Thailand, the committee will consider the disclosure of information in both Thai and English, through other channels as well, such as the company's website by doing so regularly, along with presenting up-to-date information.

The company will disclose at least the following information on the website.

- (1) The company's vision and values.
- (2) Nature of business operation of the company.
- (3) List of the board of directors and executives.
- (4) Current financial statements and reports on financial status and operating results and the previous year.
- (5) Form 56-1 and annual report that can be downloaded.
- (6) Any other information or documents presented by the company to analysts, fund managers, or other media.
- (7) Direct and indirect shareholding structure.
- (8) Company group's structure, includes subsidiaries, associates, joint ventures, and special purpose enterprises/vehicles (SPEs / SPVs).
- (9) A group of major shareholders, both directly and indirectly, hold shares of 5 percent of the total number of shares sold and have voting rights.
- (10) Direct and indirect shareholding of directors, major shareholders, and senior management.
- (11) Invitation to the ordinary and extraordinary general meeting of shareholders.
- (12) Articles of association, memorandum.
- (13) Policy on corporate governance of the company, anti-corruption policies, information technology security policies, and risk management policies.
- (14) Charter or duties, responsibilities, qualifications, the term of office of the committee, including matters requiring the committee's approval, charter or duties, responsibilities, qualifications, term of office of the audit committee, and the nomination and remuneration committee.
- (15) Code of business ethics.
- (16) Contact information or complaints, or the person in charge of the investor relations, company's secretary, such as the name of the person who can provide information, Email, phone number.

Principle 8: Encourage Participation and Communication with Shareholders

● Principle 8.1

The committee will ensure that Shareholders are involved in making decisions on important matters of the company.

- 8.1.1 The board will take care of important matters, both issues stipulated in the law and issues that may affect the direction of operations of the company, to pass the consideration and/or approval of the shareholders. Such important matters are included in the agenda of the shareholders' meeting.
- 8.1.2 The board will support the participation of shareholders such as
 - (1) Specifying rules for minority shareholders to propose additional agenda items before the date of the shareholders' meeting. The board of directors will consider including the matters proposed by the shareholders as the agenda of the meeting. If the board of directors rejects the matters proposed by the shareholders on the agenda, the board of directors must notify the shareholders for the reasons.

(2) Criteria for minority shareholders to nominate persons for the position of directors. The board of directors will ensure that such rules are disclosed to the shareholders in advance.

8.1.3 The board will ensure that the notice of shareholders' meeting contains correct, complete, and sufficient information for exercising shareholders' rights.

8.1.4 The board will ensure that the invitation letter of the shareholder meeting and related documents are sent and published on the company's website at least 14 days before the meeting.

8.1.5 The board will allow shareholders to submit questions before the meeting date. By setting rules for submitting questions in advance, and published the aforementioned criteria on the company's website as well.

8.1.6 The notice calling for the shareholders' meeting and all related documents will be prepared in English and published along with the Thai version.

The notice calling for the shareholders' meeting consists of the following text.

- (1) Date, time, and place of the shareholders' meeting.
- (2) The agenda of the meeting, specifying whether it is for acknowledgment or approval. Including divided into matters such as in agenda relating to directors, there were separate matters on the election of directors and approval of the directors' remuneration for each agenda item.
- (3) Objectives, reasons, and the opinion of the board of directors on each agenda item proposed, which includes.
 - A. Agenda for dividend payment approval - dividend payment policy proposed, dividend rate including reasons and supporting information. If it is proposed to refrain from paying dividends, explain the reasons and information.
 - B. Agenda for director appointment - specify the name, age, education and work history, number of listed companies and general companies holding director positions, criteria and recruitment methods, type of director proposed. In the case of proposing the name of the former director to be re-elected, specify the meeting attendance information in the past year and the date of appointment as the company's director.
 - C. Agenda for directors' remuneration approval - policy and criteria for determining remuneration for each director position and all types of directors, both in monetary form and other benefits.
 - D. Agenda for the appointment of auditors - the name of auditors, an affiliated company, work experience, independence of auditors, audit fees, and other service fees.
- (4) Proxy form following the form prescribed by the Ministry of Commerce.
- (5) Other supporting information such as voting procedures, counting and notification of votes, the right of each type of share to vote, information of independent directors proposed by the company as a proxy for shareholders, documents required by shareholders to present before attending the meeting documents for proxy, and a map of the meeting venue, etc.

