

Part

1

Business Operation and Operating Results

1. Organizational structure and operation of the group of companies

1.1 Policy and business overview

Company Milestone

I.C.C. International Public Company Limited originated from the commitment of only 7 employees in 1964 under the name of International Cosmetics (PIAS) Limited Partnership with registered capital of 100,000 Baht as the licensed distributor of PIAS cosmetics.

In 1965, the Company changed its name to International Cosmetics (PIAS) Co., Ltd. and subsequently to International Cosmetics Co., Ltd. in 1973, with a total of 1,200 employees.

In 1994, the Company was listed as a public company with the Commercial Registration Department, Ministry of Commerce.

In 1996, it changed its name from International Cosmetics Public Company Limited to I.C.C. International Public Company Limited along with the change of its logo.

The corporate headquarters is located in more than 80 rais on Sathupradit Road and employs a total of 3,180 staffs, with registered capital of 500 million Baht, 290.63 million Baht of which is paid up, as of 31 December 2023.

Responding to Everyone and Every Lifestyle with Quality Products

From its beginnings as the licensed distributor of PIAS cosmetics and the expansion of its business base into other products and brands, namely “WACOAL” lingerie from Japan, including “ARROW” men’s wear, the Company, as a leader in its field, has created innovations, and always presented the market with modern quality goods as well as services. At present, the Company is a distributor of a variety of products more than 80 brands encompassing cosmetics, perfume, lingerie, men’s and women’s apparels, men’s undergarments, sportswear and equipment, children’s clothing, leather goods, watches, consumer products including beverages and dietary supplements etc. All of these products have been created with innovation for both products and services continually launched into the market.

Taking Special Care and facilitate customers throughout the Country

The Company has cooperated with its alliances in major provinces to facilitate and render services to its customers more closely.

1977	Chiang Mai	:	Intanin Chiang Mai Co., Ltd.
	Song Khla	:	Inter South Co., Ltd.
	Khon Kaen	:	Can Co., Ltd.
1988	Phuket	:	Sun and Sand Co., Ltd.
1991	Chonburi	:	Eastern I.C.C. Co., Ltd.
1992	Nakhon Ratchasima	:	Koratwatana Co., Ltd,
1995	Nakhonsawan	:	Paknumpowatana Co., Ltd.
1996	Pitsanulok	:	Maharachapruet Co., Ltd.

1.1.1 Vision / Mission / Objectives and Working Strategies

The Board of Directors is aware of the significance of the Company's performance, and therefore fully engages in setting the corporate vision/ mission based on ensuring its business operations is in line with the competitive direction of the market.

The Board of Directors and Company executives jointly considered and reviewed the corporate vision, mission, targets and business strategies for the next 3 years 2022-2024 so that the objectives of corporate management and employees may be aligned and in the same direction. These are reviewed annually to ensure that the corporate vision and mission is consistent with the current economic situation.

The Board of Directors' Meeting on December 15, 2023 reviewed the vision and mission of the Company and found them to remain well suited to the corporate business operation and in line with the prevailing economic situation.

Vision

We aim to be a Thai national company with sustainable management for growth and development through our innovation products and good services in continually delivering happy, beauty and satisfactory experiences to customers.

Mission

- 1 To develop new models of business operation in all dimensions in response to the market and consumer changes.
- 2 To develop and create innovation of high quality products to satisfy the requirements, happiness and beauty of customers.
- 3 To develop many up-to-date varieties of distribution channels to suit the change in lifestyles and behaviors of consumers in each group.

- 4 To continually enhance ability and efficiency of personnel in terms of their attitude, thinking system and duties performance with honesty and ethics.
- 5 To upgrade our organization under the corporate governance, code of ethics and policy with responsibility for the society and environments in order to lead to sustainable growth and development.

The Board of Directors of our Company realizes the importance of markets and competition with competitors in the same line of our business both domestically and internationally in compliance with vision and mission of the Company thereby the 7 values have been stipulated for all management and personnel of our organization to jointly observe and comply under the following business operation principles.

