

ANNUAL REPORT 2021

The word "KISS" is rendered in a large, bold, sans-serif font. Each letter is filled with a different blue-tinted image related to science and technology: the 'K' shows a circuit board, the first 'I' shows a test tube, the 'S' shows a beaker, and the second 'S' shows a petri dish. The letters are set against a background of laboratory glassware and blue-tinted scientific imagery.

Vision

*To be Asia's
Health & Beauty
for Future*

Mission

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





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Message from CEO

Dear Shareholder,

2021 was another challenging year for the beauty industry and other industries since we faced the threat of the COVID-19 pandemic for the second year in a row. The pandemic caused all business sectors to lose control and require quick turnaround & business rescue under the tough and unstable situation. The impacts of the government's measures with the intention of managing the increasing number of patients and deaths as well as the surges of the virus spike are inevitably felt in the domestic and overseas economies.

While our business performance has been challenging, we have continued to step up and be proactive during this ongoing period by making sure to stabilize our business fundamentals and relentlessly develop innovative products in response to consumer needs. The cost reduction and budget cut approaches were considered, but still ensure that we can work effectively and efficiently to keep positive cash flow and profit delivery under the market conditions and with less consumer spending. In parallel, the company will further continue to invest in the long-term growth engines like the employee training program, technology, and business alliances to achieve the corporate vision.

KISS's priority is always the safety of KISS people as well as our business partners. We followed the guidelines from the Ministry of Public Health steadily, from mask-wearing, vaccinating, and social distancing to working from home. Throughout last year, the company was able to operate without any COVID-19 interruptions.

Our high level of agility to develop new business

prospects during this Covid-19 pandemic was the fundamental aspect that drove us to step ahead as a force for good and growth in this time of need, despite our business performance declining in 2021. During the lockdown period, we launched "do-it-yourself" products at home, such as Rojukiss Serum Hair Color, which allows them to color their hair at home in 10 minutes; Sis2Sis powder foundation, which has the unique feature of not sticking to face masks; and "Qi supplement," which helps them take special care of their health holistically. As intended, we transitioned our distribution channel from offline to

online and included media commerce through TV Home shopping. Our international business has delivered a promising result, with continuous growth from Indonesia and a new tap in Vietnam since last year. This proved that KISS has moved forward with attentive focus on both strategically and operationally, to drive strong business delivery in the pandemic situation and strive for excellent and effective execution.

Our high level of agility to develop new business prospects during this covid-19 pandemic was the fundamental aspect that drove us to step ahead as a force for good and growth in this time of need

and the unforeseeable future of when this will be ended, every single KISS employee and I are still committed to fighting and carrying out the corporate vision and mission to become the leading innovative Beauty & Health company in 2022.

Worrawan Chaikamnerd

(Chief Executive Officer)





Moving forward to 2022, we continue to assure all stakeholders that we will continue to work creatively to develop market-ready beauty and wellness products. Our focus remains on the demands of the consumer, and we are working to expand distribution to the maximum extent possible.



Message from chairman

As of this year 2022, the Rojukiss brand has already turned 15 in shaping beauty business in Thailand. We have proved our professional skills in the beauty industry when we were listed on the Stock Exchange of Thailand in 2021 under the name of “Rojukiss International Public Company Limited”. It is our passion to run our business and become the leading company in the beauty and health industry in Asia.

We had an onerous year in 2021 as if it were the year of the torture test for us. We must deal with all of the changes, both within and outside of Thailand, as well as the global upheavals caused by successive waves of COVID-19. Every industry has adapted to satisfy the changing demands of customers in their daily lives, as well as the elusive circumstances. In an unpredictable scenario with no clear conclusion in sight, any business that cannot react will be forced to close eventually. We will not deny that KISS has been affected by COVID-19, but we are still on high alert to deal with any challenges or circumstances that may arise in the future. We will continue to work hard and strive our business performance to improve constantly.

As chairman, I'd want to express my gratitude to our business partners, customers, and all stakeholders who continue to support and believe in our operation. In this difficult scenario, I am also grateful for and really appreciate the efforts of management and KISS employees, who put forth all their effort and desire to relentlessly achieve our goal.

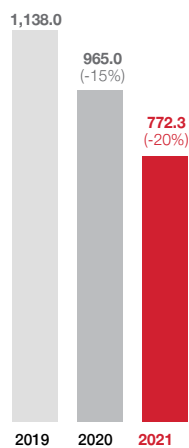
Moving forward to 2022, we continue to assure all stakeholders that we will continue to work creatively to develop market-ready beauty and wellness products. Our focus remains on the demands of the consumer, and we are working to expand distribution to the maximum extent possible. To provide the most sustainable and lucrative growth to all stakeholders, we are also looking forward to identifying business prospects and making sound investments in other sectors.

Dr. Luckana Leelayuthyothin
(Chairman)

Financial Highlights

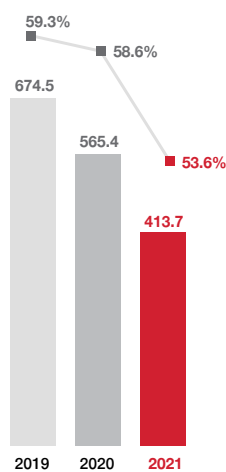
1. Revenue from sales and services

(Million THB)



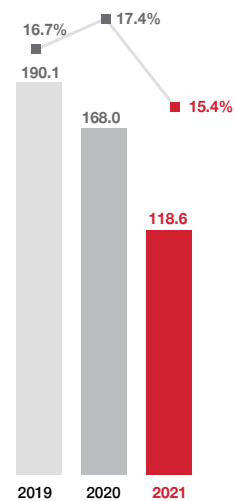
2. Gross Profit

(Million THB)



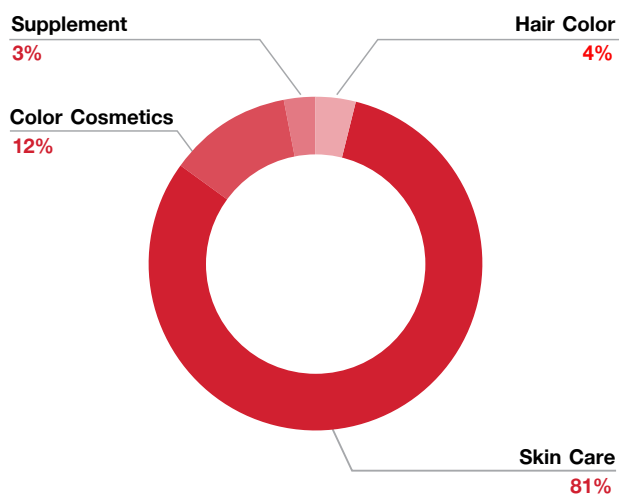
3. Profit for the year

(Million THB)

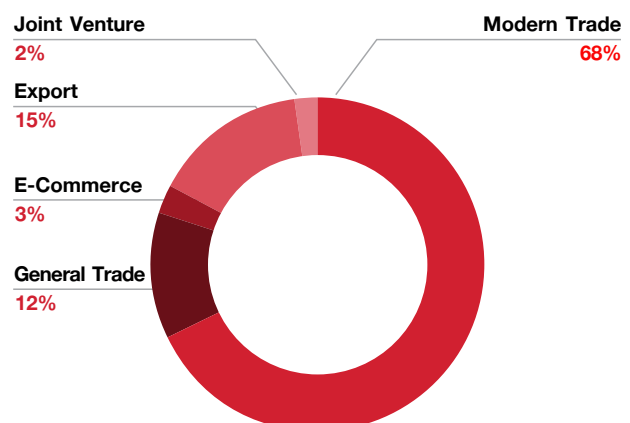


Revenue from sales and services

by Category



by Distribution Channel





วรวรรณ ไชยกำนัน (ประธานเจ้าหน้าที่ฝ่ายบริหาร)

Given the uncertainty of COVID-19 and the unforeseeable future of when this will be ended, every single KISS employee and I are still committed to fighting and carrying out the corporate vision and mission to become the leading innovative Beauty & Health company in 2022.

Revenue
from sales and services

772.3
Million THB

Profit for the year

118.6
Million THB

Profit Ratio
for the year

15.4%

Total Assets

1,048.7
Million THB

Part 1

Business overview and performance



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1. Overview of Policy and Business

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Executive Committee



1. Mrs. Worrawan Chaikamnerd

Chief Executive Officer

*“**Success** is not final; **Failure** is not fatal: it is the **Courage** to continue that counts.”*

Winston Churchill

2. Ms. Wipaporn Niamla-ong

Chief Financial Officer

*“Play by the rules,
but be ferocious.”*

Phil Knight

**3. Mr. Thanayus Leeraphan**

Chief Marketing Officer

“Business opportunities are like buses, there’s always another one coming.”

Richard Branson

4. Ms. Naruemol Sukkamolwatana

Chief Operating Officer

“You only have to do a few things right in your life so long as you don’t do too many things wrong.”

Warren Buffett

Board of Directors



1.



2.



3.



4.



5.



6.



7.



8.



9.

1. Dr. Lackana Leelayouthayotin

Chairman / Independent Director

2. Mrs. Pratana Mongkolkul

Vice Chairman / Independent Director

3. Dr. Anuphan Kitnitchiwa

Independent Director

4. Dr. Chatrchai Tuongratanaphan

Independent Director

5. Ms. Pornchanok Tansakul

Independent Director

6. Mrs. Yayus Sulyanni Mak

Independent Director

7. Ms. Piyawadee Sonsingh

Authorized Director as per the Company's Affidavit

8. Mr. Anotai Adulbhan

Authorized Director as per the Company's Affidavit

9. Mrs. Worrawan Chaikamnerd

Authorized Director as per the Company's Affidavit
/ Chief Executive Officer

Audit Committee



Mrs. Pratana Mongkolkul

Chairman of the Audit Committee



Dr. Chatrchai Tuongratanaphan

Member of the Audit Committee



Ms. Pornchanok Tansakul

Member of the Audit Committee

Nomination and Remuneration Committee



Dr. Chatrchai Tuongratanaphan

Chairman of the Nomination and
Remuneration Committee



Dr. Anuphan Kitnitchiwa

Member of the Nomination and
Remuneration Committee



Mr. Anotai Adulbhan

Member of the Nomination and
Remuneration Committee

Corporate Governance Committee



Dr. Anuphan Kitnitchiwa
Chairman of the Corporate
Governance Committee



Mrs. Yayus Sulyanni Mak
Member of the Corporate
Governance Committee



Ms. Piyawadee Sonsingh
Member of the Corporate
Governance Committee

Executive Committee / Risk Management Committee



Mrs. Worrawan Chaikamnerd
Chairman of the Risk Management
Committee / Chief Executive Officer



Mr. Thanayus Leeraphan
Member of the Executive Committee
/ Member of the Risk Management
Committee



Ms. Naruemol Sukkamolwatana
Member of the Executive Committee
/ Member of the Risk Management
Committee



Ms. Wipaporn Niamla-ong
Member of the Executive Committee
/ Member of the Risk Management
Committee

1. Business Overview and Performance

1.1 Overview of Policy and Business

1.1.1 Vision, Mission, Business Overview, Target and Strategies



Vision

*To be Asia's Health & Beauty for
Future*

Mission

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

The Company's Business Objectives:

1



1. Work with top business partners all around the world to grow the firm and broaden our range of health and beauty products.

2.



2. Be a leader in beauty and health innovation for the urban lifestyle (Convenience Health & Beauty) by developing innovative products that are simple to use, convenient, and cost-effective and in line with the rapid changes of consumers in the market.



3.

3. Expand the distribution channel to include convenience stores, supermarkets, and a direct-to-consumer (D2C) channel.



4.

4. Developing strong alliances to become a company leader both domestically and globally entails In the ASEAN area, which includes Indonesia, the Philippines, and Vietnam.

Business Overview

Rojukiss International Public Company Limited was founded on 2 March 2007, and enlisted on the Thailand Stock Exchange on 19 February 2021. The company's business is to develop, outsource, and distribute health and beauty products under the "Rojukiss," "Best Korea," and "Wonder Herbs" beauty brands, as well as "Sis2Sis" make-up brands, while PhD K-Derma and Qi are two KISS brands that have commercialized through a Joint Venture. All the brands have roughly over 100 SKUs and are supplied locally and internationally. The company continues to grow through marketing campaigns focused on building brands and developing new products to meet the various and ever-changing needs of its customers. Beauty & Health Convenience concept means offering products that meet or solve a consumer's needs that are affordable and available in a simple size and form. This concept is to be matched with the consumer's decision to buy a product for trial and repeat purchase because the product provides the best value. In addition to the new product introduction, the company is constantly enhancing existing items that are already popular with customers to raise the bar and better meet their demands. The company is currently active in the new development, contract manufacturing, and distribution of all four product categories: skincare, cosmetics, dietary supplements, and hair care, which are sold in Thailand and many other countries in ASEAN such as Indonesia, Philippines, Vietnam, Laos, Cambodia, etc.

In 2022, the company has invested in a company engaged in the production and packaging of medicines, medical supplies, and medical equipment to enter the health business in full accordance with the mission and vision of the company, aiming to be Asia's future beauty and wellness leader.

The Company's Business Objectives:

The company intends to be Asia's future beauty and health leader by achieving the following goals:

1. Work with top business partners all around the world to grow the firm and broaden our range of health and beauty products.

After facing the threat of COVID-19, beauty and health beliefs and lifestyle trends are likely to grow and spread sluggishly even though beauty and good health may go hand in hand. The healthcare industry is a sizable business with promising growth possibilities. As a result, the company is dedicated to expanding its business to include a complete variety of beauty and health products, as well as reaching a wide range of consumers to address the needs.

2. Be a leader in beauty and health innovation for the urban lifestyle (Convenience Health & Beauty) by developing innovative products that are simple to use, convenient, and cost-effective and in line with the rapid changes of consumers in the market.

The company's earlier expansion was fueled by the development of new products. The company's products, both health and beauty, are focused on innovations that meet the demands and lifestyles of urban consumers (urbanization). To stay up with market developments, the company's new product launch concerns include cost-effectiveness, convenience of use, and ease of purchase (Marketing Landscape). The technology-driven

and automated processes during the COVID-19 pandemic have a direct impact when consumers have full awareness of online shopping, making a significant change and the best convenience. Today, as life changes, what we want to seek can be found on the entire internet globe, and people realize that on-line shopping is too convenient to the point where they don't want to go back to shopping off-line.

3. Expand the distribution channel to include convenience stores, supermarkets, and a direct-to-consumer (D2C) channel.

Despite the company's continuous success in making its primary brand "Rojukiss" the No. 1 brand among Thai firms in the women's skincare category in convenience stores (from 2019–2021) and the beauty and health channel (from 2021), (according to Nielsen 2021 data), the impact of COVID-19 on consumer behavior demonstrates the necessity to increase the number of channels through which potential clients can be reached. In 2021, the company has started expanding new channels to reach its target audience, including e-commerce, social commerce, and media commerce. In addition, there is a long-term plan in place to balance the growth of such sales channels with changing and more diversified client behavior by 2022.

4. Developing strong alliances to become a company leader both domestically and globally entails In the ASEAN area, which includes Indonesia, the Philippines, and Vietnam.

By 2024, the top three countries are expected to have a combined population of more than 500 million people, making them attractive marketplaces for beauty and health products. The Korean Wave and an urbanized population boom that demands convenience from a fast-paced life are some of the commonalities between these countries' populations (urbanized trend). The company has combined consumer expertise and a network of experienced business partners to enable the company to meet its revenue target of 15-20 percent through overseas channels as a percentage of overall revenue (gross sales).

Business Strategies

The company is dedicated to being a true health and beauty company, inspired to see and grow their potential by the world's greatest beauty and wellness companies on a long-term basis. The company aims to generate revenue¹ of around 3,000 million baht by 2026, with the long-term goal of becoming Asia's leading beauty and health company, or accounting for an average growth rate of around 29 percent per year from 2021, compared to the company's rate of revenue growth of 39 percent per year between 2017 and 2019, prior to the COVID-19 epidemic situation. The company's goal is to have a 40–45 percent revenue share from skin care products sales in the country, as well as a 30–40 percent revenue share from other categories, including dietary supplements, cosmetics, and hair products, while having a foreign revenue of approximately 20% to 25%. The future success of the company's growth strategy will be determined by the following strategic moves: (1) the Rojukiss skincare brand's success in becoming a 1,000 million baht business; (2) the ability to build and increase the health and beauty portfolio by reaching out to business partners' consumer base and generating sales through the distribution channel; and (3) the expansion of the company's brands in Indonesia and Vietnam, which has resulted in significant corporate growth; and (4) KISS achieved the benefits from the assistance of Hibiocy Co., Ltd., a KISS subsidiary, in swiftly expanding its activities into the health care product market. However, the company's growth strategy can be altered based

on the business scenario. The altered strategies would be implemented with the knowledge of executives in the beauty products industry. The company also has many flexibilities to implement them, such as being an asset-light company, having a strong brand group (Multi-category Brand Portfolio), multiple packaging (multi-format packaging) as backups, and the capability of non-stop inventing new quality health and beauty convenience products for the market.

(1) Build Rojukiss as the “One Billion Brands” by 2024

The company's flagship brand, Rojukiss, offers a unique selling point that distinguishes it from other skin care products on the market. It's a very effective facial serum produced with South Korean skin-care technology to treat a variety of difficult-to-resolve skin problems. The company already has a goal of developing the Rojukiss brand into a brand with sales of 1,000 million baht by 2024 (including all product groups such as facial care, hair products, etc.) with a desire to grow from a skin care line to a full-service beauty line. As of 2021, according to The Nielsen Company (Thailand) Co., Ltd. ("Nielsen"), covers the collection of sales data of the entire market (mass market), including modern trade channels and general trade stores, excluding the luxury market, where products are sold over the counter in department stores. The facial skin care market in Thailand has declined to - 13.8 percent since the outbreak of COVID-19. Rojukiss brand, on the other hand, declined at a slower rate than the market, at -12.6 percent, and Rojukiss increased its share of beauty and wellness stores by + 13.8 percent. However, the growth of skincare goods in this channel has slowed to -11.6 percent. Rojukiss was severely impacted by the convenience store channel, which restricted their opening hours or closed during the lockdown measures and lower spending trends of this consumer segment. Even in unusual circumstances, the business results show that Rojukiss is a well-known and trusted brand and still a popular choice among customers.

Innovative skincare "Korean Serum" - the solution for all of your skin's problems.

Rojukiss is a unique product with a high concentration of active ingredients that work primarily on the skin and are more effective and absorbent than traditional skin care solutions. Rojukiss is also the first brand to highlight the benefits of pore-solving products on the face, making it the only brand that can truly claim to provide "Innovative Facial Skincare." The company is always developing new serums and other items for its portfolio. Rojukiss serum was a brand-new product that quickly gained traction and eventually became the brand's star product after a lengthy time on the market. (1) Rojukiss Perfect Poreless Serum (2) Rojukiss Spotless Acne Serum (3) Rojukiss X5 Intensive Mask (4) Rojukiss Eye for Face Cream and (5) Rojukiss White Poreless Serum are some of Rojukiss' best-selling products. In 2021, the company was release new products to expand to meet the needs of new consumers, for a total of approximately 4–5 items in the facial care category. In this regard, the company has set a target of about 40–45 percent of gross sales from domestic skin care products in 2026.

(2) Strengthening of sales channels through multi-channel stores Both with a storefront (offline), e-Commerce and Media Commerce.

Both by building a brand that is appropriate for the customer base of business partners in that distribution channel and by selling well-known brand items so that target customers can easily select products that satisfy their demands and are more convenient.

- E-commerce: Following the COVID-19 incident, Rojukiss e-marketplace sales surged in unison with the behavior of customers who were unable to leave their houses to buy for products in a traditional store. Through the primary distribution channels, the company has grown by up to 90% both are from “rojukiss.official” stores in Shopee and Lazada. It is also complemented by the brand's e-commerce channel, where customers can order their own products at www.rojukiss.com or ask for information and advice about additional products via social commerce channels, including www.facebook.com/rojukissthailand and Line official Account: @rojukiss.
- Media Commerce: After an agreement was signed with a subsidiary of GMM Grammy Plc. in January 2021, the company has successfully distributed PhD K-Derma skin care products and dietary supplementary Qi, cordyceps, ginseng, and lingzhi mushrooms in April 2021 and December 2021, respectively. In 2022, the plan will develop marketing and brand awareness for both brands to raise awareness of the products within the target population and lead to trial.

The organization follows the philosophy of balancing the strengths of several sales channels. Simultaneously, we drive growth through new channels that will be able to reach consumers and allow the company to grow sustainably while keeping in touch with the target customer group who has diversified their behavior.

(3) Focus on expanding business to foreign countries.

Even in the middle of the global COVID-19 epidemic, Rojukiss skincare products were successful in Indonesia, with sales of 97 million baht in 2021, indicating a 200 percent increase. Under the Rojukiss brand, the company has expanded its business into skin care items, which will be supplied in Indonesia by local distributors. It was first sold in convenience stores and through the company's dealers' web channels at www.sociolla.com. Nowadays, Rojukiss facial treatment masks and serums are now available both in sachets and bottles in the Indonesian market. In 2022, the firm intends to launch new products in Indonesia and implement a marketing strategy to promote Rojukiss products in Vietnam. In December 2021, the products were already on the market in Vietnam. Meanwhile, in 2022, the company will begin researching and evaluating potential business partners to distribute items in China.

(4) Play a part in health innovation to be in line with the company's vision and mission.

The company has signed a memorandum of understanding for investing in Hibiocy Co., Ltd. ("HIB") as of February 1, 2022, in keeping with its objective of becoming a leading company in Asia with comprehensive beauty and health goods. HIB is a pharmaceutical, medical supply, and medical equipment manufacturing and packaging company. HIB now holds the sole license to develop, study, produce, and distribute nasal spray products based on the SARS-CoV-2 antibody technology transfer (according to the preliminary memorandum in the technology transfer contract, both domestically and internationally). This technology has been researched and developed by the leading Thai doctors and researchers from Chulalongkorn University. As a result, the Firm believes that the goals of this investment are to help the company expand its potential and capability, particularly in the area of health innovations, which is in keeping with the company's vision and mission. In addition, the company expects to play a key role in promoting technology or innovation invented and produced by a group of Thai academics and specialists. Revenue from the sale of these products is scheduled to start in the third quarter of 2022.

1.1.2. Major changes and Developments

Business Overviews:

Rojukiss International Public Company Limited (KISS), formerly known as "AISANCE Company Limited," was founded on March 2, 2007, to create, outsource, and distribute health and beauty products under the "Rojukiss," "Best Korea," and "Wonder Herbs" beauty brands, as well as "Sis2Sis" make-up brands. PhD K-Derma and Qi are two KISS brands that have partnered with Joint Venture. All the brands have a total of around 100 SKUs and are distributed both in Thailand and internationally through the in channel.

Because of marketing efforts to strengthen the company's brands, the company has grown gradually. KISS continues to create and improve existing solutions to better satisfy the various and ever-changing demands of its clients. From 2017 to December 31, 2021, the company sold over 100 SKUs of items entirely within and outside the country, resulting in total sales of roughly 1,190 million baht on a continuous basis. The company is constantly improving existing products or developing new ones, and it qualifies products, packaging designs, and prices to fulfill the needs of consumers at any given time. KISS focuses on having unique inventions that stand out from the competition, which entails the process of creating new products. It's a process that the company goes through on a regular basis, based on the results of market research and consumer demand. A continual study and follow-up process is in place. It is critical to gain fresh inventions, or even innovation that produces new requirements for consumers (unmet consumer needs). Every year, the company introduces new items by focusing on market research speed and studying consumer wants. In the creation and distribution of new products, speed and flexibility are essential. On average, it takes to develop a product and bring it to market can range from 9 to 12 months, depending on the product.

In 2021, the company released new products under its own brand for domestic and international distribution, as follows:

Domestics distribution

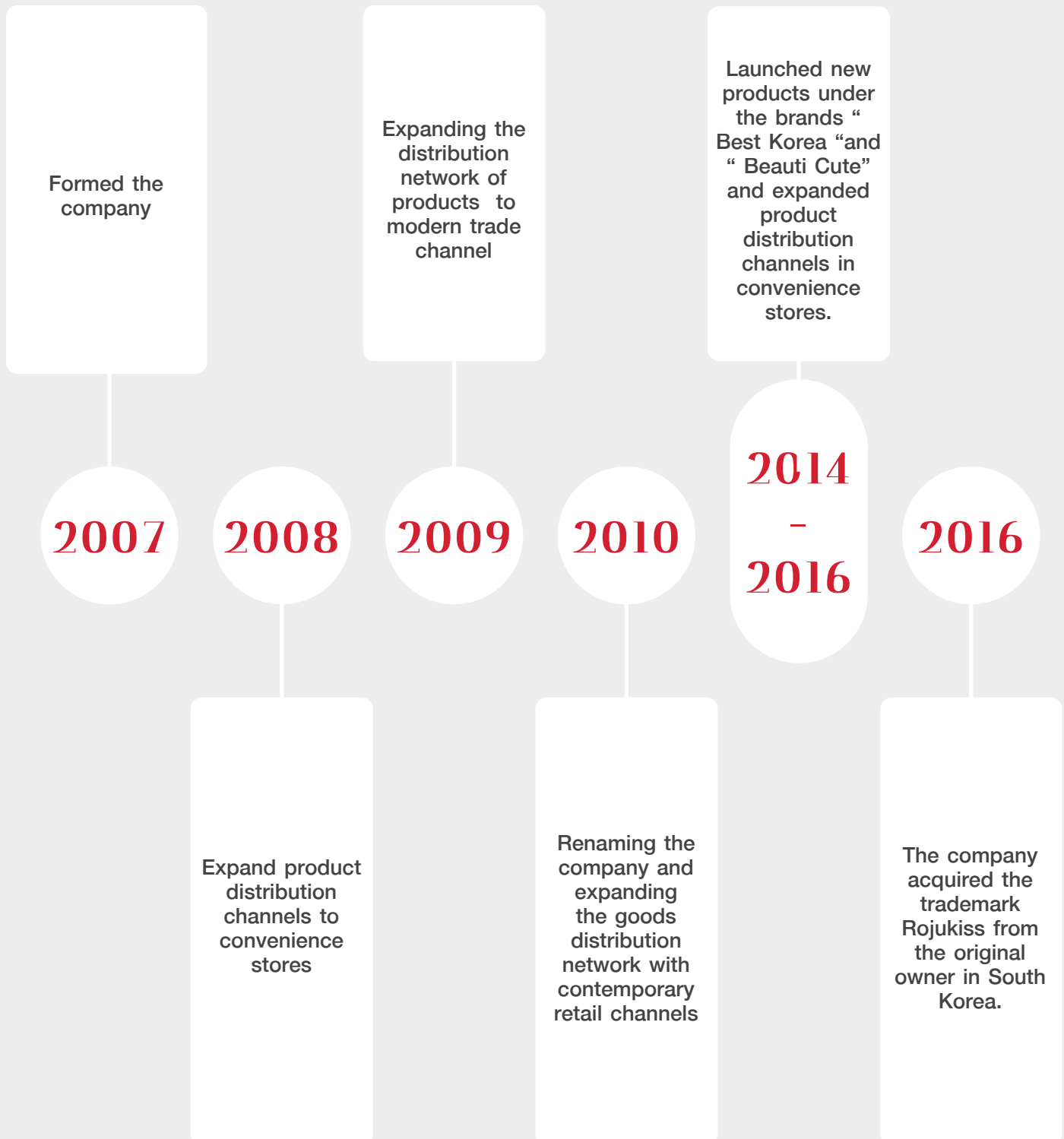
Brand	Product Name	Launch
Rojukiss	Rojukiss Hair Color Naturals Mahogany Shampoo 30ml	March 2021
	Rojukiss Hair Color Naturals Dark Brown Shampoo 30ml	
	Rojukiss Hair Color Naturals Natural Black Shampoo 30ml	
	Rolukiss Red Firm Poreless Serum 18,30 ml.	July 2021
	Rolukiss Red Firm Poreless Day Cream 45 ml	
	Rolukiss Red Firm Poreless Night Cream 45 ml	
	Rolukiss Red UV Firm Serum SPF50 PA+++	
	Rojukiss Terpene Omega Poreless 5x Intensive Mask 25ml	October 2021
PhD K-Derma	PhD K-Derma Anti Spots and Melasma Brightening Program	March 2021
Qi	Qi Brand– Cordyceps Ginseng Lingzhi (Dietary Supplement Product)	November 2021

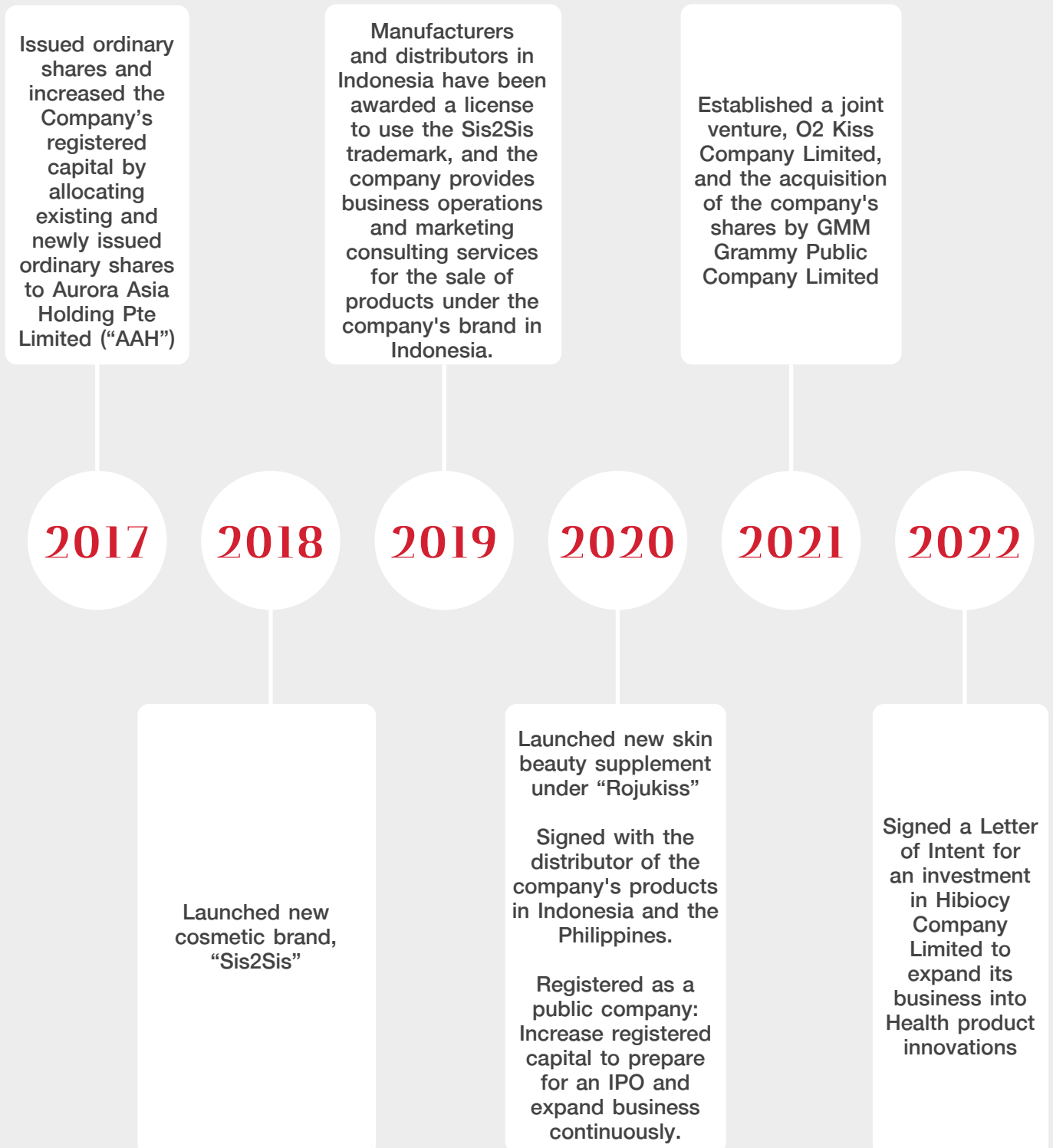
International distribution

Brand	Product Name	Launch
Rojukiss/ Indonesia	Rojukiss Serum (Sachet)	April 2021
	ROJUKISS TEA TREE BIJA PRO ACNE SERUM	
	ROJUKISS ORANGE C+ BRIGHT PORE CARE SERUM	
	ROJUKISS JEJU LOTUS PINKISH BRIGHT SERUM	
	ROJUKISS EGGPLANT DARK SPOT SERUM	
	Rojukiss Serum (Bottle)	October 2021
	ROJUKISS TEA TREE BIJA PRO-ACNE KOREAN LIGHT SERUM	
	ROJUKISS ORANGE C+ BRIGHT PORE-CARE KOREAN LIGHT SERUM	
	ROJUKISS JEJU LOTUS PINKISH-BRIGHT KOREAN LIGHT SERUM	
	Facial Mask 5x Intensive 3 SKUs	December 2021
Rojukiss/ Vietnam	ROJUKISS ACNE PORELESS 5X INTENSIVE MASK	
	ROJUKISS WHITE PORELESS 5X INTENSIVE MASK	
	ROJUKISS PERFECT PORELESS 5X INTENSIVE MASK	

As of December 31, 2021, the company developed, outsourced production of and distributed four product categories, including (1) skin care products represented 81% which are the most popular category, followed by (2) color cosmetics representing 12%, (3) food supplements representing 3% and (4) hair color products representing 4% of sales before discount and return provision. The company distributes products under a variety of brands in Thailand and the other four countries which are Laos, Cambodia, Indonesia, and Vietnam.

Major Changes and Developments





Major Developments

Year	Major Developments
2007	Formed the company On March 2, 2007, Khun Piyawadee Sonsigh, a pharmacist, founded a company to import and promote Rojukiss skin care goods from the South Korean trademark owner, as well as distribute them in Thailand.
	"Rojukiss" product firstly was imported and sold in the health and beauty sector, Watsons was the first distribution channel.
2008	Expand product distribution channels to convenience stores The company has expanded distribution channels for products under the Rojukiss brand to convenience stores, including 7-Eleven and Family Mart, and has expanded distribution channels for products from health and beauty stores to Boots.
2009	Expanding the distribution network of products to modern trade channel To reach more consumers via Tops, the firm expanded its distribution channel to modern trade retailers this year.
2010	Renaming the company and expanding the goods distribution network with contemporary retail channels - Name changed from I.X. Company Limited to AISANCE Company Limited. - Rojukiss has embraced Tesco as a new open channel.
2014 – 2016	Launched new products under the brands “ Best Korea “and “ Beauti Cute” and expanded product distribution channels in convenience stores. - The corporation had introduced a new brand, "Best Korea," that offered facial skin care items in convenience stores around the country. Customers had more access to the company's services, and it was easier for them to check out new goods as a result. - This year, there was also a new cosmetic line called "BeautiCute." It was largely distributed through health and beauty stores, as well as other channels, to provide consumers with additional options for testing new items. - In addition to 7-Eleven and Family Mart, the company has expanded its distribution network to include convenience outlets such as Tesco Express, eXta, and Jiffy.

Year	Major Developments
2016	The company acquired the trademark Rojukiss from the original owner in South Korea. - PhD International Limited ("PhD") is an AISANCE subsidiary that purchased the Rojukiss trademark from the original owner in South Korea, anticipating the opportunity to grow South Korean skin care products in Thailand and other markets because the company has foreseen the opportunity to grow skin care products from South Korea, as well as the opportunity to develop the brand and develop various products to better meet the needs of consumers. "PhD" is a corporation that was formed to possess all trademark rights and to be the exclusive user of such rights. "PhD" was formed in Hong Kong to help the company's trademark gain a more global image. This will help extend the firm internationally in the future.
2017	Issued ordinary shares and increased the Company's registered capital by allocating existing and newly issued ordinary shares to Aurora Asia Holding Pte Limited ("AAH") - The Company issued ordinary shares and increased its registered capital to THB 173.33 million by allocating existing ordinary shares and newly issued ordinary shares to AAH that is a juristic person incorporated to hold shares of the Company for Lakeshore Capital I LP ("LC1LP") and LC1 Aurora Co-investment LP ("LC1AC") (collectively referred to as "Lakeshore Group"), both of which are private equity funds. - The Company hired a professional management team with extensive experience in the consumer goods industry, to manage the Company and grow it quickly.
2018	Launched new cosmetic brand, "Sis2Sis" The firm has launched a new brand called Sis2Sis, which was sold at the most well-known convenience stores, making items simpler, portable, and easier to use for consumers, as well as making it easier for customers who want to try new products.
2019	Manufacturers and distributors in Indonesia have been awarded a license to use the Sis2Sis trademark, and the company provides business operations and marketing consulting services for the sale of products under the company's brand in Indonesia. - The company has signed a license agreement with a manufacturer and distributor in Indonesia for the use of the Sis2Sis trademark, as well as a business consulting service agreement and a strategic sales and marketing planning service agreement with a partner for the distribution of products under the Sis2Sis brand through an Indonesian convenience shop network that stretches the length and breadth of the country Guts and Good was formed by the company's management to handle the company's shares. 2017-2019 The Lakeshore Group sold 12.60 percent of WWV's total shares to AAH's management and employees to create incentives for personnel to generate favorable results for the company. Following that, the company's management and employees transferred their indirect shareholding to Guts and Good, a Singapore-based company that holds shares for executives and employees.

Year	Major Developments
2020	Launched new skin beauty supplement under “Rojukiss” Rojukiss has created skincare supplements under the Rojukiss label to widen the Rojukiss brand from a beauty to a beauty and health brand.
	Signed with the distributor of the company's products in Indonesia and the Philippines. On January 31, 2020, and March 31, 2020, the Company entered into distribution agreements in the Philippines and Indonesia, respectively, to increase the sale of the company's products through dealer partners in these two countries.
	Registered as a public company: Increase registered capital to prepare for an IPO and expand business continuously. - The Extraordinary General Meeting of Shareholders No. 1/2020 on May 9, 2020 resolved to 1) approve the payment of dividends from operating profits for the year 2019 to shareholders at the rate of 6.2 baht per share, amounting to total 107,407,731.27 baht and 2) increase the registered capital from 173 million baht to 270 million baht and allocate not more than 9,666,667 new ordinary shares with a par value of 10 baht per share to offer to the existing shareholders. - The Extraordinary General Meeting of Shareholders No.2/2020 on July 14, 2020, passed a resolution 1) to change the par value from the original par value of 10 baht per share to a par value of 0.50 baht per share. 2) to register as a public company and changed its name to Rojukiss International Public Company Limited. 3) to increase the registered capital from 270 million baht to 309 million baht to support the stock exchange listing 4) to allocate not more than 60 million newly issued ordinary shares with a par value of 0.50 baht per share for the public offering (IPO) and not exceed 18 million shares to support the exercise of warrants to purchase the company's shares, warrants to the management and employees of the company ("KISS ESOP"). 5) to issue and offer warrants to purchase the company's shares to the management and employees of the company Under the KISS ESOP. - In December 2020, the company launched skin care products under the new brand Wonder Herb, which is a facial skin care product that contains herbs and natural substances to respond to the consumer's demand for products with main ingredients derived from herbs.

Year	Major Developments
2021	Established a joint venture, O2 Kiss Company Limited, and the acquisition of the company's shares by GMM Grammy Public Company Limited - On January 5, 2021, the meeting of the Board of Directors No. 1/2021 resolved to approve the company's investment in ordinary shares of O2 Kiss Company Limited ("O2KISS"), a newly established company, by investing in 2,000,000 ordinary shares, representing a value of 20,000,000 Baht with proportion of 40% of total shares. In this regard, the company has joint control through a contract between the shareholders and O Shopping Company Limited ("O Shopping" is a subsidiary of GMM Grammy Public Company Limited ("GMM")). O2KISS was registered with the Department of Business Development on March 25, 2021. - On January 15, 2021, AAH and Ms. Piyawadee Sonsingh signed a Letter of Intent to grant GMM the conditional rights to purchase up to 40,459,500 shares and up to 19,480,500 shares of the company from AAH and Ms. Piyawadee respectively, totaling up to 59,940,000 shares or up to 9.9% of the company's total shares after the IPO at the IPO price. The conditions which must be met if shares are to be purchased include: (a) a joint venture between the Company and O-Shopping Company Limited which is a subsidiary of GMM will have been set up and a shareholders' agreement will have been executed, and (b) GMM will have received approval from its Board of Directors' meeting to enter into the transaction. This Letter of Intent specifies that the conditional rights may not be exercised after 7 July 2021 and that GMM must be subject to a share lock up period of one year from the day of the transaction (Voluntary Share Lock-up). After this share lock-up period, should GMM wish to sell the shares to a third party, GMM must in writing notify its intention to sell, the number of shares, and price, and the Company and AAH has the right to find a purchaser of the shares that are held by GMM within 15 days from the date the notice is received at the higher price of: (a) offer price proposed to GMM by the third party or (b) 90% of the closing price which is determined from a weighted average price during a 30-day period before the notice of share sales. However, the Letter of Intent does not mention that GMM will have representation in the Board of Directors of the Company. As of June 10, 2021, the share sales transactions from AAH and Ms. Piyawadee to GMM have already been completed with 40,459,500 shares and 19,480,500 shares respectively, totaling of 59,940,000 shares or 9.99% of total number of shares of the Company at the IPO price, THB 9.00 per share, total amount of Baht 539.46 million. After shares sales transactions, AAH will hold 176,226,420 shares or 29.4% of total number of shares and Ms. Piyawadee Sonsingh will hold 108,219,460 shares or 18% of total number of shares.