● Principle 8.2

The board of directors will ensure that the operations of the shareholders' meeting are done properly, transparent, efficient, and allow shareholders to exercise their rights.

- 8.2.1 The board will set the date, time, and venue of the meeting, concerning the convenience of attendance, such as appropriate and sufficient meeting times for discussion, meeting place that is convenient for traveling, etc.
- 8.2.2 The board shall ensure that no action, that is to limit the opportunity to attend the meeting or create excessive burdens for shareholders, is taken. For example, not requiring the shareholders or proxies to bring more documents or evidence than those specified in the guidelines of relevant regulators.
- 8.2.3 The board will promote the use of technology in the shareholders' meeting, both shareholder registration and vote counting and display of results. So that the meeting can be done quickly, accurately, and precisely
- 8.2.4 The chairman of the board, who presides over the shareholders' meeting, is responsible for ensuring that the meeting is following the law, relevant rules, and the articles of association, allocate appropriate time for each agenda specified in the notice of the meeting. The shareholders were allowed to express their opinions and ask questions at the meeting on matters related to the company.
- 8.2.5 So that the shareholders can take part in making decisions on important matters, directors, as attendees and as shareholders, are not encouraged to add unnecessary agenda items that are not informed in advance. Especially important agenda that shareholders have to take time to study information before deciding.
- 8.2.6 Encourage all directors and relevant management to attend the meeting. So that shareholders can ask relevant questions
- 8.2.7 Before the start of the meeting, the company shall inform the shareholders of the number and proportion of shareholders attending the meeting in person and of the shareholder who appoints proxies, meeting method, voting, and counting of votes.
- 8.2.8 In case that there are many items in any agenda, the chairman will arrange a resolution for each item such as the shareholders exercise their rights to appoint each director individually in the agenda of appointment of directors.
- 8.2.9 The board will encourage the use of ballot papers for important agenda items. And encourage independent persons to count or examine the votes in the meeting, then disclose the voting results that agree, disagree, and abstain in each agenda for the meeting acknowledged and recorded it in the reports of the meeting.

● **Principle 8.3**

The board will ensure that the disclosure of the meeting resolutions and preparation of the minutes of the shareholders' meeting are correct and complete.

- 8.3.1 The board will ensure that the company discloses the resolution of the shareholders' meeting together with the voting results within the next business day, through the news system of the Stock Exchange of Thailand and on the company's website.
- 8.3.2 The board will ensure the delivery of a copy of the minutes of the shareholders' meeting to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting.
- 8.3.3 The board will ensure that the minutes of the shareholders' meeting record at least the following information:

- (1) List of directors and executives who attend the meeting and the proportion of directors who attended the meeting did not attend the meeting.
- (2) Voting and counting methods, meeting resolutions, and voting results (agree, disagree, abstain) of each agenda item.
- (3) Issues, questions, and answers at the meeting including the first-last name of the questioner and the respondent.

Code of Business Conduct

Successmore Being Public Company Limited has the code of business conduct to create sustainability for businesses and protect the interests of stakeholders and society. Provide opportunities for stakeholders to express their opinions on the operation of the business to be a mechanism and processes to take care of the business operation seriously. Leading to true corporate governance which executives and employees of the company must adhere to as a guideline in performing their duties as representatives of the company as follows:

1. Strictly abide by all applicable laws, regulations, and rules.
2. Follow the policies of the "Good corporate governance" and the "Business operation ethics".
3. Perform duties with honesty, integrity, and responsibility.
4. Behave like a professional practitioner with knowledge, expertise, and prudence.
5. Considering the benefits and impacts of the operation of the organization with equality and social justice to the stakeholders of the company.
6. Keep secret and does not use inside information or confidential information for the benefit of oneself or others in a wrong way.
7. Create a strong work system to prevent fraud through the internal audit system.
8. The directors, executives, and employees are designated throughout the organization to take part in the opposition against corruption, reporting conflict of Interest, effective communication, and promotion of the quality of work life.
9. Provide opportunities for stakeholders to have complaints and listen to opinions, and have measures to protect the complainant or whistleblower.
10. Disclosure of information with transparency and trust to shareholders.