Creating values of good people

Creating values of business

Creating chances for the society

Value



Our Company focuses on creating advantages in competition and enhancing values for customers with a wide variety of brands corresponding to all aspects of requirements of our customers, emphasizing development of business networks jointly with our business partners and customers in many distribution channels, developing and adjusting work systems and procedures in compliance with rules, regulations, and change of the customers' needs. To this end, we have applied the data and information technology to create values that suit the prospective customers including efficiency and promptness corresponding with customers and our business partners which jointly strengthen businesses under the business plan as of 2022-2024 for financial and growth purposes, as well as to enhance capability to earn utmost profits to our Company. We intend to achieve all these targets.

Strategies

In order to achieve the goals set under the preceding vision and missions, we have formulated the following strategies aiming at the sustainable development

1. The strategy for efficient management and effective performance either short-term, medium-term or long-term, designation of personnel suiting their duties including solutions to the root cause to facilitate new work procedures which become more efficient.

3. The strategy for continually developing modern skill, knowledge and expertise for personnel to be ready to successfully handle the change in markets and distribution channels.

2. The strategy for upgrading processes to acquire the products and services that are more accurate for the distinctive presentation of products corresponding with the requirements of consumers in every group and suitable to each distribution channel.

4. The strategy for deployment of the information technology to enhance speed and accuracy in activities performance including data and information management within the Company and connecting with the business partners or business alliances.

Additionally, the Board of Directors is monitoring and following-up on implemented business strategies with the Management Team reporting on operational plans and formulation of strategy implementation to the Executive Committee and the Board of Directors respectively on a monthly basis. At such platforms, the reporting is a key agenda to be acknowledged and discussed in the meetings, and a review undertaken of the quarterly strategic plan, so that the Management team may take the comments and advice from the Board of Directors and the Executive Committee to make further improvement.

1.1.2 Material changes and developments

I.C.C. International Public Company Limited is the leader in distribution of fashion brands, both domestically and internationally, as well as brands developed by innovation of the Company and its affiliates. The corporate main industries are cosmetics and perfumeries, hair and skin care products, full line of textile and apparel including underwear, outerwear, sportswear, apparel for physical exercise, fabric care and leather goods, etc.

The Company also conducts wholesale business through shops and department stores both in domestic and international markets. Most of our company's products are in the line of fashion and beauty as can be described in our slogan "We make people happy and beautiful".

Moreover, the Company has expanded its business into service industry to meet the need of customers for example

- **His & Her Plus Point card** is a project "Collect happiness, Collect reward points" to invite our customers to join the membership with special privileges by collecting the reward points from purchase of the Company's products at participated sales counters nationwide. Members shall receive one point for every Baht 25 purchase and the collective points can be redeemed for gifts in catalogue or for other privileges especially prepared only for the members.
- **His & Her Shop** is the retail shop that congregates the Company's fashion products focusing on the store decoration in modern and warm atmosphere while providing best services to the customers. By the end of 2023, there are 51 His & Her shops throughout the country.
- **ICC Line Official Account** was set up in response to on-line demand for a channel of communication in the social network system to create awareness and sharing of information, news and promotions of the Company's products, under "Let's Shop ICC"
- **HisHer App** has been developed for members to access His & Her promotional material more easily and conveniently, while being quicker for the Company to get information out. Members can also search and amend their personal data for themselves, without the expense of contacting a call center
- **The partnership with Lazada**, a globally renowned online marketplace, expands online distribution channels with the website www.lazada.co.th, as we are determined to build on our strength in physical shop-based sale to online platform, in consistency with consumer behavior these days
- **www.iccshopping** is the online shopping mall channel providing all genuine products and renowned brands with affordable price containing various striking promotion of all well-known brands from different categories of Saha Group companies' products. Just at your fingertips, you can browse through all these products at 24 hours, meeting all your needs with high quality merchandises and authenticity guaranteed

Increasing registered capital

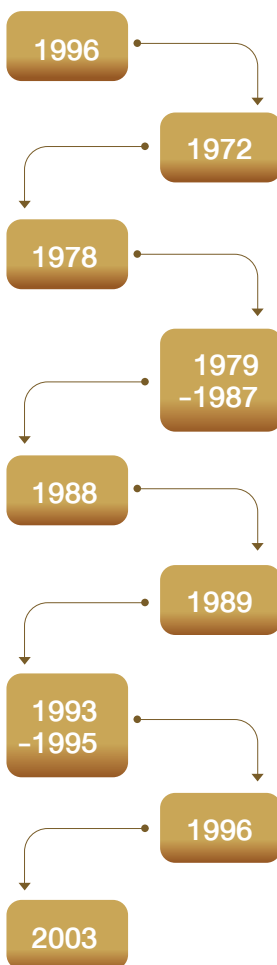
Registered capital is increased to Baht 1.5 million.