Year	Major Developments
2021	Launched skin care products under the name of the joint venture O2KISS. - March 2021, PHD K-Derma Anti Spot and Melasma Brightening Program, the skincare product was launched under joint venture of the company and O Shopping, O2KISS through O Shopping channel. Release new products to export for sale to Indonesia. - Rojukiss Facial Serum began selling in sachets in Indonesia in April 2021. - October 2021, Rojukiss Facial Serum 30ml bottle format was released in Indonesia. Dietary supplement was launched under the name of joint venture O2KISS - November 2021, O2KISS launched dietary supplement Qi (Shi) Cordyceps Gingseng Lingzhi and exclusive distributed through O Shopping channel. Release new products to export for sale to Vietnam - December 2021, 4 SKUs of Facial Mask Intensive 5x were launched in Vietnam
2022	Signed a Letter of Intent for an investment in Hibiocy Company Limited to expand its business into Health product innovations On January 28, 2022, the Board of Directors Meeting No. 1/2022 has passed a resolution to approve the Company to invest in Hibiocy Co., Ltd. ("HIB"). The Company already signed Letter of Intent to invest in HIB on February 1, 2022, in which the Company will invest through the purchase of new shares in HIB with the amount of 5,200,000 Baht to proportion of more than 50% shares. Total paid-up capital after this investment will be Baht 10,210,000 which is 102,100 ordinary shares with a par value of Baht 100 per share. Source of fund for this investment is from the Company's working capital. The objective of the investment in HIB is to leverage the expertise and legitimate right in transferring of knowledge to research, develop and commercialize in serving both locally and internationally of medical innovation decoded from antibody technology for SARS-CoV-2 prevention led by renowned World Class researcher and medical experts from Chulalongkorn University. This new-to-the-world innovation has scientifically proven in preventing or inhibiting Covid-19 virus (as per Memorandum of Understanding in Transferring Technology Knowledge). As a result, the Company has viewed this investment as a key milestone in accelerating our capability to the next level especially for leading innovation of health which is in line with our corporate vision and mission – be the forefront player in both health and beauty innovations of Asia. Lastly, KISS eagerly and proudly intent to be a part of driving technology and innovation led by Thai researchers & medical experts. Revenue from the sale of these products is scheduled to start in the third quarter of 2022. HIB has completed the registration on the increase of registered capital and the change of directors with the Department of Business Development, Ministry of Commerce, on March 9, 2022.



1.1.3 Report of the Utilization of Capital Increasing from Initial Public Offering (IPO)

Rojukiss International Public Company Limited (“the Company”) had completed the Initial Public Offering (IPO) on 5 and 8-9 February 2021 of 60,000,000 shares at offering price of Baht 9.00 per share, totaling Baht 540 million. The Company received the increased capital in the amount of Baht 512.42 million after deducting related expenses. The Company would like to report the utilization of capital increasing from IPO as of 31 December 2021 as follow:

(Unit: Million Baht)

Objectives	Plan Amount	Amount Used as of 31 December 2021	Remaining Amount as of 31 December 2021
1) Working capital for product development and new brands launched in Thailand	100.0	13.5	86.5
2) New product development to expand distribution and new channel (direct-to-consumer)	100.0	20.0	80.0
3) International business expansion	50.0	-	50.0
4) Investment in technology and digital development	50.0	-	50.0
5) Repayment of short-term loan	212.4	106.1	106.3
Total	512.4	139.6	372.8

1.1.4 Obligations to the Registration Statement

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

1.2 Business Structure and Operations

1.2.2 Product Information

A. Product feature

The company's main business is producing, outsourcing, manufacturing, and distributing skin care, cosmetics, and dietary supplements under five major brands, three of which are held by the company and two of which are owned by a joint venture company. The following are the specifics:

1. Rojukiss



Rojukiss was the first Korean brand to be sold and marketed in Thailand in 2007, and it has been a success for more than 15 years, prompting the firm to purchase the brand "Rojukiss" from the original owner in South Korea and make it the company's brand. "Rojukiss" provides skin care products that address a variety of skin problems. There are additional types of Rojukiss skin care products that are as popular, such as Rojukiss 5x intensive facial masks, Eye for Face cream products, and dietary supplements that help nourish the skin and health, in addition to the great and well-accepted "Rojukiss serum." In 2021, the company expanded the Rojukiss brand with the release of Rojukiss Color Natural Serum Hair Color Shampoo, which combines innovative serums with hair color products to change hair color and cover white hair at home in 10 minutes without having to go to the beauty salon, meeting the needs of consumers during Thailand's COVID-19 outbreak lockdown.

There are now 72 SKUs in the "Rojukiss" brand, divided into three product categories: 1) Skincare products, 2) Hair and Scalp care products, and 3) Dietary Supplements for Beauty and Health, as follows:

1) Skincare products

Facial Cleansing Products	Size	Price
ROJUKISS ACNE PORELESS SOAP	70 g	69 THB
ROJUKISS WHITE PORELESS SOAP	70 g	69 THB
ROJUKISS GLUTA VIT C SERUM SOAP	70 g	69 THB
ROJUKISS ALOE HYA PORELESS SERUM SOAP	70 g	69 THB
ROJUKISS ACNE PORELESS SERUM FOAM	100 g	165 THB
ROJUKISS WHITE PORELESS SERUM FOAM	100 g	165 THB

Skincare Products	Size	Price
Sorum		
ROJUKISS HYA PORELESS COLLAGEN SERUM (Sachet)	6 ml.	39 THB
ROJUKISS HYA PORELESS COLLAGEN SERUM	18 ml.	550 THB
ROJUKISS HYA PORELESS COLLAGEN SERUM	30 ml.	990 THB
ROJUKISS PERFECT PORELESS SERUM	5 ml.	199 THB
ROJUKISS PERFECT PORELESS SERUM (Sachet)	6 ml.	39 THB
ROJUKISS PERFECT PORELESS SERUM	15 ml.	490 THB
ROJUKISS PERFECT PORELESS SERUM	30 ml.	990 THB
ROJUKISS WHITE GLUTA PORELESS SERUM (Sachet)	6 ml.	39 THB
ROJUKISS WHITE PORELESS ADVANCED REPAIR SERUM	5 ml.	199 THB
ROJUKISS WHITE PORELESS ADVANCED REPAIR SERUM (Sachet)	6 ml.	39 THB
ROJUKISS WHITE PORELESS ADVANCED REPAIR SERUM	18 ml.	535 THB
ROJUKISS WHITE PORELESS ADVANCED REPAIR SERUM	30 ml.	990 THB
ROJUKISS WHITE PORELESS NIGHT REPAIR SERUM (Sachet)	6 ml.	39 THB
ROJUKISS WHITE PORELESS NIGHT REPAIR SERUM	5 ml.	199 THB
ROJUKISS WHITE PORELESS NIGHT REPAIR SERUM	18 ml.	585 THB
ROJUKISS WHITE PORELESS NIGHT REPAIR SERUM	30 ml.	990 THB
ROJUKISSACNE PORELESS SERUM	5 ml.	199 THB
ROJUKISSACNE PORELESS SERUM	18 ml.	399 THB
ROJUKISSACNE PORELESS SERUM	30 ml.	990 THB
ROJUKISSACNE SPOTLESS SERUM	6 ml.	39 THB
ROJUKISSACNE SPOTLESS SERUM	10 ml.	299 THB
ROJUKISSACNE PORELESS CC SERUM	8 ml.	49 THB

ROJUKISS FIRM PORELESS RED SERUM	5 ml.	199 THB
ROJUKISS FIRM PORELESS RED SERUM (Sachet)	6 ml.	39 THB
ROJUKISS FIRM PORELESS RED SERUM	18 ml.	585 THB
ROJUKISS FIRM PORELESS RED SERUM	30 ml.	990 THB

Facial Moisturiser	Size	Price
ROJUKISS PERFECT PORELESS EYE FOR FACE CREAM	8 ml.	49 THB
ROJUKISS PERFECT PORELESS EYE FOR FACE CREAM	10 ml.	149 THB
ROJUKISS PERFECT PORELESS EYE FOR FACE CREAM	33 ml.	449 THB
ROJUKISS WHITE PORELESS EYE FOR FACE CREAM	8 ml.	49 THB
ROJUKISS WHITE PORELESS EYE FOR FACE CREAM	10 ml.	149 THB
ROJUKISS WHITE PORELESS EYE FOR FACE CREAM	30 ml.	449 THB
ROJUKISS WHITE PORELESS EYE DAY CREAM	8 ml.	49 THB
ROJUKISS WHITE PORELESS DAY CREAM	45 ml.	399 THB
ROJUKISS WHITE PORELESS NIGHT CREAM	45 ml.	399 THB
ROJUKISS FIRM PORELESS DAY CREAM	45 ml.	499 THB
ROJUKISS FIRM PORELESS NIGHT CREAM	45 ml.	499 THB
ROJUKISS FIRM UN SERUM SPF50 PA++++	40 ml.	399 THB

Facial Mask	Price	Price
ROJUKISS PERFECT PORELESS 5X INTENSNE MASK	15 ml.	39 THB
ROJUKISS PERFECT PORELESS 5X INTENSNE MASK	25 ml.	69 THB
ROJUKISS HYA PORELESS 5X INTENSNE MASK	25 ml.	69 THB
ROJUKISS REPAIR PORELESS 5X INTENSNE MASK	25 ml.	69 THB
ROJUKISS OMEGA PORELESS 5X INTENSNE MASK	25 ml.	69 THB
ROJUKISS WHITE PORELESS 5X INTENSNE MASK	15 ml.	39 THB
ROJUKISS WHITE PORELESS 5X INTENSNE MASK	25 ml.	69 THB
ROJUKISS WHITE GLUTA 5X INTENSNE MASK	25 ml.	69 THB
ROJUKISSACNE PORELESS 5X INTENSNE MASK	15 ml.	39 THB
ROJUKISSACNE PORELESS 5X INTENSNE MASK	25 ml.	69 THB
ROJUKISS FIRM PORELESS RED 5X INTENSNE MASK	15 ml.	39 THB
ROJUKISS FIRM PORELESS RED 5X INTENSNE MASK	25 ml.	69 THB
ROJUKISS ZINC 5X INTENSNE MASK	25 ml.	79 THB
ROJUKISS PERFECT PORELESS HYDROGEL MINERAL MASK 7	25 ml.	79 THB
ROJUKISSACNE PORELESS HYDROGEL MINERAL MASK 7	25 ml.	79 THB

ROJUKISS WHITE PORELESS HYDROGEL MINERAL MASK 7	25 ml.	79 THB
ROJUKISS PERFECT PORELESS MICRO FIBRE MASK	25 ml.	79 THB
ROJUKISS ACNE PORELESS MICRO FIBRE MASK	25 ml.	79 THB
TROJUKISS FIRM PORELESS MICRO FIBRE MASK	25 ml.	79 THB
ROJUKISS WHITE PORELESS MICRO FIBRE MASK	25 ml.	79 THB

Hair & Scalp care Products:

Rojukiss Hair & Scalp care Products	Size	Price
ROJUKISS COLOR SERUM SHAMPOO: NATURAL DARK BROWN	30 ml.	69 THB
ROJUKISS COLOR SERUM SHAMPOO: NATURAL BLACK	30 ml.	69 THB
ROJUKISS COLOR SERUM SHAMPOO: MAHOGANY COLOR	30 ml.	69 THB

Beauty & Health Dietary Supplement

ROJUKISS Beauty & Health Dietary Supplement	Size	Price
ROJUKISS 3 GLUTA C ALOVERA	3 capsules/sachet	39 THB
ROJUKISS 3 ZINC A BETA-C	3 capsules/sachet	39 THB
ROJUKISS 3 COLLAGEN COQ10 E	3 capsules/sachet	39 THB
ROJUKISS 3 VIT C ZINC B COMPLEX	3 capsules/sachet	49 THB
ROJUKISS 3 BETAGLUCANVIT CDE	3 capsules/sachet	49 THB



Best Korea



Best Korea facial skin care products were initially produced in 2015 with the concept of bringing exotic ingredients from abroad and quickly gaining popularity. The product benefit would be as effective as counter-brand products but sold in sachets and be inexpensive. The brand target is consumer who enjoys experimenting with different products on the market. They generally buy beauty products in convenience stores for less than 50 baht at a time. This price point will help make purchasing decisions easier and reduce the need to buy in bulk. Best Korea focuses on exotic ingredients, effective, actual results, and attractive skin outcomes like Korean women's skin, as well as customizing product textures to suit customer skin concerns and Thai weather conditions. Since its debut in 2015 until 2021, Best Korea has sold approximately 65 million sachets. Total line up are 12 SKUs includes:

Skincare Product	Size	Price
BEST KOREA BLACK GEL MASK	10 ml.	49 THB
BEST KOREA HYA PLANKTON SERUM	10 ml.	49 THB
BEST KOREA TEA TREE ACNE SERUM	10 ml.	49 THB
BEST KOREA SUPER MELASSAMA SERUM	10 ml.	49 THB
BEST KOREA GOLD CAVIAR CREAM	10 ml.	49 THB
BEST KOREA GLOW BOOSTER SERUM	10 ml.	49 THB
BEST KOREA CELERY DETOX SLEEPING MASK	10 ml.	49 THB
BEST KOREA GLOW BOOSTER SERUM	10 ml.	49 THB
BEST KOREA ADVANCED REPAIR SERUM	10 ml.	49 THB
BEST KOREA HYA PLANKTON SERUM MASK	25 g	79 THB
BEST KOREA GLOW BOOSTER MASK	25 g	79 THB
BEST KOREA ABSOLUTE REPAIR MASK	25 g	79 THB

PhD K-Derma



PhD K-Derma is a medical facial skin care brand under a joint venture company. It's a brand for consumers who seek facial care products that are gentle on their skin while still being helpful in treating existing skin problems. PhD K-Derma formula was created by a dermatologist in South Korea who was inspired by clinic skin treatment results. After a few months of being launched on the O-Shopping channel, the PhD K-Derma Anti Spot & Melasma Brightening Program became the number one skincare product in 2021.

Facial Skincare	Size	Price
PhD K-Derma Anti-Spot & Melasma Brightening Program	65+65 ml	1,990 THB



Sis2Sis



For the first time in Thailand, Sis2Sis is the first brand that offers revolutionary cosmetic pouch packaging with integrated brushes. The initial release took place in the third quarter of 2018. Sis2Sis has a patented packaging design to prevent imitation both in Thailand and many other countries around the world. Sis2Sis cosmetics is created using behavioral research and a thorough grasp of consumer preferences for compact and lightweight makeup. They are affordable and easily accessible in convenience stores, costing about 49 baht each sachet. Sis2Sis offers a flexible solution that may be used at any time and in any place. Sis2Sis is a multi-use cosmetic that is comparable to or better than other cosmetics on the market and there are numerous popular color and shades to pick from South Korea's trend. Therefore, consumers can buy as many colors or types of products as they like without worrying about the expense or the risk of wasting them later. The consumer response to Sis2Sis has been positive. Recently, the company has just released a large-size product to cater to the needs of heavy makeup users who enjoy the Sis2Sis brand. At the end of 2021, Sis2Sis launched the first hemp-oil-based cosmetics brand in Thailand.

"Sis2Sis" all the products are included eye, lipstick, and facial makeup categories, as follows:

Cosmetic Line up	Size	Price
EYE MAKE UP MASCARA	2 ml.	49 THB
Sis2 Sis Pro Go MASSCARA HEMP	8 g	129 THB
Sis2Sis EYE MAKE UP EYEBROW PENCIL	0.28 g	49 THB
Sis2Sis EYE MAKE UP-EYEBROW HEMP	0.2+0.2 g	129 THB
Sis2Sis HYA MATTE FACE MAKE UP FOUNDATION	5 g	49 THB
Sis2Sis HYA MATTE FACE MAKE UP FOUNDATION POWDER	7 g	99 THB
Sis2Sis PERFECT COVER CONCEALER	2 ml.	49 THB
Sis2Sis LIP EYE CHEEK CREAMY MATTE -11	2 ml.	49 THB
Sis2Sis LIP EYE CHEEK CREAMY MATTE -13	2 ml.	49 THB
Sis2Sis LIP EYE CHEEK CREAMY MATTE-13	2 ml.	49 THB
Sis2Sis MATTE FOREVER STAY 31	2 g	49 THB
Sis2Sis MATTE FOREVER STAY 32	2 g	49 THB
Sis2Sis MATTE FOREVER STAY 33	2 g	49 THB

Qi

Qi is a nutritional supplement based on traditional Chinese medicine that believes in the science of health balance and wellness. The product was developed in collaboration with experts in Chinese medicine, dietitians, and modern medicine. Qi combines three of the best dried Asian herbs and natural substances to nourish the body: 100 percent pure Tibetan cordyceps, Korean red ginseng fermented probiotics exclusive to Korean Yakult, and organic Lingzhi in the form of three tablets in one sachet for holistic health care, endorsed by three superstars: Bird Thongchai, Kong Saharat and Tor Thanapob.

Dietary Supplement product	Size	Price
Cordyceps Ginseng Lingzhi (Dietary Supplement Product)-Qi (Set)/30 sachets	3 capsule/sachet	2490 THB
Cordyceps Ginseng Lingzhi (Dietary Supplement Product)-Qi (Pack/7 sachets)	3 capsule/sachet	630 THB



New Product Development Policy

The company places a high value on the development and design of new products, not only by developing high-quality innovative products that meet the needs of target consumers or products that arise from the creation of new market demands that do not yet exist, but also by ensuring that the product is innovative and accessible to all consumers. The company has an educational process and constant follow-up using market research results and consumer market data to generate new inventions or innovations to fulfill new demands of consumers (the consumer's unmet needs are key). This allows the organization to undertake ongoing market research and investigate consumer demand to develop and distribute new items with speed and flexibility, which is a competitive advantage. According to the following guidelines and methods, it takes typically 9–12 months from product creation to market release, which may vary from product to product:

1. Understanding Consumer Needs and Market Overview

Marketing and new product development teams will investigate, analyze, and comprehend changes in market and distribution channels, direct and indirect competitor's products, and product trends both locally and globally to use the data and insight to develop new innovative products to respond the needs of consumers. They'll use (1) the AC Nielsen and/or Euromonitor market database of variable categories, (2) both qualitative and quantitative research data conducted by experts to understand consumers' needs and behaviors, such as interviewing consumers to learn about unmet needs (focus group discussion), conducting a consumer survey, and (3) traveling to international markets to learn about new market and technology trends to identify new products for Thai and Asian's consumers.

2. Assessing new product concepts

After learning about consumer demand and the market scenario, the marketing and product development teams will come up with several fresh product concepts. The concept incorporates all aspects of the product, including the active ingredient, novel and distinguishing product qualities from existing products, texture, color, scent, how to use, packaging, size, and product price. The team will put the product concept to the test with the target consumer, both qualitative and quantitative research, and then gather the information in this process to outsource manufacturing and establish product quality and qualification requirements. However, because we did not own the factory, the company lacked R & D, but the team will work closely with the manufacturer's R & D instead.

3. Outsourcing of product manufacturing

As a result, after establishing the concept of a product that fits the needs of consumers, the process of finding manufacturers to make this new product began. By allowing manufacturers with experience in creating items in that category from both within and outside the country to compete to exhibit and develop products based on product concepts. Purchasing, Marketing, and new product development teams will analyze and choose the manufacturer based on the offers on product quality, qualification, quality, production method, and cost target. marketing and product development teams collaborate closely with the manufacturer's R&D department to direct product formulation or the use of key components (active ingredients) that meet the requirements, and the company may also be involved in defining or adjusting certain production steps to achieve a finished product that matches the product concept.

As of December 31, 2021, the company has hired 11 contractors, both in Thailand and abroad, to produce products under its trademark, with three foreign manufacturers accounting for 67 percent of the entire purchase value. The company considers the manufacturers' knowledge and production technology, as well as their capacity to meet the company's product needs with good features and specificity, as well as respond well and quickly to the company's needs during the manufacturing process.

4. Product testing prior to commercial introduction

The marketing and product development teams will assess the product sample created. By soliciting the assistance of other professionals to perform a variety of tests, including

- Clinical Test: The product's quality and safety will be assessed by the target sample under clinical observation and measurement to achieve the expected benefit result and product safety.
- Product Concept & Usage Test: assessing consumer response with the concept and use of a prototype product with enough sample size of target consumers to do a sensing check on their satisfaction.
- Pricing Test: a method for determining recommended prices that consumers will find desirable price to purchase for trial and repeat purchase.

Based on several tests designed, these processes will happen before the company decides to put the new product on the market. Alternatively, use the findings of the tests to improve the product before it goes on the market to ensure that it has the best chance of success and consumer acceptance.

The company has considered the following essential criteria when developing and designing new products:

- 1) Customers' wants are constantly changing and must be taken into account when producing new items. In order to succeed in the market, the corporation aspires to provide a product that is unique, original, and exceptional. Market data is collected and analyzed by marketing and new product development teams. As the company strives to be a market leader in bringing new products to consumers, the process of identifying opportunities to develop products that can address unmet consumer needs both in the domestic and international markets, as well as information on technological trends from manufacturers, is an ongoing work process.
- 2) New products must perform better to generate significant results, and consumer safety is crucial. The organization places a high value on quality. Product efficacy and safety are the most important factors to consider. The brand's and goods' loyalty must result in the company's success when customers are satisfied with the product and continue to buy it. This will be considered a long-term and sustainable success. Marketing and New Product development divisions must test the product's efficacy to guarantee that the outcomes are as advertised and that it performs better than competing products. Correspondingly, the company will select quality production manufacturers who qualified the international quality and safety standards such as ISO 22716 and ASEAN Cosmetic GMP certificates.

- 3) New product must offer the best value to consumers in the proper size and price. In addition to addressing customer needs and being exceptional in terms of features and performance that satisfy customers, new products must be worth their value in terms of size and price that are appropriate for the target consumers. This is an essential strategy for the company's success. Consumers may easily obtain and purchase things for trial since they are the proper size and price. And after being tested, the consumer's satisfaction would lead to a repurchase and eventual brand loyalty.

Product pricing policy

To determine the price, the Marketing and New Product Development team will collect several pieces of information to be assessed for pricing and/or product price modifications, considering the following primary factors:

- 1) Pricing recommendations based on the brand's market position

Because the company's products are offered under a variety of brand names, the company must determine product prices based on product quality and the brand's pricing strategy, particularly in the facial care product category. The price must be appropriate for both the target audience's purchasing power and the brand's market position, as well as pricing to compare with the company's other brands and competitors in the market.

- 2) Pricing based on the cost of the product

The cost of production is another important factor in setting pricing. New product development, marketing, and purchasing divisions collaborate to calculate product costs, labor costs, and other expenses. The working group will use data as one of the factors in determining product pricing for each brand based on the company's gross profit standard. The company will not make any cost-cutting sacrifices about quality or the brand's market competition.

- 3) Pricing compared to other products in similar markets

Market competitiveness is one of the most essential characteristics of price. The product development and marketing divisions will survey the pricing of similar products on the market and compare them to the company's offering price. Appropriately, the firm's competitive advantages increase, as does its ability to meet the stated market share target. The surveys and data collection will be conducted on a regular basis to use its data to help determine the suggested product prices and adjust them if needed.

- 4) Pricing based on other economic factors

Other economic variables, such as foreign exchange rates, are recognized by product development and marketing departments and are used to assess the cost of procuring items from other nations or the selling price of selling products to distributors in other countries.

Marketing and Competitors

Marketing Strategy

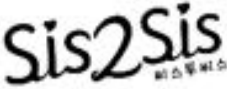
The company continues to grow by developing innovative, efficient products. We have a wide variety of brands, and they are constantly being marketed to create awareness and induce consumers' trial to meet their needs and ever-changing behavior. There are variables that contribute to the company's success. The following is a summary of marketing policies and competitive strategies:

- The company has established a marketing strategy for each brand to develop a unique, distinct, and strong brand to be recalled and attract the target consumers.
- Under several trademarks, the company creates numerous products that cater to distinct market segments.
- The company has consistently and promptly developed innovative products that are unique to respond to consumers' various and ever-changing needs or to develop new demands within consumer groups.
- The company's high-quality product standard will be maintained. The advantages are evident and safe after usage, giving customers with a favorable decision of the brand or product to which they are loyal. Even though new items will be regularly given to the market, the quality of existing products will be maintained.
- The organization has a marketing and communication strategy that focuses on gaining a deep understanding of consumer to generate plans that will satisfy the target group and increase awareness, brand recognition, and product attributes.
- Each brand chooses efficient and effective communication tactics to effectively reach its market.

Consumer Target

The company considers the needs of a vast spectrum of customers, thus the brand was built and evolved to meet their needs.

Brand	Target	Explanation
	Premium/Mass Skincare & Haircare	Consumer with a medium to high purchasing power have complex skin issues and require cutting-edge technologies.
	Derma Skincare	Consumer with a high purchasing power have sensitive skin and seek a product that is both effective and safe.

	Modern Skincare	Younger consumers who appreciate things that are both economical and convenient, as well as unusual and innovative.
	Convenient Beauty Mass	Younger consumers who appreciate things that are both economical and convenient, as well as unusual and innovative
	Premium Supplement	Consumers with medium-to-high purchasing power gravitate toward natural-ingredient products.

Product distribution channels

The following are the company's sales distribution networks for the years ending 31 December, 2020 and 31 December 2021:

(Unit : Million THB)

Distribution channel revenue ⁽¹⁾	2020	%	YoY%	2021	%	YoY%
Revenue generated by the product sales						
Modern Trade	777.8	77.1	(23.6)	560.1	67.7	(28.0)
General Trade	133.9	13.3	(3.9)	104.0	12.6	(22.4)
E-Commerce	12.9	1.3	97.7	25.5	3.1	98.7
Cross Border	20.4	2.0	0.1	28.2	3.4	38.2
Foreign Distributors	24.8	2.5	100	95.5	11.5	285.6
Joint Venture	-	-	-	13.5	1.6	100.0
Others	0.4	-	323.1	-	-	-
Total revenue generated by product sales	970.2	96.2	(18.1)	826.7	100	(14.8)
Revenue from services	38.3	3.8	(23.6)	-	-	100.0
Total revenue from product sales and services	1,008.5	100	(18.4)	826.7	100	(18.0)

Note ⁽¹⁾ Earnings are calculated prior to trade discounts and accounting estimates.

Product distribution in Thailand:

1) Modern Trade

1.1 Convenience Store

A small retail store with locations throughout the city, modern management, and a handy location.

The products sold are often used in daily life, with a focus on availability 24 hours a day. The

convenience stores like 7-Eleven, Family Mart are an example. They accounted for approximately 42.2 percent of total revenue from product sales before product return estimates and trade discounts for the fiscal year ending December 31, 2021.

1.2 Health & Beauty Store

A store that specializes in specialty skincare, cosmetics, skin care, and hair care items and offers a large range of products. There are personnel on hand to provide guidance and assistance. There are branches distributed throughout metropolitan cities, as well as in department shops. Watson, Boots, and EVEANDBOY are examples of health and beauty retailers.

1.3 Big Retail Store

A large supermarket sells a wide range of products, including fresh meals, vegetables, and fruits. Apart from the supermarkets, hypermarkets, and cash and carry in the area, the channel can supply the rental area outdoors. Lotus, Big C, Tops, and Makro are among examples.

2) General Trade

These types of stores may be found all over Thailand, and customers are likely to get to them quickly and easily because they are typically located in residential areas or near popular tourist spots. They would be in the following formats: local cosmetic stores, local supermarkets, local convenience chains, local pharmacies, local grocery stores, and local department stores in big cities. Top World, Win Cosmetics, Dara Cosmetics, Super Cheap, and Je Leng are examples of retail and wholesale structures.

3) E-Commerce

The company has offered its products through online channels to cater to the more demanding lives of customers and to provide ease for customers who may order things from anywhere at any time. which can be divided into (1) online stores where the company has brought products to trade via online channels (Marketplace) such as rojukiss.official in Lazada/Shopee and Konvy, (2) company e-commerce at www.rojukiss.com, and (3) brand social commerce (www.facebook.com/rojukissthailand) and Line Official Account: @rojukiss

4) TV Home Shopping

In January 2021, the company signed a memorandum of understanding with a subsidiary of GMM Grammy Public Corporation Limited, a well-known integrated entertainment company that works with a network of artists and media to create new items and brands. We design marketing channels that are broadcast directly to consumers through different media channels for direct access to new target customers through a joint venture corporation named O2KISS Company. PhD K-Derma skin care products are available in April 2021, followed by the Qi food supplement brand (Chi) in November 2021.

Product distribution in international markets:

1. Export through Thai distributors (Cross-Border)

The company offers its products to designated distributors who act as the company's representatives in Laos and Cambodia. The distributors are in charge of shipping items from their Thai warehouses to their international warehouses and/or outlets.

2. Export through Foreign Distributor (Foreign Distributor)

Selection of competent partner organizations with skill and promise in distribution and marketing in that country is one of the company's goals. The company can also customize product compositions and characteristics to the needs and preferences of local consumers in that country, guaranteeing that the brand and/or company's products succeed there. The company currently sells and distributes under the Rojukiss and Sis2Sis brands in Indonesia, where it has gotten great feedback from consumers and has been able to expand to 7 additional SKUs by 2021. In December 2021, Rojukiss brand start distributed in Vietnam, beginning with the Rojukiss 5x Intensive sheet mask.

3. Consulting services in business development, marketing, and distribution to international partners

In the second quarter of 2019, the company expanded its business in Indonesia by signing a license deal with a manufacturer and distributor in the country to utilize the Sis2Sis trademark. Due to Indonesia's consumer goods conditions, it is vital to adhere to the country's halal requirements. As a result, the company has collaborated with the partner by granting the right to use the trademark in the production and sale of Sis2Sis-branded items in Indonesia that comply with Indonesian halal requirements. In addition, the company has signed into a business development consulting service agreement with the distribution partner company by offering marketing and sales consulting services.

Conditions and competitiveness in the industry

Cosmetic and beauty industry situation.

The 2019 Coronavirus (Covid-19) epidemic has an impact on the economy both at local and abroad in 2021. Cosmetics and the beauty industry are also impacted. Product distribution channels in convenience stores, for example, were temporarily shut down, resulting in a decline in sales of beauty brands. As a result, beauty industry entrepreneurs have to adjust their strategies to survive. To have the least amount of effect, consumers change their daily behaviors to reduce their expenditures on luxury products such as skincare and cosmetics. Putting a face mask has become a new habit and part of daily life for many women, allowing them to feel less self-conscious about wearing makeup. To maintain optimum health, consumers turned to dietary supplements. Manufacturers and distributors, on the other hand, will keep up with new product trends and customer behavior patterns, as well as monitor the conditions surrounding the coronavirus disease 2019 (Covid-19) and change their approach accordingly.

- Launch a new product, such as Rojukiss Color Hair serum, that satisfies consumers' needs and is adequately suited to the situation. Consumers can use it as a self-application without having to visit a beauty salon, which is convenient when all beauty salons are closed due to government lockdowns, etc.
- Consumer behavior is expected to shift toward more regular purchases of cosmetics and skincare items through the web channel once the epidemic has passed, as during the lockdown measurement, the offline stores are forced to close and cannot be accessed,

facilitating, and strengthening competition, and online distribution tactics are critical.

- Adjust communication tactics, promotional activities, or public relations plans across various media to keep the brand front of mind even in odd circumstances, to become a product that consumers will buy when they need it, and to compete with other brands in the skin care and beauty industry.

Competition in the Market

Under the epidemic condition of the Coronavirus (Covid-19), the trend of competition in skin care goods and cosmetics enterprises is still relatively significant, both online and offline, especially in online channels with many entrepreneurs. The business can be started with a modest investment, resulting in a significant number of new players joining the market and selling their products through e-commerce channels where they can simply and rapidly reach consumers. However, the long-term viability of a business depends on its entrepreneurial potential, which includes a distribution channel advantage, brand loyalty, a customer base, or building a product and brand identity that customers remember. Reaching a wide range of consumers will necessitate a significant amount of expenditure, and buying a well-known brand is more likely to be motivated by a sense of trust. The new normal behavior evolved as a result of the COVID-19 epidemic. In addition to skin care products and cosmetics, consumers are interested in a food supplement that can nourish both skin and health. The company has a plan to deal with this change in terms of launching new dietary supplement products with the joint venture company, expanding distribution channels in both e-commerce and TV Home Shopping, and adjusting the marketing plan to fit the situation and distribution channels in foreign countries that can continue to generate revenue for the company even if domestic operations are temporarily halted.

Operating Assets

Fixed Assets

As at 31 December 2021, the Company and its subsidiary have operating assets after deduction of depreciation as depicted in the Company's consolidated financial statement amounting to Baht 44.2 million with details as followed:

Type	Objectives of Ownership	Net Book Value As at 31 December 2021 (Million Baht)	Obligations
1. Office apartments and building improvements	Office buildings and warehouses	34.8	None
2. Furniture and office equipment	Used in business operations	7.9	None
3. Computers and gadgets	Used in business operations	1.5	None
Total		44.2	

Summary of Long-term lease

1. Phase 1 warehouse and office building lease agreements

Lease parties	The Company ("Lessee") PHETMAHAWORRALARP Co.,Ltd ("Lessor")
Date of agreement	29 February 2020
Duration of agreement	3 years (1 March 2020 – 28 February 2023)
Objectives	The lessor is the owner of a warehouse building No. 41 (Building P19, containing warehouse space of 2,160 square meters and a two-story office building - 36 square meters on the first floor and 72 square meters on the second floor), located on Phatthana Chonnabot 4 Road, Khwaeng Khlong Song Ton Nun, Khet Lat Krabang, Bangkok, 10250. The lessor agrees to lease the lessee the aforementioned building and land for the purpose of storing inventory as part of conducting business.
Agreement value	Rental fee : 120,000 baht per month, not including withholding tax at the rate of 5% Service fee : 140,000 baht per month, not including value added tax (VAT)
Crucial conditions	• The lessee will pay rental fee to the lessor in advance within the 1st day of each month. • The lessee will deduct withholding tax at the rate of 5% of the rental fee, and at the rate of 3% of service fee. • The lessee agrees to pay for property tax, which the lessor will charge according to the actual cost. • The lessee will make a security deposit of 780,000 baht to the lessor per the agreement, which will be returned to the lessee once the agreement expired.
Agreement termination	• The parties can make a joint decision to terminate the agreement and inform each other in writing within no less than 90 days before the date of agreement termination. • If any party wishes to renew the agreement after the expiration date of this agreement, both parties must make a joint decision and renew the agreement no less than 60 days before the expiration date.

2. Phase 2 warehouse and office building lease agreements

Lease parties	The Company ("Lessee") PHETMAHAWORRALARP Co.,Ltd ("Lessor")
Date of agreement	20 June 2019
Duration of agreement	3 years (5 August 2019 – 4 August 2022)
Objectives	The lessor is the owner of a warehouse building No. 41/1 (Building P18, containing warehouse space of 2,160 square meters and a two-story office building - 36 square meters on the first floor and 72 square meters on the second floor), located on Phatthana Chonnabot 4 Road, Khwaeng Khlong Song Ton Nun, Khet Lat Krabang, Bangkok, 10250. The lessor agrees to lease the lessee the aforementioned building and land for the purpose of storing goods as part of conducting business.
Agreement value	Rental fee : 120,000 baht per month, not including withholding tax at the rate of 5% Service fee: 140,000 baht per month, not including value added tax (VAT)

Crucial conditions	- The lessee will pay rental fee to the lessor in advance within the 1st day of each month. - The lessee will deduct withholding tax at the rate of 5% of the rental fee, and at the rate of 3% of service fee. - The lessee agrees to pay for property tax, which the lessor will charge according to the actual cost. - The lessee will make a security deposit of 360,000 baht to the lessor per the agreement, which will be returned to the lessee once the agreement expired.
Agreement termination	- The parties can make a joint decision to terminate the agreement and inform each other in writing within no less than 90 days before the date of agreement termination. - If any party wishes to renew the agreement after the expiration date of this agreement, both parties must make a joint decision and renew the agreement no less than 60 days before the expiration date.

Intangible Assets

As at 31 December 2021, the Company's intangible assets had the net book value of Baht 5.1 million with details as followed:

Type	Net Book Value as at 31 December 2021 (million THB)
Trademark	4.0
Computer programs	1.1
Total	5.1

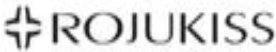
Intellectual Properties

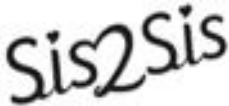
1. Trademarks

As at 31 December 2021, the Company has own these trademarks. The details of trademark registrations in Thailand and overseas can be summarized as followed:

Thailand

The company has 7 registered trademarks in Thailand

Trademarks	Registration numbers	Type of Product/Service	Protection Duration	Note
	KOR297675	Cosmetics Skincare	May 21 st , 2008 - May 20 th , 2028	-
	BOR46760	Sales promotion, business advertisements	July 2nd, 2009 - July 1 st , 2029	-
	KOR367399	Skincare products	April 9 th , 2010 - April 8 th , 2030	-
	211115341	Sales promotion, business advertisements	June 12 th , 2020 - June 11 th , 2030	-

Trademarks	Registration numbers	Type of Product/Service	Protection Duration	Note
	191121790	Cosmetics	May 10 th , 2018 - May 9 th , 2028	-
	211115643	Sales promotion, business advertisements	Augu st 26 th , 2020 - Augu st 25 th , 2030	
	211115652	Skincare products	September 15 th , 2020 - September 14 th , 2030	

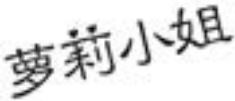
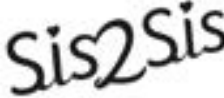
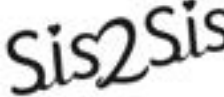
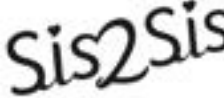
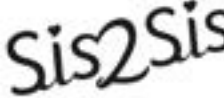
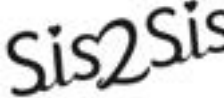
Trademarks under O2KISS joint venture

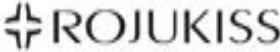
Trademarks	Registration numbers	Type of Product/Service	Protection Duration	Note
	2111125641	Sales promotion, business advertisements	June 12 th , 2020 - June 11 th , 2030	-
	201116740	Skincare products		In the process of transferring to O2KISS
	210101235	Dietary supplements		In the process of creating advertisements
	210107482	Sales promotion, business advertisements		In the process of creating advertisements

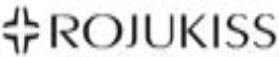
Overseas

The company has 42 registered trademarks overseas.

Trademarks	Country of Trademark Registration	Registration numbers	Type of Product/Service	Protection Duration	Note
	China	32370038	Cosmetics	April 7 th , 2019 - April 6 th , 2029	-

Trademarks	Country of Trademark Registration	Registration numbers	Type of Product/ Service	Protection Duration	Note
	China	33433398	Cosmetics	May 14 th , 2019 - May 13 th , 2029	-
	China	33433399	Cosmetics	February 7 th , 2020 - February 6 th , 2030	-
	Japan	6185395	Cosmetics	October 4 th , 2019 - October 4 th , 2029	-
	Indonesia	IDM000757882	Cosmetics	May 21 st , 2020 - October 5 th , 2028	-
	India	4029217	Cosmetics	December 17 th , 2018 - December 17 th , 2028	-
	Philippines	4-2019-001595	Cosmetics	June 9 th , 2019 - June 9 th , 2029	-
	USA	6,146,441	Cosmetics	September 8 th , 2020 - September 8 th , 2030	-
	Vietnam	388829	Cosmetics	June 8 th , 2021 - May 23 rd , 2030	-
	Hong Kong	302243295	Skincare products	May 7 th , 2012 - May 6 th , 2022	-
	South Korea	4010450410000	Skincare products	July 9 th , 2014 - July 9 th , 2024	-
	South Korea	4009721180000	Skincare products	May 31 st , 2013 - May 31 st , 2023	-
	South Korea	4009721190000	Skincare products	May 31 st , 2013 - May 31 st , 2023	-
	Laos	30828	Skincare products	December 18 th , 2014 - December 18 th , 2024	-
	Myanmar	IV2161/2013	Skincare products	March 1 st , 2013 - No expiration date	-

Trademarks	Country of Trademark Registration	Registration numbers	Type of Product/Service	Protection Duration	Note
	Singapore	T1317103B	Skincare products	February 26 th , 2016 - October 23 rd , 2023	-
	Turkey	2013105033	Skincare products	September 26 th , 2014 - December 23 rd , 2023	-
ROJUKISS	Cambodia	34774/10	Skincare products	July 29 th , 2010 - February 22 nd , 2030	-
	China	12030377	Skincare products	June 28 th , 2014 - June 27 th , 2024	-
ROJUKISS	China	6918481	Skincare products	September 7 th , 2010 - September 6 th , 2030	-
	Hong Kong	301157148	Skincare products and cosmetics	July 10 th , 2008 - July 9 th , 2028	-
ROJUKISS	India	1928278	Skincare products and cosmetics	March 1 st , 2010 - March 1 st , 2030	-
	Indonesia	IDM000290479	Skincare products	January 20 th , 2011 - August 26 th , 2029	-
	Indonesia	IDM000477326		August 9 th , 2015 - February 19 th , 2023	-
	Indonesia	IDM000880050	Dietary supplements	August 9 th , 2020 - February 19 th , 2030	-
	Japan	5362546	Skincare products	October 22 nd , 2010 - October 22 nd , 2030	-
	South Korea	4009888940000	Skincare products	August 16 th , 2013 - August 16 th , 2023	-
	South Korea	4009888950000	Skincare products	August 16 th , 2013 - August 16 th , 2023	-
	South Korea	4010450400000	Skincare products	June 27 th , 2014 - June 27 th , 2024	-
로쥬키스	South Korea	4007686890000	Skincare products	November 13 th , 2008 - November 13 th , 2028	-
	South Korea	4008320030000	Skincare products	August 4 th , 2010 - August 4 th , 2030	-
	Country Laos	30829	Skincare products	December 18 th , 2014 - December 18 th , 2024	-

Trademarks	Country of Trademark Registration	Registration numbers	Type of Product/Service	Protection Duration	Note
ROJUKISS	Country Laos	20248	Skincare products	May 18 th , 2010 - January 20 th , 2030	-
ROJUKISS	Malaysia	9011978	Skincare products	July 20 th , 2009 - July 20 th , 2029	-
	Myanmar	IV2161/2013	Skincare products	February 28 th , 2013 - No expiration date	-
ROJUKISS	Philippines	4-2009-010407	Skincare products	May 4 th , 2020 - May 3 rd , 2030	-
 	Singapore	T1317104B	Skincare products	May 29 th , 2014 - October 23 rd , 2023	-
	Taiwan	1624042	Skincare products	February 1 st , 2014 - January 31 st , 2024	-
	Taiwan	128663	Skincare products	November 1 st , 2007 - October 31 st , 2027	-
	Country Turkey	2013105056	Skincare products	October 16 th , 2014 - December 23 rd , 2023	-
	Country USA	3984772	Skincare products	June 28 th , 2011 - June 28 th , 2021	-
ROJUKISS	Vietnam	40158789000	Skincare products	February 24 th , 2011 - October 12 th , 2029	-

2. Patents and Petty Patents

As at 31 December 2021, the Company has owned these patents and petty patents. The details of patent and petty patent registrations in Thailand and overseas can be summarized as followed:

Thailand

Cosmetics

The Company has registered 1 petty patent for ready-to-use cosmetic packaging, which has a protection duration of no less than 7 years. The company has also submitted 3 requests for product design patents.