Successmore Being Public Company Limited has guidelines for doing business with the stakeholders and the society.

- (1) Responsibility to shareholders by operating business with transparency, fair and effective information disclosure. Committed to good performance and stable growth to maximize the benefits of shareholders in the long term.
- (2) Responsibilities to staff and workers by performing following relevant laws and standards, and treating employees and workers fairly and respecting human rights, such as fair compensation and benefits, welfare arrangements not less than those prescribed by law, or rather than as appropriate, health and safety at work, education, potential development and promote progress. And also provides opportunities for employees to develop their working skills in other areas.

- (3) Responsibility to customers by performing following relevant laws and standards and consider the health, safety, fairness, and retention of customer data, after-sales service throughout the product and service lifecycle, monitoring and measuring the satisfaction of customers for the improvement of products and services, including advertising, public relations, and sales promotions must be done responsibly. Not misleading or take advantage of the misunderstanding of customers.
- (4) Responsibility to business partners by having a procurement process and fair terms of contracts or agreements, helping to educate, develop potential, and enhance the ability of production and service to meet standards, clarify and supervise trade partners to respect human rights and treat their workers fairly, responsible for society and environment, including monitoring, auditing and evaluating business partners to develop sustainable business operations.
- (5) Responsibility to creditors by complying with the conditions of the contract with the creditors, including repayment of principal, the interest, and the care of collaterals under the related contract strictly.
- (6) Responsibility towards the community by bringing knowledge and business experience to develop projects that can create tangible benefits to the community Long-term progress and success are monitored and measured.
- (7) Environmental responsibility by preventing, reducing, managing, and ensuring that the company does not create or cause any negative impact on the environment, which covers the use of raw materials, energy use, water use, renewable resource use, the release and management of waste arising from doing business greenhouse gas emissions, etc.

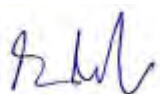
Report of the Board of Directors' Responsibility for Financial Reports

The board of directors gives emphasis the obligations and responsibilities of directors of listed companies to be responsible for the financial statements of the Successmore Being Public Co., Ltd. The financial statements have been prepared under the Thai Financial Reporting Standards (TFRS) by considering appropriate accounting policies and adhering to them regularly. Also, careful judgments and reasonable estimates are used. In the preparation, sufficient information is disclosed in the notes of financial statements. As well as showing explanations and analysis of the financial status and operating results of the company to benefit shareholders and general investors. These financial statements have been audited by independent auditors.

Besides, the board of directors has encouraged the company to comply with good corporate governance principles. As well as provide a risk management system and effective internal control system to ensure that the accounting records are accurate, complete, and sufficient to maintain the company's assets. Including preventing fraud or a significantly unusual operation

In this regard, the audit committee of the company, which consists of independent directors, is responsible to review the quality of the financial reports and the effectiveness of the internal control system. The opinions of the audit committee are shown in the audit committee report shown in the annual information (Form 56-1 One report) already.

The board of directors has the opinion that good corporate governance, risk management system, and the internal control system of the company is sufficient and appropriate, able to establish reasonable assurance that the financial statements of the company for the year, ended on 31 December 2021, have been prepared and disclosed fairly.



(Mr. Narongrit Tavornvisitporn)
Chairman



(Mr. Noppakrit Nithilertvijit)
Chief Executive Officer

Board of Directors Report

Dear Shareholders of Successmore Being Public Company Limited

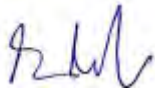
The new wave of coronavirus disease 2019 (COVID-19) outbreak in Thailand since the end of 2020 has continued to affect the people lives in the country until the current. The government's epidemic regulatory agency has issued an announcement stipulating various measures in order to prevent and stop the epidemic. Consequently, people need to adjust their consumption behaviors in accordance with the new way of life under various constraints that happened. For example, wearing a mask before leaving the house, working from home, organizing online training rooms to keep distance between people, and etc. Directors and executives have also changed the way they work on a daily basis, such as Board meetings in the form of E-Meeting, adjusting the presentation in various information through online at all. By using all forms of digital technology to support the employee's work. Thai society has also learned to experience new ways of living and doing business in order to cope with the various obstacles and constraints. Aviation, tourism and service business which have to face travel restrictions to prevent the spread of the coronavirus disease 2019 (COVID-19).