Registered capital is increased to Baht 12 million and the Company is listed on the Stock Exchange of Thailand.

Registered capital is increased to Baht 300 million with a paid-up capital of Baht 110 million. Par value of ordinary shares convert from Baht 100 to Baht 10 per share.

Call for more paid-up capital of Baht 26.63 million. Paid-up capital is increased to Baht 147.08 million.

Ordinary share value is split from Baht 10.- to Baht 1.- per share.



Registered capital is increased to Baht 3 million.

Registered capital is increased to Baht 82.5 million.

Registered capital is increased to Baht 500 million with a paid-up capital of Baht 120.45 million.

Paid-up capital is increased to Baht 290.63 million.

Securitization

1987

First debentures are issued at the amount of Baht 50 million.

1989

First convertible debentures are issued at the amount of Baht 120 million.

1990

Second convertible debentures are issued at the amount of Baht 200 million.

Company's Awards received

Company receives "The 2nd TOKYO CREATION AWARD" from Japan for outstanding Creativity in South East Asia for the promotion and development of Thai apparel.

1988

The Company receives nationwide ISO 9002 certification for the standard quality management system of all its products nationwide from SGS Yarsley International Certification Services, United Kingdom.

2000

The company is accredited on March 31, 2008 with new version of ISO 9001 : 2008 for the standard quality management system of all its products nationwide from SGS Yarsley International Certification Services, United Kingdom.

2008

- Being awarded the INVESTORS' CHOICE AWARD 2016 from the Thai Investors Association under Rights Protection Volunteer Project in appreciation of the top 100 score for quality assessment of the Annual General Meeting arrangement for 8 consecutive years.
- Being certified a Member of Private Sector Collective Action Coalition Against Corruption Council (CAC).
- On 17 June 2016, received a Certificate for greenhouse gas reduction from Thailand Greenhouse Gas Management Organization (a public organization) and Thailand Textile Institute in appreciation of using CoolMode clothing.

2016

- Being certified the Private Sector Collective Action Against Corruption (CAC) membership renewal for the second time by the CAC Committee.

2022

1999

The Company is accredited with ISO 9002 for its standard of quality management system in Bangkok Metropolitan area by SGS Yarsley International Certification Services, United Kingdom.

2003

The company is accredited on January 21, 2003 with ISO 9001 : 2000 for the standard quality management system of all its products nationwide from SGS Yarsley International Certification Services, United Kingdom.

2012

ICC won INVESTORS' CHOICE AWARD, thanks to the top 100 score for quality assessment of Annual General Meeting arrangement for 4 consecutive years (2009-2012), by the Thai Investors Association, under the Right Protection Volunteer Project.

2019

- BOARD OF THE YEAR AWARDS 2018 from the Thai Institute of Directors. This is awarded to the boards of companies registered in Thailand with significant performance in oversight of the business and demonstrating leadership in the efficient conduct of its duties.
- Certification from the Certification Committee of the Private Sector Collective Action against Corruption (CAC) for continued membership of the CAC.
- Award for outstanding exemplary company in the payment of Social Security contributions, showing responsibility in making contributions on schedule and cooperating with the program of contributions by e-payment.

2023

- Corporate Governance Report of Thai Listed Companies Award granted by the Thai Institute of Directors Association under the support of the Securities and Exchange Commission and Stock Exchange of Thailand, classified at the level of "Excellence" (Five Stars) for the seventh consecutive year. 🏆🏆🏆🏆🏆
- The assessment results of the quality of the Annual General Meeting 2023 by the Thai Investors Association classified at the level of "Full score of 100 points, excellent" for the fourth consecutive year.