Skincare products

The Company has submitted 1 petty patent request for sachet packaging, and has submitted 1 request for package product design patent.

Patents and Petty Patents	Registration numbers	Types	Registration Date	Note
Petty Patent	15347	Ready-to-use cosmetic packaging	July 19 th , 2019	-

Overseas

Cosmetics

The Company has registered 2 petty patents for ready-to-use cosmetic packaging in 2 countries, and is currently considering requesting 3 more petty patents for ready-to-use cosmetic packaging in 3 countries.

The Company has registered 10 product design patents for cosmetic packaging and cosmetic brush in 4 countries, and is currently considering requesting 4 more product design patents for cosmetic packaging and cosmetic brush in 2 countries.

Patents and Petty Patents	Country of Trademark Registration	Registration numbers	Types	Registration Date
Product Design Patent	USA	D889,848	Cosmetic brush	July 14 th , 2020
Petty Patent	China	201822115509.7	Ready-to-use cosmetic packaging	January 14 th , 2020
Product Design Patent	China	ZL201830687693.5	Cosmetic packaging	September 13 th , 2019
Product Design Patent	China	ZL201830687753.3	Cosmetic packaging	October 15 th , 2019
Product Design Patent	China	ZL201830687372.5	Cosmetic packaging	October 15 th , 2019
Product Design Patent	Indonesia	IDD000053824	Cosmetic packaging	January 22 nd , 2019
Product Design Patent	Indonesia	IDD53823	Cosmetic packaging	January 22 nd , 2019
Product Design Patent	Philippines	3-2019-050007	Cosmetic packaging	June 7 th , 2019
Product Design Patent	Philippines	3-2019-050008	Cosmetic brush	June 7 th , 2019
Product Design Patent	Philippines	3-2019-050009	Cosmetic brush	June 7 th , 2019
Petty Patent	Japan	3224162	Ready-to-use cosmetic packaging	November 6 th , 2019
Product Design Patent	Vietnam	31238	Cosmetic brush	August 19 th , 2020
Product Design Patent	Vietnam	31239	Cosmetic brush	August 19 th , 2020

Investments in Subsidiaries and Joint Ventures

As at 31 December 2021, the Company has invested in subsidiary and joint venture, with details as followed:

Company	Type of Business	Country	% Ownership	Investment at Cost Method (Baht)	Investment at Equity Method (Baht)
PhD International Limited	Own trademarks of Skincare and Cosmetics Products	Hong Kong	100.0	44,793	-
O2 Kiss Co., Ltd.	Distribution of skincare and food supplement products	Thailand	40.0	20,000,000	14,514,584

Policies on Investments in Subsidiaries and Associates

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

The Company has a policy to invest in subsidiaries or associates that support the business direction of the Company, as well as investments in enterprises which align with the Company's goals, visions, and growing strategies. This will allow the Company to increase turnover and profits, or invest in businesses with corporate synergy to increase the Company's competitiveness and achieve the goal of becoming a leading entrepreneur in the Company's main business. Accordingly, subsidiaries and associates may consider investing in other enterprises that showed potential for growing or expanding the business, which could generate a good return on investment. The Company therefore requires a mechanism to manage and be responsible for business conducts of subsidiaries as if they are among the Company's own agencies, including implementing measures to track and formulate an appropriate and sufficiently concise internal control system for subsidiaries to protect the interests in the Company's investments per the defined standards. The Company believes this will be a mutually beneficial way to create new ways to generate revenue and increase the Company's capacity to generate profit. Thus, the Company must take into consideration the investment ratio, expected profits, possible risks, and the Company's financial status, with appropriate investment analyzing process before making the decision to invest in any project. The decision to invest must be considered and approved by the SEC, the Capital Market Supervisory Board, and SET. Moreover, the Company shall appoint a Company representative who possesses the qualification and experience to join the Board of Directors in the Company with regard to the shareholding ratio to define important policies and manage business conducts of the aforementioned subsidiaries and associates.

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

1.3 Shareholding Structure of the Company

1.3.1 Shareholding structure of the Company

Shareholding structure of the Company as at 31 December 2021 is as follows:



Remark : O2 Kiss Company Limited was incorporated in March 2021 which O Shopping Company Limited (a subsidiary of GMM Grammy Public Company Limited) holds 60% of total shares.

No.	Company Name	Type of Business	Country	Paid-Up Capital	Shareholding Proportion (%)	Head Office
1	PHD International Ltd.	Own trademarks of Skincare and Cosmetics Products	Hong Kong	HKD 10,000	100.0	Unit 701, 7/F., Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong
2	O2 Kiss Company Limited	Distribution of skincare and food supplement products	Thailand	THB 50,000,000	40.0	50 GMM Grammy Place Tower, Sukhumvit 21 Road (Asoke), Klongtoey Nua, Watthana, Bangkok 10110

1.3.2 Person that have conflict of interest that holding shares more than 10% in subsidiary and associate

-None-

1.3.3 Shareholders

Top 10 major shareholders as of 30 December 2021 which is the latest record are as follow:

	List of Shareholders	No. of Shares (shares)	Shareholding Proportion (%)
1	AURORA ASIA HOLDINGS PTE., LTD. ⁽¹⁾	176,226,420	29.37
2	Ms. Piyawadee Songsingh	108,219,460	18.04
3	GMM Grammy Public Company Limited	59,940,000	9.99
4	Guts & Good Pte., Ltd. ⁽⁶⁾	47,908,480	7.98
5	Bangkok Bank Public Company Limited	10,000,000	1.67
6	Mr. Sataporn Ngamruengphong	7,747,900	1.29
7	Muang Thai Life Assurance Public Company Limited	5,641,200	0.94
8	Mrs. Sudarat Laohasiriwong	5,278,500	0.88
9	Thai Life Insurance Public Company Limited by Kiatnakin Phatra Asset Management	3,229,300	0.54
10	KKP Small and Mid Cap Equity Fund	2,679,500	0.45
11	Other shareholders	173,129,240	28.85
	Total	600,000,000	100.00

Note : ⁽¹⁾ Aurora Asia Holding Pte Ltd. ("AAH") is a legal entity incorporated under the law of the Republic of Singapore to operate investment business as a holding company in which WorldWideVac Limited ("WWV")⁽²⁾ is a shareholder in AAH with 100% shareholding. Aurora Asia Holding Pte Ltd. ("AAH")

⁽²⁾ WWV is a legal entity incorporated under the law of the Cayman Islands to operate investment business in AAH. It has two shareholders: Henderson Capital Asia ⁽³⁾ ("Henderson") holding 75.42 % and Lakeshore Capital I - Aurora Co-investment LP ⁽⁴⁾ ("LC1AC"), holding 24.58%.

⁽³⁾ Henderson Capital Asia Limited is a legal entity incorporated under the law of the Cayman Islands to invest in high potential companies in Asia. Lakeshore Capital I LP ⁽⁵⁾ ("LC1LP") holds 100% shares in Henderson. In the Letter of Commitment dated 14 September 2020, Henderson is committed to the Company as follows: (1) no limited partners are the major shareholder, or director, or management, or the Company's controlling person by definition of the notification of the Securities and Exchange Commission No. 17/2008 (definitions of terms relating to the issuance and offer for sale of securities), (2) as long as Henderson directly or indirectly holds more than 10% of the shares in the Company, Henderson will not invest in a business that competes with the Company in Thailand, and (3) if the ultimate general partners or limited partners are changed, Henderson and LC1AC, through Mr. Anotai Adulbhan, will notify the Company and request that the new ultimate general partners and limited partners comply with the rules of the SEC and with the Letter of Commitment, dated 14 September 2020.

^(4,5) LC1LP and LC1AC are Exempted Limited Partnership legal entities incorporated under the law of the Cayman Islands to invest in high potential companies in Asia. The investment is in the form of internationally managed Private Equity (Closed-end Private Equity). LC1LP's investors are in the type of Limited Partner with Lakeshore Capital I GP LP being a General Partner having the management control. Other investors in LC1LP and LC1AC include five institutional investors with total investment of more than 80%, and 41 High Net Worth individuals, both domestic and international, with total investments of not more than 20%. There is no person with possible conflicts with the Company or having direct or indirect investment of more than 5% of total investment in the Company. Nevertheless, LC1LP and LC1AC have Lakeshore Capital I GP LP as an Exempted Limited Partnership legal entity incorporated under the law of the Cayman Islands in which Lakeshore Capital I Ultimate GP Limited, which is an Exempted Company legal entity incorporated under the law of the Cayman Islands, has invested as General Partner with management control. The founders and shareholders of Lakeshore Capital I Ultimate GP Limited are: 1. Mr. Anotai Adulbhan 2. Mr. Panaikorn Chartkavanij, and 3. Mr. Supawat Likittanawong. The investment period of LC1LP ended in June 2020 so it could not enter into new investment other than that it has already invested. LC1AC was only incorporated to invest in the Company. Therefore, its investment period has expired at the same time and LC1AC's investment shall cease when LC1LP sells both direct and indirect investment in the Company.

⁽⁶⁾ Guts and Good Pte. Ltd. (“G&G”) is a legal entity incorporated under the law of Republic of Singapore. G&G has a total of nine natural persons who are shareholders, and four shareholders are now the management of the Company: 1) Ms. Worrawan Chaikamnerd, 2) Mr. Thanayus Leeraphan, 3) Ms. Naruemol Sukkamolwatana, and 4) Ms. Wipaporn Niamla-ong. The other five shareholders are the employees of the company. Ms. Worrawan Chaikamnerd is a controlling person in G&G and has acted in concert with G&G. Also, G&G has agreed not to sell shares for a period of three years after the shares have been listed on the Stock Exchange of Thailand (Voluntary Share Lock-up), save for the sale of the shares by management in the event of a Tender Offer, which will change the management structure and result in the management remaining in office for less than three years, and for a sale of shares that complies with applicable law and regulations.

Shareholding Agreement

There is no agreement between the major shareholders and the Company in matters affecting the operation of the Company or issuing and offering the Company’s securities.

1.3.4 Relationship with business corporation of major shareholders

As at 31 December 2021, the Company’s major shareholders are Aurora Asia Holdings Pte., Ltd. (“AAH”) and Ms. Piyawadee Sonsingh with the shareholding proportion of 29.4% and 18.0% respectively. There were no business corporation with both shareholders in 2021.

Moreover, on 14 September 2020, Henderson Capital Asia (“Henderson”), including other companies under Henderson: 1) Hudson Asia Holdings, 2) Darlex Limited, 3) New Diamond Holdings, and 4) WorldWideVac (collectively the “Henderson Group”) and Ms. Piyawadee Sornsingh confirmed in a Confirmation Letter to the Company that they will not invest, either direct or indirect in the proportion more than 10%, in companies that compete with the Company in the same market, as long as Henderson and Ms. Piyawadee Sornsingh remain major shareholders of the Company.

1.4 Registered and Paid-up Capital

As at 31 December 2021, the Company has registered capital at THB 309,000,000 consisted of 618,000,000 ordinary shares at a par value of Baht 0.50 per share and paid-up capital at THB 300,000,000 consisted of 600,000,000 ordinary shares at a par value of Baht 0.50 per share.

On 14 July 2020, the Extraordinary General Meeting of Shareholders No. 2/2020 had passed a resolution to approve 18,000,000 newly share issuance at a par value of Baht 0.50 per share for the exercise of ESOP Warrants offered to the Company’s executives and employees (“KISS ESOP”) not over 18,000,000 warrant units. The warrants term is not exceeded 5 years from the issuance date on 19 February 2021 with the exercise price at Baht 7.20 per share and the exercise ratio is one warrant to one ordinary share. The warrants can be exercised after 24 months from the date of issuance with a maximum amount no greater than 10% of total warrants, after 36 months additional warrants not more than 30% which total amount no greater than 40% of total warrants, after 48 months additional warrants not more than 30% which total amount no greater than 70% of total warrants and the remaining warrants can be exercised after 60 months.

1.5 Other Securities

-None-

1.6 Dividend Payment Policy

The Company has a policy to pay dividends at the rate of not less than 50% of the Company's separate net profits after deducting corporate income tax and other reserve funds as required by law and as determined by the Company. The Board of Directors and/or shareholders may also take into consideration other factors in paying dividends, such as the operating result, financial position and liquidity of the Company, the Company's reserve funds for future investments, business expansion and repayment of loans, working capital requirements, any condition or restriction determined by loan agreements and other factors that might have an impact on the normal business operations of the Company. The amount of dividend payment must not exceed the Company's separate unappropriated retained earnings and aligned with relevant law and regulations. The Board of Directors may consider paying annual dividends subject to the approval of the Company's shareholders meetings. The Board of Directors can occasionally approve interim dividend payments in case that the Company earned enough profit in doing so and must report to the next shareholders' meeting.

Dividend Payment and Legal Reserve Allocation during Fiscal Year 2021

Dividends	Approved by	Amount (Million Baht)	Dividend per share (Baht)
Interim Dividend 2020	Board of Directors Meeting 1/2564 on 5 January 2021	80.03	0.1482 ¹
Annual Dividend 2020	Annual General Meeting of Shareholders 1/2564 on 26 April 2021	24.00	0.04 ²
Interim Dividend 2021	Board of Directors Meeting 6/2564 on 10 August 2021	33.00	0.055 ²
Total		137.03	

¹ Ordinary shares 540,000,000 shares

² After initial public offering of 60,000,000 ordinary shares in February 2021, the Company has issued and paid-up ordinary shares totaling of 600,000,000 shares.

The Company has allocated legal reserve amounting to Baht 3,000,000 which was approved by the Annual General Meeting of Shareholders 1/2564 on 26 April 2021.

2 Risk Management Policy and Plan



STRATEGIC & BRAND RISK

OPERATIONAL & SUPPLY CHAIN RISK

FINANCIAL & LIQUIDITY RISK

INFORMATION TECHNOLOGY RISK

ORGANIZATIONAL RISK

COMPLIANCE RISK

Risk Management Policy and Plan

Rojukiss International Public Company Limited recognizes the importance of risk management as part of good corporate governance. It is crucial to the company's capacity to operate in order to achieve its objectives. The ability to identify and manage risks will aid in the company's decision-making and provide insight into prospective planning possibilities to lessen the impact of probable catastrophic events. As a result, the company has built a structure for the risk management process to be adopted throughout the organization, which includes determining who is responsible for adequately controlling the identified risks. It is reviewed annually and aligned with the strategy and business goals. By establishing a topic guideline that encompasses the evaluation of the following major topics:

1. Strategic & Brand Risk
2. Operational & Supply Chain Risk
3. Financial & Liquidity Risk
4. Information Technology Risk
5. Organizational Risk
6. Compliance Risk

Risk management considers acceptable risks as well as benefit-related costs. To lower the chance of an occurrence and the severity of its impact, the risk response may use one or a combination of tactics. The strategies are to avoid, transfer, reduce, and accept. In terms of risk management, the unit that implements policies and operational procedures to regulate or comply with the company's guidelines is allocated to the responsible person in each unit under the Business Continuity Management Committee. This working group will seek to ensure that all executives and employees understand and are aware of their role in managing, preventing, or limiting any repercussions to the greatest extent possible, which will vary depending on the nature of each department. After following through and assessing planned risk management results, including analyzing risk management results, the Business Continuity Management Committee will report to the Risk Management Committee, which will continue to report to the Board of Directors.

Risk Factors for the Company's Operations

1. Risks related to the Company's business

1.1 The risks of relying solely on a few key manufacturers

The organization has created a risk management approach that includes the identification of additional domestic and international manufacturers. It is a manufacturing firm with high production standards that meet worldwide requirements, as well as dependable and steady business operations. Increased diversity of production sources at home and abroad reduces the risks of raw material shortages, labor shortages, diseases, and natural calamities in any country. For the key products that have a high proportion of sales and are popular, the corporation has planned to hire and grow new manufacturers alongside the core producers. In addition, the quality has been upgraded to meet, if not exceed, that of the current manufacturer. To avoid

becoming too reliant on a single primary manufacturer in South Korea, the corporation has chosen a few additional new main producers in the country as part of its diversification strategy.

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

Because the company's trademark is so well-known, counterfeit products with comparable appearances and concepts in the presentation of the company's products may exist. Some customers may wrongly believe it is the company's product because of this. If the counterfeit goods do not meet the standard or has a worse quality than the original product, it may mislead customers and cause them to have bad thoughts about the brand and the company. The company manages the risks in this matter as follows:

- Every manufacturer who is familiar with the company's and its goods' production formulas must sign a contract agreeing not to reveal or disseminate the product's recipe or ingredients. For a period of 1-3 years after the firm's orders from that manufacturer have ended, the firm will not produce such products for sale locally or for export to sell overseas and will not include the manufacturing process for others to watch.
- The company has trademark registrations in several countries, both inside and outside the country where it initially enters the market, as well as countries where it has or may have intentions to grow into new markets in the future. Additionally, the company's packaging or products have a patent registration (patent), which is considered an invention both at home and abroad, to prevent and restrict the risk of copying the company's trademarks and inventions.
- A marketing budget is set aside by the corporation to increase brand recognition and loyalty. This would encourage customers to trust and buy genuine products exclusively from reputable distribution channels such as company-affiliated stores, the company's official store on the e-market place channel, and so on.
- The company continues to allocate and use its funds for research and development of new and difficult-to-copy things. It increases competitive advantage while reducing the likelihood of being copied by the product.

1.3 The health and beauty goods industry face fierce competition.

The health and beauty industry has attracted both domestic and international entrepreneurs as a result of high market demand, resulting in a highly competitive environment. Consumers have become increasingly concerned about their health and appearance in recent years. As a result, many local and international entrepreneurs want to launch a beauty and wellness business. Many small entrepreneurs with a little initial investment, as well as international entrepreneurs, have a significant impact on consumer purchasing decisions in Thailand. Such competition has led to many non-standard or similar-quality beauty and health products being offered to consumers. Furthermore, consumer behavior can shift in response to a trend or an attitude. As a result, fierce competition or rapid changes in consumer behavior may have a considerable impact on corporate operations, new product introductions, or company marketing. On the other hand, the corporation is aware of the danger. As a result, a management framework has been designed to give the company with competitive opportunities and to increase the success of its business operations, as follows:

- Develop a recognizable brand identity and trademark, as well as continue to invest in marketing to raise awareness. This will help customers recall the company's brand, distinctive qualities, and product features.

- Have a commitment to continuously improving products via research and development means that the launch of new products will be determined by addressing consumer needs and picking the best technology. The firm has an advantage in selecting manufacturers with strong product development and research centers for rapid innovation, timeliness, and scenario. Consumers will regard the company as a leader in the sectors of beauty and wellness. International manufacturing standards will add trustworthiness and safety when consumers try the product and experience the real results.
- Provide the consumers to have complete and convenient access to a range of distribution channels around the country, and it is a trusted and acknowledged distribution channel.

1.4 The risks from the rapid change in consumer behavior from the COVID-19 outbreak

Consumer behavior, in the typical environment, is rapidly evolving, and consumer desires are already complex. The company manages risk by conducting annual qualitative and quantitative research to assess consumer demand for skin care products and cosmetics both domestically and internationally. The annual research will help ensure that the company responds in a way that is consistent with or leads to changes in consumer behavior, which is the goal and heart of the company's operations.

When an epidemic strikes, such as the COVID-19 virus, it has a direct impact on the lifestyles and spending habits of consumers whose lifestyles have been disrupted or who are impacted by public health initiatives. It also has an impact on the target population's purchasing power, as well as their lifestyle and consumption habits. The "New Normal" behavior occurs as a result of being forced to stay at home or work from home. The company's marketing strategy, including product release and distribution, must be modified to include both skincare and health products. Rojukiss Hair Color Serum products can now be utilized at home, eliminating the requirement for a visit to the hair salon. In response to altering consumer demand and buying behavior, the company has focused on online product distribution strategies and created commercial alliances in new channels such as direct sales and TV shopping.

1.5 The risk from solely relying on modern trade channels, especially convenience stores, is high.

For the years ended December 31, 2020, and December 31, 2021, the company's sales through convenience stores accounted for 51 percent and 38 percent of total sales, respectively, before discounting the estimated return of goods and trade discounts. The company's packet products are distributed through several channels, which are considered the company's major distribution channel. The company is at risk of seeing revenues drop in these channels because of the COVID-19 viral outbreak, which is now in its second year. In the event of a crisis, the company has a backup plan in place that allows it to continue running while allocating distribution to multiple channels to increase sales share and minimize damage as follows:

- In reaction to changing consumer purchasing trends, the corporation adapts a variety of initiatives. By focusing on e-commerce platforms, notably online marketplaces like Shopee, Lazada, and Konvy, the company changed its marketing budget plan to focus more on online advertising and direct delivery service. In the years ending December 31, 2020, and 2021, convenience store sales accounted for 51 percent and 38 percent of total sales, respectively, resulting in a 38 percent fall in growth rate.

- In March 2021, the company formed a joint venture with O Shopping Company Limited, a subsidiary of GMM Grammy Public Company Limited, to develop cosmeceutical (Derma Skincare) and food supplement brands and products for sale through media commerce channels, primarily TV Home Shopping, to reach target consumers who stay at home and watch television. Since May 2021, the products have been available for purchase.
- The company has expanded new distribution channels, notably through online direct sales agents. In August 2021, both Digital/Online Direct Sales began testing distribution of both skin care items and dietary supplements.
- Another distribution channel that might generate sales and sales growth for the organization is the international market. The firm's sales from exports to Indonesia accounted for 12% of total sales in the year ending December 31, 2021, marking a sales growth rate of 367 percent over the previous year, and the company began shipping products to sell in Vietnam in December 2021.

1.6 The risk of relying on one brand is more than 30% of the total sales of the company.

Rojukiss is still the most profitable brand in the firm's portfolio. The Rojukiss brand accounted for roughly 69 percent of total sales before product returns and trade reductions in the fiscal year ending December 31, 2021. Nearly all the revenue comes from the skincare product segment. To avoid a negative brand image as a result of an event, the company has exercised caution and followed a 15-year-old work ethic that involves stringent adherence to production standards and dermatological product quality testing (dermatological testing). During the COVID-19 outbreak in April 2021, the company released a Rojukiss hair color serum shampoo, letting clients care for and change their hair color at home, reducing the company's reliability on skincare products completely.

Simultaneously, the company plans to diversify by reinforcing other brands including Best Korea, a facial care product, and Sis2Sis, a cosmetic sachet with an integrated brush. It also provides cosmeceuticals, skin care, and nutritional supplements to joint venture firms under the names PhD K-Derma and Qi.

1.7 Inventory depreciation risk

Skin care products and cosmetics are the products that are always sold according to trends. In order to maintain sufficient quantities of inventory for the marketing plan, the company needs to plan in advance so that the inventory is kept in sufficient quantity and is able to cover all distribution channels thoroughly. In 2020 and 2021, the corporation kept an average of 12% and 7% of its total assets, respectively. Inventory outstanding ratio is between 103 and 86 days. The company confronts the risk of inventory deterioration as a result of changes in customer tastes or broader market and economic situations that have influenced and modified consumer product demand. This could result in present inventory not being sold or losing value. To mitigate the risks, the organization develops a strategy for assessing storage and implementing an acceptable policy for managing safety stock for the product type. This entails monitoring products on a regular basis to ensure that they stay fresh for as long as possible. If a product's shelf life is running out or inventory is moving slowly due to low consumer demand, the company might undertake a promotional program to boost sales.

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

The company's products are facial care solutions that are applied directly to the most sensitive portion of the body, the face. If a consumer suffers harm as a result of using the company's products, it may result in dissatisfaction, rage, and a claim or lawsuit against the company, which could escalate to the point of product recalls from multiple distribution channels. If the company does not have the correct action plan, any discontent with the damage made to consumers could have a major negative impact on the company's image and trademark, as well as its operating results and financial condition. To prevent consumer dissatisfaction in a restricted zone and to be able to stop such damage early, the company has devised the following strategy to reduce the risk of harm experienced by consumers as a result of using the company's products.

- The organization places a high value on product quality as a top priority. Quality control procedures are in place throughout the entire process, from formulation and manufacturing to product inspection before storage and transportation to the point of sale. Each production lot must have a quality certificate from the manufacturer to ensure that the products supplied will satisfy customers in terms of quality and are safe to use.
- An assigned crew handles product complaints about quality and packaging, as well as product damage. This demonstrates that the company reacted quickly to the customer's unhappiness. The consumer will not get the sense that the company is avoiding or ignoring its obligations. In accordance with the company's product complaints policy, the consumer must submit the required information. Within 24 hours, the responsible person will contact the consumer to provide an update on the matter. A new product replacement will be delivered to the consumer within 3–7 days. This complaint, however, does not address whether customers would be satisfied after using the product or whether they will experience allergic responses. In the case of allergic reactions to products, consumers must follow the company's procedures so that it can be proven that there is a genuine allergy as a result of using the product (e.g., a medical certificate from a reputable medical institution), so that an accurate and fair conclusion can be reached for both the consumer and the company.
- To support the case of litigation and proof that the consumer has been sued, the firm has chosen a manufacturer that has product liability insurance for products that are contracted to be created for the company. When the product's components or raw materials are employed and create damage or a production procedure that fails to satisfy the defined standards, the insurance company and the manufacturer will cover the costs.

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

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

- The danger of failing to comply with the licensing terms or requirements of the relevant government bodies due to force majeure or other factors. Government monitoring may consider suspending or canceling the license before the company faces legal consequences.

- The risk of not being able to always comply with all applicable laws and regulations. This could result in the operation being halted or incurring costs to mitigate the impact.

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

- Have a dedicated team to study and monitor changes in legal regulations, as well as act as an inspector to assist relevant parties such as product development departments and marketing departments with all product and packaging design to ensure that everyone follows the law; terms related to product claims and advertising words, and so on. According to the company, this will prevent errors and the risk of fines, cancellations, sales bans, or recalls.
- When an organization believes there is a substantial legal concern or that existing staff lacks appropriate understanding, it must consider engaging external legal advice to prevent such threats from occurring.

1.10 Risk of Exchange Rate

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

1.11 The COVID-19 virus is spreading and posing a risk.

From the beginning of 2020 till now, the spread of the COVID-19 virus in Thailand has had a substantial influence on business and the economy, including safety for the health and welfare of the company's personnel. As a result, the company had to change its working practices to deal with the crisis and ensure enough preparation in all areas so that it could continue to operate without interruption, deliver items to clients on time, and not jeopardize employee health and safety. During the crisis, the company has a strategy to operate in accordance with the Business Contingency Plan that was established in advance to assist the scenario.

Activities/ Procedures	Department	Action Plan during COVID-19 outbreak
1. Sale Order Procedure	Sales Team	• Work from Home • The ordering process and billing cycle have stayed unchanged because all these operations are generally conducted online. • Use a Teleconference Application instead of meeting with the customer in person. • Reduce the number of visits to stores while still needing to follow orders by phone or line by allowing orders to be accepted via Line and confirmed via e-mail. Allow the merchant to transfer the payment to the company's bank accounts instead of collecting checks from the store throughout the invoicing process.
2. Product delivery procedure	Warehouse	• Divide warehouse workers into sub-teams to enable them to switch between tasks with clearly defined working areas and scopes of work, ensuring that orders are delivered on time and without delay, even if one team discovers an infected person who must be quarantined for symptoms according to Ministry of Health guidelines. • Each team can perform alternately, especially in critical systems.
3. Purchasing process/ Inventory Management Process	Purchasing & Supply Chain	• Work from Home • Increase the frequency of inventory evaluations from month to month on a weekly basis by conference call, Line Call, or Teleconference to verify that appropriate products are available for delivery according to the order list. Even amid the crisis, there must be no scarcity of items to sell. • Increase the frequency of coordination with international manufacturers to closely examine and anticipate problems so that production or distribution systems are not disrupted in unusual scenarios. It will be a daily gathering to collaborate with overseas firms during the crisis. • Sourcing and designating back-up manufacturers for best-selling products to plan of time for production and be ready to respond swiftly to demand to replace products from key manufacturers that may be affected by the pandemic and unable to restart operations in a timely way. We have items that are constantly updated to fulfill the needs of our consumers.

Activities/ Procedures	Department	Action Plan during COVID-19 outbreak
4. receiving and paying checks procedure	Accounting & Finance	• Divide the workload and rotate the sub-teams between working from home and in the office for ongoing management and document management. • Send an e-mail notification to entrepreneurs and business partners to make it easier to complete the billing by mailing the original papers rather than submitting them at the company's office.
5. Employee Management Work Process	Human Resources Department	• The Human Resources Manager is responsible for coordinating with government organizations such as the Social Security Office, the Department of Disease Control, and the Ministry of Public Health to provide the company and its employees with government announcements and/or useful information in order to prepare a plan to support the spread of the COVID-19 virus, as well as ensuring that employees understand the plan in order to comply with government policy or common practice guidelines. • Organize a daily or weekly War Room Meeting for the Management Team (C-Suite) and the Human Resources Manager to deal with the crisis and monitor the current situation. Assess the impact on the corporation and develop policies and procedures to deal with both business issues and employee performance and safety across the board, including drafting numerous guidelines in an instant for quick implementation. • From the start of the epidemic, the modifications, and announcements, including the action instructions, will be communicated to employees at all levels via Communication Tree, to prepare all employees to be alerted in the event of a crisis.

1.12 Risks to Information Security, Operating Systems, and Cyber Threats

The advancement of technology, as well as news concerning cyber risks, is continuing and likely to accelerate. Whether it was a hack of the operating system or storage system, Phishing Mail, or Ransomware, the organization was exposed to risks relating to information technology security or technological threats caused by system faults, human mistake, or cyber-attack. If the information system fails, or if a situation arises those results in data loss or leakage or affects the operating system to the point where the company is unable to continue operations, the company will inevitably suffer immeasurable financial losses, as well as damage to its credibility and reputation. The company recognizes the importance of information technology security. There are standards in place to assist reduce the risk of cyber-attacks and improve the security of network connections (network), which is particularly crucial now that all employees are required to work from home.

- The Executive Committee approved the transfer from the local server system to the cloud server system since the cloud server contains an up-to-date adaptive anti-virus application. It can adapt as the infection spreads, and there are safeguards in place to assist detect such attacks more quickly. The company uses the most up-to-date and best anti-attack programs on the market (Kaspersky Antivirus Cloud Protection and Next Gen Firewall), which block and destroy cyberattacks against operating systems and systems protecting company data from malware, ransomware, phishing mail, and viruses, and provides protection both laptops and desktops and laptops. With the migration to Office 365, the Treat Protection function has been implemented, which comprises a system for screening, blocking, and notifying cyber-attacks via email, allowing the company's IT department to see real-time notifications and take prompt action.
- Install a firewall at both the head office and the warehouse, as well as a VPN, to allow employees to work from home during COVID-19. When employees want to connect to the central network, the system will validate the username and password to filter the users of the company's operating system; this is where cyberattacks can be launched.
- According to the company's internal control policy, a backup server (backup server) of the system and the company's data is available in real time. This is defined as a continuity management plan that the IT department is responsible for backing up and conducts annual testing to verify that backups are constantly up to date in order to restore the operating system within 4 hours.

1.13 Non-Compliance Risk with Personal Data Protection Acts (PDPA)

Companies that use personal data will begin implementing management supervision policies to protect the following information: Personal data of shareholders, customers, employees, and stakeholders to comply with Thailand's promulgation of the Personal Data Protection Act B.E. 2562, which will take effect in June 2022. Because the Personal Data Protection Act is a new law, it is possible that there will be ambiguities in the regulations, and there is a chance of making a mistake. This is a threat that the company is fully aware of. To comply with the Personal Data Protection Law, it has put in place the following plan:

- Appoint a person to be responsible for the company's personal information, with the responsibility of tracking and updating important information regarding the protection of personal information acts to keep it current; and begin to modify the operations of all parties who use personal data in accordance with the law, with a plan to complete it in the timeframe required.
- The Board of Directors has approved the engagement of independent legal experts with expertise in this area to ensure that personal information of shareholders, customers, employees, and stakeholders is correctly and strictly managed by the parties involved.

2. Additional risks of conducting business in the international markets

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

The company earned more than 95 million baht in revenue from exports through overseas dealers in 2021, a 286 percent increase over the previous year's exports. The result was a significant boost in exports. The company also plans to continuously expand its business in Indonesia and Vietnam. Follow these guidelines

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

2.2 The risks of international market business operations during the COVID-19 outbreak

There was no influence on export performance during the COVID-19 virus epidemic. However, operations that create delivery delays, such as the production of goods from countries of origin that are supervised according to COVID-19 requirements, are impacted. Product ordering takes longer than normal. The cargo or ship docking time is longer than usual due to the closure of borders between the producing and receiving nations, reducing the quality of products that have been aboard the ship for a long period of time and raising the cost of keeping the cargo. The organization has a risk mitigation plan in place for the mentioned risks, which includes working with manufacturers and distributors to prepare for business continuity in times of crisis, such as estimating appropriate inventories and providing quick and affordable service.

3. Risks in Management

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

Aurora Asia Holding Pte. Ltd. ("AAH") holds 29.37 percent of the company's total paid-up capital as of December 31, 2021. AAH becomes a major shareholder, with the ability to exert control over the company and influence votes at its annual shareholder meeting. This includes the ability to vote against a special resolution of the shareholders' meeting that requires three-fourths of the votes of the shareholders present and voting, as well as the power to nominate a person to be appointed as a director and the nomination of persons to be appointed as executives by the Board of Directors. As a result, other shareholders of the corporation may be unable to gather votes to balance the issues that AAH has presented to the shareholders' meeting for consideration. However, the company's management structure includes six committees in total, each with a clearly defined scope of powers and responsibilities, ensuring that the company's management is visible and auditable.

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

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

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

3.2. The possibility that AAH's Ultimate Beneficial Investor, which is a private equity fund, will have a potential conflict of interest with the company and other shareholders.

The ultimate beneficial investor in AAH is a private equity fund which invests in various businesses, and which therefore may invest in companies whose business could be connected to that of the Company. This may cause the Company not to have the opportunity to invest in such companies to strengthen its operating performance and so achieve the greatest possible benefits for the Company or other shareholders. However, on 14 September 2020, Henderson Capital Asia ("Henderson"), including other companies under Henderson: 1) Hudson Asia Holdings, 2) Darlex Limited, 3) New Diamond Holdings, and 4) WorldWideVac (collectively the "Henderson Group") and Ms.Piyawadee Sornsingh confirmed in a Confirmation Letter to the Company that they will not invest in companies that compete with the Company in the same market, as long as Henderson and Ms.Piyawadee Sornsingh remain major shareholders of the Company. Currently, Henderson does not invest in companies that compete with the Company in the same customer segment and similar products.

3.3. The risk of restructuring the organization and recruiting competent personnel to support the growth and change of the company's business

Employee skills and knowledge may not be consistent with the company's rapid commercial growth and global business expansion, as well as changes in business models to meet customer demands. In addition, the inability to adapt or expand the business in a timely manner due to a lack of staff may be a risk. These factors may have an impact on the company's performance, financial status, and image. performance, financial status, and image. As a result, the company enhances its human resource management principles to provide skills and the ability to work in a timely manner in accordance with the business strategy.

- Recruiting personnel with the skills and abilities that the company need but does not already have in the organization to keep the company running in the face of potential changes.
- Create employment-related work and development plans. Employee growth is closely monitored by the department head to ensure that the organization can retain competent and skilled staff to keep things operating smoothly.
- Prepare a succession plan for the Chief Executive Officer and other senior executives, and have it reviewed on a regular basis.

3.4 The risks of relying on a business-savvy leadership team

The company recognizes that the management team's ability to have knowledge, abilities, expertise, and experience in the beauty and health industry, starting with product development, product and supply chain management, marketing, and sales, both domestically and internationally, is critical to the company's

success. Personnel in the company's management team currently have business expertise, knowledge, and understanding, as well as a positive attitude toward working in a highly competitive industry that necessitates swift adjustments to suit changing market and consumer expectations. If the organization is unable to keep management and staff with expertise, ability, and a positive attitude, or recruit workers to replace them in a timely manner, it may have a negative influence on business operations, operating costs, and profitability.

The corporation, on the other hand, has anticipated the risk of relying on the management team. To mitigate these risks, the corporation has trained individuals in each department to assist senior management. At the level of the Chief Executive Officer, extensive succession planning is undertaken. With the agreement of the Nomination and Remuneration Committee, the corporation selects and installs successors to key positions, and the Nomination and Remuneration Committee nominates the Chief Executive Officer directly. The company regularly reviews and monitors the progress of the successor development plans, including the initiative to build relationships between middle-level executives and operating-level employees, in order to be able to maintain a good relationship with the next generation of executives.

As for the employee retention plans that are capable of being an important mechanism in the company's business operations, they are as follows:

- Determine the management of employee pay and remuneration in accordance with industry standards. Use data from top recruiting organizations such as Korn Ferry, Manpower, and Adecco, which will be presented to the Nomination and Remuneration Committee. This is to verify that the firm's remuneration has been assigned to management and staff in accordance with their obligations, and to ensure that the company can compete with leading companies in the same or similar industries.
- The 1st Extraordinary General Meeting of Shareholders, held on July 14, 2020, approved the issuance and offering of warrants to purchase shares of the company issued to management and employees (ESOP Warrants) in the amount of not more than 18 million shares with a par value of 0.5 baht per share, accounting for not more than 2.9 percent of the company's paid-up capital. To keep employees motivated and prevent them from leaving the organization, employees will be able to gradually exercise their rights to purchase ESOP Warrants on the ordinary shares at a price of 7.20 baht per share, with an exercise ratio of 1 warrant per 1 ordinary share, after 24 months from the date of issuance of the warrants, at the date set for the initial public offering on February 19, 2021, until the maturity of 60 months.

4. Risks associated with securities offerings

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

The Company issued and offered to its executives and employees 18 million units of ESOP warrants to purchase ordinary shares and allocated 18 million newly issued shares at a par value of THB 0.50 for the exercise of the warrants. After the exercise of these ESOP warrants, the number of issued and paid-up shares will increase by up to 18 million shares at a par value of THB 0.5 from 600 million shares to no more than 618 million shares, or up to 2.9% of the Company's paid-up capital if executives and employees exercise

the full amount of ESOP warrants (i.e., 18 million units to purchase 18 million shares of the Company during a 5-year period where the exercise of the ESOP warrants amounts to 10% of the allocated warrants in the second year, 40% in the third year, 70% in the fourth year, and 100% in the fifth year). This will result in the Earnings Per Share Dilution or Control Dilution of 2.9% of the original Earnings Per Share or voting rights when compared to the total number of 600 million issued and paid-up shares (post-IPO paid-up capital). As the ESOP warrant exercise price is not lower than 80% of IPO price, there may be price dilution. On the assumption that the market price on the offering date equals the IPO price at THB 9.0 per share, the price dilution will be 0.6% on the fully diluted basis whereas the control dilution will be 2.9% of the total number of voting shares on the fully diluted basis if all warrants are exercised. According to Thai Financial Report Standard No. 2, shares-based payment requires that the Company must assess the fair value of ordinary shares in the exercise of ESOP warrants by its executives and employees and record the differences between the fair value of ordinary shares and the offering price which is THB 32.4 million as an expense in the income statement using the share-based payment approach. The expense is calculated using the highest value of rights to purchase ordinary shares of the Company at THB 9.0 per share which will be gradually recognized as expenses on the share basis every quarter, starting from the first quarter of 2021 and ending in the fourth quarter of 2025. In 2021 and 2022, the expense that will be recognized is approximately THB 2.3 million per quarter while in 2023 approximately THB 1.9 million of expense will be recognized per quarter. In 2024, approximately THB 1.1 million of expense will be recognized per quarter, and in 2025 approximately THB 0.5 million of expense will be recognized per quarter.

The stock's market price may be affected by the sale of such shares to the company's management and employees which cannot forecast on the impact (if any). It is hard to say whether the sale of future shares or the holding of future shares for sale will have a negative impact on the stock price of the company. On the other hand, providing warrants to purchase the Company's shares to executives and employees will give incentives for them to work more efficiently in the future, resulting in maximum benefits for the company and its shareholders. It also comprises long-term equity interests to keep personnel with the essential skills and experience to contribute to the company's success.

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

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

However, after the IPO, the shareholders' agreement between AAH and Ms. Piyawadee Sonsingh will come into effect in which Ms. Piyawadee agrees with AAH that she will not offer to sell, sell, dispose of, or otherwise transfer shares of the Company to other parties, except for the immediate share sales after the IPO that

counterparties have agreed upon. Also, as long as AAH remains a major shareholder of the Company, Ms.Piyawadee Sornsingh agrees not to sell or transfer any shares to other third parties without consent from AAH. All sales and transfers must comply with the laws on securities and exchange. The share sales of each party must be proportionate to their respective shareholding of the Company.

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

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

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



3. DRIVING BUSINESS FOR SUSTAINABILITY



The company understands the need of consistent long-term growth and knows that stable growth is achieved by attaining success and creating value for all stakeholders. This involves a thorough understanding of the impact on both the environmental and social dimensions, which is the foundation of good corporate governance in our business.

As a result, the firm places a high value on and is committed to supporting sustainable development through the foundation of our business operations based on ESG (Environmental, Social, and Governance) principles, which encompass the environmental, social, and governance dimensions. The organization's sustainability policy was created to guide its strategy and ability to do business in a socially responsible manner, as well as to act as a supporter of the United Nations' Sustainable Development Goals (SDGs). As a result, the company's aim to be a global leader in the future beauty and health business in Asia will be reignited (Health & Beauty for the Future of Asia).