Among the epidemic environment that continues throughout the year 2021, the company's business operations would inevitably be affected as well. The executives always communicated with employees to protect themselves carefully and strictly comply with government measures to prevent infection. The company was unable to organize marketing activities which were gathering of people like before. Therefore, most activities and customer service activities must be shifted to online media using digital platform technology, such as the development of a product trading system throughout the application. To facilitate business people and members who are distributors for customers, received a great response from businessmen and members of the network widely. The overall performance of the Company in 2021 is at a satisfactory level as it appears according to the details of the Company's operating results. This is presented in the Management Discussion and Analysis as part of Form 56-1 One Report / Annual Report.

The best business results of the company, it arises from the coordination of executives and employees that clearly define the company goals of important missions. Creating powerful teams and working together seamlessly, the cooperation of the team members that drive various activities accomplished with unity, creating a working atmosphere that promotes the relationship between executives and employees at all levels, including leadership with the resiliency to adapt every business method to get the job done on time.

On behalf of the Board of Directors and Executives of the Company I would like to thank the shareholders for their confidence and trust in supporting the Company's business in regularly throughout the past year. Thank you for employee, independent businessman, and all stakeholders who cooperate and driving missions in all aspects of the company strongly. The Board of Directors and Executives are committed to improving the quality of business management by giving importance to corporate governance, transparent disclosure, manage risks with prudence, organize the internal control process to be effective, conduct a performance review to enhance the effectiveness of internal control, and encourage all employees to adhere the Code of Business Conduct with honesty to deliver benefits to shareholders, as well as partners, cooperation partners and fair stakeholders.

On behalf of the Board of Directors

A handwritten signature in blue ink, appearing to be 'N. Tavorntvisitporn'.

(Mr. Narongrit Tavorntvisitporn)

Chairman

Successmore Being Public Company Limited

Audit Committee Report

Dear shareholders of Successmore Being Public Company Limited

The audit committee is pleased to present the audit committee annual report. Ending on 31 December 2021 as follows

The audit committee of Successmore Being Public Company Limited consists of 3 independent directors. During 2021, there were a total of 4 audit committee meetings. The times that each director attended the meeting were as follows:

			Number of times
Assist. Prof. Kanyarat	Sanoran	Chairman of the audit committee	4/4
Mr. Narongrit	Tavornvisitporn	Audit committee	4/4
Mr. Sahasak	Srisarnparnk	Audit committee	4/4

All audit committees are qualified. They perform their duties independently within the scope of duties and responsibilities following the charter approved by the board of directors, which is under the requirements and best practices of the Stock Exchange of Thailand and the Securities and Exchange Commission. In every meeting, the audit committee invited executives, auditors, internal auditors, and those involved to attend the meetings and provide additional information on key issues to make the audit and review more effective and efficient. Including reports the consideration results and opinions to the board of directors quarterly, to have proper action. Summary of important duties of the audit committee are as follows:

1. Review of Financial Statements and Disclosure

The audit committee has reviewed the quarterly and annual financial statements for the year 2021, which have been reviewed and audited by the auditor, by reviewing material information along with receiving clarification from the auditor about the adjustments of transactions that significantly affect the financial statements, accounting estimates, the appropriateness of accounting recording method, including the accuracy and completeness in the disclosure of information in the financial statements, inspection scope, independent of the auditor, and various observations of the auditor, to ensure that the preparation of financial statements complies with legal requirements, accounting standards, and financial reporting standards; reliable, timely and beneficial to the users of financial statements.