Major changes and activities in 2023

• BSC Cosmetology :

Established: October 2005

BSC Cosmetology has modified its strategies aiming to attract new target customers in the Gen Z group whereby it has adjusted the marketing guidelines based on new concepts and the ways to impressively communicate in order to satisfy the requirements of Gen Z under the significant campaign launched in 2023, under the concept 'BSC Powder, the Trustworthiness of Real Beauty' thereby it released the latest product 'BSC Expert White Series' as the solution for the skin care consumer group by the Genius Aura Technology for the first time in Thailand with genius skin nourishing products of 7 items, namely the full ranges of skin care products from cleaning, healing, nourishing, rehabilitating and protecting skin. It is attested by the user who is really using the product that the product is efficient to enhance the fresh and healthy skin after having used it for 3 days. The product is simply packed in a minimal modern package which satisfies lifestyle of new generation customers. In this connection, the Company introduced the latest presenter as the 'Friend of BSC Expert White', namely Khun Krist Perawat Sangpotirat, a star who acts in Yaoi series, a capable singer and a master of ceremonies, under the campaign 'Bringing White on Krist' as the attracting concept for the target customers presented by the wordings in modern trend aimed to impressing the new target group, Gen Z.

Last year, BSC Cosmetology has adjusted the strategies of marketing communication by expanding into the new consumer group of Gen Z aiming to enlarging its existing customers base. In that connection, the Brand becomes younger and more modern character responding to the needs and providing solutions for customers, so the customers are impressed and accept to try the products. In order to increase sales in the future, the Company has found new concept and the ways to communicate with customers, the attractive promotion campaign and activities were launched. This increases new customer bases in every sale channel either online or offline sale channels thereby new customers are attracted to try the products. Additionally, the Company also communicates via Social Media and Live Chat and its salespersons at sale outlets in each area, including to use up-to-date technologies in its service which has gradually played more role that can excite customers. Digital technology is applied to enhance efficiency both in upgrading the products and presenting the products more corresponding to the needs of consumers, 'Beauty Tech'. The significant target to serve as solution to the problems of modern consumers better than previously, the 'Artificial Intelligence (AI)', the 'Augmented Reality and Virtual Reality (AR and VR)', and Big Data including the software which is used for the purpose of beauty. It emphasizes to develop the better quality of the products more exactly corresponding with the needs of consumers and solving problems that may be faced by consumers when selecting to buy the products online, trying the products, testing their skin condition and accessing the counseling on skin care especially the dermatoscope which can take only 3-5 minutes to analyze skin condition in detail. This device ensures the Brand's trustworthiness making the consumers think worthwhile to spend money for purchasing the products as they are exactly responding to the needs of all age groups of consumer. In addition, it also interests new groups of customers to purchase the products and repeat their purchase of our products.

• **Sheené** : Presented the Concept "Everyone Can Shine" to make everyone shines in their own style. This new image corresponds to the significant change of Gen Z, who are grown-up with positive attitude, opening up idea and accept difference among people, being more gender neutral. It is the cosmetic designed for everyone who likes facial makeup and desires to have good image at all times. This product emphasizes its being simple for customers to use, durably coated, light and comfortable on skin when putting makeup. The product of 'Airy Collection' provides the skin makeup in minimal style enabling the customers to search the color shades of powder and foundation that most suit the customers' skin, so everyone is ready to shine for a whole day.

• **Pure Care BSC** : Presented the skin care product collection, "Skin Kindness", the cosmetic with the natural compound which is safe and gentle suiting all condition of skin, even sensitive skin. The Pure Care BSC cosmetic has deliberately been developed for safety to skin by selection of nutrients from the nature. The perfume of the non-irritant grade will not cause an allergy proved by experiment on allergy and irritation under the Hypo Allergenic and Clinically tested Standard in each time prior to distribution. Therefore, it is reliable that the Pure Care BSC product is the cosmetic trusted to be applied to skin of all condition.