3.1 Sustainability Management Policy and Goals

In order to provide appropriate sustainability management and governance in line with the firm's sustainability strategy framework, which comprises of three essential pillars, the company has studied ESG in all aspects when conducting business through corporate strategy. The mission of developing the best beauty and health innovations that everyone can use, as well as being prepared to drive the needs and inspire sustainable Thais and Asians, will be driven by these three essential pillars: creating innovation, creating value for society (social impact), and creating alliances for the environment (creating environmental partners). The company integrates the ESG perspective into its operations by connecting experiences and creating value for customers through innovative products and services, as well as marketing news and activities that recognize social and environmental responsibility as critical for long-term stability and sustainability, in accordance with the United Nations Sustainable Development Goals (SDGs).



3.2 Managing impact on stakeholders in the business value chain

The organization considers management efficiency, as well as the production of value for benefits and ongoing effectiveness, when managing for long-term stability and sustainability. As a result, the company wants to encourage all its divisions to keep in touch with stakeholders throughout the value chain on a frequent basis. Stakeholder suggestions and opinions will be analyzed on a yearly basis by the organization to improve management and value-generating processes for long-term sustainability.

In order to verify that the firm's business has generated actual value and benefits for the economy and society, the company has examined and analyzed its operations in accordance with the sustainability policy's standards. Shareholders and investors, firm personnel, consumers, business partners, and regulators are the six groups of stakeholders.

In 2021, the corporation conducted a direct and indirect assessment of stakeholders both inside and outside the organization, which is an important activity. This will assist the company gain confidence and stability in the long run, as well as boost its competitiveness in the future. This indicates the organization is transparently caring for and prioritizing each stakeholder and treating them accordingly.

Shareholders and Investors

Interaction pattern/number/frequency	• Annual Shareholders' Meeting • Quarterly earnings announcements • Meeting with shareholders or investors via a roadshow or conference • Investor meetings or meetings with a group of securities analysts • The website's Investor Relations section is updated on a regular basis • The phone and e-mail lines for investors are always open during business hours
Expectations & Concerns	• All shareholders are treated equally. • Timely and accurate sharing of information accessible through a variety of channels. • Its operating performance has been steadily improving. Dividends should be paid out on schedule and profits should be earned for shareholders.

Treatments	• Follow the rules and regulations of the Thai Stock Exchange and the Securities and Exchange Commission. • Work in a way that promotes good governance and social responsibility. • Invest for long-term success. • Dividends were distributed in accordance with the dividend policy. • Information can be disclosed and communicated to shareholders and investors in a variety of ways. • Organize and engage in a variety of activities, such as a roadshow or conference, to meet with both domestic and international investors on a regular basis, as appropriate.
Achievements	• Held the 2021 Annual General Meeting of on April 26, 2021. • conducted a roadshow meeting with the Fund Group 18 times. • organized Opportunity Day investor meetings, securities analyst meetings, and retail roadshow activities, including 4 press conferences. • Improve and expand investor relations work to give shareholders and investors more flexibility and better access.

Employee

Interaction pattern/number/frequency	• Organize activities to strengthen internal relationships, such as Happy Birthday parties and other activities as needed. These activities take place online while working from home, according to the Ministry of Public Health's requirements (Work from Home) • Open to sharing ideas and listening to operational standards, as well as delivering monthly performance statistics through Employee Townhall meetings and other channels with the field of work that is constantly associated. • Provide information about the daily situation report as well as work-arounds for the COVID-19 epidemic via email and work group channels on the LINE application.
Expectations & Concerns	• Clarity in corporate management concepts, as well as the business condition and methods of operation in the face of the COVID-19 epidemic. • Change Management • Developing the potential and abilities required for future employment and advancement. • A system for evaluating performance that is both efficient and fair. • Employees' compensation, welfare, and safety

Treatments	• Communicate the company's goals, plans, and results to personnel at all levels on a regular basis. • Encourage employee advancement and boost morale among long-serving personnel (Long Service Year Award). • Determine policies, strategies, and procedures for evaluating employee remuneration and benefits in a systematic manner, considering the legal framework and the company's capacity to compete in the market. • Remunerate employees at an appropriate rate and on time. • Act responsibly in accordance with health, welfare, safety, and environmental rules and procedures.
Achievements	• Clarification of the business environment and ongoing communication with employees aid in understanding the operation and the ability to work even when working from home is required. • Design and alter the incentives for employees who have been loyal to the company for a long time (Long Service Year Award) to be current and appropriate for the situation. • Arrange for all staff to receive the KISS Healthy Box Set. The organization demonstrates concern and emphasizes the importance of employee welfare and health. • Provide weekly ATK inspections and regularly verify the status of all personnel in all areas of operation to maintain employee safety by rigorously adhering to Ministry of Public Health standards and regulations.

Consumer

Interaction pattern/number/frequency	• Consumers now have access to more product distribution channels, such as online and media commerce. • Provide a channel for customers to contact with questions and recommendations, such as a Call Center, an email address, a LINE group (Official Line Account), or a Facebook Messenger channel. • Update the company's webpage with new information so that customers can get product information on their own whenever they want.
Expectations & Concerns	• Continual service provision and availability to goods and services are critical even during the COVID-19 virus pandemic. • Product quality and service quality of the company representative • Continuous product development to meet a wide range of requirements in terms of quality, cost, and distribution across several channels. • There are safeguards in place to ensure the protection of consumers' personal information and to avoid infringing on their privacy.

Treatments	• Set a standard for the company's customer service philosophy of treating all customers fairly and equally. • Continually serving customers and increasing product distribution in both general shops and online channels, such as expanding the product list in convenience stores, Watsons, leading Marketplace channels, and Media commerce on O Shopping TV. • Develop and upgrade customer-facing systems and service channels on a continuous basis. So that products and services can be delivered swiftly and efficiently to all clients. Customers' suggestions are welcome to improve the design of future products and services. • Provide training and ensure that assigned personnel are aware of clients' privacy policies. The procedure complies with legal standards and is clearly disclosed in the operation or commercial operations only with the consent of the consumer, according to the statement.
Achievements	• Customer satisfaction with goods and services has been high. Product developments have always garnered positive feedback. • Customer complaints are handled within 24 hours. • Provide satisfactory customer service and be able to quickly handle client issues.

Business Alliance

Interaction pattern/number/frequency	• Establish and increase distribution channels for products. To adapt to the business scenario that has been disrupted by the COVID-19 epidemic, adjust the plan to better serve the company's clients, including distribution via online channels and Media Commerce channels via O Shopping TV. • Evaluation of manufacturing quality and raw material allocation that meets needs while taking social and environmental hazards into account. Work with business partners that are manufacturers and importers with dedication and consistency. • Attend meetings with contract manufacturers (OEM) partners to analyze and assess production risks and their impact on society and the environment on a quarterly basis. • Participate in talks and actively seek out new trading partners for future business expansions that are consistent with the company's vision.
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Expectations & Concerns	• Manage and provide the clear direction and assistance during the COVID-19 pandemic. • Treating business partners equally and fairly. • A clear, fair, and verifiable procurement process is in place. • Trade secrets should be treated with respect and professionalism. • Apply corporate concepts that prioritize social, community, and environmental responsibility, as well as safety, occupational health, labor standards, and anti-corruption regulations.
Treatments	• Open to willingly listening to and sharing with partners via online meetings, which may include various assessments During the COVID-19 pandemic crisis, to operate in accordance with operational standards and to support one another. • Follow the policy of treating business and commercial partners fairly and equally. • Procurement is documented. It is simple to comprehend and of equal quality without discrimination, and it attempts to instill confidence in the selecting process by clearly explaining the details. • Respect the intellectual property rights of partners and others when conducting business. Have a policy of not infringing on other people's intellectual property rights as part of company governance requirements. • Work with OEM partners to verify international standards (ISO) in production that are socially, environmentally, and safety friendly.
Achievements	• Monthly meetings amongst various groups of partners to share information and define collaborative directions for dealing with the COVID-19 outbreak crisis. • Business partners or OEM partners must adhere to international environmental, safety, and community impact management standards. An assessment of global industry standards, as well as a history of contract manufacturing for world-class organizations' products or brands, were among the selection criteria. • There was no fraud or wrongdoing, no breaking of the law, no lack of openness, and no violation of corporate governance.

Regulators Organization

Interaction pattern/number/frequency	• Attend meetings and solicit ideas or exchange thoughts to develop guidelines for operations that conform with legal standards or procedures, such as the Food and Drug Administration (FDA) and the Securities and Exchange Commission (SEC), among others. • Full cooperation with government authorities or other regulatory entities is essential. • Participate in regulatory issuance procedures or offer recommendations for specific group meetings and public hearings to be attended.
Expectations & Concerns	• Maintain a high standard of regulatory compliance within organization. • Provide information and continue to discuss reporting and updating information with appropriate regulators on a regular basis. • Support, promote, or solicit collaboration from entrepreneurs in a variety of industries.
Treatments	• Consistently and sincerely follow the policies of government regulators. • Participate in the work and give support for the oversight and various actions with authorized government authorities on a consistent and regular basis.
Achievements	• The operations are carried out in compliance with government and regulatory policies. • The regulatory government offers continuous and prompt assistance and recommendations.

3.3 Environmental Dimensions of Sustainability Management (Policies and guidelines environmental performance)

The organization recognizes the importance of the environment to human life by focusing on pollution management and resource efficiency. Understanding the impact of climate change, whether as a result of air pollution or other industrial factors that may contribute to global warming, as well as economic energy consumption in accordance with international principles.

The company's efforts to reduce the amount of plastic used in packaging with contract manufacturing partners, which have been continuing since 2020, will continue. However, as compared to the previous year, the amount of plastic consumed in 2021 may not decrease. The decline in the beauty market as a result of

the spread of the COVID-19 virus had an influence on the company's beauty product sales. As a result, the amount of plastic manufactured has decreased, but they are not variables that diminish the importance of the goal of reducing plastic consumption. The company will continue to focus on producing products that have a low environmental impact, but most importantly, it will work closely with partners.

However, the company remains aware of the importance of the environment and its impact on society and the community by discussing and assessing risks with all business partners and contract manufacturing companies, referring to measures and production processes that have received internationally recognized standards, such as ISO14001 or ISO 26000 certification.

3.4 Sustainability management in social dimensions (Policies and guidelines social performance).

In terms of social sustainability, the corporation has prioritized producing value in business operations and generating benefits for stakeholders through promoting human rights and using Thai ideas on a global scale.

The corporation supports the UN Guiding Principles on Business Human Rights, the OECD Guidelines for Multinational Enterprises, Children's Rights & Business Principles, and other declarations and agreements in the area of human rights. Employees and contract manufacturing partners continued to be educated on human rights concerns that were relevant to their professions. The following are some general criteria for best practices:

- The company will not employ workers who are under the age of 18, whether it is a permanent job or an employment contract (Fixed term).
- The company rejects forced labor or debt repayment through forced labor. Everyone has the right and flexibility to resign at any time after giving the company a reasonable amount of notice.
- Employees have the right to designate representatives who can preserve their rights and benefits, and the corporation respects their collective bargaining rights and employees' collective bargaining rights.
- The corporation will not discriminate against any representative or employee, but will follow a procedure that is correct, legitimate, clear, and legal.
- Working hours and public holidays will be set by the company in accordance with labor laws.

The organization has established the Equality Code of Practice as a critical foundation for hiring and resource management. The employment and recruiting process must be transparent, non-discriminatory, and provide equal opportunity to all applicants. If a post becomes vacant, both internal and external recruiting must take place. The recruitment process must be transparent, with the company's benefits being prioritized, and candidates selected based on work experience and talents, as well as attitudes and qualities that are aligned with the organization's values, mission, and goals. All employees must have equitable access to chances for growth and advancement, as well as a fair assessment of their work.

The following activities are in place to look after the company's employees.

1. Workplace safety and well-being

The company has implemented the guidelines from the Disease Control Division Bangkok's declaration in 2021 on collaboration in working from home (Work from Home). At the same time, the organization offers communication technology knowledge and preparedness for optimizing the home workspace and increasing online productivity. Along with maintaining continual efficiency, the corporation has prioritized offering a high quality of life for its employees.

2. Employee care during the COVID-19 outbreak

In addition to preparing employees to train for skills to effectively work from home, the company also provides care for employees and supports assistance in accordance with government-mandated measures, such as coordinating the process of compensation for insurers under Section 39 and Section 40 for employees and sending a KISS Healthy Box Set that includes health and sanitation equipment, such as immune-boosting vitamins, hand-washing alcohol gel, and so on.

3. Employees must pass a readiness check in order to work in the office

Throughout the year, the company allowed some employees to choose which days they wanted to work in the warehouse, including distribution center employees who worked in the warehouse office on a regular basis. The organization promotes employee welfare and safety by providing weekly infection testing (ATK) before to work, verifying the history of high-risk groups, and enforcing infection prevention recommendations. When a potentially dangerous occurrence is identified, the firm has announced that all use of the area will be ceased immediately, and a disinfectant will be sprayed to sterilize it.

The corporation, on the other hand, places a great importance on helping communities and society. The company was aware of the year 2021, which would be a big difficulty as well as a source of grief for society. During this time, the organization assessed the situation and determined that doctors and nurses, including front-line specialists, are dedicated to serving society and the people to the best of their abilities. Because the COVID-19 virus is becoming more widespread, the company contributed immune-boosting nutritional supplements, as well as a portable alcohol gel for medical workers on the front lines and patients who must stay in field hospitals.



The company gave supplies to Chulalongkorn Hospital, Chula Field Hospital, and Wachira Hospital on July 23, 256, to help the hospital's operations as well as the health of medical workers and those infected with COVID-19 with the three products: 50,000 sachets of PhDerma hand sanitizer gel, 105,000 boxes of Rojukiss Vitamin C Zinc B Complex, and 105,000 boxes of Rojukiss beta-glucan with vitamin C, D health nutritional supplement. These are for internal hospital use and distribution to patients, both internal and those entering the Home Isolation program.

On August 6, 2021, the company teamed with the People's Sector Volunteer "Up for Thai" to donate 3,960 sachets of PhDerma alcohol gel products for handwashing to the Busarakham Hospital for internal use. Thousands of patients were treated at this field hospital, which was constructed with the help of numerous sectors to assist patients with COVID-19, which has repeatedly escalated the pandemic in the past.

As a result of the challenges posed by the COVID-19 pandemic, which have an economic impact on the country, the company is on the lookout for new ways to bring its inventions to worldwide markets. The company's exports to Indonesia increased by 367 percent in 2021 compared to the previous year. Then, in 2022, the corporation continued to concentrate on bringing Thai ideas to a global level, with the goal of expanding in both Indonesia and Vietnam.



4. Management Discussion & Analysis



4.1 Analysis of operations and financial position

Management Discussion & Analysis for the year-ended 31 December 2021

Financial Performance

Table 1 : Statement of Comprehensive Income

(Unit: Million THB)

Consolidated Financial Statement	2020	%	2021	%	YoY%
Revenue from sales and services	965.0	100.0	772.3	100.0	(20.0)
Cost of sales and services	(399.5)	(41.4)	(358.6)	(46.5)	10.3
Gross Profit	565.4	58.6	413.7	53.6	(26.8)
Other Income	1.3	0.1	3.8	0.5	198.7
Selling expenses	(205.6)	(21.3)	(135.9)	(17.6)	33.9
Administrative expenses	(125.0)	(13.0)	(135.4)	(17.5)	(8.3)
Gain (loss) from foreign exchange rate	(6.7)	(0.7)	10.8	1.4	261.9
Loss sharing from Joint Venture			(5.5)	(0.7)	
Total expenses and other income	(336.0)	(34.8)	(262.1)	(33.9)	22.0
Profit before finance costs	229.4	23.8	151.6	19.6	(33.9)
Finance costs	(7.8)	(0.8)	(5.1)	(0.7)	34.7
Profit before income tax expenses	221.6	23.0	146.5	19.0	(33.9)
Income tax expense	(53.6)	(5.6)	(27.9)	(3.6)	48.0
Profit for the year	168.0	17.4	118.6	15.4	(29.4)



for the year-ended
31 December 2021



Overview

For the year-ended 31 December 2021, the Company had net revenue from sales and services totaling Baht 772.3 million, declined by 20.0% YoY. During the year 2021, overall consumer market in Thailand still had impact from COVID-19 outbreak with very high record of infected cases and lock-down in many provinces. Most people did not go out and work from home for very long time, as a result, consumption rate of Personal Care and Beauty Care products has declined. Though there was no lock down by the end of the year, overall economy was still in a slowly recovery pace. On the other hand, the Company has expanded into Indonesia and Vietnam market by exporting Rojukiss skincare products with total sales of Baht 95.5 million, increasing 286% vs last year and more than the Company's target for this year.

Net profit of the Company was Baht 118.6 million with net profit margin of 15.4%, decreased by 29.4% YoY because of the impact from sales as mentioned above. In addition, there were expenses from share-base payment reserve (KISS ESOP) Baht 7.3 million and expected credit loss Baht 7.8 million provisioned for account receivables of service income for Sis2Sis distribution in Indonesia which was overdue more than 1 year because of the impact from COVID-19 situation.



O2 KISS Co., Ltd., a joint venture of the Company and O Shopping Co., Ltd. has started to sell the first skincare product under brand PhD K-Derma through media commerce channel since Q2'2021 and by end of Q3'2021, O2 KISS has launched food supplement products under brand Qi and Wonder Herb in media commerce and also modern trade channel. However, O2 KISS has invested in advertising and PR including administrative expenses at this stage, the Company took Baht 5.5 million loss sharing from joint venture.

Revenue from sales and services

Table 2: Revenue from sales and services by category

(Unit: Million THB)

Revenue by category	2020	%	2021	%	YoY%
Revenue from sales					
Skin Care	797.7	79.1	670.7	81.1	(15.9)
Color Cosmetics	127.8	12.7	102.6	12.4	(19.7)
Supplement	44.6	4.4	22.5	2.7	(49.6)
Hair Color	-	-	30.9	3.7	
Total revenue from sales	970.2	96.2	826.7	100	(14.8)
Revenue from services	38.3	3.8	-	-	(100.0)
Total revenue from sales and services	1,008.5	100	826.7	100	(18.0)

Table 3: Revenue from sales and services by distribution channel

(Unit: Million THB)

Revenues by distribution channel	2020	%	2021	%	YoY%
Revenue from sales					
Modern Trade	778.2	77.1	560.1	67.7	(28.0)
General Trade	133.9	13.3	104.0	12.6	(22.4)
E-Commerce	12.9	1.3	25.5	3.1	98.7
Export through Cross Border	20.4	1.3	28.2	3.4	38.2
Export through Foreign Distributors	24.8	2.5	95.5	11.5	285.6
Joint Venture	-	-	13.5	1.6	100.0
Revenue from sales	970.2	96.2	826.7	100	(14.8)
Revenue from services	38.3	3.8	-	-	(100.0)
Total revenue from sales and services	1,008.5	100	826.7	100	(18.0)

Remark: Table 2 and 3 are revenue before deduction of trade rebate and discount and accounting estimation.

Total revenue before deduction of trade rebate and discount and accounting estimation was Baht 826.7 million, declined by 18.0% YoY due to COVID-19 pandemic impact as mentioned above. Both skincare and color cosmetics categories were declined by 15.9% and 19.7% respectively. Total skincare category was declined from Best Korea and PhDerma while Rojukiss, the main brand, still grew at 4% YoY. In addition, the Company has launched new product category with Rojukiss hair color serum shampoo. Total year sales was Baht 30.9 million.

From sales by distribution, the channels that had impact from COVID-19 this year was domestic sales - modern trade and general trade. With the challenge in offline channels, the Company continuously improves sales performance through e-commerce with 2x growth from last year and export through cross border and foreign distributors. Total export sales was Baht 123.6 million, improving by 174% vs last year especially export to foreign distributors in Indonesia and Vietnam totaling Baht 95.5 million.

Cost of Sales and Gross Profit

Y2021, gross profit margin was 53.6% (2020: 58.6%), decreasing due to 1) promotion to drive sales, 2) higher cost of packaging material from lower order quantity to control stock on hands and 3) there was Baht 38.5 million of service income from Indonesia in Q1'2020 so gross profit margin of Y2020 was higher than normal rate.

Selling Expenses

Total selling expenses were Baht 135.9 million or 17.6% to net revenue, decreased by 33.9% YoY from spending control.

Administrative Expenses

Total administrative expenses were Baht 135.4 million or 17.5% to net revenue, increasing by 8.3% YoY from 1) corporate PR cost and other costs related to IPO Baht 5.3 million, 2) share-base payment reserve (KISS ESOP) Baht 7.3 million and 3) Baht 7.8 million provisioned for account receivables of service income for Sis2Sis distribution in Indonesia which was overdue more than 1 year because of the impact from COVID-19 situation.

Net Profit

Net profit of the Company was Bath 118.6 million with net profit margin of 15.4%, decreased by 29.4% YoY because of sales declined and some expenses increased as per mentioned above.

Statement of Financial Position

Total Assets

As at 31 December 2021, the Company had total assets of Baht 1,048.7 million, increase by Baht 212.7 million compared to last year with the detail as below:

- Cash and cash equivalent increase by Baht 360.9 million from IPO proceed totaling 512.4 million after deduction cost of distribution of shares. The Company paid dividends to its shareholders totaling of Baht 137 million during the year, settled short-term loans and invested in joint venture Baht 20 million. The rest came from working capital.
- Investment in a joint venture Baht 14.5 million.
- Trade receivable and contract assets decreased by Baht 86.8 million in line with sales declined.

Total Liabilities

As at 31 December 2021, the Company had total liabilities of Baht 118.8 million, decreased by Baht 289.5 million with the detail as below:

- Total loan from financial institutions decreased by Baht 206.1 million from settlement of short-term loans – overdraft and promissory notes totaling of Baht 46.7 million, repayment of long-term loan from financial institute Baht 8.1 million and partially settled trust receipts.
- Trade and other payable decreased by Baht 39.6 million due to lower stock purchases.
- Other current liabilities decrease by Baht 40.5 million from year 2020 corporate income tax paid
-

Shareholders' Equity

As at 31 December 2021, shareholders' equity increased by Baht 502.3 million from company's earning Baht 118.6 million and IPO proceeds Baht 512.4 million after deduction cost of distribution of shares. During the year 2021, the Company paid dividends totaling Baht 137 million.



4.2 Financial Information

Statement of Financial Position

	As at 31 December					
	2019		2020		2021	
	MB	%	MB	%	MB	%
Assets						
Cash and cash equivalents	88.5	11.5	265.3	31.7	626.2	59.7
Trade and other receivables	263.4	34.3	247.7	29.6	179.5	17.1
Contract assets	177.0	23.0	107.3	12.8	88.7	8.5
Inventories	132.3	17.2	97.2	11.6	73.6	7.0
Other current assets	3.6	0.5	1.9	0.2	1.9	0.2
Total current assets	664.8	86.5	719.5	86.1	969.9	92.5
Restricted cash	36.7	4.8	41.7	5.0	0.7	0.1
Investment in a joint venture	-	-	-	-	14.5	1.4
Plant and equipment	52.2	6.8	50.6	6.1	44.2	4.2
Right-of-use assets	-	-	8.8	1.0	4.9	0.5
Intangible assets	7.4	1.0	6.0	0.7	5.1	0.5
Deferred tax assets	7.7	1.0	9.5	1.1	9.3	0.9
Total non-current assets	104.0	13.5	116.5	13.9	78.8	7.5
Total assets	768.8	100.0	836.0	100.0	1,048.7	100.0

	As at 31 December					
	2019		2020		2021	
	MB	%	MB	%	MB	%
Liabilities and equity						
Liabilities						
Bank overdrafts and short-term borrowings from financial institutions	191.4	24.9	220.3	26.3	22.3	2.1
Trade and other payables	180.7	23.5	105.7	12.6	66.1	6.3
Current portion of long-term borrowings from financial institutions	3.4	0.4	3.7	0.4	-	-
Current portion of lease liabilities	-	-	3.8	0.5	3.4	0.3
Other current liabilities	24.1	3.1	60.2	7.2	19.7	1.9
Total current liabilities	399.7	52.0	393.7	47.1	111.5	10.6
Long-term borrowings from financial institutions	8.2	1.1	4.4	0.5	-	-
Lease liabilities	-	-	5.1	0.6	1.8	0.2
Employee benefit obligations	4.3	0.6	5.1	0.6	5.5	0.5
Total non-current liabilities	12.6	1.6	14.7	1.8	7.3	0.7
Total liabilities	412.3	53.6	408.3	48.8	118.8	11.3
Equity						
Authorized share capital	173.3	22.5	309.0	37.0	309.0	29.5
Issued and paid-up capital	173.3	22.5	270.0	32.3	300.0	28.6
Premium on paid-up capital	5.7	0.7	5.7	0.7	487.4	46.5
Premium on share-base payment	-	-	-	-	7.3	0.7
Surplus from business combinations under common control	14.5	1.9	14.5	1.7	14.5	1.4
Legal reserve	17.3	2.3	27.0	3.2	30.0	2.9
Unappropriated retained earnings	148.5	19.3	109.5	13.1	88.1	8.4
Translation on financial statements	(2.8)	(0.4)	0.9	0.1	2.6	0.3
Total equity	356.5	46.4	427.7	51.2	929.9	88.7
Total liabilities and equity	768.8	100.0	836.0	100.0	1048.7	100.0

Statement of Comprehensive Income

	For the year ended 31 December					
	2019		2020		2021	
	MB	%	MB	%	MB	%
Revenue from sales and services	1,138.0	100.0	965.0	100.0	772.3	100.0
Cost of sales and services	(463.6)	(40.7)	(399.5)	(41.4)	(358.6)	(46.4)
Gross profit	674.5	59.3	565.4	58.6	413.7	53.6
Other income	2.6	0.2	1.3	0.1	3.8	0.5
Selling expenses	(307.4)	(27.0)	(205.6)	(21.3)	(135.9)	(17.6)
Administrative expenses	(135.3)	(11.9)	(125.0)	(13.0)	(135.4)	(17.5)
Gain (loss) from foreign exchange rate	6.4	0.6	(6.7)	(0.7)	10.8	1.4
Share of loss from joint venture	-	-	-	-	(5.5)	(0.7)
Profit before finance costs	240.8	21.2	229.4	23.8	151.6	19.6
Finance costs	(7.3)	(0.6)	(7.8)	(0.8)	(5.1)	(0.7)
Profit before income tax expense	233.4	20.5	221.6	23.0	146.5	19.0
Income tax expense	(43.3)	(3.8)	(53.6)	(5.6)	(27.9)	(3.6)
Profit for the year	190.1	16.7	168.0	17.4	118.6	15.4
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss:						
Remeasurements of post-employment benefit obligations	0.2	0.0				
Income tax relating to items that will not be reclassified	(0.0)	(0.0)				
Total items that will not be reclassified subsequently to profit or loss	0.2	0.0	-	-	-	-
Items that will be reclassified subsequently to profit or loss:						
Current translation differences	(1.9)	(0.2)	3.7	0.4	1.7	0.2
Total items that will be reclassified subsequently to profit or loss	(1.9)	(0.2)	3.7	0.4	1.7	0.2
Total comprehensive income for the year	188.4	16.6	171.7	17.8	120.3	15.6
Basic earnings per share	0.55		0.36		0.20	

Statements of Cash Flows

(Unit : Million Baht)

	For the year ended 31 December		
	2019	2020	2021
Cash flows from operating activities	200.8	268.7	178.0
Cash flows from investing activities	(28.7)	(13.2)	18.3
Cash flows from financing activities	(206.6)	(78.5)	164.4
Net increase in cash and cash equivalent	(34.5)	177.0	360.7
Cash and cash equivalents at beginning of year	123.2	88.5	265.3
Exchange gain (loss) on cash and cash equivalent	(0.2)	(0.2)	0.2
Cash and cash equivalents at end of year	88.5	265.3	626.2

Financial Ratio for the Year

	2019	2020	2021
Liquidity Ratio			
Liquidity Ratio	1.7	1.8	8.7
Quick Ratio	0.9	1.3	7.2
Cash Ratio	0.6	0.7	0.7
Account Receivable Turnover	2.6	2.3	2.4
Days Sales Outstanding (Days)	138.0	153.6	150.6
Inventory Turnover	3.4	3.5	4.2
Days Inventory Outstandings (Days)	105.4	103.4	85.7
Account Payable Turnover	9.7	10.6	9.8
Days Payable Outstandings (Days)	37.0	34.0	36.7
Cash Cycle (Days)	206.4	223.0	199.6
Profitability Ratio			
Gross Profit Margin (%)	59.3%	58.6%	53.6%
Operating Profit Margin (%)	21.2%	23.8%	19.6%
Net Profit Margin (%)	16.7%	17.4%	15.4%
Return on Equity (%)	49.1%	42.8%	17.5%
Efficiency Ratio			
Return on Assets (%)	25.0%	20.9%	12.6%
Assets Turnover	1.5	1.2	0.8
Financial Leverage Ratio			
Debt to Equity	0.8	1.2	1.0
Interest Coverage	32.9	29.4	29.8
Dividend Payout (%)	132%	94%	87%



5. General and Other Information



5.1 General Information

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

Share Registrar

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

Auditor

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

Internal Auditor

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

Information of Subsidiary and Affiliate

Company Name	PhD International Limited
Nature of Business	Own trademarks of skincare, color cosmetics and food supplement products
Address	Unit 701, 7/F., Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong
Registered and Paid-up Capital	HKD 10,000 Total 10,000 ordinary shares with par value of HKD 1 per share
Proportion of Shares (%)	100

Company Name	O2 Kiss Company Limited
Nature of Business	Distributes skincare and food supplement products
Address	50 GMM Grammy Place, Sukhumvit 21 Road (Asoke), Khlongtoeinuea, Wattana, Bangkok 10110
Registered and Paid-up Capital	Baht 50,000,000 Total 5,000,000 ordinary shares with par value of Baht 10 per share
Proportion of Shares (%)	40

5.2 Legal Disputes

The Company and its subsidiaries have no legal case or dispute that is still ongoing, which may have a negative impact on the assets of the Company or its subsidiaries in the tune of over 5% of shareholders' equity based on the Company's consolidated financial statement for the year ended 31 December 2021 or which may significantly impact the business operation of the Company or its subsidiaries, or which may stem from the normal business operation of the Company or its subsidiaries. However, the Company or its subsidiaries may occasionally face legal proceedings or become a litigant in legal cases stemming from normal business operations of the Company or its subsidiaries.

Part 2

Corporate Governance



6. Corporate Governance Policy

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6. Corporate Governance Policy

The Board of Directors' Roles and Responsibilities as Organization Leaders Who Create Long-Term Value for the Business

Determine the company's goals and objectives to secure its sustainability

Strengthen the board of directors of the company to be productive

Recruitment and development of senior management, as well as personnel management.

Encourage good business practices and innovations

Manage risks properly with the implemented internal control method

Maintain financial trustworthiness and transparency

Encourage shareholder participation and communication



6.1 An Overview of Corporate Governance Policies and Practices

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

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

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

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

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

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

Code of Conduct 5 : Encourage good business practices and innovations

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

Code of Conduct 7 : Maintain financial trustworthiness and transparency

Code of Conduct 8 : Encourage shareholder participation and communication

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

1. The Board of Directors recognizes and understands their roles and responsibilities as leaders in overseeing the organization's management, which includes setting objectives and goals, strategy, operating policy, allocating key resources to meet objectives and goals, monitoring, evaluating, and overseeing performance reporting.
2. The Board of Directors has established a few policies, including corporate governance and social responsibility. The company's mission is to develop sustainable business values through ethical business operations, respect the rights and responsibilities of shareholders and stakeholders, drive business success and benefit society while also developing or reducing the company's environmental impact, and adapt to changing factors.
3. The Board of Directors is responsible for overseeing the directors and executives to ensure that they carry out their responsibilities in a responsible, accountable, and responsible manner. They would follow the legislation, objectives, rules, board of directors' meeting decisions, and shareholder meeting resolutions, as well as the board's policies and guidelines, to fulfill their duty of care and commitment to the company's best interests. The appropriate mechanisms to control that company's operations are in compliance with applicable laws, objectives, regulations, Board of Directors meeting resolutions, shareholder meeting resolutions, and various company policies, such as the Related Party Transaction Policy, Anti-Corruption Policy, Delegation of Authority, and so on. A formal approval process for investments and transactions that have a substantial impact on the firm, conducting transactions with linked persons on property acquisition or disposition, dividend payment, etc., is also required.
4. The Board of Directors fully knows its position, scope of duties, and obligations, as well as the scope of delegation of duties and responsibilities to sub-committees and management and evaluates and oversees the performance of those duties as assigned. The numerous charters of the Board of Directors and sub-committees are laid out in writing, and it is agreed that the charters will be reviewed at least once a year to ensure that they are in line with the company's direction.

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

1. The Board of Directors places a high priority on determining the organization's business objectives and primary aims in order for it to grow in a sustainable way with society. A corporation's ability to create value can benefit the company, its customers, partners, employees, shareholders, stakeholders, and society at large.
2. The yearly and long-term objectives, goals, and business strategies must all be consistent with the entity's core aims and goals, the environment, and factors and risks that may influence all

stakeholders with the appropriate and safe application of innovation and technology. These aims and goals must be conscious of the risks of targeting, which can lead to illegal or immoral behavior. A procedure for tracking the transmission of objectives and goals throughout the business and organization via strategies and plans should be in place.

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

1. The Board of Directors consists of a minimum of 5 and a maximum of 12 members, each of whom has tasks and responsibilities in deciding and reviewing the structure of the Board of Directors. The Independent Director Ratio should be appropriate as necessary to meet the aims and key goals set out in terms of both components and knowledge, experience, and number of directors fit for the firm. The following are the key guidelines:
 - The shareholders' meeting decides on the company's directors and appoints them. Each office has a three-year tenure. The shareholders' meeting can re-elect directors who are retiring due to rotation.
 - Company directors must be qualified and free of any forbidden qualities, according to the legislation.
 - A board of directors must have at least half of the total number of independent directors, but no fewer than three. Independent directors must be unaffiliated with big shareholders and have no role or interest in financial or administrative matters. Furthermore, they meet all of the criteria for independent director qualifications set forth in the Notification of the Capital Market Supervisory Board in connection with the application for and authorization to sell newly issued shares. They should be assigned roles and responsibilities based on applicable laws, announcements, rules, and regulations.
 - The company's directors and senior management must report information about their positions to the company in accordance with the rules and procedures prescribed by the Board of Directors if they have authority in any other company or another public limited company, or if they have a position in an ordinary partnership or a limited liability partnership.
 - The Board of Directors' powers and responsibilities have been defined by the Board of Directors. The composition, qualifications, appointment, length of office, and retirement of the Board of Directors shall be as provided in the charter.
 - The Board of Directors shall disclose the policy for determining board diversity, which includes information about directors such as age, educational background, experience, shareholding percentage, number of years as a director, and position as a director in other publicly traded companies in the annual report and on the company's website.
 - The Board of Directors will appoint a company secretary to perform various legal and other functions as the Board of Directors deems necessary.
2. The Board of Directors will appoint a suitable Chairman of the Board and ensure that the composition and operations of the Board of Directors support independent decision-making. The Board of Directors will choose an independent director to help determine the board meeting's agenda.

This is in conformity with the principles of good corporate governance for listed businesses and is used to regulate the balance of power between the board and management. The company has segregated roles and responsibilities between the Board of Directors and management to ensure clarity in the performance of each position's duties and to maintain a power balance that allows the company's management to be efficient and transparent, as follows:

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

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

- The company has produced a board self-assessment form in compliance with the Stock Exchange of Thailand's requirements, which has been adjusted to meet the nature of the business and the Board of Directors' structure. It is divided into two parts:
 - Board of Directors and board sub-series performance evaluation form (individual board)
 - Performance evaluation form for individual directors (self-assessment)
- The following main topics are covered by the Assessment Criteria:
 - Board of Directors and Sub-Committees Structure and Qualifications
 - Meeting of the Board of Directors
 - Board of Directors and sub-committees' roles, tasks, and responsibilities
 - Relationships with management, director and executive self-development, and other issues
- The assessment topic score is divided into 5 levels as follows:
 - 0 = strongly disagree or take no action on the subject
 - 1 = disagree or take no action on the subject
 - 2 = agree or have taken appropriate steps in that regard
 - 3 = completely agree, or there is effective action in this area
 - 4 = strongly agree or have done a fantastic job in this area

Assessment Process:

- The performance appraisal form for the Board of Directors must be approved and reviewed by the Nomination and Remuneration Committee. The assessment form will then be delivered to all directors at the end of the year by the company secretary, who will bring it to the Board of Directors for approval. After that, it will be analyzed, and a summary report of the evaluation results will be generated and delivered to the Nomination and Remuneration Committee. The outcome is used to determine annual director salary and to communicate the evaluation results to the Board of Directors for acknowledgement, as well as to propose parameters for future development.
8. The Board of Directors will oversee each director to ensure that they are aware of their roles and responsibilities, as well as the nature of business and laws governing business operations, and to encourage all directors to receive skills and knowledge in order to perform their duties on a regular basis.

9. The Board of Directors will ensure that its operations are carried out appropriately, that it has access to the relevant information, and that a company secretary with the requisite knowledge and experience to support the Board of Directors' operations is appointed.
10. From the board of directors, a number of directors will be appointed. Special responsibilities as a member of the sub-committees include enhancing the effectiveness of the Board of Directors through each subcommittee. The period of office is the same as that of the Board of Directors, and the tasks are as follows:

- **Audit Committee** Audit committee assist the Board of Directors with numerous responsibilities. As outlined in the Audit Committee Charter, this includes responsibility for Financial Report Review and ensuring that the internal control system is in conformity with the law, as well as auditor selection, disclosure of corporate information, and the drafting of the Audit Committee's report.
- **Board of Directors** as instructed by the Board of Directors, perform out certain tasks This includes management duties for day-to-day operations and management of the company. They examine policies, business plans, budgets, management structures, and the company's management power, establishing rules for doing business in accordance with economic conditions to be proposed to the Board of Directors' meeting for consideration and approval, as well as inspecting and following up on the company's performance in accordance with the Board of Directors' policy, and so on, in accordance with the Executive Committee Charter.
- **Committee on Nominations and Remuneration** (or working group or a person assigned by the Board of Directors in the case of the establishment of the Nomination and Remuneration Committee)

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

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

Risk Management committee carry out a variety of responsibilities in accordance with the Board of Directors' directives This entails developing policy and submitting a management plan and risk management framework to the Board of Directors. Follow up to ensure that risks and impacts are examined, and that risk management at the organizational level of the corporation is competent and current, as demonstrated by the Risk Management Committee Charter.

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

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

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

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

1. The Board of Directors will ensure that the chairman, executive directors, and senior executives have the knowledge, abilities, experience, and traits necessary to guide the business toward its objectives are nominated and developed.
2. The Board of Directors has a policy of understanding the structure and relationships of shareholders that may affect the management of the business and has the authority to control the management of the business so as not to obstruct the Board of Directors' performance of their duties and will ensure that information that may affect the company's control is properly disclosed.
3. The Board of Directors will oversee personnel management and development to ensure that employees possess the necessary knowledge, skills, experience, and motivation.

Code of Conduct 5 : Encourage good business practices and innovations

1. The Board of Directors is enthusiastic about the creation of new concepts that benefit all stakeholders while also adding value to the business. The corporation's social and environmental responsibilities will also motivate operations to create value in response to constantly changing environmental factors. Developing a corporate strategy, thinking about product design and development, evaluating and refining manufacturing and work processes, and working with partners are all examples.
2. The Board of Directors will oversee and ensure that management conducts business in a socially and ecologically responsible manner, which will be reflected in the operational strategy to guarantee that all parties within the company are working towards the same goals. The business's major aims

and strategic plans (strategies) take into account the roles of stakeholders (roles of stakeholders). The company's Board of Directors must establish a mechanism to ensure that it acts ethically. Social and environmental responsibility do not infringe on stakeholder rights. This will act as a road map for all areas of the corporation to follow in order to achieve the organization's long-term objectives and primary goals. In this regard, the Board of Directors has established guidelines for various stakeholders as part of the Corporate Social Responsibility (CSR) policy and Code of Conduct, and will disclose important, relevant, and necessary information to those stakeholders with adequate, reliable, and timely acknowledgment.

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

1. The Board of Directors will oversee and ensure that the company has a risk management and internal control system in place to efficiently achieve the company's goals while also complying with applicable laws and regulations.
2. The Board of Directors has appointed at least three audit committee members, all of whom must be independent directors with no prohibited characteristics under applicable law, as well as possessing credentials and responsibilities in accordance with SEC and SET guidelines. They must be capable of successfully and independently carrying out their obligations. The responsibility to review financial reports, the compliance of the internal control system with the law, the independence of the Internal Audit Department, auditor selection, disclosure of company information, and the preparation of the Audit Committee's report are all stated in the Audit Committee Charter.
3. The Board of Directors monitors and manages any conflicts of interest that may arise between the company and its management board of directors or shareholders, including preventing the inappropriate use of assets, company information, opportunities, and transactions with those who have a relationship with the company, including establishing guidelines in the Charter, Code of Conduct, and internal information policy in writing.
4. The Board of Directors has a clear anti-corruption policy that it communicates to all levels of the organization as well as external partners in order to put it into practice. To support the efforts, the Board of Directors shall establish anti-corruption standards and encourage all workers to follow all applicable laws and regulations.
5. The Board of Directors controlled a mechanism for gathering complaints and taking action when clues were uncovered, as well as setting explicit standards for fraud and malfeasance in the complaint processing policy (Whistle Blower). The company's complaint channels will be made public on its website or in its annual report.