2. Reviewing the internal audit and internal control system

The audit committee has reviewed the independence, duties, and responsibilities and scope of work of the internal auditors, and the internal audit results. There have considerations for the results, review, and following up from internal auditors following the approved audit plan, which covers important systems of the company, to assess the adequacy, suitability, and effectiveness of the internal control system. Also, the evaluation results of the company's internal control system were assessed following the framework of the internal control guidelines of The Committee of Sponsoring Organizations of the Tradeway Commission (COSO) by using the assessment

of the sufficiency of the internal control system of the office of the Securities and Exchange Commission. The Audit Committee has reported the audit results of the internal control system to the board of directors quarterly and gave useful advice on the internal control system to have corrective action in this regard. The Company's internal control system is sufficient and appropriate. There were no significant issues or defects that could affect the company.

3. Review of good corporate governance

The audit committee encourages and makes recommendations to provide the company the appropriate management and corporate governance following good governance principles. There is a review of the ethics promotion policy, anti-corruption policy, and whistleblowing policy. There are following up issues received through complaints and whistleblowing channels, which were addressed directly to the chairman of the audit committee. Besides, the company has expressed the intention to join in the opposition against corruption and is in the process of submitting a request for certification from the Thai Private Sector Collective Action Coalition Against Corruption (CAC) committee.

4. Review of the compliance with the regulations of the relevant supervisory authorities.

The audit committee has reviewed the compliance with the law on securities and exchange, rules of the Securities and Exchange Commission, requirements of the Stock Exchange of Thailand, and any other laws relating to the Company's business operations, including the commitment that the company has with third parties. The Audit Committee did not find any material issues regarding practices that would violate the law and such requirements.

5. Review of connected transactions or items that may have conflicts of interest

The audit committee has reviewed and commented on the transactions between the company and related persons or juristic persons, or transactions that may have conflicts of interest with the company, including the disclosure of such transactions, according to the regulations of the Securities and Exchange Commission. The audit committee gives the opinion that such transactions are reasonable, the company operates following normal business terms and conditions with fair and for the best interest of the company, including important items that are disclosed and displayed accurately and completely in the financial statements and the notes to the financial statements.

6. Consideration of proposing the appointment of auditors and audit fees

The audit committee has reviewed the independence, knowledge, and performance of the auditors in the year 2021, with the opinion that the auditor is independent in performance, knowledgeable, and overall performance is of satisfactory quality. For 2022, the audit committee has resolved to propose to the board of directors to give approval and propose to the annual general meeting of shareholders to consider and approve the appointment of Mr. Wanlop Wilaiworawit, certified public accountant no. 6797 and/or Ms. Chantira Chantrachaichote, certified public accountant no. 6326 and/or Ms. Sopaphan Supthipayaratana, certified public accountant no. 6523 and/or Mr. Nanthawat Samruanhan, certified public accountant no. 7731, of the office of

Deloitte Touche Tohmatsu Jaiyos Audit Company Limited ("Deloitte") to the company's auditor for the year 2022 and approves the audit fee totaling 3,650,000 Baht.

7. Maintaining the quality of the audit committee

The audit committee has complied with the audit committee charter and to review the audit committee charter to be in line with the current situation and good corporate governance principles, by presenting to the board of directors for approval on an annual basis. Also, the audit committee has a self-assessment of the performance of their duties. It was found that the mission was completely performed under the audit committee charter and used knowledge and ability to give opinions and suggestions that are continually beneficial with independence. This helps to strengthen operations and good corporate governance systems effectively.

Overall comments and observations

For the year 2021, the company has accurate and reliable financial accounting and reporting systems. There is adequate and appropriate internal control, good corporate governance, compliance with the laws and regulations related to the company's business operations. The audit committee has used knowledge, experience, caution, and prudence, to perform duties following the charter which is fully and independently approved by the board of directors, without restrictions on obtaining information, resources, and cooperation from executives, employees, and related persons. As well as giving comments and suggestions honestly for the benefit of all stakeholders equally

On behalf of the Audit Committee

(Assist. Prof. Dr.Kanyarat Sanoran)

Chairman of the Audit Committee

Successmore Being Public Company Limited

Report of the Nomination and Remuneration Committee

Dear shareholders of Successmore Being Public Company Limited

The nomination and remuneration committee would like to present the committee report for the year 2021 starting from 1 January to 31 December 2021 as follows:

