



SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED

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Highlights of the year

Financial Statement	2019	2018	2017 (Restated)
Performance (Million Baht)			
Sales	32,802.81	32,715.37	31,497.63
Total Revenues	33,411.43	33,337.37	32,010.12
Net Profit	1,744.97	1,778.57	1,527.03
Total Assets	27,096.15	26,715.07	25,751.09
Total Liabilities	8,681.19	9,350.14	9,441.54
Total Shareholders' Equity	18,414.97	17,364.93	16,309.55
Per Share Data (Baht)			
Earning per Share	5.18	5.28	4.51
Dividend per Share	1.60*	1.50	1.50
Book Value per Share	55.21	52.13	48.95
Par Value per Share	1.00	1.00	1.00
Market Price	56.00	51.75	52.50
Rate of Return (%)			
Gross Profit Margin	15.78	17.41	17.27
Net Profit Margin	5.22	5.34	4.91
Return on Equity	9.75	10.56	10.45

* Note : The Board of Directors Meeting No.11 (Board 26) on March 9, 2020 resolved to propose to the General Meeting of Shareholders which determines to take place on April 22, 2020 to approve the Dividend Payment Baht 1.60 Per share and The Board of directors Meeting No. 7 (Board 26) on November 12, 2019 already paid interim dividend payment Baht 0.60 per share, so remaining dividend payment at Baht 1.00 Per share

Founder Profile



Personal Profile of Dr. Thiam Chokwattana

*The Founder of
Saha Pathanapibul
Public Company Limited*

Date of Birth :

*June 14th, 1916.
in Bangkok*

Date of Death :

*June 29th, 1991.
in Chonburi*

Honors :

Royal Decorations

- Year 1963 Member (Fifth Class) of The Most Noble Order of the Crown of Thailand
- Year 1978 Companion (Fourth Class) of The Most Noble Order of the Crown of Thailand
- Year 1979 Companion (Fourth Class) of The Most Exalted Order of the White Elephant
- Year 1981 Commander (Third Class) of The Most Exalted Order of the White Elephant
- Year 1982 Knight Commander (Second Class) of The Most Exalted Order of the White Elephant
- Year 1985 A Special Royal Decoration from the Japanese Government

Other Honors

- Year 1985 Honorary Doctorate Degree in Business Management.
Srinakarinwirot University. Bangsaen Campus
- Year 1988 Thai Marketer of the Year 1988 Award
- Year 1989 Thai Industrialist of the Year 1989 Award

**Listen, look, think, question
are the basis for learning.**

**Meeting, planning, implementation, evaluation
are the basis for management.**



A good basis for learning consists of listening, looking, thinking, and questioning. Do not just listen, look or question, then use the information without giving it a thought or finding out its cause, you will see the cause behind it all.

You need to hold meeting and map out plans for your work. Once the work plans have been determined, management have a duty to monitor and ensure that implementation keep to the plans.

Staff must file reports often, while management must question them often about work progress. In this way, they can monitor and analyses the outcome of the project.

“

**Listen, look, think, question
are the basis for learning.**

**Meeting, planning, implementation,
evaluation constitute cautious
operational procedures.**

**When the two are put together,
the result is the major principle
of all business conduct.**

”

Report of the Board of Directors

The global economy of last year still grew but at a decelerated pace. The raging Sino-American trade war has left it battered and bruised. The many tariffs that these two powerhouses kept placing on goods originating from each other have harmed the commercial and industrial sectors in many countries around the globe. The most obvious indicator of this impact is the growth rate of their gross domestic products, which has taken a sharp decline. The Chinese economy itself seems to have slowed down due to its own economic reforms, which focus on curbing debts and adverse effects on exports caused by the trade war. In particular, the production of technology-based items, especially electronic gadgets and machinery, is likely to continue being hit.

Domestically, it is clear that Thailand's economic growth has stagnated. It only expanded by 2.6 percent in 2019, which was the country's lowest rate in five years. This decline is attributed to the abrupt deceleration of exports, which was an inevitable domino effect of the US-China trade war; the withering tourism industry as a result of the plummeting number of Chinese tourists; and the private sector's reluctance to invest further. The Thai government spent 300 billion baht to stimulate the economy, but its effects appear insignificant against the tides of the global economic turmoil.

Despite the hurdles, the Company was able to maintain satisfactory performance and meet established goals. As always, the Company began the year by defining its missions, goals, strategies, action plans, and budgets. It also adhered to ethical principles in every step of its operations.

Our continued success and growth were possible because of our partner manufacturers, as well as the commitment of our executive officers and employees for constant organization development and advancement. Our people worked hard together to develop new ideas, new proactive marketing strategies, and new sales strategies that enabled the Company to keep up with the market and consumer behavior changes. In the digital era, we have had to adapt to keep up with the constant changes and social trends.

The Board of Directors would like to take this opportunity to express its gratitude towards shareholders, suppliers, and customers. Their trust and support led to our good operating results, prosperity, and stability, as well as credibility and satisfaction among all parties involved. The board would also like to thank every executive and employee for their commitment and dedication. The Company will keep developing its potential in every way, creating good things for Thai society in a sustainable manner.

Audit Committee's Report for the year 2019

The Audit Committee of Saha Pathanapibul Public Company Limited comprises 3 independent directors. Our qualifications meet the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. In 2019 we met 5 times. The details of each committee member's meeting attendance are as follows:

Name	Position	Attendance
1. Mr. Khachornsakdi Vanaratseath	Chairman of the Audit Committee	5/5
2. Mr. Wasin Teyateeti	Member of the Audit Committee	4/5
3. POL.MAJ.GEN. Panurat Meepien	Member of the Audit Committee	5/5

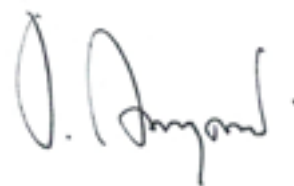
At these 5 meetings, we discussed relevant matters with the Company's executives, internal auditor, and financial auditor. We also met independently with the auditor once without the presence of the executive team. Below is a summary of our key activities:

1. We reviewed the quarterly and annual financial statements, which had previously been reviewed by the auditor. We ensured that they had been prepared correctly and that they conform in essence with generally accepted accounting practices. Moreover, we ensured sufficient disclosure of information per accounting standards. We also found that the auditor had expressed his opinion unconditionally.
2. We reviewed the Company's internal audit system and anti-corruption measures, as well as the implementation of the 2019 Internal Audit Plan. We regularly received progress reports and provided our recommendations to improve its efficiency. In our opinion, the Company's internal control was adequate and suitable for its current business. We also granted our approval to the 2020 Internal Audit Plan proposed by Internal Audit.
3. We reviewed connected transactions and concluded that the Company had thoroughly abided by all requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission. We were also of the opinion that the Company had thoroughly and correctly disclosed all connected transactions.
4. We reviewed the Company's compliance with securities and exchange laws, regulations of the Stock Exchange of Thailand, and other laws pertinent to the Company's operations. We found that the Company had thoroughly complied with all relevant laws, rules, and regulations in accordance with good corporate governance principles.
5. We reviewed the self-assessment form and anti-corruption assessment form, which applied to the Company's primary business. The form was needed for the Company to apply for its first re-certification by Thailand's Private Sector collective Action against Corruption. The re-certification was approved on November 4, 2019.

6. We selected and nominated DIA International Auditing Co., Ltd. as the 2020 auditor based on the following criteria: knowledge, competence, and independence. We have proposed the name and audit fee to the Board of Directors. With the board's assent, the name and audit fee will be presented before the Annual General Meeting of Shareholders for the final approval and appointment.

In all of our endeavors, we have found no significant flaws that could impact the Company's financial statements. We have also presented a report of our activities to the Board of Directors for its consideration.

On behalf of the Audit Committee



(Mr.Khachonsakdi Vanaratseath)
Chairman of the Audit Committee
February 20, 2020

The Business Operation

The multinational conglomerate that is Saha Pathanapibul Plc. today was founded on the vision and the dedication of the late founder Dr. Thiam Chokwattana. Since its humble beginning, the Company has made constant development and sustained its business growth by adhering to good moral values and ethics. Fully aware of its role as a good corporate citizen to contribute to social responsibility, the Company has in place a corporate vision, Good Corporate Governance framework, a quality policy and corporate values that reflect the Company's genuine commitment to creating good things for the society and communities to which it belongs.

Vision :

- We are and shall remain the leading distributor of fast moving consumer goods (FMCGs) in Thailand
- We are committed to matching the high quality of our clients' products with sound marketing and sales professionalism and strong business ethics.
- We are dedicated to contributing to the happiness and well-being of Thais
- We shall uphold these principles in our pursuit of growing globally in size and in reputation.

Quality Policies :

- Everyone at SAHAPAT works hand-in-hand to achieve the Company's objective and constantly
- We strive to develop innovative products that satisfy the needs of our valued customers.
- We are ever committed to creating business opportunities through expanding our distribution channels worldwide.
- Operating our business with ethics, good governance and corporate social responsibility.

Core Value :

- Social Responsibility
- Advancement
- Harmony
- Passion for Excellence
- Truthfulness

Milestone

Saha Pathanapibul Public Company Limited started business back in 1942, as a grocery store called "Hiab Seng Chiang." Later, the business expanded is the distributor of imported goods from abroad and adopted the name Saha Pathanapibul Co.,Ltd. in 1952 with registered capital of 1 million baht.

In 1978	Listed on the Stock Exchange of Thailand, with a registered capital of 30 million baht
In 1982 - 1984	Registered capital is increase to baht 48 million
In 1985	Registered capital is increase to baht 60 million
In 1987 - 1988	Registered capital is increase to baht 200 million
In 1988	Changed in the value of the shares at par 100 Baht to 10 Baht per share
In 1989	Registered capital is increase to baht 600 million with a paid-up capital of baht 200 million Convertible debentures are issued at the amount of baht 250 million

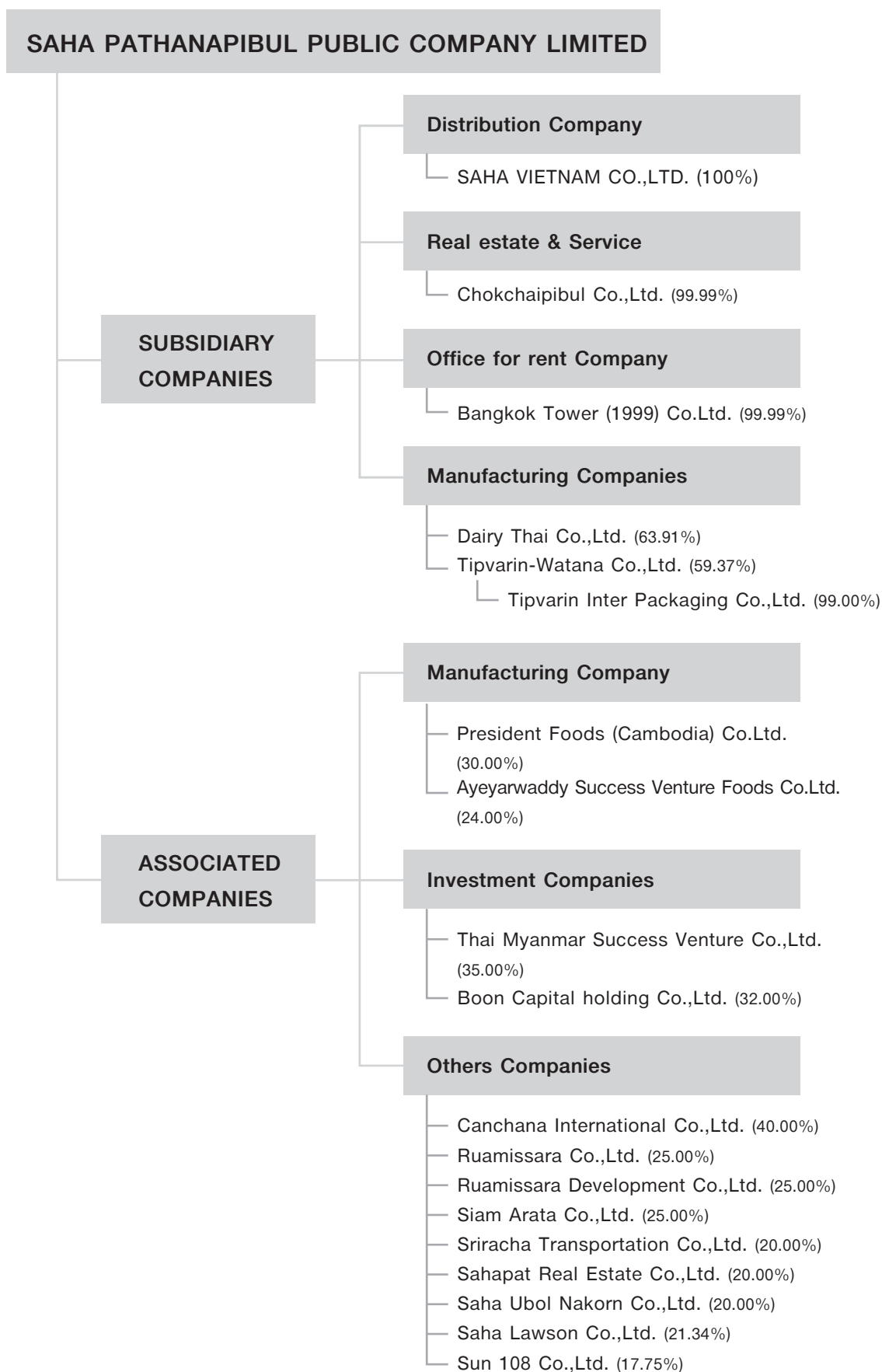
The Business Operation

In 1990 - 1994	Additional capital 75.87 million baht, paid-up capital is 275.87 million baht.
In 1994	January 20, 1994, 6,896,883 shares at 10 baht per share were brought to sell to the holders at the ratio of 3:1 at 55 baht per share.
In 1994	May 9, 1994 has been registered to convert into a Public Company Limited
In 1999	Debentures is issued at the amount of baht 500 million.
In 2003	Change the value of share par at 10 baht to 1 baht per share.
In 2008	July 9-15, 2008 has called up share capital 45,979,220 shares. The allocation to existing shareholders at the ratio of 6:1 at 15 baht per share, paid-up capital is increase to baht 318.42 million.
In 2013	To decrease of registered capital from baht 600 million to baht 318.42 million and increase of the company's registered capital baht 330 million by issuing new shares baht 11.58 million offer for sales to Executive officers and employees of the Employee stock option program (ESOP) at 15 Bath, with the offering period of June 1, 2013 to May 1, 2015. In September 11 - 13, 2013 Executive officers and employees subscribe for ordinary shares of the Employee stock option program (ESOP) 4,957,900 shares. In September 19, 2013 paid-up capital of baht 323.37 million.
In 2014	June 9 - 11, 2014 Executive officers and employees subscribe for ordinary shares of the Employee stock option program (ESOP) 1,221,500 shares. June 20, 2014 paid-up capital of baht 324.60 million. October 13 - 15, 2014 Executive officers and employees subscribe for ordinary shares of the Employee stock option program (ESOP) 3,163,900 shares. October 20, 2014 paid-up capital of baht 327.76 million. October 20, 2014 The Company received the "Red Garuda" Royal Seal graciously bestowed upon by His Majesty the King as a recognition of the key values of honesty, integrity and morality upheld by Saha Pathanapibul Public Company Limited.
In 2015	February 11 - 13, 2015 Executive officers and employees subscribe for ordinary shares of the Employee stock option program (ESOP) 2,234,797 shares. February 20, 2015 paid-up capital of baht 330 million. August 9, 2015 The Royal Garuda Charter installation ceremony at the head office.
In 2016	October 14, 2016 The Company got Certified to CAC standard from Thailand's Private Sector Collective Action Coalition Against Corruption.
In 2019	November 4, 2019. The Company got Re-Certified to CAC standard from Thailand's Private Sector Collective Action Coalition Against Corruption.

The Business Operation

Shareholding Structure

As at December 31, 2019 The company invest in 5 subsidiaries companies and invest in 13 associated companies which type of business are as follow



The Business Operation

Cross Shareholding Structure

The Company has the cross shareholding structure; however the cross shareholding not conflict with the principles as prescribed in the Notification of the Capital Market Supervisory Board Tor Jor. 28/2551 Re : The Request for Approval and the Approval of Initial Public Offering Article 14.

The Cross Shareholding on December 31, 2019.

Name of Company	Proportion of Shareholding	
	The Company holds Share in other Firms	Other Firms holds Share in the Company
1. Holding of shares exceeding 50% <ul style="list-style-type: none"> The Company holds shares in other firm exceeding 50%, the other firms must not cross shareholding in the Company. 		
1. Saha Vietnam Co.Ltd.	100.00	-
2. Chokchaipibul Co.,Ltd.	99.99	-
3. Bangkok Tower (1999) Co.,Ltd.	99.99	-
4. Dairy Thai Co.,Ltd.	63.91	-
5. Tipvarin-Watana Co.,Ltd.	59.37	-
2. Holding of shares exceeding 25% not exceeding 50% <ul style="list-style-type: none"> The Company holds shares in other firms exceeding 25% but not exceeding 50%, the other firms must not cross shareholding in the Company exceeding 10%. 		
1. Canchana International	40.00	-
2. Thai-Myanmar Success Venture Co.,Ltd.	35.00	-
3. Boon Capital holding Co.,Ltd.	32.00	-
4. President Foods (Cambodia) Co.,Ltd.	30.00	-
3. Holding of shares not exceeding 25% ** <ul style="list-style-type: none"> The Company holds shares in other firms not exceeding 25%, the other firms must not cross shareholding in the Company exceeding 25%. 		
1. Saha Pathana Inter-Holding Plc.	8.64	24.98
2. I.C.C. International Plc.	8.53	10.19
3. I.D.F. Co.,Ltd.	19.60	4.19
4. International Laboratories Corporation Ltd.	9.83	1.22
5. New City (Bangkok) Plc.	0.45	0.55
6. Far East Fame Line DDB Plc.	11.91	0.33
7. Sahapat Real Estate Co.,Ltd.	20.00	0.18
8. People's Garment Plc.	8.80	0.07
9. Sahapat Properties Co.,Ltd.	6.25	0.0001

Remark : ** Show the particularly transaction with the cross shareholding

The Business Operation

Income Structure

The Company engaged in consumer products distribution and property development business. A subsidiary engaged in business of investment in real estate and services and another subsidiary engaged in business of office building for rent. The Group operation involve virtually a geographical segment in Thailand and some are an overseas geographical segment. For the year ended December 31, 2019 and 2018 The Group have revenue from sales in an overseas geographical segment amount of 852.96 million baht and 789.82 million baht.

The segment of the Company and subsidiaries in the consolidated financial statements are detailed following

	(unit : million baht)		
Revenue	2019	2018	2017
Consumer products	32,755.4	32,715.4	31,497.6
Office building for rent	77.8	98.8	71.5
Other	97.3	63.4	42.1
Total	32,930.5	32,877.6	31,611.2

Products and Customers

The Company has been a distributor and authorized retailer for over 70 years. It has amassed expertise and a distribution network of different types of modern trade and traditional trade merchants, including medium and large-scale wholesalers and retailers nationwide. The Company distributes four main categories of consumer goods namely household products, food products, personal care products, and baby products.

Sales and Distribution Channels

The Company distributes products through cash and credit lines with stores across the country, with 40 percent of the total sales generated in Bangkok and 60 percent from the provinces. The team of experienced sales experts to visit and liaise with these stores. The Company has applied state-of-the-art technology to take purchase orders, validate data, issue sales documents, and handle shipments.

The Company's distribution channels are divided into the following three groups:

1. Modern trade, including hypermarkets, supermarkets, convenience stores, and cash and carry stores;
2. Traditional trade, including medium and large-scale wholesalers situated in all regions in Thailand, that the Company's employees regularly visit and keep in touch with; and
3. Cash vans, which visit and offer products on to retailers, based on their sales cycles, and receive payments in cash.

Competition within the Industry

In 2019 the Company earned 32,805 million baht in sales revenue, The Company also recorded a net profit of 1,575 million baht, The competition in the consumer goods market was fiercer in 2019, but the Company was able to maintain its sales growth by applying its experience and expertise. The government's welfare smart cards also helped boost purchasing power among the grassroots populace.

The Business Operation

There was stiff competition in the instant noodles segment, but “MAMA” continued to thrive with the growth of 9 percent, emphasizing its position as the number 1 brand and constant leader in the instant noodles market with a market share of 51 percent, a year-on-year increase of 3 percent. “MAMA” was also named one of the Most Chosen Brands in the food sector at the Kantar Brand Footprint Award 2019.

The primary reason “MAMA” gained a higher market share and significant growth was the introduction of new saucy stir-fried flavors of Mama OK instant noodles—namely, Hot Korean and Shrimp Stir-fried Tom Yum Sauce. These new flavors were well received and created a new trend among consumers, helping push sales growth in 2019. The Company later created a marketing phenomenon with the launch of Mama OK Stir-Fried Salted Egg instant noodles. The product became an instant hit and was sold out quickly online. The success was attributed to a strategic move of having food bloggers and influencers review the product, ramping up demand both online and offline. In addition to regular packets, the Company also introduced new Mama OK instant noodles packaging in the form of a larger cup with a novel 2-layer lid to enable consumers to cook and drain the noodles more easily. The new design provided an ingenious solution and improved convenience to new-generation customers, generating overwhelming reception.

At the same time, Mama Khaotom Cups (rice soup cups) launched three new flavors: Spicy Leng Soup, Egg with Wakame Seaweed, and Garlic Shrimp. This was in addition to the popular Salt and Pepper Pork flavor, which had been popular among consumers because it made an ideal breakfast and late-night snack. Made with 100% authentic Thai Hom Mali rice, which is low in fat, this product line caters to the demand of health-conscious consumers.

Moreover, “MAMA” had coordinated with MG Sales (Thailand) Co., Ltd., the dealer of MG vehicles, to launch a mega campaign of the year entitled “Mama Cup for an MG Car.” With this campaign, consumers had a chance to win major prizes, which were three New MG Zs cars worth THB 789,000 each, and many other prizes. The total value of the campaign was over THB 4 million.

For consumer goods, such as detergent, the overall market in 2019 shrank as a result of economic circumstances and declining purchasing power. Pushed by intense competition, a promotion war was a major sales-boosting strategy. In particular, the “Buy One Get One Free” campaign was used from time to time by modern trade merchants, which led to the stunted growth of the market. Nonetheless, the Company was able to maintain the growth of detergent sales by 3 percent through an integrated marketing strategy that included advertising media, marketing activities, and launches of new products, sizes, and formulas. Pao detergent was named one of the Most Rising Brands, while 108 Shop was named one of the Top Outstanding Local Brands in the Home Care segment at Kantar Brand Footprint Award 2019. These awards guarantee that our products are of high quality and are widely recognized.

In 2020, the Company still has its eye on growth, which will be achieved through marketing strategies that reach all groups of consumers. Consumer behavior changes rapidly, and the Company constantly has to adapt to meet demand. It has to be ready to adjust its strategy to a new business context. The Company will always continue to develop, innovate, and create new products, campaigns, and advertising media. It will also continue to improve its supply chain, bringing more efficiency to production and shipping. The Company also plans to expand its warehouses to support sales growth.

Securities and Shareholder Information

Securities and Shareholder Information

- The amount of capital and paid-up capital on December 31, 2019
 - The Company has a registered capital Baht 330,000,000 paid-up capital is Baht 330,000,000
 - Common shares 330,000,000 shares, Par value of Baht 1
- Shareholder
 - List of Shareholders as at the book-closing date on December 30, 2019

Top ten Major Shareholders of Company on December 30, 2019

Name	No. of Shares	%
1. Saha Pathana Inter-Holding Public Company Limited	82,417,665	24.98
2. I.C.C. International Public Company Limited	33,630,158	10.19
3. Lion Corporation	32,188,333	9.75
4. Chokwatana Company Limited	24,687,641	7.48
5. Mr. Weerapat Punsak-Udomsin	16,735,288	5.07
6. Nissin Foods Holdings Co.,Ltd.	16,216,666	4.91
7. I.D.F. Company Limited	13,842,096	4.19
8. Lotte Company Limited	8,200,000	2.48
9. Mr. Samrerng Manoonpol	6,896,544	2.09
10. KEWPIE Corporation	5,219,737	1.58

Distribution of shares by the classification of shareholders per amount of shares hold :

Type	No. of Shareowner	No. of Share	%
Juristic Persons			
Thai Nationality	57	179,759,425	54.47
Foreign Nationality	13	64,456,296	19.53
Natural Persons			
Thai Nationality	1,738	85,342,469	25.86
Foreign Nationality	6	441,810	0.14
Total	1,814	330,000,000	100.00

Securities and Shareholder Information

Securities Data Company of Directors and Executives on December 31, 2019

Name		As at 31 Dec 2018	Changes between 2019	As at 31 Dec 2019	%
1. Mr. Boonsithi	Chokwatana	2,775,585		2,775,585	0.84
2. Mr. Boonchai	Chokwatana	1,906,342	13,000	1,919,342	0.58
Spouse and Underage children		120,000		120,000	0.04
3. Mr. Boonpakorn	Chokvathana	1,478,965		1,478,965	0.45
Spouse and Underage children		204,353		204,353	0.06
4. Mrs. Pasook	Raksawonkse	55,000		55,000	0.02
5. Mr. Vathit	Chokwatana	458,333		458,333	0.14
6. Mr. Boonyarith	Mahamontri	62,218		62,218	0.02
7. Mr. Thamarat	Chokwatana	232,254		232,254	0.07
Spouse and Underage children		34,998		34,998	0.01
8. Mr. Petch	Paniangvait	300,000		300,000	0.09
9. Miss Sililak	Dhanasarnsilp	761,551		761,551	0.23
10. Mrs. Chailada	Tantivejakul	1,166,739		1,166,739	0.35
11. Dr. Vichai	Charoenwongse	-		-	-
12. Mr. Vichit	Tantianunanon	18,153		18,153	0.01
13. Mr. Khachornsakdi	Vanaratseath	-		-	-
14. Mr. Wasin	Teyateeti	-		-	-
Spouse and Underage children		15,333		15,333	0.00
15. POL.MAJ.GEN.Panurat	Meepien	-		-	-
16. Mrs. Siriporn	Lekayavijitr	221,333		221,333	0.07
17. Mr. Pipat	Kowsuparmongkol	-		-	-
Spouse and Underage children		130,000		130,000	0.02
18. Mr. Vora	Punkamol	53,000	(13,000)	40,000	0.01
19. Mr. Punnavee	Sookyen	-		-	-
20. Mr. Parinya	Sithidumrong	4,000		4,000	0.00
21. Mr. Peerapol	Chanwichit	11,000		11,000	0.00
22. Miss. Patcharaporn	Vatanasuk	50,000		50,000	0.02
23. Mrs. Siriwan	Wongariyakavee	409,500		409,500	0.12
24. Mr. Surapong	Soponkij	-	-	-	-

Dividend Payment Policy

The Company stipulated the policy to pay dividends to the shareholders at the rate of 0.15 Baht per share per year, subject mainly to the economic situation and the Company's results of operation.

Details of Dividend Payment	**2019	2018	2017	2016	2015
Earning per Share	4.77 Baht	4.98 Baht	4.38 Baht	3.49 Baht	3.94 Baht
Dividend per Share	1.60 Baht	1.50 Baht	1.50 Baht	1.30 Baht	1.10 Baht
Dividend ratio per net profit	33.52 %	30.12 %	34.28 %	37.26 %	27.95 %

** Note : The Board of Directors Meeting No.11 (Board 26) on March 9, 2020 resolved to propose to the General Meeting of Shareholders which determines to take place on April 22, 2020 to approve the Dividend Payment Baht 1.60 each The Board of Directors Meeting No.7 (Board 26) on November 12, 2019 resolved to approved the Interim Dividend Payment Baht 0.60 each remaining Dividend Payment Baht 1.00 each

Management Structure

The Directors of the Company shall perform the duties of the Board of Directors and 4 Committee, including Audit Committee, Nominating and Remuneration Committee, Risk Management and Anti-Corruption Committee and Board of Executive. Authority and duties of each committee and those of the President are prescribed in documentation.

1. Board of Directors

Presently, the Board of Directors comprises of 15 directors:

- 6 non-executive directors
- 5 Independent directors
- 4 Executive Directors

Name of the Board of Directors

Name	BOD	AC	NRC	RMC	BOE
1. Mr. Boonsithi Chokwatana	☆				
2. Mr. Boonchai Chokwatana	⊙		⊙		⊙
3. Mr. Boonpakorn Chokvathana	✱				
4. Mrs. Pasook Raksawonkse	✦			⊙	✱
5. Mr. Vathit Chokwatana	✦		✦		◆
6. Mr. Boonyarith Mahamontri	✦				
7. Mr. Petch Paniangvait	✦				
8. Miss Sirilak Dhanasarnsilp	✦				
9. Mrs. Chailada Tantivejakul	✦		✦	⊙	✦
10. Mr. Thamarat Chokwatana	✦				
11. Mr. Wasin Teyateeti ★	✦	✦			
12. Mr. Khachornsakdi Vanaratseath ★	✦	⊙			
13. POL.MAJ.GEN.Panurat Meepien	✦	✦			
14. Dr. Vichai Charoenwongse	✦				
15. Mr. Vichit Tantanunanon	✦				

Note : BOD = Board of Directors, AC = Audit Committee, NRC = Nomination and Remuneration Committee, RMC = Risk Management and Anti-Corruption Committee, BOE = Board of Executives

☆ Honorary Chairman ⊙ Chairman ✱ Vice Chairman ◆ President ✦ Director ⊙ Consultant
★ Audit Committee who has sufficient knowledge and experience to verify financial statements

Management Structure

The Authority of Board of Directors

Any two of eight following directors shall jointly affix their signatures together with the seal of the Company in order to be binding on the Company

- | | |
|-------------------------------|-------------------------------|
| 1. Mr. Boonpakorn Chokvathana | 2. Mr. Boonchai Chokwatana |
| 3. Mr. Boonyarith Mahamontri | 4. Mr. Vathit Chokwatana |
| 5. Mrs. Pasook Raksawonkse | 6. Mr. Petch Paniangvait |
| 7. Miss Sirilak Dhanasarnsilp | 8. Mrs. Chailada Tantivejakul |

Scope of Duties and Responsibilities

1. To establish directions, goals and business policies of the Company.
2. To approve plans and annual budgets, to supervise the performance of the management in order to ensure effectiveness and compliance with the laws and desired policies and plans.
3. To encourage the development of business supervision policy and written business code of ethics in order for Company directors, executives and employees to observe as guideline in the conduct of the Company's business.
4. To arrange for a sufficient internal control system in order to ensure that transactions are approved by authorized individuals, reviewed and recorded in accurate books of accounts, and to implement systems preventing inappropriate use of Company's assets.
5. Transactions with possible conflict of interests must be carefully reviewed, with a definite guideline to ensure the interests of the Company and the shareholders. Individuals with interests may not be involved in the decision-making process. They must observe the requirements on the proper procedure and disclosure of transactions with possible conflict of interests.
6. To approve the reviewed and/or audited financial statements by external auditor, which have been approved by the Audit Committee.
7. To be equally responsible to all shareholders, and to correctly and transparently disclose information to shareholders and investors.
8. To acknowledge business management reports from the Executive Committee.
9. To convene shareholders meetings by specified date, time, location and agenda as well as dividends (if any), and to provide shareholders with opinions of the Board of Directors on the matters proposed to the shareholders. During the twenty-one days prior to each shareholder meeting, the Company may refuse share transfer registration by informing the shareholders at the headquarters and the branch offices at least fourteen days prior to the day of share transfer registration suspension. Alternatively, a record date (RD) may be determined no longer than two months prior to the day of any shareholders meeting, and in order to determine the right to attend shareholders meeting and to receive dividends.
10. To prepare the report of "Responsibility of the Board of Directors towards Financial Reports" and disclose it in the annual report of the Company (Template 56-2) and the annual disclosure template (Template 56-1).
11. To follow up on documents to be submitted to relevant regulatory agencies, in order to ensure that the statements or the items are correct as per the data appearing in the books of accounts, the registration or other documents of the Company.
12. To approve the Board of Directors Charter and/or other committees Charters.
13. To engage in any other action, which is beyond the authority of the Executive Committee, or which the Board of Directors deems appropriate.

Management Structure

Authority

1. To appoint, remove and authorize consultants to the Board of Directors, to committees and/or to other individuals.
2. To approve loans of the amount greater than the authority of the Executive Committee, to companies with a business relation with the Company as shareholders, or to companies with a trading relation, or to companies of other nature.
3. To approve guarantee of loans of the amount greater than the authority of the Executive Committee, to companies with a business relation with the Company as shareholders, or to companies with a trading relation, or to companies of other nature.
4. To approve legal engagement in nonfinancial transaction, of which the amount is greater than the authority of the Executive Committee.
5. To approve acceptance or cancellation of loans, of which the amount is greater than the authority of the Executive Committee.
6. To approve investment, sale of investment capital in ordinary shares and/or any other securities, of which the amount is greater than the authority of the Executive Committee.
7. To approve sourcing and investment in fixed assets, of which the amount is greater than the authority of the Executive Committee.
8. To approve distribution, transfer of fixed assets, of which the amount is greater than the authority of the Executive Committee.
9. To approve modification, destruction and depreciation of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, depreciated and outdated, of which the amount in aggregate as per book value is greater than the authority of the Executive Committee.
10. To approve modification, change of price and destruction of raw materials and/or remaining inventory which are depreciated or outdated and causing devalue in the book of accounts, of which the amount is greater than the authority of the Executive Committee.
11. To approve compromise or settlement of dispute by arbitration, complaint, filing of lawsuits and/or any legal proceeding on behalf of the Company on matters whether in normal business or not, of which an amount exceeds the authority of the Executive Committee.
12. To propose to shareholders an increase or a decrease of capital, a change of share value, modification of articles of association, memorandum of association and/or objectives of the Company.
13. To approve incorporation, merger or dissolution of subsidiaries.
14. To approve the Chairman or the Executive Board to set up a Manual of Authority
15. To authorize the management, managerial employees of the Company, or any other individual to act on their behalf.
16. To invite executives, members of the management, or relevant employees to provide explanations, opinions, attend the meetings or submit documents as necessary.
17. To consult with Company's specialists or consultants (if any), or hire third party as consultants or specialists if necessary at the expense of the Company.
18. To appoint and remove a Company's Secretary.

Management Structure

Participation to the Meeting

The Board of Directors held 12 meetings in 2019. The participation of the meeting of the Board of directors and Sub-committee are summarized in the table below.

Director		Meeting Attendance					Annual shareholders meeting
		Board of Directors	Audit Committee	Nomination & Remuneration Committee"	Risk & Anti-Corruption Committee	Board of Executives	
1. Mr. Boonsithi	Chokwatana	12/12					1/1
2. Mr. Boonchai	Chokwatana	12/12		2/2		12/12	1/1
3. Mr. Boonpakorn	Chokvathana	11/12					1/1
4. Mrs. Pasook	Raksawonkse	12/12			12/12	12/12	1/1
5. Mr. Vathit	Chokwatana	11/12		2/2		9/12	1/1
6. Mr. Boonyarith	Mahamontri	11/12					1/1
7. Mr. Petch	Paniangvait	12/12					1/1
8. Miss Sirilak	Dhanasarnsilp	10/12					1/1
9. Mrs. Chailada	Tantivejakul	12/12		2/2	12/12	11/12	1/1
10. Mr. Thamarat	Chokwatana	12/12					1/1
11. POL.MAJ.GEN.Panurat	Meepien	12/12	5/5				1/1
12. Mr. Wasin	Teyateeti	10/12	4/5				1/1
13. Mr. Khachornsakdi	Vanaratseath	12/12	5/5				1/1
14. Dr. Vichai	Charoenwongse	12/12					1/1
15. Mr. Vichit	Tantianunanon	12/12					1/1
16. Mrs. Siriporn	Lekayavijitr	12/12	5/5		12/12	12/12	1/1
17. Mr. Pipat	Kowsuparmongkol				12/12	12/12	1/1
18. Mr. Vora	Punkamol				12/12	12/12	1/1
19. Mr. Punnavee	Sookyen				12/12	12/12	-
20. Mr. Parinya	Sithidumrong				11/12	12/12	1/1
21. Mr. Peerapol	Chanwichit				12/12	11/12	1/1
22. Miss Patcharaporn	Vatanasuk					12/12	1/1
23. Mrs. Siriwan	Wongariyakavee					12/12	1/1
24. Mr. Thari	Pornpaisalsakul				11/12	-	-
25. Miss Jamnong	Sriampornkul				11/12	-	1/1
26. Miss Sunanta	Mongkolkittaveepol				12/12	-	1/1

2. The Management

Presently, there were 13 company's management members in accordance with the definition of the management set by The Securities and Exchange Commission.

Name of the Management as of December 31, 2019

Name		Position
1. Mr. Boonchai	Chokwatana	Chairman, Chairman of the Executive Board
2. Mrs. Pasook	Raksawonkse	Vice Chair, Executive Board
3. Mr. Vathit	Chokwatana	President
4. Mrs. Chailada	Tantivejakul	Director and Executive Director
5. Mrs. Siriporn	Lekayavijitr	Company's Secretary and Executive Director
6. Mr. Pipat	Kowsuparmongkol	Executive Director
7. Mr. Vora	Punkamol	Executive Director and Sales Director 1
8. Mr. Punnavee	Sookyen	Executive Director and Sales Director 2
9. Mr. Parinya	Sithidumrong	Executive Director and Marketing Director 1
10. Mr. Peerapol	Chanwichit	Executive Director
11. Miss Patcharaporn	Vatanasuk	Executive Director
12. Mrs. Siriwan	Wongariyakavee	Executive Director and Financial and Investment Director
13. Mr. Surapong	Soponkij	Information Technology Director

Information on the Board of Director and the Executives
Consultant of the Board of Directors

Name / Position / Assumed Position	Age	Education	Past 5 years experiences		
			Period	Position	Company Name
1. Mr. Boon-Ek Chokwatana Consultant of the Board of Directors May 14, 2009	86	Melbourne Technical College Australia Thai Institute of Directors Association - Director Accreditation Program (DAP)3/2003	2015 - Present	Listed Company None-listed Company	-None- 2 Companies
2. Mr. Samrerng Manoonpol Consultant of the Board of Directors May 10, 2007	83	High School WatRajabopit School Thai Institute of Directors Association - Director Accreditation Program (DAP)3/2003	2015 - Present	Listed Company Director Executive Director Consultant None-listed Company	Saha Pathana Inter-Holding PLC. Saha Pathana Inter-Holding PLC. I.C.C. International Public Company Limited 9 Companies

Personal Information of Company Director and Management members

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
1. Mr. Boonsithi Chokwatana - Honorary Chairman In 1961	82	Doctor of Business Administration - Honorary D.B.A., Burapha University - Honorary Causa ,Thammasat University - Honorary, NIDA - Honorary, University of The Thai Chamber of Commerce Doctor of Engineering (Honorary), Khon Kaen University The Doctor of Laws degree, Honoris Causa, Waseda University, Japan The doctor of science (Textiles and clothing) Rajamangala University of Technology, BKK Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005	0.84	2, 3, 5, 9 and 10		Listed Company	
					2015 - July 11, 2016	Advisory Board	Thanulux PLC.
					July 2016 - Present	Advisory Director	Thanulux PLC.
					2015 - Present	Chairman	Thai President Foods PLC.
					2017 - Present	Chairman of the Nomination and Remuneration Committee	Thai President Foods PLC.
					2015 - Present	Advisory	Thai Wacoal PLC.
					2015 - Present	Advisory Director	Text Tile Prestige PLC.
					2015 - Present	Director	Saha Cogen (Chonburi) PLC.
					Sep 2015 - Present	Chairman	Saha Pathana Inter-Holding PLC.
					2015 - Present	Chairman of the Executive Board Chairman of the Nomination and Remuneration Committee	Saha Pathana Inter-Holding PLC.
					2015 - April 2016	Vice Chairman	I.C.C International PLC.
					May - Dec 2016	Honorary Advisory Director	I.C.C International PLC.
					Dec 2016 - Present	Honorary Advisory None-listed Company	I.C.C International PLC. 12 Companies

Personal Information of Company Director and Management members

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
2. Mr. Boonchai Chokwatana - Chairman - Chairman of the Executive Board - Chairman of the Nomination and Remuneration Committee In 1972	72	The Doctor Honorary degree in - Communication, Naresuan University - Business Administration, Mahasarakham University - Logistics Management, Suan Sunandha Rajabhat University - Liberal Arts Rajamangala University of Technology Phra Nakhon Bachelor of Arts in Political Science Ramkhamhaeng University Wisconsin State University At Superior, U.S.A Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005	0.62	1, 3, 5, 9 and 10	2015 - Present 2015 - Present 2015 - Present 2019 - Present	Listed Company Chairman Director Director Independent Director and Director of Nomination and Remuneration Committee None-listed Company	Far East Fame Line DDB PLC. Thai President Foods PLC. Saha Pathana Inter-Holding PLC. Muang Thai Insurance PLC.

