Research & Development: Health & Nutrition Strategy

Carabao Group Public Company Limited (“the Company”) focus on being a leader in the energy drink business and the broader beverage industry reflects its commitment to providing nutritious products that cater to the evolving needs and preferences of consumers. The Company places a strong emphasis on research and development to create beverages that are not only enjoyable but also contribute to a healthy lifestyle.

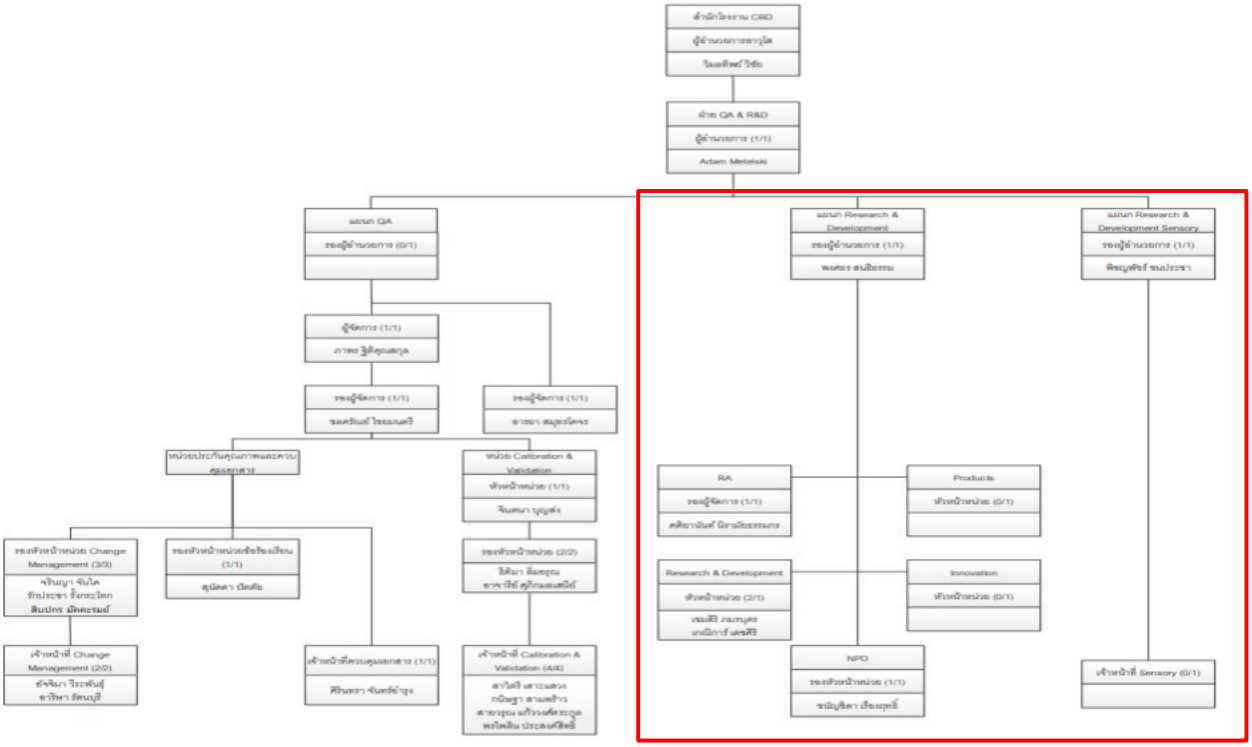
CBG is committed to improving access to nutritious products by developing beverages that not only meet evolving consumer preferences but also support better health outcome. The company places strong emphasis on making nutritious beverage options more widely available and accessible, ensuring the consumers from diverse backgrounds can benefit from healthier choices”. In addition, the Company is dedicated to minimizing negative health impacts from its products by reducing levels of sugar, sodium, and other ingredients of concern, while enhancing transparency on nutritional information.

The Research and Development team at the Company works diligently to develop innovative and 3nutritious products, keeping in mind the changing consumer preferences and health concerns. This includes the creation of beverages that are low in sodium, low in sugar, and contain added nutrition. These efforts ensure that the company can offer a wide range of options to consumers who are looking for healthier alternatives in their beverage choices.

The Company recognizes that vulnerable groups—including children, the elderly, pregnant women, and individuals with specific health conditions—may have special nutritional needs and greater concern toward certain ingredients. The Company proactively addresses their needs through its product development processes, guided by a Health & Nutrition Advisory Panel that helps identify key nutritional risks and minimize potential negative impacts.

By continuously focusing on R&D and product development, The Company aims to stay ahead of the market and meet the growing demand for nutritious and healthy beverages. This commitment to providing healthier options aligns with the company's goal of being a leader in the industry and responding to consumers' changing lifestyles and needs.

Overall, The Company dedication to developing nutritious products reflects their understanding of the importance of offering choices that support a balanced and healthy lifestyle, and their commitment to meeting the evolving demands of consumers in the beverage market. The R&D operation structure is as followed:



The Role and responsibility of the team comprises 3 parts, which are:

1. New product development: NPD – to ensure that new product development has been done effectively. The Research & Development team has designed and developed products that complied with Food Safety rules, regulations, and laws, and check on Nutrition fact.
2. Reformulated product: The Research & Development team works continuously on the reformulation of existing products to be healthier and more nutritious for consumers.
3. Alternative raw material testing: The Research & Development team always tests for alternative raw materials to improve the product's recipe for better quality.

The Company has set the criteria in promoting consumers health, safety, and nutrition as such:

- The product must be beneficial to the consumer's body with its vitamin or other added components.
- The product must pass the criteria of the 'Healthier Choice' symbol, which contains sugar and fat at the limit level: For beverage size 300ml. or smaller, the total sugar content must be 6 grams/100ml. or lower.

The focus of the Company's Research & Development team are:

1. The first beverage with natural caffeine that contains liver extract, Glucuronolactone, and Curcumin, which responds to the needs of health-conscious consumers – Kanzou X2.
2. NPDs in carbonated beverages (CSD) with reformulation to lower their sugar content for consumers' better health.
3. NPDs regarding skin benefits, such as Woody C+ Lock products with Collagen Glutathione.

For CBG's Research & Development, the Company has set its Health & Nutrition criteria as followed:

Type	Volume	Details
Vegetables juice, fruit juice, carbonated drinks, and flavored beverages	100 milliliters	**Total sugar content** ● ≤ 6 grams per 100 milliliters and ● ≤ 18 grams per 1 unit, specifically for beverage that 1 unit is higher than 150% of 1 reference unit and its size under 500 milliliters. **Sodium** ● ≤ 40 milligrams per 100 milliliters ● ≤ 100 milligrams per 100 milliliters, specifically for beverage with tomato juice over or equal to 90% **Total energy** ● ≤ 40 kilo calories per 100 milliliters ● ≤ 24 kilo calories per 100 milliliters, in beverage that contains sugar and sugar substitute compound. ● ≤ 10 kilo calories per 100 milliliters, in beverage that contains only sugar substitute compound