Code of Conduct 7 : Maintain financial trustworthiness and transparency

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

2. The Board of Directors will oversee and monitor the company to ensure enough financial liquidity and loan repayment ability.
3. If the company is experiencing or is expected to have financial difficulties, the Board of Directors will ensure that the company has a plan in place to address the problem or has other procedures in place to address the problem. However, the rights of stakeholders and rationality must be considered.
4. The Board of Directors has made it a policy to prepare a sustainability report whenever it is necessary. In the section under "Disclosure of Compliance with Laws," The Charter Code of Conduct and Anti-Corruption Policy are being followed. Employees and stakeholders are treated fairly. Fair treatment and respect for human rights, as well as social and environmental responsibilities, are all part of this. Such material, on the other hand, may be included in the annual report or compiled into a separate book, which the corporation will consider sharing if necessary.
5. The Board of Directors shall oversee management's creation of an investor relations unit to convey and promote information that is helpful to shareholders, investors, analysts, and other associated parties in a fair, timely, and appropriate manner.
6. The Board of Directors supports the use of information technology to distribute information. The Board of Directors shall arrange for information disclosure in both Thai and English through alternative channels, such as the company's website, and will offer current information, in addition to disseminating information in accordance with established rules and through SET channels.
7. The Board of Directors decided that transparent disclosure of information is a requirement of the company's charter and code of conduct.

Code of Conduct 8 : Encourage shareholder participation and communication

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

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

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

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

and absent, meeting resolutions, voting, and shareholder questions and opinions, to prepare the "Minutes of the Shareholders' Meeting" for dissemination on the company's website and to send them to SET and/or related agencies within 14 days of the meeting date. This is in accordance with SEC and Stock Exchange of Thailand regulations, which require the company to disclose to the public the meeting resolutions and voting results for each item on the meeting's agenda within the timeframe required by law and in accordance with the SEC and Stock Exchange of Thailand's requirements.

- will facilitate rather than hinder the use of shareholders' rights by providing information disclosure on the company's website in advance. The corporation will not give documents with additional crucial information during the shareholders' meeting, nor will it add agendas or change critical material without providing shareholders advance notice.
- make sure that shareholders have regular access to information and up-to-date information on the company's website.

6.2 Business Ethics

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

6.2.1 Stockholders, Investors, and analysts

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

6.2.2 Employees

The company's most significant resource is its employees. The company places a high value on rigorous adherence to labor regulations and social welfare and seeks to encourage all employees to have a positive attitude, a sense of duty and responsibility, pride in and belief in the organization, and a focus on teamwork. In addition, the company encourages employees to take part in training on topics that are both relevant and useful to their jobs. All employees receive annual health examinations, and the organization promotes safety and a pleasant working environment. The corporation provides adequate and suitable welfare in exchange for pay. Employee remuneration will be determined based on each employee's fair performance and compared to the company's performance in the short and long term in comparison to the same industry as well as allowing employees to register complaints in the event of unjust treatment through numerous routes, such as an opinion box or the Human Resources department receiving the complaint, etc. The company is responsible for ensuring that the workplace is safe, sanitary, and conducive to productive work.

6.2.3 Customers

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

6.2.4 Creditors

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

6.2.5 Business Partners

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

6.2.6 Community, Society and Environment

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

6.2.7 Government and/or related government agencies

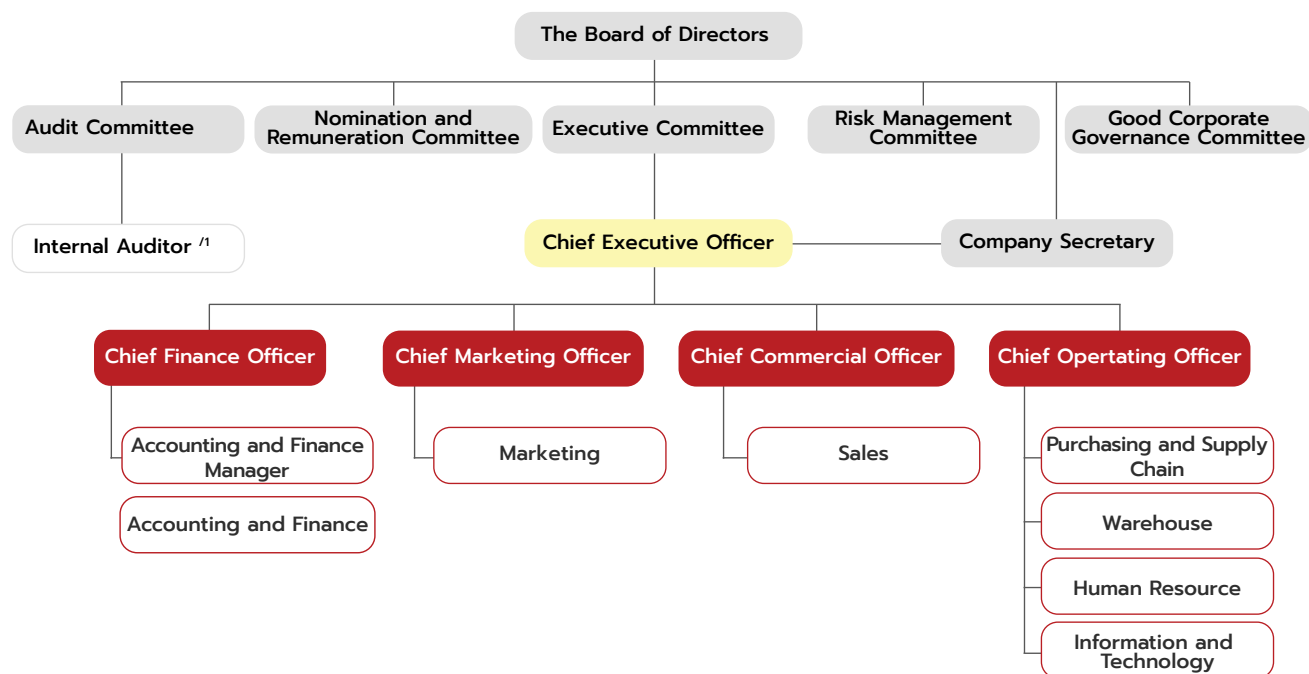
Manage the company's affairs to comply with all applicable rules and regulations, as well as assist government agencies with their various tasks as needed. Furthermore, the company is committed to providing high-quality goods while adhering to the law, which includes the duty to treat the government and other government agencies with political neutrality as outlined in the Charter, Code of Conduct, and Anti-Corruption Policy. In addition, there will be a route for receiving complaints and/or comments via postal mail to the company's headquarters, and it will provide for whistleblower protection by not revealing but keeping whistleblower information confidential. The Internal Audit Department will first construct a summary of the situation and offer it to the Audit Committee for review and approval. If material that has an impact on the organization is discovered, it must be given to the Board of Directors for further consideration.

7. Management Structure



Management Structure

Management Structure as at 31 December 2021 is as follows:



Remark: ¹ The Company hired IA Signature Company Limited as an internal auditor until 2022 under the current contract.

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

1. The Board of Directors

The Company's Board of Directors consist of experts who are valuable to the Company of which 6 directors are independent directors (66.7% of total members) and 8 directors are non-executive directors (88.9% of total members).

As at 31 December 2021, the Board of Directors consisted of: The Board of Directors consists of 9 members as following:

Name	Position
Dr. Lackana Leelayouthayotin	Chairman / Independent Director
Mrs. Pratana Mongkolkul	Vice Chairman / Independent Director / Chairman of Audit Committee
Dr. Chatrchai Tuongratanaphan	Independent Director / Chairman of Nomination and Remuneration Committee / Member of Audit Committee

Name	Position
Dr. Anuphan Kitnitchiva	Independent Director / Chairman of Good Corporate Governance Committee / Member of Nomination and Remuneration Committee
Miss Pornchanok Tanskul	Independent Director / Member of Audit Committee
Mrs. Yayus Sulyanni Mak	Independent Director / Member of Good Corporate Governance Committee
Miss Piyawadee Sonsingh	Director / Member of Good Corporate Governance Committee
Mr. Anotai Adulbhan	Director / Member of Nomination and Remuneration Committee
Mrs. Worrawan Chaikamnerd	Director / Chairman of Executive Committee / Chairman of Risk Management Committee

Miss Wipaporn Niamla-ong, Chief Financial Officer, was appointed as Company Secretary.

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

Authorized Directors of the Company

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

Duties and Responsibilities of the Board of Directors

1. Perform duties with responsibility, prudence and integrity for the best interest of the Company, its subsidiaries and all shareholders in undertaking the Company and its subsidiaries’ operations in accordance with laws, objectives, the article of association and the resolution of the shareholders’ meeting. Ensure that the Company and its subsidiaries fully comply with applicable laws related to its business as well as anti-bribery and anti-corruption law.
2. Ensure that the Company and its subsidiaries implement appropriate and efficient accounting system, financial reporting and auditing and put in place adequate and effective internal control and internal audit systems with regular evaluation of the internal control systems.
3. Provide a financial statement of the companies at the end of each accounting period in order to show financial status and performance in the previous year that is accurate and completed according to the generally accepted accounting standards and audited by the Company’s auditor before proposing to the annual general shareholders meeting for consideration and approval.
4. Consider to nominate and appoint independent auditor and determine reasonable remuneration as proposed by the Audit Committee before proposing to the annual general shareholders meeting for consideration and approval.

5. Review and approve business policies, operational targets, direction, business strategies, and annual budget of the Company and its subsidiaries as proposed by the management at least once a year to adapt for economics, market, and changing competitive environment.
6. Continuously monitor the operating results of the Company and its subsidiaries to ensure alignment with goal, direction, policies, business plan, and budget. Evaluate performance of the management regularly including define remuneration and review succession plan at least once a year.
7. Define risk management policy throughout the organization and oversee processes and system to manage risks with proper measures to minimize the impact on the business.
8. Establish supervision mechanic to control and monitor operation of the Company's subsidiaries as part of the Company, also set up the procedures to follow up subsidiaries' management in order to safeguard the Company's interest according to the Capital Market Supervisory Board Announcement on requesting permission or allowing to offer the new stock issued.
9. Ensure that corporate governance policy under good governance principles of the Company and its subsidiaries is put in place in writing and communicated efficiently throughout the Company such as anti-corruption policy, whistleblowing policy and insider information policy to affirm accountability and fairness to all stakeholders.
10. Consider to approve operating expenses of the Company and its subsidiaries as well as delegation of authority table.
11. Provide a written code of conduct and ethics as a standard procedures for all directors, executives and employees. The Board of Directors shall keep monitoring to ensure that code of conduct and ethics are strictly followed.
12. Appoint qualified individuals who does not have any prohibited characteristics as defined in the Public Company Act and the Securities and Exchange Act including notifications, rules and regulations or procedures related to the appointment in case that a director postion is vacant due to other causes apart from an official end of term as a replacement in the following meeting except the remaining term is less than 2 months according to the recommenation from the Nomination and Remuneration Committee.
13. Define the management structure and appoint the Executive Committee, Chief Executive Office and other sub-committees as appropriate, and determine the scope of authority and remuneration of the appointed Executive Committee, Chief Executive Office and other sub-committees.
14. Authorize any director or a group of director or others to perform any act on behalf of the Board of Directors or delegate such stated person the authority as the Board of Directors properly consider

within the specified period. The Board of Directors may consider to cancel, revoke, change or amend any authority granted if needed. The delegation of authority, duty and responsibility shall not have any characteristics that enable the authorized person to approve the connected transaction of himself/herself or related person which may have a conflict of interest with the Company or its subsidiaries (as defined in the notifications of the Securities and Exchange Commission, the Capital Market Supervisory Board and/or other related organization) except the transactions that are normal business operation and in general commercial terms with third parties (Arm's Length).

15. Determine and make amendment on the list of authorized directors who can sign to legally bind the Company.
16. Appoint directors of the subsidiaries at least in proportion of the shareholding by such companies. Determine the remunerations, scope of authority, duties and responsibilities of the appointed directors and executives and also determine voting power in the Board of Directors meeting of the subsidiaries for the significant matter which is required to have approval from the Board of Directors of the Company. Monitor management and administrations of the subsidiaries to operate in accordance with action plan and policy of the Company and supervise to ensure all transactions are conform with the law and related regulations as well as disclosure of financial position and operating results, connected transactions and significant acquisition or disposition of assets correctly. Monitor directors and executives of the subsidiaries to perform such duties in accordance with duties and responsibilities defined by law.
17. Consider and propose the directors' remuneration as recommended by the Nomination and Remuneration Committee to the shareholders' meeting for approval by taking into account all factors such as the Company's strategy and long-term goals, experiences, duties and responsibilities including the expected benefits from each director.
The Company shall not pay any money or assets to the directors unless the remuneration is paid in accordance with the article of association of the Company. In case that it is not mentioned in the article of association, the remuneration payment must be paid in accordance with the approval of the shareholders' meeting by not less than two-third of total votes authorized by shareholders present.
18. Arrange at least six (6) meetings of the Board of Directors per year. All members of the Board of Directors shall attend the meeting to approve all significant transactions unless there is any unavoidable necessity.
The significant transactions as mentioned above including the transactions defined by law which required the resolution of the Board of Directors such as acquisition or disposition of assets of the Company or its subsidiaries which affecting the Company or its subsidiaries significantly, expansion in investment project, consideration and approval of connected transactions as per criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand, determination of level of authority, establishment of financial management and risk management policy of the Company and its subsidiaries.

19. Appoint the corporate secretary and define duties and responsibilities of such person to operate in the name of the Company or the Board of Directors such as preparing and safekeeping the registration of the directors, invitation letter of the board or shareholders and minutes of such meeting together with recording the report of conflicts of interests, etc.
20. Consider and approve the acquisition or disposition of assets of the Company or its subsidiaries, new business investment and any other operations in accordance with laws, notifications, regulations and/or applicable regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand including other related regulations.
21. Consider and/or give a comment on connected transactions between the Company, its subsidiaries or the related parties as defined by the Securities and Exchange Act including notifications, regulations and/or regulations relevant to Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand. Consider and approve trade agreement principles which are general trading condition of such transactions between the Company and its subsidiaries, associated companies with directors, executives or its related person in order to determine the operating framework of the Board of Directors and administrative department with authority to make such transactions under scope of law and related regulations. Consider and/or give a comment on the company's other transactions (otherwise value of the transaction is not in the condition required an approval from the shareholders meeting) in order to comply with the law, announcement, regulations and other related regulations
22. Monitor, control and prevent conflict of interests among the stakeholders of the Company and its subsidiaries. Nevertheless, solve the conflict of interests along with the wrongfully use of the Company and its subsidiaries' assets and incorrect acts in the transaction between related party which connected to the Company and/or its subsidiaries.
23. Arrange the Annual General Meeting of Shareholders within 4 months after the Company's accounting period ends.
24. Disclose information which appropriate to the stakeholders, the person who has conflict of interests and any related parties including the significant information to the shareholders in the form of financial statement and other reports prepared for the shareholders appropriately. Such information must be firstly published in the Stock Exchange of Thailand system and may also be published through the Company's website. Appoint a person to take responsibilities in providing information to investors. In addition, the Board of Directors must publish information accurately, completely, appropriately and timely.
25. Prepare annual reports of the Board of Directors and be responsible for preparation and disclosure of financial statements to present financial position and performance of the Company during the past year and propose to the shareholders' meeting for approval.

26. Seek for independent opinions from professional advisors as needed with the Company or its subsidiaries' expenses which comply with the Company or its subsidiaries' procedures.
27. Consider and approve interim dividend for the shareholders when the Company has enough profit and report the payment of such dividend to the following shareholders' meeting

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

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

Duties and Responsibilities of the Chairman of the Board of Directors

1. Control the meeting to be effective in accordance with the regulations, Articles of Association, support and allow directors to ask questions and express their opinions independently. Take control of the discussions and summarize the resolution of the meeting.
2. The Chairman of the Board or the person assigned by the Chairman of the Board has the duty to call the meeting of the Board of Directors by sending the meeting invitation letter not less than 7 days prior to the meeting so that the directors have enough time to study, consider, and make the right decisions in various matters at the Board meeting.
3. Support and promote the Board of Directors to perform their duties to the best of their abilities according to the scope of duties and responsibilities and in accordance with good corporate governance principles.
4. Oversee and monitor the operation of the Board of Directors and sub-committees to achieve the objectives.
5. In the event that the votes are tied, the presiding Chairman is entitled to the casting vote.

Duties and Responsibilities of Chief Executive Officer

1. Monitor, manage, operate and conduct the regular business including oversee and control overall operation in accordance with the Company's objectives and Articles of Association, regulations, policies, plans and budget approved by the Board of Directors and/or the shareholders' meeting under the related laws and scopes defined by the Board of Directors.

2. Follow up, verify and evaluate the performances of the Company and its subsidiaries to ensure the good performances according to the goals set and report to the Board of Directors on a regular basis.
3. Determine visions, policies, business directions, strategies, business plans and budget of the Company and its subsidiaries to the Executive Committee and the Board of Directors.
4. Develop the organization's good performance and operating results with consistent improvement for the sustainable growth.
5. Issue internal orders, announcements, and memorandums for the Company's operation to be in line with the policy of the Board of Directors and for the benefits of the Company. Oversee the performance of the employees in accordance with the policies, rules, and regulations under the good governance principles.
6. Determine the organization structure, set up the procedures for recruiting, training, hiring, appointing, transferring and terminating employees. Determine the scope of duties and appropriate remuneration for employees in all levels and have duty to evaluate performance of top management level and lower. Chief Executive Officer has duty to present this organization structure to the Board of Directors for approval and take actions according to the approval by the Board.
7. Determine the trade agreement principles for the benefits of the Company. Consider, negotiate and approve any agreement and/or general business operation related within authorization and the amount set in Table of Authority.
8. Consider investment opportunity and/or new business investment, dissolution or joint investment thorough technical and financial studies appropriately and completely to support the decision making and to present and seek for approval from the Board of Directors.
9. Conduct other duties assigned by the Board of Directors and/or sub-committees and have authority to take necessary actions for the duties.
10. Sub-authorize and/or authorize other person to take action on behalf of the Chief Executive Officer within the scope of authority specified in the power of attorney and/or rules, regulations or resolutions of the Board of Directors and/or sub-committee and/or the Company guidelines for flexibility.

2. Sub-Committees

2.1 Audit Committee

As at 31 December 2021, the Audit Committee of the Company consisted of 3 independent directors with complete qualifications according to the notification of the Capital Market Advisory Board and the Stock Exchange of Thailand as listed below.

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

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

Duties and Responsibilities of the Audit Committee

1. Review the accuracy and adequacy of the Company's financial reporting by working with external auditors and executives who are responsible for preparing quarterly and annual financial reports. The Audit Committee may advise the auditors to review or examine any transaction that is considered significant and necessary during the accounting audit period of the Company.
2. Review the significant extraordinary transactions in the past year (if any) by considering transactions' reasonableness and the impact to the financial position and performance as well as the accuracy and completeness of information disclosure.
3. Review the Company's internal control and internal audit systems to ensure they are appropriate and effective.
4. Consider the independence of the internal audit as well as consider to approve the appointment, transfer and termination of the head of the internal audit department or any other unit in charge of internal audit.
5. Consider and give consent on annual budget, headcount and necessary resources in the operation of the internal audit department, approve annual audit plan and its significant revision, monitor the performance of the internal audit department which should be in accordance with the approved annual audit plan as well as the international professional auditing standards, evaluate the performance of the internal audit every year and engage the external independent agency to assess the internal audit work at least every 5 years. Moreover, the Audit Committee shall meet with the head of internal audit, without the presence of management, at least once a year to discuss on significant matters.

6. Ensure the Company's compliance to the laws on securities and exchange, regulations, announcements and/or related regulations of Securities and Exchange Commission (SEC), the Capital Market Supervisory Board and the Stock Exchange of Thailand and/or any laws related to the Company and its subsidiaries' business. Review the subsidiaries and associated companies to ensure that they are operating in accordance with regulations and corporate governance policies, as well as the management of the subsidiary/associated companies that operate on the main business.
7. Consider, nominate and propose the appointment of the independent person as the Company's external auditor and propose the remuneration of the auditor. Attend the meeting with auditors without the presence of management at least once a year to acknowledge the result of quarterly review and annually audit and also to discuss on any problem or issue that the auditor might have during performing audit.
8. Review connected transactions or transactions with possible conflict of interest, including consideration of requirements and termination of transactions that differ significantly from the terms of the termination considered prior to the transaction. Review the acquisition or disposition of the Company and its subsidiaries to comply with the laws, announcements, regulations and/or regulations relevant to Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand to ensure that the aforementioned transaction is reasonable and maximizes the company's benefit. If the Audit Committee lack of expertise to consider connected transactions that may occur or such transactions, the Company will arrange for independent experts or the Company's auditors to provide opinions on such transactions for consideration or decision-making by the Audit Committee.
9. Review and monitor risk management as well as evaluate performance to manage risk by the Risk Management Committee.
10. Request information from various departments of the Company and its subsidiaries for further consideration, invite relevant person such as the directors, management, executives, the Company's lawyer, the external lawyer, or employees of the Company and/or other related persons to attend the meeting to discuss and clarify information, deliver and provide relevant information under the scope of duties assigned by the Board of Directors.
11. Perform other duties as required by laws or additionally prescribed in the future or assigned by the Board of Directors with the agreement of the Audit Committee.

2.2 The Nomination and Remuneration Committee

As at 31 December 2021, the Nomination and Remuneration Committee consisted of 3 members as following:

Name	Position
Dr. Chatrchai Tuongratanaphan ⁽¹⁾	Chairman of Nomination and Remuneration Committee
Dr. Anuphan Kitnitchiva ⁽¹⁾	Member of Nomination and Remuneration Committee
Mr. Anotai Adulbhan	Member of Nomination and Remuneration Committee

Remark (1) Independent Director

Duties and Responsibilities of the Nomination and Remuneration Committee

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

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

8. Disclose remuneration policy and all compensations including a report of remuneration determination which at least has detail of goal, operation and opinion of the Nomination and Remuneration Committee in the annual report of the Company.
9. Conduct other duties assigned by the Board of Directors and agreed by the Nomination and Remuneration Committee.

2.3 The Executive Committees

As at 31 December 2021, the Executive Committee consisted of 4 members as following:

Name	Position
Mrs. Worrawan Chaikamnerd	Chairman of Executive Committee
Mr. Thanayus Leeraphan	Executive Committee
Miss Naruemol Sukkamolwatana	Executive Committee
Miss Wipaporn Niamla-ong	Executive Committee

Duties and Responsibilities of the Executive Committee

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

5. Provide necessary information of the Company and present to the Board of Directors and shareholders for consideration and also prepare reliable financial reports as per transparent standard.
6. Consider to propose the Board of Directors to approve the entering into any financial transactions with financial institutions for opening account, loans, withdrawing money from all accounts of the Company and utilizing the credit and using the Company's securities as collateral for such loans whether registered or unregistered for business purpose. In addition to entering legal contract, submission, contact and take action with the government agency to obtain any rights of the Company and/or proceed on related matters within the approved limit and/or in accordance with the Delegation of Authority table determined by the Board of Directors and/or relevant laws and regulations and/or the article of association of the Company.
7. Review risk management and internal control system of the
8. Perform other duties as assigned by the Board of Directors.

2.4 The Risk Management Committee

As at 31 December 2021, the Risk Management Committee consisted of 4 members as following:

Name	Position
Mrs. Worrawan Chaikamnerd	Chairman of Risk Management Committee
Mr. Thanayus Leeraphan	Risk Management Committee
Miss Naruemol Sukkamolwatana	Risk Management Committee
Miss Wipaporn Niamla-ong	Risk Management Committee

Duties and Responsibilities of the Risk Management Committee

1. Scrutinize, consider, review and identify significant risks of the Company's business operations that may arise from either internal or external environments. Determine prevention methods and risk management policies and propose to the Board of Directors by providing assessment, monitoring, and overseeing the risk level to be at appropriate level.
2. Coordinate with the Audit Committee in providing information on significant risks and internal control so that the Audit Committee can deliberate and approve the internal audit plan to ensure with reasonable assurance that the Company has the internal control system which is suitable for risk management also including the implementation of the risk management system appropriately and encouraging sustainable behavior change across organization.
3. Continuously report the risk assessment and operation results to minimize risk to the Board of Directors. In case that there is an essential circumstance that affected the financial position and

the Company's performance, the Risk Management Committee ought to report to the Board of Directors for consideration at the earliest convenience

4. Provide insights, and consistently instilling risk management to the executives, along with employees in the Company and its subsidiaries.

2.5 The Corporate Governance Committee

As at 31 December 2021, the Corporate Governance Committee consisted of 3 members as following:

Name	Position
Dr. Anuphan Kitnitchiva ⁽¹⁾	Chairman of Good Corporate Governance Committee
Mrs. Yayus Sulyanni Mak ⁽¹⁾	Member of Good Corporate Governance Committee
Ms. Piyawadee Sonsingh	Member of Good Corporate Governance Committee

Remark (1) Independent Director

Duties and Responsibilities of the Corporate Governance Committee

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

3. The Executive Committee

As at 31 December 2021, the Executive Committee consisted of 6 members as following:

Name	Position
Mrs. Worrawan Chaikamnerd	Chief Executive Officer / Acting Chief Commercial Officer
Mr. Thanayus Leeraphan	Chief Marketing Officer
Miss Naruemol Sukkamolwatana	Chief Operating Officer
Miss Wipaporn Niamla-ong	Chief Financial Officer
Mr. Neti Meenmanee ⁽¹⁾	Chief Commercial Officer
Mrs. Patsorn Wongcherdkwan	Accounting & Finance Manager

Remark: ⁽¹⁾ Mr. Neti Meenmanee resigned from the position of Chief Commercial Officer, effective from 16 September 2021. Mrs. Worrawan Chaikamnerd, Chief Executive Officer is acting as CCO temporary.

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

4. Company Secretary

The Board of Directors Meeting No. 3/2020 on 22 June 2020 has resolution to appoint Miss Wipaporn Niamla-ong as Company Secretary. Then, the Board of Directors Meeting No. 6/2021 held on 10 August 2021 has appointed Miss Siritorn Manopjuntaroj as Company Secretary effective from 10 August 2021. However, after Miss Siritorn left the Company effective on 1 December 2021, Miss Wipaporn was acting as Company Secretary until 28 January 2022, the Board of Directors Meeting No. 1/2022 has resolution to appoint Miss Wipaporn as Company Secretary for another term. Pursuant to the Securities and Exchange Act B.E. 2535 in section 89/15 and 89/16. Scope of duties and responsibilities of the Company Secretary are specified below.

1. Manage and keep the Company's documents:
 - (a) Director registration record,
 - (b) Invitation letter and minutes of the Board of Directors' Meeting
 - (c) The Company's annual report
 - (d) Invitation letter and minutes of the Shareholders' Meeting
2. Keep reports of interests on directors and executives or other reports in accordance with the laws, rules, charters or internal policies.
3. Submit copied reports of interests on directors and executives to Chairman of the Board of Directors and Chairman of the Audit Committee within 7 days after receiving the reports.
4. Provide information and supervise the Board of Directors and executives in accordance with the

laws and the Company's rules and regulations and follow up on a regular basis to ensure that all are complied with the laws and related rules and regulations correctly. Inform directors and executives of any changes in regulations related to them.

5. Arrange shareholders' meetings and the Board of Directors' meetings in accordance with the laws, the Article of Association and related practices to ensure compliance with good corporate governance.
6. Record minutes of shareholders' meetings and the Board of Directors' meetings as well as ensure that all resolutions have been implemented.
7. Provide advisors or expertise from external to supervise the Board of Directors and provide support for all directors and executives to attend training courses in their relevant areas.
8. Supervise the Board of Directors in accordance with good corporate governance principles and evaluate the performances.
9. Ensure all information and report disclosed to related parties correctly.
10. Communicate to shareholders to ensure they receive information related to their rights and all news update and coordinate between shareholders, the Board of Directors and executives.
11. Ensure all policies and strategies are communicated and implemented.
12. Ensure effective evaluations for the Board of Directors' performance and report to the Board of Directors accordingly.
13. Perform other duties as assigned by the Board of Directors or other duties in accordance to laws, related rules and regulations and/or announced by the Capital Market Advisory Board.

5. Meeting Attendance and Remuneration of Directors

5.1 Meeting Attendance of the Board of Directors and Sub-Committees in 2021

Directors	Position in the Board of Directors and Sub-Committees	Meetings						
		Shareholders' Meeting	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Executive Committee	Risk Management Committee
Dr. Lackana Leelayouthayotin	Chairman / Independent Director	1/1	6/7	-	-	-	-	-
Mrs. Pratana Mongkolkul	Vice Chairman / Independent Director / Chairman of Audit Committee	1/1	7/7	4/4	-	-	-	-
Dr. Chatrchai Tuongratanaphan	Independent Director / Chairman of Nomination and Remuneration Committee / Member of Audit Committee	1/1	7/7	4/4	2/2	-	-	-
Dr. Anuphan Kitnitchiva	Independent Director / Chairman of Good Corporate Governance Committee / Member of Nomination and Remuneration Committee	1/1	7/7	-	2/2	3/3	-	-
Miss Pornchanok Tanskul	Independent Director / Member of Audit Committee	1/1	7/7	4/4	-	-	-	-
Mrs. Yayus Sulyanni Mak	Independent Director / Member of Good Corporate Governance Committee	1/1	7/7	-	-	3/3	-	-
Miss Piyawadee Sonsingh	Director / Member of Good Corporate Governance Committee	1/1	7/7	-	-	3/3	-	-
Anotai Adulbhan	Director / Member of Nomination and Remuneration Committee	1/1	7/7	-	2/2	-	-	-
Mrs. Worrawan Chaikamnerd	Director / Chairman of Executive Committee / Chairman of Risk Management Committee	1/1	6/7	-	-	-	10/10	4/4
Mr. Thanayus Leeraphan	Member of Executive Committee / Member of Risk Management Committee	1/1	-	-	-	-	10/10	4/4
Miss Naruemol Sukkamolwatana	Member of Executive Committee / Member of Risk Management Committee	1/1	-	-	-	-	10/10	4/4

Directors	Position in the Board of Directors and Sub-Committees	Meetings						
		Shareholders' Meeting	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Executive Committee	Risk Management Committee
Mr. Neti Meenmanee ⁽¹⁾	Member of Executive Committee / Member of Risk Management Committee	1/1	-	-	-	-	5/10	2/4
Miss Wipaporn Niamla-ong	Member of Executive Committee / Member of Risk Management Committee / Company Secretary	1/1	-	-	-	-	10/10	4/4

Remark: ⁽¹⁾ Mr. Neti Meenmanee resigned from the position of Chief Commercial Officer / Member of Executive Committee / Member of Risk Management Committee, effective from 16 September 2021.

5.2 Remuneration for Directors

The Board of Directors has established a Nomination and Remuneration Committee to nominate persons with appropriate qualifications to be directors, sub-committee members, Chief Executive Officer, and senior executives of the Company as well as consider the types and criteria for payment of remuneration to directors, sub-committee members in the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, Chief Executive Officer, and senior executives as deemed appropriate for their duties and responsibilities, work achievements linking with operating results and other related factors and benchmarking with other companies in the same or similar industry to propose its opinions to the Board of Directors and/or to the shareholders meeting for consideration and approval.

(1) Monetary Remuneration

The Annual General Meeting of Shareholders 2021 on 26 April 2021 has passed a resolution to determine remuneration for the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee and the Corporate Governance Committee as follow:

Directors	Before Adjusting		After Adjusting ⁽¹⁾	
	Chairman	Directors	Chairman	Directors
Monthly Remuneration	None	None	15,000	10,000
Meeting Allowance (per time) ⁽²⁾				
The Board of Directors	10,000	10,000	17,500	12,500
The Audit Committee	5,000	5,000	15,000	10,000
The Nomination and Remuneration Committee	5,000	5,000	12,000	7,000
The Corporate Governance Committee	5,000	5,000	12,000	7,000

Remark: ⁽¹⁾ The new rate was effective from 26 April 2021 onwards.

⁽²⁾ Meeting allowances for directors and sub-committee members were paid based on actual attendance.

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

For the year-ended 31 December 2021, the Company paid remuneration to 8 directors with the amount of Baht 1,504,000 as monthly remuneration and meeting allowances as per below details:

Directors	Position in the Board of Directors and Sub-Committees	Total Remunerations as of 31 December 2021		Total
		Monthly Remuneration	Meeting Allowances	
Dr. Lackana Leelayouthayotin	Chairman / Independent Director	120,000	90,000	210,000
Mrs. Pratana Mongkolkul	Vice Chairman / Independent Director / Chairman of Audit Committee	80,000	130,000	210,000
Dr. Chatrchai Tuongratanaphan	Independent Director / Chairman of Nomination and Remuneration Committee / Member of Audit Committee	80,000	132,000	212,000
Dr. Anuphan Kitnitchiva	Independent Director / Chairman of Good Corporate Governance Committee / Member of Nomination and Remuneration Committee	80,000	128,000	208,000
Miss Pornchanok Tanskul	Independent Director / Member of Audit Committee	80,000	115,000	195,000
Mrs. Yayus Sulyanni Mak	Independent Director / Member of Good Corporate Governance Committee	80,000	101,000	181,000
Miss Piyawadee Sonsingh	Director / Member of Good Corporate Governance Committee	80,000	71,000	151,000
Mr. Anotai Adulbhan	Director / Member of Nomination and Remuneration Committee	80,000	57,000	137,000
Mrs. Worrawan Chaikamnerd ⁽¹⁾	Director / Chairman of Executive Committee / Chairman of Risk Management Committee	-	-	-
Total		680,000	824,000	1,504,000

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

(2) Other remuneration

- None -

6. Remuneration for Executives

(1) Monetary Remuneration

The Company paid remuneration for 5 Executives (exclude Accounting and Finance Manager) for the year-ended 31 December 2021 at the amount of Baht 22.2 million. The remunerations consist of salary, bonuses, car allowances and contributions to provident fund.

(2) Other remuneration

The Company issued and offered its executives and employees 18,000,000 units of ESOP warrants under KISS ESOP program with the exercise price of Baht 7.20 per share according to the resolution of the Extraordinary General Shareholders' Meeting 2/2020, on 14 July 2020 in order to motivate and reward its executives and employees to create value of the Company and the shareholders. The number of warrants allocated may be varied depends on position, experiences, year of service, performance, potential and value created for the Company. ESOP warrants are valid for 5 years and the warrant holder can purchase the ordinary share of the Company at the exercise ratio of 1 unit of warrant to 1 ordinary.

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

7. EMPLOYEES

7.1 Number of Employees

As of 31 December 2021, the Company had total number of 111 employees, details as shown below.

No.	Department	Number of Employees as at 31 December 2021
1.	Executives	4
2.	Accounting and Finance	9
3.	Marketing and New Product Development	13
4.	Sales	24
5.	Human Resources	3
6.	Information Technology	1
7.	Supply Chain	5
8.	Distribution	8
9.	Warehouse	8
10.	Logistics	7
11.	QC&QA	6
12.	Packing Planning	5
13.	Daily Packing	18
Total		111

7.2 Remuneration for the Employees

The Company paid remuneration for employees (exclude 5 Executives) for the year-ended 31 December 2021 at the amount of Baht 64.8 million. The remunerations consist of salary, bonuses, overtime, allowances, contributions to provident fund and employee benefits such as phone and travelling allowances.

7.3 Provident Fund

The Company supports the Provident Fund Committee in selecting a fund manager who abides by the Investment Governance Code (“I Code”) and manages investments with responsibility by taking into account the environmental, social, and governance (“ESG”) dimensions, which will lead to efficient investment management with consideration on returns and utmost benefits of the members of the Company’s provident fund in the long run. The Company appointed SCB Asset Management Co., Ltd. as fund manager for the provident fund of the Company under the fund name SCB Master Fund. As at 31 December 2021, there were 58 employees joined provident fund program, accounted for 52.3% of total employee of the Company.

7.4 People Development Policy

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

7.5 Other Important Information

Persons in Charge

- Person in charge of finance and accounting
Ms. Wipaporn Niamal-ong Chief Financial Officer (Details as in Appendix 1)
- Person in charge of accounting
Mrs. Patsorn Wongcherdkwan Accounting and Finance Manager (Details as in Appendix 1)
- Internal Auditor
The Company hired Mr. Sutee Tanwanichkul of IA Signature Company Limited as internal auditor until year 2022.
- Investor Relation
Ms. Wipaporn Niamal-ong Chief Financial Officer (Details as in Appendix 1)
Contact Investor Relation – E-Mail : IR@rojukiss.com Tel. 02-6451155

Compensation for the Auditor

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

8. Report on Corporate Governance



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

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

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

Nomination of Directors

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

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

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

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

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

Nomination of Independent Directors

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

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

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

- 5) Neither being nor having been an auditor of the Company, its subsidiary, associated company, major shareholder or controlling person nor being a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its subsidiary, associated company, major shareholder or controlling person, unless the foregoing relationship ended not less than 2 years from the date of appointment.
- 6) Neither being nor having been any kind of professional advisor including a legal advisor or financial advisor who receives an annual service fee exceeding Baht 2 million from the Company, its subsidiary, associated company, major shareholder or controlling person and neither being nor having been a substantial shareholder, controlling person or partner of the professional advisor, unless the foregoing relationship ended not less than 2 years from the date of appointment.
- 7) Not being a director who has been appointed as representative of the Company's directors, major shareholders, or shareholders who are related to the major shareholders.
- 8) Not conducting any businesses which have the same nature as or are in competition with the Company's or its subsidiaries or neither being significant partner in a partnership, executive director, employee, officer, or consultant who receives regular salary, shareholder holding more than 1% of the voting shares of business which have the same nature as or in competition with the Company or its subsidiaries.
- 9) Not having any characteristics that could prevent him/her from giving independent opinions concerning the Company's operation.

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

Nomination of High-level Executives

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

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

Evaluation of the Board of Directors' Performance

As the Company has defined in the charter of the Board of Directors and sub-committee that the Board of Directors and the sub-committee shall evaluate its performance on an annual basis. The result of the assessment shall be presented to the Nomination and Remuneration Committee and then to the Board of Directors for acknowledgement and the recommendations from the performance evaluation will be used to improve the performance of the Board of Directors to be the most effective. For the year 2021, the performance evaluation was done by a collective performance evaluation, individual performance evaluation and a sub-committee performance evaluation as follows:

1) Collective Performance Evaluation

The collective performance evaluation consists of 4 topics: (1) Structure and qualifications of the Board of Directors (2) The meetings of the Board of Directors (3) The roles and responsibilities of the Board of Directors and (4) Relationship with the executives. The results of the Board of Directors' collective performance evaluation for the year 2021 showed an average score of 95%.

2) Individual Performance Evaluation

The individual performance evaluation consists of 3 topics: (1) Structure and qualifications of the Board of Directors (2) The meetings of the Board of Directors and (3) The roles and responsibilities of the Board of Directors. The results of the Board of Directors' individual performance evaluation for the year 2021 showed an average score of 97.5%.

3) Sub-committee Performance Evaluation

The sub-committee performance evaluation consists of 3 topics: (1) Structure and qualifications of the sub-committee (2) The meetings of the sub-committee and (3) The roles and responsibilities of the sub-committee. The results of the sub-committee performance evaluation for the year 2021 of the Audit Committee, the Corporate Governance Committee and the Nomination and Remuneration Committee showed an average score of 100%, 95% and 95% respectively.

High-level Executive Evaluation

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

8.1.2 Supervision and Governance of Subsidiaries and Associated Companies

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

In addition, in the case of subsidiaries, the Company has established regulations that representatives appointed by the Company must supervise the subsidiaries to have regulations on connected transactions, acquisition or disposition of assets or any other important transactions of the subsidiaries to be complete, correct and apply the rules relating to the disclosure of information and the above transactions in the same manner as the Company's criteria. These include the need to supervise the data collection and accounting records of subsidiaries for the Company to be able to audit and prepare the consolidated financial statements on a timely basis.

8.1.3 Monitoring Compliance with the Corporate Governance Policy and Practices

1) Prevention of Conflict of Interest

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

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

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

2) Supervision of the Use of Inside Information

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

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

The Company's directors, management and employees who receive inside information shall be prohibited from trading of the Company's securities in a specific period, which has been complied since the year ended 2020 which is the first reporting period since the Company was listed in the Stock Exchange of Thailand. The Company Secretary and the Human Resource department shall notify those directors, management, and employees receiving inside information in advance to be aware of such prohibition period for trading of the Company's securities. This shall include the prohibition of trading of the Company's securities by oneself, spouses, minor children, whether it is direct or indirect trading (such as nominee or holding of securities through private funds) during the period when the Company is about to disclose significant information that may affect the Company's share price such as 1 month prior to the date of disclosure of financial statements or operating results until 1 day after the date that the Company has disclosed financial statements or operating results to the Stock Exchange of Thailand to ensure that such information be disclosed to the public first. With this regard, the Company has established disciplinary penalty for those seeking benefits from the use of disclosure of the inside information causing damages to the Company, which may be penalized as required by law or by the Company through verbal warning, warning letter, probation, or termination of employment.

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

3) Anti-Corruption

The Company recognizes the importance of anti-corruption and is committed to operating business ethically within the good corporate governance framework by adhering to good governance principles and Code of Conduct as well as responsibility for the society, the environment, and the stakeholders by ensuring business operations based on transparency, fairness, and accountability. The Company then developed a written anti-corruption policy which prescribes clear practice guidelines for operating business and transforming the organization into a sustainable organization. The policy was approved by the Board of Directors Meeting No. 3/2020 held on 22 June 2020, which can be summarized as follows:

- Not taking any action in all forms of corruption, giving, or accepting bribery to government agencies and private sectors or stakeholders of the Company in order to gain competitive advantage or for own benefit and other related persons' interests including requesting or giving bribery for any inappropriate benefits.
- Not neglecting or ignoring when seeing actions that are considered a corruption in relation to the Company. Employees must notify the supervisor or the person in charge and cooperate in the investigation of various facts.
- The Company will provide fairness and protection for employees who refuse or report a corruption cases to the Company in accordance with the policy established.
- Person who commits corruption are against the Company's code of ethics. He/she must be therefore considered for disciplinary action in accordance with the regulations set by the Company and may be punished by law if his/her act is illegal.
- The Company recognizes the importance of disseminating and educating people to ensure they understand on their duties for the Company or possibly affecting the Company in matters of compliance with the anti-corruption policy. Human Resource Department is responsible for communication, education and ensure those people understand clearly on this matter.
- The Company ensures appropriate and efficient auditing and internal control processes are put in place both financial and accounting system, keeping record and others. Also ensures that there is a risk management system to prevent corruption.
- The Company set up communication channels to publish the anti-corruption policy to employees of the Company and its subsidiaries and external parties such as director and new employee orientation, posts on the Company's publicity signs, corporate website, annual report etc. to ensure all related parties understand all kind of corruption, risk of having relation to corruption and how to report corruption case.