Personal Information of Company Director and Management members

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
4. Mrs. Pasook Raksawonkse - Vice Chair of Executive Board - Advisory of Risk Management and Anti-Corruption Committee June 19, 2008	65	Master of Business Administration,Nida Thai Institute of Directors Association - Director Accreditation Program (DAP) 75/2008 - Director Certification Program (DCP) 251/2017 - Risk Management Program for Corporate Leaders (RCL) 7/2017	0.02	-	July 2017 - Present	Listed Company Director None-listed Company	KPN HealthCare PLC. 4 Companies
5. Mr.Vathit Chokwatana - President - Executive Director - Director of Nomination and Remuneration Committee June 19, 2008	55	Master of Business Administration, Assumption University, Bangkok, Thailand Bachelor of Electronic Engineer, San Francisco State University, California, U.S.A. Thai Institute of Directors Association - Director Accreditation Program (DAP) 75/2008 - Director Certification Program (DCP) 251/2017 - Risk Management Program for Corporate Leaders (RCL) 4/2016 Capital Market Academy, Program Executives 21/2015	0.14	1, 2 and 3	2015 - Present	Listed Company Director None-listed Company	Thai President Foods PLC. 18 Companies
6. Mr. Boonyarith Mahamontri - Director In 1988	74	Bachelor of Science, Chulalongkorn University Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005	0.02	-	2015 - Present	Listed Company Independent Director None-listed Company	Saha Cogen (Chonburi) PLC. 1 Company

Personal Information of Company Director and Management members

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
7. Mr. Petch Paniangvait - Director April 26, 2012	45	MBA International Business, University of Sydney, Australia Thai Institute of Directors Association - Director Accreditation Program (DAP) 99/2012	0.09	-	2017 - Present 2020	Listed Company Foreign Investment Manager Assistant Vice President of Business development and Foreign Investment None-listed Company	Thai President Foods PLC. 3 Companies
8. Miss Sililak Dhanasarnsilp - Director December 17, 2015	70	Bachelor of Laws, Thammasat University Thai Institute of Directors Association - Director Accreditation Program (DAP) 22/2004	0.23	-	2009 - Dec 16, 2015	Listed Company Consultant of the Board of Director None-listed Company	Saha Pathanapibul PLC. 4 Companies
9. Mrs. Chailada Tantivejakul - Director - Executive Director - Chairman of risk Management and Anti-Corruption Committee - Director and Secretary of Nomination and Remuneration Committee December 17, 2015	43	Master's Degree in International Commerce and Policy, George Mason University, U.S.A. Thai Institute of Directors Association - Director Accreditation Program (DAP) 55/2006 - Risk Management Program for Corporate Leaders (RCL) 8/2017	0.35	1, 2 and 3	2015 - Nov13, 2017 Nov13,2017-Present	Listed Company Managing Director Executive Vice President and Chief Financial Officer None-listed Company	Far East Fame Line DDB PLC. Far East Fame Line DDB PLC. 9 Companies
10. Mr. Thamarat Chokwatana - Director May 11, 2017	50	Bachelor of Arts, Assumption University - The Cyber Security Policy Master Class Training Course (NSTDA Academy) 31/2009 Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 The Cyber Security Policy Master Class Training	0.08	1, 2 and 3	2015 - Present 2015 - Present 2016 - Present 2018 - Present	Listed Company Director President and Vice Chairman of Executive Board Director Vice Chairman None-listed Company	Thai Wacoal PLC. I.C.C International PLC. Thanulux PLC. Thanulux PLC. 43 Companies

Personal Information of Company Director and Management members

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
11. Mr. Wasin Teyateeti - Independent Director - Audit Committee April 28, 1997	71	Bachelor of Accountancy Chulalongkorn University Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003	0.005	-	2015 - Present	Listed Company Vice Chairman None-listed Company	Far East Fame Line DDB PLC. 10 Companies
12. Mr. Khachornsakdi Vanaratseath - Independent Director - Chairman of Audit Committee April 22, 1996	72	Master Degree of M.Acc, WesternIllinois University, U.S.A. Granduate Diploma in Auditing, Chulalongkorn University B.Sc. Accountancy, Chulalongkorn University Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003	-	-	2015 – April 2017	Listed Company Independent Director and Chairman of Audit Committee	S & J International Enterprises PLC.
					2015 - Present	Independent Director and Chairman of Audit Committee	Far East Fame Line DDB PLC.
					April 2017 - Present	Independent Director and Chairman of Audit Committee None-listed Company	People's Garment PLC. 1 Company
13. POL.MAJ.GEN Panurat Meepien - Independent Director - Audit Committee April 27, 2009	72	Master of Public Affairs, U.S.A. Bachelor of Political Science, Chiang Mai University Thai Institute of Directors Association - Director Accreditation Program (DAP) 77/2009	-	-	2015 - Present	Listed Company Independent Director and Audit Committee None-listed Company	Pan Asia Footwear PLC. -None-

Personal Information of Company Director and Management members

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
14. Dr. Vichai Charoenwongse - Independent Director April 25, 2016	73	Doctor of Medicine, Siriraj Hospital Mahidol University Thai Institute of Directors Association - Director Accreditation Program (DAP) 138/2017	-	-	2015 - Present	Listed Company None-listed Company	-None- -None-
15. Mr. Vichit Tantianunanont - Independent Director April 23, 2018	73	Assumption Commercial College Joint Venture Management Course, Insead University Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003	0.01	-	2015 - Present	Listed Company Independent Director Audit Committee and Chairman of Risk Management Committee	Far East Fame Line DDB PLC.
					2015 - Present	Independent Director and Audit Committee None-listed Company	Sompo Insurance (Thailand) PLC. 1 Company
16. Mrs. Siriporn Lekayavijitr - The Company Secretary - Executive Director - Director of Risk Management and Anti-Corruption Committee May 10, 2005	70	Bachelor of Accountancy,Thammasat University Seminar Corporate Secretary Development Program Faculty of Accountancy Chulalongkorn University Thai Institute of Directors Association (IOD) - Seminar Board Reporting - Risk Management Program for Corporate Leaders (RCL) 7/2017 Seminar Internal Audit Thailand Management Association	0.07	-	2015 - Present	Listed Company None-listed Company	- None- 3 Companies

Personal Information of Company Director and Management members

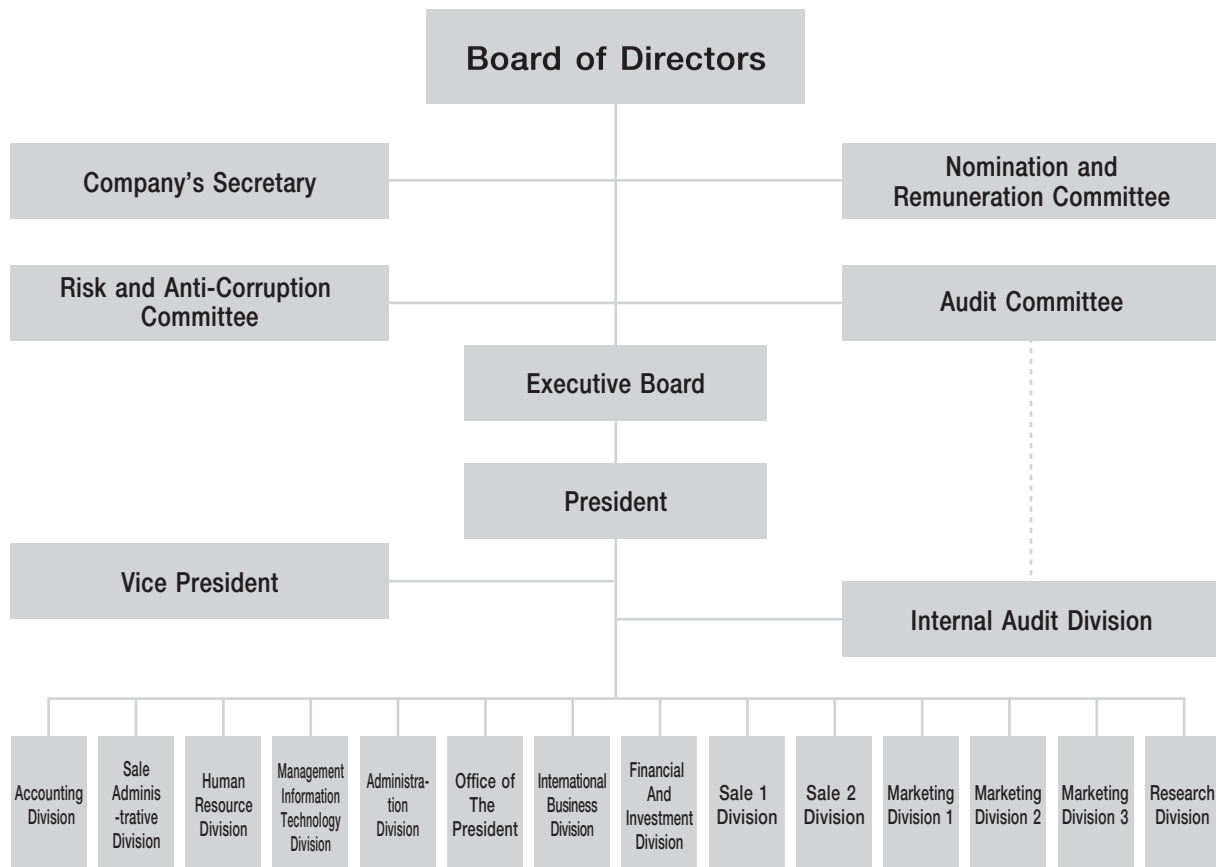
Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
17. Mr. Pipat Kowsupamongkol - Executive Director - Director of Risk Management and Anti-Corruption Committee May 10, 2005	66	Bachelor of Science, Kasetsart University	0.04	-	2015 - Present	Listed Company None-listed Company	-None- -None-
18. Mr.Vora Punkamol - Executive Director - Director of Risk Management and Anti-Corruption Committee - Sales Director 1 May 9, 2013	61	Mini MBA. in Economics and Management, Chulalongkorn University Bachelor of Management Science in Marketing Phranakhon Rajabhat University	0.01	-	2015 - Present	Listed Company None-listed Company	-None- -None-
19. Mr. Punnavee Sookyen - Executive Director - Director of Risk Management and Anti-Corruption Committee - Sales Director 2 May 12, 2014	52	Master of Business Administration in Marketing Thames Valley University	-	-	2015 - Present	Listed Company None-listed Company	-None- -None-
20. Mr.Parinya Sithidumrong - Executive Director - Director of Risk Management and Anti-Corruption Committee - Marketing Director 1 May 1, 2008	58	Master Degree in Business Administration, Srinakharinwirot University Bachelor Degree in Economics, Ramkhamhaeng University Thai Institute of Directors Association (IOD) - Risk Management Program for Corporate Leaders (RCL) 8/2017	0.001	-	2015 - Present	Listed Company None-listed Company	-None- 1 Company

Personal Information of Company Director and Management members

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
21. Mr. Peerapol Chanwichit - Executive Director - Director of Risk Management and Anti-Corruption Committee - Assistant Director of Sales 1 May 12, 2017	43	Master Degree in Telecommunication Management, Assumption University Bachelor Degree in Electronics Engineering, Assumption University	0.003	-	2015 - Present	Listed Company None-listed Company	-None- -None-
22. Miss. Patcharaporn Vatanasuk - Executive Director - Consultant (January 2019) May 12, 2017	61	Master Degree in Human Resource Development, Ramkhamhaeng University Bachelor Degree in Political Science, Ramkhamhaeng University	0.015	-	2015 - Present	Listed Company None-listed Company	-None- -None-
23. Mrs. Siriwan Wongariyakavee - Executive Director - Financial and Investment Director - Chief Financial Officer May 12, 2017	55	Master Degree in Business Administration, Dhurakij Pundit University Bachelor Degree in Science, Mahidol University	0.12	-	2015 - Present	Listed Company None-listed Company	- None- 7 Companies
24. Mr. Surapong Soponkij - Information Technology Director May 1, 2015	48	Doctor of Sustainable Energy and Environmental Technology, School of Renewable Energy Technology and Environment Master of MSCIS Assumption University Environmental Technology Thai Institute of Directors Association - Director Accreditation Program (DAP) 79/2009	-	-	2015 - Present	Listed Company None-listed Company	-None- -None-

Management Structure

3. Organization Chart as at December 31, 2019.



4. Company's Secretary

As a qualified and experienced individual, Mrs. Siriporn Lekayavijitr, an Executive Director is entrusted with the duty of the Company's Secretary to ensure efficient compliance with the good corporate governance principle.

The duties of this position are as follows:

1. To arrange and collecting document are as follows:
 - (A) Directors Register
 - (B) Notice of the Meeting of Directors, Resolution of the Board of Directors' Meeting and Annual Report
 - (C) Notice of the General Meeting of Shareholder and Minutes of the General Meeting Shareholders
2. To keep the report of conflict of interest
3. Perform other duties as required by the Capital Market Supervisory Board
4. Perform other duties as assigned by the Board of Directors
5. Encourage the adherence to standards of good corporate governance, providing advice in this respect to the Board of Directors and Management which is relevant to the Company's related laws, rules, and regulations. Furthermore, this includes making note of any significant changes in the Board of Directors.
6. Take care of the activities of the Board of Directors. Act as a liaison between the Board of Directors and its Management. Coordinate to ensure the adherence to relevant laws or regulations, and perform any actions necessary to ensure proper compliance, Furthermore, the Company's Secretary shall monitor the Board of Directors' compliance with relevant resolutions.
7. Organize meetings for the Board of Directors as well as the Shareholders.
8. Ensure that disclosures of all necessary information are made as per relevant rules and regulations set forth by the Securities and Exchange Commission and the Stock Exchange of Thailand.

Management Structure

5. Remuneration for the directors and management

5.1 Remuneration criteria for the directors and management

The Board of Directors set up a policy on the determination of the director's remuneration in a fair and reasonable manner and assigned the Nomination and Remuneration Committee to be responsible for setting the budget and allocation criteria for the directors, on a comparative basis with other companies in the same business category. Consideration were given to such areas as, expansion in the company's business activities, operating results, together with proper reference to the authority, duty, responsibility scope, and performances by the directors. The Nomination and Remuneration Committee set the criteria on meeting allowance and yearly remuneration. The said resolution would be proposed to the Board of Directors' meeting for their consideration prior to propose to the shareholders' meeting for final approval of said remuneration budget.

5.2 Remuneration amount

- Remuneration for company directors

The shareholders' meeting approved annual remuneration budget for company directors for total amount not exceeding 15 million Baht per year as the prior year, until further changes. The disbursement of said remuneration budget required the consideration by the Nomination and Remuneration Committee, and the approval of the Board of Directors, with such disbursement not exceeding the budget amount earlier approved by the shareholders' meeting and compared with other group of companies in the same level. This is not inclusive of remuneration or welfare to which the directors are entitled to in the capacity as a staff member and/or employee of the company.

- Annual Remuneration is paid to all directors. The Nomination and Remuneration Committee will allocate the remuneration on basis of principle, operational results and propose to the Board of Directors.
- Meeting fee, is paid to attending directors only.

	Chairman	Director
The Board of Directors	12,000 Baht/meeting	10,000 Baht/meeting
The Audit Committee	60,000 Baht/quarter	30,000 Baht/quarter
The Risk Management and Anti-Corruption Committee	4,000 Baht/meeting	3,000 Baht/meeting
The Nomination and Remuneration Committee	12,000 Baht/meeting	10,000 Baht/meeting

Management Structure

Grand total of 11,586,000 Baht was paid in 2019.

- The Remuneration for The Board of Directors in the year 2019 (Director Allowance and Director Compensation) are as follow :

Name		Remuneration (Baht)				Total
		Board Of Directors	Audit Committee	Risk Management and Anti-Corruption Committee	Nomination And Remuneration Committee	
1. Mr. Boonsithi	Chokwatana	1,144,000				1,144,000
2. Mr. Boonchai	Chokwatana	1,244,000			12,000	1,256,000
3. Mr. Boonpakorn	Chokvathana	610,000				610,000
4. Mrs. Pasook	Raksawonkse	820,000		48,000		868,000
5. Mr. Vathit	Chokwatana	810,000			10,000	820,000
6. Mr. Boonyarith	Mahamontri	610,000				610,000
7. Mr. Petch	Paniangvait	620,000				620,000
8. Miss Sililak	Dhanasarnsilp	600,000				600,000
9. Mrs. Chailada	Tantivejakul	820,000		48,000	10,000	878,000
10. Mr. Thamarat	Chokwatana	620,000				620,000
11. Mr. Khachornsakdi	Vanaratseath	620,000	180,000			800,000
12. Mr. Wasin	Teyateeti	600,000	120,000			720,000
13. POL.MAJ.GEN.Panurat	Meepian	620,000	180,000			800,000
15. Dr. Vichai	Charoenwongse	620,000				620,000
16. Mr. Vichit	Tantianunanon	620,000				620,000
Total		10,978,000	480,000	96,000	32,000	11,586,000

- Remuneration for management** Referred to the remuneration for the 13 executive directors who were in accordance with the definition of the management set by The Securities and Exchange Commission, the remuneration details were classified into salary, bonus, and Provident Funds accorded their status as company employees.

Remuneration	Amount (Baht)
Salary and Bonus	59,519,220
Provident Funds	2,621,662
Total	62,140,882

5.3 Other Remuneration

The company does not have the policy to provide any extra benefits to its executives other than those remuneration normally accorded the directors and company employees.

Management Structure

6. Employees

Employees are our most valuable assets and the force behind our success. As such, we treat them in accordance with the good corporate governance principle, with respect to their human and ethical rights. Employees are given the opportunity to exercise their potentials towards career advancement and security. Training is provided on a continuing basis to help them develop their professional skills knowledge and competency. The Company encourages employees to participate in the Company's business direction and development. All employees are entitled to equal professional achievement opportunities based on their potential, as well as, to appropriate compensation for their education, skills, responsibilities and performance. With regard to employees' safety towards life, health, and their properties, we have established a number of policies relating to working environment.

For the year 2019, number of employees are 1,630 persons, employees' can be divided as follow:

Line Function	Year 2019	Year 2018
Sales Department	828	795
Back-Office	802	792

We have paid a total compensation of Baht 703,360,300.94 in the forms of salary, subsidy and provident fund to our employees in 2019.

Non-significant change in the number of personnel or major labor dispute in the past 3 years.

Additionally, channels are provided for employees to communicate suggestions and complaints pertaining to work. These suggestions are considered and remedies will be determined in the interest of all parties and in view of the creation of good working relation. Employees are additional offered numerous welfare advantages as follows :

- **Infirmary** : An infirmity facility is available to provide employees with preliminary medical treatment and healthcare by certified physicians and nurses and annual health check-up for the purpose of good health of the employees.

- **Provident Fund** : We have established a provident fund program to help employees' saving for their future needs. Each employee is entitled to membership of the provident fund since the date such the employee passes the probationary period, of which the membership will start from the employee's enrollment date. The member has to contribute to the fund and receive contribution money payable by the Company, on monthly basis through the period of membership as follows:

Period of membership	Percentage of money saving/contribution
From starting date – up to 4 years	3
More than 4 years – up to 8 years	4
More than 8 years – up to 12 years	5
More than 12 years – up to 16 years	6
More than 16 years – up to 20 years	7
More than 20 years	8

Management Structure

- **Retirement Annuity:** Upon retirement, employees will be paid a retirement annuity to be used in their post-retirement life.
- **Saha Group Employee's Saving and Credit Cooperative Limited SGS :** for the promotion of savings, self reliance and mutual assistance as per the principle of co-operatives.

Employee development policy

A Performance Improvement Plan is one of the Company key policies, focusing on enhancing knowledge and skills, as well as developing the positive attitudes of employees, in order to attain the desired level of performance. The Company regards employees as a key development resource and strongly believes that the enhancement of employees' skills can help the Company achieve tangible results which will lead to the success of the Company.

The Company has implemented employee training programs which cover employees at all levels, helping them to improve their skills and professional qualifications for their future careers. Employees are also encouraged to become involved in the overall direction and operations of the Company by sharing their ideas. The developmental programs concentrate on improving and broadening skills, which employees can apply to practical situations and which can be assessed.

The Company places importance on continuously developing human resources through effective training programs. A MOP (Mission Objective Policy) seminar is organized yearly in October, to give the Company's executives, employees, and factory representatives an opportunity to share ideas and suggest better ways of operating the businesses. The outcome of this systematic brainstorming and creative thinking process is used in developing strategies and establishing means for assessment based on the results. Provides resource for employees at all levels to participate in training sessions both In-house training and Public training. The following is breakdown of average training hours undertaken in 2019.

Senior Level Management	Average training of	31.71	Hours
Middle Level Management	Average training of	33.42	Hours
Lower Level Management	Average training of	30.49	Hours
Employees	Average training of	28.81	Hours

The Company takes ethics into account and strives to instill ethical behavior in employees' practice, work environment and social circles.

Corporate Governance

The Board of Directors oversees that the Company operates on the foundation of good corporate governance principles and adheres to ethical business practices to ensure transparency and efficiency, as well as to garner trust from investors. The Board of Directors understands that, as a governing body of the Company, it has the responsibility to ensure good corporate governance for the benefit of the Company in the long run. In other words, competitiveness and good long-term operating results will be brought about by operating ethically, respecting every group of stakeholders and upholding the Company's responsibility towards them, contributing to society, developing for the sake of environmental impact minimization and ensuring adaptability amid changes.

To this end, the Board of Directors has established a working team to devise the Corporate Governance Policy, Corporate Governance Principles, Business Code of Conduct, and Code of Conduct for Directors, Executive Officers and Employees. These have been formulated in conformity with the Corporate Governance Code for listed companies 2017. They comprise the following:

- **The Corporate Governance Policy**
- **The Eight Principles of Good Corporate Governance**
 - Principle 1 Establish clear leadership role and responsibilities of the Board.
 - Principle 2 Define objective that promote sustainable value creation
 - Principle 3 Strengthen Board effectiveness
 - Principle 4 Ensure effective CEO and people management
 - Principle 5 Nurture innovation and responsible business
 - Principle 6 Strengthen effective risk management and internal control
 - Principle 7 Ensure disclosure and financial integrity
 - Principle 8 Ensure engagement and communication with shareholders
- **The Business Code of Conduct**
- **The Code of Conduct for Directors, Executive Officers and Employees**

1. Corporate Governance Policies

The Board of Directors is confident that a proper, transparent, and accountable governance system has been put in place, along with checks and balances and an adequate and appropriate internal control. Alongside these mechanisms is due respect for shareholders' rights and equality, as well as accountability for all stakeholders. These key factors contribute to the enhancement of the Company's immunity and to the promotion of balanced and sustainable long-term growth.

The Board of Directors thereby prescribes the following Good Corporate Governance Policy as practical guidelines for all directors, executive officers, and employees.

1. All directors, executive officers, and employees shall be fully committed to the application of the Corporate Governance Code, Business Ethics, and Code of Conduct for Company Directors, Executive Officers, and Employees.
2. All directors, executive officers, and employees shall perform their duties responsibly, prudently, earnestly, and honestly in accordance with relevant laws, Articles of Association, and notifications.
3. Action shall be taken to ensure that the Company's management structure contains clear prescriptions of powers, duties, and responsibilities of each committee and executive officer.
4. There shall be a suitable internal control system and an appropriate risk management system, as well as an accurate and reliable accounting system and financial statements.
5. Information shall be disclosed in a sufficient, reliable, and timely manner to the extent that legitimate interests of the Company are not prejudiced.

Corporate Governance

6. Shareholders' ownership rights shall be appreciated and respected. Shareholders shall be treated equitably.
7. Undertakings shall have regard to the Company's responsibilities towards its shareholders, stakeholders, communities, society, and the environment.
8. All shall strive towards business excellence with commitment to customer satisfaction created by being attentive and conducting self-assessment to enhance management capabilities and continually promote productive creativity.
9. Virtue, ethics, and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance their capabilities.
10. Dishonest conduct, corruption, and intellectual property violation shall be suppressed. Laws and human rights shall be respected.
11. Conflicts of interest shall be dealt with prudently and reasonably with due regard to the Company's interests.

With this regard, the company has revealed corporate governance policies, business ethics, and code of conduct for company directors, the management and employees to employees, shareholders, and general public via the company website, under the heading "Investor relations: Corporate Governance".

Compliance with Good Corporate Governance Principles

The Board of Directors is mindful of its role and responsibility as leader of the organization and stipulated that the 8 Good Corporate Governance Principles shall be appropriately applied in business operations for creating sustainable value to the business, covering 5 categories comprising the following:

1. Rights of Shareholders

1.1 The Company appreciates and respects the ownership rights of shareholders. Do not take any other action to violate or infringe the rights of shareholders. The interests of shareholders are fairly safeguarded and the exercise of rights by all shareholder groups are supported and promoted, whether domestic or foreign, major shareholders, minority shareholders or institutional shareholders, incorporating both the fundamental rights of shareholders, access rights to information in a sufficient and timely manner, and the right to attend shareholders' meetings to determine directions for operations and decisions on matters having a significant impact on the Company.

1.2 The Board of Directors provides opportunities for shareholders to propose items to be included in the meeting agenda and submit questions prior to the shareholders' meeting day. Rules for the proposal of agenda item and advance submission of questions have been published in the Company website.

1.3 The Board of Directors ensures that information pertaining to the date, time, venue and agenda of the meeting are provided together with explanations and reasons supporting each agenda in the notice of the general meeting of shareholders. The shareholders' meeting venue shall be conveniently accessible

1.4 The Board of Directors has granted shareholders with the authority to approve the remunerations of Company Directors on a yearly basis.

1.5 The Board of Directors promotes the use of technology in shareholders' meetings in order to promote accuracy and speed. Votes are taken for each item on the agenda. Shareholders are given the right to elect Company Directors individually and ballot papers are used and independent overseers of the vote count are engaged.

1.6 The Board of Directors publishes shareholders' meeting resolutions along with the voting results for each agenda on the Company website on the next business day.

1.7 The Board of Directors prepares minutes of the shareholders' meeting. The minutes provide an explanation of voting procedures, list of Company Directors, members of Company Committees, and Executive Officers present and absent from the meeting, the voting results in each agenda together with questions and answers. Items which have not been specified in the meeting notice are not added to the agenda. The minutes are published on the Company website.

In addition to the basic rights, the Board of Directors takes into account the statutory rights of shareholders and engages; ensures that their rights are not violated or subjugated; and, facilitates the exercise of their rights as follows

- **The Right to be informed:** All shareholders have an equal right to be informed. Therefore, information is made available to shareholders in English and in Thai via the Stock Exchange of Thailand and our website at www.sahapat.co.th. This is to ensure that the shareholders are well informed of matters such as operational results, related transactions, significant sales and purchases of assets, names of ten major shareholders as of registration book closing date for the purpose of an annual general meeting, shareholder meeting minutes within 14 days after the meeting, and other information necessary for their decision making.
- **The Right to attend the shareholder meeting:** The Company makes arrangements for the shareholders general meeting annually within four months from the last day of an accounting year. The date, time, venue and format chosen must not be an obstacle for the participation by the shareholders. This is so in order to ensure that the shareholders are able to monitor the performance of the Company. To avoid confusion, the venue for this meeting is permanently set for Montien Riverside Hotel at 372 Rama III Road, Bangkloe, Bangkoleaem, Bangkok. In the year 2019, the 68th shareholder general meeting was held on Monday April 22, 2019.

Before the Shareholders' meeting day

- Minority shareholders were given the opportunity to suggest agendas and/or nominate candidates for the directorial election at the 2019 Annual General Meeting of Shareholders' from December 1 to 30, 2018. The result was that there were no suggested agendas and/or nominated candidates, propose by shareholders.
- The Company has publicized the resolution of the Board of Directors Meeting No.11 (Board # 25) on March 14, 2019 convening the 68th General Meeting of Shareholders on April 22, 2019. Meeting agendas in both Thai and English, were made available via the information system of the Stock Exchange of Thailand and via the Company's website at www.sahapat.co.th for the information of the shareholders five weeks prior to the meeting date.
- The Company provides information, date, time, venue and agenda in the notice of meeting, the facts and reasons including the Board of Directors in every rotation. The Company has provided notice of the meeting on March 15, 2019 along with all relevant documents containing the same information as that on the Company's website, in both Thai and English, 37 days before the meeting for the shareholders' perusal.
- The Company has delivered a notice of meeting, along with other relevant documents, such as the annual report, the proxy form B, profiles of director candidates, profiles of audit committee that the company nominated the name as the designed persons for the shareholders' appointing as their proxies, the meeting venue map, the explanation of documents, the list of evidence which the shareholders need to present for an attendance, the company regulations on shareholder meetings, and the meeting attendance procedure, by assigned the Thailand Securities Depository Center Co., Ltd., the share registrar of the company to deliver the documents to the shareholders 21 days before the meeting. As well, an announcement was published in a newspaper 3 days consecutive from April 9 to 11, 2019. before the meeting for 11 days.

Additionally, the shareholders could download the proxy form conforming to the Ministry of Commerce from our website at www.sahapat.co.th where Type A, Type B and Type C proxy forms are available.

In the case of foreign or institutional shareholders, English translation is provided with the Thai original of meeting notice and supporting documents in order to encourage all shareholders and institutional shareholders to take part.

In 2019, Two foreign shareholders have assigned persons to attend the meeting on their behalf.

On the meeting day

- Realizing the significance of shareholder meetings, the Board of Directors has made it a duty of all directors to attend the meeting, with the exception of the case where they are ill or pre-occupied by other important matter. A total of fifteen directors or 100% from total attended the 68th annual general meeting of shareholders on April 22, 2019. Additionally, The Executives Director, Chief Financial Officer (CFO), Accounting Assistant Director and the company auditor served as witnesses for the voting and attended the meeting to answer relevant questions of the shareholders. The names of the Board of Directors and executives attend to the shareholders meeting have shown in the Minutes of the shareholders on website at www.sahapat.co.th

- The Company has adopted the technology used in the Annual General Meeting to achieve accuracy. We have made attendance and voting as convenient as possible for the shareholders. The date, time and venue were carefully chosen.

- Shareholder can register their attendance in advance in as short a time as 2 hours before the meeting. Those arriving after the commencement of the meeting could still cast their vote on remaining agendas and were accounted for as part of the quorum from the agenda on which they first voted.

- An adequate number of staff was on hand to render assistance and a barcode system was employed to facilitate quick registration and to ensure validity of voting, including an independent person to monitor the vote count.

- Shareholders who were unable to attend the meeting could assign an individual or a member of the audit committee, who is an independent director, to attend the meeting on their behalf and to protect their rights.

- The company extends fair treatment to all shareholders. Prior to Commencement of the meeting, the Company's Secretary would report the number of attending shareholders and their collective shareholding ratio. Including explain how to vote and how to count the votes of the shareholders to vote on each agenda according to the law and the Articles of Association. To determine the right to vote according to the number of shares held by shareholders. One share is equal to one vote, and no shares have any special rights to limit the rights of other shareholders.

Shareholder meetings allow shareholders to exercise their rights, to be informed of operational results and dividends, the shareholders approve the remuneration and the annual election of directors, including individually, as well as, to review and vote on matters as specified by the laws and the company's regulation.

In case any shareholders came after the meeting has started already. The Company has the right to vote on the agenda is left unanswered the vote.

At the meeting, The Chairman of the Board of Directors, serving as the chairman of the meeting, there would be no addition of new agendas or change of key information without prior notice to the shareholders. Adequate time would be allocated for the presentation of issues concerning each agenda. Shareholders are welcome to ask questions and give opinions freely on all agenda, the Board of Directors would provide a clear and concise response to the issue raised. Votes for each agenda are cast using the barcode system and the auditor would serve as the witness to the tally.

Usual format of important agendas at shareholder meetings

1. Appointment of director : The Company have provided shareholders the opportunity to nominate for the directorial election at the 2019 Annual General Meeting of Shareholder, there was not any proposal. The proposed candidate shall be approved by the Board of Directors. In case of independent director, he/she must possess the qualifications as stipulated by the Company and the notification of the Market Advisory Board. Candidate profiles are provided in the meeting invitation letter that informs to shareholders about the candidates' preliminary information, name, education, positions in other corporations and whether or not such corporations' businesses are of the same nature, or competitive to the company's business, the category of directors being nominated, In the case where the candidate is a serving director, information will be provided on his/her meeting attendance in the previous year, the number of year(s) he/she has served in a directorial capacity. The candidates are screened by the Board of Directors.

2. Directors' remuneration : The Board of Directors has granted shareholders the right to approve the remuneration of Company Directors on a yearly basis as well as to determine the criteria for remuneration payment to each member of the Company committees and the value of remuneration for approval by shareholders at the AGM. The proposal for consideration and approval is scrutinized by the Nomination and Remuneration Committee based on the Company's operational results, director's performance, appropriation value of remuneration approved by the AGM, the previous year's remuneration, as well as the director's authority, duties and responsibilities. The amount of remuneration paid in actual amount paid, method of payment and summary of amount paid to each individual on the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee and the Risk Management and Anti-Corruption Committee are indicated in the 56-1 Form and in the annual report (56-2 Form).

3. Appointment of auditors and determination of auditor's fees : Information made available of the auditors are their name, the name of their audit company, their autonomy, the number of years they have served the company, the reason for auditors change, the comparison of auditor's fees in the present year and in the earlier year, and, other service charges imposed by the audit company where the auditor is employed. The audit committee reviews the appointment of auditors and the determination of auditor's fee before proposing the matter to the shareholders assembly for their approval.

4. Dividend payment : Information made available on this matter is dividend payment policy, the actual amount paid compared to that suggested by the policy and the comparison of dividends paid in the present year and previous year.

After the meeting day

- Upon completion of the Annual General Meeting, The Company discloses to the public to shareholders and approved the results of the vote on each agenda. Through the website of the Stock Exchange of Thailand www.set.or.th and distributed through the company website www.sahapat.co.th on the day following the AGM.
- Detailed of Annual general meeting of shareholder minutes would be prepared with sufficient, clear, accurate and complete factual details. Included in this records the titles of all directors who attended, sub-committee, top executive of accounting and finance, auditor and representative of the auditor office, important explanations and summary of questions and responses or opinions. The particulars of each agenda are noted as they were stated at the meeting. The numbers of 'for', 'against' and 'null' votes on each agenda are also summarized. The minutes are reviewed by the Legal Department and the Chairman of the Board of Director before the latter endorses it in the capacity as the chairman of the assembly and subsequently submitted to the Stock Exchange of Thailand and the Securities and Exchange Commission. The minutes are also made available on our website www.sahapat.co.th in both Thai and English, within 14 days in order that shareholders may not have to wait until the next meeting to obtain the information. A copy of the minutes is submitted to the Ministry of Commerce within the timeframe specified by law.
- The Company records a video of the shareholders meeting and all proceedings throughout the meeting.

2. Treating shareholders with equality and fairness

The company places great importance on treating shareholders with equality and fairness, and this fairly treatment can be detailed as follows.

2.1 Shareholders meetings

(1) The allocation of votes in the meeting was based on the number of shares being held by each shareholder, with 1 vote representing 1 share with no shareholding any special privilege in restricting the right of other shareholders.

(2) In the case of foreign shareholders, the company sent out meeting invitation letter in English, to facilitate the understanding by foreign shareholders, as well as disseminating said information on company website in both languages 37 days before the meeting date.

(3) We help shareholders who are unavailable attend in person for the meetings to exercise their voting rights by allowing them to assign an individual or an Independent Director as their proxy. In such case when a shareholder wishes to assign a member of the Independent Directors as their proxy, he or she may review the names, addresses and financial interests of each of the five members of the Independent Directors in the meeting notice. More information regarding the five members of the Independent Directors is available in the annual report enclosed with the meeting notice.

(4) Shareholders who are not able to participate in the meeting on their own may use the "B" proxy form, enclosed with the meeting notice. Documents and identification evidence required for the proxy process are described. Alternatively, shareholders can download the proxy forms A, B or C, which comply with the announcement of the Ministry of Commerce, from our website. (Proxy form C is used by foreign shareholders having appointed a custodian in Thailand as a depository of shares.) Postage stamps are provided at no cost for the convenience of shareholders who wish to assign a proxy.

(5) We conduct the meetings in such a manner that the agendas are reviewed in the exact order as appearing in the notice. There is no inclusion of additional agendas or change of significant information without prior notice to the shareholders.

(6) Votes are cast openly. Ballots are handed out to the shareholders for each agenda. The counting of votes will be counted only by the shareholders who voted, disagreed and / or abstained including vote on bad card (if any) and then subtracted from the total number of votes present at the meeting. The remainder is considered favorable votes. As such, for each agenda, shareholders who wish to cast a vote against the motion or a null vote must raise their ballot. Given at the time of registration, the ballot bears the name of the person attending the meeting, the number of shares held or assigned and a barcode. Staff will ask the voters in question to sign it as evidence for later review.

(7) The barcode system used makes it possible to tally the votes and display the results on the screen instantly. Apart from the auditor who serves as the witness for the tally, all shareholders will be informed of the number of favorable, against and null votes.

2.2 Proposal of agendas by minor shareholders We have yet to establish procedures for minor shareholders to propose agendas, and/or to nominate candidates to be elected as directors at the General Meeting of Shareholder 2019 in advance, to propose the meeting agenda according to the principle of the company. Shareholders can send signed documents and various evidenced as supporting documents for the Board of Directors' consideration by registered mail to the Company's Secretary from December 1 - 30, 2018.

2.3 Insider information usage control Company policy to prevent the use of inside information, and measures to prevent inside information to the availability for yourself and others wrongfully. Insider information usage control is a responsibility directors, executives and staff have towards the company and shareholders. They must be individuals of integrity, accountability and moral consciousness. Under no circumstance should they exploit their authority for the benefit of themselves and/or others. All relevant employees must protect the interests and the assets of the company. They must not use information or assets of the company for the benefit of themselves and/or others nor should they engage in any action which assists any individual in business that competes with the company. Copies of these measures have been distributed to all directors, executives and staff for their observance. They are also available on the company website www.sahapat.co.th under corporate governance, to guide the conduct of the business. And essentially take on the work.

The most serious disciplinary punishment established in the company regulation is the termination of employment. All directors, executives and staff are aware of this and act accordingly.

During 2019, the company directors, management members, and employees were not found to have committee any authority abuses related to inside information.

2.4 Supervision of the company's security trading transaction and report of stockholding

(1) A measure is in place to monitor how our shares are traded. Directors, executives and staff in possession of insider information are prohibited from selling or purchasing company stock within one month before disclosing the financial statements to the public. Additionally, directors and executives, as well as, their spouses and children who are not yet of juristic age are required to report their shareholding. Any

transaction must be reported to the Securities and Exchange Commission, with a copy sent to the Company's Secretary for subsequent notification of the Board of Directors at the next meeting. Directors and executives are well aware that it is their duty to comply. The Company's Secretary will circulate a letter to all directors and executives of any change in this area, with relevant announcement of the Securities and Exchange Commission enclosed.