• **BSC Honei V** : The "Honei V Home" product, by the Sweet Home of the Bear presented the latest collection such as facial cleaning foam with smooth and soft mousse cell. The special pressing head lid immediately makes the soft thick foam. It is the new innovation of facial cleansing to thoroughly wash out all cosmetics. The skin will look fresh and bright with 3x Brightening Agents. Additionally, the skin will retain more moisture and become delicate, soft and healthy with 3x Moisturizing Honey consisting of 3 types of dense honey and Hyaluronic Complex.

• **Wacoal Lingerie** The year 2023 was a year when women lingerie market has continually been impacted by COVID-19 for a long time, causing change in the living and behavior of consumers either their lifestyle or behavior of selection of goods purchasing. To this end, Wacoal has considerably adjusted its marketing strategies to suit such changing behavior where the brand image is modified as more cheerful and modern girls to approach the teenagers and the younger generation. In the meantime, Wacoal also approaches a new customer group, i.e. children with 'Wacoal Bloom', and maintains its existing customers in every Sub-Brand, either Wacoal Mood, Wacoal Curve Diva, Wacoal Motion Wear, Wacoal Shape Beautifier, Maternity, or Wacoal Gold. Wacoal has additionally expanded the customer base to the LGBTQ+ group by releasing 'Freedom' collection specifically designed to satisfy the requirements of the LGBTQ+ group.

The Company focuses on the sustainable growth where it realizes the importance thereof so attempts to return profit to the community, the society by having launched the concept of 'BCG Model' in the Saha Group Fair of 2022 and 2023. In the first half of the year, the eco-friendly bra collection, 'Wacoal Love Earth' was released to continue as the eco-friendly product, while the last half of the year, Wacoal Indin was then released having the teenager singer 'BOWKYLION' as the Presenter. Apart from the lingerie beauty, it has been increased the value in customers wearing by being produced from natural fabric and recycled materials such as cotton and its breast mold with 10% of palm oil mixture to substitute for crude oil, and the fabric cloth is made from plastic bottles and recycled nylon cloth. Wacoal Indin is available of many bras of multi-function; they are designed to suit all cup sizes up to plus size and sports bras to support each activity of wearers including exercise, over-head-put-on bras of free cut type, shapewear pants, loosely-fit and comfortable pajamas, padded sleeveless shirts to be simply mixed and matched with customers' clothes in their own styles, by Dr. Khajornsak Nakpan, a Design Award Winner in Textile, Fabric, Textures, Patterns and Cloth Design Category, granted by the A' Design Award and Competition, Italy, jointly in creating the concept of 'Wacoal Indin'.

In this connection, Wacoal is the first brand of lingerie in the textile industry which is certified under the Green Label by Thailand Environment Institute as the quality and safety brand which is perfectly eco-friendly in every manufacturing process. The environment preservation is the global trend leading to Wacoal's significant initiation into launching the campaign 'Eco Product'. Wacoal Indin was released by Wacoal as eco-friendly bras with natural beauty of the soil layer colors in Saha Group Fair at Bangkok International Trade & Exhibition Centre (BITEC), Bangna, to reiterate the strong intention of joining the environment preservation with the sustainable growth goal. There were the product show under the concept 'BCG Model', the annual fashion show 'Wacoal Love Earth, "Not a Collection. It's Our Mission", because Wacoal is not collections of lingerie but being the sustainable earth save mission, which received so much positive responses.

In addition, Wacoal has brought world-class knowledge and technology to develop its products and management to facilitate customers online for their convenience in shopping which responds to the customers' behavior at present where there has been increase in purchase of goods online. In this connection, Wacoal has its own channels, i.e. E-Marketplace, Website/Facebook FanPage/Line/Instagram/TikTok including other online channels. The E-Marketplace as the trade partners can efficiently support the sale outlets of Wacoal such as Lazada/ Shopee/ JD Central/ Bento and many additional channels. To this end, Wacoal Online is developing and building relationship with new alliances aiming at consecutive growth of sales at present and in the future.

For the distribution channels in 2023, the Company distributed goods through the main channel, the Wacoal lingerie counter in leading department stores, provincial department stores and discount stores nationwide, including Wacoal Shop with the total 75 branches. In 2023 the Company plans to increase additional 2 branches of the Shop making the total of 77 branches taking account of efficiency, proper location and their number of customers profitable to the Company.