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

3.1 Political Support

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

3.2 Charitable Donation and Financial Support

The Company can do charitable donation in the form of financial support or other forms such as sharing knowledge etc. and be a part of social return activities and do not request any benefit in return from donator and do not expect return on business. In order to give support in any form either money or assets to any activity or project, the Company has to proceed with transparent and follow the laws and based on the approval process as per company's policy. The objective of the support must be for public relation, support business, the Company's image and not for bribery.

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

3.3 Gifts and Entertainment

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

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

4) Whistleblowing

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

Chairman of the Board of Directors or Chairman of the Audit Committee
Rojukiss International Public Company Limited
100/8, 100/51-54 Vongvanich Complex B Tower, 12th, 19th floor
Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok 10310

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

8.2.1 Performance Report of the Audit Committee

In 2021, the Audit Committee held 4 meetings and consistently reported its performance to the Board of Directors for acknowledgement after each meeting. The Audit Committee has the main duties and responsibilities to support the Board of Directors in overseeing the matters relating to the preparation and disclosure of information in financial reports, the effectiveness of risk management and internal control systems, the compliance with relevant laws, rules, and regulations, the monitoring of qualifications, expertise and adequacy of working team and independence of both internal auditor and external auditor of the Company as well as the evaluation on the effectiveness of performance of internal auditor. The Audit Committee reports its performance as well as recommendations to the Board of Directors whenever the Audit Committee has any queries or opinions that there should be improvements regards to internal control, financial reports or other matters found. The Audit Committee will promptly report any queries or recommendations in various matters to the Board of Directors. The Audit Committee's performance of duties can be concluded as follows:

- 1) Review the accuracy of financial reports and the adequacy of the disclosure of the Company's information
- 2) Review connected transactions or transactions that may have conflict of interest
- 3) Review the internal control system
- 4) Supervise the internal audit
- 5) Consider the appointment of auditors and communication of significant matters between the Audit Committee and the auditors
- 6) Review legal compliance

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

8.2.2 Performance Report of the Nomination and Remuneration Committee

In 2021, the Nomination and Remuneration Committee held 2 meetings and reported its performance to the Board of Directors consistently for acknowledgement, summarized as follows:

- 1) Considered the structure of the Board of Directors and the sub-committees, in terms of the composition and the number of directors deemed as appropriate for the size, type and complexity of business as well as compared it with other companies in the same or similar industry and acknowledged the 2021 Board diversity, comprising the information on the number of independent directors, their gender and Board Skill Matrix to be used for the consideration of appointment of suitable directors with qualifications, knowledge, and capabilities that are diverse and beneficial to the Company's business operation.
- 2) Considered nominating suitable persons with qualifications, knowledge, experience, and expertise

to be directors and proposed them to the Board of Directors and the 2021 Annual General Meeting of Shareholders. The Committee proposed the re-appointment of directors retiring by rotation in 2021 for another term, while the shareholders' meeting resolved to approve the appointment of all directors as proposed.

- 3) Considered the structure and determined the 2021 remuneration for the Board of Directors and the sub-committees, comprising of the Audit Committee, the Nomination and Remuneration Committee, and the Corporate Governance Committee, and then submitted to the Board of Directors and the shareholders' meeting for consideration and approval, by taking into account their responsibilities and performance related to operating results and other relevant factors. The remuneration rate was compared with those of other companies in the same or similar industry and approved by the shareholders' meeting.
- 4) Considered and reviewed succession plans for Chief Executive Officer and senior executive positions to ensure the Company's continued business operations, with CEO's involvement in the review and data presentation.
- 5) Considered the assessment criteria for the 2021 performance of the CEO and senior executive positions and submitted them to the Board of Directors for approval.
- 6) Acknowledged the results and considered the 2021 self-assessment of the Board of Directors and sub-committees to be used for enhancing the performance of duties of the committees according to the good corporate governance principles.

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



9. Internal Control and Connected Transactions



9.1 The Board of Directors' Opinions on Internal Control

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

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

In the meeting of the Board of Directors No. 2/2021 held on 23 February 2022 with 3 Audit Committee members in attendance, the Board's meeting assessed the adequacy of the Company's internal audit in 2021 in line with the guidelines prescribed by the Committee of Sponsoring Organizations of the Treadway Commission: COSO ("the Assessment") which comprised of:

1) Control Environment

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

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

2) Risk Assessment

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

3) Control Activities

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

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

4) Information & Communication

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

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

5) Monitoring Activities

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

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

Head of Internal Audit

The Audit Committee's meeting No. 3/2018 on 27 November 2018 appointed IA Signature Company Limited ("IA Signature") which is external party (outsourcing) to oversee the operations of the internal audit and report

directly to the Audit Committee. IA Signature Company Limited has appointed Mr. Sutee Tanwanichkul, Managing Director of IA Signature Company Limited as a Head of Internal Audit. The Audit Committee has the opinion that Mr. Sutee is qualified and has experiences in performing internal audit for the Company. In addition, he has experiences in internal auditing for companies listed on the Stock Exchange of Thailand. The background of the internal auditor is shown in the attachment 3: Details of Internal Auditor.

The internal auditor inspected the internal control system according to the plan approved by the Audit Committee to evaluate the sufficiency and appropriateness of the internal control system of the Company and audited whether or not the Company fully complied with the internal control system. In the meeting of the Audit Committee in 2021, the internal auditor from IA Signature attended every meeting with the Audit Committee to report the results of the internal control system audit of the Company. The internal auditor summarized the audit results and issues found during the audit, along with providing recommendations and a report of follow-up of the internal control system improvement of the previous quarter to the meeting. When these points were acknowledged at the Audit Committee meeting, the management was assigned to resolve the issues as suggested by the internal auditor completely.

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

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

At the Audit Committee meeting No. 1/2022 held on 23 February 2022, PricewaterhouseCoopers ABAS Ltd. (“Auditor”) who is the auditor of the Company attended the meeting with the Audit Committee to summarize accounting issues and recommendations. From the audited financial statement of the Company for the year ended 31 December 2021, it was concluded that the Company prepared the financial statements that were duly and appropriately in accordance with the financial reporting standards.

9.2 Related Party Transactions

Person or juristic person in a potential conflict of interest

Details on related party transactions with person or juristic person in a potential conflict of interest for the year ended 31 December 2020 and 2021, as follow:

No.	Person or Juristic Person in a Potential Conflict of Interest	Nature of Business	Relationship with the Company
1	The Siam Commercial Bank Public Company Limited	Provide full range of financial services	Mutual director, Dr. Lackana Leelayouthayothin who is an independent director at The Siam Commercial Bank Public Company Limited and the Company
2	Central Family Mart Company Limited	Convenience stores and business member shops	Mutual director with major shareholder, Mrs. Pratana Mongkolkul who is an independent director at Central Retail Corporation Public Company Limited and the Company
3	Central Food Retail Company Limited	Supermarket	Mutual director with major shareholder, Mrs. Pratana Mongkolkul who is an independent director at Central Retail Corporation Public Company Limited and the Company
4	Dherakupt International Law Office Limited	Provide legal and tax consultancy	Mutual director, Dr. Anuphan Kitnitchiva who is a director at Dherakupt International Law Office Limited and an independent director at the Company

Related party transaction

Details on related party transactions with person or juristic person in a potential conflict of interest for the year ended 31 December 2020 and 2021, as follow:

Person or Juristic Person in a Potential Conflict of Interest	Value (Million Baht)		Necessity and Rationale of transaction	The Audit Committee's Opinion
	31 December 2020	31 December 2021		

1. Sales and other income

(1) Central Family Mart Company Limited			The Company sold its products to Central Family Mart Company Limited as a normal operation with ordinary prices applied to all customers.	The transaction was normal operation with the same selling prices as selling to other customers. The said transactions are justified and beneficial to the Company.
• Sales	9.3	5.8		
• Account Receivable	2.7	1.1		
(2) Central Food Retail Company Limited			The Company sold its products to Central Family Mart Company Limited as a normal operation with ordinary prices applied to all customers.	The transaction was normal operation with the same selling prices as selling to other customers. The said transactions are justified and beneficial to the Company.
• Sales	21.0	12.5		
• Account Receivable	6.2	3.7		
(3) Dherakupt International Law Office Limited			The Company sold its products to Central Family Mart Company Limited as a normal operation with ordinary prices applied to all customers.	The transaction was normal operation with the same selling prices as selling to other customers. The said transactions are justified and beneficial to the Company.
• Sales	0.25	-		
• Account Receivable	-	-		

2. Expenses

(1) Dherakupt International Law Office Limited			Dherakupt International Law Office Limited provided legal and tax consultancy to the Company with the market price comparable with industry.	The transaction was normal operation with the same selling prices as selling to other customers. The said transactions are justified and beneficial to the Company.
• Expenses	0.16	0.59		
• Account Payable	-	-		
(2) The Siam Commercial Bank Public Company Limited			The Siam Commercial Bank Public Company Limited is a financial advisor for initial public offering process (IPO). The service fee in the contract is the market price comparable with industry.	The transaction was normal operation with the same selling price as normal business transaction. The said transactions are justified and beneficial to the Company.
• Expenses	2.0	13.9		

3. Interest Expenses and Borrowing

Person or Juristic Person in a Potential Conflict of Interest	Value (Million Baht)		Necessity and Rationale of transaction	The Audit Committee's Opinion
	31 December 2020	31 December 2021		

(1) The Siam Commercial Bank Public Company Limited

The Company has entered into loan agreement with The Siam Commercial Bank Public Company Limited with (1) overdraft Baht no more than 20 million with interest rate at MOR, (2) Letter of Credit and Trust Receipt no more than Baht 80 million with the fee of 0.25% per month, (3) long-term loan Baht 22 million with interest rate at MLR. The purpose of long-term loan is to buy office apartment and (4) promissory notes Baht 16.65 million with fixed interest rate. All interest rate are not more than loan from other financial institution.

The transaction is normal operation and necessary for business expansion. The interest rate is not more than loan from other financial institution. The said transactions are justified and beneficial to the Company.

• Interest expenses	2.6	1.2
• Accrued interest	0.02	0.05
• Short-term loan	27.5	7.4
• Promissory notes	16.65	-
• Long-term loan	8.1	-

4. Interest Income

(1) The Siam Commercial Bank Public Company Limited

The Company has bank deposit with the Siam Commercial Bank Public Company with the interest rate of 0.05% per annum which is the same rate as other customers.

The transaction is normal operation and necessary for cash management of the Company. The interest rate received is the same as other financial institutions. So the said transactions are justified and beneficial to the Company.

• Interest income	0.3	0.55
• Balance at bank	211.8	193.7

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

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

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

In case of ordinary business transactions or transactions that support normal business operations of the Company and transactions that may occur continuously in the future, the Company has a policy that articulates scope of those transactions where commercial agreements are similar to those offered to general counterparties in the same situation without an influence as a director, an executive or a related party on commercial bargaining power or a transfer of interest/benefit and/or it can be proven that the transactions have reasonable and fair pricing or conditions. If the Board of Directors has approved a resolution of the transaction as a general principle, the management of the Company can undertake transactions under the guideline without seeking an approval from the Board again. Then, the Company prepares a summary report on related party transactions or connected transactions to present to the Audit Committee's meeting and the Board of Directors' meeting every quarter in accordance with the laws on securities and exchange, rules and regulations, notifications, orders or other requirements of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand.

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

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

Policy on the future connected transaction

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



Part 3

Financial Statement





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Responsibility of the Board of Directors to the Financial Statements

Responsibility of the Board of Directors to the Financial Statements

The Board of Directors of Rojukiss International Public Company Limited (“the Company”) is responsible for the consolidated financial statements of the Company and its subsidiaries as well as financial information as presented in the annual report. The financial statements are prepared in conformity with Thai Financial Reporting Standards (TFRSs) which are appropriately applied on a consistent basis. Conservation judgment and best estimate are adopted in this preparation. In addition, all important information is adequately disclosed in the notes to financial statements. The Board of Directors has set up and maintained an effective internal control to reasonably ensure that all accounting records are accurate, complete and sufficient to secure its assets. Moreover, all possible weakness could be found to prevent fraud or material unusual transactions. The Board of Directors has appointed the audit committee which comprises independent directors, to control quality of financial report and internal control system. The opinion of the audit committee on this matter has already been presented in the audit committee report. The Board of Directors is of an opinion that internal control systems of the Company are n the satisfactory and sufficient level to reasonably build the confidence in the reliability of the consolidated financial statements of the Company and its subsidiaries as of December 31, 2021.

Dr. Lackana Leelayouthayotin
Chairman

Mrs. Worrawan Chaikamnerd
Director & Chief Executive Officer

Audit Committee's Report

Dear Shareholders,

The Audit Committee of Rojukiss International Public Company Limited ("the Company") consists of 3 independent committees who are experts with experiences in management, accounting and finance. Each of them has a 3-year tenure. All members of the Audit Committee meet all the qualifications as stipulated in the Audit Committee Charter which is in accordance with the requirements and best practices for the Audit Committee of both the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

In 2021, the Audit Committee held 4 meetings in total, with details of each member's meeting attendance as follows:

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

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

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

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

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

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

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

3. Review the internal control system

The Audit Committee recognized the importance of having good internal control systems and realized that it was an important duty that must be undertaken to ensure that the Company has appropriate and sufficient internal control systems to ensure that operations are efficiently in line with the target, objectives, laws and related requirements. In 2020, the Company hired IA Signature Company Limited (“IA”) to investigate and observe the internal control systems of the Company. The results of the investigation found that there is no significant issue. In addition, the Audit Committee reviewed the adequacy of internal control systems according to the guidelines of the internal control of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the results of the assessment of the internal control systems according to the IA report, there is no significant weakness or defect found.

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

4. Supervise the internal audit

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

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

5. Consider the appointment of auditors

The Audit Committee considered the selection of auditors by considering their independence, quality of the previous audit, skills, knowledge, and their experience including the appropriation of the audit fees. The Audit committee adopted the resolution of proposal to the Board of Directors to consider and get approval from the shareholders' meeting to appoint Mr. Pisit Thangtanagul, Certified Public Accountant (Thailand) no. 4095, Ms. Tithinun Vankeo, Certified Public Accountant (Thailand) no. 9432, and Ms. Nuntika Limviriyalers, Certified Public Accountant (Thailand) no. 7358 of PricewaterhouseCoopers ABAS Limited as auditors of the Company for 2021 including the remuneration for the said auditors in 2021.

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

6. Review Legal Compliance

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

7. Review good corporate governance

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

8. Self-assessment of the Audit Committee

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

From the performance of the Audit Committee in 2021 as reported above, the Audit Committee had performed his/her duties in accordance with the Charter assigned by the Board of Directors thoroughly and independently to ascertain that the Company has executed the efficient and sufficient corporate governance operations of the Company for the utmost benefit to the shareholders with fair and equal without any conflict of interest, and the internal control systems are sufficient and appropriate.

Mrs. Pratana Mongkolkul

Chairman of Audit Committee

ROJUKISS INTERNATIONAL PUBLIC COMPANY LIMITED**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS****31 DECEMBER 2021**

Independent Auditor's Report

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

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Rojukiss International Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
Valuation of inventories Refer to Note 4.5 - Significant accounting policies - inventories, and Note 13 - inventories The major outstanding balance of inventories were finished goods of cosmetic product which has limited lifetime. In addition, the Group's inventories were considered high competition products and there were wide ranges of substitute products with similar attributes in the market. Therefore, the Group was exposed to risk of stock deteriorate, obsolete, slow moving and cost of inventory could be higher than net realisable value. Allowance for net realisable value of inventories was 19.86% of the Group's total inventories. The Group has applied their judgement in making estimates of the allowance for net realisable value by using experienced and historical data. The validity of this assumption and the estimated amount of allowance were reassessed at each reporting date. I focused on this area because the valuation of inventories was based on Group management's judgement and was material to the consolidated financial statements.	My key audit procedures in relation to valuation of inventories included: • Inquired the Group management and obtained an understanding of the Group's policy in relation to inventory management and assessment applied to estimate net realisable value of inventories, then reviewed the Group's compliance with the policy; • Observed the condition of inventory and storage which directly affected to inventory valuation through the year end physical inventory observation; • Performed the testing on sample basis on inventory aging report of ending inventory balance with related supporting document whether items were classified in the appropriate aging bracket and recalculated the allowance for decline in value of inventories according to the Group's policy; • Performed the testing on sample basis on the net realisable value of ending inventory by investigate after period end sales document less costs necessary to make the sale with the related supporting documents including check mathematical accuracy of net realisable value calculation; and • Considered the disclosures in accordance with Thai Financial Reporting Standards. Based on my procedures above, I found that the Group management's assumption and judgement on the valuation of inventories were reasonable and appropriate based on the environment and circumstances.

Key audit matter	How my audit addressed the key audit matter
<i>Recognition of discounts, sales promotions and allowance for sales return</i> Refer to Note 4.17 - Significant accounting policies - Revenue recognition The Group entered into agreements and commercial agreements with customers, under which various conditions pertaining to discounts, sale promotions, and special discounts given to increase sales during specific period. As a result, the recognition of discounts and sales promotions of the Group were different. The Group has applied their judgement in making estimates of the sale returns by calculated actual sales return from experienced and historical data. The Group has assessed the appropriateness of the assumption and the estimated amount of returns at end of each reporting date. I focused on this area because the recognition of discounts, sales promotions and allowance for sales return were based on Group management's judgement and were material to the consolidated financial statements.	My key audit procedures in relation to recognition of discounts, sales promotions and allowance for sales return included: • Inquired the Group management to obtain an understanding of the Group's policy in relation to revenue recognition, recognition of discounts, sales promotion and allowance for sales return expenses; • Sampling tested calculation of sales discounts, sales promotion expenses and accrued sales promotion expenses for a sample of items with related supporting documents whether the transaction was compliance with the conditions in agreements and commercial agreements during the year and near the end of period; • Sampling tested the appropriateness of accrued sales promotion expenses for a sample of items by performing subsequent cash payments, credit note and related supporting documents post year-end; • Sampling tested on the calculation of allowance for sales return for a sample of items with related supporting documents whether they are compliant with the assumption and historical data; and • Checked the disclosures in note to consolidated financial statement accordance with Thai Financial Reporting Standards. Based on my procedures above, I found the Group management's assumption and judgement on the recognition of discounts, sales promotions and allowance for sales return were reasonable and appropriate based on the environment and circumstances.

Other information

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

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

In preparing the consolidated and separate financial statements, the directors are 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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.

Pisit Thangtanagul

Certified Public Accountant (Thailand) No. 4095

Bangkok

23 February 2022

Statement of Financial Position

As at 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	9	626,238,506	265,309,285	621,035,169	260,134,698
Trade and other receivables	11.1	179,496,031	247,735,240	180,484,083	247,880,253
Contract assets	11.2	88,734,161	107,256,648	88,734,161	107,256,648
Inventories	13	73,555,638	97,242,706	73,555,638	97,242,706
Other current assets		1,924,598	1,925,927	1,924,598	1,925,927
Total current assets		969,948,934	719,469,806	965,733,649	714,440,232
Non-current assets					
Restricted cash	10	694,000	41,694,000	694,000	41,694,000
Investment in a subsidiary	14	-	-	44,793	44,793
Investment in a joint venture	15	14,514,584	-	20,000,000	-
Plant and equipment	16	44,190,467	50,648,148	44,190,467	50,648,148
Right-of-use assets	17	4,894,082	8,774,899	4,894,082	8,774,899
Intangible assets	18	5,143,275	5,951,894	1,093,809	1,406,079
Deferred tax assets	19	9,346,660	9,460,115	9,346,660	9,460,115
Total non-current assets		78,783,068	116,529,056	80,263,811	112,028,034
Total assets		1,048,732,002	835,998,862	1,045,997,460	826,468,266

Director

Director

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

Rojukiss International Public Company Limited**Statement of Financial Position (Cont'd)****As at 31 December 2021**

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	20	22,322,977	220,258,221	22,322,977	220,258,221
Trade and other payables	21	66,111,970	105,673,635	88,779,703	108,725,696
Current portion of long-term borrowings					
from financial institutions	20	-	3,742,135	-	3,742,135
Current portion of lease liabilities	22	3,383,334	3,831,257	3,383,334	3,831,257
Other current liabilities		19,709,986	60,162,375	17,115,437	56,399,452
Total current liabilities		111,528,267	393,667,623	131,601,451	392,956,761
Non-current liabilities					
Long-term borrowings					
from financial institutions	20	-	4,401,182	-	4,401,182
Lease liabilities	22	1,755,928	5,139,262	1,755,928	5,139,262
Employee benefit obligations	23	5,528,323	5,138,893	5,528,323	5,138,893
Total non-current liabilities		7,284,251	14,679,337	7,284,251	14,679,337
Total liabilities		118,812,518	408,346,960	138,885,702	407,636,098

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

Rojukiss International Public Company Limited**Statement of Financial Position (Cont'd)****As at 31 December 2021**

		Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
Notes		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital					
Ordinary shares, 618,000,000 shares paid-up at Baht 0.50 each	24	309,000,000	309,000,000	309,000,000	309,000,000
Issued and paid-up share capital					
Ordinary shares, 600,000,000 shares paid-up at Baht 0.50 each	24	300,000,000	-	300,000,000	-
Ordinary shares, 540,000,000 shares paid-up at Baht 0.50 each		-	270,000,000	-	270,000,000
Premium on paid-up capital of ordinary shares	24	487,368,348	5,703,904	487,368,348	5,703,904
Premium on share-base payment	25	7,338,001	-	7,338,001	-
Surplus from business combinations under common control		14,486,120	14,486,120	-	-
Retained earnings					
Legal reserve	26	30,000,000	27,000,000	30,000,000	27,000,000
Unappropriated		88,083,061	109,537,907	82,405,409	116,128,264
Translation on financial statements		2,643,954	923,971	-	-
Total equity		929,919,484	427,651,902	907,111,758	418,832,168
Total liabilities and equity		1,048,732,002	835,998,862	1,045,997,460	826,468,266

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

Rojukiss International Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Revenue from sales and services	8	772,267,122	964,983,587	772,267,122	964,983,587
Cost of sales and services		(358,568,756)	(399,537,104)	(390,996,067)	(439,877,164)
Gross profit		413,698,366	565,446,483	381,271,055	525,106,423
Other income		3,782,536	1,266,196	3,782,535	1,266,196
Dividend income	14	-	-	-	54,049,500
Selling expenses		(135,863,731)	(205,576,689)	(135,863,731)	(205,576,689)
Administrative expenses		(135,364,511)	(125,038,052)	(120,847,501)	(105,043,124)
Gain (loss) from foreign exchange rate		10,803,685	(6,671,314)	10,960,562	(1,829,701)
Share of loss from joint venture	15	(5,485,416)	-	-	-
Profit before finance costs		151,570,929	229,426,624	139,302,920	267,972,605
Finance costs		(5,085,677)	(7,792,581)	(5,085,677)	(7,792,581)
Profit before income tax expense		146,485,252	221,634,043	134,217,243	260,180,024
Income tax expense	28	(27,912,098)	(53,641,886)	(27,912,098)	(53,641,886)
Profit for the year		118,573,154	167,992,157	106,305,145	206,538,138
Other comprehensive income :					
Items that will be reclassified subsequently to profit or loss					
Currency translation differences		1,719,983	3,734,380	-	-
Total items that will be reclassified subsequently to profit or loss		1,719,983	3,734,380	-	-
Total comprehensive income for the year		120,293,137	171,726,537	106,305,145	206,538,138

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

Rojukiss International Public Company Limited**Statement of Comprehensive Income****For the year ended 31 December 2021**

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Profit attributable to:					
Owners of the Company		118,573,154	167,992,157	106,305,145	206,538,138
Non-controlling interests		-	-	-	-
		<u>118,573,154</u>	<u>167,992,157</u>	<u>106,305,145</u>	<u>206,538,138</u>
Total comprehensive income					
attributable to:					
Owners of the Company		120,293,137	171,726,537	106,305,145	206,538,138
Non-controlling interests		-	-	-	-
		<u>120,293,137</u>	<u>171,726,537</u>	<u>106,305,145</u>	<u>206,538,138</u>
Earnings per share					
Basic earnings per share	29	<u>0.20</u>	<u>0.36</u>	<u>0.18</u>	<u>0.45</u>

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

Rojukiss International Public Company Limited
Statements of Changes in Equity
For the year ended 31 December 2021

Consolidated financial statements												
Notes	Retained earnings					Other component of equity						
	Surplus from business combinations under common control					Translation of financial statements						
	Issued and paid-up share capital	Premium on paid-up capital of ordinary shares	Premium on share-base payment	Appropriated Legal reserve	Unappropriated							
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance at 1 January 2020	173,333,330	5,703,904	-	14,486,120	17,333,333	147,720,148	(2,810,409)					355,766,426
24 Issuance of shares	96,666,670	-	-	-	-	-	-	-	-	-	-	96,666,670
26 Legal reserve	-	-	-	-	9,666,667	(9,666,667)	-	-	-	-	-	-
30 Dividend paid	-	-	-	-	-	(196,507,731)	-	-	-	-	-	(196,507,731)
Total comprehensive income for the year	-	-	-	-	-	167,992,157	3,734,380					171,726,537
Closing balance at 31 December 2020	270,000,000	5,703,904	-	14,486,120	27,000,000	109,537,907	923,971					427,651,902
Opening balance at 1 January 2021	270,000,000	5,703,904	-	14,486,120	27,000,000	109,537,907	923,971					427,651,902
24 Issuance of shares	30,000,000	481,664,444	-	-	-	-	-	-	-	-	-	511,664,444
25 Warrants	-	-	7,338,001	-	-	-	-	-	-	-	-	7,338,001
26 Legal reserve	-	-	-	-	3,000,000	(3,000,000)	-	-	-	-	-	-
30 Dividend paid	-	-	-	-	-	(137,028,000)	-	-	-	-	-	(137,028,000)
Total comprehensive income for the year	-	-	-	-	-	118,573,154	1,719,983					120,293,137
Closing balance at 31 December 2021	300,000,000	487,368,348	7,338,001	14,486,120	30,000,000	88,083,061	2,643,954					929,919,484

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

Rojukiss International Public Company Limited
Statements of Changes in Equity
For the year ended 31 December 2021

Separate financial statements									
Notes	Issued and paid-up share capital	Premium on paid-up capital of ordinary shares	Premium on share-base payment	Retained earnings		Unappropriated	Total equity		
	Baht	Baht	Baht	Appropriated	Legal reserve	Baht	Baht		
Opening balance at 1 January 2020	173,333,330	5,703,904	-	17,333,333	115,764,524		312,135,091		
Insurance of shares	96,666,670	-	-	-	-		96,666,670		
Legal reserve	-	-	-	9,666,667	(9,666,667)		-		
Dividend paid	-	-	-	-	(196,507,731)		(196,507,731)		
Total comprehensive income for the year	-	-	-	-	206,538,138		206,538,138		
Closing balance at 31 December 2020	270,000,000	5,703,904	-	27,000,000	116,128,264		418,832,168		
Opening balance at 1 January 2021	270,000,000	5,703,904	-	27,000,000	116,128,264		418,832,168		
Insurance of shares	30,000,000	481,664,444	-	-	-		511,664,444		
Warrants	-	-	7,338,001	-	-		7,338,001		
Legal reserve	-	-	-	3,000,000	(3,000,000)		-		
Dividend paid	-	-	-	-	(137,028,000)		(137,028,000)		
Total comprehensive income for the year	-	-	-	-	106,305,145		106,305,145		
Closing balance at 31 December 2021	300,000,000	487,368,348	7,338,001	30,000,000	82,405,409		907,111,758		

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

Rojukiss International Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2021

		Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
Notes		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax		146,485,252	221,634,043	134,217,243	260,180,024
Adjustment for:					
Depreciation	16	8,598,226	8,313,964	8,598,226	8,313,964
Amortisation of right-of-use asset	17	3,880,817	3,810,153	3,880,817	3,810,153
Amortisation of intangible asset	18	1,662,756	2,315,319	690,650	1,363,988
(Reversal) Provision of sales return		(14,656,499)	2,753,797	(14,656,499)	2,753,797
Expected credit loss (Reversal)	11.3	10,792,155	(205,096)	10,792,155	(205,096)
Provision of cost return (Reversal)		5,358,136	(1,026,354)	5,358,136	(1,026,354)
Share-based payment reserve	25	7,338,001	-	7,338,001	-
Employee benefit obligations	23	883,546	877,753	883,546	877,753
Unrealised loss (gain) on foreign exchange		(11,988,094)	4,965,215	(11,988,094)	4,965,215
Interest expense		5,085,677	7,792,581	5,085,677	7,792,581
Interest income		(731,737)	(500,248)	(731,737)	(500,248)
Dividend income from subsidiary	14	-	-	-	(54,049,500)
Share of loss from joint venture	15	5,485,416	-	-	-
Loss from disposal of equipments	16	113,029	603,148	113,029	603,148
Loss from disposal of intangibles	18	26,370	-	26,370	-
Employee benefit paid	23	(494,116)	(67,150)	(494,116)	(67,150)
Changes in operating asset and liabilities					
- Trade and other receivables		61,263,149	17,179,585	60,618,841	16,778,368
- Contract assets		29,164,160	65,013,420	29,164,160	65,013,420
- Inventories		18,328,932	36,033,723	18,328,932	36,033,723
- Other current assets		1,329	1,628,838	1,329	1,628,838
- Trade and other payables		(25,676,770)	(76,272,374)	(7,305,324)	(113,225,508)
- Other current liabilities		(17,305,842)	15,853,819	(16,137,468)	15,312,141
Cash generated from operations		233,613,893	310,704,136	233,783,874	256,353,257
Interest received		731,737	500,248	731,737	500,248
Interest paid		(5,449,165)	(7,425,358)	(5,449,165)	(7,425,358)
Income tax paid		(50,945,190)	(35,032,850)	(50,945,190)	(35,032,850)
Net cash generate from operating activities		177,951,275	268,746,176	178,121,256	214,395,297

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

Rojukiss International Public Company Limited**Statement of Cash Flows (Cont'd)****For the year ended 31 December 2021**

		Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
Notes		Baht	Baht	Baht	Baht
Cash flows from investing activities					
		41,000,000	(5,000,000)	41,000,000	(5,000,000)
	15	(20,000,000)	-	(20,000,000)	-
	16	(2,253,574)	(7,365,030)	(2,253,574)	(7,365,030)
	18	(404,750)	(810,017)	(404,750)	(810,017)
		18,341,676	(13,175,047)	18,341,676	(13,175,047)
Cash flows from financing activities					
		272,965,734	483,316,538	272,965,734	483,316,538
		(470,900,978)	(454,474,277)	(470,900,978)	(454,474,277)
	20	(8,143,317)	(3,524,624)	(8,143,317)	(3,524,624)
	22	(4,120,344)	(4,004,784)	(4,120,344)	(4,004,784)
	24	511,664,444	96,666,670	511,664,444	96,666,670
	30	(137,028,000)	(196,507,731)	(137,028,000)	(196,507,731)
	14	-	-	-	54,049,500
		164,437,539	(78,528,208)	164,437,539	(24,478,708)
Net increase in cash and cash equivalents		360,730,490	177,042,921	360,900,471	176,741,542
Cash and cash equivalents					
	at beginning of year	265,309,285	88,513,473	260,134,698	83,393,156
Exchange gain (losses) on					
	cash and cash equivalents	198,731	(247,109)	-	-
Cash and cash equivalents at end of year		626,238,506	265,309,285	621,035,169	260,134,698

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

Rojukiss International Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

1 General information

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

100/8,100/51-54 Wongvanich B Building, 12th, 19th Fl., Rama 9 Road, Huaikwang, Huaikwang, Bangkok 10310.

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

The principal business operations of the Group are summarised below:

Company	Nature of Business
Rojukiss International Public Company Limited	Distribution of skincare and cosmetics in many trademarks
PHD International Limited	Own cosmetics trademarks

These consolidated and separate financial statements were authorised for issue by the Company's authorised director on 23 February 2022.

2 Significant events during the current period

After the outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2021, it has resulted in the adverse effects on the operating results for the year ended 31 December 2021 included the Group.

Due to the preventive of the COVID-19 outbreak in many areas resulting in controlling and limiting travel in and out of both domestic and international which affects the Company business operations. The Company has given importance to the COVID-19 outbreak planning to deal with it effectively. The Company has internal process to control the COVID-19 outbreak also appointed an internal department to be responsible for monitoring the situation continuously to ensure that prevention and decision-making measures are effective and support the Company strategic goals. In addition, the Company has taken steps to maintain the business to be able to operate continuously with cost management and effective working capital management.

3 Basis of preparation

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

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

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

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

Rojukiss International Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

4 Accounting policies

4.1 Principles of consolidation and equity accounting

a) Subsidiaries

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

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

b) Joint ventures

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

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

c) Equity method

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

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

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

d) Intercompany transactions on consolidation

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

4.2 Foreign currency translation

a) Functional and presentation currency

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

b) Transactions and balances

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

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

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

Rojukiss International Public Company Limited
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c) Group companies

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

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

4.3 Cash and cash equivalents

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

4.4 Trade accounts receivable

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

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

4.5 Inventories

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

Cost of inventories is determined by the moving average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

4.6 Financial asset

a) Classification

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

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

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

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

b) Recognition and derecognition

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

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c) Measurement

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

d) Impairment

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

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

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

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

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

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

4.7 Investments in subsidiary

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

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

4.8 Plant and equipment

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

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. Capitalised where there is future economic benefits. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

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Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

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

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

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

4.9 Intangible assets

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

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

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

4.10 Leases

Leases - where the Group is the lessee

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

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

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

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

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

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

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

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

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

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4.11 Financial liabilities

a) Classification

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

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

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

b) Measurement

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

c) Derecognition and modification

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

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

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

4.12 Current and deferred income taxes

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

Current tax

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

Deferred income tax

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

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

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

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

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

4.13 Provisions

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

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

4.14 Employee benefits

a) Short-term employee benefits

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

b) Provident funds

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

c) Retirement benefits

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

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

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

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

d) Other long-term benefits

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

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

e) Termination benefits

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

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4.15 Share-based payment

Employee options

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

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

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

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

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

4.16 Share capital

Ordinary shares are classified as equity.

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

4.17 Revenue recognition

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

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

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

Sale of goods

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

Services

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

Payments to customers

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

Contract assets

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

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4.18 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

5 Financial risk management

5.1 Financial risk

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

5.1.1 Market risk

a) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from some currency exposures, primarily relates to its certain receivables and payables. However, the Group believes that foreign exchange risk will have no material effect since the receivables amount and payables amount which were in foreign currency, were slim compared with their operational results and they therefore do not use derivative financial instruments to hedge this risk.

b) Cash flow and Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions, short-term borrowings and long-term borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are closed to the market rate. The Group assesses that the interest rate risk is significant as the interests from financial assets and financial liabilities are significantly different.

5.1.2 Credit risk

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only reliable credit quality financial institutions are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

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b) Impairment of financial assets

The Group and the Company have 3 types following financial assets that are subject to the expected credit loss model:

- cash and cash equivalents;
- trade and other receivables; and
- contract assets.

While cash and cash equivalents are also subject to the impairment requirements, the identified impairment loss was immaterial.

Trade receivables and contract assets

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 December 2021 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

5.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 626 MB (2020: Baht 265 MB) that are expected to readily generate cash inflows for managing liquidity risk. Due the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves considering the level of liquid assets necessary, monitoring liquidity ratios and maintaining financing plans.

a) Financing arrangements

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Floating rate				
Expiring within one year				
- Bank overdraft	30,000,000	20,000,000	30,000,000	20,000,000
- Bank short-term loans	547,677,023	136,391,779	547,677,023	136,391,779
	577,677,023	156,391,779	577,677,023	156,391,779

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b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using strike interest rates applicable at the end of the reporting period.

	Consolidated financial statements			
	Within 1 year Baht	2 - 5 years Baht	Over 5 years Baht	Total Baht
As at 31 December 2021				
Bank overdraft and short-term loans				
from financial institutions	22,322,977	-	-	22,322,977
Trade and other payables	66,111,970	-	-	66,111,970
Lease Liabilities	3,520,344	1,808,513	-	5,328,857
Total	91,955,291	1,808,513	-	93,763,804

	Consolidated financial statements			
	Within 1 year Baht	2 - 5 years Baht	Over 5 years Baht	Total Baht
As at 31 December 2020				
Bank overdraft and short-term loans				
from financial institutions	220,258,221	-	-	220,258,221
Trade and other payables	105,673,635	-	-	105,673,635
Long-term loans from				
financial institutions	4,080,000	4,537,789	-	8,617,789
Lease Liabilities	4,120,344	5,328,857	-	9,449,201
Total	334,132,200	9,866,646	-	343,998,846

	Separate financial statements			
	Within 1 year Baht	2 - 5 years Baht	Over 5 years Baht	Total Baht
As at 31 December 2021				
Bank overdraft and short-term loans				
from financial institutions	22,322,977	-	-	22,322,977
Trade and other payables	88,779,703	-	-	88,779,703
Lease Liabilities	3,520,344	1,808,513	-	5,328,857
Total	114,623,024	1,808,513	-	116,431,537

	Separate financial statements			
	Within 1 year Baht	2 - 5 years Baht	Over 5 years Baht	Total Baht
As at 31 December 2020				
Bank overdraft and short-term loans				
from financial institutions	220,258,221	-	-	220,258,221
Trade and other payables	108,725,696	-	-	108,725,696
Long-term loans from				
financial institutions	4,080,000	4,537,789	-	8,617,789
Lease Liabilities	4,120,344	5,328,857	-	9,449,201
Total	337,184,261	9,866,646	-	347,050,907

5.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends paid to shareholders.

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6 Fair value

The following table shows fair values and carrying amounts of financial assets and liabilities by category.

	Consolidated financial statements			
	Fair value through profit or loss (FVPL) Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
31 December 2021				
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	626,238,506	626,238,506	626,238,506
Trade and other receivables	-	179,496,031	179,496,031	179,496,031
	-	805,734,537	805,734,537	805,734,537
<i>Financial liabilities not measured at fair value</i>				
Bank overdraft and Short-term borrowings from financial institutions	-	22,322,977	22,322,977	22,322,977
Trade and other payables	-	66,111,970	66,111,970	66,111,970
Current portion of lease liabilities	-	3,383,334	3,383,334	3,383,334
Lease liabilities	-	1,755,928	1,755,928	1,755,928
	-	93,574,209	93,574,209	93,574,209
31 December 2020				
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	265,309,285	265,309,285	265,309,285
Trade and other receivables	-	247,735,240	247,735,240	247,735,240
	-	513,044,525	513,044,525	513,044,525
<i>Financial liabilities not measured at fair value</i>				
Bank overdraft and Short-term borrowings from financial institutions	-	220,258,221	220,258,221	220,258,221
Trade and other payables	-	105,673,635	105,673,635	105,673,635
Current portion of long-term borrowings from financial institutions	-	3,742,135	3,742,135	3,742,135
Current portion of lease liabilities	-	3,831,257	3,831,257	3,831,257
Long-term borrowings from financial institutions	-	4,401,182	4,401,182	4,401,182
Lease liabilities	-	5,139,262	5,139,262	5,139,262
	-	343,045,692	343,045,692	343,045,692

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	Separate financial statements			
	Fair value through profit or loss (FVPL) Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
31 December 2021				
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	621,035,169	621,035,169	621,035,169
Trade and other receivables	-	180,484,083	180,484,083	180,484,083
	-	801,519,252	801,519,252	801,519,252
<i>Financial liabilities not measured at fair value</i>				
Bank overdraft and Short-term borrowings from financial institutions	-	22,322,977	22,322,977	22,322,977
Trade and other payables	-	88,779,703	88,779,703	88,779,703
Current portion of lease liabilities	-	3,383,334	3,383,334	3,383,334
Lease liabilities	-	1,755,928	1,755,928	1,755,928
	-	116,241,942	116,241,942	116,241,942
31 December 2020				
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	260,134,698	260,134,698	260,134,698
Trade and other receivables	-	247,880,253	247,880,253	247,880,253
	-	508,014,951	508,014,951	508,014,951
<i>Financial liabilities not measured at fair value</i>				
Bank overdraft and Short-term borrowings from financial institutions	-	220,258,221	220,258,221	220,258,221
Trade and other payables	-	108,725,696	108,725,696	108,725,696
Current portion of long-term borrowings from financial institutions	-	3,742,135	3,742,135	3,742,135
Current portion of lease liabilities	-	3,831,257	3,831,257	3,831,257
Long-term borrowings from financial institutions	-	4,401,182	4,401,182	4,401,182
Lease liabilities	-	5,139,262	5,139,262	5,139,262
	-	346,097,753	346,097,753	346,097,753

Since the majority of the financial assets and financial liabilities are short-term and long-term borrowing carry interest rate at floating rate, the management of the Group believes that the fair values of the Group's financial assets and financial liabilities do not materially differ from their carrying amounts.

The face values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

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7 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Allowance for account receivable from sales return

In determining allowance for account receivable from sales return, the management needs to make judgement in making estimates such returns at the time of sale at a portfolio level by applying expected value method. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

Allowance for obsolete and slow-moving inventories

In determining allowance for obsolete and slow-moving inventories, the management needs to make judgement in making estimates upon the condition of goods and aging analysis of inventories.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

Plant and equipment

Management made estimation of useful life and residual value of plant and equipment and intangible assets. The management review and revise their estimation whenever there is an indicator that assumption may vary materially from prior period, or whenever there is disposal of obsolete assets and discontinued operation.

Employee benefit obligation

The present value of the retirement benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions, include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement benefits obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefits obligations. In determining the appropriate discount rate, the Company considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement benefits liability. Additional information of other key assumptions for retirement benefits obligations is disclosed in Note 23.

8 Segment information

The Group's director examines the Group's performance from geographic perspective and has identified 4 reportable segments of the Group's businesses.

The steering committee primarily uses a measure of segments' revenue and net profit to assess the performance of the operating segments.