In 2019, all directors and executives have complied well with this policy. There was no transaction during the prohibited period.

(2) Measures are in place to required directors and executives to report the interests they have in the management of our businesses on the following occasions

(A) Upon first appointment to the directorial or executive position, Directors and Executives to report the interest they have in the interests report of Directors and executives.

(B) Upon the instance of change in interests, Directors and executives are required to submit their interests report to the Company's secretary.

(C) Company secretary who would in turn deliver a copy of interests report under Section 89/14 to the chairman of the Board of Directors and the chairman of the Audit committee within seven days from the day on which the report is received.

In 2019, all directors and executives have complied with the established criteria.

2.5 Conflicts of interests handling Conflicts of interests are handled cautiously and rationally with the greatest benefit to the company as the key concern. Determination of prices is in compliance with normal fair trade conditions, just like doing business with an outsider. Measures have been implemented to ensure transparency and compliance with the criteria of the Stock Exchange of Thailand. This is a part of good corporate governance and also made available on website www.sahapat.co.th in the topic of conflict of interests under business ethics.

To ensure that all parties are equally well informed, disclosures are made of connected transactions in accordance with the Stock Exchange of Thailand Commission announcement on disclosure of information and action of listed companies pertaining to related transactions. Directors with potential interests in the matter being reviewed are required to leave the room and refrain from voting. This is to allow directors without interests to freely voice their opinions and cast their vote. The Company's Secretary would announce the name of directors who are required to leave the room for the agenda at hand. The names and relationship with connected person, the determination of prices under the transaction and the directors with differing opinion from that of the Board of Directors (if any) are reported to the Stock Exchange of Thailand within the specified timeframe. The information is posted on our website as well for the purpose of transparency and also recorded in the minutes for subsequent reviews.

Additionally, we have established general trading conditions with transactions between the company and directors, executives and relevant individuals. This is done annually at the first Board of Directors meeting after the Annual General Meeting of Shareholders so that new directors are informed of the matter. Such transactions are summarized on a quarterly basis and reported to the Board of Directors for their acknowledgement.

3. Consideration of The Roles of Stakeholders

The Company recognizes and respects the rights of stakeholder groups, taking into account the rights under the law or agreements with the Company. To ensure that such rights are protected and treated fairly and equally. The policy is to guide the treatment of each group of stakeholders, commitment to social and environmental as well as public sector anti-corruption, the corruption-infringement of intellectual property including respect for human rights. We have prepared a written manual of business ethics and employee code of conduct. Copies of this annual have been distributed to all directors, executives and employees. It is also disclosed on our website at www.sahapat.co.th in Good Corporate Governance.

Responsibilities to stakeholders

Shareholder

The company conducts with responsibility, honesty, careful to generate good returns to its shareholders continuously and sustainably. It's business honestly and transparently within the boundary of relevant laws and regulations. The company protects its interests and assets as a sensible person would do to his own assets. Operational results are regularly, truthfully and comprehensively reported. Insider information, confidential information or employee information is never to be used for any person own interest or any third party's interest in a fraudulent manner. Conflicts of interests are cautiously and rationally handled. Information is sufficiently disclosed. We are dedicated to grow and solidify our business while generating optimal returns for the shareholders and conduct to each of shareholders equally. To this end, a dividend payment policy was established.

In the year 2019, we have paid dividends from the operation in 2018 at the rate of 1.50 Baht per share on May 21, 2019. Total dividends paid account for 30.12% of net profit. And pay interim dividends based on the results of the first six months of 2019, effective from January 1, 2019 to June 30, 2019 at the rate of 0.60 Baht per share on December 11, 2019. Total dividends paid account for 35.25% of net profit. This is greater than the specified minimum dividend of 0.15 Baht per share and contributes to the long-term financial well being of our shareholders.

Customers

Companies realize satisfied and confidence of our customers is the key which is leading to the achievement of sustainable companies. The following policies and guidelines have been prescribed in this regard

- Selection of quality products, safe for life and health of consumers with reasonable prices
- No monopoly price moreover without the advertisements to be true
- Operated in earnest, honest and fair values and no action is taken that would violate the rights of customers. The confidentiality of customer trade secrets are maintained and not exploited for wrongful personal gains or for the gains of others.
- The Company does not demand, receive or consent to the direct or indirect receipt of properties or other dishonest benefits from customers.
- The Company quickly acted upon any complaints from customers and treats everyone in an unbiased manner.
- Develop products and services to satisfy the requirements of our clients and consistently add value to our products and services.

In 2019, there was no significant complaint from the customers. Whereas the company duly took into consideration all the complaints received from the customers, in order to devise proper measures to safeguard against and provide solutions to the problems on a systematic basis, to ensure that similar problem would not occur again in the future.

Trading partners

The Company treats trading partners equitably and takes into account mutual interests by prescribing the following policies and guidelines.

- The Company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards, and friendliness to the environment. Trading partners are treated on the basis of fair competition, equality and mutual respect.
- The confidentiality of secrets or communications of trading partners are maintained and not exploited for wrongful gains of oneself or of others.
- Relationships and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and services are jointly undertaken to promote mutual growth.
- The Company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the Company will expeditiously engage in early negotiations with trading partners in order to reach a mutual remedy a loss prevention solution.
- The Company does not demand, receive or consent to the receipt of properties or any other benefits outside trade agreements.

In 2019, the Company performed to the trade agreements and any failure to abide by the contract with the customer.

Trading competitors

The company operates under the provisions of law. By following the rules of competition, fair-trade with regard to ethical business practices and competition law. Competitors and considered as part of the capacity building of the organization. The stability and strength does not damage the reputation of competitors. In the year 2019 the Company has no disputes with competitors.

Creditors

The Company is committed to undertaking business operations in a principled and disciplined manner in order to build the trust of creditors by prescribing the following policies and guidelines.

- All creditor groups shall be treated equitably and fairly.
- Contracts and terms will be strictly adhered to.
- Operations will be administered to ensure the confidence of creditors in the Company's financial standing and credit rating.
- Financial standings shall be accurately and timely disclosed.
- In the event of an inability to comply with a particular term, the creditor will be forthwith notified in advance in order to enable a joint solution for remedy and loss prevention.

In 2019, we have made payments to our creditors in accordance with the agreed credit term without any default.

Employees

Employees are our most valuable assets and the force behind our success. As such, we treat them in accordance with the good corporate governance principle, with respect to their human and ethical rights, Employees are given the opportunity to exercise their potentials towards career advancement and security. Training is provided on a continuing basis to help them develop their professional skills knowledge and competency. The Company encourages employees to participate in the Company's business direction

and development. All employees are entitled to equal professional achievement opportunities based on their potential, as well as, to appropriate compensation for their education, skills, responsibilities and performance. With regard to employees' safety towards life, health, and their properties, we have established a number of policies relating to working environment. Moreover, the company provide benefits to promote quality of life and well-being, such as Provident Fund, Retirement gratuities to employees, Nursing room, Annual health check, etc. (See details under the heading "Management Structure" on Employees).

Community and Society

The Company try to instill social awareness and responsibility towards society among our employees. This is done consistently through various activities and campaigns that benefit the communities. Impact of our operation on natural resources and the environment is also regarded as our primary concern. Company has policy and practices in ethical business practices to treat social community. Our social contribution activities in the year 2019 which can be viewed from Social Responsibility.

Environment

The company operates in accordance with legal, regulatory and policy environment. With regard to the impact on natural resources, environment and corporate culture and create awareness for employees to use resources efficiently efficient and sustainable.

Government

The company operates in accordance with government regulations. Educated understanding of the law relating to the operation and did not take any action, act contrary to law.

Non-infringement of Intellectual Property

The Company pursues a policy of non-infringement of intellectual property by prescribing the following guidelines.

1. Business undertakings shall be consistent with laws, regulations and contractual obligations governing intellectual property rights.
2. Intellectual property works of the Company shall be maintained. Such intellectual properties shall not be used or allowed to be used by others without authorization.
3. The intellectual property rights of others shall be respected. The works of others shall not be infringed or applied to personal use except where a license has been obtained or a fee paid to the owner of the work.
4. Intellectual property of creative works produced by employees shall vest in the Company. Upon termination of employment, such intellectual property works must be returned to the Company regardless of the form which it is stored.

Non-violation of Human Rights

The Company respects human rights. In this regard, the following policies and guidelines have been prescribed.

1. There shall be no activities or support of activities which violate human rights.
2. Employees are provided with knowledge and understanding of human rights which are applied to work operations.
3. There are no limitations to independence or differences in ideology, gender, race, religion, politics or other matters. The expression of opinions which could cause conflicts or divisions should be avoided.
4. Channels shall be provided for employees or persons who believe that their personal rights have been violated or that they have been treated unfairly to file a complaint with the Company. Such complaints shall be given attention and processed fairly.

Policy and Anti-Corruption Policy

The Company is well aware of the importance of our compliance to good corporate governance, ethical business practices and code of conduct for directors, executive officers and employees. We are committed to operating with fairness, honesty, transparency and accountability. We firmly believe that a business could only truly thrive in a corruption-free society because corruption poses an imminent threat to the development of an organization and of the nation, as well as hinders competitiveness. Therefore, we have included anti-corruption measures in our Good Corporate Governance Policy to allow for efficient management of our organization, fostering trust and confidence among all stakeholders and expressing our anti-corruption stance in a tangible manner. On January 21, 2014, the Company became a signatory to the Collective Action Coalition against Corruption.

The Anti-Corruption Policy has been created to reiterate our commitment to compliance with anti-corruption laws. We do not accept any form of corruption, be it direct or indirect. We don't make or accept an offer in a corrupt manner. To bring about implementation, we have made anti-corruption guidelines and assess compliance with the policy regularly. All of our directors, executive officers and employees are equally responsible for adhering to the Anti-Corruption Policy.

In 2016, we submitted our self-evaluation to the Committee of the Collective Action Coalition against Corruption, entering the certification process. As a result, we received certification of our membership in the Collective Action Coalition against Corruption from its committee on October 14, 2016.

In 2019, The Company submitted our self-evaluation to the Committee of the Collective Action Coalition against Corruption. The form was needed for the company to apply for its first re-certification by Thailand's Private Sector Collective Action against Corruption. The re-certification was approved on November 4, 2020.

In 2019, The Company did not find significant defect issues related to corruption and non-compliant operations with laws or related terms as well as violation of Code of Business Conduct in business at all.

Channels of Involvement for stakeholders

Shareholders and stakeholders with concerns regarding any financial report, internal control system, possible violation of the laws or the code of ethics, are advised to contact the Company's Secretary at 0-2318-0062 Ext. 1200, or by facsimile at 0-2318-1152 or by e-mail at invest@sahapat.co.th. The office of internal audit reports directly to the audit committee and can be reached at 0-2318-0062 Ext. 1440. Findings of the investigation will be reported to the Board of Directors while the identity of the informant will remain confidential. There was no complaint regarding this matter from shareholders and stakeholders in the year 2019.

4. Disclosure of information and transparency

The Board of Directors is dedicated to uncovering important information accurately, timely, transparent laws and regulations. The information reported in accordance with accounting periods and information reported by in which affect the interests of the shareholders. Including disclosures made in accordance with the principles of good corporate governance. SET as long as it does not affect the legitimate interests of the company www.sahapat.co.th, the website of the Stock Exchange of Thailand www.set.or.th both in Thai and English and other channels, access to information equally thoroughly.

During 2019, the company facilitated information disclosure in accordance with the requirements of The Stock Exchange of Thailand and The Stock and Exchange Commission, as well as disclosing other significant information, in display of transparency toward its business operations as follows:

Corporate Governance

- **Corporate governance:** The company prescribed and disclosed its corporate governance policies, corporate governance principles, business ethics and code of conduct for company directors, the management, and employees, together with those reports relating to such topics, by disseminating them on the company website.

- **Shareholding structure:** The company disclosed the names of the top 10 shareholders at the time of closing shares registration book for the shareholders' meeting on the company website.

- **The Board of Directors' responsibility report toward financial statements:** The Board of Directors recognized the importance of compiling financial statements in such manner deemed accurate and reliable, accompanied by preparing in accordance with accounting standards. Such management report on preparing financial statement is disclosed together with the report of the external auditor in the annual report, as audited by the certified public accountant in the Unqualified Auditor' Report stating that the Company's financial statements present fairly, in all material respects, the financial position of the Company in accordance with the generally accepted accounting principles (GAAP).

- **Duty performances by The Board of Directors and Sub - Committees:** The company disclosed the details on the roles and authority of The Board of Directors and other committees, the number of meetings held, the number of meeting attendance by each director during the past year, details under the heading " Management structure" and "Corporate Governance" on sub-committees.

- **Shareholding by the directors and the management:** The company annually disclosed shareholding and changes of the company's shareholding of the directors and the management including his/her spouses and children who are not yet of juristic age in the annual report and in the annual registration statement (Form 56-1).

- **The remuneration for the directors and the management:** The company disclosed the remuneration for directors and the management, the nature and the number of the remuneration accorded the directors for The Board of Directors and Sub-Committees by each director, under the heading "Management structure", on the remuneration for the directors.

- **The policy to report possible conflict of interests by the directors:** The Directors/Executives have to report potential conflict of interest for their own or related persons' benefits within 1 month after assuming the position of Director/Executive. When having any changes in information, the Directors/Executives have to submit the report of Directors and Executives' conflict of interest to the Company Secretary. The Company Secretary shall send the copy of such report to Chairman of the Board and Chairman of Audit Committee in no longer than 7 business days after receiving information.

• **Inter-transaction:** The Board of Directors laid down the policy for the company to comply with the regulations of the Capital Market Supervisory Board. In the case of important inter-transaction; although the approved amount of money is under the executive director supervising the division, the company shall present to the Executive Board for consideration and/or approval depending on the case. After that, the company will bring the significant volume transaction to The Board of Directors meeting and reviewed by the audit committee. Directors with interests in such transactions are not allowed to attend the meeting or cast their vote in order to allow the Board of Directors and the executives to make just decisions for the benefit of the shareholders before the company informs the Stock Exchange of Thailand. Details are under the heading “Intercompany-Transaction”.

• **Whistle Blowing Policy:** The Board of Directors gives employees and stakeholders an opportunity to give information or file a complaint on a matter which could constitute a violation of the law, dishonest or wrongful act of an employee, including irregular behavior which could cause a problem or loss to the company. The company also receives complaints on cases where the rights of an employee or stakeholder has been infringed or where they have been treated unfairly. Suitable channels and procedures have been provided by the company in this regard.

• **Investor relations:** The Board of Directors believed that it is important to keep all investors well informed of our operation. This involves constant update of financial information and information affecting the price of company stock, required by the investors for their timely decision. All investors and relevant parties are updated at the same time via the channels of the Stock Exchange of Thailand, and our website at www.sahapat.co.th. Moreover, the shareholders and the investors have the opportunity to pose questions to the Company via the Secretary's Company has appointed professional personnel to assist shareholders and investors in this matter. The contact details are as follows:

Mrs. Siriporn Lekayavijitr
Tel : 0-2318-0062 Ext. 1200
Fax : 0-2318-1152
E-mail: invest@sahapat.co.th

In 2019, the company and Saha Group companies in collaboration with The Stock Exchange of Thailand organized the event "Analysts and Investors Meeting Saha Group" for the 11th consecutive year, at the Queen Sirikit National Convention Center on Friday June 28, 2019. The event gave investors and members of the press to meet with Company Directors and Executives. The Company Director was present to deliver an overview of businesses, operation, the economic and industrial outlook and company operation, as well as other important updates. Investors and members of the press with a most complete update on the Company and Listed Companies of Saha Group.

5. Responsibilities of the Board of Directors

5.1 The structure of the Board of Directors

(1) Board of Directors Composition

Presently, the Board of Directors comprises of 15 directors:

- 6 Non-executive Directors
- 5 Independent Directors
- 4 Executive Directors

The Board of Directors consists of individuals who have the knowledge and capability proven expertise from various fields and qualified according to law. At least one director is non-executive director who has experience in the Company's business undertaking and independent directors as announced by the Securities and Exchange Commission. All directors are committed to the duties entrusted by the Board of Directors and shareholders. They are free to voice opinions and approve matters for the best interest of the company.

The Company has five independent directors which are complied with the criteria of the Securities and Exchange Commission that determine independent director must be a minimum one-third of the Board of Directors.

The Board of Directors must be comprised does not exceed the number of five individuals. The required qualifications for each director are as follows:

- (1) An individual of juristic age
- (2) Must not be bankrupt, incompetent or quasi-incompetent
- (3) Must never be imprisoned by a final verdict in connection with a fraudulent act
- (4) Must never be handed punishment or removed from an organization or a government office, in connection with a fraudulent act

- (2) The selection and appointment of the directors and chief executive officer

The selection method of persons to be appointed directors and independent directors

Criteria for the selection of directors

For nominating process of the persons to be appointed directors, the company has set the criteria as follows:

1. Be qualified according to the Public Company Act, Securities and Exchange Act, rules of the Securities and Exchange Commission, and rules of the Stock Exchange of Thailand.

2. Qualifications of nominated directors to be diverse or what is called Board Diversity in terms of educational level, professional skills, specialization that is beneficial to the company's business, and ability to meet the requirements of the strategy of the company's business operation without discrimination such as sex, age, and race, etc.

3. Having leadership, vision, integrity and ethics, as well as transparent work experiences.

4. Being qualified and not be prohibited under the laws and regulations of the company.

5. In case of the nomination of the retiring directors to serve another term, they will be considered additionally in term of the performance as directors and various committees in the past.

6. In case of the selection of persons to be appointed independent directors, they must have the qualifications required for independent directors, in accordance with The Notification by The Capital Market Supervisory Board.

Process for the selection of directors

1. The Nomination and Remuneration Committee has been assigned to select qualified persons having appropriate qualifications to be nominated as company directors for consideration by The Board of Directors, prior to submitting to the shareholders' meeting for approval by the majority votes of the shareholders present at said meeting. In the case where the retirement took place prior to term completion with the remaining term being not less than 2 months, The Board of Directors' meeting shall then be authorized to select the persons from the candidates proposed by the Nomination and Remuneration Committee, for further appointment as company directors, by the majority votes of not less than 3/4 of the remaining directors. In such case, the newly-appointed directors shall serve out the remaining term of their predecessors.

2. The Nomination and Remuneration Committee will use Board Skill Matrix by the analysis of skills, experience, knowledge and expertise of the board as consideration information for selecting directors in accordance with the strategy of the company's business operation. In addition, regarding the selection of new board members, the Nomination and Remuneration Committee has considered more in terms of knowledge, ability and experience that can be beneficial to the performance of directors and essential to the structure of the board that is still lacking.

The company also has provided an opportunity for minor shareholders to participate in the nomination of persons to be elected as directors. For the selection of persons to be appointed independent director, The Nomination and Remuneration Committee those persons having qualifications required for independent directors, in accordance with The Notification by The Capital Market Supervisory Board, in addition to basic qualification requirements above.

Definitions of Independent Director

The company has given the following definitions of an "independent director" based on the announcement of the Capital Market Supervisory Board.

(1) The person must hold no more than 1% of shares with voting rights of the company, the parent company, the associates, the affiliates, the major shareholders or the entities with the authority to control the company; inclusive of shareholding by individuals related to such independent directors.

(2) The person must not be serving, or have served, as a director who is involved with the management, or a staff member, an employee or a consultant with a monthly wage. The person also must not be or be an individual with the authority to control the company, the parent company, the associates, the affiliates, the associates of the same level, the major shareholders or of the entities with the authority to control the company, with the exception of the case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director. The ineligibility however does not include the case where an independent director has previously served as a public servant or a consultant of a government agency which is a major shareholder of, or an entity with the authority to control the company.

(3) The person must not be related by blood or law as father, mother, spouse, sibling or child, spouse of son or daughter of executives, major shareholders, individuals with the authority to control the company or candidates for the position of an executive or an individual with the authority to control the company or an associate.

(4) The person must not have, or have had, a business relationship with the company, the parent company, the associates, the affiliates, the major shareholders or the entities with the authority to control

the company, in such a manner that may interfere with one's independent discretion. The person also must have not been or has been a shareholder, individuals with the authority to control the company, of the person who has business relationship with the company, the parent company, the associates, the affiliates, the major shareholder or the entities with the authority to control the company. There is an exception in the case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director.

The business relationship as described in the above paragraph is inclusive of normal trading transactions for the conduct of business; lease or letting of immovable; transactions relating to assets or service; provision or acceptance of financial assistance through acceptance or provision of loans and guarantees, the use of assets as collateral and other such practices which result in the company or the party to the agreement being under the obligation to repay the other party for an amount from 3% of net tangible assets of the company or from Twenty Million Baht whichever is lower. The calculation of such obligation to debt is to be in accordance with the related transaction value calculation method as per the Announcement of the Capital Market Supervisory Board on the Related Transaction Criteria with exceptions. The said obligation to debt includes that which has materialized during the period of one year prior to the day of business relationship with the same individual.

(5) The person must not be, or has been, an auditor of the company, the parent company, the associates, the affiliates, the major shareholders or the entities with the authority to control the company. The person also must not be a significant shareholder, an individual with the authority to control or a partner of the audit office with which the auditor the company, the parent company, the associates, the affiliates, the major shareholders or the entities with the authority to control the company is associated. There is an exception in such case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director.

(6) The person must not be, or has been, a provider of a professional service including the service as a legal consultant or a financial consultant for which greater than Two Million Baht of fee is paid per year by the company, the parent company, the associates, the affiliates, the major shareholders or the entities with the authority to control the company. The person also must not be a significant shareholder or an individual with the authority to control or a partner of such provider of professional service. There is an exception in such case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director.

(7) The person must not be a director appointed to represent a director of the company, a major shareholder or a shareholder who is related to a major shareholder.

(8) The person must not be in a business of the same nature as, and of significant competition to, that of the company or an associate. The person also must not be a significant partner in a partnership; a director who is involved with the management; a staff member; an employee; a consultant with a monthly wage; as well as, a shareholder who holds more than 1% of shares with voting rights of another company which is engaged in a business of the same nature as and of significant competition to that of the company or an associate.

(9) The person must not have any other characteristic which is an obstacle to the giving of free opinion on the operation of the company.

After having been appointed as an independent director following the qualifications specified under items (1) through (9) above, the independent director may be assigned by the Board of Directors to make decisions on the operation of the company, the parent company, the associates, the affiliates, the associates of the same level, the major shareholders or the entities with the authority to control the company in the manner of a collective decision.

(3) The number of companies served by each director

The company disclosed the information regarding the holding of directorship by each company director in other companies in the heading "Personal information of company directors and management members". At present, there is no director in the Board of Directors holding directorship positions in more than 5 listed companies.

(4) Combination or separation of positions

The Chairman of the Board of Directors and Chairman of the Executive Board be the same person. However, charter of all committees has been assigned authority and responsibility of the directors is clearly. As well as, the company's independent directors as of one-third of the Board of Directors, are qualified member, they are free to verify the balance of authority. The meeting of the Board of Director, directors can act freely in the meeting. Such as, in the case of matters that the Chairman has an interest in the president as CEO should not attend the meeting on such matter and the director who has no interest in acting the chairman of the meeting interim.

(5) Company's Secretary

The Board of Directors resolved to appoint Mrs. Siriporn Lekayavijitr who had a qualified and experienced individual to the company to be the Company Secretary, having the duties and responsibilities as specified by the company. (See the details under the heading "Management structure" on company secretary.)

5.2 Sub-committee

The Board of Directors has appointed sub-committee to help assure shareholders of transparency and good corporate governance. Sub-committee reports directly to the Board of Directors, sub-committee of the company include The Executive Committee, The Audit Committee, The Nomination and Remuneration Committee and The Risk Management and Anti-Corruption Committee. Their authority and responsibilities are independent of each other, for the purpose of corporate governance with the Chairman of each sub-committee providing direction in the discharge of the committee's duties in accordance with corporate policy. The committees are required to report their outcomes and findings to the Board of Directors' meetings.

Authority and Responsibilities of each Sub-committee

1. Executive Board

Authority

1. To appoint, remove, transfer, evaluate and determine remuneration and welfare of employees of different levels.
2. To appoint and remove any other working committee to carry out actions necessary for the management of the Company.

3. To issue regulations and announcements on performance of duties, to assign authority to members of the Executive Committee and/or employees serving managerial posts, in order to execute authorization on Company's assets.
4. To approve loans to companies with a business relation with the Company as shareholders, or to companies with a trading relation, or to companies of other nature, provided that the amount does not exceed the limited amount 30 million.
5. To approve guarantee of loans for companies with a business relation with the Company as shareholders, or to companies with a trading relation or to companies of other nature, provided that the amount does not exceed the limited amount 30 million.
6. To approve legal engagement in non-financial transaction, provided that the amount does not exceed the limited amount 30 million.
7. To approve acceptance or cancellation of loans, provided that the amount does not exceed the limited amount 30 million.
8. To approve investment, sale of investment capital in ordinary shares and/or any other securities, provided that the amount does not exceed the limited amount 30 million.
9. To approve sourcing and investment in fixed assets, provided that the amount does not exceed the limited amount 30 million.
10. To approve distribution, transfer of fixed assets, provided that the amount does not exceed the limited amount 30 million.
11. To approve modification, destruction and depreciation of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, depreciated and outdated, provided that the aggregate amount as per book value does not exceed the limited amount 30 million.
12. To approve modification, change of price and destruction of raw materials and/or remaining inventory which are depreciated or outdated and causing devalue in book of accounts, provided that the amount does not exceed the limited amount 30 million.
13. To approve compromise or settlement of dispute by arbitration, complaint, filing of lawsuits and/or any legal proceeding on behalf of the Company on matters whether in normal business matters does not exceed the limited amount 2 million or not, of which the amount does not exceed the limited amount 30 million.
14. To authorize executives of the Company or other individuals to act on their behalf.
15. To invite members of the management or relevant employees to provide explanations, opinions or documents as necessary.
16. To consult with Company's specialists or consultants (if any), or hire third party as consultants or specialists if necessary, at the expense of the Company.
17. To stipulate any other regulations as deemed appropriate.

Duties and Responsibilities

1. To propose goals, policies, operational plans and annual budgets to the Board of Directors.
2. To manage the business of the Company in accordance with desired directions, goals and business policies of the Company.
3. To enhance the competitiveness of the Company and encourage continuous innovation.
4. To ensure that the operation of the Company is consistent with the laws, Company's objectives and regulations, shareholders meeting resolutions, Board of Directors resolutions and relevant regulations.

5. Members of the Executive Committee may delegate responsibilities among themselves, provided that the Board of Directors meeting is kept informed of the progress of the matter each member oversees.
6. To arrange for financial statements to be prepared in order to be reviewed and/or audited by external auditor prior to proposing to the Audit Committee and the Board of Directors, respectively.
7. To review matters to be proposed to the Board of Directors for approval.
8. To revise the Executive Committee Charter and propose it to the Board of Directors for approval.
9. To engage in any other action as assigned by the Board of Directors.

2. Audit Committee

Authority

1. To ensure correct understanding among external auditors, company directors and internal audit unit.
2. To invite executives, members of the management, internal audit unit, or relevant employees to provide explanations, opinions or documents as necessary. The Audit Committee also has the authority to access corporate documents of all levels.
3. To inquire relevant individuals and matters within the extent of authority and duties of the Audit Committee.
4. To consult with Company's specialists or consultants (if any), or hire third party as consultants or specialists, if necessary, at the expense of the Company.

Duties and Responsibilities

1. To review and ensure correct and sufficient financial statements of the Company including information disclosure in accordance with the Financial Reporting Standard.
2. To ensure availability of appropriate and effective internal control and internal audit systems.
3. To review the comply anti-corruption policy of companies.
4. To determine the independence of the internal audit unit, and to opine on appointment, appraise, transfer, termination of the head of internal audit unit or any other office responsible for internal audit operations. Supervise to ensure that chief of internal audit office has sufficient education, experiences, and training, adequate to such internal audit operations.
5. To consider and approve the internal audit department's charter.
6. To consider and approve the audit plan and monitor the complies of the internal audit department.
7. To ensure that the Company complies with the laws on securities and exchange, regulations of Stock Exchange of Thailand and other laws applicable to the business of the Company.
8. To consider, select, nominate and termination independent individuals as Company's external auditors and propose the remuneration for such auditor to the Shareholders meeting for approval, and engage in a meeting with external auditors at least once a year without the participation of members of the management.
9. To review related transactions or transactions with possible conflict of interests to ensure that compliance with the laws and regulations of the Stock Exchange of Thailand is fulfilled, in order to ascertain that such transactions are reasonable and in the utmost benefits of the Company.
10. To prepare the report of the Audit Committee for disclosure in the annual report of the Company. The report must be signed by the Chairman of Audit Committee and consists of the following information as a minimum:
 - (A) The opinion on correctness, completeness and credibility of the financial statement of the Company;
 - (B) The opinion on sufficiency of the internal control system, risk management and anti-corruption of the Company;
 - (C) The opinion on compliance with the laws on securities and exchange, regulations of Stock Exchange of Thailand and other laws applicable to the business of the Company;

- (D) The opinion on suitability of the auditors and head of internal audit unit.
 - (E) The opinion on transactions with possible conflict of interests; and
 - (F) The number of Audit Committee meetings and attendance of each member;
 - (G) The overall opinion or observation regarding the Audit Committee performance of duties under its charter; and
 - (H) Other matters which the Audit Committee believes that shareholders and investors should be aware of that are within the extent of duties and responsibilities assigned by the Board of Directors.
11. In the case where the Audit Committee finds or suspects any of the following matters, which may have significant effect on the financial status and the operation of the Company, the Audit Committee must report to the Board of Directors for suitable remedy within a timeframe deemed appropriate by the Audit Committee:
- (A) Transactions with conflict of interests;
 - (B) Fraud, irregularity or significant defect of the internal control system; or
 - (C) Violation of the laws on securities and exchange, regulations of Stock Exchange of Thailand and laws applicable to the business of the Company.
- In the case where the Board of Directors or the responsible executives do not remedy such matter within the timeframe specified by the Audit Committee, a member of the Audit Committee may report such transaction or action to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.
12. To encourage and follow up that the Company has an efficient risk management system.
13. Supervise to ensure that the company has an adequate channel in place to take care of complaints or tips relating to suspicious or improper items contained in the financial statements, or fraud and corruption. The committee shall provide adequate protection to the whistleblower and treat his or her information with confidentiality. At the same time, provide full assurances independence of the investigation process, together with adequate necessary follow-up on that matter.
14. To ensure that the company's comply with the principles of corporate governance
15. To review, improve and amend the Audit Committee Charter on a yearly basis and propose it to the Board of Directors for approval.
16. To Implement a self-assessment at least once a year
17. To engage in other action as assigned by the Board of Directors with mutual agreement from the Audit Committee itself under the authority in accordance with the regulations of the Company and the laws.

3. The Authority and Responsibilities of the Nomination and Remuneration Committee

Authority

1. To invite the Management or employees of the company involved in any particular issues to provide some explanation, to give comments and to participate in the Meeting, or to provide any documents as necessary.
2. To seek advice and consultation by experts or advisors of the company (if any), or to commission an external advisor or expert in any necessary cases under expenses of the company.

Duties and Responsibilities

3.1 Nomination

1. To consider and formulate policies and criteria relating to remuneration for the Company's directors and senior executives.

2. To verify the personal record and data of the nominated persons by taking into account of knowledge, abilities, experience, professional expertise, proper qualifications in accordance with the Company's Regulations and related laws.
3. To give comments or recommendations for consideration.
4. To propose the nominated persons to the Board of Directors for consideration.
5. To improve and amend the Charter of the Nomination and Remuneration Committee and present it to the Board of Directors for approval.
6. To carry out other matters assigned by the Board of Directors.

3.2 Remuneration

1. To evaluate the performance of the Board of Directors on a yearly basis.
2. To determine the limit of remuneration for the Company's Directors (with consideration on its business performance), the amount approved by the general shareholders' meeting, as well as the amount paid in the previous year to be submitted for consideration to the Company's Board of Directors and the general shareholders' meeting.
3. To consider the appropriation of remuneration to the Company's Directors, by taking into account the authority and scope of responsibilities, within the amount approved by the shareholders' meeting and present it to the Board of Directors for approval.
4. To consider the appropriation of remuneration to the members of other committees (who are not concurrently on the Board of Directors) on an individual basis, by taking into the performance and account the authority, as well as the scope of responsibilities and present it to the Board of Directors for approval.
5. To review, improve and amend the Charter of the Nomination and Remuneration Committee and present it to the Board of Directors for approval.
6. To carry out other matters assigned by the Board of Directors.

4. Risk Management and Anti-Corruption Committee

Authority

1. The committee may call upon a relevant employee to give explanations or opinions, attend a meeting or submit documents as the committee deems relevant or necessary or both.
2. The committee may consult an expert or company consultant (if any) or hire an external consultant or expert when necessary. The Company shall absorb pertinent expenses.
3. The committee may establish a work team to perform anti-corruption tasks and conduct organization-wide risk assessment. The committee may also establish other work teams as it deems necessary.

Roles and Responsibilities

4.1 Risk Management

1. The committee shall establish policies, goals, plans and systems to manage the Company's major risks concretely, efficiently and continuously. All shall be reported to the Board of Directors, the Management Committee and the Audit Committee.
2. The committee shall provide the necessary effort for organization-wide risk-management collaboration.
3. The committee shall formulate measures or guidelines to prevent possible risks.
4. The committee shall list, analyze and assess risks of various aspects that may affect the Company's performance in each quarter.
5. The committee shall ensure appropriate and efficient risk management. It shall also emphasize early warning signs and irregular transactions.

6. The committee shall improve and make amendments to this charter and submit the amended charter to the Board of Directors for approval.
7. The committee shall perform other tasks assigned by the Board of Directors or the Management Committee or both.

4.2 Anti-Corruption Efforts

1. The committee shall formulate corporate governance and anti-corruption guidelines, monitor and assess compliance and report results to the Board of Directors, the Management Committee and the Audit Committee.
2. The committee shall encourage and promote compliance to the Good Corporate Governance and Anti-Corruption Policies among directors, executive officers and employees.
3. The committee shall list, analyze and assess corruption risks that may affect the Company's performance in each quarter.
4. The committee shall provide whistleblower and complaint channels, whereby corruption information can be submitted. The committee shall provide adequate protection to the whistleblower and treat his or her information with confidentiality. Furthermore, the committee shall provide an independent mechanism of investigation, as well as suitable progress monitoring.
5. The committee shall improve and make amendments to this charter, as well as the Anti-Corruption Policy and its guidelines, to ensure that all remains in conformity to legal, business and environmental changes, as well as the evolving risks. The amended charter shall be submitted to the Board of Directors for approval.
6. The committee shall perform other tasks assigned by the Board of Directors or the Management Committee or both.

5. President

Authority and Responsibilities

1. To manage the business of the Company in accordance with the laws, policies, objectives and Articles of Association of the Company, as well as resolutions of the shareholders meeting, the Board of Directors meeting, and the Executive Board meeting and relevant regulations.
2. To authorize any necessary and appropriate action to accomplish the deeds under Item 1, and in the case of any significant matter, the President needs to report to and/or notify the Board of Directors and/or the Executive Board of such the matter.
3. To manage, hire, appoint, remove, transfer, evaluate, issue disciplinary measures against, or determine remuneration and welfare for employees, provided that such actions do not interfere with the authority of the Executive Board.
4. To prescribe regulations on the operation of the Company, which are not contradictory with any policy, regulation, requirement, order or resolution of the Board of Directors and/or the Executive Board.
5. To be authorized to approve, source and invest in fixed assets with the amount not exceeding the limited amount 10 million.
6. To be authorized to approve, distribution, transfer of fixed assets with the amount not exceeding the limited amount 10 million.
7. To be authorized to approve the Company's investment and to sell investment in ordinary shares and/or securities issued by other companies, provided that the amount is not exceeding the limited amount 10 million.

8. To be authorized to enter into engagement, agreement, or transaction on binding the Company whether in normal business matters or not, of which the amount is not exceeding the limited amount 10 million.
9. To report any proceeding under Items 5, 6, 7 and 8 to the Board of Directors and the Executive Board as appropriate at the next meeting.
10. To authorize and/or assign any individuals to perform certain or specific tasks on behalf of the President.
11. The above authority of the President cannot be exercised in the case where the President may have interest or has a conflict of interests in any manner with the Company.
12. In case that there is a doubt or an uncertainty regarding the exercise of any of the above authority, the matter is to be presented to the Board of Directors for consideration.
13. To perform any other action as assigned by the Board of Directors and/or the Executive Board.

5.3 The roles, authority, and responsibility scope of The Board of Directors

(1) Leadership and vision

The Board of Directors consisted of members who had extensive capabilities and experiences beneficial to company management, together with leadership and independent decision-making qualities, necessary to supervise company operations in such manner best contributing to the objectives and goals of the company and shareholders.

The Board of Directors was obliged to assign the vision, mission, and responsibility to set the direction, target and business policy for the company including also approved strategy, plan and annual budget of the proposed by the management. Moreover, the Board of Directors also monitors the operation results of management and presides over the application of corporate strategies. Corporate management reports operational plans and formulation of strategic plans to the Executive Board and the Board of Directors for acknowledgment on a monthly basis as a compulsory agenda of the respective meetings of the Executive Board and the Board in reviewing the Company's performance each month.

(2) Good Corporate Governance

The Board of Directors recognizes the importance and benefit of good corporate governance, thus establishing Corporate Governance Policy, Business Ethic, Code of Conduct for Directors, Executives, and Staffs in written document. The Board of Directors has approved Good Corporate Governance Policy in the Board of Directors' meeting No.1 (Board 26) on May 9, 2019 to be the operational guideline for the Directors, Executives, and all Staffs to perform duties with transparency, integrity, and ethic.

(3) Conflict of Interest

The Board of Directors recognizes the importance of control system to handle conflict of interest and to perform connected transaction with prudent, fair, transparent treatment, thus including the procedure to handle conflict of interest in the Corporate Governance Policy. When performing connected transaction, the Director with related interest shall not take any part in voting procedure, and the Company shall disclose complete information as required by the Securities Exchange Commission and the Stock Exchange of Thailand. In this regard, the Company has disclosed the information in Thai and English via communication channel of SET and on the Company's website. In addition, the information of connected transaction has been disclosed in the annual report under the Intercompany Transaction and in annual registration statement (Form 56-1)

(4) Internal Control and Risk Management

The Board of Directors recognizes the importance of control system to monitor business operation, to prepare financial report, and to comply with relevant rules, regulation, and policy. Furthermore, The Internal Audit Office also provided recommendations to ensure an effective practice according to those guidelines. In this regard, The Internal Audit Dept shall report directly to the Audit Committee.

In 2019, to perform internal audit duty and conduct the meeting with related internal department to discuss the auditing result, search for practical solution, and report to the Executive Directors and the Audit Committee. In addition, the Internal Audit Dept has conducted meeting with the external auditor to review the quarterly and annually financial statement. The Internal Audit has reported that the Company has prepared the financial statement correctly and an adequate internal control system in place.

(5) Risk management

The Board of Directors places emphasis on risk management affecting the organization's goals by having risk management process in a systematic and in compliance with the company's policies.

The Board of Directors appointed The Risk Management and Anti-Corruption Committee to supervise the risk management to be effective and meet the standard with risk assessment and monitoring risk management plan, as well as reporting to the Board of Directors.

5.4 Directorial term

Directors serve the term specified under the company regulation. They may be re-elected upon the completion of a term.

The Company has not established requirements relating to the maximum age, the maximum number of companies for which the directors serve and has not fixed the maximum amount of director term. This is because we believe that the ability to manage business and the expertise of each director are not dependent upon their age or the number of companies for which they serve.

5.5 Number of companies for which the directors serve

Names of directors, their background, experience, shareholding and service as directorial position for other companies of each director are reported in the annual report and Appendix 1 of the 56-1 Form. Currently, there are no directors who hold more than 5 listed companies. However, we have reasons to believe that it does not affect their service to us. They have consistently dedicated their time achieving results for the company.