The nomination and remuneration committee of Successmore Being Public Company Limited has been appointed by the board of directors, following the good corporate governance guidelines of listed companies. A committee is a person who has complete qualifications according to the company's charter, not having prohibited characteristics under the relevant laws; have the knowledge, ability, experience, and understanding of qualifications, duties, and responsibilities, including knowledge of corporate governance, and able to devote sufficient time to perform duties, so that the performance of the nominating committee achieved according to objectives. In 2021, the nomination and remuneration committee has 3 members as follows:

1. Mr. Sahasak	Srisarnparnk	Chairman of the Nomination and Remuneration Committee (Independent Director)
2. Assist. Prof. Kanyarat	Sanoran	Nomination and Remuneration Committee (Independent Director)
3. Mr. Noppakrit	Nithilertvijit	Nomination and Remuneration Committee

The Nomination and Remuneration Committee has performed their duties following their responsibilities in reviewing the criteria, guidelines, and recruiting procedures, including determining the appropriate remuneration for the company's directors and various committees to present to the board of directors meeting consider and giving approval before proposing to the shareholders' meeting for approval on an annual basis. As well as to consider the remuneration of the senior executives of the company to present to the board of directors meeting for approval

For the year 2021, the Nomination and Remuneration Committee has a meeting to consider and report the results together with the opinions to the board of directors to consider. The Summary of essences that is considered is as follows.

1. Review and nominate people who are legally qualified and pass the rules relating to the positioning of the board of directors as replacement of persons retire by rotation, by recruiting, selecting, and nominating persons with qualifications, experience, knowledge, and abilities that benefit and suit the nature of the business of the company, to propose to the board of directors meeting and the general meeting of shareholders for further consideration. The directors who have interests will abstain from voting.
2. Consider the remuneration of the board of directors, various committees, by carefully scrutinizing the various suitability and compare with reference from the same industry, and economic conditions, as well as the appropriateness and responsibility of the number of the board of directors and sub-committees, to present to the board of directors and the shareholders' meeting for approval.

3. Encourage and support the company to allow shareholders to propose agendas for the 2022 annual general meeting of shareholders and nominate qualified persons to be considered for election as a director according to the criteria disclosed on the company's website from 1 November 2021 to 30 December 2021.
4. Consider the remuneration of the chief executive officer and the executives, and consider it as appropriate with the assigned duties, responsibilities, and the performance of the company in comparison with the goals of the company, including economic reality situation by comparing with the rate of remuneration of companies in similar industries.
5. Evaluate the performance of the Nomination and Remuneration Committee on a group and individual basis for the year 2021, which the overall assessment results are at a "Very Good" level, and report the evaluation results to the Board of Directors in order to develop effective operations and disclose the assessment results in the form of 56-1 One Report / Annual Report.
6. Follow up and supervise the company in part of a succession plan and appropriate management continuity for senior management positions and important positions to prepare personnel to support and comply with business expansion.

The nomination and remuneration committee has performed the duties assigned with care, prudence, transparency, fairness, and gives honest, independent opinions. Persons with an interest in the matter considered are not present at the meeting and have no right to express opinion and vote on that matter, according to the principles of good corporate governance, for the best interest of shareholders, investors and all stakeholders are important.

On behalf of the nomination and remuneration committee



(Mr. Sahasak Srisarnparnk)

Chairman of the nomination and remuneration committee

Successmore Being Public Company Limited

Risk Management Committee Report

Dear Shareholders of Successmore Being Public Company Limited

The Risk Management Committee of Successmore Being PCL has been appointed by Board of Directors, this consists of 2 independent directors and 1 executive director during the year 2021, a total of 2 meetings of the Risk Management Committee were held. The names of the Risk Management Committee members and the number of meetings each director attended are as follows:

		Number of times
Mr. Noppakrit Nithilertvijit	Chairman of Risk Management Committee (Chief Executive Officer)	2/2
Asst. Prof. Dr. Kanyarat Sanoran	Risk Management Committee (Independent Director)	2/2
Dr. Wijit Techakasem	Risk Management Committee (Independent Director)	2/2

Successmore Being PCL has given importance to risk management, especially the management of risks that affect the achievement of the Company's business objectives and goals by reducing the potential risks and acquiring business opportunities which will lead to added value for shareholders and stakeholders.