Significant information relating to revenue and net profit of the reportable segments are as follows.

	Consolidated financial statements									
	Thailand		Hong Kong		Indonesia		Philippines		Total	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Total revenue from sales and services	677,909,851	902,657,476	32,270,434	40,021,625	94,357,271	57,803,412	-	4,522,699	804,537,556	1,005,005,212
Inter-segment revenue	-	-	(32,270,434)	(40,021,625)	-	-	-	-	(32,270,434)	(40,021,625)
Revenue from external customers	677,909,851	902,657,476	-	-	94,357,271	57,803,412	-	4,522,699	772,267,122	964,983,587
Net Profit (loss) by Segment	79,005,982	139,663,384	(14,517,009)	(19,994,928)	54,084,181	46,923,998	-	1,399,703	118,573,154	167,992,157
Timing of revenue recognition: At a point in time	677,909,851	902,657,476	-	-	94,357,271	57,803,412	-	4,522,699	772,267,122	964,983,587
Cost of sales									(358,568,756)	(399,537,104)
Gross profit									413,698,366	565,446,483
Other income									3,782,536	1,266,196
Selling expenses									(135,863,731)	(205,576,689)
Administrative expenses									(135,364,511)	(125,038,052)
Gain (loss) from foreign exchange rate									10,803,685	(6,671,314)
Share of loss from joint venture									(5,485,416)	-
Finance costs									(5,085,677)	(7,792,581)
Profit before income tax									146,485,252	221,634,043
Income tax									(27,912,098)	(53,641,886)
Net profit for the year									118,573,154	167,992,157

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9 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cash at bank and on hand	3,724	51,346	3,724	51,346
Short-term bank deposits	626,234,782	265,257,939	621,031,445	260,083,352
Total	626,238,506	265,309,285	621,035,169	260,134,698

The effective interest rate on short-term bank deposits was 0.05% - 0.125% (2020: 0.10% - 0.50%).

10 Restricted cash

At 31 December 2021, the Company used a fixed deposit account amounting to Baht 0.7 million as a guarantee for the usage of gasoline fleet card.

11 Trade and other receivables and contract assets

11.1 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade receivables	184,884,719	240,427,861	184,884,719	240,427,861
<u>Less</u> Expected credit loss	(15,577,986)	(5,504,729)	(15,577,986)	(5,504,729)
<u>Less</u> Provision of sales return	(5,075,128)	(8,371,056)	(5,075,128)	(8,371,056)
Trade receivables - net	164,231,605	226,552,076	164,231,605	226,552,076
Trade account receivables - related party (Note 31.3)	3,786,352	-	3,786,352	-
Total trade accounts receivable - net	168,017,957	226,552,076	168,017,957	226,552,076
Inventory deposits	2,829,607	3,789,875	2,829,607	3,789,875
Other deposits	1,929,000	1,889,000	1,929,000	1,889,000
Prepaid expenses	5,903,182	15,412,461	5,903,182	15,412,461
Other receivables	105,125	91,828	116,274	91,828
Advance payment - related party (Note 31.3)	711,160	-	1,688,063	145,013
Total	179,496,031	247,735,240	180,484,083	247,880,253

11.2 Contract assets

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Contract assets	95,723,592	124,887,752	95,723,592	124,887,752
<u>Less</u> Expected credit loss	(1,402,783)	(683,885)	(1,402,783)	(683,885)
<u>Less</u> Provision of sales return contract assets	(5,586,648)	(16,947,219)	(5,586,648)	(16,947,219)
Contract assets - net	88,734,161	107,256,648	88,734,161	107,256,648

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11.3 Impairments of trade receivables and contract assets

The loss allowance for trade receivables and contract assets was determined as follows:

	Consolidated and Separate financial statements					
	Not yet due	Up to	3 - 6	6 - 12	More than	Total
	Baht	3 months	months	months	12 months	Baht
As 31 December 2021		Baht	Baht	Baht	Baht	
Gross carrying amount						
- trade receivables	114,891,567	33,710,702	2,454,112	2,399,271	35,215,419	188,671,071
- contract assets	13,462,343	48,857,409	32,236,017	1,167,823	-	95,723,592
Loss Allowance trade receivables	(225,509)	(102,869)	(351,152)	(1,676,953)	(13,221,503)	(15,577,986)
Loss Allowance contract assets	(8,865)	(220,809)	(195,627)	(977,482)	-	(1,402,783)
	128,119,536	82,244,433	34,143,350	912,659	21,993,916	267,413,894
	Consolidated and Separate financial statements					
	Not yet due	Up to	3 - 6	6 - 12	More than	Total
	Baht	3 months	months	months	12 months	Baht
As 31 December 2020		Baht	Baht	Baht	Baht	
Gross carrying amount						
- trade receivables	149,867,834	54,724,291	3,833,033	27,772,470	4,230,233	240,427,861
- contract assets	26,037,878	64,077,431	33,556,425	1,216,018	-	124,887,752
Loss Allowance trade receivables	(235,645)	(305,959)	(418,449)	(1,075,305)	(3,469,371)	(5,504,729)
Loss Allowance contract assets	(19,552)	(306,524)	(357,809)	-	-	(683,885)
	175,650,515	118,189,239	36,613,200	27,913,183	760,862	359,126,999

The group categorised contract assets by the date of invoices and the contract assets will transfer to trade receivables within 3 to 9 months.

The reconciliations of loss allowance for trade receivables and contract assets for the year ended 31 December are as follow:

	Consolidated and Separate financial statements			
	Trade receivables		Contract assets	
	2021	2020	2021	2020
	Baht	Baht	Baht	Baht
Opening loss allowance at 1 January	(5,504,729)	(5,709,874)	(683,885)	(683,836)
Decrease (Increase) in loss allowance recognised in profit or loss during the year	(10,073,257)	205,145	(718,898)	(49)
Closing loss allowance at 31 December	(15,577,986)	(5,504,729)	(1,402,783)	(683,885)

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

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12 Financial assets and financial liabilities

The classification of the Group's financial assets and financial liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Financial assets				
Financial assets at amortised cost				
Cash and cash equivalents	626,238,506	265,309,285	621,035,169	260,134,698
Trade and other receivables	179,496,031	247,735,240	180,484,083	247,880,253
	805,734,537	513,044,525	801,519,252	508,014,951
	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Financial liabilities				
Liabilities at amortised cost				
Bank overdraft and Short-term borrowings from financial institutions	22,322,977	220,258,221	22,322,977	220,258,221
Trade and other payables	66,111,970	105,673,635	88,779,703	108,725,696
Current portion of long-term borrowings from financial institutions	-	3,742,135	-	3,742,135
Current portion of lease liabilities	3,383,334	3,831,257	3,383,334	3,831,257
Long-term borrowings from financial institutions	-	4,401,182	-	4,401,182
Lease liabilities	1,755,928	5,139,262	1,755,928	5,139,262
	93,574,209	343,045,692	116,241,942	346,097,753

13 Inventories

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Finished goods	86,577,154	107,405,030	86,577,154	107,405,030
<u>Less</u> Allowance for net realisable value	(17,190,460)	(19,689,404)	(17,190,460)	(19,689,404)
<u>Add</u> Provision of cost return	4,168,944	9,527,080	4,168,944	9,527,080
Total	73,555,638	97,242,706	73,555,638	97,242,706

During the years ended 31 December 2021 and 31 December 2020, amounts recognised as cost of sales in profit or loss are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Inventories recognised as an expense	323,381,598	360,217,505	323,381,598	360,217,505
Write-down of inventories to net realisable value	-	5,424,978	-	5,424,978
Reversal of write-down inventories to net realisable value	(2,498,943)	-	(2,498,943)	-

The Group sold inventory that was previously write-down to a customer at original cost. Therefore, the Group reversed the allowance for net realisable value during the year.

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14 Investment in subsidiary

As at 31 December 2021, the group included a subsidiary in the consolidated financial statements. The subsidiary have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiary held by the Group.

Entity name	Country of incorporation	Nature of business	% of ownership interest		Consolidated financial statement		Separate financial statement	
					Investment at equity method		Investment at cost method	
			31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
			%	%	Baht	Baht	Baht	Baht
Subsidiary								
PHD International Limited	Hongkong	Own cosmetics trademarks	100	100	-	-	44,793	44,793
Total subsidiary					-	-	44,793	44,793

On 9 December 2020, the Company received dividends from PHD International Limited a subsidiary of Baht 54.05 million.

15 Investment in joint venture

15.1 Investment in joint venture

As at 31 December 2021, investment in joint venture are as follows:

Entity name	Country of incorporation	Nature of business	% of ownership interest		Consolidated financial statement		Separate financial statement	
					Investment at equity method		Investment at cost method	
			31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
			%	%	Baht	Baht	Baht	Baht
Joint venture								
O2 KISS Co., Ltd.	Thailand	Distribution of skincare and food supplement in many trademarks	40	-	14,514,584	-	20,000,000	-
Total					14,514,584	-	20,000,000	-

O2 KISS Co., Ltd ("O2KISS")

On 5 January 2021, the Board of Directors Meeting 1/2021 approved the Company to invest in O2KISS a new established company, by investing in 2,000,000 ordinary shares totalling Baht 20,000,000 representing ownership interest of 40.00%. The company jointly controls O2KISS through shareholders agreement. O2KISS has registered with Department of Business Development on 25 March 2021.

On 15 January 2021, major shareholders of the Company signed a letter of intent (LOI) with GMM Grammy Public Company Limited ("GMM") for the right to sale of shares in the Company at an amount not exceeding 59.94 million shares or 9.99 percent of total shares at the initial public offering price and the exercise period not later than 7 July 2021. The Company considered initial public offering price is equal to market price. GMM Grammy Public Company Limited ("GMM") exercised the right to purchase shares in the company on 10 June 2021 totalling 59.94 million shares or 9.99 percent of total shares.

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15.2 Movements of investment

Movements of investments in joint venture for the year ended 31 December 2021 are as follow:

	Consolidated financial statement	Separate financial statement
	Investment in equity method	Investment in cost method
	31 December 2021 Baht	31 December 2021 Baht
Opening net book value	-	-
Increase in investment	20,000,000	20,000,000
Share of net loss	(5,485,416)	-
Closing net book value	14,514,584	20,000,000

There are no contingent liabilities in respect of the Group's investment in joint venture.

16 Plant and equipment

Consolidated and separate financial statements					
	Office apartments and building improvements	Furniture and office equipment	Computers and gadgets	Total	
	Baht	Baht	Baht	Baht	Baht
At 1 January 2020					
Cost	59,612,318	16,763,811	2,950,987	79,327,116	
Less Accumulated depreciation	(17,584,955)	(7,113,245)	(2,041,176)	(26,739,376)	
Less Allowance for impairment	(251,748)	(45,953)	(89,809)	(387,510)	
Net book amount	41,775,615	9,604,613	820,002	52,200,230	
Year ended 31 December 2020					
Opening net book amount	41,775,615	9,604,613	820,002	52,200,230	
Additions	463,453	5,916,472	985,105	7,365,030	
Disposals, net	(85,571)	(605,165)	87,588	(603,148)	
Depreciation charge	(3,754,969)	(3,708,485)	(850,510)	(8,313,964)	
Closing net book amount	38,398,528	11,207,435	1,042,185	50,648,148	
At 31 December 2020					
Cost	59,286,253	20,703,937	3,932,775	83,922,965	
Less Accumulated depreciation	(20,635,977)	(9,453,294)	(2,888,700)	(32,977,971)	
Less Allowance for impairment	(251,748)	(43,208)	(1,890)	(296,846)	
Net book amount	38,398,528	11,207,435	1,042,185	50,648,148	

As at 31 December 2020, the office apartments and building improvements amounting to Baht 38.40 million, are used as collaterals for long-term borrowings from financial institution of Baht 8.1 million (Note 23) and facilities of short-term borrowings from financial institution of Baht 10 million (Note 23).

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	Consolidated and separate financial statements			
	Office apartments and building improvements Baht	Furniture and office equipment Baht	Computers and gadgets Baht	Total Baht
At 1 January 2021				
Cost	59,286,253	20,703,937	3,932,775	83,922,965
Less Accumulated depreciation	(20,635,977)	(9,453,294)	(2,888,700)	(32,977,971)
Less Allowance for impairment	(251,748)	(43,208)	(1,890)	(296,846)
Net book amount	38,398,528	11,207,435	1,042,185	50,648,148
Year ended 31 December 2021				
Opening net book amount	38,398,528	11,207,435	1,042,185	50,648,148
Additions	-	929,274	1,324,300	2,253,574
Write-off, net	-	(11,072)	(101,957)	(113,029)
Depreciation charge	(3,554,032)	(4,253,497)	(790,697)	(8,598,226)
Closing net book amount	34,844,496	7,872,140	1,473,831	44,190,467
At 31 December 2021				
Cost	59,286,253	21,490,889	4,836,381	85,613,523
Less Accumulated depreciation	(24,190,009)	(13,576,652)	(3,360,660)	(41,127,321)
Less Allowance for impairment	(251,748)	(42,097)	(1,890)	(296,846)
Net book amount	34,844,496	7,872,140	1,473,831	44,190,467

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17 Right-of-use assets

Right-of-use asset balance are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2021 Baht	31 December 2020 Baht	31 December 2021 Baht	31 December 2020 Baht
Warehouse	2,377,433	5,098,202	2,377,433	5,098,202
Vehicles	2,516,649	3,676,697	2,516,649	3,676,697
Total	4,894,082	8,774,899	4,894,082	8,774,899

For the year ended 31 December, amounts charged to profit or loss and cash flows relating to leases are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2021 Baht	31 December 2020 Baht	31 December 2021 Baht	31 December 2020 Baht
Depreciation charge of right-of-use assets:				
Warehouse	2,720,769	2,733,769	2,720,769	2,733,769
Vehicles	1,160,048	1,076,384	1,160,048	1,076,384
Total	3,880,817	3,810,153	3,880,817	3,810,153
Addition to the right-of-use assets during the year	-	5,319,452	-	5,319,452
Total cash outflow for leases	4,120,344	4,004,784	4,120,344	4,004,784
Interest expense (included in finance cost)	289,087	390,251	289,087	390,251

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18 Intangible assets

	Consolidated financial statements			
	Trademark Baht	Software Baht	Software under development Baht	Total Baht
At 1 January 2020				
Cost	9,112,917	6,290,656	22,400	15,425,973
<u>Less</u> Accumulated amortisation	(3,639,172)	(4,353,006)	-	(7,992,178)
Net book amount	5,473,745	1,937,650	22,400	7,433,795
Year ended 31 December 2020				
Opening net book amount	5,473,745	1,937,650	22,400	7,433,795
Additions	-	598,667	211,350	810,017
Write-off, net	-	-	-	-
Amortisation charge	(951,331)	(1,363,988)	-	(2,315,319)
Currency translation difference	23,401	-	-	23,401
Closing net book amount	4,545,815	1,172,329	233,750	5,951,894
At 31 December 2020				
Cost	9,079,690	6,889,323	233,750	16,202,763
<u>Less</u> Accumulated amortisation	(4,533,875)	(5,716,994)	-	(10,250,869)
Net book amount	4,545,815	1,172,329	233,750	5,951,894
Year ended 31 December 2021				
Opening net book amount	4,545,815	1,172,329	233,750	5,951,894
Additions	-	638,500	(233,750)	404,750
Write-off, net	-	(26,370)	-	(26,370)
Amortisation charge	(972,106)	(690,650)	-	(1,662,756)
Currency translation difference	475,757	-	-	475,757
Closing net book amount	4,049,466	1,093,809	-	5,143,275
At 31 December 2021				
Cost	10,107,058	6,904,903	-	17,011,961
<u>Less</u> Accumulated amortisation	(6,057,592)	(5,811,094)	-	(11,868,686)
Net book amount	4,049,466	1,093,809	-	5,143,275

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	Separate financial statements		
	Software Baht	Software under development Baht	Total Baht
At 1 January 2020			
Cost	6,290,656	22,400	6,313,056
<u>Less</u> Accumulated amortisation	(4,353,006)	-	(4,353,006)
Net book amount	1,937,650	22,400	1,960,050
Year ended 31 December 2020			
Opening net book amount	1,937,650	22,400	1,960,050
Additions	598,667	211,350	810,017
Disposals	-	-	-
Amortisation charge	(1,363,988)	-	(1,363,988)
Closing net book amount	1,172,329	233,750	1,406,079
At 31 December 2020			
Cost	6,889,323	233,750	7,123,073
<u>Less</u> Accumulated amortisation	(5,716,994)	-	(5,716,994)
Net book amount	1,172,329	233,750	1,406,079
Year ended 31 December 2021			
Opening net book amount	1,172,329	233,750	1,406,079
Additions	638,500	(233,750)	404,750
Disposals	(26,370)	-	(26,370)
Amortisation charge	(690,650)	-	(690,650)
Closing net book amount	1,093,809	-	1,093,809
At 31 December 2021			
Cost	6,904,903	-	6,904,903
<u>Less</u> Accumulated amortisation	(5,811,094)	-	(5,811,094)
Net book amount	1,093,809	-	1,093,809

Amortisation recognised in profit and loss that are related to intangible assets are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Administrative expense	1,662,756	2,315,319	690,650	1,363,988

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19 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated and separate financial statements	
	2021 Baht	2020 Baht
Deferred tax assets	11,159,265	13,120,511
Deferred tax liabilities	1,812,605	3,660,396
Deferred tax assets, (net)	9,346,660	9,460,115

The movements in deferred tax assets and liabilities during the year is as follows:

	Consolidated and separate financial statements						
	Expected credit loss Baht	Allowance from sale return Baht	Allowance for decrease in value of inventory Baht	Allowance for impairment of plant and equipment Baht	Lease liabilities Baht	Employee benefit obligation Baht	Total Baht
Deferred tax assets							
1 January 2020	1,085,010	4,512,896	2,852,887	77,502	-	865,657	9,393,952
Charged/(credited) to profit or loss	152,713	550,759	1,084,996	(18,134)	1,794,104	162,121	3,726,559
31 December 2020	1,237,723	5,063,655	3,937,883	59,368	1,794,104	1,027,778	13,120,511
1 January 2021	1,237,723	5,063,655	3,937,883	59,368	1,794,104	1,027,778	13,120,511
Charged/(credited) to profit or loss	2,158,431	(2,931,300)	(499,789)	(223)	(766,251)	77,886	(1,961,246)
31 December 2021	3,396,154	2,132,355	3,438,094	59,145	1,027,853	1,105,664	11,159,265

	Consolidated and separate financial statements		
	Provision from cost return Baht	Right of use Baht	Total Baht
Deferred tax liabilities			
1 January 2020	(1,700,145)	-	(1,700,145)
Charged/(credited) to profit or loss	(205,271)	(1,754,980)	(1,960,251)
31 December 2020	(1,905,416)	(1,754,980)	(3,660,396)
1 January 2021	(1,905,416)	(1,754,980)	(3,660,396)
Charged/(credited) to profit or loss	1,071,628	776,163	1,847,791
31 December 2021	(833,788)	(978,817)	(1,812,605)

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20 Borrowings

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Current				
Bank overdrafts	-	10,000,000	-	10,000,000
Trust Receipts	22,322,977	173,608,221	22,322,977	173,608,221
Promissory notes	-	36,650,000	-	36,650,000
Current portion of long-term borrowings Bank borrowings	-	3,742,135	-	3,742,135
Total current borrowings	22,322,977	224,000,356	22,322,977	224,000,356
Non-current				
Bank borrowings	-	4,401,182	-	4,401,182
Total non-current borrowings	-	4,401,182	-	4,401,182
Total borrowings	22,322,977	228,401,538	22,322,977	228,401,538

Trust receipts are denominated in Thai Baht with floating interest rate.

The fair values of current borrowings are equal to their carrying amounts, as the impact of discounting is not material. The borrowing rates of the Group and the Company are floating interest rates in accordance with the money market rate and are within the level 2 of the fair value hierarchy.

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Maturity of long-term borrowings:				
Within 1 year	-	3,742,135	-	3,742,135
Between 2 years and 5 years	-	4,401,182	-	4,401,182
Total long-term borrowings	-	8,143,317	-	8,143,317

21 Trade and other payable

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade payable	33,068,858	40,118,207	33,376,226	40,083,525
Amounts due to related party (Note 31.3)	-	-	22,360,365	3,086,743
Accrued rebate expenses	24,287,809	57,116,925	24,287,809	57,116,925
Accrued expenses	8,755,303	8,438,503	8,755,303	8,438,503
Total	66,111,970	105,673,635	88,779,703	108,725,696

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22 Lease liabilities

	Consolidated and Separate financial statements	
	31 December 2021 Baht	31 December 2020 Baht
Current portion of lease liabilities	3,383,334	3,831,257
Lease liabilities	1,755,928	5,139,262
Total lease liabilities	5,139,262	8,970,519

The movement of lease liabilities for the year ended 31 December 2021 can be analysed as follows:

	Consolidated and Separate financial statements		
	Lease payables Baht	Deferred interest Baht	Lease liabilities Baht
Opening net book value	9,449,202	(478,683)	8,970,519
Additions			
Cash outflows:			
Repayment	(4,120,344)	-	(4,120,344)
Non-cash changes:			
Amortised deferred interest	-	289,087	289,087
Closing net book value	5,328,858	(189,596)	5,139,262

	Consolidated and Separate financial statements	
	31 December 2021 Baht	31 December 2020 Baht
Minimum finance lease liabilities payments		
Not later than one year	3,520,344	4,120,344
Later than 1 year but not later than 5 years	1,808,513	5,328,858
Later than 5 years	-	-
<u>Less</u> Future finance charges on finance leases	(189,595)	(478,683)
Present value of finance lease liabilities	5,139,262	8,970,519
Present value of finance lease liabilities:		
Not later than one year	3,383,334	3,831,257
Later than 1 year but not later than 5 years	1,755,928	5,139,262
Later than 5 years	-	-
	5,139,262	8,970,519

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23 Employee benefit obligations

	Consolidated and separate financial statements	
	2021 Baht	2020 Baht
Retirement benefit obligations	5,320,624	4,989,538
Other long-term benefit obligations	207,699	149,355
	5,528,323	5,138,893

The Company provides retirement benefits based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on based salaries and length of service.

The Company provides other long-term benefits following the policy of the Company. The benefits are paid in cash which amounts are predetermined according to the Company's policy.

The movements of employee benefit obligations over the year are as follows:

	Consolidated and separate financial statements					
	2021			2020		
	Retirement benefit obligations Baht	Other long-term benefit obligations Baht	Total Baht	Retirement benefit obligations Baht	Other long-term benefit obligations Baht	Total Baht
At 1 January	4,989,538	149,355	5,138,893	4,163,536	164,754	4,328,290
Current service cost	751,022	43,164	794,186	750,328	48,786	799,114
Interest cost	86,514	2,846	89,360	75,674	2,965	78,639
Benefits paid	(494,116)	-	(494,116)	-	(67,150)	(67,150)
At 31 December	5,332,958	195,365	5,528,323	4,989,538	149,355	5,138,893

The amounts recognised in the income statement are as follows:

	2021 Baht	2020 Baht
Current service cost	794,186	799,114
Interest cost	89,360	78,639
	883,546	877,753

The significant actuarial assumptions used were as follows:

	Consolidated and separate financial statements	
	2021 Baht	2020 Baht
Discount rate	1.54%	1.54%
Salary growth rate	4.22%	4.22%
Turnover rate	24% - 60%	24% - 60%
Age of retirement	60 Years old	60 Years old

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Sensitivity analysis for each significant assumption used is as follows:

	Consolidated and separate financial statements					
	Change in assumption		Impact on defined benefit obligation			
	2021	2020	Increase in assumption		Decrease in assumption	
			2021	2020	2021	2020
Discount rate	0.50%	0.50%	Decrease by 4.5%	Decrease by 4.69%	Increase by 4.78%	Increase by 4.99%
Salary growth rate	0.50%	0.50%	Increase by 4.96%	Increase by 4.68%	Decrease by 4.70%	Decrease by 4.44%
Turnover rate	0.50%	0.50%	Decrease by 5.37%	Decrease by 5.04%	Increase by 1.23%	Increase by 1.05%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Weighted average of employee benefit obligations period is 13 years.

Expected maturity analysis of undiscounted retirement benefits is as follows:

	Less than 1 year Baht	Between 1 - 5 years Baht	Between 5 - 10 years Baht	More than 10 years Baht	Total Baht
At 31 December 2021					
Retirement benefits	55,271	830,742	8,121,562	573,031	9,580,606
	Less than 1 year Baht	Between 1 - 5 years Baht	Between 5 - 10 years Baht	More than 10 years Baht	Total Baht
At 31 December 2020					
Retirement benefits	392,280	859,644	6,205,468	2,515,492	9,972,884

24 Share capital and premium on share capital

	Registered share capital		Issued and paid-up capital		Share premium
	Shares	Baht	Shares	Baht	Baht
1 January 2020	17,333,333	173,333,330	17,333,333	173,333,330	5,703,904
Issuance of shares	9,666,667	96,666,670	9,666,667	96,666,670	-
Number of ordinary shares and ordinary shares at par value of Baht 0.50 each	540,000,000	270,000,000	540,000,000	270,000,000	5,703,904
Call for paid-up share capital	78,000,000	39,000,000	-	-	-
31 December 2020	618,000,000	309,000,000	540,000,000	270,000,000	5,703,904
Issuance of shares	-	-	60,000,000	30,000,000	481,664,444
31 December 2021	618,000,000	309,000,000	600,000,000	300,000,000	487,368,348

The total number of authorised ordinary shares is 618,000,000 shares with a par value of Baht 0.50 per share. Of 618,000,000 shares, 600,000,000 issued shares are fully paid.

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At the Extraordinary General Meeting no.1/2020 held on 29 May 2020, the shareholders passed a resolution approving an increase in the authorised share capital by issuing of new ordinary shares of 9,666,667 shares with par value of Baht 10 per share. Consequently, total number of authorised ordinary shares increased from 17,333,333 shares with par value of Baht 10 per share to 27,000,000 shares with par value of Baht 10 per share. The Company registered the increase in share capital with the Ministry of Commerce on 12 June 2020.

At the Extraordinary General Meeting 2/2020 held on 14 July 2020, the shareholder approved as following;

- 1.) The decrease in authorised share capital with the Ministry of Commerce from a par value of Baht 10 per share with total shares of 27,000,000 shares to a par value of Baht 0.50 per share with total shares of 540,000,000 shares.
- 2.) At the shareholders passed a resolution approving an increase in the authorised share capital by issuing of new ordinary shares of 78,000,000 shares with par value of Baht 0.50 per share. Consequently, total number of authorised ordinary shares increased from 540,000,000 shares with par value of Baht 0.50 per share to 618,000,000 shares with par value of Baht 0.50 per share. The Company registered the increase in share capital with the Ministry of Commerce on 16 July 2020.

In February 2021, the Company made an initial public offering of 60,000,000 ordinary shares with a par value of Baht 0.5 per share, offering the price of Baht 9.00 per share, totalling Baht 540,000,000. The Company recorded the cost of distribution of shares at the amount of Baht 28,335,556 which deducted in the account of premium on paid-up capital of ordinary shares. The Company's ordinary shares has started trading on the Stock Exchange of Thailand since 19 February 2021.

25 Share-base payment

The Company issued and offered grants of warrants to the executives and employees of the Company (KISS ESOP), which their terms 5 years from the issued date and no offered price. The criteria of right exercise is regarding to the Company policy. The exercise ratio and price on issued date are as follows:

	Issued date	Expired date	Exercise price Baht/unit	Number of Issued warrants units	Exercise Ratio unit/share	Exercise period	
						Start	End
KISS ESOP	19 February 2021	19 February 2026	7.20	18,000,000	1:1	19 February 2023	19 February 2026

The fair value of the warrant is measured by a Black-Scholes Model with the following financial assumptions:

	KISS ESOP
Fair value of the warrant at the grant date	1.90 Baht/unit
Share price at the grant date	9.00 Baht/unit
Exercise price	7.20 Baht/unit
Expected volatility	20.00%
The expected period, that shareholders will completely use their right on warrant	5 years
Risk free interest rate	0.86%

On 14 July 2020, the Extraordinary General Shareholders Meeting 2/2020 of the Company had passed a resolution to approve the warrants to directors and employees ("KISS ESOP") allocation not over 18,000,000 units, under the ESOP scheme. Details of allocation warrants are announced to directors and employees on 19 February 2021.

No.	Exercise price (Baht/unit)	Number of issued warrants Units*	Exercise ratio unit/share	Exercise period	
				Start	End
1	7.20 Baht/unit	18,000,000	1:1	19 February 2023	19 February 2026

* Number of exercised warrants of the total allocated units.

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Movements of capital reserve for share-based payment for the years ended 31 December 2021 are as follows:

	Consolidated and Separate financial statement Baht
At 1 January	-
Increase during the year	7,338,001
At 31 December	7,338,001

Movement of number of the warrants for the year ended 31 December 2021 are as follows:

	Units
At 1 January	-
Increase during the year	18,000,000
At 31 December	18,000,000

26 Legal reserve

	Consolidated and Separate financial statements Baht
At 1 January 2020	17,333,333
Appropriation during the year	9,666,667
At 31 December 2020	27,000,000
Appropriation during the year	3,000,000
At 31 December 2021	30,000,000

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least 5% percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% percent of the registered capital. This reserve is not available for dividend distribution.

27 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cost of raw materials and finished goods	323,205,589	360,341,609	323,205,589	360,341,609
Advertising expense	71,418,591	133,581,079	71,418,591	133,581,079
Employee salaries	85,350,950	90,121,762	85,350,950	90,121,762
Employee benefit expense	883,546	877,753	883,546	877,753
Depreciation and amortisation	14,141,799	14,439,436	13,169,693	13,488,105

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28 Income tax expense

Income tax expense for the year comprises the following:

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Current tax:		
Current tax on profits for the year	27,798,643	55,408,194
Total current tax	27,798,643	55,408,194
Deferred tax:		
Decrease (increase) in deferred tax assets (Note 19)	1,961,246	(3,726,559)
(Decrease) increase in deferred tax liabilities (Note 19)	(1,847,791)	1,960,251
Total deferred tax	113,455	(1,766,308)
Total income tax expense	27,912,098	53,641,886

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Profit before tax	146,485,252	221,634,043	134,217,243	260,180,024
Tax calculated at a tax rate of 20% (2020: 20%)	29,297,050	44,326,809	26,843,449	52,036,005
Tax effect of:				
Expenses not deductible for tax purpose	2,168,314	12,456,800	1,071,231	1,646,900
Expenses deductible for tax purpose	(2,456,183)	(3,141,723)	(2,582)	(41,019)
Share of loss from joint venture	(1,097,083)	-	-	-
Tax charge	27,912,098	53,641,886	27,912,098	53,641,886

The weighted average applicable tax rate was 20.80% (2020: 20.62%).

The tax (charge)/credit relating to component of other comprehensive income is as follows:

	Consolidated and separate financial statements					
	2021			2020		
	Before tax Baht	Tax (charge) credit Baht	After tax Baht	Before tax Baht	Tax (charge) credit Baht	After tax Baht
Currency translation difference	1,719,983	-	1,719,983	3,734,380	-	3,734,380
At 31 December	1,719,983	-	1,719,983	3,734,380	-	3,734,380

	Consolidated and Separate financial statements	
	2021 Baht	2020 Baht
Current tax	27,798,643	55,408,194
Deferred tax (note 19)	113,455	(1,766,308)
Income tax expense	27,912,098	53,641,886

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29 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to the shareholders by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit for the period (Baht)	118,573,154	167,992,157	106,305,145	206,538,138
Weighted average number of ordinary shares outstanding (shares)	592,273,973	461,293,258	592,273,973	461,293,258
Basic earnings per share (Baht per share)	0.20	0.36	0.18	0.45

30 Dividends

2021

On 5 January 2021, the Board of Directors Meeting 1/2021 of the Company, the Board of Directors approved the payment of interim dividend from net profit for the year ended 31 December 2020 to the shareholders listed in the register on 31 December 2020. Dividend were announced at rate of Baht 0.1482 per share totalling Baht 80,028,000. The dividends paid on 29 January 2021.

On 26 April 2021, the Annual General Meeting 1/2021 of the Company, the meeting passed a resolution approving the Company to pay dividend from retained earnings at 31 December 2020 to the shareholders listed in the register on 30 April 2021, at the rate of Baht 0.04 per share totalling Baht 24,000,000. The dividends paid on 20 May 2021.

On 10 August 2021, the Board of Director Meeting 6/2021 of the Company, the Board of Directors approved the payment of interim dividend from net profit for the period ended at 30 June 2021 to the shareholders listed in the register on 31 August 2021. Dividend were announced at rate of Baht 0.055 per share totalling Baht 33,000,000. The dividends paid on 9 September 2021.

2020

On 29 May 2020, the Extraordinary General Meeting 1/2020 of the company had passed a resolution approving the company to pay dividend from retained earnings at 31 December 2020 to the shareholders listed in the register on 30 April 2020. Dividend were announced at rate of Baht 6.20 per share, totaling Baht 107,407,731. The dividends were paid on 2 June 2020.

On 10 November 2020, the Board of Directors meeting 3/2020 of the company, the board of directors approved the payment of interim dividend from net profit for the period ended at 30 September 2020 to the shareholders listed in the register on 30 September 2020. Dividend were announced at rate of Baht 0.165 per share totaling Baht 89,100,000. The dividends were paid on 9 December 2020.

31 Related party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, associates, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The majority of the Company's shareholders are Aurora Asia Holdings PTE LTD and Ms. Piyawadee Sonsingh who own 28.98% and 18.04% of the Company's shares.

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The following material transactions were carried out with related parties:

31.1 sales of goods and services

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Sales of goods				
Joint venture	10,760,379	-	10,760,379	-

31.2 Purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Royalty Fee				
Subsidiary	-	-	32,427,311	40,340,060

31.3 Outstanding balances arising from purchases/sales of goods and services and other income

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Advance payment (Note 11.1)				
Subsidiary	-	-	976,903	145,013
Joint venture	711,160	-	711,160	-
Total Advance payment	711,160	-	1,688,063	145,013
Trade account receivables - related party (Note 11.1)				
Joint venture	3,786,352	-	3,786,352	-
Amounts due to related party (Note 21)				
Subsidiary	-	-	22,360,365	3,086,743

31.4 Key management compensation

Key management includes members of the executive committee. The compensation paid or payable to key management are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Salaries and other short-term				
employee benefits	33,094,926	37,873,472	23,134,914	24,280,928
Retirement benefits	1,302,537	1,787,537	1,302,537	1,787,537
Total	34,397,463	39,661,009	24,437,451	26,068,465

32 Subsequent events

On 28 January 2022, the Board of Director Meeting 1/2022 of the Company had passed a resolution to investment in Hibiocy Company Limited ("HIB") totaling Baht 5,200,000.

Appendix

- 1. Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, and Corporate Secretary**
- 2. Details of Directors of a Subsidiary**
- 3. Details of Internal Auditor**
- 4. Charters of the Board of Directors and Sub-Committees**

Appendix 1

Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, and Corporate Secretary

1. Dr. Lackana Leelayouthayotin



Age	68
Position	Chairman / Independent Director
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	0.08%
Family Relationship with Director and Management	-None-

Education

- Ph.D. (Business Administration), University of Southern Queensland, Australia
- Master of Business Administration, Catholic University of Leuven, Belgium
- B.Sc. (Chemistry), Chulalongkorn University

Training Programs

- Advance Audit Committee Program, 2018, Thai Institute of Directors Association
- TLCA Leadership Development Program, 2017, International Institute for Management Development
- Public Director Certification Program, 2017, Public Director Institute
- Director Certification Program (DCP) 225/2016, Thai Institute of Directors Association
- Advance Executive Program, 1999, Kellogg School of Management, Northwestern University, U.S.A

Position in Other Listed Company

- 2019 – Present Independent Director / Member of the Executive Committee, The Siam Commercial Bank Public Company Limited
- 2016 – Present Independent Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee, Techno Medical Public Company Limited
- 2015 - Present Independent Director, Lam Soon (Thailand) Public Company Limited

Position in Other Company/Organization/Institution

- 2021 - Present Independent Director / Member of the Executive Committee, SCB X Public Company Limited
- 2017 - Present Independent Director, Bangchak Retail Company Limited
- 2016 - Present Independent Director / Member of the Audit Committee, Shera Public Company Limited
- 2016 - Present Managing Director, Advisor and Beyond Company Limited
- 2013 - Present Advisor, Brand's Suntory (Thailand) Company Limited
- 2021 - Present Vice Chairman, Fund Raising Bureau of Thai Red Cross Society
- 2021 - Present Chairman of the Fund Management Committee, Thailand Institute of

- 2019 - Present Scientific and Technological Research (NIA)
- 2018 - Present Vice President, Chulalongkorn University Alumni Association
- 2018 - Present Member of Fund for Patients and Hospital Affairs Committee, Somdet Phra Nyanasamvara Somdet Phra Sangharaj Wat Bovoranives Vihara Foundation under Royal Patronage
- 2014 - Present Chairman, Foundation for Education, Marketing Association of Thailand
- 1997 - Present Chairman of the Subcommittee of the Recruitment and Promotion of Voluntary Blood Donors Committee and Chairman of Voluntary Blood Donors Committee, National Blood Center, Thai Red Cross Society

Experiences in the past 5 years

- 2015 – 2021 Director, GMM Grammy Public Company Limited
- 2015 – 2019 Advisory to the Strategy Sub Committee, Thai Institute of Nuclear Technology
- 2015 – 2018 Director, GMM Channel Company Limited
- 2015 – 2017 Director, The One Enterprise Company Limited
- 2013 – 2017 Director, Cerebos (Thailand) Company Limited
- 2007 – 2017 Director, Tipco F&B Company Limited

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



2. Mrs. Pratana Mongkolkul

Age	57
Position	Vice Chairman / Chairman of the Audit Committee /Independent Director
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	0.05%
Family Relationship with Director and Management	-None-

Education

- Master of Business Administration, Thammasat University
- Bachelor of Accounting, Thammasat University

Training Programs

- Certificate Advanced Management Program, Harvard Business School, Harvard University, U.S.A.
- Board Nomination and Compensation Program (BNCP) 12/2021, Thai Institute of Directors Association
- Director Leadership Certification Program (DLCP) 2/2021, Thai Institute of Directors Association
- Ethical Leadership Program (ELP) 21/2021, Thai Institute of Directors Association
- IT Governance and Cyber Resilience Program (ITG) 3/2017, Thai Institute of Directors Association
- Audit Committee Program (ACP) 22/2016, Thai Institute of Directors Association
- Director Certification Program (DCP) 34/2003, Thai Institute of Directors Association
- Director Accreditation Program (DAP) 2/2003, Thai Institute of Directors Association
- IP Bar 2021 : IP Challenges in the Next Normal, Central Intellectual Property and International Trade Court
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Rationale 20/2016, King Prajadhipok's Institute
- Public Director Certification Program Class 13/2015, King Prajadhipok's Institute
- Thai Intelligent Investors 1/2012, Thai Investors Association
- Capital Market Academy Leader Program 6/2008, Capital Market Academy
- Chief Financial Officer Certification Program 1/2004, Institute of Certified Accounting and Auditors of Thailand
- Director Diploma Examination 2003, The Australian Institute of Directors Association

Position in Other Listed Company

- 2021 – Present Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee / Member of the Corporate Governance Committee, Total Access Communication Public Company Limited
- 2019 – Present Independent Director / Member of the Audit Committee, TBSP Public Company Limited

- 2019 – Present Independent Director / Chairman of the Audit Committee, Central Retail Corporation Public Company Limited
- 2015 – Present Independent Director / Chairman of the Risk Management Committee / Member of the Nomination and Remuneration Committee / Member of the Good Corporate Governance Committee, FN Factory Outlet Public Company Limited

Position in Other Company/Organization/Institution

- 2014 - Present Associate Judge Class 10, 13, Central Intellectual Property and International Trade Court

Experiences in the past 5 years

- 2017 – 2020 Director / Member of Executive Board Committee, Thai Airways International Public Company Limited
- 2018 – 2019 Director / Board of Trustees, Dhurakij Pundit University
- 2015 – 2019 Director / Chairman of the Audit Committee, Thailand Post Company Limited
- 2013 – 2019 Independent Director / Member of the Audit Committee, T.K.S. Technologies Public Company Limited
- 2014 – 2018 Member of Board Commissioners / Chairman of the Audit Committee, Port Authority of Thailand
- 2015 – 2017 Director / Member of the Executive Committee, Government Saving Bank
- 2014 – 2017 Independent Director / Member of Executive Committee, Dusit Thani Public Company Limited

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



3. Dr. Anuphan Kitnitchiwa

Age	58
Position	Chairman of the Corporate Governance Committee / Member of the Nomination and Remuneration Committee / Independent Director
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	0.05%
Family Relationship with Director and Management	-None-

Education

- Doctor of Philosophy, National Institution of Development Administration
- Master of Law, Thammasat University
- Bachelor of Law, Thammasat University

Training Programs

- Executive Education Capital Market Academy (CMA.) 29/2019, The Stock Exchange of Thailand
- The Advanced Certificate on Promotion of Peaceful Society 8th, 2017/2018, King Pachadhipok Institute
- Successful Formulation and Execution of Strategy (SFE) 26/2016, Thai Institute of Directors Association
- The Role of Chairman Program (RCP) 38/2016, Thai Institute of Directors Association
- Advance Audit Committee Program (AACP) 17/2014, Thai Institute of Directors Association
- Director Certification Program (DCP) 130/2010, Thai Institute of Directors Association

Position in Other Listed Company

- 2014 – Present Independent Director / Chairman of the Audit Committee, Thai Poly Acrylic Public Company Limited
- 2014 – Present Independent Director, Humanica Public Company Limited

Position in Other Company/Organization/Institution

- 2004 – Present Director / Managing Director, Dherakupt Law Office Company Limited

Experiences in the past 5 years

- 2014 – 2018 Independent Director / Chairman of the Audit Committee, TOT Public Company Limited

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



4. Dr. Chatrchai Tuongratanaphan

Age	65
Position	Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Independent Director
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	0.05%
Family Relationship with Director and Management	-None-

Education

- Ph.D., International Business, United States International University
- Master's Degree, International Marketing, United States International University
- Bachelor of Science, Mahidol University

Training Programs

- Advance Audit Committee Program, 2018, Thai Institute of Directors Association
- Director Certification Program (DCP) 207/2015, Thai Institute of Directors Association

Position in Other Listed Company

- 2018 – Present Independent Director / Chairman of the Board of Directors / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee, Do Home Public Company Limited

Position in Other Company/Organization/Institution

- 2009 – Present Executive Director, Thai Retailer Association

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



5. Ms. Pornchanok Tansakul

Age	49
Position	Member of the Audit Committee / Independent
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	0.05%
Family Relationship with Director and Management	-None-

Education

- Master of Business Administration, Kellogg School of Management, Northwestern University, U.S.A.
- Bachelor of Business Administration, Assumption University

Training Programs

- Director Accreditation Program (DAP) 168/2020, Thai Institute of Directors Association

Position in Other Company/Organization/Institution

- 2017 – Present Chief of Staff – Group CEO, Harnng Central Department Store Company Limited

Experiences in the past 5 years

- 2015 – 2017 President, COL Public Company Limited

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



6. Mrs. Yayus Sulyanni Mak

Age	48
Position	Member of the Corporate Governance Committee / Independent Director
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	0.05%
Family Relationship with Director and Management	-None-

Education

- Master of Science, Management Science and Engineering, Stanford University
- Bachelor of Arts, Mathematics and Chemistry, Boston University

Training Programs

- Director Accreditation Program (DAP) 173/2020, Thai Institute of Directors Association

Position in Other Company/Organization/Institution

- 2008 – Present Lecturer, Chulalongkorn University

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



7. Ms. Piyawadee Sonsingh

Age	52
Position	Member of the Corporate Governance Committee / Authorized Director as per the Company's Affidavit
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	18.04%
Family Relationship with Director and Management	-None-

Education

- Master of Business Administration, Chiangmai University
- Bachelor of Pharmacy, Chiangmai University

Training Programs

- Director Accreditation Program (DAP) 130/2016, Thai Institute of Directors Association

Position in Other Company/Organization/Institution

- 2021 – Present Independent Director, Mungmee Ecommerce Company Limited
- 2020 – Present Independent Director, Devakam Apothecary Hall Company Limited
- 2019 – Present Independent Director, Meticuly Company Limited
- 2012 – Present Director, PhD International Limited

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



8. Mr. Anotai Adulbhan

Age	48
Position	Member of the Nomination and Remuneration Committee / Authorized Director as per the Company's Affidavit
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	0.02%
Family Relationship with Director and Management	-None-

Education

- Master of Business Administration, Kellogg School of Management, Northwestern University, U.S.A.
- Bachelor of Engineering, Chulalongkorn University

Training Programs

- Director Certification Program (DCP) 122/2015, Thai Institute of Directors Association
- Role of Chairman Program (RCP) 46/2020, Thai Institute of Directors Association
- Board Nomination and Compensation Program (BNCP) 11/2021, Thai Institute of Directors Association

Position in Other Listed Company

- 2019 – Present Director / Member of Nomination and Remuneration Committee, NForce Secure Public Company Limited
- 2014 – Present Chairman of the Board of Directors, Humanica Public Company Limited
- 2012 – Present Independent Director / Member of Audit Committee, Selic Corp Public Company Limited

Position in Other Company/Organization/Institution

- 2020 – Present Director, Can Innovation Company Limited
- 2020 – Present Director, Mungmee Ecommerce Company Limited
- 2019 – Present Director, Relationship Republic Company Limited
- 2018 – Present Director, AAA Assets Company Limited
- 2018 – Present Director, Pharma Management Company Limited
- 2017 – Present Director, WorldWideVac Limited
- 2017 – Present Director, Aurora Asia Holdings Pte. Ltd.
- 2017 – Present Director, PhD International Limited
- 2016 – Present Director, Darlex Limited
- 2014 – Present Director, Henderson Capital Asia
- 2014 – Present Director, Hudson Asia Holdings Pte. Ltd.
- 2009 – Present Director, Lakeshore Capital Partners Company Limited

Experiences in the past 5 years

- 2018 – 2019 Director, Devakam Apothecary Hall Company Limited
- 2016 – 2018 Director, Ready Planet Company Limited
- 2015 - 2019 Director, KT Restaurant Company Limited

9. Mrs. Worrawan Chaikamnerd

Age	46
Position	Chairman of the Executive Committee / Chairman of the Risk Management Committee / Chief Executive Officer / Authorized Director as per the Company's Affidavit
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	-None-
Family Relationship with Director and Management	-None-

Education

- Master of Business Administration, The University of Iowa, U.S.A.
- Bachelor of Engineering, Chulalongkorn University

Training Programs

- Director Accreditation Program (DAP) 165/2019, Thai Institute of Directors Association

Position in Other Company/Organization/Institution

- 2020 – Present Director, Guts & Good Pte. Ltd.
- 2017 – Present Director, PhD International Limited

Experiences in the past 5 years

- 2013 – 2016 Brand General Manager, L'Oreal (Thailand) Limited

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



10. Mr. Thanayus Leeraphan

Age	41
Position	Member of the Executive Committee / Member of the Risk Management Committee / Chief Marketing Officer
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	-None-
Family Relationship with Director and Management	-None-

Education

- Master of Sciences, Politics of the World Economy, London School of Economics, University of London
- Bachelor of Arts (Economics), Thammasat University

Position in Other Company/Organization/Institution

- 2020 - Present Director, Guts & Good Pte. Ltd.