5.6 The Board of Directors' Meetings

The Board of Directors places great significance on its meetings, and meeting attendance is regarded as a principal duty for each director, so that the company's important matters can be decided upon. The Company usually pre-determines the dates and times of its monthly meetings throughout the year. The Company's Secretary sends out invitations to the meeting along with the agendas, the minutes of the previous meeting and relevant documents to the directors for their review ahead of the meeting, not less than five days prior to the meeting date. Directors are welcomed to propose additional agendas and give their opinions openly. Meeting minutes are prepared by the Company's Secretary, certified by the Board of Directors and kept for later review by the Board of Directors and relevant parties.

The Chairman of the Board of Directors acts as the chairman of the meeting. Directors and executives are allowed to give their opinions freely.

At the end of each meeting, the Company's Secretary is responsible for preparing the meeting minutes in writing, and having them endorsed by the Chairman of Board of Directors. The minutes are presented to the assembly for certification as the first agenda of the following meeting. Directors can give opinions and request amendments as necessary.

Certified meeting minutes are systematically kept at the office of the company in electronic form, together with documents supporting each agenda for ease of reference.

5.7 The performance self-assessment of the Board of Directors

The Board of Directors has assigned each company director to self-assess his or her own performance, as well as, the performance of the Board of Directors as a whole. Their valued opinions will be used to improve the performance of the Board of Directors.

In 2019, the average score from the assessment is in the positive range. The average score is 82.94%

5.8 The performance self-assessment of the Audit Committee

The Board of Directors has assigned an assessment of the performance of the Audit Committee in 2019. Each Audit Committee reviewed the Audit Committee's performance as a whole. In 2019, the average score from the assessment is in the positive range. The average score is 92.55%

5.9 The performance self-assessment of the Risk Management and Anti-Corruption Committee

The Board of Directors has assigned an assessment of the performance of the Risk Management and Anti-Corruption Committee in 2019. Each Risk Management and Anti-Corruption Committee reviewed the Risk Management and Anti-Corruption Committee's performance as a whole. In 2019, the average score from the assessment is in the positive range. The average score is 77.02%

5.10 Remuneration of company directors and executives

- Remuneration of company directors

The Nomination and Remuneration Committee has conducted meeting with the Board of Directors to review the amount of remuneration procedure established and proposed to shareholder meetings for their approval. This is based upon the performance of the company, the amount approved and the actual amount paid in the previous year. Remuneration is paid in the form of meeting allowance per attendance of each director and annual remuneration to all directors. Directors who are members of a sub-committee are also compensated for their duty as a member of sub-committee in the form of meeting allowance per attendance. The 68th annual shareholders general meeting on April 22, 2019 has approved a total amount of 15 Million Baht in remuneration for directors per year. The actual amount paid was 11,586,000 Baht. Remuneration for each director is detailed in the annual report and the 56-1 Form.

- Remuneration of company executives

Company executives are remunerated according to company policy and based on the company performance and their individual performance.

5.11 Development programs for company directors and executives

The company places great importance on helpful seminars and training programs that will help directors and executives to perform better in their positions. Selected company personnel attended the Director Accreditation Program (DAP) and the Director Certification Program (DCP) by the Thai Institute of Directors (IOD), as well as other mini courses which contribute to their performance of directorial duties. We will continue to enroll our directors in future IOD courses.

A director's handbook is prepared to help newly installed directors understand key information of the company, corporate governance policies, business ethics, code of ethics and regulations stipulated by the Securities and Exchange Commission. Our directors meet and exchange business views with high-level executives of leading Thai and overseas organizations on a regular basis.

Corporate Governance

Attendance and Seminar of the Board of Directors and executives in 2019

Name of Directors	Course / Seminar
1. Mr. Boonchai Chokwatana	<ul style="list-style-type: none"> - Business Talk with Trading Partner (Mirtphol) - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future
2. Mr. Vathit Chokwatana	<ul style="list-style-type: none"> - Singularity U Thailand Summit (Exponential Manufacturing) Seminar - CLMVT Forum 2019 - Responsibilities of the Company listed and sustainable development Seminar - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future
3. Mrs. Pasook Raksawonkse	<ul style="list-style-type: none"> - Responsibilities of the Company listed and sustainable development Seminar - Disruption Workshop by Navatanee Hospital - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future
4. Mrs. Chailada Tantivejakul	<ul style="list-style-type: none"> - Advanced Master of management Programe - Disruption Workshop by Navatanee Hospital - "Expanding alliances on Anti-Corruption" Seminar for company's business partners. - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future
5. Mr. Petch Paniangvait	<ul style="list-style-type: none"> - Advanced Master of management Programe
6. Mr. Thamarat Chokwatana	<ul style="list-style-type: none"> - Responsibilities of the Company listed and sustainable development Seminar
7. Mrs. Siriporn Lekayavijitr	<ul style="list-style-type: none"> - Responsibilities of the Company listed and sustainable development Seminar - Transfer Pricing Law Seminar - "Expanding alliances on Anti-Corruption" Seminar for company's business partners. - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future

Corporate Governance

Attendance and Seminar of the Board of Directors and executives in 2019

Name of Directors	Course / Seminar
8. Mr. Pipat Kowsupamongkol	<ul style="list-style-type: none"> - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future
9. Mr. Vora Punkamol	<ul style="list-style-type: none"> - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future
10. Mr. Parinya Sithidumrong	<ul style="list-style-type: none"> - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future
11. Mr. Punnavee Sookyen	<ul style="list-style-type: none"> - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future
12. Ms. Patcharaporn Vatanasuk	<ul style="list-style-type: none"> - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future
13. Mrs.Siriwan Wongariyakavee	<ul style="list-style-type: none"> - CFO's Orientation Course for New IPOs (Batch 3) - TFRS 15 Revenue from contracts with customers - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future
14. Mr. Peerapol Chanwichit	<ul style="list-style-type: none"> - Team Building Objective Key Resource - Japan Smart Logistics, Smart technology& AI Robotics - Branding & Sustainable Development - SD Disruption - Successful digital transformations create your business future
15. Mr. Surapong Soponkij	<ul style="list-style-type: none"> - Leadership Workshop - Branding & Sustainable Development - Successful digital transformations create your business future

Corporate Governance

5.12 Orientation of New Directors

The Board of Directors organizes an orientation course for newly-elected directors of the Company, together with a new director's manual, in order to provide key information on the Company, Corporate Governance Policy, Business Ethics, Code of Conduct for Directors, Executives and Employees, Securities and Exchange Act, Anti - corruption Policy, Public Limited Company Act, and others regulations, to serve as their practice guidelines during the directorship term.

5.13 Succession Planning

The Board recognizes to establish succession planning, thus reviewing current working environment. The persons were prepared in different areas, as well as continuously participated in training for development. There was also monitoring activities to create the management with knowledge, abilities, honest, who is professional and leadership, allowing the company to precede its operations continuously and effectively, with the principles as follows:

- Specify description for the position of the executives, and relation with targets and strategies of the organization, including qualifications of knowledge and skills required.
- Select subordinate executives with potential and capabilities.
- Analyze their qualification individually to find prominence and what needs to be further developed.
- Create individual developing plan to promote potential and capability development.

Compliance with good corporate governance principles on the matters not yet implemented

Concerning the part that the Company has not yet complied with the principles of good corporate governance for listed companies, the Company will use this as guidelines for further appropriate deployment.

Clause of not having been implemented yet	Reason
1. The Board of Directors has not specified the number of listed companies that each director hold directorship for not more than 5 places in the company's corporate governance policy.	The Board of Directors believed that each director's business expertise and capabilities should not be restricted by the number of companies said director served, as long as he/she proved to be capable and devoted enough to carry out own assignments in fulfilling the expectations by The Board of Directors and shareholders. At present, none of the company's directors serve as director in more than 5 listed companies.
2. The Board of Directors has not determined a policy to limit the number of years in holding office of independent for up to 9 years.	The Company believes that the Company's independent directors are fully qualified persons according to the definition of independent directors and can perform their duties independently by using knowledge, abilities and experience accumulated to help develop the Company with a good understanding of the Company's business.
3. The Board of Directors consists of more than 5 - 12 directors.	The Company's Board of Directors includes 15 members. The composition of the Board of Directors consists of 3 groups: independent directors, non-executive directors and executive directors to counterbalance the administration and conform to the Company's articles of association that require at least 5 directors. The Company has considered the number of directors by taking into account the suitability and consistency with the size of the business.
4. The Chairman of the Board of Directors is not an independent director.	Because of being a knowledgeable, competent person with expertise in the Company's business, who has also performed the duties with independence, all directors are allowed to freely express opinions and present suggestions beneficial to the Company.
5. The Board of Directors has not yet evaluated the performance of each individual director.	The evaluation of the works in the form of the entire Board of the evaluation of the works in the form of the entire Board of Directors and the evaluation of the sub - committees' performance can reflect the overall performance, which can be used by each director for self-development in each subject well.

Auditor Fees

(1) Audit Fee

The Audit fee of the Company and subsidiaries paid audit fee to the office of the auditor for the fiscal year ended December 31, 2019 as follows

1. SahaPathanapibul Plc.	2,050,000	Bath
2. Bangkok Tower (1999) Co.,Ltd.	245,000	Bath
3. Chokchaipibul Co.,Ltd.	465,000	Bath
4. Tipvarin-Watana Co.,Ltd.	260,000	Bath
5. Tipvarin Inter Packaging Co.,Ltd.	290,000	Bath
6. Dairy Thai Co.,Ltd.	<u>240,000</u>	Bath
Total	<u>3,550,000</u>	Bath

(2) Non-audit fee

- Financial statements PAEs of 4 subsidiaries	140,000	Baht
- Financial statements of Private Fund	200,000	Baht
- Information Technology system audit	<u>220,000</u>	Baht
Total	<u>560,000</u>	Baht

The Nomination and Remuneration Committee's Report

Saha Pathapibul Public Company Limited has appointed the following 3 directors to serve on the Nomination and Remuneration Committee:

<u>Name</u>		<u>Position</u>
1. Mr. Boonchai	Chokwatana	Chairman of the Nomination and Remuneration Committee
2. Mr. Vathit	Chokwatana	Member of the Nomination and Remuneration Committee
3. Mrs. Chailada	Tantivejakul	Member of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee carried out the following tasks, which the Board of Directors had assigned to it:

Nomination: We nominated individuals with desirable qualifications as director candidates to replace directors retiring by rotation. At the 69th Annual General Meeting of Shareholders, 5 directors retired by rotation: Mr. Boonpakorn Chokvathana, Mr. Vathit Chokwatana, Mr. Boonyarith Mahamontri, Mr. Khachornsakdi Vanaratseath, and Mr. Wasin Teyateeti.

Shareholders were allowed to nominate candidates to be appointed directors at the 2020 Annual General Meeting of Shareholders from December 1 to 30, 2019, but no nominations were made.

As the Nomination and Remuneration Committee, we considered and nominated each candidate carefully. One of us with a vested interest refrained from nominating himself. We gave due consideration to each candidate's education, expertise, and experience. For independent directors, we also considered their ability to perform independently and speak opening according to pertinent guidelines despite their time in office of more than 9 consecutive years.

Based on our discussions, we nominated the 5 retiring directors to seek re-election for another term. We have presented their names to the Board of Directors. With its approval, the nominations will be presented to shareholders at the upcoming 69th Annual General Meeting of Shareholders to obtain their resolution.

Remuneration: We reviewed and proposed remuneration criteria and types, including the remuneration budget and allocation of portions of the budget to directors' different roles-namely, their service to the board, the Audit Committee, the Nomination and Remuneration Committee, and the Risk Management and Anti-Corruption Committee. We have submitted the proposal to the Board of Directors. With its approval, the nominations will be presented to shareholders at the upcoming 69th Annual General Meeting of Shareholders to obtain their resolution. The Company has disclosed the remuneration of each director individually in the annual report and the annual registration statement (Form 56-1).



(Mr.Boonchai Chokwatana)
Chairman of the Nomination
and Remuneration Committee

The Risk Management and Anti-Corruption Committee's Report

Recognizing the importance of managing risks and corruption that may negatively impact the businesses of Saha Pathanapibul Public Company Limited, the Board of Directors has formed the Risk Management and Anti-Corruption Committee. We, the committee, held a total of 12 meetings in 2019 and performed the duties that had been outlined in our charter. We mainly focused on enhancing the efficiency and effectiveness of risk management. Below is a summary of our key developments:

1. We reviewed and redefined the 2019 risk management and anti-corruption framework, aligning it with the Company's goals and business direction. This framework governed all facets of the Company, including sales, marketing, logistics, information technology, and accounting and finance. We thoroughly assessed and evaluated all known internal and external risk factors that affect the Company's operations.

2. We met with every personnel and department involved in risk management to review known risk factors. We offered our suggestions whenever needed and grant our approval to their finalized risk-management plans. We made sure that the Company would meet its goals while maintaining risk appetites within the pre-determined tolerance level.

3. We monitored and assessed the management of each risk factor of every board committee every month to ensure their effectiveness. We also offered our suggestions to help further improve the efficiency of risk management.

4. We reviewed the anti-corruption assessment form, which applied to the Company's primary business. The form was needed for the Company to apply for its first re-certification by Thailand's Private Sector Collective Action against Corruption. The re-certification was approved on November 4, 2019.

We, the Risk Management and Anti-Corruption Committee, remain committed to overseeing the risk-management and anti-corruption efforts of the Company. We will always ensure that the Company's risk management is effective, supports the internal control system, and complies with good corporate governance principles.



(Mrs. Chailada Tantivejakul)
Chairman of the Risk Management and
Anti-Corruption Committee

Risk Factors

Saha Pathanapibul PLC. has established a Risk Management and Anti-Corruption Committee to provide systematic and efficient management of risk factors. The duties of this Committee are determined by the Company's Board of Directors in accordance with the Charter of the Risk Management and Anti-Corruption Committee. A total of 12 meetings were held in 2019 to discuss various risk factors. These included both internal and external factors that could have an adverse effect upon Company operations. Furthermore, management and employees at all levels have been trained to increase their awareness of the importance of risk management. Appropriate risk management processes are as well provided to be consistent with the policies and mission of the Company.

1) Risks from Investment

We have invested in companies in a diverse range of industries, with shareholding limitation not exceeding 50% of the registered capital of such companies, in order to diversify the risks. There are however a number of companies with reciprocal shareholding at a very low ratio, and we do not have controlling authority in the companies in which we have invested. All affiliates operate freely under the authority of their respective Board of Directors.

The Company has the investment executives to reviewed the potentiality of investment and mutual business benefit. And monitor the operation of the business. This therefore helps to identify business concern and report timely solution to the Company.

Earnings on the investment are received in the form of dividends. Nevertheless, in the case where any company experiences a loss, the company will have to record the depreciation of investment in the income statement of the company.

2) The risk depends on only a few large-size suppliers.

Because the Company maintains only 1-2 large suppliers in each of their production categories, risk factors that may affect the amount or timeliness of the product supply will have consequences on the Company's sales and marketing opportunities.

Mitigation Measures

1. Company suppliers mentioned above are members of the Saha Group, and have been set up to be mutually supportive of each other so that they may strengthen the organization's competitiveness. Collaboration can be achieved through regular coordination in planning, helping to identify any possible risks to the Company's production or planning in a timely manner.

2. Manufacturers, production units, and sales units work as one team according to the One Body model. This model encompasses meetings related to risk factors, the preparation of product supply, planning, and the setting of goals related to product orders. This ensures a greater level of precision in product orders and timelines. Additionally, it encompasses methods of coping with outside factors that are not within our control.

3) Risks Related to In-Store Inventory Management

Presently, stores distributing products of the Company are experiencing issues in regards to maintaining proper inventory to meet customer needs. This could mean both the undersupply and the oversupply of products in relation to customer demands. Such incidents could have an adverse on sales as well as marketing opportunities.

Mitigation Measures

1. The Company has determined that store shortages can be attributed to two main issues:

1. Shortages due to production
2. Shortages due to vendor stocking issues

In an effort to protect against these issues, the Company has taken steps to hedge against risks related to factory shortages by performing demand forecasting at least 2 months ahead of time. This allows factories time to procure the appropriate amount of raw materials. In regards to shortages due to vendor stocking issues, the Company has implemented a computerized system that can help complete stock inventory audits. This system can be accessed on-line. Store staff members can make daily inventory updates, allowing marketing and sales personnel to monitor stock shortages so that they may be able to help correct them and reduce losses that may lead to missed sales opportunities.

Risk Factors

2. Appropriate warehousing space is maintained. Additionally, a shipping system exists to ensure timely deliveries of products to meet customer demand.

3. The Company has reviewed the delivery process with the logistics company on a monthly basis, in order to manage the delivery to stores as quickly and effective.

4) Risks related the distribution channels

The Company operates through a variety of different sales channels. Each of these channels experiences a high amount of competition, and has its own specialized set of requirements that need addressing.

Mitigation Measures

1. The Company's policy is to expand into each type of distribution channel, in an effort to expand our customer base as well as to offer our products in all different environments. Consideration is given as to which products will be distributed through which channels according to the needs and purchasing power of target groups in their areas. This includes the launch of new products that meet the needs of their target customers in terms of both product quality and prices.

2. The Company's home delivery system that can deliver the products to consumers in Bangkok, Metropolitan and Chonburi province. Consumers can view product details and list of product promotions each month at www.sahapatdelivery.com and order the product at 02-2949898. Products will be delivered directly to the consumer within 24 hours.

5) Service Risk

Sales officers are the Company's representatives who offer services to stores and distribution channels. These services include placing orders, delivery, collaboration with the logistics team, and invoicing. Should a sales officer breach one of the regulations or protocols the Company has established, the Company could suffer damage, including losses in customers and profitability.

Mitigation Measures

1. The Company has established a unit to audit the sales team. It reviews sales officers' performance to ensure compliance with established regulations and protocols.

2. The Company organizes regular training programs for sales officers, training them on having a service mind and what their roles are every two months.

6) Product shipping risks

The Company works with numerous logistics partners to ship its products to customers nationwide. Shipping has become a major part of its business. Its risks include minor and major damage to the products being shipped, losses, and delays. These circumstances can easily affect customer satisfaction, which may even lead to a decrease in sales.

Mitigation Measures

- The Company has a formal logistics contract with every partner.
- Every logistics partner needs a bank guarantee, which serves as insurance in cases of damage to products being shipped.
- Logistics partners' performance is assessed.
- Retailers' satisfaction is surveyed.

7) Credit Risks

The Company maintains a policy of being careful in its extension of credit. In the majority of cases, credit is only extended to customers with a long history with the Company. As such, it is expected that losses due to the monitoring and collection of credit accounts will be minimal.

Internal Control and Risk Management

Opinions of the Board of Directors on Internal Control

The Board of Directors places a great deal of importance on internal control of our processes, finance and accounting, operations and corporate governance; therefore, a hierarchy of authorities has been established in writing, and there is a clear separation of roles between an operator and a monitor. In charge of this system of internal control is Internal Audit, who also advises the board on how to effectively implement guidelines. As an independent entity, Internal Audit provides a system of checks and balances, as well as ensures compliance with relevant laws and regulations.

The Board of Directors mandates that Internal Audit reports directly to the Audit Committee and the chief executive officer. The Audit Committee is responsible for examining the suitability and efficiency of our internal control system. We review and formulate control and risk-prevention measures, paying special attention to early warning signs and significant anomalies.

At the meeting of the Board of Directors No.10 (Board 26) held on February 20, 2020, attended by Three members of the Audit Committee, the Board of Directors examined and assessed our system of internal control through a series of questions posed to management in conjunction with internal audit results. The board found no significant flaws in our internal control system and concluded that the current system is appropriate and sufficient for our operations. The board added that we have sufficient human resources to efficiently execute internal control, including the oversight of transactions with a possible conflict of interest and connected transactions.

Below is a summary of the five components of our internal control based on the framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO):

- **Control Environment**

The Company establishes clear policies and business goals and regularly monitors the implementation of these said policies and goals based on the present situation. Our organization structure decentralizes power to allow for operational flexibility and a system of checks and balances. The authority and responsibilities of the chief executive officers and the charter of each committee are in writing to provide a clear scope of responsibility. In addition, we have a policy on corporate governance, code of conduct, and ethical practices of our directors, executive officers, and employees. We also have an anti-corruption policy and regulations, which have been communicated to everyone in the organization. Directors, executive officers and employees are required to follow these guidelines with straightforwardness to avoid conflicts of interest and corruption, which would damage our organization. We have a system to monitor and assess our operations based on good corporate governance, regulations, and best practices. Should we find non-compliance, we have a mechanism of punitive action to deal with such a violation in a timely and appropriate manner, in accordance with relevant regulations and laws.

- **Risk Assessment**

The Board of Directors tasks the Risk Management and Anti-Corruption Committee with overseeing systematic and efficient risk management. The committee analyzes internal and external risk factors that may impact our business. It constantly monitors risk management to ensure that all risks remain within our risk tolerance levels. Every level of management is also part of risk management. Principles of risk management, which are part of our organizational culture, have been communicated to all employees to be used as guidelines.

Internal Control and Risk Management

The Risk Management and Anti-Corruption Committee assesses chances of corruption and carefully reviews its goals. It also considers the appropriacy of incentives and compensations given to employees to ascertain whether they encourage inappropriate action. The committee also questions executive officers about chances of corruption and their anti-corruption measures. The Company communicates to all executive officers and employees to promote their understanding and compliance with our anti-corruption policy and guidelines. We prohibit them from accepting or offering bribes for a business advantage. We also communicate our anti-corruption policy to all groups of stakeholders.

- **Control Activities**

The Company clearly outlines the scope of responsibility and approved budgets for each level of management in writing. We also have clear separations of duties and responsibilities of each department as a system of checks and balances. In addition, we have written regulations on financial transactions, procurement, and general management. We also have measures to monitor our corporate compliance with relevant laws for all transactions with a majority shareholder, a director, an executive officer, or an affiliate of the aforementioned persons, as well as for any connected transactions. We comply with the procedures established by the Securities and Exchange Commission, as well as other relevant rules, taking into account the utmost benefit to the Company. It is our policy that a transaction can only be approved by an authority with no conflicts of interest to prevent someone from taking advantage of the Company or using the Company's transactions for personal gain.

The Board of Directors monitors the Company's performance every month and ensures that the Company's operations comply with its resolutions, shareholder resolutions, and pertinent laws and regulations. It tasks Internal Audit control with auditing, reviewing, and assessing corporate activities to ensure their compliance with the procedures, regulations, and policies that the Company has issued.

- **Information and Communication**

The Company's meeting documents contain necessary and sufficient information. Members of the Board of Directors always receive these documents within the time frame required by law. Minutes of board meetings, as well as accounting records, are thoroughly prepared and categorically kept in a safe location for a duration required by law. Recognizing the significance of information technology (IT) and communications systems, the Company has continuously developed IT systems that support its operations. These are deemed adequately efficient and able to provide the necessary information needed in a decision-making process at corporate and smaller levels. Moreover, the Company ensures that its communications are correct, suitable, beneficial, and credible. It has also equipped itself with adequate IT and data security systems, including backup plans for emergency cases that will safeguard its IT systems.

In addition, the Company provides channels of communication by which it can receive whistleblowing reports and suggestions. Information about the whistleblower, the subject matter, and any relevant leads will always be kept confidential.

- **Monitoring**

It is the responsibility of the supervisor of each department to regularly monitor and assess their department's performance to ascertain the fullness and suitability of internal control processes. Internal Audit is in charge of examining, analyzing, and assessing internal control of the very many systems, as well as monitoring implementation progress. The results are directly reported to the Audit Committee. In the event that a significant flaw has been found, the Audit Committee will report it to the Board of Directors for further mitigation. In addition, mitigation progress is also regularly monitored.

Opinions of the Audit Committee

The Audit Committee and the Board of Directors agree that the Company is equipped with suitable and sufficient internal control systems. The report of the Audit Committee and the auditor's report on internal accounting control are included in Annual Report and Form 56-1.

Intercompany Transaction

The approval of connected transaction, The Company proposed the connected transaction to the Board of Directors for their consideration. Any director with vested interest left the meeting room and abstained from voting on such matter. After the meeting, the company stated its resolution and proceeded according to the announcement of the Capital Market Regulatory Board and the Stock Exchange of Thailand.

In addition, the Board of Directors approved principles that allowed the management to engage in normal business transaction or support normal businesses that have general trade agreements in the same manner that persons of ordinary prudence would treat any of his partners of contract in the same situation. Such manner must be performed without the influence of the status as directors of the Company, one of the management, or involved individuals. The principles must be approved on an annual basis while any connected transaction must be summarized quarterly to report to the Board of Directors.

In 2019, the company performed connected transaction with the connected parties and the notification of the resolutions of the Stock Exchange of Thailand as follow:

Financial assistance provision based on its investment

1. transcosmos (Thailand) Company Limited

The Board of Directors meeting No.11 (Board 25) held on March 14, 2019 to approve the extension of the credit guarantee to transcosmos (Thailand) Company Limited in the amount of Baht 9,000,000 to transcosmos inc. with guarantee period of three years begin March 16, 2019 to March 15, 2022.

Connected person are Saha Pathana Inter-holding Public Company Limited and I.C.C. International Public Company Limited as a co-major shareholders. Mr. Thamarat Chokwatana is Director for both companies.

2. Saha Tokyu Corporation Company Limited

The Board of Directors meeting No.1 (Board 26) held on May 9, 2019 to approve the extension of the credit guarantee to Saha Tokyu Corporation Company Limited in the short term loan of Bath 100,000,000 to TOKYU CORPORATION based on shareholding proportion which extended credit term for one year from May 31,2019 to May 31, 2020

Connected person is Saha Pathana Inter-holding Public Company Limited and I.C.C. International Public Company Limited as a co-major shareholders. Mr. Boonsithi Chokwatana is Director for both companies.

Connected transactions for the normal business transaction

The company has a connected transactions for the normal business transaction or supporting normal business with related parties as detailed on notes to the financial statements No.36

Connected Transactions Trends

Most of the company's business operations such transactions is normal commercial business undertakings under general trade agreements. In the case of transactions is the connected transactions the company proceeded accordance with the rules and regulation of the Capital Market Regulatory Board and the Stock Exchange of Thailand.

Social Responsibility

Over the past 70 years in business, we, Saha Pathanapibul PLC, have always been conscious of our roles and duties towards society that contribute to the utmost benefit of the nation. We have operated our business with these roles and duties in mind. Thanks to founder Dr. Thiam Chokwatana's determination, it has been our policy to conduct all of Saha Group's businesses with fairness and ethics towards our partners, customers, employees, and shareholders, as well as society and the nation, as well as promote the rights and values that reflect social responsibility. They are detailed below:

Vision	<ul style="list-style-type: none">• We are and shall remain the leading distributor of fast moving consumer goods (FMCGs) in Thailand• We are committed to matching the high quality of our clients' products with sound marketing and sales professionalism and strong business ethics.• We are dedicated to contributing to the happiness and well-being of Thais• We shall uphold these principles in our pursuit of growing globally in size and in reputation.
Quality Policies	<ul style="list-style-type: none">• Everyone at SAHAPAT works hand-in-hand to achieve the Company's objective and constantly• We strive to develop innovative products that satisfy the needs of our valued customers.• We are ever committed to creating business opportunities through expanding our distribution channels worldwide.• Operating our business with ethics, good governance and corporate social responsibility.
Core Values	<ul style="list-style-type: none">• Social Responsibility• Advancement• Harmony• Passion for Excellence• Truthfulness

Executive officers and staff members of the Company are committed to following through with our good corporate governance principles. They are also cognizant of their responsibility, as part of sustainable development, toward all levels of society. As such, we have always ensured that the tasks and activities we carry out benefit stakeholders and the various components of society.

Good Corporate Governance

In advocating for an effective, transparent, and accountable system of management, we have placed an emphasis on instilling business ethics in our employees' mind. Transparency and accountability, being a role model, social responsibility, and honesty have been integral to our organizational culture; therefore, our policy is to always operate with transparency and to prioritize our responsibility toward society. We have instilled this policy in the mind of everyone in our organization, starting from executive directors all the way down to staff members of operations. A Good Corporate Governance document was distributed to all employees to inform them about best practices, in addition to laws and regulations, related to good governance of our Company. We believe that our actions are among the many things that bolster confidence among shareholders, investors, and stakeholders. They are both a support and a push for our strength, competitiveness, and long-term success. Details of this disclosure are described in the following eight principles:

1. Fairness

The Company highly regards the importance of conducting its business operations according to the principles of Fair Competition, upholding ethical values to ensure equal and beneficial treatment of the Company's partners.

- Members of the Company's Supply Chain are screened to make sure they adhere to laws and regulations related to safety, occupational health and environmental standards. All business dealings are carried out in a way to uphold the principles of fairness, equality and mutual respect.

- Improving relationships and understanding of each other, knowledge sharing, development and add value to products and services to grow together.

- The acceptance or offering of bribes is expressly forbidden whether it is in the form of gifts or in other benefits.

- Not discredit in the Trading competitors

- All intellectual property rights of trade partners will be respected. The use of intellectual property rights of others for one's benefit can only be permitted after receiving expressed permission or if compensation for use is made.

2 Anti-Corruption Efforts

The Board of Directors of Saha Pathanapibul Public Company Limited has approved the resolution to sign a Declaration of Intent of Collective Action Coalition Against Corruption enacted by Thai Private Sector on January 16, 2014. In order to be in compliance with the Company's Corporate Governance as well as corroborate its aims and Corporate Social Responsibility as a whole. This Anti-Corruption Policy is approved by the Board of Directors' Meeting No.11 (Board 21) on February 26, 2015 and effective of March 1, 2015. which is written for exercising it as follows.

1. The Company will not be a party to pay bribes. In case of charitable contributions, political contributions as well as offering gifts in a business manner, this must be transparent, explainable and audited.

2. Supporting enhancement of awareness and value for anti-corruption among the company directors, executives and employees to perform duties in accordance with relevant laws, notifications and regulations by preparing such manual for guidelines.

3. The Company directors, executives and employees must not act as an intermediary in demanding and accepting gifts or benefits from government sectors or private sector, which induces to Violate the laws. Moreover, it is illegal to use positions and/or duties to use the company's data to seek benefits for oneself for others.

4. Setting the system to report financial status transparently and accurately, providing an efficient and effective internal control system, and controlling check-and-balance system to be appropriate in order to prevent conducting any fraud or taking part in any fraud and corruption.

5. Monitoring and reviewing the anti-corruption policy, guidelines and regulations consistently for operation in order to adjust with business changes, laws and regulations.

6. Opening channel for reporting any suspected activity and ensuring that such reporters receive protection.

The Company has always been committed to the fight against corruption. We have communicated with all levels of employees about our Anti-Corruption Policy and guidelines. Our subsidiaries, joint ventures, business partners and customers have also been informed. In 2019, we submitted our self-evaluation to the Committee of the Collective Action Coalition against Corruption for first re-certification. As a result, we received certification of our membership in the Collective Action Coalition against Corruption from its committee on November 4, 2019.

In 2019 The Company did not see any fault as important content about fraud and corruption and any operation which does not conform to the law or related requirement as well as no violation of ethics in the business operation.

3. Respecting Human Rights

The Company respects the rights and life of each individual. In this regard, the following policies and guidelines have been prescribed.

1. There shall be no activities or support of activities which violate human rights.

2. Employees are provide with knowledge and understanding of human rights which are applied to work operations.

3. There are no limitations to independence or differences in ideology, gender, race, religion, politics or other matters. The expression of opinions which could cause conflicts or divisions should be avoided.

4. Channels shall be provided for employees or persons who believe that their personal rights have been violated or that they have been treated unfairly to file a complaint with the Company. Such complaints shall be given attention and processed fairly.

In 2019, The Company had no dispute with non-infringement of human rights.

4. Fair Labor Practices

The Company views each of its staff members as a valuable asset and as an important contributor to the overall success of the Company. As such, staff members are treated in a way that respects their individual rights and basic working rights, with an emphasis on uniform treatment. Favor is not given nor withheld to individuals based on their sex, skin color, nationality, age, religion, disabilities, nor any other individual aspect that is not directly related to their ability to perform their work duties.

All fair labor practices are respected and upheld, and fair and appropriate compensation is made based upon an individual's knowledge, skill-set, and the results of their work performance. Furthermore, various benefits are given to staff members.

The Company places importance on a variety of aspects related to occupational health and safety. They have been detailed below.

1. Business operations are conducted in accordance with all laws, regulations, and policies related to health, safety, and the environment. Special emphasis is placed on the safety of life and assets, as well as effects on the health of our staff members, trade partners and other stakeholders. Monitoring and assessment of safety conditions are performed constantly and efficiently.

2. Safety conditions are promoted at work through the setting of various systems, working practices, and standards related to safety and any hazards or risks present. Adjustments are made to environmental conditions at work, as well as safe working procedures being practiced. Additionally, various tools have been provided to assist in maintaining staff member safety and security.

3. Preparation is maintained to be able to deal with any emergency situations. Various drills and adjustments to emergency plans are continually conducted in an effort to protect against and reduce fatal injuries and loss of assets among Company staff members, trade partners and other stakeholders in the company.

4. Innovative, safe operation across the organization. This will help ensure the safe operation and sustainability.

The Company places employee development at the heart of its business. Employee development is key to achieving our strategic objectives. Skills, knowledge and abilities need to be taught and fostered. Both internal and external training is provided for all employees.

5. Responsibility to Consumers

The Company manufactures a wide variety of consumer goods. They are produced with a focus on quality and safety and are available at affordable prices. No monopoly price Moreover, the advertisements to be true, the consumer information accurately and appropriately.

Consumers are able to access the Company's products and services through a wide variety of different distribution options. Different packaging options are designed to be appropriate for various distribution channels. Some products are specially developed to be more appropriate for their intended consumer group and distribution channel, in an effort to more directly address the needs of our consumers.

The Company has also instituted a Consumer Relations Center that serves as a channel for customers and consumers to contact and offer their suggestions, criticisms and complaints. The Company places importance on each of the complaints it receives and ensures that each of them receives expedient response. Collaboration takes place between our various different departments as well as our manufacturing centers in this regard. In the event the complaint concerns product quality, a product replacement will be made available to the consumer. The original product will be collected and sent to the manufacturing center for an inspection to determine the cause of the defect. The results of this investigation will be sent to the Company along with an action plan for preventing similar defects from occurring in the future. In the event that the consumer was using the product incorrectly, an instruction guide is to be sent to the consumer regarding the correct method of use, the correct storage method, along with the appropriate amount to use. Our aim is to improve consumer satisfaction in the product.

In the event any complaint is made regarding service quality, it will be forwarded to the corresponding department. Adjustments will be made and training will be provided to ensure that future service is conducted in a friendly and accurate manner.

The Company employs a system to retain the information on consumer complaints in an effort to protect their privacy. Information is collected about the nature of the complaint, the results of the following investigation and the monitoring of the results of the investigation. Each complaint is handled this way to make sure that corrective action is in place to increase product quality and consumer satisfaction.

6. Environmental Preservation and Responsibility

The Company ensures that all of its business operations are performed in an environmentally responsible way. Policies and working practices regarding this have been detailed below:

1. Operations are to be conducted according to all environmental laws, regulations, and policies. In particular, this is in regards to effects on natural resources and the environment. Reviews and assessments of these operations will be performed regularly.
2. An eco-friendly corporate culture is to be instilled in staff members at all levels to increase cooperation and responsibility in terms of environmental responsibility, with a focus on using resources in an efficient and sustainable way.
3. Knowledge sharing and training programs regarding the environment will be provided to each staff member.
4. Systematic environmental management is used to comprehensively cover a wide variety of different aspects. This includes efficient use of resources, as well as the use of environmental restoration processes, including environmental monitoring, and environmental protection methods to reduce effects on both natural resources and the environment in a sustainable manner.
5. Selection methods for members of the Company's Value Chain include environmental friendliness as a criterion.
6. Support is given to the development and release of technologies that are environmentally friendly.

7. Community and Social Development

The Company places importance on its roles and responsibilities in regard to Thailand and its local communities as well as society. Local customs and traditions are respected, helping to maintain the society and ensure good cooperation. Our various policies and working practices are detailed below.

1. Working practices must not adversely affect society nor infringe upon individuals and the community as a whole.
2. A sense of social responsibility is to be instilled in the minds of staff members at all levels.
3. Standards have been created which help guide the protection of both the community and society and reduce any negative effects.
4. Local cultures and traditions are to be promoted and maintained.
5. Cooperation is to be fostered with various agencies to assist each other in community development.
6. Support is to be provided for activities that create benefit for the good of the public.

7. Revenue-generating opportunities are to be created for members of local communities by creating jobs and promoting the purchase of locally made products.

8. Positive relationships between the Company and local communities are to be built and maintained through honesty, transparency and fairness.

8. Innovation and Proliferation of Innovations

The Company has taken into account the environmental changes that may affect itself and all of its stakeholders. Throughout 2019 the Company continued its New Thinking mission, in which every department brainstormed new ideas that gave rise to innovations. These innovations were used to improve all dimensions of work process, helping the Company cope with changes while taking into account internal and external stakeholders.

In the year 2019, The Marketing Department 2 joined the “Saha Group Innovation contest 2019” by winning the first place in “CHAIRMAN AWARDS 2019” in “Break through the marketing rules” project on June 28, 2019 at the 23rd Saha Group Fair.

Throughout 2019, we did not any negatively impact on society in any way. We had no cases of violation of the law. We were neither accused of negatively impacting society and the environment, nor disregarding any of the Eight Principles.

Corporate Social Responsibility

Corporate Social Responsibility Activities

The Company fully understands the responsibility it has towards society and the environment, which is integral to sustainable development; therefore, it carried out the following corporate social responsibility activities.

Education

• Scholarships for Staff Members' Children in 2019

In addition to our commitment to the promotion of equal access to education among children, rooted in the belief that education is crucial to developing children into capable adults who will further contribute to the development of the country, we also hope to lessen our employees' financial burden caused by the costs of their children's education. As a result, we provide annual scholarships to our employees' children. This past year we gave a total of 264 scholarships during a ceremony held on October 28, 2019. These scholarships are divided into the following three categories:

Kindergarten–Grade 6	(5,000 baht each)	139	scholarships
Grades 7–12	(8,000 baht each)	99	scholarships
University	(10,000 baht each)	26	scholarships



• The 22nd Sahapat Admission

Saha Pathnapibul Public Company Limited continued with the Sahapat Admission program, preparing high-school students in remote locations for the university admission examination. The program's aim has always been to level the playing field for students in smaller, rural schools whose access to education may not be as good as that of students in better-funded schools. Over 1,000 schools enrolled in the program. Classes have been broadcast via Facebook Live from the Sahapat Admission Facebook page. Instructional video clips and learning materials have been made available on the www.sahapatadmission.com website.



Corporate Social Responsibility

- **The Fourth Year of Sahapat Gives Back to Children Project**

Building on Dr.Thiam Chokwatana's belief in virtue and integrity, the Company has launched the Sahapat Gives Back to Children Project, a creative social program. We visited schools across the country to find exemplary children to tell their stories of honesty and other moral values. We also educated students on various topics, including the Garbage Savings Bank, which allowed them to generate income. The Company also prepared nutritious meals for students at these schools. This project is committed to developing children into capable adults for a brighter future.



- **Sponsoring the 2019 Mother's Day Celebration**

The Company has sponsored the annual Mother's Day Celebration organized by the National Council of Social Welfare in honor of Her Majesty Queen Sirikit of the Ninth Reign for many years. Additionally, the annual event also recognizes the role every mother plays in her family, society and the nation. Every year children are reminded of what their mothers have done for them and what they can do in return. It also recognizes notable mothers and their children, as well as contributes to the preservation of a Thai tradition.



Pracharath Project for People with Disabilities Pursuant to Articles 33, 34, and 35

- **The Guiding Light Project, Disability Support Services Center**

This project aims to help students with vision impairment learn and conduct academic research. We provided assistance in the following four aspects:

1. Material Hub
2. Toolkits
3. Development workshops
4. Training buddies



Corporate Social Responsibility

- **Hiring Local Skilled Laborers Despite Their Disabilities**

The Company hires local people living with disabilities, as long as they possess the necessary skills, to work full time as electricians, librarians, landscapers and other suitable positions. In addition to income generation, which leads to independence, these employment opportunities allow these individuals to stay close to home and their loved ones.