In 2021, the Risk Management Committee has performed duties as assigned by the Board of Directors and the Risk Management Committee Charter. They are responsible for determining and reviewing policies, goals and risk management framework for the whole organization to be appropriate for the company's business operations. As well as monitoring and assessing risks and risk management results at both departmental and organizational levels. There were 2 meetings which summarized the key points of the work as follows:

1. Consider the risk classification and risk level of the organization. To provide appropriate risk management throughout the organization in line with the Group's operational strategic plan and business environment. In 2021, the Risk Management Committee has added the risk of corruption as one of the main risks of the business in order to enable key departments of the core business to conduct a risk assessment and prepare an appropriate corruption risk management plan.
2. Review the appropriateness and sufficiency of the Company's risk management policies, strategies and practices to ensure that such policies, strategies and practices are consistent with the Company's strategy and business directions as well as control the level of risk at an acceptable level.
3. Consider a summary of the risks that are important to the sustainability of the organization and to prioritize guidelines for the next steps. Establish a risk management plan and prepare risk control guidelines that is appropriate in order to manage the risk level that the Company's acceptable or reduced the likelihood of future risks.
4. Consider the risks from the issuance and offering of warrants to purchase ordinary shares of Successmore Being PCL No. 1 (SCM-W1) to the existing shareholders as in shareholding proportion.

5. Arrange to assess the performance of the Risk Management Committee both individual faculty form and individual form for the year 2021, which the overall assessment results are at the level of "Very Good" and report the assessment results to the Board of Directors to be develop in effective operations and disclose the assessment results in the form of 56-1 One Report / Annual Report.

In summary, the Risk Management Committee is given the opinion that the Company has an efficient risk management system in 2021, it would sufficient to oversee the major risks of the Group and is appropriate for the business operations and activities of the Company and the Group. Under the main department of the company and each subsidiary has its own risk management continually in order to conform to changing circumstances and to be at an acceptable level, as well as to support the management of the organization and business operations of the Company and the Group were going according to plan.

On behalf of the Risk Management Committee



(Mr. Noppakrit Nithilertvijit)

Chairman of Risk Management Committee

Successmore Being Public Company Limited

Executive Committee Report

Dear shareholders of Successmore Being Public Company Limited

The executive committee is appointed by the board of directors to supervise, manage and control the company's business operations under the policy and business operation strategies as specified by the board of directors, including compliance with the executive committee charter, code of business ethics, and various laws related to business operations.

In 2021, the executive committee held 12 meetings to perform the duties assigned to them. In each meeting, the executive committee will jointly consider important matters and present them to the board of directors for their acknowledgment or approval as the case. In summary, the essence can be as follows

1. Monthly reports the performance of the company.
2. Present a business strategy goal and annual work plans to the board of directors, as well as being responsible for the management of the company under the policies, directions and goals set.
3. Ensuring that financial reports are prepared for the auditor to audit or review and gave an opinion on the mentioned financial statements.
4. Consider making transactions with the connected persons and the acquisition or disposition of assets cautiously, reasonable in terms of price and other conditions; take into account the interests of the company and the shareholders as main. The executive directors who have interests will not take part in decision-making, before presenting to the audit committee and the board of directors respectively, as well as follow up the operations of each party and in the whole of the company's monthly.
5. Support and encourage employees to create innovations continuously to add value to the product.
6. Consider and approve the annual budget, company investment, including business critical part in financial and credit transactions before proposing to the Board of Directors for approval.
7. Supervise, promote, and support the board of directors, the management, and employees to have knowledge and understanding of the anti-corruption policy and regulation of the company.
8. Review of the executive committee charter to guide for performing duties that are appropriate and consistent with the current situation.
9. Arrange for performance appraisal of the executive committee, both in faculty forms and individual forms for the year of 2021 and report the assessment results to the board of directors, to develop efficiency in work and disclose the assessment results in Form 56-1 One Report / annual report

The executive committee is committed to managing the business to achieve the vision, mission, goals, and business strategies of the organization, and managed under the principles of good corporate governance, having transparency, verifiable and fairness, while operating the business with social and environmental responsibility, including continuous support for anti-corruption for the organization to grow and be stable.