Experiences in the past 5 years

- 2015 – 2017 Senior Marketing Director, Unilever Singapore

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



11. Ms. Naruemol Sukkamolwatana

Age	49
Position	Member of the Executive Committee / Member of the Risk Management Committee / Chief Operating Officer
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	0.03%
Family Relationship with Director and Management	-None-

Education

- Master of Business Administration, National Institution of Development Administration
- Bachelor of Sciences, Chulalongkorn University

Experiences in the past 5 years

- 2013 – 2017 Supply Chain Manager, L'Oreal (Thailand) Limited

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



12. Ms. Wipaporn Niamla-ong

Age	42
Position	Member of the Executive Committee / Member of the Risk Management Committee / Chief Financial Officer (Person in Charge of Finance and Accounting) / Corporate Secretary
Date of Appointment	16 July 2020
Shareholding in KISS (as at 31 December 2021)	0.01%
Family Relationship with Director and Management	-None-

Education

- Master of Business Administration, Kasetsart University
- Bachelor in Accounting, Thammasat University

Training Programs

- Strategic CFO in Capital Markets 6/2018, The Stock Exchange of Thailand
- Fundamentals for Corporate Secretaries 2/2019, Thai Listed Companies Association
- TFRS for PAEs – Key Changes in 2021, The Stock Exchange of Thailand

Position in Other Company/Organization/Institution

- 2021 – Present Director, O2 Kiss Company Limited

Experiences in the past 5 years

- 2010 – 2017 Division Controller, L’Oreal (Thailand) Limited

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



13. Mrs. Patsorn Wongcherdkwan

Age	39
Position	Accounting & Finance Manager (Person in charge of Accounting)
Date of Appointment	17 May 2021
Shareholding in KISS (as at 31 December 2021)	-None-
Family Relationship with Director and Management	-None-

Education

- Bachelor in Accounting, Rajamangala University of Technology Krungthep

Training Program

- Financial Statement Analysis, Department of Business Development, 2021
- Cash Flow Statement, Department of Business Development, 2021
- Accounting Information System 1-2, Department of Business Development, 2021
- (Completed refresher courses according to the requirement)

Experiences in the past 5 years

- 2019 – 2020 Accounting Manager, Super Energy Corporation Public Company Limited
- 2018 – 2019 Accounting Manager, BSS Holdings Company Limited
- 2015 – 2018 Senior Accounting & Finance Manager, Buriram Sugar Public Company Limited

Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



Appendix 2

Details of Directors of a Subsidiary

Subsidiary	Percentage of Shareholding	Directors		
		Mrs. Worrawan Chaikamnerd	Mr. Anotai Adulbhan	Ms. Piyawadee Sonsingh
PhD International Limited	100%	/	/	/

Remark : / Authorized Directors

Appendix 3

Details of Internal Auditor

Mr. Sutee Tanwanichkul ,Managing Director of IA Signature Company Limited

Current Position

Internal Auditor

Education

- Master of Accounting, Kasetsart University
- Master of Business Administration (Marketing), Dhurakij Pundit University
- Bachelor in Accounting, Dhurakij Pundit University

Training Programs

- Certified Professional Internal Auditor of Thailand (CPIAT: No.17), The Institute of Internal Auditor of Thailand
- CAC SME Certification, Thai CAC
- IIA's Endorsed Internal Auditing Program, Chulalongkorn University
- Director Certification Program (DCP) 238/2017, Thai Institute of Directors Association
- Anti-Corruption the Practical Guide (ACPG) #37, Thai Institute of Directors Association
- Certificate of PDPA : C-DPF, C-DPP, C-DPO, ACIS Professional Center Company Limited
- Forensic Accounting Certificate (FAC) #93, Federation of Accounting Professions of Thailand

Experiences

- Internal Auditor in many companies with various industry
- Financial Control Director, Thairung Group
- Director of Qualified Members (2 years : November 2019 – November 2021), The Institute of Internal Auditor of Thailand
- Director of Qualified Members (2 years : July 2020 – July 2022), Faculty of Business Administration of RMUTR
- Special Lecturer in universities and Invited Speakers in many topics, for example, Anit-Corruption Policy, Internal Control and Internal Audit for IPO, Risk Management etc.

Appendix 4

Charters of the Board of Directors and Sub-Committees

Charter of the Board of Directors

1. Purpose

The Board of Directors has an important role in overseeing the administration, determine the direction, policy, and business strategy of the Company for the utmost benefit of the Company and its shareholders as well as monitoring the performance of the Company's management to check and balance and take care of the Company's performance. Also, the Board of Directors has the authorities, duties and responsibilities as specified by laws, the Articles of Association, objectives and the resolution of the Board of Directors and the Shareholders' meeting.

2. Composition

- 1) The Board of Directors consists of Chairman, Vice Chairman and number of directors that appropriate to the size of the business and efficient for operation. Total number of directors is no less than 5 directors and no more than 12 directors. No less than half of the directors must have a domicile in Thailand and has qualification as defined by laws.
- 2) The composition of the Board of Directors must have independent directors no less than half of total members and no less than 3 independent directors.
- 3) The Board of Directors shall select one director to be the Chairman of the Board. If it deems appropriate, the Board of Directors may select another director or several directors to be the Vice Chairman of the Board.

3. Qualifications

- 1) Directors should be knowledgeable and capable, be honest and ethical, in the conduct of business and have adequate time to dedicate knowledge and skills to perform duties of the Company.
- 2) Be fully qualified and not be under any of the prohibitions prescribed in the Public Limited Company Act, the Securities and Exchange Act and other announcement, regulations, and/or related rules. In addition, directors must not possess any untrustworthy characteristics unsuitable for the Company's management position according to the Securities and Exchange Commission's announcement.
- 3) Directors of the Company may serve as directors of other companies, but such service must not impede their responsibilities to the Company. A director should not serve in more than 5 listed companies.
- 4) Independent directors should possess the qualifications of independence as set by the Company and subject to the guideline in the laws, announcement, Articles of Association and/or related rules. They should be able to ensure equal benefits for all shareholders to avoid conflict of interests. Additionally, they shall participate in the Board of Directors' meeting to give their opinions freely.

The independent directors should possess the additional qualifications as follows:

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

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

- (5) Neither being nor having been an auditor of the Company, its subsidiary, associated company, major shareholder or controlling person nor being a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its subsidiary, associated company, major shareholder or controlling person, unless the foregoing relationship ended not less than 2 years from the date of appointment.
- (6) Neither being nor having been any kind of professional advisor including a legal advisor or financial advisor who receives an annual service fee exceeding Baht 2 million from the Company, its subsidiary, associated company, major shareholder or controlling person and neither being nor having been a substantial shareholder, controlling person or partner of the professional advisor, unless the foregoing relationship ended not less than 2 years from the date of appointment.
- (7) Not being a director who has been appointed as representative of the Company’s directors, major shareholders, or shareholders who are related to the major shareholders.
- (8) Not conducting any businesses which have the same nature as or are in competition with the

Company's or its subsidiaries or neither being significant partner in a partnership, executive director, employee, officer, or consultant who receives regular salary, shareholder holding more than 1% of the voting shares of business which have the same nature as or in competition with the Company or its subsidiaries.

- (9) Not having any characteristics that could prevent him/her from giving independent opinions concerning the Company's operation.

4. Selection and Term of Office

- 1) The selection of the directors with the qualification as prescribed in No.3 should have adequate detail support for the decision of the Board of Directors and shareholders.
- 2) The term of the Board of Directors is 3 years and when its due term, those directors can be re-elected.
- 3) At every Annual General Meeting of Shareholders, one-third of the directors must retire. If the total number is not a multiple of three, the number closest to one-third must be used. The directors shall voluntarily retire during the first and second year after the Company was converted to a public company otherwise are to be drawn by lots. For subsequent years, directors who have served the longest terms must retire.
- 4) Other than completion of terms, a director may retire for the following reasons:
 - Death
 - Resignation
 - Lacking qualifications or having any prohibited characteristics prescribed by the Public Limited Company Act and/or the Securities and Exchange Act.
 - Removal resolution in the shareholders' meeting
 - Court order
- 5) Directors who wish to resign must submit their resignation letters to the Company. The resignation takes effect on the date the resignation letter is received by the Company.
- 6) In case of a vacant position due to causes other than term completion, the Board of Directors, with the recommendation of the Nomination and Remuneration Committee, must appoint qualified candidates as prescribed in No.3 as replacement director in the next Board of Directors' meeting except the remaining term is less than 2 months. Each replacement serves in such position only for his/her predecessor's remaining term.

5. Duties and Responsibilities

- 1) Perform duties with responsibility, prudence and integrity for the best interest of the Company, its subsidiaries and all shareholders in undertaking the Company and its subsidiaries' operations in accordance with laws, objectives, the article of association and the resolution of the shareholders' meeting. Ensure that the Company and its subsidiaries fully comply with applicable laws related to its business as well as anti-bribery and anti-corruption law.
- 2) Ensure that the Company and its subsidiaries implement appropriate and efficient accounting system, financial reporting and auditing and put in place adequate and effective internal control and internal audit systems with regular evaluation of the internal control systems.
- 3) Provide a financial statement of the companies at the end of each accounting period in order to show financial status and performance in the previous year that is accurate and completed

- according to the generally accepted accounting standards and audited by the Company's auditor before proposing to the annual general shareholders meeting for consideration and approval.
- 4) Consider to nominate and appoint independent auditor and determine reasonable remuneration as proposed by the Audit Committee before proposing to the annual general shareholders meeting for consideration and approval.
 - 5) Review and approve business policies, operational targets, direction, business strategies, and annual budget of the Company and its subsidiaries as proposed by the management at least once a year to adapt for economics, market, and changing competitive environment.
 - 6) Continuously monitor the operating results of the Company and its subsidiaries to ensure alignment with goal, direction, policies, business plan, and budget. Evaluate performance of the management regularly including define remuneration and review succession plan at least once a year.
 - 7) Define risk management policy throughout the organization and oversee processes and system to manage risks with proper measures to minimize the impact on the business.
 - 8) Establish supervision mechanic to control and monitor operation of the Company's subsidiaries as part of the Company, also set up the procedures to follow up subsidiaries' management in order to safeguard the Company's interest according to the Capital Market Supervisory Board Announcement on requesting permission or allowing to offer the new stock issued.
 - 9) Ensure that corporate governance policy under good governance principles of the Company and its subsidiaries is put in place in writing and communicated efficiently throughout the Company such as anti-corruption policy, whistleblowing policy and insider information policy to affirm accountability and fairness to all stakeholders.
 - 10) Consider to approve operating expenses of the Company and its subsidiaries as well as delegation of authority table.
 - 11) Provide a written code of conduct and ethics as a standard procedures for all directors, executives and employees. The Board of Directors shall keep monitoring to ensure that code of conduct and ethics are strictly followed.
 - 12) Appoint qualified individuals who does not have any prohibited characteristics as defined in the Public Company Act and the Securities and Exchange Act including notifications, rules and regulations or procedures related to the appointment in case that a director position is vacant due to other causes apart from an official end of term as a replacement in the following meeting except the remaining term is less than 2 months according to the recommendation from the Nomination and Remuneration Committee.
 - 13) Define the management structure and appoint the Executive Committee, Chief Executive Office and other sub-committees as appropriate, and determine the scope of authority and remuneration of the appointed Executive Committee, Chief Executive Office and other sub-committees.
 - 14) Authorize any director or a group of director or others to perform any act on behalf of the Board of Directors or delegate such stated person the authority as the Board of Directors properly consider within the specified period. The Board of Directors may consider to cancel, revoke, change or amend any authority granted if needed. The delegation of authority, duty and responsibility shall not have any characteristics that enable the authorized person to approve the connected transaction of himself/herself or related person which may have a conflict of interest with the Company or its subsidiaries (as defined in the notifications of the Securities and Exchange Commission, the Capital Market Supervisory Board and/or other related organization) except the transactions that

- are normal business operation and in general commercial terms with third parties (Arm's Length).
- 15) Determine and make amendment on the list of authorized directors who can sign to legally bind the Company.
 - 16) Appoint directors of the subsidiaries at least in proportion of the shareholding by such companies. Determine the remunerations, scope of authority, duties and responsibilities of the appointed directors and executives and also determine voting power in the Board of Directors meeting of the subsidiaries for the significant matter which is required to have approval from the Board of Directors of the Company. Monitor management and administrations of the subsidiaries to operate in accordance with action plan and policy of the Company and supervise to ensure all transactions are conform with the law and related regulations as well as disclosure of financial position and operating results, connected transactions and significant acquisition or disposition of assets correctly. Monitor directors and executives of the subsidiaries to perform such duties in accordance with duties and responsibilities defined by law.
 - 17) Consider and propose the directors' remuneration as recommended by the Nomination and Remuneration Committee to the shareholders' meeting for approval by taking into account all factors such as the Company's strategy and long-term goals, experiences, duties and responsibilities including the expected benefits from each director.
The Company shall not pay any money or assets to the directors unless the remuneration is paid in accordance with the article of association of the Company. In case that it is not mentioned in the article of association, the remuneration payment must be paid in accordance with the approval of the shareholders' meeting by not less than two-third of total votes authorized by shareholders present.
 - 18) Arrange at least six (6) meetings of the Board of Directors per year. All members of the Board of Directors shall attend the meeting to approve all significant transactions unless there is any unavoidable necessity.
The significant transactions as mentioned above including the transactions defined by law which required the resolution of the Board of Directors such as acquisition or disposition of assets of the Company or its subsidiaries which affecting the Company or its subsidiaries significantly, expansion in investment project, consideration and approval of connected transactions as per criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand, determination of level of authority, establishment of financial management and risk management policy of the Company and its subsidiaries.
 - 19) Appoint the corporate secretary and define duties and responsibilities of such person to operate in the name of the Company or the Board of Directors such as preparing and safekeeping the registration of the directors, invitation letter of the board or shareholders and minutes of such meeting together with recording the report of conflicts of interests, etc.
 - 20) Consider and approve the acquisition or disposition of assets of the Company or its subsidiaries, new business investment and any other operations in accordance with laws, notifications, regulations and/or applicable regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand including other related regulations.
 - 21) Consider and/or give a comment on connected transactions between the Company, its subsidiaries or the related parties as defined by the Securities and Exchange Act including notifications, regulations and/or regulations relevant to Securities and Exchange Commission, the Capital Market

Supervisory Board and/or the Stock Exchange of Thailand. Consider and approve trade agreement principles which are general trading condition of such transactions between the Company and its subsidiaries, associated companies with directors, executives or its related person in order to determine the operating framework of the Board of Directors and administrative department with authority to make such transactions under scope of law and related regulations. Consider and/or give a comment on the company's other transactions (otherwise value of the transaction is not in the condition required an approval from the shareholders meeting) in order to comply with the law, announcement, regulations and other related regulations

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

6. Meeting

- 1) The meeting of the Board of Directors must follow laws, regulations, and Articles of Association with the quorum of no less than half of the Board members. In case the Chairman of the Board of Directors is not present at the meeting or unable to perform his/her duty, if there incurs a Vice Chairman of the Board of Directors in the meeting, he/she will assume the position of the Chairman of the meeting. If there is no Vice Chairman or he/she is not present at the meeting or unable to perform duty, the directors present at the meeting are required to select one director to act as a Chairman of the meeting.
The meeting shall be in a form of electronics meeting that follow security standards as per related laws and regulation.
- 2) The resolution of the meeting shall be passed by majority votes. Each director has 1 vote and any director who has a conflict of interest in any matter for consideration, has no right to vote

on such matter. If there are equal votes, the Chairman of the meeting has a casting vote.

- 3) The Board of Directors shall meet at least 6 times per year. The Chairman shall call a meeting and set the meeting schedule in advance throughout the year to ensure all directors can attend the meeting. There may be additional meetings as deem necessary. In case of necessity, 2 directors or more can request the Chairman to call for a meeting and the Chairman shall set the meeting schedule within 14 days.
- 4) In order to call the meeting, the Chairman or company secretary shall send the meeting notice along with agenda and relevant documents to all directors no less than 7 days prior to the meeting date so that the directors have sufficient time to consider the meeting documents. In case of electronics meeting, it should be specified in the meeting notice.

This charter of the Board of Directors is effective from 20 July 2020 onwards.

Charter of the Audit Committee

1. Purpose

The Audit Committee is established to support the good corporate governance and strengthen operational efficiency and increase value to the organization. The Audit Committee will support and operate on behalf of the Board of Directors to ensure reliability of financial reports to the shareholders and stakeholders.

2. Composition

- 1) The Audit Committee consists of at least 3 independent directors with at least 1 member should have adequate knowledge and experience in accounting and finance to review the reliability of financial statements.
- 2) The Board of Directors or the shareholders' meeting or the Audit Committee shall nominate and appoint one Audit Committee member as a Chairman.
- 3) The Audit Committee shall appoint a secretary to the Audit Committee to assist the operation of the Audit Committee regarding meeting appointments, meeting agenda preparation, supporting document submission and minute taking.

3. Qualifications

- 1) General Qualifications

The Audit Committee must be independent directors with the qualifications according to the Company's principles and in accordance with the laws, announcements, the Article of Association, and/or related rules. They should be able to ensure equal benefits for all shareholders to avoid conflict of interests. Additionally, they shall participate in the Audit Committee's meeting to give their opinions freely.

2) Specific Qualifications

(1) Not being the directors to whom the Board of Directors grants authority to decide in the operation of the Company, its parent company, subsidiary, associated company, a same-level subsidiary, major shareholder or controlling person.

(2) Not being a director of the registered parent company, subsidiary, or a same-level subsidiary.

4. Selection and Term of Office

- 1) The Board of Directors or the shareholders' meeting appoints the independent directors as members of the Audit Committee.
- 2) In case that any Audit Committee members are expired from their terms or unable to hold the positions until the end of their terms, resulting in the committee having less than 3 members, the Board of Directors or the shareholders' meeting should appoint a new Audit Committee member who has qualification and not having any prohibited characteristics within 3 months after vacancy in order to ensure continuity in operation of the Audit Committee. The replacement serves in such position only for his/her predecessor's remaining term.
- 3) The Audit Committee's term is 3 years, same term of office as that of the directors. The Audit Committee who are expired from their terms may be reappointed as deem appropriate by the Board of Directors. The Audit Committee may hold office for up to 9 years in total. The retired members by term shall perform their duties until having replacement except those who retired by terms as Board of Directors and not being re-elected.

5. Duties and Responsibilities

- 1) Review the accuracy and adequacy of the Company's financial reporting by working with external auditors and executives who are responsible for preparing quarterly and annual financial reports. The Audit Committee may advise the auditors to review or examine any transaction that is considered significant and necessary during the accounting audit period of the Company.
- 2) Review the significant extraordinary transactions in the past year (if any) by considering transactions' reasonableness and the impact to the financial position and performance as well as the accuracy and completeness of information disclosure.
- 3) Review the Company's internal control and internal audit systems to ensure they are appropriate and effective.
- 4) Consider the independence of the internal audit as well as consider to approve the appointment, transfer and termination of the head of the internal audit department or any other unit in charge of internal audit.
- 5) Consider and give consent on annual budget, headcount and necessary resources in the operation of the internal audit department, approve annual audit plan and its significant revision, monitor the performance of the internal audit department which should be in accordance with the approved annual audit plan as well as the international professional auditing standards, evaluate the performance of the internal audit every year and engage the external independent agency to assess the internal audit work at least every 5 years. Moreover, the Audit Committee shall meet with the head of internal audit, without the presence of management, at least once a year to discuss on significant matters.
- 6) Ensure the Company's compliance to the laws on securities and exchange, regulations, announcements and/or related regulations of Securities and Exchange Commission (SEC), the Capital Market Supervisory Board and the Stock Exchange of Thailand and/or any laws related to the Company and its subsidiaries' business. Review the subsidiaries and associated companies to ensure that they are operating in accordance with regulations and corporate governance policies, as well as the management of the subsidiary/associated companies that operate on the main business.
- 7) Consider, nominate and propose the appointment of the independent person as the Company's external auditor and propose the remuneration of the auditor. Attend the meeting with auditors without the presence of management at least once a year to acknowledge the result of quarterly review and annually audit and also to discuss on any problem or issue that the auditor might have during performing audit.
- 8) Review connected transactions or transactions with possible conflict of interest, including consideration of requirements and termination of transactions that differ significantly from the terms of the termination considered prior to the transaction. Review the acquisition or disposition of the Company and its subsidiaries to comply with the laws, announcements, regulations and/or regulations relevant to Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand to ensure that the aforementioned transaction is reasonable and maximizes the company's benefit. If the Audit Committee lack of expertise to consider connected transactions that may occur or such transactions, the Company will arrange for independent experts or the Company's auditors to provide opinions on such transactions for consideration or decision-making by the Audit Committee.

- 9) Review and monitor risk management as well as evaluate performance to manage risk by the Risk Management Committee.
- 10) Request information from various departments of the Company and its subsidiaries for further consideration, invite relevant person such as the directors, management, executives, the Company's lawyer, the external lawyer, or employees of the Company and/or other related persons to attend the meeting to discuss and clarify information, deliver and provide relevant information under the scope of duties assigned by the Board of Directors.
- 11) Perform other duties as required by laws or additionally prescribed in the future or assigned by the Board of Directors with the agreement of the Audit Committee.

6. Meeting

- 1) The Audit Committee shall meet at least every 3 months to review quarterly/yearly financial statements and other matters as per their duties with the external auditor, internal auditor and management and report to the Board of Directors or on occasionally when the management has connected transaction or acquisition or disposition of assets which requires consideration on appropriateness, reasonableness and utmost benefits of the Company in accordance with connected transaction and acquisition or disposition of assets regulations of SET announcement.
- 2) In order to call the meeting, the Chairman or the secretary of the Audit Committee shall send the meeting notice to the Audit Committee members 7 days prior to the meeting. Except in case of urgency, the meeting may be called by other methods or designated on earlier date.
- 3) The quorum of the Audit Committee's meeting must consist of no less than half of the members.
- 4) In case the Chairman of the Audit Committee is not present in the meeting, the Audit Committee members present at the meeting are required to select one member to be the Chairman of the Meeting.
- 5) The resolution of the meeting shall be passed by majority votes. In the event that there are equal votes, the Chairman of the meeting has a casting vote.
- 6) Any member who has a conflict of interest in any matter for consideration, has no right to vote on such matter.
- 7) The secretary of the Audit Committee or designated person assigned by the Audit Committee has to prepare the minutes of the meeting which is certified by the Audit Committee. The Chairman of the Audit Committee reports the meeting resolution to the Board of Directors to acknowledge the performance of the Audit Committee.
- 8) The Audit Committee can invite related persons/parties such as the directors, management, executives, legal team, legal advisor or employees of the Company or its subsidiaries to attend the meeting to discuss, explain or answer the questions.
- 9) The meeting with management or internal auditor or auditor must set up at least once a year.

This charter of the Audit Committee is effective from 20 July 2020 onwards.

Charter of the Nomination and Remuneration Committee

1. Purpose

The Nomination and Remuneration Committee (“NRC”) is responsible for defining the principles and policies to nominate and define the Board of Directors and sub-committee’s remuneration including recruitment, selection and nomination of the appropriate person as the Company’s directors and other matters as assigned and report to the Board of Directors and/or the shareholders’ meeting as necessary.

2. Composition

- 1) NRC is appointed by the Board of Directors and consists of at least 3 members and should have independent directors as majority in accordance with good corporate governance.
- 2) The Chairman of NRC must be an independent director and should not be a Chairman in other sub-committee for transparency and independency to perform the duties.
- 3) The NRC may consider the appointment of the NRC secretary to assist the operation of the NRC regarding meeting appointments, meeting agenda preparation, supporting document submission and minute taking.

3. Qualification

- 1) The NRC members shall have knowledge, ability and experience including understanding of the qualification, duties and responsibilities as NRC member.

4. Selection and Term of Office

- 1) The NRC has 3 years term of office.
- 2) The NRC members who are expired from their terms may be reappointed as deem appropriate by the Board of Directors.
- 3) The Board of Directors may appoint the NRC to perform their operations as per objectives or to replace the retired NRC members. The replacement serves in such position only his/her predecessor’s remaining term.

5. Duties and Responsibilities

- 1) Define the criteria and policy for recruiting the Company’s directors and sub-committee members by considering number, structure and composition of the committee and determine the qualifications of the directors that are appropriate for the size, type and complexity of the business including adjustment to align with the changing environment then to propose to the Board of Directors and/or shareholders’ meeting (case by case).
- 2) Determine qualifications and criteria to recruit persons who are qualified with the regulations and relevant laws then propose to the Board of Directors and/or the shareholders’ meeting to consider appointment in such positions such as the Company’s directors, sub-committee members who are delegated duties and responsibilities directly from the Board of Directors and chief level or higher. The consideration and recruitment must be conducted openly, transparent and without prejudice.
- 3) Consider the independency and qualifications of each independent director to ensure the person

is qualified and meets criteria of regulations and/or relevant laws.

- 4) Prepare the development plan for directors to enhance and develop their knowledge and skills to understand their roles and responsibilities, business, economic condition, technology, relevant laws and regulations.
- 5) Prepare a succession plan for chief level to ensure continuity of work, smooth replacement and disclose the policy and detail of recruitment process.
- 6) Consider the necessary and appropriate remuneration determination both monetary and non-monetary of the Company's directors, members of the sub-committee and chief level individually including other benefits. The remuneration of the Board of Directors is based on duties and responsibilities, performance, and compared with the compensation of other companies in the same industry and expected benefits from directors. Then, propose to the Board of Directors to consider and approve and/or propose to the shareholders' meeting for approval.
- 7) Establish guidelines to evaluate performance of the Company's directors, members of the sub-committee and chief level or higher to consider annual compensation adjustment with consideration of responsibilities and risks involved as well as increasing of long-term value of shareholders' equity.
- 8) Disclose remuneration policy and all compensations including a report of remuneration determination which at least has detail of goal, operation and opinion of the NRC in the annual report of the Company.
- 9) Conduct other duties assigned by the Board of Directors and agreed by the Nomination and Remuneration Committee.

6. Meeting

- 1) NRC shall meet at least once a year or when deem appropriate.
- 2) The quorum of the NRC meeting must consist of no less than half of the members.
- 3) In case the Chairman of the NRC is not present in the meeting, the NRC members present at the meeting are required to select one member to be the Chairman of the Meeting.
- 4) The resolution of the meeting shall be passed by majority votes. Any member who has a conflict of interest in any matter for consideration, has no right to vote on such matter. In the event that there are equal votes, the Chairman of the meeting has a casting vote.
- 5) The meeting notice shall be sent to the NRC members prior to the meeting Except in case of urgency, the meeting may be called by other methods or designated on earlier date. The NRC secretary has to record the meeting resolution.

This charter of the Nomination and Remuneration Committee is effective from 20 July 2020 onwards.

Charter of the Executive Committee

1. Purpose

The Executive Committee performs duties as per assigned by the Board of Directors with efficiency for the utmost benefits to the Company and comply with the good corporate governance policy.

2. Composition

- 1) The Executive Committee consists of directors who has experiences and qualifications as per recommendation of the Nomination and Remuneration Committee and are appointed by the Board of Directors. The number of the Executive Committee member should have at least 3 members with the numbers and composition as the Board of Directors deem appropriate and consists of both directors and management of the Company.
- 2) The Board of Directors appoints the Chairman of the Executive Committee who shall be the same person as the Chief Executive Officer.
- 3) The Company Secretary shall be a secretary for the Executive Committee except the Executive Committee appoints other person to support the performance of the Executive Committee regarding meeting appointments, meeting agenda preparation, supporting document submission and minute taking and other matters as assigned by the Executive Committee.

3. Qualifications

- 1) The Executive Committee must have knowledge, ability and experiences that useful to the business operations of the Company with honesty and ethic to the perform their duties and have sufficient time to dedicate their knowledge, ability and fully perform their duties for the Company.
- 2) Fully qualified and not have any of the prohibitions prescribed by related laws.

4. Selection and Term of Office

- 1) The Executive Committee is appointed by the Board of Directors by consideration of knowledge and experiences that is benefit to the business operation of the Company with 3 years term of office. Also the members whose term are expired may be reappointed.
- 2) The Executive Committee members who wish to resign must submit their resignation letters to the Chairman of Board of Directors. When there is vacancy, the Board of Directors shall appoint the new member of the Executive Committee by the recommendation of the Nomination and Remuneration Committee within 90 days in order to ensure completion of the composition of the committee.
- 3) In case of vacancy with other reasons than for completion of terms, the Board of Directors will select a person who are fully qualified and deem appropriate as a replacement with the recommendation of the Nomination and Remuneration Committee. The replacement serves in such position only his/her predecessor's remaining term.

5. Duties and Responsibilities

- 1) Manage the Company and its subsidiaries' business according to the objectives, requirements, policies, rules, regulations, commands and resolutions of the Board of Directors' meeting.
- 2) Propose goals, policies, business plan including business strategy direction, financial targets and annual budget to the Board of Directors to consider and approve. Supervise, validate and control the business operations of the Company and its subsidiaries in accordance with defined goals, policies and business plans. Control the Company's expenditure as per approved budget and report to the Board of Directors every quarter.
- 3) Assess possibility and evaluate any opportunity for investment in new projects or new businesses by conducting a proper and completely technical and financial study to support for consideration to invest or divest then propose to the Board of Directors. Monitor the performance and progress of the investment project and report the results including the problem or issue occurred with the solution to the Board of Directors for acknowledgement.
- 4) Define procedures and transactions between the Company or its subsidiaries and the major shareholders, directors and management of the Company and those related to such persons appropriately to prevent the benefit transferred, then propose to the Board of Directors to approve in principles and ensure compliance of principles and requirements approved by the Board of Directors.
- 5) Provide necessary information of the Company and present to the Board of Directors and shareholders for consideration and also prepare reliable financial reports as per transparent standard.
- 6) Consider to propose the Board of Directors to approve the entering into any financial transactions with financial institutions for opening account, loans, withdrawing money from all accounts of the Company and utilizing the credit and using the Company's securities as collateral for such loans whether registered or unregistered for business purpose. In addition to entering legal contract, submission, contact and take action with the government agency to obtain any rights of the Company and/or proceed on related matters within the approved limit and/or in accordance with the Delegation of Authority table determined by the Board of Directors and/or relevant laws and regulations and/or the article of association of the Company.
- 7) Review risk management and internal control system of the Company.
- 8) Perform other duties as assigned by the Board of Directors.

6. Meeting

- 1) The Executive Committee shall meet as deem appropriate but at least once a month except necessary cases that cannot call for the meeting. The Chairman of the Executive Committee shall call for a meeting or if necessary, at least 2 members of the Executive Committee can request the Chairman to call a meeting and the Chairman shall designate the meeting within 14 days after request.
- 2) In order to call the meeting, the Chairman or the secretary of the Executive Committee shall send the meeting notice and other documents necessary for the meeting and the resolution of the meeting to the Executive Committee members 3 days prior to the meeting. Except in case of urgency, the meeting may be called by other methods or designated on earlier date.
- 3) The quorum of the Executive Committee's meeting must consist of no less than half of the

members. In case the Chairman of the Executive Committee is not present in the meeting or unable to perform the duty, the Executive Committee members present at the meeting are required to select one member to be the Chairman of the Meeting.

- 4) The resolution of the meeting shall be passed by majority votes. Any member who has a conflict of interest in any matter for consideration, has no right to vote on such matter. In the event that there are equal votes, the Chairman of the meeting has a casting vote.

This charter of the Executive Committee is effective from 20 July 2020 onwards.

Charter of the Risk Management Committee

1. Purpose

The Risk Management Committee has duties to define the risk management policy for the organization including oversee the Company to ensure there is risk management system and procedure to control risk and minimize the impact of the risks to the Company. Essential duty is to identify the risks relating to the business operation, define the preventive procedures and monitor the performance as per the procedures set, and report to the Audit Committee and the Board of Director for consideration.

2. Composition

- 1) The Risk Management Committee consists of directors and/or top-level management appointed by the Board of Directors not more than 7 members.
- 2) The Risk Management Committee consists of the Chief Executive Officer, directors or independent directors and appropriate management of the Company. The Chief Executive Officer shall be a Chairman of the Risk Management Committee.
- 3) The Risk Management Committee may consider the appointment of the secretary to assist the operation of the Risk Management Committee regarding meeting appointments, meeting agenda preparation, supporting document submission and minute taking

3. Qualifications

- 1) The Risk Management Committee must be knowledgeable, capable and have experiences that is benefit to the Company's business operation and adequate to perform duty as a Risk Management Committee.
- 2) The Risk Management Committee must understand the laws, regulations, risk management standard and related condition of the business operation of the Company.

4. Selection and Term of Office

- 1) The Risk Management Committee has 3 years term of office.
- 2) The Risk Management Committee members who are expired from their terms may be reappointed as deem appropriate by the Board of Directors.
- 3) The Risk Management Committee member who wish to resign must submit their resignation letters to the Company and the resignation takes effect on the day the resignation letter is received by the Company. In case of vacancy with other reasons than for completion of terms, the Board

of Directors will select a person who are fully qualified and deem appropriate as a replacement. The replacement serves in such position only his/her predecessor's remaining term.

5. Duties and Responsibilities

- 1) Scrutinize, consider, review and identify significant risks of the Company's business operations that may arise from either internal or external environments. Determine prevention methods and risk management policies and propose to the Board of Directors by providing assessment, monitoring, and overseeing the risk level to be at appropriate level.
- 2) Coordinate with the Audit Committee in providing information on significant risks and internal control so that the Audit Committee can deliberate and approve the internal audit plan to ensure with reasonable assurance that the Company has the internal control system which is suitable for risk management also including the implementation of the risk management system appropriately and encouraging sustainable behavior change across organization.
- 3) Continuously report the risk assessment and operation results to minimize risk to the Board of Directors. In case that there is an essential circumstance that affected the financial position and the Company's performance, the Risk Management Committee ought to report to the Board of Directors for consideration at the earliest convenience
- 4) Provide insights, and consistently instilling risk management to the executives, along with employees in the Company and its subsidiaries.

6. Meeting

- 1) The quorum of the Risk Management Committee's meeting must consist of no less than half of the members. In case the Chairman of the Risk Management Committee is not present in the meeting or unable to perform the duty, the Risk Management Committee members present at the meeting are required to select one member to be the Chairman of the Meeting.
- 2) The Risk Management Committee shall meet at least 4 times a year when it deems appropriate. In order to call a meeting, the Chairman of the Risk Management Committee shall call for a meeting or if necessary, at least 2 members of the Risk Management Committee can request the Chairman to call a meeting and the Chairman shall designate the meeting within 14 days after request.
- 3) The resolution of the meeting shall be passed by majority votes. Each member has 1 vote except any member who has a conflict of interest in any matter for consideration, has no right to vote on such matter. In the event that there are equal votes, the Chairman of the meeting has a casting vote

This charter of the Risk Management Committee is effective from 20 July 2020 onwards.

The Charter of the Corporate Governance Committee

1. Purpose

The Corporate Governance Committee has duty to oversee as well as provide advice and define guideline for operation in compliance with good corporate governance principles appropriately and transparently in order to ensure reliability and confidence to the shareholders, stakeholders and all related parties and for sustainability of the Company.

2. Composition

- 1) The Corporate Governance Committee consists of 3 members and should have independent directors as majority.
- 2) Chairman of the Corporate Governance Committee must be an independent director and not a Board of Director Chairman.

3. Qualification

- 1) Has knowledge, capability, qualifications, and experiences as appropriate and be able to use their knowledge, capability, and experience to achieve the objectives.
- 2) Has adequate time to perform their duties and be able to use their judgement independently to enhance the Company's good corporate governance.

4. Selection and Term of Office

- 1) The Board of Directors shall appoint the Corporate Governance Committee and appoint 1 independent director to be a Chairman of the Corporate Governance Committee.
- 2) The Corporate Governance Committee's term is 3 years. The Corporate Governance Committee who are expired from their terms may be reappointed as deem appropriate by the Board of Directors.
- 3) In case of vacancy with other reasons than for completion of terms, the Board of Directors will select a person who are fully qualified and deem appropriate as a replacement. The replacement serves in such position only his/her predecessor's remaining term.

5. Duties and Responsibilities

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

6. Meeting

- 1) There shall be at least 2 meeting per year as deemed appropriate by the Chairman of the Corporate Governance Committee.
- 2) The quorum of the Corporate Governance Committee's meeting must consist of no less than half of the members.
- 3) In case the Chairman of the Corporate Governance Committee is not present in the meeting or unable to perform the duty, the Corporate Governance Committee members present at the meeting are required to select one member to be the Chairman of the Meeting.
- 4) The resolution of the meeting shall be passed by majority votes. In the event that there are equal votes, the Chairman of the meeting has a casting vote. Any member who has a conflict of interest in any matter for consideration, has no right to vote on such matter.

This charter of the Corporate Governance Committee is effective from 20 July 2020 onwards.



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