- **Pracharath Community Store**

As part of the private sector, the Company works closely with the public sector, namely the administrations of Bangkok, Chon Buri, and Kanchanaburi, and civil society, namely the Social Innovation Foundation to provide assistance to people living with disabilities. The Company provides financial assistance to disabled individuals or caretakers of disabled individuals who would like to own and operate their own stores as a means to generate income, ensure independence, and improves their quality of life.



Others

Music

- The Company sponsored Charin in Concert Number 18 “The Land of Love”

Sports

- The Company sponsored a charity golf tournament with BJC’s Big C Foundation.
- The Company organized Thailand’s largest international Go board game competition with participants from 12 countries. The winning prize was a trophy from Her Royal Highness Princess Maha Chakri Sirindhorn.



Corporate Social Responsibility

The Environment

- The Company sponsored a forestation project in celebration of His Majesty King Maha Vajiralongkorn. From April 17 to June 30, 2019, canna flower plants were planted at the Office of National Buddhism in Phutthamonthon.



Others

- The Company donated to the Dr. Thiam Chokwatana Foundation.

Report of the Board of Directors'

Responsibilities for Financial Statements

The Board of Directors understands the importance of the obligations and responsibilities that are held by directors of publicly listed companies. This includes maintaining responsibility for the financial reporting of Saha Pathanapibul Public Company Limited and its subsidiaries. Financial statements must conform to Thai Financial Reporting Standards (TFRS). Discretion must be appropriately applied during disclosure. All reported estimates must be reasonable.

Furthermore, explanations must be given to clarify any aspects of financial disclosures that might be construed as unclear. It is important to accurately communicate the Company's financial status to shareholders and investors. All financial statements must be reviewed by independent auditors, who will include their qualified and independent opinions.

Additionally, the Board of Directors plays a key role in supporting the Company's adherence to principles of Good Corporate Governance. This includes providing systematic risk management and internal control processes that are effective and efficient. These efforts increase confidence in the veracity and accuracy of the Company and its subsidiaries' financial information. Furthermore, it extends to the prevention of corruption or improper business practices.

To this extent, the Company's Audit Committee is comprised of Independent Directors tasked with the responsibility of reviewing the quality of reviews performed against the Company's financial information and internal control systems. The Audit Committee will present its findings and approval in the Report of the Audit Committee released each year (Form 56-1).

The Board of Directors is of the opinion that the Company's Good Corporate Governance is in good standing, including the Company's risk management and internal control systems. The Company is confident that its financial statements as well as those of its subsidiaries, released on December 31, 2019 have been accurately disclosed and meet relevant accounting standards.



(Mr. Boonchai Chokwatana)
Chairman

February 20, 2020

Financial Statements



Independent Auditor's Report

To the Shareholders of
SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES (“the Group”) and of SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED (“the Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2019, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED as at December 31, 2019, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to 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 judgment, 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 matters included auditing procedures are as follows:

Accrued sales promotion income – expenses

As at December 31, 2019, the Company has accrued sales promotion expenses Baht 2,421.86 million and accrued sales promotion income Baht 2,090.58 million which are derived from many marketing activities by receiving material amount of money for supporting activities in from of special discount from distributors. Sale promotion expenses vary with type of related marketing activities season. The Management will estimate sale promotion expenses and sales promotion income. I have focused in respect of the amount and recognition period of accrued sales promotion expenses and incomes estimated by the Management.

Independent Auditor's Report

I have obtained an assurance relating to accrued sales promotion income - expense by included.

- Obtained an understanding and assessed general internal control of overall information and technology system (IT) and internal control relating to operation procedure such as annual activity and promotion plan, approval procedure of sales promotion, promotion plan, budget, recording sales promotion transactions as incurred.
- Tested significant internal control system of the Management relating to sales promotion expenses and income recognition.
- Performed sampling test sales whether amount of promotion transaction recorded during the period and at the end of the period are properly and correctly recorded by examining agreement or contact evidence from vendor and approval.
- Performed cutting off sale promotion expenses and income transaction before and after reporting period by examining agreement and contact evidence from vendor.

Valuation of long-term investments

As stated in notes 15, 16 and 17 to financial statements, the Group company has investments in subsidiaries, associated and other long-term investment in many companies. The Group have significant risks relating to investment valuation especially considering provision for impairment of investment. The Management has considered the expected return from investment including performance in the past, the Management has made significant judgment to consider the adequacy of provision for impairment of investment for presenting proper value.

I have obtained an assurance relating to value of long-term investment by included.

- Obtained an understanding and procedure to indicate impairment of investment.
- Considered the profitability from investment of the company such as performance, financial information in the past including other information to assess the adequacy of provision for impairment of investment.
- Testing mathematical accuracy.
- Assessed the adequacy of disclosure of information in accordance with related financial reporting standards.

Other Information

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

My opinion on the consolidated and separate financial statements does not cover the other information and I do not and 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Independent Auditor's Report

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for the correction of the misstatement appropriately.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines 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, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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 Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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.

D I A INTERNATIONAL AUDIT CO., LTD.



(Mrs. Suvimol Chrityakierne)
C.P.A. (Thailand)
Registration No. 2982

February 20, 2020

Statements of Financial Position

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED
AND SUBSIDIARIES

AS AT DECEMBER 31, 2019

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
Assets	Note	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Current assets					
Cash and cash equivalents	6	1,387,802,318.04	2,022,905,230.99	1,138,556,512.36	1,876,577,058.30
Current investments	7	1,450,704,454.16	1,880,923,239.64	1,272,056,916.44	1,532,355,305.15
Trade and other current receivables	8	4,519,189,081.32	4,645,873,288.02	4,515,489,666.43	4,663,630,251.29
Trade notes receivable	9	561,958,708.21	644,896,788.63	553,204,428.21	644,896,788.63
Current portion of finance lease receivable	12	7,389,211.31	2,269,071.54	0.00	0.00
Accrued sales promotion income		2,090,581,753.37	1,809,613,886.35	2,090,581,753.37	1,809,613,886.35
Short-term loans to related parties	36	27,500,000.00	60,000,000.00	27,500,000.00	60,000,000.00
Inventories	10	892,624,353.65	939,807,249.25	835,917,463.62	870,630,017.37
Other current assets		21,617,716.29	12,437,770.40	9,470,741.98	12,437,770.40
Non-current assets held for sale	11	148,879.97	148,879.97	0.00	0.00
Total current assets		10,959,516,476.32	12,018,875,404.79	10,442,777,482.41	11,470,141,077.49
Non-current assets					
Finance lease receivable	12	2,796,183.70	10,185,395.02	0.00	0.00
Long-term Investment - Financial institution	13	159,000,000.00	0.00	0.00	0.00
Deposit at financial institutions with obligation		2,252,140.60	2,235,447.88	0.00	0.00
Investments available-for-sale	14	9,002,580,735.13	9,055,587,686.88	9,002,580,735.13	9,055,587,686.88
Investments in associates	15	935,014,258.21	774,220,286.55	717,195,392.72	553,132,592.72
Investments in subsidiaries	16	0.00	0.00	1,413,700,847.08	1,413,700,847.08
Other long-term investments	17	1,205,889,922.57	1,038,534,422.57	1,184,096,922.57	1,038,478,422.57
Investment properties	18	3,088,353,942.21	2,652,543,318.99	2,003,536,520.86	1,595,042,172.72
Property, plant and equipment	19	1,614,570,445.37	1,029,045,949.38	1,347,585,099.63	742,714,120.89
Goodwill		19,223,353.94	19,223,353.94	0.00	0.00
Intangible assets	20	14,476,851.73	19,481,748.67	13,656,398.04	13,695,026.88
Deferred tax assets	22	20,308,480.06	17,079,862.64	0.00	0.00
Other non-current assets	21	72,168,942.02	76,878,364.41	66,668,412.92	69,903,437.31
Total non-current assets		16,136,635,255.54	14,695,015,836.93	15,749,020,328.95	14,482,254,307.05
Total assets		27,096,151,731.86	26,713,891,241.72	26,191,797,811.36	25,952,395,384.54

Notes to financial statements are parts of these financial statements

Statements of Financial Position

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED
AND SUBSIDIARIES

AS AT DECEMBER 31, 2019

(Unit : Baht)

Liabilities and shareholders' equity	Note	Consolidated financial statements		Separate financial statements	
		December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Current liabilities					
Trade and other current payables	24	4,953,791,873.74	5,715,841,920.45	4,964,220,672.35	5,703,313,277.88
Accrued sales promotion expenses		2,421,859,697.76	2,288,752,676.94	2,421,859,697.76	2,288,752,676.94
Current portion of long-term debt	26	0.00	0.00	24,842,019.97	21,768,225.38
Estimated current liabilities					
for employee benefits	27	0.00	19,215,532.00	0.00	18,579,061.00
Other short-term loans	25	26,219,000.00	22,000,000.00	26,219,000.00	22,000,000.00
Income tax payable		94,880,766.10	112,189,535.79	81,238,029.93	99,259,920.86
Total current liabilities		7,496,751,337.60	8,157,999,665.18	7,518,379,420.01	8,153,673,162.06
Non-current liabilities					
Employees' savings account		0.00	7,152,795.57	0.00	7,152,795.57
Financial lease liabilities	26	0.00	0.00	72,495,544.27	67,107,125.06
Deferred tax liabilities	22	914,889,123.03	960,178,505.25	773,126,148.87	824,783,840.92
Employee benefit obligations	27	222,947,253.01	179,332,412.12	194,835,007.64	162,219,063.00
Other non-current liabilities		46,598,260.38	45,243,589.61	30,505,182.80	29,541,628.08
Total non-current liabilities		1,184,434,636.42	1,191,907,302.55	1,070,961,883.58	1,090,804,452.63
Total liabilities		8,681,185,974.02	9,349,906,967.73	8,589,341,303.59	9,244,477,614.69
Shareholders' equity					
Share capital					
330,000,000 common shares					
of Baht 1 each		330,000,000.00	330,000,000.00	330,000,000.00	330,000,000.00
Issued and paid - up share capital					
330,000,000 common shares					
of Baht 1 each		330,000,000.00	330,000,000.00	330,000,000.00	330,000,000.00
Premium on share capital		1,743,441,255.39	1,743,441,255.39	1,743,441,255.39	1,743,441,255.39
Retained earnings					
Appropriated					
Legal reserve	29	60,000,000.00	60,000,000.00	60,000,000.00	60,000,000.00
Unappropriated		11,765,479,186.11	10,596,697,689.75	11,158,136,817.83	10,122,126,002.30
Other components of equity		4,323,641,427.47	4,472,431,797.32	4,310,878,434.55	4,452,350,512.16
Total owners of the Company		18,222,561,868.97	17,202,570,742.46	17,602,456,507.77	16,707,917,769.85
Non-controlling interests		192,403,888.87	161,413,531.53	0.00	0.00
Total shareholders' equity		18,414,965,757.84	17,363,984,273.99	17,602,456,507.77	16,707,917,769.85
Total liabilities and shareholders' equity		27,096,151,731.86	26,713,891,241.72	26,191,797,811.36	25,952,395,384.54
Notes to financial statements are parts of these financial statements					

Statements of Comprehensive Income

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED
AND SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2019

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
Note	2019	2018	2019	2018
Continuing operations				
Revenues				
Sales	32,802,812,251.37	32,715,370,672.95	32,805,231,816.21	32,755,041,169.90
Rental and service income	175,640,729.56	163,065,861.41	71,961,184.20	79,010,486.82
Dividend income	284,448,291.07	250,917,988.79	297,447,216.07	313,434,938.79
Other income	129,423,135.66	118,172,835.61	164,078,802.81	144,335,547.65
Gain on sales of assets	606,787.67	2,154,372.35	353,489.20	231,674.72
Gain on sales of investments	1,237,000.00	49,136,632.29	1,237,000.00	49,136,632.29
Reversed loss on impairment of investments	0.00	3,700,000.00	0.00	3,700,000.00
Reversed allowance for devaluation of goods	0.00	22,043,396.11	0.00	22,043,396.11
Allowance for doubtful accounts reversal	17,261,549.15	0.00	0.00	0.00
Reversed loss on impairment of investments property	0.00	12,807,066.50	0.00	12,807,066.50
Total revenues	33,411,429,744.48	33,337,368,826.01	33,340,309,508.49	33,379,740,912.78
Expenses				
Cost of distribution	27,626,018,762.26	27,018,921,500.30	27,847,241,365.12	27,262,882,218.68
Cost of rental and service	102,786,731.41	87,360,255.81	22,054,340.26	16,797,983.50
Distribution expenses	2,805,764,691.11	3,388,637,171.05	2,792,678,339.34	3,363,965,309.88
Administrative expenses	725,704,110.27	697,515,167.41	712,327,112.64	685,048,638.13
Loss on sales of assets	1,854,313.28	0.00	0.00	0.00
Impairment loss of intangible assets	0.00	1,421,904.82	0.00	1,421,904.82
Loss on impairment of investment	45,880,000.00	31,602,700.00	60,460,000.00	59,690,000.00
Finance costs	387,325.57	395,518.51	9,517,813.03	9,204,860.36
Total expenses	31,308,395,933.90	31,225,854,217.90	31,444,278,970.39	31,399,010,915.37
Profit before share of profit (loss) from investment in associates	2,103,033,810.58	2,111,514,608.11	1,896,030,538.10	1,980,729,997.41
Share of profit (loss) from investment in associates	1,191,185.28	41,407,621.90	0.00	0.00
Profit before income tax	2,104,224,995.86	2,152,922,230.01	1,896,030,538.10	1,980,729,997.41
Income tax expenses 22	359,256,977.86	371,923,971.74	320,819,031.47	337,166,350.27
Net profit for the year ended from continued operations	1,744,968,018.00	1,780,998,258.27	1,575,211,506.63	1,643,563,647.14
Discontinued operations				
Net profit (loss) for the period from discontinued operations 32	0.00	(2,426,572.98)	0.00	0.00
Profit for the year ended	1,744,968,018.00	1,778,571,685.29	1,575,211,506.63	1,643,563,647.14

Notes to financial statements are parts of these financial statements

Statements of Comprehensive Income

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED
AND SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2019

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
Note	2019	2018	2019	2018
Other comprehensive income:-				
Items that will be reclassified to profit or loss				
Exchange difference on translating financial statements	1,193,351.89	(326,156.17)	0.00	0.00
Gain (Loss) on re-measuring of investments available-for-sale	(185,351,741.15)	(247,707,315.72)	(176,840,097.02)	(239,196,322.79)
Income tax related (expenses) income to re-measuring of investments available-for-sale 22	35,368,019.41	47,839,264.56	35,368,019.41	47,839,264.56
Items that may not be reclassified in profit or loss				
Gains (losses) from actuarial	(17,320,392.87)	0.00	(14,000,863.87)	0.00
Income tax (expenses) revenues relating employee benefits	3,464,078.57	0.00	2,800,172.77	0.00
Other comprehensive income (expense) the year ended	(162,646,684.15)	(200,194,207.33)	(152,672,768.71)	(191,357,058.23)
Total comprehensive income the year ended	1,582,321,333.85	1,578,377,477.96	1,422,538,737.92	1,452,206,588.91
Profit attributable to :				
Owners of the Company	1,709,775,743.16	1,743,377,121.33	1,575,211,506.63	1,643,563,647.14
Non-controlling interests	35,192,274.84	35,194,563.96	0.00	0.00
Total comprehensive income attributable to;				
Owners of the Company	1,547,129,059.01	1,543,182,914.00	1,422,538,737.92	1,452,206,588.91
Non-controlling interests	35,192,274.84	35,194,563.96	0.00	0.00
Earnings per share				
Basic earnings per share 35	5.18	5.28	4.77	4.98

Notes to financial statements are parts of these financial statements

Statements of Changes in Shareholder's Equity (Consolidated)

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2019

Consolidated financial statements

(Unit : Baht)

Consolidated financial statements								
Note	Equity holders of the Company						Non-controlling interests	Total shareholders' equity
	Issued and paid - up share capital	Premium on share capital	Retained earnings		Other component of equity			
			Appropriated legal reserve	Unappropriated	Available-for-sale investment	Exchange differences on translating financial statements		
Balance as at January 1, 2018	330,000,000.00	1,743,441,255.39	60,000,000.00	9,348,320,568.42	4,676,980,489.36	(4,354,484.71)	155,161,476.23	16,309,549,304.69
Dividend paid 30	0.00	0.00	0.00	(495,000,000.00)	0.00	0.00	(3,291,400.00)	(498,291,400.00)
Decreasing in non-controlling interest from investment in subsidiary	0.00	0.00	0.00	0.00	0.00	0.00	(25,651,108.66)	(25,651,108.66)
Comprehensive income for the year ended								
Net Profit	0.00	0.00	0.00	1,743,377,121.33	0.00	0.00	35,194,563.96	1,778,571,685.29
Other comprehensive income	0.00	0.00	0.00	0.00	(199,868,051.16)	(326,156.17)	0.00	(200,194,207.33)
Total comprehensive income for the year ended	0.00	0.00	0.00	1,743,377,121.33	(199,868,051.16)	(326,156.17)	35,194,563.96	1,578,377,477.96
Balance as at December 31, 2018	330,000,000.00	1,743,441,255.39	60,000,000.00	10,596,697,689.75	4,477,112,438.20	(4,680,640.88)	161,413,531.53	17,363,984,273.99
Balance as at January 1, 2019	330,000,000.00	1,743,441,255.39	60,000,000.00	10,596,697,689.75	4,477,112,438.20	(4,680,640.88)	161,413,531.53	17,363,984,273.99
Increasing investment in subsidiaries	0.00	0.00	0.00	0.00	0.00	0.00	300.00	300.00
Dividend paid 30	0.00	0.00	0.00	(528,000,000.00)	0.00	0.00	(3,340,150.00)	(531,340,150.00)
Comprehensive income for the year ended								
Net Profit	0.00	0.00	0.00	1,709,775,743.16	0.00	0.00	35,192,274.84	1,744,968,018.00
Other comprehensive income	0.00	0.00	0.00	(12,994,246.80)	(149,983,721.74)	1,193,351.89	(862,067.50)	(162,646,684.15)
Total comprehensive income for the year ended	0.00	0.00	0.00	1,696,781,496.36	(149,983,721.74)	1,193,351.89	34,330,207.34	1,582,321,333.85
Balance as at December 31, 2019	330,000,000.00	1,743,441,255.39	60,000,000.00	11,765,479,186.11	4,327,128,716.46	(3,487,288.99)	192,403,888.87	18,414,965,757.84

Notes to financial statements are parts of these financial statements

Statements of Changes in Shareholder's Equity (Consolidated)

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2019

Separate financial statement

(Unit : Baht)

Note	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity Available-for-sale investment	Total shareholders' equity
			Appropriated legal reserve	Unappropriated		
Balance as at January 1, 2018	330,000,000.00	1,743,441,255.39	60,000,000.00	8,973,562,355.16	4,643,707,570.39	15,750,711,180.94
Dividend paid 30	0.00	0.00	0.00	(495,000,000.00)	0.00	(495,000,000.00)
Comprehensive income for the year ended						
Net profit	0.00	0.00	0.00	1,643,563,647.14	0.00	1,643,563,647.14
Other comprehensive income	0.00	0.00	0.00	0.00	(191,357,058.23)	(191,357,058.23)
Total comprehensive income for the year ended	0.00	0.00	0.00	1,643,563,647.14	(191,357,058.23)	1,452,206,588.91
Balance as at December 31, 2018	330,000,000.00	1,743,441,255.39	60,000,000.00	10,122,126,002.30	4,452,350,512.16	16,707,917,769.85
Balance as at January 1, 2019	330,000,000.00	1,743,441,255.39	60,000,000.00	10,122,126,002.30	4,452,350,512.16	16,707,917,769.85
Dividend paid 30	0.00	0.00	0.00	(528,000,000.00)	0.00	(528,000,000.00)
Comprehensive income for the year ended						
Net profit	0.00	0.00	0.00	1,575,211,506.63	0.00	1,575,211,506.63
Other comprehensive income	0.00	0.00	0.00	(11,200,691.10)	(141,472,077.61)	(152,672,768.71)
Total comprehensive income for the year ended	0.00	0.00	0.00	1,564,010,815.53	(141,472,077.61)	1,422,538,737.92
Balance as at December 31, 2019	330,000,000.00	1,743,441,255.39	60,000,000.00	11,158,136,817.83	4,310,878,434.55	17,602,456,507.77

Notes to financial statements are parts of these financial statements

Statements of Cash Flows

**SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED
AND SUBSIDIARIES**

FOR THE YEAR ENDED DECEMBER 31, 2019

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit (loss) before income tax				
Continuing operations	2,104,224,995.86	2,152,922,230.01	1,896,030,538.10	1,980,729,997.41
Discontinuing operations	0.00	(2,426,572.98)	0.00	0.00
Profit before income tax	2,104,224,995.86	2,150,495,657.03	1,896,030,538.10	1,980,729,997.41
Adjustments to reconcile net profit (loss) to cash received (disbursement) from operation :				
Depreciation and amortization	159,398,789.16	155,854,159.35	99,825,837.18	103,866,683.50
Employee benefit expenses	28,475,222.12	16,409,484.56	20,833,176.87	14,367,142.00
Loss on damaged and obsoleted inventories	0.00	(22,043,396.11)	0.00	(22,043,396.11)
Doubtful accounts	(10,309,069.62)	21,857,061.27	6,952,479.53	18,195,071.02
Interest expenses	387,325.57	395,518.51	9,517,813.03	9,204,860.36
Share of (profit) loss on investments in associates	(1,191,185.28)	(41,407,621.90)	0.00	0.00
Loss on impairment of investments (reversal)	0.00	(3,700,000.00)	0.00	(3,700,000.00)
Reversal loss from impairment or investment property	0.00	(12,807,066.50)	0.00	(12,807,066.50)
Gain from disposal of investment available-for-sale	0.00	(56,714,946.37)	0.00	(56,714,946.37)
(Gain) Loss on sales of investments	0.00	0.00	(1,237,000.00)	0.00
Loss from disposal of other long-term investment	0.00	7,578,314.08	0.00	7,578,314.08
Loss on impairment of investments	45,880,000.00	31,602,700.00	60,460,000.00	59,690,000.00
Impairment loss - intangible assets	5,000,000.00	1,421,904.82	0.00	1,421,904.82
Loss on impairment of investment property	0.00	8,550,000.00	0.00	0.00
Gain on sales of assets	1,247,525.61	(2,176,111.17)	(353,489.20)	(452,999.04)
Gain on sales of investment property	0.00	21,738.82	0.00	0.00
Gain from changing investment shareholding	0.00	(151,108.66)	0.00	0.00
Gain on translation financial statements	3,602,646.38	0.00	0.00	0.00
Dividend received	(284,448,291.07)	(250,917,988.79)	(297,447,216.07)	(313,434,938.79)
Profit from operation before changes in parts of operating assets and liabilities	2,052,267,958.73	2,004,268,298.94	1,794,582,139.44	1,785,900,626.38
<i>Notes to financial statements are parts of these financial statements</i>				

Statements of Cash Flows

**SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED
AND SUBSIDIARIES**

FOR THE YEAR ENDED DECEMBER 31, 2019

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
(Increase) Decrease in trade and other current receivables	124,859,721.38	(58,582,212.28)	130,603,120.62	(69,875,107.94)
(Increase) Decrease in trade notes receivable	88,322,680.01	(47,431,630.76)	97,076,960.01	(47,431,630.76)
(Increase) Decrease in accrued sales promotion income	(280,967,867.02)	115,837,042.62	(280,967,867.02)	115,837,042.62
(Increase) Decrease in inventories	47,182,895.60	(96,890,055.58)	34,712,553.75	(86,737,857.87)
(Increase) Decrease in other current assets	(9,179,945.89)	(10,452,768.81)	2,967,028.42	(10,449,323.68)
(Increase) Decrease finance lease receivable	2,269,071.55	3,621,259.30	0.00	0.00
(Increase) Decrease in other non-current assets	9,909,807.51	9,490,303.50	8,435,409.51	6,096,601.50
Increase (Decrease) in trade and other current payables	(762,099,223.07)	218,426,523.74	(739,141,781.89)	178,723,489.41
Increase (Decrease) in accrued sales promotion expenses	133,107,020.82	(290,026,581.12)	133,107,020.82	(290,026,581.12)
Increase (Decrease) in employee benefit obligations	(21,396,306.10)	(28,226,505.00)	(20,797,157.10)	(27,667,405.00)
Increase (Decrease) in other non-current liabilities	1,354,670.77	2,734,623.41	963,554.72	3,663,952.65
Cash generated (paid) from operation	1,385,630,484.29	1,822,768,297.96	1,161,540,981.28	1,558,033,806.19
Interest paid	(338,149.21)	(338,321.16)	(9,468,636.67)	(9,147,663.01)
Income tax paid	(384,703,078.98)	(352,369,210.82)	(352,330,422.27)	(322,548,981.89)
Net cash provided by (used in) operating activities	1,000,589,256.10	1,470,060,765.98	799,741,922.34	1,226,337,161.29
Cash flows from investing activities				
(Increase) Decrease in current investment	430,218,785.48	33,300,526.32	260,298,388.71	94,169,964.41
Fixed deposit	(159,000,000.00)	0.00	0.00	0.00
Restricted fixed-deposit (increase) decrease	(16,692.72)	(16,512.88)	0.00	0.00
(Increase) Decrease in short-term loans to related parties	32,500,000.00	0.00	32,500,000.00	0.00
<i>Notes to financial statements are parts of these financial statements</i>				

Statements of Cash Flows

**SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED
AND SUBSIDIARIES**

FOR THE YEAR ENDED DECEMBER 31, 2019

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Payments for investments available-for-sale	(124,253,158.63)	(547,987,603.46)	(124,253,158.63)	(547,987,603.46)
Payment for investments in associates	(178,642,800.00)	(81,730,250.00)	(178,642,800.00)	(81,730,250.00)
Purchasing investment in subsidiary	0.00	(25,500,000.00)	0.00	(25,500,000.00)
Purchase of investments	(215,235,500.00)	(104,106,300.00)	(193,498,500.00)	(104,106,300.00)
Purchase of investment properties	(433,243,281.45)	(273,083,368.50)	(432,764,868.40)	(272,181,882.80)
Acquire of assets	(746,784,873.70)	(163,511,592.68)	(645,521,103.29)	(130,590,589.56)
Acquire of intangible assets	(3,346,279.46)	(6,586,776.27)	(2,911,493.74)	(1,190,881.21)
Cash received from converting debenture	0.00	15.00	0.00	15.00
Sales of investments available-for-sale	2,420,013.36	63,849,854.37	3,657,013.36	63,849,854.37
Sales of investment	0.00	4,027,885.92	0.00	4,027,885.92
Cash received from sales of investment properties	0.00	20,000.00	0.00	0.00
Cash received from sales of assets	1,397,897.57	4,299,534.75	228,238.31	2,280,565.91
Dividend received investment in associates	8,119,075.00	59,232,350.00	0.00	0.00
Dividend received	284,448,291.07	250,917,988.79	297,447,216.07	313,434,938.79
Net cash provided by (used in) investing activities	(1,101,418,523.48)	(786,874,248.64)	(983,461,067.61)	(685,524,282.63)
Cash flows from financing activities				
Increase (Decrease) in employees' savings accounts	(7,152,795.57)	229,868.04	(7,152,795.57)	229,868.04
Financial lease liabilities	0.00	0.00	(23,367,605.10)	41,660,479.37
Increase (Decrease) in other short-term loans	4,219,000.00	6,450,000.00	4,219,000.00	6,450,000.00
Cash received on share subscription from subsidiaries	300.00	0.00	0.00	0.00
Dividend paid	(531,340,150.00)	(498,291,400.00)	(528,000,000.00)	(495,000,000.00)
Net cash provided (used in) by financing activities	(534,273,645.57)	(491,611,531.96)	(554,301,400.67)	(446,659,652.59)
Net cash and cash equivalents increased	(635,102,912.95)	191,574,985.38	(738,020,545.94)	94,153,226.07
Cash and cash equivalents, beginning of the year	2,022,905,230.99	1,831,365,331.49	1,876,577,058.30	1,782,423,832.23
Increase in cash and cash equivalents	1,387,802,318.04	2,022,940,316.87	1,138,556,512.36	1,876,577,058.30
Less Cash and cash equivalent classified as non-current assets held for sale	0.00	(35,085.88)	0.00	0.00
Cash and cash equivalents, end of the year	1,387,802,318.04	2,022,905,230.99	1,138,556,512.36	1,876,577,058.30
Non-cash transaction				
1. Convert investments in debenture into investments held as available-for-sale	0.00	508,964,985.00	0.00	508,964,985.00
<i>Notes to financial statements are parts of these financial statements</i>				

Notes to Financial Statements

1. GENERAL INFORMATION

Saha Pathanapibul Public Company Limited (the Company) was incorporated as a company limited under the Civil and Commercial Code of Thailand on January 15, 1952, which is located at 2156 New Petchburi Road, Bangkok, Huaykwang, Bangkok. The Company's share capital have been listed in the Stock Exchange of Thailand on June 30, 1978.

The Company engaged in business of consumer goods distribution, any subsidiary companies engaged in other business as stated in notes 4 to financial statements.

2. PREPARATION OF FINANCIAL STATEMENTS BASIS

2.1 Preparation of Financial Statements basis

The financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRS) according to the Accounting Professions Act B.E. 2547 and presented in accordance with the notification of the Department of Business Development, the Ministry of Commerce dated October 11, 2016, regarding the condensed form which should be included in the financial statements B.E. 2559 and applicable rules and regulations of the Thai Securities and Exchange Commission.

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

2.2. Financial reporting standards that became effective in the current year

During the year, the Group have adopted a number of revised (revised 2018) and new financial reporting standards and interpretations which are effective for the financial statements for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarized below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

Thai Accounting Standards

TAS 11 (Revised 2017) Construction contracts

TAS 18 (Revised 2017) Revenue

Thai Standing Interpretations Committee

TSIC 31 (Revised 2017) Revenue - Barter Transactions Involving Advertising Services

Thai Financial Reporting Standards Interpretations

TFRIC 13 (Revised 2017) Customer Loyalty Programmes

TFRIC 15 (Revised 2017) Agreements for the Construction of Real Estate

TFRIC 18 (Revised 2017) Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

Notes to Financial Statements

The Group adopted TFRS 15 which the presentation of comparative information was not restated. The Group elect to apply the following practical expedients.

Not restate completed contracts as at 1 January 2019 for which the entity has transferred all of the goods or services identified in accordance with the previous accounting policy;

The effect of the presentation regarding with the TFRS 15 Revenue from Contracts with Customers is described in Note 3.

2.3. Financial reporting standards that will be effective for the financial statements that have accounting fiscal years beginning on or after January 1, 2020

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Thai Financial Reporting Standards

TFRS 7 Financial Instruments : Disclosures

TFRS 9 Financial Instruments

Thai Accounting Standards

TAS 32 Financial Instruments : Presentation

Thai Financial Reporting Standards Interpretations

TFRIC 16 Hedges of a Net Investments in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model, calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Group expects the adoption of these accounting standards to result in the following adjustments.

Classification and measurement of investments in equity instruments of non-listed companies - The Group is to measure investments in equity instruments of non-listed companies at fair value and to classify the investments as financial assets at fair value, through either profit or loss or through other comprehensive income. If the Group elects to present subsequent changes in the fair value of the investment through other comprehensive income, the election is irrevocable.

Notes to Financial Statements

Recognition of credit losses - The Group is to recognise an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

The management of the Group is currently evaluating the impact of these standards to the financial statements.

Thai Financial Reporting Standards No. 16: Leases

TFRS 16 Leases set out the principals of the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value. Accounting by lessors is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17. TFRS 16 supersedes the following accounting standards together with related interpretations.

2.3. Financial reporting standards that will be effective for the financial statements that have accounting fiscal year beginning on or after January 1, 2020 (Continued)

Thai Accounting Standards

TAS 17 (Revised 2018) Leases

Thai Standing Interpretations Committee

TSIC 15 (Revised 2018) Operating Leases - Incentives

TSIC 27 (Revised 2018) Evaluating the Substance of Transactions Involving the Legal Form of a Lease

Thai Financial Reporting Standards Interpretations

TFRIC 4 (Revised 2018) Determining Whether an Arrangement Contains a Lease

At present, the management of the Group is currently evaluating the impact of those financial reporting standards to the financial statements in the year when it is adopted.

3. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARD

As described in Note 2.2 to the financial statements, during the current year, the Group have adopted TFRS 15 which the presentation of comparative information was not restated. The amounts of adjustments affecting the statements of comprehensive income for the year 2019 are summarised below.

(Unit : Baht)

	Consolidated financial statements		
	Previous accounting policy	Increase (Decrease)	TFRS 15
Statement of comprehensive income			
Sales	33,516,408,721.59	(713,596,470.22)	32,802,812,251.37
Cost of distribution	27,575,555,187.26	50,463,575.00	27,626,018,762.26
Distribution expenses	3,569,824,736.33	(764,060,045.22)	2,805,764,691.11

Notes to Financial Statements

3. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARD (CONTINUED)

(Unit : Baht)

	Separate financial statements		
	Previous accounting policy	Increase (Decrease)	TFRS 15
Statement of comprehensive income			
Sales	33,518,828,286.43	(713,596,470.22)	32,805,231,816.21
Cost of distribution	27,796,777,790.12	50,463,575.00	27,847,241,365.12
Distribution expenses	3,556,738,384.56	(764,060,045.22)	2,792,678,339.34

The nature of these adjustments are described below:

Considerations paid to customers in accordance with traditional business practice. Group have determined that there are some commercial terms and considerations payable to customers as a result of determining the price with customers. As a result, the Group may have to make payment or provide special discounts to customers, especially modern trade customers, and these amounts should be recognised net with sales of the year. Previously, they were recognised and classified as distribution expenses.

4. PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS BASIS

4.1 These financial statements are consolidated by including the financial statements of Saha Pathanapibul Public Company Limited and subsidiaries of which was controlled by Saha Pathanapibul Public Company Limited as follows :

Company's name	Type of Business	Establishment in	Percentage of shareholding or equity	
			2019	2018
<u>Direct subsidiaries</u>				
Chokchaipibul Co., Ltd.	Invesment in real estate, instant noodle	Thailand	99.99	99.99
Bangkok Tower (1999) Co., Ltd.	Office building for rent	Thailand	99.99	99.99
Tipwarin -Watana Co., Ltd.	Mineral water	Thailand	59.37	59.37
Saha Vietnam Co., Ltd.	Retail Distributor	Vietnam	100.00	100.00
Dairy Thai Co., Ltd.	Dairy	Thailand	63.91	63.91
<u>Indirect subsidiary</u>				
Tipwarin inter packaging Co., Ltd. (Owned by Tipwarin -Watana Co., Ltd. 99.00%)	Plastic packaging	Thailand	59.37	59.37
SPC Ventures Co., Ltd. (Owned by Chokchaipibul Co., Ltd. 90.00% and Bangkok Tower (1999) Co., Ltd. 10.00%)	Investment in Startup	Thailand	99.99	0.00

4.2 Transaction between the Group have been eliminated under the equity method. Investments in subsidiaries was eliminated with the subsidiaries shareholders' equity in preparing consolidated financial statements.

4.3 The results of operations of subsidiaries are included in the consolidated financial statements from the control date to the selling date.

4.4 The consolidated financial statements have been prepared in conformity with the same accounting policy for the accounts and accounting events of the Company and subsidiaries.

4. PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS BASIS (CONTINUED)

4.5 On February 3, 2016, Tipwarin watana Co., Ltd. invested in Tipwarin inter packaging Co., Ltd. which has registered share capital amount of Baht 40 million and shareholding as 99.00 % of total registered share capital, amount of Baht 39.60 million.

4.6 According to the resolution of the meeting No. 12 of the Company's Board of Director held on April 19, 2018, the meeting passed resolution to dissolve a subsidiary (Saha vietnam Co., Ltd.) which has dissolved the business on July 1, 2018. Currently, it is under liquidation.

4.7 On September 20, 2019, Chokchaipibul Co., Ltd. invested in SPC Ventures Co., Ltd. which has registered share capital amount of Baht 20 million and shareholding as 90.00 % of total registered share capital, amount of Baht 18 million.

4.8 On September 20, 2019, Bangkok Tower (1999) Co., Ltd. invested in SPC Ventures Co., Ltd. which has registered share capital amount of Baht 20 million and shareholding as 10.00 % of total registered share capital, amount of Baht 2 million.

5. SIGNIFICANT ACCOUNTING POLICIES

5.1 Revenues Recognition

5.1.1 Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and payment with traditional business practice to customers.

5.1.2 Revenues from real estate sales are recognised at a point in time as income when control of the asset is transferred to the customer, generally registration of ownership transfer. Revenue is measured at the amount of the consideration received after deducting discount and fees paid on behalf of customers. The payment terms and conditions are stated in the agreement with customers. Amount received from customer before the control of asset is transferred is presented as "Deposits and advances received from customers" in the statement of financial position.

5.1.3 Rental income is recognised on a straight-line basis over the lease term.

5.1.4 Revenue from service is recognized when the service is rendered.

5.1.5 Other revenue

(1) Revenue from financial lease are recognized as income by using the effective interest rate. The Group will derecognize income when the installment due over four months onwards, unless there is indication that the inability of debt settlement by receivables, the income will be immediately derecognized.

(2) Interest income is recognised on an accrual basis based on the effective interest rate.

(3) Dividends are recognised when the right to receive the dividends is established.

5.2 Cash and cash equivalents

Cash and cash equivalents included cash on hand and at banks not over three months maturity.

5.3 Allowance for doubtful accounts

The Group provides an allowance for doubtful accounts equal to the estimated uncollectible amount by an analytical review of aging and historical collection experiences. The Group provides an allowance for doubtful accounts for overdue 1 year of notes receivable in whole amount.

5.4 Inventories

Inventories in the form of consumer goods are valued at the lower of cost or net realizable value. Cost is determined on weighted average basis.

Inventories of real estate development project consist of land and work in progress, are stated at cost less provision for loss on declining of project value (if any).

5.5 Intangible assets

The company records its computer software as intangible which are stated at net of accumulated amortization on a straight-line method of useful lives of computer for 10 years.

Notes to Financial Statements

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5.6 Non-current assets held for sale and discontinued operations

Non-current assets held for sales are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

No depreciation has been provided on plant and equipment once classified as held for sale.

5.7 Investments in subsidiaries and associates

Investments in subsidiaries and associated companies in the separate financial statements are recorded at cost net of provision for impairment of investment. Investments in associated companies in the consolidated financial statements are recorded under the equity method.

5.8 Other long - term investments

5.8.1 Long - term investments in marketable equity securities available for sales are stated at fair value. Changes in fair value are stated as unrealized gain or loss in statements of comprehensive income and will record when such investments are sold.

5.8.2 Long - term investments in non-marketable securities represents as general investments are stated at cost less provision for impairment of investment.

5.8.3 Cost of long - term investments sold during the year are calculated on a weighted average method.

5.9 Investment Properties

Investment properties are properties held to earn rental or for capital appreciation or both, which are not held for sale in the ordinary course of business or in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and provision for loss on impairment of assets (if any). Depreciation for investment properties is calculated on a straight-line basis for 20 - 40 years.

5.10 Property, plant and equipment

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation. Depreciation is calculated by using the declining balance method which do not exceed the rate prescribed by the Revenue Code for assets purchased before 1988. Assets purchased after 1988 is depreciated on a straight - line basis over the estimated useful lives of the assets as follows:

Number of years

Building and construction	20 - 40
Infrastructure system	5 - 20
Cost of land development	20
Other fixed assets	5
Machinery	5
Office equipment	5

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5.11 Impairment of assets

The Group has assessed the impairment of assets for investment, property, plant and equipment whenever events or changes indicate that the carrying amount of an asset exceeds its recoverable value. The Company will consider the impairment for each asset item or each asset unit generating cash flows, whichever is practical.