- **Arrow : Super Nature (Cooling Shirt)** developed from a natural raw material, bamboo fabric with the following special properties:

1. Soft and smooth, comfortable to wear, and does not irritate the skin
2. Inhibit the accumulation of unwanted odor and makes the clothes smell clean at all time
3. Breathable, without damp
4. Well-absorbent fabrics as it evaporates fast.
5. UV Protection
6. Prevent the occurrence and accumulation of mold and other kinds of bacteria
7. Easy to be ironed, hard to be wrinkled

• **Arrow : NO.5 Plus Upcycling Arrow** is produced in consideration of the global warming where seasons vary wildly every year. Therefore, Arrow developed the products made of fabric from plastic bottles and became the only menswear brand granted with the Energy Efficiency Label No.5 and approved by the Electricity Generating Authority of Thailand. The fabric had the following special features:

1. Easy to be ironed, hard to be wrinkled (wash, dry, wear) / handsome look, no iron needed
2. Sweat absorbing and breathable fabric (heat reduction)
3. Cool Mode Test certified
4. Durable after being washed and colorfade proof either caused by light or sweat (strong fabric)
5. Under safe manufacturing process with safe dyes free from carcinogen and heavy metals (safe for wearers)

• **Arrow : 4 Ways Stretch Easy Move Trousers** able to be stretched in 4 ways and the waist adjustable, comfortable to wear, not tight, simply maintained, with the following special properties:

1. Stretchable, able to respond with every movement of wearers
2. Comfortable waist
3. Resuming former size and shape
4. Light and comfortable to wear
5. Breathable
6. Easy to be ironed

- **Lacoste: Creative Innovation**

- **Combination of Sports Fashion with Global Trends**

- **Lacoste X Netflix**

- It is a new phenomenon of the fashion sector in cooperation between the world-class 2 brands, namely Lacoste and Netflix, where Lacoste has released the special collection of clothing and accessories 'Lacoste X Netflix' in collaboration with the world-class Platform 'Netflix'; the designs are inspired by the 8 top hit series, i.e. Stranger Things, Bridgerton, Lupin, Money Heist, The Witcher, Sex Education, Shadow & Bone and Elite and reflected in ready-to-wear clothes which can be worn by all either men, women or children, available at pop-up stores and 'Lacoste X Netflix' at Fashion gallery, M floor, Siam Center, since April 2023.

- **L003 Neo**

- L003 is the collection of shoes in L003 family. It looks like that the design of these shoes is modified from runway to street way; however, L003 shoes are actually inspired from a tennis ball which bounces back again and again between the line and time with ceaseless move on the court in any match. Additionally, the shoes are made of Nubuck that is more similar to a tennis ball, but still kept the design of partial uncovered foam with big cord decorated at the heel together with the wording graphic and range at the shoes'sides, 'N48° 51' 11.0", E2° 51' 47.0" which are the location of the Office of the Brand in Paris, France. This collection of shoes is inspired by sports and modern design innovation with the aim of presenting the unique differentiation of Lacoste from others in combination of Sports & Fashion where it is brought varieties of mixture to be modified either the upper sole from large net cloth along with the outer cover from nylon, Nubuck and smooth leather, all of which reflect the modern and new specific style able to be simply mixed and matched with the wearers' dressing. In addition, the shoes are in both male and female styles.

- **Lacoste X Sporty & Rich**

- In cooperation with the sportswear Brand 'Sporty & Rich' to present the collection that is inspired by tennis produced in the limited edition of 22 models in order to celebrate for French Riviera in imagination through silhouette of the original tennis in soft tones of colors that is inspired by the famous iconic work piece of Lacoste between 1970s and 1980s. The result thereof is a part decorated with the original logo reminding of a supreme private tennis club. This collection is available from two-tones tracksuits, oversized sweaters, loose polo shirts, pleated skirts, singlets, jumpsuits and crop tops distributed in May 2023 at Exclusive only Lacoste Le Club Flagship Store, 2nd floor, Central World Shopping Center and website: www.lacoste.co.th.