



บริษัท สหยูเนียน จำกัด (มหาชน)
SAHA-UNION PUBLIC CO.,LTD.
และบริษัทในกลุ่ม • And Group Companies

Beneficial
to the Investors



Corporate
Governance



Integrity
and Reliability



ANNUAL REPORT 2020

บริษัท สหยูเนียน จำกัด (มหาชน) SAHA-UNION PUBLIC CO.,LTD.

และบริษัทในกลุ่ม • And Group Companies



Vision

A leading and reliable investment Company engaging in diverse business activities, managing the investments for the Company's growth and long-term stability with sound return on investments.



Mission

- To develop the growth and stability of existing businesses.
- To enlarge/extend the businesses that members of the Group are adept and well versed.
- To administer existing investments while exploring new opportunities offering long-term potential and sound return on investments.
- To groom new generation of knowledgeable and efficient executives with leadership quality, those who could blend well with the Company's cultures, uphold integrity, quality and service.
- To promote and avail the employees the opportunities to continuously develop their knowledges and skills.
- To persistently instil the Company's good will.
- To regulate the administration of the Company for efficiency, transparency and conformity with international auditing standards, in order to increase the value and obtain optimum results for the Company, all participants and stakeholders, i.e., employees, shareholders, investors, customers, trade partners, creditors, competitors, communities, societies and the Country.



Goal

The Company's goal is to conduct business by investments in various businesses with a system of good governance, create growth and maximize the benefits to all stakeholders under the moral of integrity, quality and service.

Strategy



To invest in the businesses with appropriate returns by taking into account the risks potential and the situation that may change in the future.



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Major Financial Information and Ratio



(Unit : Million Baht)

Saha-Union Public Company Limited and its subsidiaries	2020	2019	2018
Total revenues	9,979.2	11,268.0	12,416.4
Sales and service income	8,728.1	10,150.8	10,957.0
Gross profit	991.9	1,370.1	1,653.0
Profit for equity holders of the Company	845.1	1,112.0	1,481.8
Total assets	25,716.9	25,203.6	25,891.5
Total liabilities	2,884.7	3,128.4	3,520.8
Total shareholders' equity	22,832.2	22,075.2	22,370.7
Earning ratio (%)	8.47%	9.87%	11.93%
Earnings per share (Baht)	2.91	3.83	5.11
Book value per share (Baht)	72.46	69.97	70.62
Net tangible assets per share (Baht)	70.67	68.17	68.82
Return on assets (%)	3.32%	4.35%	5.76%
Return on equity (%)	4.09%	5.45%	7.34%
Debt-to-equity ratio (Times)	0.13	0.14	0.16
Saha-Union Public Company Limited	2020	2019	2018
Total revenues	1,604.1	1,897.8	2,140.5
Sales and Service income	575.7	929.3	1,220.7
Export sales	338.5	372.7	425.7
Local sales	237.2	556.6	795.0
Gross profit	9.5	10.2	17.6
Profit for equity holders of the Company	822.7	838.8	820.4
Earnings per share (Baht)	2.74	2.80	2.73
Dividend per share (Baht)	1.50	1.50	2.00
Book value per share (Baht)	53.27	51.66	51.26

Message from the Board of Directors

During 2020, the outbreak of Coronavirus Disease 2019 (COVID-19) has significantly impacted the global economy, as well as the financial and capital markets. Currently, the situation of the pandemic is not over. It is likely that the global economy will be affected in the long run.

Thailand's economy in the first half of 2020 suffered contractions due to the city shutdown and COVID-19 epidemic control measures implemented in many countries around the world, including Thailand. Economic activities were abruptly disrupted. Many sectors such as the tourism, exports and investment suffered huge losses. Closure of businesses and fragility of the labor market were on the rise. Confidence among consumers and businesses dropped low, impacting their decisions in spending, investment, business income and employment.

During the second half of the year 2020, due to a relaxation of city shutdown measures both domestically and abroad, along with constant supporting measures from the government, economic activities began to resume. Industrial production slightly improved, while the tourism sector remained stagnant. Exports rebounded in some area. Anyhow Thai baht continue its appreciation.

In late December 2020, a new wave of COVID-19 outbreaks occurred in Thailand, dragging the overall situation of the Thai economy in 2020 to shrink even more, leaving the direction of the next-stage economic recovery extremely uncertain, with important variables consisting of economic stimulus measures, government expenditures, effectiveness and speed in vaccine procurement and distribution, etc.

Amid the situations, most Group Companies' performance was adversely affected by the supply chain interruption, resulting in a decrease in sales and revenues as summarized as follows:

Hotel business was struck severely. The Hilton Hua Hin Resort and Spa had to cease its operation temporarily as of April 2020, in accordance with government surveillance measures to prevent and shut down COVID-19 epidemic -prone sites, before resuming its operation again on June 26, 2020 with an emphasis on selling to domestic customers. Unfortunately, at the end of December 2020, a new wave of COVID-19 emerged, affecting domestic tourism that was about to recover.

Textile business suffered a gradual decrease in customers' purchase orders. The competition became fierce as the focus was on pricing. Our competitiveness started to fall behind as our competitors enjoyed lower production cost.

A subsidiary, Union Textile Industry Public Company Limited, has continued to suffer operating losses for its main business, posing a risk that may cause damage to the shareholders. On December 22, 2020, the Board of Directors of Union Textile Industry Public Company Limited therefore passed a resolution to cease the production and operation in the textile business as of June 1, 2021 (according to the plan to cease the production and operation in the textile business) and to start seeking new businesses.