In case the carry amount of an asset exceeds its recoverable value, the Group will recognize an impairment loss in the statements of income. The Group will reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment as recorded in statements of comprehensive income.

5.12 Goodwill

Goodwill in the consolidated financial statements derived from business combination is parts of cost of business combination which over than the fair value of assets, liabilities and contingent liabilities of subsidiaries. Goodwill will not be amortized but will present as deducting with provision for impairment (if any).

5.13 Transactions in foreign currencies

The Group records its transactions in foreign currencies converting into Thai Baht by using the exchange rates ruling on the transactions date. The outstanding balance of accounts in foreign currencies as at the statements of financial position date are converted into Thai Baht by using the exchange rates prescribed by the Bank of Thailand ruling on the same date. Gain and loss on changes on exchange rate is included in statements of comprehensive income.

5.14 Earnings per share

Basic earnings per share is determined by dividing the net profit for the year by the weighted average number of common shares issued and paid-up during the year.

Diluted earnings per share is calculated by dividing net profit for the year by the weighted average of common share issued during the year added by the number of common shares issued for offering to warrant holders of the Company.

5.15 Financial lease

Leases which transferring a significant portion of the risks and rewards of ownership to the lessee are classified as financial leases. The Group records financial leases as assets and liabilities at the lower of the fair value of the leased assets as at the inception of the lease or the present value of the minimum lease payments less accumulated depreciation and impairment loss. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to year during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year and is recorded directly to statements of comprehensive income.

Interest which is part of installment under financial lease, are recorded in statements of comprehensive income by using the effective rate.

Long-term leases is operating leases not financial leases. The amount paid under operating leases is recognized as expenses in profit or loss on straight - line method throughout the term of lease

5.16 Employee benefits

5.16.1 Provident fund

The Group has established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Group and employees made contribution into such provident fund. The Group's contribution payment to the provident fund were recorded as expenses in statements of comprehensive income in the year in which they are incurred.

5.16.2 Employee Benefits

The Group provides for post-employment benefits, payable to employees under the Thai Labour Law. The present value of employee benefit liabilities recognized in the financial statements is estimated on an actuarial basis using Projected Unit Credit Method, calculated by the actuary. The calculation was made by utilizing various assumptions about future events. The Company is responsible for the selection of appropriate assumptions.

Actuarial gain or loss on defined post-employment benefit plans will be recognized in other comprehensive income immediately.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5.17 Income Tax

Income tax comprise current income tax and deferred tax.

Current tax

Current income tax is provided in the account at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax is recognized directly to shareholders' equity, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

5.18 Accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles required the management to make several estimation and assumption which affected the amounts in the financial statements and notes related thereto. Consequent actual results may differ from these estimates and may be required an adjustment within the next financial year. The significant accounting estimates consist of allowance for doubtful accounts and provision for impairment of assets.

5.19 Provisions

The Group recognizes a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Group settles the obligation. The amount recognized should not exceed the amount of the provision.

5.20 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of financial reporting standards, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as selling prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to Financial Statements

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognized transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

5.21 Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for diminution in value of inventory

The determination of allowance for diminution in the value of inventory, requires management to make judgements and estimates. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business; and provision for obsolete, slow-moving and deteriorated inventories, is estimated based on the approximate useful life of each type of inventory.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes. In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash on hand	1,821,060.96	536,211.27	168,194.51	178,516.55
Cash at bank - current accounts	375,905,658.59	192,845,768.36	375,144,465.70	192,040,628.96
Cash at bank - savings deposit	883,858,576.32	1,783,789,106.93	731,264,105.40	1,653,475,722.20
Cash at bank - fixed deposit 3 months	94,237,275.42	14,851,953.84	0.00	0.00
Cash and cash equivalents				
(In private funds)	31,979,746.75	30,882,190.59	31,979,746.75	30,882,190.59
Total	1,387,802,318.04	2,022,905,230.99	1,138,556,512.36	1,876,577,058.30

Notes to Financial Statements

7. CURRENT INVESTMENT

Current investment as at December 31, 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Fixed deposit	1,433,704,454.16	1,859,923,239.64	1,255,056,916.44	1,511,355,305.15
Current investment (In private funds)	17,000,000.00	21,000,000.00	17,000,000.00	21,000,000.00
Total	1,450,704,454.16	1,880,923,239.64	1,272,056,916.44	1,532,355,305.15

As at December 31, 2019, the Group had investment in 5 - 12 months fixed deposit at interest rate 1.250 - 1.9% per annum.

As at December 31, 2018, the Group had investment in 7 - 12 months fixed deposit at interest rate 1.350 - 1.650% per annum.

8. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade accounts receivables	4,271,301,941.59	4,346,543,007.35	4,282,847,406.91	4,363,177,955.50
Less Allowance for doubtful accounts				
trade accounts receivables	(115,119,454.36)	(114,849,790.60)	(132,036,710.52)	(114,505,497.61)
Trade accounts receivables - net	4,156,182,487.23	4,231,693,216.75	4,150,810,696.39	4,248,672,457.89
Other receivables	121,086,228.12	105,987,697.05	128,132,910.12	113,208,015.94
Prepaid expenses	29,565,006.70	103,075,730.74	26,087,159.16	99,282,244.81
Accrued income	212,355,359.27	205,116,643.48	210,458,900.76	202,467,532.65
Total other current receivables	363,006,594.09	414,180,071.27	364,678,970.04	414,957,793.40
Total trade and other current receivables	4,519,189,081.32	4,645,873,288.02	4,515,489,666.43	4,663,630,251.29

The outstanding trade accounts receivable as at December 31, 2019 and 2018 classified by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Undue trade accounts receivable	3,729,814,554.48	3,778,418,217.93	3,725,627,286.33	3,778,077,803.75
Overdue trade accounts receivable				
- Due not over 3 months	443,441,003.67	488,210,286.04	442,280,160.94	488,268,392.21
- Over 3 months to 6 months	13,511,885.12	27,077,887.11	13,488,205.16	27,077,887.11
- Over 6 months to 12 months	26,517,397.21	24,483,980.29	26,517,397.21	24,483,980.29
- Over 12 months	58,017,101.11	28,352,635.98	74,934,357.27	45,269,892.14
Total	4,271,301,941.59	4,346,543,007.35	4,282,847,406.91	4,363,177,955.50

Notes to Financial Statements

9. TRADE NOTES RECEIVABLE

The outstanding trade notes receivable as at December 31, 2019 and 2018 are separated on aging as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade notes receivable				
Undue up to 3 months	563,103,967.09	651,426,647.10	554,349,687.09	651,426,647.10
Less Allowance for doubtful accounts	(1,145,258.88)	(6,529,858.47)	(1,145,258.88)	(6,529,858.47)
Trade notes receivable - net	561,958,708.21	644,896,788.63	553,204,428.21	644,896,788.63

10. INVENTORIES

Inventories as at December 31, 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Raw materials	46,587,203.23	50,601,888.10	0.00	0.00
Finished goods	790,781,747.15	828,654,073.17	788,834,419.12	824,886,972.87
Work in process	1,466,577.91	1,775,548.88	0.00	0.00
Supply	8,933,610.83	13,235,848.22	0.00	0.00
Machinery part	1,393,575.68	1,523,604.96	0.00	0.00
Less Allowance for obsolete stock	(3,621,405.65)	(1,726,758.58)	0.00	0.00)
Sub total	845,541,309.15	894,064,204.75	788,834,419.12	824,886,972.87
Cost of real estate development project				
Land	26,189,621.92	26,189,621.92	26,189,621.92	26,189,621.92
Work under construction	20,893,422.58	19,553,422.58	20,893,422.58	19,553,422.58
Sub total	47,083,044.50	45,743,044.50	47,083,044.50	45,743,044.50
Inventories - net	892,624,353.65	939,807,249.25	835,917,463.62	870,630,017.37

11. NON-CURRENT ASSETS HELD FOR SALE

According to the resolution of the meeting No. 12 of the Company's Board of Director held on April 19, 2018, the meeting passed resolution to dissolve a subsidiary (Saha vietnam Co., Ltd.) The subsidiary operated till June 30, 2018.

Non-current assets held for sale as at December 31, 2019, is as follows:

	(Unit : Baht)
	Consolidated financial statements
Cash and cash equivalents	35,085.88
Other current assets	113,794.09
Total	148,879.97

Notes to Financial Statements

12. FINANCE LEASE RECEIVABLE

Finance lease receivable as at December 31, 2019 and 2018 are as follows:

	Consolidated financial statements		(Unit : Baht) Separate financial statements	
	2019	2018	2019	2018
Finance lease receivable	10,185,395.01	12,454,466.56	0.00	0.00
<u>Less</u> Current portion of assets under finance lease	(7,389,211.31)	(2,269,071.54)	0.00	0.00
Finance lease receivable - net	2,796,183.70	10,185,395.02	0.00	0.00

	Consolidated financial statements		(Unit : Baht)	
	Minimum amount to be paid		Present value of minimum amounts to be paid	
	2019	2018	2019	2018
Within 1 year	7,779,012.78	2,849,888.04	7,389,211.31	2,269,071.54
Over 1 year but within 5 years	2,872,510.32	10,651,480.10	2,796,183.70	10,185,395.02
Total	10,651,523.10	13,501,368.14	10,185,395.01	12,454,466.56
<u>Less</u> Future interest to be paid of finance lease	(466,128.09)	(1,046,901.58)	0.00	0.00
Present value of assets under finance lease	10,185,395.01	12,454,466.56	10,185,395.01	12,454,466.56

13. LONG - TERM INVESTMENTS - FINANCIAL INSTITUTION

As at December 31, 2019, The Subsidiary (Bangkok Tower (1999) Co., Ltd.) had investment in 18 months fixed deposit at the interest rate of 1.85% per annum.

Notes to Financial Statements

14. INVESTMENTS AVAILABLE FOR SALE - CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Names	Type of business	Relationship	Paid-up share capital (Thousand Baht)		Percentage of investment		Cost method (Baht)		Dividend (Baht)	
			2019	2018	2019	2018	2019	2018	2019	2018
Investments available for sale - related parties: -										
Saha Pathana - Interholding Plc.	Operator of Investment	Co-shareholders and administrator	571,879	571,515	8.64	8.65	740,072,283.20	740,072,283.20	34,603,664.20	30,874,691.35
I.C.C. International Plc.	Consumer	"	290,634	290,634	8.53	8.53	224,516,372.31	224,516,372.31	29,980,291.00	27,254,810.00
Far East Fame Line DDB Plc. (Far East DDB Plc.)	Advertising	"	77,500	77,500	11.91	11.91	27,203,311.86	27,203,311.86	9,226,500.00	9,226,500.00
Boutique Newcity Plc.	Garment	"	120,000	120,000	0.72	0.72	2,178,695.75	2,178,695.75	60,200.00	43,000.00
Pan Asia Footwear Plc.	Shoes	"	275,400	275,400	18.12	18.12	129,297,404.24	129,297,404.24	0.00	0.00
People's Garment Plc.	Garment	"	96,000	96,000	8.80	8.80	34,002,208.59	34,002,208.59	2,112,500.00	1,943,500.00
New City (Bangkok) Plc.	Garment	"	149,510	149,510	0.45	0.45	2,995,668.04	2,995,668.04	23,632.00	20,256.00
Thai President Foods Plc.	Food	"	329,704	329,704	1.95	1.95	110,690,113.78	110,690,113.78	27,461,014.77	22,766,274.54
Textile Prestige Plc.	Textile	"	108,000	108,000	8.69	8.69	20,255,078.29	20,255,078.29	7,136,681.20	6,573,259.00
Thai Wacoal Plc.	Textile	"	120,000	120,000	8.03	8.03	93,007,302.76	93,007,302.76	17,353,890.00	14,461,575.00
Saha Cogen (Chonburi) Plc.*	Energy	"	955,000	955,000	7.81	7.81	145,021,753.68	145,021,753.68	8,954,967.60	11,193,709.50
O.C.C Plc.	Cosmetic	Co-shareholders	60,000	60,000	1.27	1.27	12,259,298.71	12,259,298.71	608,000.00	39,000.00
S&J International Enterprise Plc.	Cosmetic	"	149,931	149,931	0.16	0.16	1,861,287.69	1,861,287.69	305,930.52	291,362.40
Total investment available for sale - related parties							1,543,360,778.90	1,543,360,778.90	137,827,271.29	124,687,937.79
<u>Add</u> Unrealized gain on re-measuring of securities							5,131,402,024.30	5,351,389,384.30	0.00	0.00
Total investment available for sale - related parties net							6,674,762,803.20	6,894,750,163.20	137,827,271.29	124,687,937.79

Notes to Financial Statements

14. INVESTMENTS AVAILABLE FOR SALE - CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Names	Type of business	Paid-up share capital (Thousand Baht)		Percentage of investment		Cost method (Baht)		Dividend (Baht)	
		2019	2018	2019	2018	2019	2018	2019	2018
Other investment available for sale : -									
Toray Textile (Thailand) Plc.									
Thaitoray Textile Mills Plc.	Fashion	578,400	60,000	0.09	0.50	265,306.64	265,320.00	243,415.60	60,000.00
President Bakery Plc.	Food	450,000	450,000	1.03	1.03	28,849,604.59	28,849,604.59	7,719,000.00	8,701,000.00
Nation Multimedia Group Plc.	Media and printing	1,759,717	1,759,717	0.63	0.63	27,575,590.07	27,575,590.07	0.00	0.00
Singer Thailand Plc.	Electric	401,505	270,000	0.87	1.30	49,101,822.00	49,101,822.00	0.00	0.00
Amata VN Plc.	Property Investment	467,500	467,500	0.82	0.82	2,999,135.00	2,999,135.00	691,740.00	230,580.00
Muang thai Insurance Co.,Ltd.	Insurance	590,000	590,000	1.00	0.02	57,116,506.26	1,069,742.19	1,663,800.00	0.00
charn Issara Deuvelopment Co., Ltd.	Property Development	1,066,510	1,066,510	1.98	1.98	30,000,000.00	30,000,000.00	676,056.32	0.00
Personal fund - KSAM	Fund	500,000	500,000	100.00	100.00	516,890,838.60	510,141,811.01	0.00	0.00
Personal fund - kasset	Fund	500,000	500,000	100.00	100.00	526,464,057.30	519,778,444.66	0.00	0.00
Personal fund -bcap	Fund	500,000	500,000	100.00	100.00	497,162,580.34	481,238,200.06	0.00	0.00
MFC Hi-Dividend Fund	Fund	12,000,000	12,000,000	0.14	0.14	20,000,000.00	20,000,000.00	512,430.72	256,215.36
Krungsri Medium Term Fixed Income Fund	Investment	1,000,000	1,000,000	11.19	11.19	160,000,000.00	160,000,000.00	0.00	0.00
Aberdeen Growth Fund	Investment	5,000,000	5,000,000	0.03	0.03	18,569,098.21	18,569,098.21	0.00	0.00
Aberdeen Small Cap Fund	Investment	3,000,000	3,000,000	0.15	0.15	20,000,000.00	20,000,000.00	0.00	0.00
MFC Industrial Property Leasehold fund	Investment	1,534,240	1,534,240	1.16	1.16	17,840,000.00	17,840,000.00	1,120,000.00	1,090,000.00
Hemaraj Industrial Property and Leasehold Fund	Investment	4,629,500	4,629,500	0.43	0.43	19,700,000.00	19,700,000.00	673,400.00	719,800.00
MFC Patong Heritage Property Fund	Investment	1,039,500	1,050,000	1.90	1.90	19,800,000.00	20,000,000.00	928,000.00	1,422,000.00
Amata Submit Growth Free Hold And Leasehold									
Real Estate Investment Trust	Investment	3,637,100	3,637,100	0.53	0.54	19,440,000.00	19,660,000.00	1,300,000.00	1,460,000.00
Sripanwa Hospitality									
Real Estate Investment Trust	Investment	3,097,722	0.00	1.22	0.00	38,847,374.05	0.00	1,319,441.21	0.00
Total other investment available for sale						2,070,621,913.06	1,946,788,767.79	16,847,283.85	13,939,595.36
Add Unrealized gain on re-measuring of securities						257,196,018.87	214,048,755.89	0.00	0.00
Total other investment available for sale						2,327,817,931.93	2,160,837,523.68	16,847,283.85	13,939,595.36
Total investment available for sale - net						9,002,580,735.13	9,055,587,686.88	154,674,555.14	138,627,533.15

Notes to Financial Statements

15. INVESTMENTS IN ASSOCIATES

Names	Type of business	Relationship	Paid-up share capital (Thousand Baht)		Percentage of investment		Consolidated financial statements Equity method (Baht)		Separate financial statements Cost method (Baht)		Dividend (Baht)	
			2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Sun 108 Co., Ltd.	Retail Distributor and Service	Co-shareholders and administrators	450,000	450,000	17.75	17.75	103,558,283.91	93,157,347.71	102,138,264.00	102,138,264.00	7,989,075.00	37,282,350.00
Saha Ubol Nakorn Co., Ltd.	Property development	"	7,813	7,813	20.00	20.00	1,576,406.42	1,576,406.42	5,087,500.00	5,087,500.00	0.00	0.00
Sahapat Real Estate Co., Ltd.	Investment	"	412,500	412,500	20.00	20.00	122,299,083.81	130,850,690.36	82,500,000.00	82,500,000.00	0.00	0.00
Sriracha Transportation Co., Ltd.	Transport	"	10,000	10,000	20.00	20.00	3,003,437.08	2,493,220.71	2,036,000.00	2,036,000.00	130,000.00	50,000.00
Thai - Myanmar Success Venture Co., Ltd.	Investment	"	100,000	100,000	35.00	35.00	42,114,764.60	41,282,462.77	35,039,403.72	35,039,403.72	0.00	0.00
President Foods (Combodia) Co., Ltd.	Instant noodles	"	66,375	66,375	30.00	30.00	52,046,102.28	44,930,934.22	19,646,775.00	19,646,775.00	0.00	0.00
Ruamissara Co., Ltd.	Real estate	"	300,000	300,000	25.00	25.00	187,439,140.96	195,361,776.94	75,000,000.00	75,000,000.00	0.00	7,500,000.00
Saha Lawson Co., Ltd.	Convenience store	"	1,367,000	1,277,000	21.34	21.34	92,140,457.07	89,761,697.07	291,706,000.00	272,500,000.00	0.00	0.00
Boon Capital Holding Co., Ltd.	Investment	"	700,000	343,000	32.00	32.00	182,961,482.81	64,799,443.71	223,999,990.00	109,759,990.00	0.00	0.00
Canchana International Co., Ltd.	Distributor	"	KHR 2,000,000	KHR 2,000,000	40.00	40.00	14,949,671.28	16,020,013.40	6,494,660.00	6,494,660.00	0.00	0.00
Siam Arata Co.,Ltd .	Distributor	"	20,000	20,000	25.00	25.00	0.00	0.00	5,000,000.00	5,000,000.00	0.00	0.00
Ruamissara Development Co., Ltd.	Real estate	"	360,000	360,000	25.00	25.00	88,992,001.14	93,986,293.24	90,000,000.00	90,000,000.00	0.00	14,400,000.00
Ayeyarwaddy Success Venture Foods Co., Ltd	Instant noodles	"	USD 10,000	0.00	24.00	0.00	43,933,426.85	0.00	45,196,800.00	0.00	0.00	0.00
Total							935,014,258.21	774,220,286.55	983,845,392.72	805,202,592.72	8,119,075.00	59,232,350.00
Less Provisions for impairment loss							0.00	0.00	(266,650,000.00)	(252,070,000.00)	0.00	0.00
Total investments in associates - net							935,014,258.21	774,220,286.55	717,195,392.72	553,132,592.72	8,119,075.00	59,232,350.00

As at December 31, 2019 and 2018, the Company recorded investments in 7 and 9 associates respectively under equity method from their unaudited financial statements, due to the Company has no power in commanding those associates to have the financial statements which had unaudited net investments amount of Baht 207.65 million and Baht 537.29 million respectively equal to 0.77% and 2.01% of total assets, for the year ended December 31, 2019 and 2018, had equity gain from investments in 7 associates and 9 associates respectively amount of Baht 8.24 million and Baht 60.31 million equal to 0.47% and 3.46% respectively of net profit and equity loss of Baht 17.24 million and Baht 20.54 million equal to 0.99% and 1.18% of net profit, respectively.

Notes to Financial Statements

16. INVESTMENTS IN SUBSIDIARIES

Names	Type of business	Relationship	Paid-up share capital (Thousand Baht)		Percentage of investment		Consolidated Financial statements Equity method (Baht)		Separate Financial statements Cost method (Baht)		Dividend (Baht)	
			2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Chokchaipibul Co., Ltd.	Investment	Co-shareholders and administrator	920,000	920,000	99.99	99.99	0.00	0.00	1,203,801,619.94	1,203,801,619.94	0.00	0.00
Bangkok Tower (1999) Co., Ltd.	Office for rent	"	519,000	519,000	99.99	99.99	0.00	0.00	518,994,000.00	518,994,000.00	0.00	0.00
Tipwarin Watana Co., Ltd.	Mineral water	"	16,440	16,440	59.37	59.37	0.00	0.00	42,794,100.00	42,794,100.00	4,879,850.00	3,284,600.00
Saha Vietnam Co., Ltd.	Retail Distributor	"	4,807	4,807	100.00	100.00	0.00	0.00	4,903,321.67	4,903,321.67	0.00	0.00
Dairy Thai Co., Ltd.	Dairy	"	67,125	67,125	63.91	63.91	0.00	0.00	68,111,127.14	68,111,127.14	0.00	0.00
Total							0.00	0.00	1,838,604,168.75	1,838,604,168.75	4,879,850.00	3,284,600.00
Less Provision for impairment loss							0.00	0.00	(424,903,321.67)	(424,903,321.67)	0.00	0.00
Total investments in subsidiaries - net							0.00	0.00	1,413,700,847.08	1,413,700,847.08	4,879,850.00	3,284,600.00

According to the Board of Director meeting no.6/2018 held on October 18, 2018, the Company passed resolution to approve for additionally invest in Tipwarin Watana Co., Ltd. by purchasing for former shareholder 15,482 shares at the price Baht 1,647.07 per share amount of Baht 25.50 million, increasing in shareholding to 59.37 percent of such company.

Notes to Financial Statements

17. OTHER LONG-TERM INVESTMENTS - CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Names	Paid- up share capital (Thousand Baht)		Percentage of investment		Cost method (Baht)		Dividend (Baht)	
	2019	2018	2019	2018	2019	2018	2019	2018
Long-term investments in related parties :-								
Raja Uchino Co., Ltd.	121,500	121,500	9.91	9.91	10,353,887.00	10,353,887.00	120,375.00	120,375.00
Thai Hoover Industry Co., Ltd.	60,000	60,000	2.57	2.57	1,540,000.00	1,540,000.00	3,080,000.00	1,540,000.00
Sahachol Food Supplies Co., Ltd.	325,000	325,000	9.20	9.20	50,940,000.00	50,940,000.00	0.00	0.00
Thai Takeda Lace Co., Ltd.	127,000	127,000	3.46	3.46	4,400,000.00	4,400,000.00	1,760,000.00	1,980,000.00
Lion Corporation (Thailand) Ltd.	500,000	500,000	14.13	14.13	136,506,669.00	136,506,669.00	68,389,296.80	68,475,063.00
Pan Land Co., Ltd.	300,000	300,000	10.00	10.00	30,000,000.00	30,000,000.00	0.00	0.00
Sahapat Properties Co., Ltd.	20,000	20,000	6.25	6.25	1,250,000.00	1,250,000.00	125,000.00	100,000.00
Thai Cubic Technology Co., Ltd.	40,000	40,000	5.00	5.00	2,000,000.00	2,000,000.00	200,000.00	200,000.00
Kewpie (Thailand) Co., Ltd.	263,000	260,000	10.00	10.00	26,300,000.00	26,000,000.00	6,500,000.00	5,720,000.00
Seino Saha Logistics Co., Ltd.	20,000	20,000	7.75	7.75	1,550,000.00	1,550,000.00	155,000.00	0.00
I.D.F. Co., Ltd.	90,000	90,000	19.60	19.60	27,719,897.00	27,719,897.00	7,057,600.00	6,175,400.00
Sriracha Aviation Co., Ltd.	0	66,600	0.00	3.00	0.00	2,000,000.00	0.00	300,000.00
Thai Sun Foods Co., Ltd.	50,000	50,000	16.88	16.88	8,437,500.00	8,437,500.00	253,125.00	253,125.00
Bangkok Rubber Plc.	1,634,572	1,634,572	0.53	0.53	27,099,692.58	27,099,692.58	0.00	0.00
International Laboratories Corporation Ltd.	240,000	120,000	9.83	9.83	157,218,000.00	145,418,000.00	23,600,000.00	10,030,000.00
Rajsririma Shopping Complex Co., Ltd.	350,000	350,000	2.00	2.00	7,000,000.00	7,000,000.00	0.00	0.00
The Mall Ratchasirima Co., Ltd.	50,000	50,000	2.00	2.00	1,000,000.00	1,000,000.00	0.00	0.00
Waseda Education (Thailand) Co., Ltd.	20,000	20,000	7.14	7.14	1,428,600.00	1,428,600.00	0.00	0.00
Elleair International (Thailand) Co., Ltd.	1,835,000	1,565,000	8.53	10.00	156,500,000.00	156,500,000.00	0.00	0.00
Tsuruha (Thailand) Co., Ltd.	250,000	250,000	15.00	15.00	60,000,000.00	60,000,000.00	0.00	0.00
Saha Tokyu Corporation Co., Ltd.	792,000	332,000	12.00	12.00	53,640,000.00	39,840,000.00	318,720.00	303,454.56
Navavej International Plc.								0.00
KPN Heah Care PLC.	1,350,000	950,000	5.00	5.00	67,500,000.00	47,500,000.00	0.00	0.00
First United Industry Co., Ltd.	40,000	40,000	14.37	14.37	5,746,600.00	5,746,600.00	1,723,980.00	1,723,980.00
Champ Ace Co., Ltd.	40,000	40,000	4.17	4.17	1,666,600.00	1,666,600.00	0.00	0.00
Treasure Hill Co., Ltd.	200,000	200,000	4.00	4.00	5,423,600.00	5,423,600.00	0.00	0.00
Trancosmos Thailand Co., Ltd.	70,000	70,000	9.00	9.00	6,300,000.00	6,300,000.00	0.00	0.00
United Utility Co., Ltd.	350,000	350,000	3.93	3.93	22,381,700.00	22,381,700.00	412,455.00	0.00
Total other long-term investments in related parties					873,902,745.58	830,002,745.58	113,695,551.80	96,921,397.56
Less Provision for impairment loss of securities					(223,379,692.58)	(215,959,692.58)	0.00	0.00
Net other long-term investments in related parties					650,523,053.00	614,043,053.00	113,695,551.80	96,921,397.56

Notes to Financial Statements

17. OTHER LONG-TERM INVESTMENTS - CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Names	Paid- up share capital (Thousand Baht)		Percentage of investment		Cost method (Baht)		Dividend (Baht)	
	2019	2018	2019	2018	2019	2018	2019	2018
Other long-term investments : -								
Janome (Thailand) Co., Ltd.	97,400	97,400	2.00	2.00	2,759,220.00	2,759,220.00	487,000.00	487,000.00
Thanara Co., Ltd.	90,000	90,000	3.33	3.33	3,000,000.00	3,000,000.00	0.00	0.00
Molten (Thailand) Co., Ltd.	100,000	100,000	6.00	6.00	6,000,000.00	6,000,000.00	600,000.00	600,000.00
Thai Gunze Dyeing Co., Ltd.	180,000	180,000	4.00	4.00	7,200,000.00	7,200,000.00	720,000.00	0.00
Advance Agrotech Co., Ltd.	16,410	16,410	7.62	7.62	1,250,000.00	1,250,000.00	0.00	0.00
Thai Arai Co., Ltd.	126,000	126,000	4.00	4.00	5,040,000.00	5,040,000.00	403,200.00	399,999.60
Thai Samsung Electronic Co., Ltd.	1,200,000	1,200,000	0.83	0.83	10,000,000.00	10,000,000.00	3,000,000.00	3,000,000.00
Noble Place Co., Ltd.	296,250	296,250	0.08	0.08	1,500,000.00	1,500,000.00	0.00	0.00
Nuboon Co., Ltd.	35,000	35,000	5.74	5.74	2,010,000.00	2,010,000.00	1,306,500.00	502,500.00
Chanthaburi Country Club Co., Ltd.	500,000	500,000	0.03	0.03	2,000,000.00	2,000,000.00	0.00	0.00
Molten Asia Polimer Product Co.,Ltd.	120,000	120,000	7.80	7.80	9,360,000.00	9,360,000.00	1,872,000.00	1,872,000.00
Saha Seiren Co., Ltd.	780,000	780,000	0.19	0.19	1,500,000.00	1,500,000.00	132,352.94	1,102,941.18
Thai Herbal Products Co., Ltd.	80,000	80,000	2.25	2.25	1,800,000.00	1,800,000.00	63,000.00	45,000.00
Imperial Technology Management Plc.	887,350	887,350	0.70	0.70	6,250,000.00	6,250,000.00	0.00	0.00
Fairy Land Department Store Co., Ltd.	100,000	100,000	5.00	5.00	7,500,000.00	7,500,000.00	0.00	0.00
U.C.C Ueshima Coffee (Thailand) Co., Ltd.	15,000	15,000	10.00	10.00	1,366,156.20	1,366,156.20	0.00	0.00
Kenmin Foods (Thailand) Co., Ltd.	33,000	33,000	5.00	5.00	3,196,500.00	3,196,500.00	363,000.00	313,500.00
Thai Samsung Life Insurance Co., Ltd.	3,200,000	3,200,000	3.42	3.42	105,661,544.79	105,661,544.79	0.00	0.00
Thai Osuka Pharmaceutical Co., Ltd.	35,000	35,000	3.00	3.00	6,300,000.00	6,300,000.00	2,205,273.00	2,395,155.00
Swan Co., Ltd.	6,000	6,000	0.35	0.35	58,349.97	58,349.97	1,050.00	1,050.00
Kiat Thai Knitting Factory Co., Ltd.	3,000	3,000	3.33	3.33	358,980.00	358,980.00	5,000.00	5,000.00
President Commercial Co., Ltd.	5,000	5,000	13.00	13.00	43,836.00	43,836.00	0.00	0.00
Thai Itokin Co., Ltd.	140,000	140,000	1.55	1.55	2,806,650.00	2,806,650.00	0.00	0.00
Daiso Sangyo (Thailand) Co., Ltd.	280,000	280,000	6.45	6.45	18,052,630.00	18,052,630.00	1,949,684.04	1,606,684.07
Thai Bunka Fashions Co., Ltd.	25,000	25,000	8.00	8.00	3,500,000.00	2,000,000.00	0.00	0.00
Carbon Magic (Thailand) Co., Ltd.	590,000	590,000	4.17	4.17	24,583,000.00	24,583,000.00	0.00	0.00
Erawan Textile Co., Ltd.	621,463	621,463	10.15	10.15	93,728,406.99	93,728,406.99	0.00	0.00
Bangkok Tokyo Sock Co., Ltd.	161,780	143,220	4.33	4.89	5,755,837.50	5,755,837.50	0.00	0.00
Asahi Cathays Spunbong Co., Ltd.	4,185,000	2,110,000	3.39	3.39	89,078,500.00	57,730,000.00	0.00	0.00
Kallol Thai President Foods (BD) Ltd.	333,318	333,318	3.75	3.75	9,408,030.52	9,408,030.52	0.00	0.00
BNC Maesot Co., Ltd.	90,000	90,000	5.00	5.00	4,500,000.00	4,500,000.00	0.00	0.00
Thai President Food (Hungary) Kft.	356,025	356,025	10.00	10.00	32,182,363.55	32,182,363.55	2,521,537.15	2,739,170.23

Notes to Financial Statements

17. OTHER LONG-TERM INVESTMENTS - CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Names	Paid- up share capital (Thousand Baht)		Percentage of investment		Cost method (Baht)		Dividend (Baht)	
	2019	2018	2019	2018	2019	2018	2019	2018
Other long-term investments : -								
Nippon Tei Sato Co., Ltd.	60,000	60,000	6.00	6.00	3,600,000.00	3,600,000.00	0.00	0.00
Mobile Logistics Co., Ltd.	300,000	300,000	5.00	5.00	15,000,000.00	15,000,000.00	0.00	0.00
Otsukanutraceutical (Thailand) Co., Ltd.	450,000	300,000	2.50	2.50	11,250,000.00	7,500,000.00	0.00	0.00
American Food Co., Ltd.	140,000	140,000	12.00	12.00	16,846,200.00	16,846,200.00	0.00	0.00
Thai Lotte Co., Ltd.	3,013,000	3,013,000	0.58	0.58	17,600,000.00	17,600,000.00	0.00	0.00
Choksamakee Co., Ltd.	116,000	116,000	13.79	13.79	16,000,000.00	16,000,000.00	0.00	0.00
Huathor (Thailand) Co., Ltd.	3,000	3,000	2.50	2.50	75,000.00	75,000.00	0.00	0.00
BNC Real estate Co., Ltd.	240,000	240,000	16.67	16.67	40,000,000.00	40,000,000.00	0.00	0.00
S.S.D.C. Tigertext Co., Ltd.	324,000	324,000	4.62	4.62	14,969,306.25	14,969,306.25	448,587.00	299,058.00
Saha Capital Tower Co., Ltd.	2,000,000	0	15.00	0.00	75,000,000.00	0.00	0.00	0.00
InnoSpace (Thailand) Co., Ltd.	515,000	0	1.55	0.00	2,000,000.00	0.00	0.00	0.00
World Best Corporation Co., Ltd.	50,000	0	14.00	0.00	7,000,000.00	0.00	0.00	0.00
Donki Thonglor Co., Ltd.	450,000	0	6.00	0.00	27,000,000.00	0.00	0.00	0.00
Total other long-term investments					714,090,511.77	566,492,011.77	16,078,184.13	15,369,058.08
Less Provision for impairment loss					(180,516,642.20)	(142,056,642.20)	0.00	0.00
Total other long-term investments - net					533,573,869.57	424,435,369.57	16,078,184.13	15,369,058.08
Total other long-term investments - separate financial statements					1,184,096,922.57	1,038,478,422.57	129,773,735.93	112,290,455.64
Erawan Textile Co., Ltd.	621,463	621,463	0.03	0.03	56,000.00	56,000.00	0.00	0.00
Saha Rattanakorn Co., Ltd.	180,000	180,000	15.00	15.00	2,700.00	2,700.00	0.00	0.00
Sriracha Aviation Co., Ltd.	66,600	66,600	3.00	3.00	3,237,000.00	0.00	0.00	0.00
Threesixty Supply Chain Co., Ltd.	5,500	0	10.00	0.00	5,500,000.00	0.00	0.00	0.00
Box 24 Co., Ltd.	10,392	0	17.79	0.00	13,000,000.00	0.00	0.00	0.00
Less Provision for impairment loss					(2,700.00)	(2,700.00)	0.00	0.00
Total other long-term investments - net					21,793,000.00	56,000.00	0.00	0.00
Total other long-term investments - consolidated financial statements					1,205,889,922.57	1,038,534,422.57	129,773,735.93	112,290,455.64

A subsidiary (SPC Venture Co., Ltd.) entered into agreement for acquisition of preferred shares of Box 24 Co., Ltd. which is incorporated in Thailand for 18,490 shares of Baht 100.00 each in the proportion of 17.79% of total registered share capital in the price of Baht 33 million. Preferred shares are entitled to recover capital before ordinary shares and had a right to convert to ordinary shares. The Company has made the first installment in the amount of Baht 13 million on November 28, 2019, the remaining amount of Baht 20 million.

Notes to Financial Statements

18. INVESTMENT PROPERTIES

Investment properties as at December 31, 2019 and 2018 as follows :

(Unit : Baht)

	Consolidated financial statements					Total
	Land	Building	Public utilities system	Building improvement	Assets under construction	
Cost						
Balance as at December 31, 2017	2,065,225,749.66	962,975,220.82	174,040,201.72	0.00	146,520.45	3,202,387,692.65
Acquisition	197,494,152.00	69,000,000.00	254,135.70	0.00	6,335,080.80	273,083,368.5
Disposal/Write off	0.00	0.00	(48150)	0.00	(392,993.36)	(441,143.36)
Transfer in/(out)	0.00	3,144,553.24	(647,350)	0.00	(884,919.89)	2906983.35
Balance as at December 31, 2018	2,262,719,901.66	1,035,119,774.06	174,893,537.42	0.00	5,203,688.00	3,477,936,901.14
Acquisition	315,806,375.00	106,010,458.00	478,413.05	0.00	10,948,035.40	433,243,281.45
Transfer in/(out)	38,514,900.00	11,994,338.40	0.00	0.00	(14,210,518.40)	36,298,720.00
Balance as at December 31, 2019	2,617,041,176.66	1,153,124,570.46	175,371,950.47	0.00	1,941,205.00	3,947,478,902.59
Accumulated depreciation				0.00		
Balance as at December 31, 2017	1,290,138.78	568,953,978.19	163,156,061.80	0.00	0.00	733,400,178.77
Depreciation	505,685.79	27,289,923.90	652,554.01	0.00	0.00	28,448,163.70
Disposal/Write off	0.00	0.00	(6,411.18)	0.00	0.00	(6,411.18)
Balance as at December 31, 2018	1,795,824.57	596,243,902.09	163,802,204.63	0.00	0.00	761,841,931.29
Depreciation	486,371.74	32,527,042.13	717,964.36	0.00	0.00	33,731,378.23
Balance as at December 31, 2019	2,282,196.31	628,770,944.22	164,520,168.99	0.00	0.00	795,573,309.52
Provision for impairment loss				0.00		
Balance as at December 31, 2018	(55,851,650.86)	(7,700,000.00)	0.00	0.00	0.00	(63,551,650.86)
Balance as at December 31, 2019	(55,851,650.86)	(7,700,000.00)	0.00	0.00	0.00	(63,551,650.86)
Net book value						
Balance as at December 31, 2018	2,205,072,426.23	431,175,871.97	11,091,332.79	0.00	5,203,688.00	2,652,543,318.99
Balance as at December 31, 2019	2,558,907,329.49	516,653,626.24	10,851,781.48	0.00	1,941,205.00	3,088,353,942.21

Fair value of investment property as at December 31, 2019 and 2018, had the amount of Baht 7,101,179,000.00 and Baht 6,702,915,000.00, respectively which appraised by the independent appraiser.

Notes to Financial Statements

17. INVESTMENT PROPERTIES (CONTINUED)

(Unit : Baht)

	Separate financial statements			Total
	Land	Buildings	Assets under construction	
Cost				
Balance as at December 31, 2017	1,132,224,231.10	440,451,437.86	0.00	1,572,675,668.96
Acquisition	197,494,152.00	69,000,000.00	5,687,730.80	272,181,882.80
Disposal/Write off	0.00	0.00	(392,993.36)	(392,993.36)
Transfer in/(out)	0.00	3,144,553.24	(91,049.44)	3,053,503.80
Balance as at December 31, 2018	1,329,718,383.10	512,595,991.10	5,203,688.00	1,847,518,062.20
Acquisition	315,806,375.00	106,010,458.00	10,948,035.40	432,764,868.40
Transfer in/(out)	0.00	11,994,338.40	(14,210,518.40)	(2,216,180.00)
Balance as at December 31, 2019	1,645,524,758.10	630,600,787.50	1,941,205.00	2,278,066,750.60
Accumulated depreciation				
Balance as at December 31, 2017	1,290,138.78	233,078,697.20	0.00	234,368,835.98
Depreciation	505,685.79	16,292,297.71	0.00	16,797,983.50
Balance as at December 31, 2018	1,795,824.57	249,370,994.91	0.00	251,166,819.48
Depreciation	486,371.74	21,567,968.52	0.00	22,054,340.26
Balance as at December 31, 2019	2,282,196.31	270,938,963.43	0.00	273,221,159.74
Provision for impairment loss				
Balance as at December 31, 2018	(1,309,070.00)	0.00	0.00	(1,309,070.00)
Balance as at December 31, 2019	(1,309,070.00)	0.00	0.00	(1,309,070.00)
Net book value				
Balance as at December 31, 2018	1,326,613,488.53	263,224,996.19	5,203,688.00	1,595,042,172.72
Balance as at December 31, 2019	1,641,933,491.79	359,661,824.07	1,941,205.00	2,003,536,520.86

Fair value of investment property as at December 31, 2019 and 2018, had the amount of Baht 6,010,289,000.00 and Baht 5,612,025,000.00, respectively which appraised by the independent appraiser.