On behalf of the executive committee, I would like to thank the shareholders; independent businessmen, customers, business partners, financial institutions, government and private agencies, and all employees of the company for always entrusted and gave great support to the company. I would like you all to believe that the company will remain committed to operating the business for sustainable growth under the principles of ethics and good corporate governance to move forward steadily and sustainably.

On behalf of the Executive Committee



(Dr. Sitthawee Kriatchawan)

Chairman of the Executive Committee

Successmore Being Public Company Limited

Chief Executive Officer Report

Dear shareholders of Successmore Being Public Company Limited

2021 has been another challenging year occurred in many fields. An unexpected situation arises from the epidemic of the coronavirus disease 2019 (COVID-19) that has never happened before, it was affecting the overall global economy to slow down and the overall Thailand's economy was greatly damaged. While as consumer behavior changes rapidly to adapt in line with the coronavirus 2019 (COVID-19) situation, such as work from home, social distancing, etc. From this situation led to the conception of a new term of "New Normal", the needs or consumers' behavior change by using online channels and paying more attention related for health and life safety. As a result, the Company has penetrated the online market to support the needs of people in the digital era and has created competitive advantages, as well as lead the organization to move towards growth along with seeking new business opportunities by driving the organization under 5 main strategies as follows;

Strategy 1: Growth from Internal Market and AEC Market Plan.

For countries in the AEC market with high growth and the highest growth rate of businessmen which are Cambodia, Singapore and Malaysia, especially Cambodia outstanding because of Cambodia has more confidence in the Successmore brand. And the fact that SCM is a brand in the SET, it would create the strong confidence like multiply even more. Businessmen are attracted to the company's sustainable development system whether teaching system or a leadership pathway.

Strategy 2: Digitalization and connectivity across all platforms

The Company has developed the online platform to be modern style, including various applications that are fast and instant, upgrading E-Commerce services and data storage systems or data warehouse in order to track consumer behavior more accurately, emphasizing on marketing approach in accordance with the needs of consumers and create innovative products that meet the needs of consumers.

Strategy 3: Paying close attention to customer care.

The company creates a close relationship with consumers in order to make consumers feel impressed and have a good experience with the brand. By paying attention star from the purchase process to delivery process until the product reaches the consumer with monitor the product results. At Successmore, customer oriented is the heart of business operations.

Strategy 4: Developing innovative products.

The company invents innovative products to meet the Consumer lifestyle. There are two key elements that will give customers a good brand experience which are "services" and "innovation and quality of products".

Strategy 5: Building a strong brand and corporate culture.

The company drives the organization by focusing on creating a wellness & well-being society to improve people's quality of life both in terms of health and quality of life. Designing products and health activities are promoted along with the development of mindset by inside into the core of human development. From the beginning of the

basics of self-understanding, understand others, leadership coaching, using SCM tools in order to achieve life-building goals under the project of “Successmore Leadership Academy – SLA”

At the same time, the Company is adhering to the foundation of a strong corporate culture called SPIRIT (S: Service & Sharing, P: Performance, I: Integrity & Improvement, R: Respect, I: Innovation and T: Teamwork). Guidelines for building confidence in oneself, the organization and teamwork. Leading to create a solidarity for both executives and employees in doing the same direction to achieve results. It is forged into the one power that creates a culture and lead the organization to success, through the crisis. The Company Level up as professionalism that can compete in the global arena.

The management team and me would like to assure all of you that we will drive the company toward the goal with stable and sustainable growth in both of sales, profits and being a good organization of society. We would like to thank the Board of Directors, shareholders, customers, dealers, business partners and employees that has always been supported the company very well.



(Mr. Noppakrit Nithilertvijit)

Chief Executive Officer

Successmore Being Public Company Limited



SUCCESSMORE

Inspiration for your Being

Inspiration for your Being



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