The significant amount of investment properties recognized in statements of comprehensive income for the year ended December 31, 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Revenues				
Rental income	85,489,174.20	93,124,467.42	71,961,184.20	79,010,486.82
Service income	39,238,720.71	39,285,497.59	0.00	0.00
Total revenues	124,727,894.91	132,409,965.01	71,961,184.20	79,010,486.82
Direct operating expenses incurred				
to rental and service income	69,205,215.60	65,673,104.80	22,054,340.26	16,797,983.50
Total direct operating expenses	69,205,215.60	65,673,104.80	22,054,340.26	16,797,983.50

Notes to Financial Statements

19. PROPERTY, PLANT AND EQUIPMENT

(Unit: Baht)

Consolidated financial statements

	Land	Land improvement	Buildings	Buildings improvement	Office equipment	Machineries	Cost of land development	Furniture and fixtures	Vehicles	Assets under construction	Total
Cost											
Balance as at December 31, 2017	391,262,046.03	1,832,015.00	449,918,645.96	86,823,630.70	450,119,061.01	253,807,515.17	104,878,234.94	78,326,965.26	658,631,401.97	21,884,649.21	2,497,484,165.25
Acquisition	80,117,856.54	153,400.00	3,459,228.46	0.00	19,668,983.33	2,240,207.40	0.00	191,956.16	33,298,420.89	24,381,539.90	163,511,592.68
Disposal/Write off	0.00	0.00	(33,009.11)	0.00	(1,495,812.02)	(105,224.35)	0.00	0.00	(7,084,576.53)	(212,815.68)	(8,931,437.69)
Transfer in/(out)	0.00	0.00	3,198,729.97	637,500.00	2,851,039.57	28,017,591.80	3,655,673.11	575,221.00	0.00	(41,842,738.80)	(2,906,983.35)
Balance as at December 31, 2018	471,379,902.57	1,985,415.00	456,543,595.28	87,461,130.70	471,143,271.89	283,960,090.02	108,533,908.05	79,094,142.42	684,845,246.33	4,210,634.63	2,649,157,336.89
Acquisition	601,871,664.00	0.00	35,264,919.05	0.00	23,478,585.60	13,550,260.19	1,830,000.00	0.00	45,411,273.02	25,378,171.84	746,784,873.70
Disposal/Write off	0.00	0.00	(3,948,249.93)	0.00	(2,636,214.99)	(3,271,357.30)	0.00	(185,751.00)	(41,356,335.58)	0.00	(51,397,908.80)
Transfer in/(out)	(38,514,900.00)	0.00	0.00	530,000.00	60,000.00	1,546,660.00	0.00	1,202,180.00	0.00	(1,122,660.00)	(36,298,720.00)
Balance as at December 31, 2019	1,034,736,666.57	1,985,415.00	487,860,264.40	87,991,130.70	492,045,642.50	295,785,652.91	110,363,908.05	80,110,571.42	688,900,183.77	28,466,146.47	3,308,245,581.79
Accumulated depreciation											
Balance as at December 31, 2017	0.00	1,093,031.18	234,914,481.66	83,530,635.57	339,832,109.84	182,140,101.99	54,434,273.52	44,132,173.44	562,802,470.04	0.00	1,502,879,277.25
Depreciation	0.00	133,572.01	16,131,659.35	551,641.98	41,903,319.07	24,273,155.01	1,482,363.87	8,560,819.99	30,790,777.41	0.00	123,827,308.69
Disposal/Write off	0.00	0.00	(20,917.11)	0.00	(1,416,336.13)	(105,224.35)	0.00	0.00	(5,052,720.84)	0.00	(6,595,198.43)
Transfer in/(out)	0.00	0.00	0.00	0.00	0.00	5,363.77	0.00	0.00	(5,363.77)	0.00	0.00
Balance as at December 31, 2018	0.00	1,226,603.19	251,025,223.90	84,082,277.55	380,319,092.78	206,313,396.42	55,916,637.39	52,692,993.43	588,535,162.84	0.00	1,620,111,387.51
Depreciation	0.00	141,851.35	15,014,111.98	592,500.74	40,987,601.90	24,429,583.65	1,498,231.04	8,886,794.89	30,765,558.98	0.00	122,316,234.53
Disposal/Write off	0.00	0.00	(2,103,407.00)	0.00	(2,610,556.99)	(3,252,431.62)	0.00	(185,747.00)	(40,600,343.01)	0.00	(48,752,485.62)
Balance as at December 31, 2019	0.00	1,368,454.54	263,935,928.88	84,674,778.29	418,696,137.69	227,490,548.45	57,414,868.43	61,394,041.32	578,700,378.81	0.00	1,693,675,136.42
Net book value											
Balance as at December 31, 2018	471,379,902.57	758,811.81	205,518,371.38	3,378,853.15	90,824,179.11	77,646,693.60	52,617,270.66	26,401,148.99	96,310,083.49	4,210,634.63	1,029,045,949.38
Balance as at December 31, 2019	1,034,736,666.57	616,960.46	223,924,335.52	3,316,352.41	73,349,504.81	68,295,104.46	52,949,039.62	18,716,530.10	110,199,804.96	28,466,146.47	1,614,570,445.37

Notes to Financial Statements

19. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(Unit: Baht)

Separate financial statements

	Land	Buildings	Buildings improvement	Office equipment	Machineries	Cost of land development	Furniture and fixtures	Vehicles	Assets under construction	Total
Cost										
Balance as at December 31, 2017	342,951,356.59	322,177,387.46	79,893,142.82	378,097,056.10	25,303,875.90	96,584,966.22	77,360,074.84	576,249,790.97	779,070.76	1,899,396,721.66
Acquisition	41,602,956.54	3,294,228.46	0.00	7,975,948.97	170,800.00	0.00	163,116.16	71,626,102.63	5,757,436.80	130,590,589.56
Disposal/Write off	0.00	0.00	0.00	(914,006.33)	0.00	0.00	0.00	(6,440,740.87)	(212,815.68)	(7,567,562.88)
Transfer in/(out)	0.00	90,396.00	0.00	2,254,571.08	0.00	0.00	575,221.00	0.00	(5,973,691.88)	(3,053,503.80)
Balance as at December 31, 2018	384,554,313.13	325,562,011.92	79,893,142.82	387,413,569.82	25,474,675.90	96,584,966.22	78,098,412.00	641,435,152.73	350,000.00	2,019,366,244.54
Acquisition	600,769,914.00	26,940,801.00	0.00	10,539,940.21	842,000.00	1,830,000.00	0.00	33,240,702.28	4,071,513.50	678,234,870.99
Disposal/Write off	0.00	0.00	0.00	(584,465.11)	0.00	0.00	(185,751.00)	(41,356,335.58)	0.00	(42,126,551.69)
Transfer in/(out)	0.00	0.00	0.00	0.00	1,014,000.00	0.00	1,202,180.00	0.00	0.00	2,216,180.00
Balance as at December 31, 2019	985,324,227.13	352,502,812.92	79,893,142.82	397,369,044.92	27,330,675.90	98,414,966.22	79,114,841.00	633,319,519.43	4,421,513.50	2,657,690,743.84
Accumulated depreciation										
Balance as at December 31, 2017	0.00	168,205,700.40	79,893,134.82	307,096,658.38	24,793,330.89	51,290,474.50	43,236,379.10	527,770,142.63	0.00	1,202,285,820.72
Depreciation	0.00	11,507,877.46	0.00	28,632,055.93	188,595.75	745,316.86	8,537,758.06	30,281,879.20	0.00	79,893,483.26
Disposal/Write off	0.00	0.00	0.00	(889,693.76)	0.00	0.00	0.00	(4,637,486.57)	0.00	(5,527,180.33)
Balance as at December 31, 2018	0.00	179,713,577.86	79,893,134.82	334,839,020.55	24,981,926.64	52,035,791.36	51,774,137.16	553,414,535.26	0.00	1,276,652,123.65
Depreciation	0.00	10,416,520.47	0.00	25,959,583.72	456,646.32	745,316.86	8,875,536.92	28,367,770.05	0.00	74,821,374.34
Disposal/Write off	0.00	0.00	0.00	(581,763.77)	0.00	0.00	(185,747.00)	(40,600,343.01)	0.00	(41,367,853.78)
Balance as at December 31, 2019	0.00	190,130,098.33	79,893,134.82	360,216,840.50	25,438,572.96	52,781,108.22	60,463,927.08	541,181,962.30	0.00	1,310,105,644.21
Net book value										
Balance as at December 31, 2018	384,554,313.13	145,848,434.06	8.00	52,574,549.27	492,749.26	44,549,174.86	26,324,274.84	88,020,617.47	350,000.00	742,714,120.89
Balance as at December 31, 2019	985,324,227.13	162,372,714.59	8.00	37,152,204.42	1,892,102.94	45,633,858.00	18,650,913.92	92,137,557.13	4,421,513.50	1,347,585,099.63

Notes to Financial Statements

20. INTANGIBLE ASSETS

(Unit : Baht)

	Consolidated financial statements			
	2018	Increase	Disposal	2019
Cost				
Electricity surcharge	773,104.00	0.00	773,104.00	0.00
Trademark	25,219,414.06	50,525.24	0.00	25,269,939.30
Golf membership	899,065.42	0.00	0.00	899,065.42
Software	75,045,742.08	3,295,754.22	42,400.00	78,299,096.30
Total cost	101,937,325.56	3,346,279.46	815,504.00	104,468,101.02
Accumulated amortization				
Electricity surcharge	415,223.90	357,880.10	773,104.00	0.00
Trademark	20,309,402.38	1,307,956.17	0.00	21,617,358.55
Golf membership	899,062.42	0.00	0.00	899,062.42
Software	24,054,219.68	1,685,340.13	42,400.00	25,697,159.81
Total accumulated amortization	45,677,908.38	3,351,176.40	815,504.00	48,213,580.78
Provision for impairment of software	(36,777,668.51)	(5,000,000.00)	0.00	(41,777,668.51)
Total Intangible assets	19,481,748.67	(5,004,896.94)	0.00	14,476,851.73

(Unit : Baht)

	Separate financial statements			
	2018	Increase	Disposal	2019
Cost				
Trademark	25,219,414.06	50,525.24	0.00	25,269,939.30
Golf membership	899,065.42	0.00	0.00	899,065.42
Software	69,432,714.83	2,860,968.50	0.00	72,293,683.33
Total cost	95,551,194.31	2,911,493.74	0.00	98,462,688.05
Accumulated amortization				
Trademark	20,309,402.38	1,307,956.17	0.00	21,617,358.55
Golf membership	899,062.42	0.00	0.00	899,062.42
Software	23,870,034.12	1,642,166.41	0.00	25,512,200.53
Total accumulated amortization	45,078,498.92	2,950,122.58	0.00	48,028,621.50
Provision for impairment of software	(36,777,668.51)	0.00	0.00	(36,777,668.51)
Total Intangible assets	13,695,026.88	(38,628.84)	0.00	13,656,398.04

Notes to Financial Statements

21. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, 2019 and 2018 consist of :

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Deposits and retention	72,680,136.82	75,420,906.02	72,059,236.82	74,880,906.02
Unbilled cheque return over 1 year	30,837,171.87	36,038,556.99	30,837,171.87	36,038,556.99
Others	17,714,705.20	19,683,358.39	12,835,076.10	13,248,431.29
Total	121,232,013.89	131,142,821.40	115,731,484.79	124,167,894.30
Less Provision for impairment of deposit and retention	(18,225,900.00)	(18,225,900.00)	(18,225,900.00)	(18,225,900.00)
Allowance for doubtful of unbilled cheque return over 1 year	(30,837,171.87)	(36,038,556.99)	(30,837,171.87)	(36,038,556.99)
Total	(49,063,071.87)	(54,264,456.99)	(49,063,071.87)	(54,264,456.99)
Other non-current assets - net	72,168,942.02	76,878,364.41	66,668,412.92	69,903,437.31

The Company made agreement to buy and to sell of land in North - Park project and fully made payment, which was recorded as land deposits amount of Baht 60,753,000.00 but the ownership has not been transferred to the Company caused by the Company still not proceed the building construction to be indicated in agreement which may incur a loss amount of Baht 18,225,900.00 and the Company, then, recorded provision for impairment by such amount.

22. INCOME TAX

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Deferred tax assets	20,308,480.06	17,079,862.64	0.00	0.00
Deferred tax (liabilities)	(914,889,123.03)	(960,178,505.25)	(773,126,148.87)	(824,783,840.92)
Net	(894,580,642.97)	(943,098,642.61)	(773,126,148.87)	(824,783,840.92)

Notes to Financial Statements

22. INCOME TAX (CONTINUED)

Movement of deferred tax assets and liabilities during the year are as follows :

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Deferred tax assets (liabilities)				
Allowance for doubtful accounts -				
trade account receivable	25,842,582.00	26,864,318.89	29,106,564.87	26,675,991.93
Allowance for obsolete stock	777,314.60	345,351.72	0.00	0.00
Provisions for impairment loss -				
associates companies	0.00	0.00	53,330,000.00	50,414,000.00
Provisions for impairment loss -				
subsidiaries companies	0.00	0.00	84,980,664.33	84,980,664.33
Provisions for impairment loss -				
other long-term investments	80,779,806.96	71,603,806.96	80,779,266.96	71,603,266.96
Provisions for impairment loss - land	10,908,516.17	10,908,516.17	0.00	0.00
Provisions for devaluation -				
available for sale securities	(1,077,719,608.63)	(1,113,087,628.04)	(1,077,719,608.63)	(1,113,087,628.04)
Provisions for impairment loss -				
Investment properties	1,570,814.00	1,647,814.00	261,814.00	261,814.00
Allowance for doubtful accounts -				
Intangible assets	7,355,533.70	7,355,533.70	7,355,533.70	7,355,533.70
Allowance for doubtful accounts -				
other assets	9,812,614.37	10,852,891.40	9,812,614.37	10,852,891.40
Employee benefit obligations	44,589,450.60	39,709,588.82	38,967,001.53	36,159,624.80
Subsidy for energy conservation project	343,294.95	363,304.85	0.00	0.00
Provision for impairment loss of assets	1,000,000.00	0.00	0.00	0.00
Carry forward of utilized tax losses	159,038.31	337,858.92	0.00	0.00
Deferred tax assets (liabilities)	(894,580,642.97)	(943,098,642.61)	(773,126,148.87)	(824,783,840.92)

Income tax expense for the year ended December 31, 2019 and 2018 are summarized as follows:

	(Unit : Baht)			
	For the year ended December 31, 2019 and 2018			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current tax :				
Income tax for the year	368,942,879.52	371,485,924.13	334,308,531.34	340,566,447.15
Deferred tax :				
Deferred tax resulted from temporary				
differences and reversal of				
temporary differences	(9,685,901.66)	438,047.61	(13,489,499.87)	(3,400,096.88)
Income tax expenses presented				
in statements of comprehensive income	359,256,977.86	371,923,971.74	320,819,031.47	337,166,350.27

Notes to Financial Statements

22. INCOME TAX (CONTINUED)

Amounts of income tax related to each parts of other comprehensive income (expense) for the year ended December 31, 2019 and 2018 are summarized as follows:

			(Unit : Baht)	
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Income tax (expenses) income related to				
Gain (loss) on re-measuring of investments				
available-for-sale	35,368,019.41	47,839,264.56	35,368,019.41	47,839,264.56
Income tax (expenses) revenues relating				
employee benefits	3,464,078.57	0.00	2,800,172.77	0.00
Total	38,832,097.98	47,839,264.56	38,168,192.18	47,839,264.56

Reconciliation between income tax expenses and multiplication of accounting profit and tax rate used for the year ended December 31, 2019 and 2018 can be presented below:

			(Unit : Baht)	
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Profit before income tax				
Continued operations	2,101,842,625.30	2,155,348,802.99	1,896,030,538.10	1,980,729,997.41
Discontinued operations	0.00	(2,426,572.98)	0.00	0.00
Profit before income tax expenses	2,101,842,625.30	2,152,922,230.01	1,896,030,538.10	1,980,729,997.41
Income tax rate (Percentage)	20	20	20	20
Income tax amount	420,368,525.06	430,584,446.00	379,206,107.62	396,145,999.48
Taxable effects for:				
Deferred tax resulted from				
temporary difference	(13,262.35)	0.00	0.00	0.00
Taxable loss brought forward	(178,820.62)	0.00	0.00	0.00
Other income for accounting base differ				
from tax base	(73,503,910.66)	296,872.05	(71,398,689.99)	3,400,096.88
Prohibited taxable expenses	12,584,446.43	(58,957,346.32)	13,011,613.84	(62,379,746.09)
Income tax expenses presented in				
statements of comprehensive income	359,256,977.86	371,923,971.74	320,819,031.47	337,166,350.27
Effective income tax rate (Percentage)	17	17	17	17

23. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

As at December 31, 2019 and 2018, the Group obtained overdraft facilities from 10 and 11 commercial banks total credits line of Baht 200 million and Baht 210 million without any collaterals and obtained short-term loans from 7 and 8 commercial banks total credit lines of Baht 1,855 million and Baht 1,915 million, respectively.

Notes to Financial Statements

24. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, 2019 and 2018 consist of :

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade accounts payable	4,323,805,716.51	5,044,017,313.82	4,392,284,201.94	5,088,765,390.73
Accrued expenses and other current payables	629,272,412.73	670,697,972.13	571,936,470.41	614,547,887.15
Unearned revenue	713,744.50	1,126,634.50	0.00	0.00
Total trade and other current payables	4,953,791,873.74	5,715,841,920.45	4,964,220,672.35	5,703,313,277.88

25. OTHER SHORT-TERM LOANS

Other short-term loans as at December 31, 2019 and 2018 consist of :

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Other short-term loans	26,219,000.00	22,000,000.00	26,219,000.00	22,000,000.00
Total	26,219,000.00	22,000,000.00	26,219,000.00	22,000,000.00

As at December 31, 2019 and 2018, the Company had other short-term loans are documented by issuing promissory notes at the interest rates of 1.50% without collaterals.

Notes to Financial Statements

26. FINANCIAL LEASE LIABILITIES

Details of financial lease liabilities as at December 31, 2019 and 2018 are as follows :

	(Unit : Baht)	
	Separate financial statements	
	2019	2018
Financial lease liabilities	97,337,564.24	88,875,350.44
Less Current portion of liabilities	(24,842,019.97)	(21,768,225.38)
Net	72,495,544.27	67,107,125.06

	(Unit : Baht)			
	Separate financial statements			
	The minimum amount to be paid		Present value of minimum amount to be paid	
	2019	2018	2019	2018
Within 1 year	33,469,206.70	29,602,172.40	24,842,019.97	21,768,225.38
Over 1 year not over 5 years	84,451,645.75	79,322,940.60	72,495,544.27	67,107,125.06
	117,920,852.45	108,925,113.00	97,337,564.24	88,875,350.44
Less Future financial lease interest	(20,583,288.21)	(20,049,762.56)	0.00	0.00
Present value of financial lease liabilities	97,337,564.24	88,875,350.44	97,337,564.24	88,875,350.44

Details of financial lease assets as at December 31, 2019 and 2018 are as follows :

	(Unit : Baht)	
	2019	2018
Vehicles	148,385,239.47	153,863,522.96
Less Accumulated depreciation	(59,690,643.99)	(70,296,053.57)
Net book value	88,694,595.48	83,567,469.39

Notes to Financial Statements

27. EMPLOYEE BENEFIT OBLIGATIONS

The Group had an employee benefit obligations based on the requirement of Thai Labour Protection Act (No.7) B.E. 2562 to provide retirement benefits to employees based on pensionable remuneration and length of service and long - term service awards.

The defined benefit plans expose the Group/Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Obligations in the statement of financial position are detailed as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current Present value of obligations	0.00	19,215,532.00	0.00	18,579,061.00
Non-current Present value of obligations	222,947,253.01	179,332,412.12	194,835,007.64	162,219,063.00
Total Present value of obligations	222,947,253.01	198,547,944.12	194,835,007.64	180,798,124.00

Movement in the present value of the employee benefit obligations as at December 31, 2019 and 2018.

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Employee benefit obligations as				
at January 1	198,547,944.12	210,364,964.56	180,798,124.00	194,098,387.00
Past service costs	10,162,871.03	0.00	5,127,269.38	0.00
Current service costs and interest	16,570,485.99	16,409,484.56	13,964,042.39	14,367,142.00
Benefits paid	(19,654,441.00)	(28,226,505.00)	(19,055,292.00)	(27,667,405.00)
Gains (losses) from actuarial Income tax (expenses)				
revenues relating employee benefits	17,320,392.87	0.00	14,000,863.87	0.00
Employee benefit obligations	222,947,253.01	198,547,944.12	194,835,007.64	180,798,124.00

Employee benefit obligations expected to be paid by the Company in the following period

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Obligation paid within 1 year	0.00	19,215,532.00	0.00	18,579,061.00
Obligation paid more than 1 year	222,947,253.01	179,332,412.12	194,835,007.64	162,219,063.00
Total	222,947,253.01	198,547,944.12	194,835,007.64	180,798,124.00

Notes to Financial Statements

27 . EMPLOYEE BENEFIT OBLIGATION (CONTINUED)

Expense recognised in profit or loss for the year ended December 31, 2019 and 2018 are as follows :

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Past service costs	10,162,871.03	0.00	5,127,269.38	0.00
Current service costs	12,700,262.34	12,016,652.56	10,529,287.74	10,358,932.00
Interest on obligation	3,870,223.65	4,392,832.00	3,434,754.65	4,008,210.00
Total	26,733,357.02	16,409,484.56	19,091,311.77	14,367,142.00

The Group recognised the expense in the following line items in the statement of comprehensive income for the year ended December 31, 2019 and 2018 are as follows :

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Selling expenses	15,108,758.42	9,664,027.00	12,027,526.42	8,869,731.00
Administrative expenses	7,806,336.25	3,727,520.56	3,245,523.00	2,672,954.00
Management benefit expenses	3,818,262.35	3,017,937.00	3,818,262.35	2,824,457.00
Total	26,733,357.02	16,409,484.56	19,091,311.77	14,367,142.00

Actuarial gains (losses) recognized in other comprehensive income:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Included in retained earnings :				
As at January 1	12,816,464.36	12,816,464.36	16,418,728.50	16,418,728.50
Recognized during the year	17,320,392.87	0.00	14,000,863.87	0.00
As at December 31	30,136,857.23	12,816,464.36	30,419,592.37	16,418,728.50

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	(Percentage)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate	1.47 - 2.02	2.15 - 3.17	1.47 - 1.77	2.15 - 2.69
Future salary increases	2.50 - 8.00	2.50 - 8.00	2.50 - 5.00	2.50 - 5.00
Mortality	TMO2017	TMO2017	TMO2017	TMO2017

Notes to Financial Statements

27 . EMPLOYEE BENEFIT OBLIGATION (CONTINUED)

On April 5, 2019, new Labour Protection Act (No. 7) B.E. 2562 was published in the Royal Gazette is effective on May 5, 2019 which determined the additional rate of severance pay in the case of termination of employment for a terminated employee who has worked for 20 consecutive years or more and shall be entitled to receive payment not less than the last rate of wages for 400 days. Therefore, such change have an effects in additionally providing non - current provisions for employee benefits amount of Baht 10.16 Million (Separate amount of Million Baht 5.13). Therefore, will reflect the effect of the change by recognising the past service cost expenses in the statement of comprehensive income.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Defined benefit obligation	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate (Changed by increasing 0.5 %)	(8,777,395.00)	(7,222,998.00)	(7,219,604.00)	(6,290,253.00)
Discount rate (Changed by decreasing 0.5 %)	9,411,087.00	7,706,672.00	7,712,479.00	6,692,338.00
Future salary growth				
(Changed by increasing 0.5 %)	10,825,559.00	8,044,442.00	9,027,478.00	7,037,055.00
Future salary growth				
(Changed by decreasing 0.5 %)	(10,179,981.00)	(7,612,970.00)	(8,517,395.00)	(6,676,740.00)
Mortality rate (Changed by increasing 0.5 %)	(41,698.00)	(33,160.00)	(35,482.00)	(29,426.00)
Mortality rate (Changed by decreasing 0.5 %)	41,746.00	33,182.00	35,528.00	29,448.00
Employee turnover rate				
(Changed by increasing 0.5 %,10 %)	(12,974,167.00)	(9,830,994.00)	(11,546,946.00)	(9,007,275.00)
Employee turnover rate				
(Changed by decreasing 0.5 %,10 %)	14,281,883.00	10,687,017.00	12,717,713.00	9,790,536.00

The analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

28. PROVIDENT FUND

The Company and its employees have jointly established a provident fund in accordance with the provident Fund Act B.E. 2530 on June 27, 1990 with registration No. 309/2533 and assigned the authorized manager to manage this fund by deducting the employee's salaries and the Company's contribution to the fund. The employees will be benefit on their resignation in accordance with the fund regulation.

29. LEGAL RESERVE

According to the Public Company Limited Act B.E. 2535, the Company has appropriated its reserve as a legal reserve not less than 5% of the annual net profit after deduction with deficit brought forward (if any) as a legal reserve until the reserve reach an amount not less than 10% of the authorized share capital. Such legal reserve is not available for dividend distribution.

Notes to Financial Statements

30. DIVIDEND

According to the Board of Director meeting no.7 for the year 2019 held on November 12, 2019, the meeting has passed resolution to approve interim dividend payment for performance of the first six-month period from January 1, 2019 to June 30, 2019 to shareholders at Baht 0.60 per shares for 330,000,000 shares total amount of Baht 198,000,000.00 with paid from retained earnings, and already paid on December 11, 2019.

According to the general shareholder meeting No. 68 of the year 2019 hold on April 22, 2019, Passed to approve dividend payment from the 2018 results of operation to the shareholders for 330,000,000 shares at Baht 1.50 each, totally Baht 495,000,000.00. The company has already paid interim dividend at Baht 0.50 per share on December 12, 2018 and The last dividend payment had already paid at Baht 1.00 per share, amounting to Baht 330,000,000.00 on May 21, 2019.

According to the general shareholder meeting No. 67 of the year 2018 hold on April 23, 2018, Passed to approve dividend payment from the 2017 results of operation to the shareholders for 330,000,000 shares at Baht 1.50 each, totally Baht 495,000,000.00. The Company has already paid interim dividend at Baht 0.50 per share on December 8, 2017 and The last dividend payment had already paid at Baht 1.00 per share, amounting to Baht 330,000,000.00 on May 22, 2018.

31. EXPENSES ANALYZED BY NATURE

The significant expenses analyzed by nature are as follows :

(Unit : Baht)

	For the year ended December 31, 2019 and 2018			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Changes in finished goods and costs of				
property development in process	35,622,922.04	(108,461,091.39)	34,712,553.75	(108,781,253.98)
Purchase of goods	26,867,231,567.18	19,324,059,072.92	27,812,025,913.96	19,320,662,344.64
Raw materials and consumables used	464,163,935.51	414,430,888.09	0.00	0.00
Employee benefit expenses	1,079,818,636.37	877,985,511.27	920,619,367.20	779,263,143.42
Management and Directors' benefit expenses	91,712,421.76	119,750,625.10	75,187,972.00	70,655,040.00
Depreciation and amortization	159,398,789.16	155,230,931.00	99,825,837.18	99,598,884.21
Sale promotion and transportation expenses	1,264,347,779.37	1,853,238,877.61	1,214,309,144.68	1,812,225,464.74

Notes to Financial Statements

32. DISCONTINUED OPERATIONS

The transactions included in statements of comprehensive income for the year ended December 31, 2019 and 2018, of discontinued operations are presented as follows :

	(Unit : Baht)	
	Consolidated financial statements	
	2019	2018
Revenues		
Sales	0.00	1,784,230.80
Other income	0.00	669,831.80
Total revenues	0.00	2,454,062.60
Expenses		
Cost of distribution	0.00	1,828,848.80
Selling distribution	0.00	275,392.51
Administrative expenses	0.00	2,774,680.30
Finance costs	0.00	1,713.97
Total expenses	0.00	4,880,635.58
Loss before income tax from discontinued operations	0.00	(2,426,572.98)

Cash received (used in) from discontinued operations for the year ended December 31, 2018

(Unit : Baht)	
Consolidated financial statements 2018	
Net cash generated (used in) from operations	(2,426,572.98)
Net cash provided (used in) from discontinued operations	(2,426,572.98)

33. CAPITAL MANAGEMENT

The objective of financial management of the Group is to preserve the ability to continue their operation and capital structure to be properly appropriated.

34. DIRECTOR'S REMUNERATION

Management benefit expenses represents the benefit paid to the directors of the Group in accordance with Section 90 of the Public Company Limited Act, exclusive of salaries and related benefits payable to executive directors.

35. EARNINGS PER SHARES

Basic earnings per share

	(Unit : Baht)			
	For the year ended December 31, 2019 and 2018			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Net profit of ordinary shareholders (Baht)	1,709,775,743.16	1,743,377,121.33	1,575,211,506.63	1,643,563,647.14
Averaged number of ordinary shares (Share)	330,000,000	330,000,000	330,000,000	330,000,000
Basic earnings per share (Baht)	5.18	5.28	4.77	4.98

Notes to Financial Statements

36. TRANSACTION WITH RELATED PARTIES

The Group has significant transactions with the related companies. Those company are related through common shareholders and/or directorship. Therefore, these financial statements are reflected the transactions on the basis determined by the group of companies concerned and in normal course of business of the Group and related companies.

Relationship with subsidiaries and associated company are disclosed in note 4, 14 ,15, 16 and 17 for relationship with Top Management and related persons and parties are as follows.

Name of entities	Country of incorporation nationality	Owership interest (%)	Nature of relationships
Subsidiaries			
Chokchaipibul Co., Ltd.	Thailand	99.99	Subsidiary
Bangkok Tower (1999) Co., Ltd.	Thailand	99.99	Subsidiary
Tipwarin -Watana Co., Ltd.	Thailand	59.37	Subsidiary
Saha Vietnam Co., Ltd.	Vietnam	100.00	Subsidiary
Dairy Thai Co., Ltd.	Thailand	63.91	Subsidiary
Associates			
Sun 108 Co., Ltd.	Thailand	17.75	Associate, some common directors
Saha Ubol Nakorn Co., Ltd.	Thailand	20.00	Associate
Sahapat Real Estate Co., Ltd.	Thailand	20.00	Associate, some common directors
Sriracha Transportation Co., Ltd.	Thailand	20.00	Associate, some common directors
Thai - Myanmar Success Venture Co., Ltd.	Thailand	35.00	Associate, some common directors
President Foods (Cambodia) Co., Ltd.	Cambodia	30.00	Associate, some common directors
Ruamissara Co., Ltd.	Thailand	25.00	Associate, some common directors
Saha Lawson Co., Ltd.	Thailand	21.34	Associate, some common directors
Boon Capital Holding Co., Ltd.	Thailand	32.00	Associate, some common directors
Canchana International Co., Ltd.	Cambodia	40.00	Associate, some common directors
Siam Arata Co.,Ltd .	Thailand	25.00	Associate, some common directors
Ruamissara Development Co., Ltd.	Thailand	25.00	Associate, some common directors
Ayeyarwaddy Success Venture Foods Co., Ltd.	Myanmar	24.00	Associate, some common directors
Related parties			
Saha Pathana -Interholding Plc.	Thailand	8.64	Some common directors
I.C.C. International Plc.	Thailand	8.53	Some common directors
Far East Fame Line DDB Plc. (Far East DDB Plc.)	Thailand	11.91	Some common directors
Boutique Newcity Plc.	Thailand	0.72	Some common directors
Pan Asia Footwear Plc.	Thailand	18.12	Some common directors
People's Garment Plc.	Thailand	8.80	Some common directors
New City (Bangkok) Plc.	Thailand	0.45	Some common directors
Thai President Foods Plc.	Thailand	1.95	Some common directors
Textile Prestige Plc.	Thailand	8.69	Some common directors
Thai Wacoal Plc.	Thailand	8.03	Some common directors
Saha Cogen (Chonburi) Plc.	Thailand	7.81	Some common directors
O.C.C Plc.	Thailand	1.27	Some common directors
S&J International Enterprise Plc.	Thailand	0.16	Some common directors
Raja Uchino Co., Ltd.	Thailand	9.91	Some common directors
Thai Hoover Industry Co., Ltd.	Thailand	2.57	Some common directors
Sahachol Food Supplies Co., Ltd.	Thailand	9.20	Some common directors

Notes to Financial Statements

36. TRANSACTION WITH RELATED PARTIES (CONTINUED)

Name of entities	Country of incorporation nationality	Owership interest (%)	Nature of relationships
Related parties (Continued)			
Thai Takeda Lase Co., Ltd	Thailand	3.46	Some common directors
Lion Corporation (Thailand) Ltd.	Thailand	14.13	Some common directors
Pan Land Co., Ltd.	Thailand	10.00	Some common directors
Sahapat Properties Co., Ltd.	Thailand	6.25	Some common directors
Thai Cubic Technology Co., Ltd.	Thailand	5.00	Some common directors
Kewpie (Thailand) Co., Ltd.	Thailand	10.00	Some common directors
Seino Saha Logistics Co., Ltd.	Thailand	7.75	Some common directors
I.D.F. Co., Ltd.	Thailand	19.60	Some common directors
Thai Sun Foods Co., Ltd.	Thailand	16.88	Some common directors
Bangkok Rubber Plc.	Thailand	0.53	Some common directors
International Laboratories Corporation Ltd.	Thailand	9.83	Some common directors
Rajsrirama Shopping Complex Co., Ltd.	Thailand	2.00	Some common directors
The Mall Ratchasirirama Co., Ltd.	Thailand	2.00	Some common directors
Waseda Education (Thailand) Co., Ltd.	Thailand	7.14	Some common directors
Elleair International (Thailand) Co., Ltd.	Thailand	8.53	Some common directors
Tsuruha (Thailand) Co., Ltd.	Thailand	15.00	Some common directors
Saha Tokyu Corporation Co., Ltd.	Thailand	12.00	Some common directors
Navavej International Plc. (KPN Health Care Plc.)	Thailand	5.00	Some common directors
First United Industry Co., Ltd.	Thailand	14.37	Some common directors
Champ Ace Co., Ltd.	Thailand	4.17	Some common directors
Treasure Hill Co., Ltd.	Thailand	4.00	Some common directors
Trancosmos Thailand Co., Ltd.	Thailand	9.00	Some common directors
United Utility Co., Ltd.	Thailand	3.93	Some common directors
Chokwatana Co., Ltd.	Thailand	0.00	Some common directors
Mayflower Saha Travel (Thailand) Co., Ltd.	Thailand	0.00	Some common directors
Can Co., Ltd.	Thailand	0.00	Some common directors
Suncolor O.A. Co., Ltd.	Thailand	0.00	Some common directors
Sun and Sand Co., Ltd.	Thailand	0.00	Some common directors
President Korakuen Co., Ltd.	Thailand	0.00	Some common directors
Springboard Plus Co., Ltd.	Thailand	0.00	Some common directors
Integrated Communication Co., Ltd.	Thailand	0.00	Some common directors
Key executive			Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly including any director (whether executive or otherwise) of the Company

Notes to Financial Statements

Pricing with related parties

Sales of goods
Rental and service income
Other income
Dividend income
Purchase of goods
Other expenses

Pricing policies

Market price / Agreed price
Mutually agreed prices
Market price /Mutually agreed prices
As declared
Agreed price / Mutually agreed prices
Market price /Mutually agreed prices

The Company has transaction with related parties as follows:

(Unit : Baht)

For the year ended December 31, 2019 and 2018

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2019	2018	2019	2018
Revenues				
Sale income				
Subsidiaries	0.00	0.00	13,908,829.47	15,495,418.00
Associates	218,900,100.51	199,838,410.67	218,900,100.51	199,838,410.67
Related parties	28,290,364.25	20,457,254.70	28,290,364.25	20,457,254.70
Other income				
Subsidiaries	0.00	0.00	96,443,084.55	39,583,941.83
Associates	20,003,071.18	12,909,453.98	13,838,315.18	12,909,453.98
Related parties	25,942,338.96	25,178,916.20	25,942,338.96	25,178,916.20
Expenses				
Purchase of goods				
subsidiaries	0.00	0.00	982,678,496.60	852,475,663.45
Associates	71,311.03	0.00	71,311.03	0.00
Related parties	24,761,791,793.86	23,607,658,118.43	24,761,791,793.86	23,607,658,118.43
Expenses				
Subsidiaries	0.00	0.00	91,659,774.48	70,113,053.60
Associates	22,827,359.56	7,321,000.00	22,827,359.56	7,321,000.00
Related parties	388,917,737.59	330,103,838.72	388,917,737.59	330,103,838.72
Interest Expenses				
Subsidiary	0.00	0.00	9,130,487.46	8,809,341.85
Dividend payment				
Associate	933,332.80	583,333.00	933,332.80	583,333.00
Related parties	307,504,879.60	214,070,727.50	307,504,879.60	214,070,727.50
Executive remuneration				
Short-term benefits	64,051,972.00	60,515,040.00	63,601,972.00	60,155,040.00
Long-term benefits	9,112,183.87	8,475,441.88	9,112,183.87	8,475,441.88
Total Executive remuneration	73,164,155.87	68,990,481.88	72,714,155.87	68,630,481.88

Notes to Financial Statements

The significant related assets and liabilities transaction as at December 31, 2019 and 2018 are as follows :

	Consolidated financial statements		(Unit : Baht) Separate financial statements	
	2019	2018	2019	2018
Assets and liabilities				
Trade accounts receivable				
Subsidiaries	0.00	0.00	18,460,992.90	18,952,050.71
Associates	41,015,695.69	41,153,457.97	41,015,695.69	41,153,457.97
Related parties	3,562,782.28	3,894,109.84	3,562,782.28	3,894,109.84
Other receivables				
Subsidiary	0.00	0.00	3,777,042.00	4,081,189.71
Related parties	145,522,740.34	1,907,880,627.99	145,522,740.34	1,907,880,627.99
Other short-term loans				
Related party	27,500,000.00	60,000,000.00	27,500,000.00	60,000,000.00
Accrued transport income				
Subsidiaries	0.00	0.00	3,787,344.00	3,204,378.67
Related party	4,606.00	187,523.00	4,606.00	187,523.00
Accrued sales promotion income				
Related parties	2,023,811,541.71	1,763,314,455.66	2,023,811,541.71	1,763,314,455.66
Deferred interest expenses				
Subsidiary	0.00	0.00	20,583,288.21	20,049,762.56
Trade accounts payable				
Subsidiaries	0.00	0.00	144,522,289.54	131,533,326.75
Associate	76,302.80	0.00	76,302.80	0.00
Related parties	3,571,302,267.69	3,896,704,327.24	3,571,302,267.69	3,896,704,327.24
Other payable				
Subsidiary	0.00	0.00	665,203.44	0.00
Associates	5,686,956.34	560,815.55	5,686,956.34	560,815.55
Related parties	154,995,252.01	108,457,114.33	154,995,252.01	108,457,114.33
Accrued expenses				
Related party	8,467,858.20	8,406,687.20	8,467,858.20	8,406,687.20

Notes to Financial Statements

37. SEGMENT INFORMATION

The Company engaged in consumer products distribution and property development business. A subsidiary engaged in business of investment in real estate and services and another subsidiary engaged in business of office building for rent. The Group operation involve virtually a geographical segment in Thailand and some are an overseas geographical segment. For the year December 31, 2019 and 2018. The Group have revenue from sales in an overseas geographical segment amount of Baht 852.96 million and Baht 789.82 million, respectively.

The segment of the Group in the consolidated financial statements are detailed following :

(Unit : Million Baht)

Consolidated financial statements for the year ended December 31, 2019 and 2018

	Sales of consumer products		Office building for rent		Others		Elimination		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenues										
External income	32,755.4	32,715.4	77.8	98.8	97.3	63.4	0.0	0.0	32,930.5	32,877.6
Inter-segment income	996.6	868.0	73.0	59.7	12.7	7.0	(1,082.2)	(934.7)	0.0	0.0
Total revenues	33,752.0	33,583.4	150.8	158.5	110.0	70.4	(1,082.2)	(934.7)	32,930.5	32,877.6
Expenses										
Cost of segment	28,570.8	27,882.7	63.1	59.6	59.4	37.5	(964.5)	(873.5)	27,728.8	27,106.3
Selling and administrative expenses	3,644.7	4,132.1	49.8	39.1	0.0	0.0	(115.2)	(90.4)	3,579.3	4,080.8
Profit from operation	1,536.5	1,568.6	37.9	59.9	50.6	32.9	(2.5)	29.2	1,622.4	1,690.5
Other income									758.3	511.8
Unallocated expenses									(276.0)	(49.0)
Interest expenses									(0.4)	(0.4)
Income tax									(359.3)	(371.9)
Net profit (loss) for the year from discontinued operations									0.0	(2.4)
Net profit									1,745.0	1,778.6
Other information										
Segment assets	8,083.3	8,050.6	3,091.1	2,654.6	59.3	63.6	0.0	0.0	11,233.7	10,768.8
Unallocated assets									15,862.5	15,945.1
Consolidated total assets									27,096.2	26,713.9
Segment liabilities	7,595.8	8,176.0	2.9	8.6	46.6	45.2	0.0	0.0	7,645.2	8,229.8
Unallocated liabilities									1,036.0	1,120.1
Consolidated total liabilities									8,681.2	9,349.9
Depreciation	102.2	107.3	41.0	33.8	16.2	14.7	0.0	0.0	159.4	155.9

Notes to Financial Statements

38. COMMITMENT AND CONTINGENT LIABILITIES

38.1 Commitment

38.1.1 The Company has commitment and contingent liabilities as a guarantor for related companies based on the proportion of group of major shareholders with banks and financial institutions as at December 31, 2019 and 2018 as follows:

		(Unit : Baht)
	2019	2018
Subsidiary		
- Tipwarin Watana Co., Ltd.	5,000,000.00	5,000,000.00
Related parties		
- Tsuruha (Thailand) Co., Ltd.	35,500,000.00	35,500,000.00
- Mobile Logistics Co., Ltd.	14,000,000.00	14,000,000.00
- Sahapat Real Estate Co.,Ltd.	216,000,000.00	216,000,000.00
Total	270,500,000.00	270,500,000.00

38.1.2 The Company has jointly guaranteed with Saha Patthana Interholding Public Company Limited based on the proportion of investment for their related company as at December 31, 2019 and 2018 as follows:

		(Unit : Baht)
	2019	2018
- Trans Cosmos (Thailand) Co., Ltd.	10,890,000.00	10,890,000.00
- Saha Tokyu Corporation Co., Ltd.	82,740,000.00	82,740,000.00
Total	93,630,000.00	93,630,000.00

38.1.3 The Company has commitment from bank issuance of letter of guarantee to government agencies and private company as at December 31, 2019 and 2018 as follows:

		(Unit : Baht)
	2019	2018
Commitment from bank issuance of letter of guarantee		
For electricity usage	3,440,100.00	3,040,100.00
For government agencies	619,645.00	676,445.00
For private company	0.00	200,000.00
Total	4,059,745.00	3,916,545.00

38.2 Contingent liabilities

38.2.1 As at December 31, 2019 and 2018 the Company has commitment with bank from receiving advance deposit of collection cheques in the amount of Baht 92.67 million and Baht 44.81 million respectively. Such commitment will no longer exist, if the bank is able to collect such cheques.

38.2.2 As at December 31, 2019 the Company has an obligation with a bank to supporting the construction of Ruamissara Development Co., Ltd. In the amount of Baht 60 million.

Notes to Financial Statements

39. FINANCIAL INSTRUMENTS DISCLOSURE

39.1 Accounting policies

Significant accounting policies, the method of recognition and measurement have been disclosed in each items of financial assets and liabilities.

39.2 Management Risk

The Company has no policy to hold financial instruments for speculation or trading.

39.3 Interest Rate Risk

The Company may have interest rate risk arises from the fluctuation of the market rate which affected the results of operation and cash flows.

39.4 Credit Risk

The Company has the policy to give credit carefully to many debtors which have a long-term dealing with the Company. So, there is no expectation for damages in materiality from the follow up and call for payment of debts.

39.5 Fair value of financial instrument.

Most of the Company's financial assets are short-term, and the rates of loan interest are based on the market value. The book value of financial assets and liabilities shown in statements of financial position are close to their fair value. Beside, the management believes that there is no material risk of financial instruments.

As at December 31, 2019 and 2018, the Group has financial assets and liabilities which have interest rate risk as follows:

(Unit : Million Baht)

	Consolidated financial statements							
	2019				2018			
	Floating rate	Fixed rate	Non-interest rate	Total	Floating rate	Fixed rate	Non-interest rate	Total
Financial assets								
Cash and cash equivalents	1,010.08	0.00	377.73	1,387.81	1,830.06	0.00	192.85	2,022.91
Current investments	1,450.70	0.00	0.00	1,450.70	1,880.92	0.00	0.00	1,880.92
Short-term loans to related party	0.00	27.50	0.00	27.50	0.00	60.00	0.00	60.00
Current portion of finance lease receivable	0.00	7.39	0.00	7.39	0.00	2.27	0.00	2.27
Finance lease receivable	0.00	2.80	0.00	2.80	0.00	10.19	0.00	10.19
Financial liabilities								
Other short-term loans	0.00	26.22	0.00	26.22	0.00	22.00	0.00	22.00
Employees' savings account	0.00	0.00	0.00	0.00	0.00	7.15	0.00	7.15

Notes to Financial Statements

39.5 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate and maturity of financial instruments in the statements of financial position date as at December 31, 2019 and 2018 are as follows:

(Unit : Million Baht)

	Consolidated financial statements									
	2019					2018				
	At call	Within 12 months	Over 12 months	Total	Interest rate	At call	Within 12 months	Over 12 months	Total	Interest rate
Financial assets										
Cash and cash equivalents	1,387.81	0.00	0.00	1,387.81	0.300 - 1.000	2,022.91	0.00	0.00	2,022.91	0.300 - 1.250
Current investments	0.00	1,450.70	0.00	1,450.70	1.250 - 1.900	0.00	1,880.92	0.00	1,880.92	1.450 - 1.725
Short-term loans to related party	27.50	0.00	0.00	27.50	6.025	60.00	0.00	0.00	60.00	6.025
Current portion of finance lease receivable	0.00	7.39	0.00	7.39	5.400 - 6.600	0.00	2.27	0.00	2.27	5.400 - 6.600
Finance lease receivable	0.00	0.00	2.80	2.80	5.400 - 6.600	0.00	0.00	10.19	10.19	5.400 - 6.600
Financial liabilities										
Other short-term loans	26.22	0.00	0.00	26.22	1.500	22.00	0.00	0.00	22.00	1.500
Employees' savings account	0.00	0.00	0.00	0.00	-	7.15	0.00	0.00	7.15	1.500

Notes to Financial Statements

39.5 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

As at December 31, 2019 and 2018, the Company has financial assets and liabilities which have interest rate risk as follows:

(Unit : Million Baht)

	Separate financial statements							
	2019				2018			
	Floating rate	Fixed rate	Non-interest rate	Total	Floating rate	Fixed rate	Non-interest rate	Total
Financial assets								
Cash and cash equivalents	763.24	0.00	375.31	1,138.55	1,684.54	0.00	192.04	1,876.58
Current investments	1,272.06	0.00	0.00	1,272.06	1,532.36	0.00	0.00	1,532.36
Short-term loans to related party	0.00	27.50	0.00	27.50	0.00	60.00	0.00	60.00
Financial liabilities								
Current portion of long-term debt	0.00	24.84	0.00	24.84	0.00	21.77	0.00	21.77
Other short-term loans	0.00	26.22	0.00	26.22	0.00	22.00	0.00	22.00
Employees' savings account	0.00	0.00	0.00	0.00	0.00	7.15	0.00	7.15
Financial lease liabilities	0.00	72.50	0.00	72.50	0.00	67.11	0.00	67.11

Notes to Financial Statements

39.5 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate and maturity of financial instruments in the statements of financial position as at December 31, 2019 and 2018 are as follows:

(Unit : Million Baht)

Separate financial statements

	2019					2018				
	At call	Within 12 months	Over 12 months	Total	Interest rate	At call	Within 12 months	Over 12 months	Total	Interest rate
Financial assets										
Cash and cash equivalents	1,138.55	0.00	0.00	1,138.55	0.300 - 0.750	1,876.58	0.00	0.00	1,876.58	0.300 - 1.250
Current investments	0.00	1,272.06	0.00	1,272.06	1.475 - 1.900	0.00	1,532.36	0.00	1,532.36	1.475 - 1.500
Short-term loans to related party	27.50	0.00	0.00	27.50	6.025	60.00	0.00	0.00	60.00	6.025
Financial liabilities										
Current portion of long-term debt	0.00	24.84	0.00	24.84	1.780 - 10.840	0.00	21.77	0.00	21.77	1.780 - 10.840
Other short-term loans	26.22	0.00	0.00	26.22	1.500	22.00	0.00	0.00	22.00	1.500
Employees' savings account	0.00	0.00	0.00	0.00	-	7.15	0.00	0.00	7.15	1.500
Financial lease liabilities	0.00	0.00	72.50	72.50	1.780 - 10.840	0.00	0.00	67.11	67.11	1.780 - 10.840

Notes to Financial Statements

40. FAIR VALUE MEASUREMENT

The Company use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available. For trading in liquidity market, the Company shall use cost method or revenue from fair value measurement of assets and liabilities instead.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiaries endeavour to use relevant observable inputs as much as possible. The different levels have been defined as follows:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 : inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly or indirectly.

Level 3 : unobservable inputs for assets or liabilities.

As at December 31, 2019, the Company had the following assets that were measured at fair value using different levels of inputs in Consolidated and Separate financial statements as follows:

	(Unit : Baht)			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Available-for-sale investments :				
Investments in related parties	6,674,762,803.20	0.00	0.00	6,674,762,803.20
Investments in other companies	457,923,561.20	1,869,894,370.73	0.00	2,327,817,931.93

During the year, there were no transfers within the fair value hierarchy.

41. FINANCIAL STATEMENTS APPROVAL

These financial statements were approved and authorized for issue by the Company's Board of directors on February 20, 2020.

Other Investments

List of companies that SPC owns more than 10 percent of common share

NO	NAME	LOCATION	TELEPHONE	FAX	TYPE OF BUSINESS	SHARE ISSUED	NO. OF SHARE	PERCENTAGE	VALUE OF INVESTMENT (BAHT)
1	PAN ASIA FOOTWARE PLC.	177/20 MHU 5 THAMBONNHONGKHAM, SRIRACHA, CHONBURI	038-480713-4	038-480187	SHOES	540,000,000	97,843,300	18.12	129,297,404.24
2	FAR EAST FAME LINE DDB PLC.	465/1-467 SRI AYUDHAYA RD., RATCHATHEWI, BKK. 10400	02-3543333	02-26449550-2	ADVERTISING	7,749,950	922,650	11.91	27,203,311.86
3	SAHA VIETNAM CO.,LTD.	NO.2, BINH PHU RESIDENTIAL, STREET 4, WARD 11, DISTRICT 6, HO CHI MINH CITY, VIET NAM	-	-	DISTRIBUTOR	SHARE CAPITAL 3,100,000,000 DONG		100.00	-
4	CHOKCHAIPIBUL CO.,LTD.	2156 NEWPETCHBURI RD., BANGKAPI, HUAYKWANG, BKK. 10310	02-3180062	02-3191676	PROPERTIES	9,200,000	9,199,994	99.99	803,801,619.94
5	BANGKOK TOWER (1999) CO.,LTD.	2170 NEWPETCHBURI RD., BANGKAPI, HUAYKWANG, BKK. 10310	02-3081000	02-3081008	OFFICE FOR RENT	5,190,000	5,189,940	99.99	518,994,000.00
6	DAIRY THAI CO.,LTD.	132 MOO3 KHAONGOO-BREGPRAI KUNGPHAYOM BANPONG RATCHABUR	032-372461-2	032-372463	MANUFACTURER OF MILK PRODUCTS	537,000	343,180	63.91	48,111,127.14
7	TIPWARIN-WATANA CO.,LTD.	2170 NEWPETCHBURI RD., BANGKAPI, HUAYKWANG, BKK. 10310	02-3181147	02-7167107	MANUFACTURER OF CONSUMER PRODUCT	164,400	97,597	59.37	42,794,100.00
8	CANCHANA INTERNATIONAL CO.,LTD.	77 A, SOTHEAROS BLVD.,SANGKAT TONLE BASAC, KHAN CHAMKARMON, PHNOM PENH CAPITAL, KINGDOM OF CAMBODIA	-	-	DISTRIBUTOR	1,000	400	40.00	6,494,660.00
9	THAI-MYANMAR SUCCESS VENTURE CO.,LTD	278 SRINAKARIN RD., HUAMARK, BANGKAPI, BKK. 10240	02-3744730	02-3753185	OPERATOR OF INVESTMENT	1,000,000	349,997	35.00	35,039,403.72
10	BOON CAPITALHOLDING CO.,LTD.	530 SATHUPRADIT 58 BANPONGPANG YANNAWA BKK. 10120	02-2930030	02-2930040	OPERATOR OF INVESTMENT	70,000,000	22,399,999	32.00	178,599,990.00
11	PRESIDENT FOODS (CAMBODIA) CO.,LTD.	PHUM MOR, CHAMKARDOUNG ROAD, PHNOM PENH CAMBODIA	-	-	MANUFACTURER OF FOOD PRODUCTS	1,500,000	450,000	30.00	19,646,775.00
12	ISSARA UNITED CO.,LTD.	2922/196 10TH FL., CHARN ISSARA TOWER 2 NEW PETCHBURI RD., HUAYKWANG , BKK.	02-3082888	02-3082577	PROPERTIES	3,000,000	750,000	25.00	75,000,000.00
13	SIAM ARATA CO.,LTD.	54 8TH FL., B.B.BUILDING, ROOM 3823 SUKHUMWIT RD., WATTANA , BKK.	02-2620671	02-2620672	DISTRIBUTOR	200,000	50,000	25.00	-

Other Investments

List of companies that SPC owns more than 10 percent of common share

NO	NAME	LOCATION	TELEPHONE	FAX	TYPE OF BUSINESS	SHARE ISSUED	NO. OF SHARE	PERCENTAGE	VALUE OF INVESTMENT (BAHT)
14	ISSARA UNITED DEVELOPMENT CO.,LTD.	2922/196 10TH FL., CHARN ISSARA TOWER 2 NEW PERCHBURI RD., HUAYKWANG BKK.	02-3082888	02-3082577	HOTEL	3,600,000	900,000	25.00	77,310,000.00
15	AYEYARWADDY SUCCESS VENTURE FOODS CO.,LTD.	86/10 TABAT SWAL VILLAGE TACT, PALATE-TADA-U ROAD, SINT KAT TO TOWNSHIP, KYAUKSE DISTRICT, MANDALAY REGION, MYANMAR	-	-	MANUFACTURER OF FOOD PRODUCTS	10,000,000	2400,000	24.00	45,196,800.00
16	SAHA LAWSON CO.,LTD.	2170 NEWPETCHBURI RD., BANGKAPI, HUAYKWANG, BKK. 10310	02-3080708	02-3080702	CONVENIENCE STORE	13,670,000	2,917,060	21.34	92,146,000.00
17	SRIRACHA TRANSPORT CO.,LTD.	661/11 MHU 11 TAMBONNHONGKHARM, AMPHURSRI RACHA, CHONBURI 20280	038-480444	038-480838	TRANSPORT	100,000	20,000	20.00	2,036,000.00
18	SAHAPAT REAL ESTATE CO.,LTD.	757/10 SOIPRADU 1 SATHUPRADIT RD. BANGPONGPANG, YANNAWA, BKK.	02-2930030	02-2930040	OPERATOR OF REAL ESTATE DEVELOPER	36,000,000	7,200,000	20.00	82,500,000.00
19	SAHA UBOL NAKORN CO.,LTD.	611/40 SOI WATCHANNAI, BANGKLO, BANGKORLHAM, BKK. 10120	02-2930030	02-2930040	INDUSTRIAL ESTATE	1,250,000	250,000	20.00	1,087,500.00
20	I.D.F. CO.,LTD.	747/163-164 SOIPRADU 1 SATHUPRADIT RD. BANGPONGPANG, YANNAWA, BKK.	02-2944403-4	02-294500	OPERATOR OF INVESTMENT	90,000	17,644	19.60	27,719,897.00
21	SUN 108 CO.,LTD.	729/2-3 WATCHANNAI, BANGPONGPANG, YANNAWA, BKK.	02-2954253-55	02-2954256	DISTRIBUTOR	45,000,000	7,989,075	17.75	102,138,264.00
22	THAI SUN FOODS CO.,LTD.	278 TF BLDG, SRINAKARIN RD., HUAMARK, BANGKAPI BANGKOK	02-7317250-5	02-7317256	FRUIT JUICE	5,000,000	843,750	16.88	8,437,500.00
23	BNC REAL ESTATE CO.,LTD.	530 SATHUPRADIT 58 BANPONGPANG YANNAWA BKK. 10120	02-2930030	02-2930040	PROPERTIES	2,400,000	400,000	16.67	35,500,000.00
24	TSURUHA (THAILAND) CO.,LTD.	889 THAI CC TOWER, ROOM 124, 12ND FL., SATHORN RD., SATHORN BKK.	02-6758356	02-6739899	HEALTH PRODUCT	250,000	37,500	15.00	20,850,000.00
25	SAHA CAPITAL TOWER CO.,LTD.	530 SATHUPRADIT 58 BANPONGPANG YANNAWA BKK. 10120	02-2930030	02-2930040	PROPERTIES	20,000,000	3,000,000	15.00	75,000,000
26	FIRST UNITED INDUSTRY CO.,LTD.	11 SATHUPRADIT RD., YANNAWA, BKK. 10120	02-2930030	02-2930040	OPERATOR OF INVESTMENT	400,000	57,466	14.37	5,746,600.00
27	THE LION CORPORATION (THAILAND) CO.,LTD	666 RAMA 3 RD., BANGPONGPANG,YANNAWA, BKK. 10120	02-2940191	02-2944365	MANUFACTURER OF CONSUMER PRODUCT	5,000,000	706,501	14.13	136,506,669.00

Other Investments

List of companies that SPC owns more than 10 percent of common share

NO	NAME	LOCATION	TELEPHONE	FAX	TYPE OF BUSINESS	SHARE ISSUED	NO. OF SHARE	PERCENTAGE	VALUE OF INVESTMENT (BAHT)
28	WORLDBEST CORPORATION CO.,TLD.	19/1 SOI SOONVIJAI NEWPETCHBURI RD., BANGKAPI, HUAYKWANG, BKK. 10310	05-2065888	05-2065888	RENT A CAR	500,000	70,000	14.00	7,000,000.00
29	CHOKSAMAKEE CO.,LTD.	188 SOI LADPRAO 73, LADPRAO RD., WANGTHONGLANG, BANGKAPI, BKK.10900	02-5303479	02-9331431	OPERATOR OF INVESTMENT	11,600,000	1,600,00	13.79	16,000,000.00
30	PRESIDENT COMMERCIAL CO.,LTD.	90/4 PATTANAKARN RD., SUANLUANG, BKK. 10250	02-3143777 02-3145848	02-7194684	DISTRIBUTOR	5,000	650	13.00	-
31	AMERICAN FOOD COMPANY	16 SOI LADPRAO 115 , LADPRAO RD., KLONGCHAN, BANGKAPI, BKK	02-5500725	02-5500725	ICE-CREAM	14,000,000	1,680,000	12.00	16,846,200.00
32	SAHA TOKYU CORPORATION CO.,LTD.	999 MHU 11 TAMBONNHONGKHARM, AMPHURSIRIRACHA, CHONBURI 20280	038-480444	038-480505	PROPERTIES	792,000	95,040	12.00	53,640,000.99
33	ERAWAN TEXTILE CO.,LTD.	49 MHU 3 POOCHAOSAMINGPRAI RD., SAMRONGTAI PRAPRADAENG SAMUTPRAKARN 10130	02-7543604-5	02-1833916	TEXTILE	6,214,634	630,493	10.15	63,548,406.99
34	KEWPIE CO.,LTD.	612 RATCHADAPISEK RD., BUKHLO, THONBURI, BKK. 10600	02-4769545-6	02-4769547	MANUFACTURER OF CONSUMER PRODUCT	2,630,000	263,000	10.00	26,300,000.00
35	PANLAND CO.,LTD.	222 MHU 7 TAMBON KLONGKEW, BANBEUNG, CHONBURI 20220	038-480444	038-480505	OPERATOR OF REAL ESTATE DEVELOPER	3,000,000	300,000	10.00	20,350,000.00
36	U.C.C. UESHIMA COFFEE (THAILAND) CO.,LTD.	183 REGENT HOUSE ,9TH FLOOR, RAJDAMRI RD. LUMPINI, PATHUMWAN, BKK.10330	02-6505400-2	02-6505403	DISTRIBUTOR OF CONSUMER PRODUCT	150,000	15,000	10.00	-
37	THAI PRESIDENT FOODS (HUNGARY) KFT.	2500 ESZZTERGOM, (IPARI PARK) RUBIK EMOUTCA 20377/9	02-6505400-2	02-2621400	MANUFACTURER OF FOOD PRODUCTS	2,350,000,000	235,000,000	10.00	32,182,363.55
TOTAL			-	-					2,833,024,592.44

Explanation and Analytical of Financial Position and the Results of Operations

1.) The results of operation

In 2019 and 2018, the company and subsidiaries generated total revenues of 33,411.43 million Baht and 33,337.37 million Baht, an increase to 74.06 million Baht or 0.22 % from the year 2018, total expenses amount of 31,308.40 million Baht, an increase of 82.54 million Baht or 0.26 %, Net profit amount of 1,744.97 million Baht, the decrease of 33.60 million Baht or 1.88 % over the year 2018.

The conclusion and key factor of the performance is as follows :

Revenues

The total revenues of the company and subsidiaries in 2019, had amount of 32,802.81 million Baht, an increase to 87.44 million Baht or 0.27 % from the year 2018.

Despite the hurdles, the Company was able to maintain satisfactory performance and meet established goals. As always, the Company began the year by defining the missions, goals, strategies, action plans, and budgets. It also adhered to ethical principles in every step of the operations.

In the year 2019, the Company has adopted TFRS 15 (Revenue from Contracts with Customers), which the presentation of comparative information was not restated.

Other Revenues

Other Incomes of the company and subsidiaries consist of rental and service income amount of 175.64 million Baht, dividends income amount of 284.45 million Baht, other incomes amount of 148.53 million Baht, decrease by an amount of 59.49 million Baht or 28.59 % from the year 2018.

Cost of distribution and Distribution and Administrative Expenses

The cost of sales and total expenses in 2019, increased from the year 2018 amount of 82.54 million baht or 0.26%, which is in proportion to an increase in sales. Distribution and administrative expenses decreased of 554.68 million baht from promotion expenses which result from TFRS 15 adopted.

Furthermore, the Company had loss on impairment of investment amount of 45.88 million baht by considering the last year operation result of the associate.

Net Profit

The Company and subsidiaries had gross profit in the year 2019 amount of 5,176.79 million Baht equal to 15.78% of selling, when deducting distribution and administrative expenses, and finance cost, net profit before tax was 2,104.23 million Baht. Net profit after tax was 1,744.97 million Baht, decreased by 33.60 million Baht or 1.93 % from the year 2018.

2.) Financial Position

Asset

The Company and subsidiaries had total assets in 2019 amount of 27,096.15 million Baht. This represented an increase of 382.26 million Baht or 1.43% over the year 2018, current assets decreased by 1,059.36 million Baht, and non current assets increased by 1,441.62 million Baht.

Current assets consist of cash and cash equivalents, decrease by 635.10 million Baht, Current investments decrease by 430.22 million Baht which representing of saving and fix deposits cash at bank with financial institutions. Accounts receivable and other current accounts receivable decreased by 126.68 million Baht. Total amount of accounts receivable in 2019 had amount of 4,156.18 million baht or equal to 15.33 % of total assets. Average collection period to the account receivable was 54 days, an addition the total amount of accounts receivables was the account receivable which not due decreased by amount of 48.61 million Baht from the year 2018.

Non current assets increased by 1,441.62 million Baht from investments in associates amount of 160.79 million Baht, investment properties amount of 435.81 million Baht and investment in property and building amount of 585 million Baht.

Explanation and Analytical of Financial Position and the Results of Operations

Liabilities

Total Liabilities of the company and subsidiaries at the end of 2019 totaled 8,681.19 million Baht, the decrease of 668.72 million Baht or 7.15 % from 2018. Account payable and other current account payable decreased by 661.25 million Baht, accrued sale promotion expenses increased by 133.11 million Baht. The key liabilities was account payable equal to 49.80 % of total liabilities, which the Company had always payment on time.

The Company is not obtain loans from bank and financial institutions, does not shoulder any regular interest payments.

Shareholders' equity

At the end of 2019, the shareholders' equity of the Company and subsidiaries totaled 18,414.97 million Baht increased from the year 2018 amount of 1,019.99 million Baht which from net profit of the year 2019 amount of 1,744.97 million Baht, increased by 33.60 million Baht from the year 2018. The Company recorded gains on re-measuring of investments available for sale amount of 148.79 million Baht.

The Company had pay for dividend amount of 528 million Baht or 30.25 % of net profit of the year 2018 and interim dividend payment for performance of the first six-month period of the year 2019 to shareholders amount of Baht 0.60 per share.

3.) Liquidity Status

Cash Flows

In 2019, the Company and subsidiaries' net cash decreased to 635.11 million Baht derived from net cash flows provided by operating activities amount of 1,000.59 million Baht, the decrease of 469.47 million Baht from the year 2018, which resulted in the decrease of account payable and other current account payable amount of 762.10 million baht from account payable payment.

Net cash flow used by investing activities amount of 1,101.42 million Baht by investment in associates amount of 160.79 million Baht, investment properties amount of 443.24 million Baht, and invested in properties amount of 746.78 million Baht.

Appropriateness of Capital Structure

The debt to equity ratio in 2019 equal to 0.47 times which was low level but the interest payment ability was high level at 3,511.86 times, shown that the Company and subsidiaries had ability to pay for interest and reflected the stability of the Company and subsidiaries 's capital structure and ability to make debt settlement.

Important Liquidity

The Company and subsidiaries had a good performance results and liquidity all along. This were due to the efficiency of debt collecting system coupled with most of accounts receivable are good and made their payment on time.

The current ratio of the Company and subsidiaries equity to 1.46 times decreased to 0.01 times from the year 2018. The quick liquidity ratio was 0.81 times, the current cash flow ratio was 0.13 times, average collection period to the accounts receivable was 54 days, average turnover period was 11 days, these ratio reflected a high of liquidity and the amount of working capital is seen as sufficient.

Summary in Financial Information of The Company and Subsidiaries 2019 - 2017

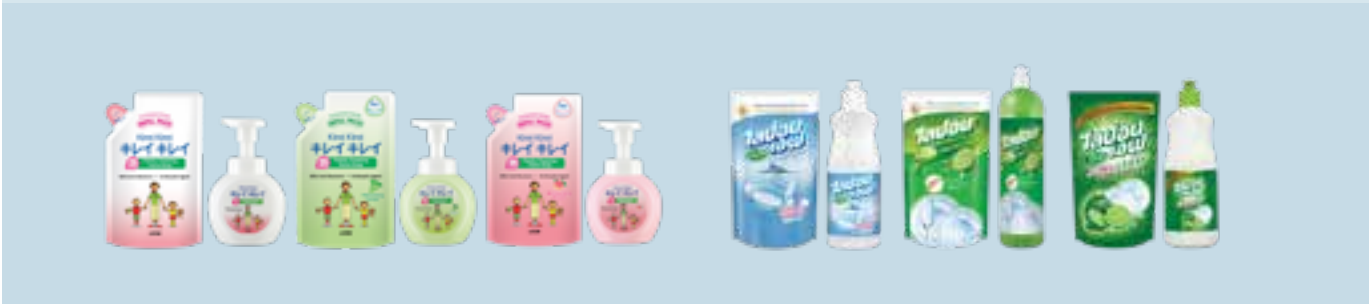
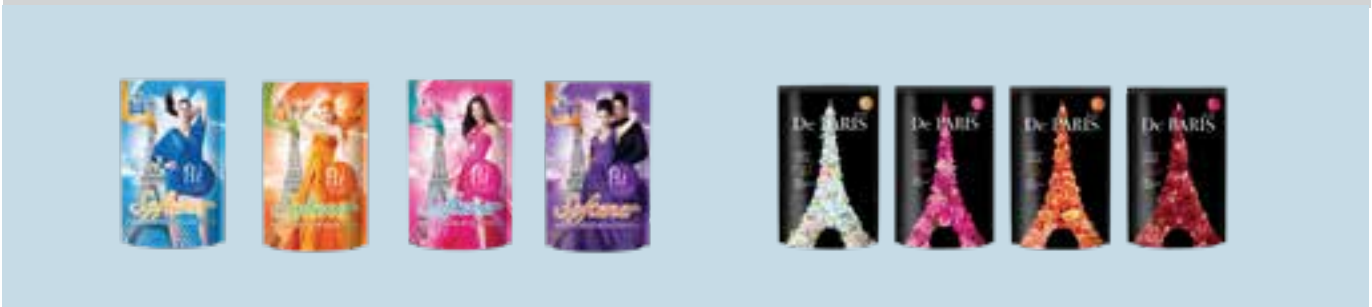
TRANSACTIONS	2019	%	2018	%	2017 (Restated)	%
OPERATING RESULTS						
from sales	32,802,812	100.00	32,715,371	100.00	31,497,625	100.00
from other sources	608,618	1.86	621,998	1.90	512,498	1.63
Revenue	33,411,430	101.86	33,337,369	101.90	32,010,123	101.63
Expenses	31,308,396	95.44	31,225,854	95.45	30,035,203	95.36
Gross profit	5,176,793	15.78	5,696,449	17.41	5,439,833	17.27
Earnings before income tax and interest	2,104,612	6.42	2,153,318	6.58	1,907,869	6.05
Earnings before income tax and Extraordinary item	2,104,225	6.41	2,152,922	6.58	1,907,581	6.06
Net earnings (Loss)	1,744,968	5.32	1,778,572	5.44	1,527,033	4.85
FINANCIAL POSITION						
Current assets	10,959,516	40.45	12,018,875	44.99	11,852,486	46.03
Investments in other companies	11,302,485	41.13	10,868,342	40.68	10,354,786	40.21
Investment properties	3,088,354	11.40	2,652,543	9.93	2,401,179	9.32
Land, building and equipment	1,614,570	5.96	1,029,046	3.85	994,605	3.86
Other assets	131,226	1.07	145,085	0.54	148,033	0.57
Total assets = Total liabilities and Shareholders' equity	27,096,152	100.00	26,713,891	100.00	25,751,089	100.00
Current liabilities	7,496,751	27.67	8,158,000	30.54	8,204,169	31.86
Other liabilities	1,184,435	4.37	1,191,907	4.46	1,237,370	4.81
Total liabilities	8,681,186	32.04	9,349,907	35.00	9,441,539	36.66
Shareholders' equity	18,414,866	67.96	17,363,984	65.00	16,309,549	63.34
* Number of shares	330,000,000		330,000,000		330,000,000	
* Gross Profit Ratio (%)	15.78		17.41		17.27	
* Return on Equity (%)	9.75		10.56		10.17	
* Return on Asset (%)	6.49		6.78		6.26	
* Current ratio (times)	1.46		1.47		1.44	
* Debt - equity ratio (times)	0.47		0.54		0.58	
* Inventory turnover (days)	11		10		10	
* Collection period (days)	54		55		56	
* Net Profit per share (Baht)	5.18		5.28		4.51	
* Dividend per share (Baht)	1.50		1.50		1.30	
* Book Value per share (Baht)	55.80		52.62		49.42	

Unit : thousands of Bath except percentages in parentheses and transaction with *

Products



Household Products



Food and Beverage Products



Personal Care Products



Baby Products



New Products





- **MAMA Dried Instant Noodles Oriental Kitchen Stir Fried Salted Egg, a sold-out phenomenon**

MAMA OK's packets and cups of stir fried salted egg instant noodles became an instant hit and were sold out quickly. This phenomenon was the first of its kind in Thailand. We attributed this level of success to having food bloggers and influencers review this product line, creating much hype and demand online and offline.



- **Pao redefines doing laundry**

Pao launched Pao Gel Caps. These innovative laundry-detergent capsules have made washing clothes more convenient. The exterior shell is biodegradable. It dissolves after prolonged contact with water, releasing the solutions inside. Each is four times more concentrated than regular detergent and provides a pleasant scent. Pao Gel Caps are ideally suited to the modern lifestyle that demands ease, speed, and eco-friendliness.



- **MAMA Cup Instant Rice Noodles for the health conscious**

MAMA unveiled its new Signature line flavors: Crab Curry, Spicy Leng Soup, and Stir Fried Baby Clams. These are considered healthier options because they use rice noodles and contain little to no cholesterol or fat. Each cup costs THB18.



- **Richesse yogurt for better health**

Richesse yogurt cups with granola were launched in the market, catering to health-conscious consumers looking for tastier options. Each container costs THB16.



- **Bissin rides on the salted egg trend**

With the popularity of salted egg flavoring, we launched Bissin #Qube wafers in two must-try flavors: Stir Fried Salted Egg and Stir Fried Salted Egg Spicy.



- **MAMA products for health enthusiasts**

MAMA has continued to develop new products for health-conscious consumers in a rush. The brand launched MAMA Cup Instant Rice Soup in three flavors: Egg Seaweed, Garlic Shrimp, and Spicy Leng Soup. Made with authentic Thai Hom Mali rice, each cup offers a wide range of nutrients with health benefits. It also contains very little fat and cholesterol.



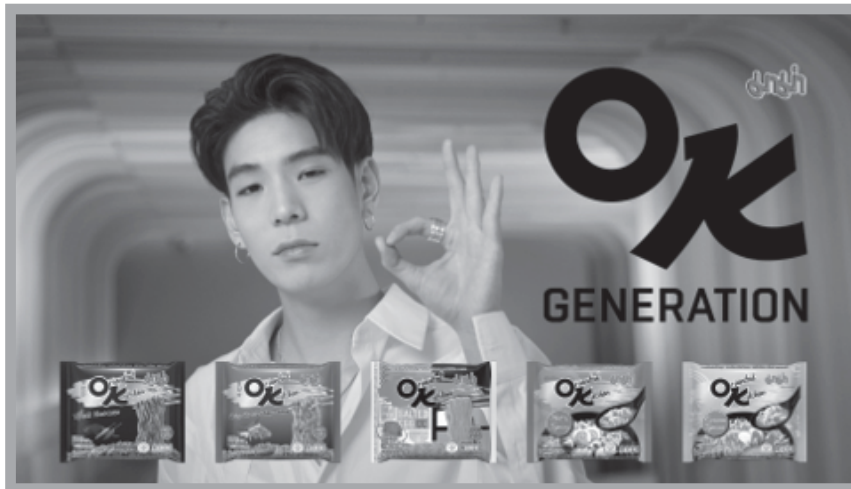
- **MAMA launches 2-layer lid innovation**

Mama was the first brand in Thailand to have the 2-layer lid to enable consumers to cook and drain noodles more easily-mimicking the stir fried effect-without accidentally pouring the contents out. The new design of the paper cup is also less hot to the touch. The cup size was also increased to 80 grams.



- **MAMA hops on the salted egg train with salted egg flavor congee cups**

MAMA launched a line of Salted Egg flavor congee cups, catering to congee-loving consumers with an affinity for Thai salted eggs. The congee is made from authentic Thai Hom Mali rice. It gets its nutritional values from salted eggs, scrambled eggs, and whey protein. As a choice for health enthusiasts, each cup contains relatively low calories, fat, and sodium. It is an ideal choice for a light meal or when you're in a rush. The products are available at leading stores and on www.sahapatdelivery.com.



- **MAMA OK Generation for new generations**

MAMA Oriental Kitchen unveiled its MAMA OK Generation campaign to market the Oriental Kitchen brand to new generations of consumers. The brand also revealed Kritsanapoom “Jayjay” Pibulsonggram as its presenter. There are five flavors in the OK Generation campaign: three full-bite, saucy stir-fried types and two soup types with an intense concentration of aroma and taste. This campaign was promoted via out-of-home and online media to capture the attention of the new generations.



- **Rivon SoYgurt reveals new presenter**

Rivon SoYgurt announced that Nirut Sirijanyaas would be its new presenter. Made from soybeans, Rivon is packed with nutritional values. Each cup is THB20.



- **Systema Sonic electric toothbrush**

Systema has always been committed to innovating products that will meet consumer demands. The brand launched the Systema Sonic electric toothbrush, which had been developed with a sonic wave technology of the Japan-based manufacturer Lion Corp. The toothbrush offers just the right level of vibration for deep cleansing. Its soft and slim bristles are made from polybutylene terephthalate (PBT). They are highly flexible and capable of retaining their shapes longer than regular nylon bristles. The brush is just the right size for most oral cavities. The polyacetal handle is light and handy. The neck of the brush is thin and slim. It promises to improve the quality of your brushing.



- **Lipon F Japanese Peach**

Lipon F liquid dish soap launched the Japanese Peach scent, boasting the robust ability to remove grime and econ-friendliness.

Marketing Activities



- **MAMA named Most Chosen Brand**

MAMA was named one of the Most Chosen Brands at Kantar Brand Footprint Awards 2019. According to Kantar's ranking, Mama has been one of Thailand's top choices for many years.



- **Mont Fleur's 2 consecutive years of Superior Taste Awards**

Mont Fleur mineral water has garnered the Superior Taste Awards for 2 years in a row (2018 and 2019). These prizes from the Belgium-based International Taste & Quality Institute serve as a great recognition of the efforts put into the taste and quality of the product.

The Company's General Information

Name / Location / Telephone Number / Fax Number / Type of Business

Name	Saha Pathanapibul Pulic Company Limited
Registered No.	0107537001421
Office Address	2156 New Petchburi Rd. Bangkok, Huaeykwang, Bangkok 10310 Tel. 0-2318-0062 Fax: 0-2319-1678
Type of business	Distributor of consumer products
Number and type of Share Issued	Common Share 330,000,000 shares Par Value 1 Baht

Name / Office address / Telephone and Fax of other reference persons

Registrar Securities	Thailand Securities Depository Co.,Ltd. 93 The Stock Exchange of Thailand Building Rachadapisek Road, Din daeng Bangkok 10400 Tel. 0-2009-9000 Fax: 0-2009-9991
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Auditor	Mrs. Suvimol Krittayakiern Authorized Auditor Registration No.2982 And / or Ms. Suphaphorn Mangjit Authorized Auditor Registration No.8125 And / or Mr. Nopparoek Pissanuwig Authorized Auditor Registration No.7764 Office Of D I A International Audit Co.,Ltd. 316/32 Sukhumvit 22, Klongtoey Bangkok 10110 Tel. 0-2259-5300-2 Fax: 0-2260-1563, 0-2259-8956
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Legal Advisor	Vira Law Office Co.,Ltd. 747/151-152 Trokwatchanai Sathupradit Road, Bangpongpan Yannawa, Bangkok 10120 Tel. 0-2683-8023, 0-2683-8843
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