Plastics business during the second quarter suffered a significant drop in sales as the global automotive industry collapsed. Some automakers even withdrew their businesses from Thailand. All automotive manufacturers in Thailand halted or reduced their production temporarily from April to May. However, the Company tried to sustain the business by reducing costs in all aspects. Fortunately, the situation began to improve in the third and the fourth quarter.

The crisis also brought an opportunity for the rubber business due to a greater demand for elastic products to be used in manufacturing face masks, resulting in higher sales than planned.

Regarding the hospital business, a business that has the potential to grow in the future, the Saha-Union invested in 2 hospitals, of which the constructions have been delayed and will complete later than originally planned. Navavej Hospital is expected to open in the first quarter of 2021, while Ruamjai Rak Hospital is expected to open within 2022.

During the year 2020, Saha-Union Group was cautious, closely monitor the situation and market conditions including risks from environmental factors that might affect the business operations, reviewing the action plan to adjust strategies, and taking both proactive and reactive measures to cope with the situation and to maintain sales, profits, and competitiveness. Saha-Union was determined to constantly improve its production



efficiency and to offer its customers maximum satisfaction in all dimensions of its products and services, such as better cost control, better production efficiency, and better manpower allocation. Saha-Union continued to develop employee skills, conduct research to improve technicality in terms of raw materials, production process, and products. Collaborating with partners and customers, Saha-Union aimed to mutually create business value.

Regarding financial position and performance for the year 2020 of Saha-Union Public Company Limited, according to the separate financial statements, the Company's assets are worth 16,652.50 million baht, increasing from the previous year by 565.50 million baht, with liabilities of 670.34 million baht, increasing from the previous year by 82.45 million baht. The Company's net profit was worth 822.68 million baht, equivalent to earnings per share of 2.74 baht. According to the consolidated financial statements, the total assets are worth 25,716.92 million baht, increasing from the previous year by 513.34 million baht, with total liabilities of 2,884.73 million baht, decreasing from the previous year by 243.63 million baht. Net profit attributable to equity holders of the company is 845.09 million baht or equivalent to earnings per share of 2.91 baht.

For the year 2021, the Company will have to face several challenges, such as economic and political issues, which are volatile and are beyond control, including the impact of COVID-19 outbreaks that is still ongoing. However, with our potential, our commitment, and our willingness, Saha-Union always adapts to cope with such challenges and make our existing businesses to thrive, while seeking opportunities to expand our investment into new businesses with potential to generate income and yield reasonable returns.

Throughout the years Saha-Union Group has been able to stand its ground to conduct its various businesses and grow steadily, gaining trust of from all stakeholders with the concept of sustainable development by creating value for the stakeholders, along with creating good economic performance for growth and mutual benefit. In other words, Saha-Union conducts its business based on corporate governance principles at the core values of "INTEGRITY, QUALITY, SERVICE"

with intention, policies, and practices to stand against corruption of all forms and in a concrete manner. Saha-Union is determined to drive its business to achieve goals according to its strategic plans, while focusing on social and environment responsibility throughout the supply chain. Saha-Union Group supports social and community projects as appropriate every year, and has been certified by the international standards such as quality system standard, environmental standard, occupational health and safety management system standard, etc. With these in mind, Saha-Union has been selected by the Thaipat Institute as one of the 100 listed companies which have outstanding performance in environment, social, and governance (ESG) in 2015, 2018, 2019, and 2020. Moreover, Saha-Union has been rated "Very Good" by the Thai Institute of Directors for its corporate governance.

On behalf of the Board of Directors, I would like to thank our shareholders, joint ventures, partners, customers, business partners, and all other related parties for pledging their confidence, trust, and support for the Company, and its Group Companies. In addition, I would like to express my gratitude to the management and staff at all levels for their efforts and cooperation which constitute the driving force behind all success. I would like to ensure that Saha-Union will strive to manage its businesses to the best of its ability, adhering to operating the business according to the principles of sustainable development under the principles of good corporate governance in order to balance its business growth, social development, and environmental stewardship.

On behalf of the Board of Directors

(Miss Dalad Sapthavichaiikul)

Chairman of the Board

On March 8, 2021

Board of Director

Miss Dalad Saphavichaikul

Chairman
(64 years)



Mr. Chutindhon Darakananda

Vice Chairman
Nomination and Remuneration
Committee
(61 years)



Education

- Master's Degree in Computer Science, University of Illinois at Urbana - Champaign, U.S.A.
- Bachelor's Degree (First Class Honor) in Economics, Chulalongkorn University

IOD's Training

- Director Certification Program (DCP) Class 9/2001
- Finance for Non-Finance Director (FN) Class 1/2001
- Audit Committee Program (ACP) Class 10/2005
- Director Diploma Examination Class 4/2001
- Ethical Leadership Program (ELP) Class 13/2018

Experiences

- 1999 - 2007 Executive Director and Vice President, Saha-Union Public Company Limited
- 1999 - 2011 Director, Saha-Union Public Company Limited
- 1995 - May 2015 Director, Union Textile Industries Public Company Limited
- 2004 - 2017 Director, Computer Union Co., Ltd.
- 2011 - May 2014 Director, Union Plastic Public Company Limited
- 2012 - May 2012 Director, Union Pioneer Public Company Limited
- 2012 - 2016 President, Saha-Union Public Company Limited
- 2012 - July 2019 Chairman of the Risk Management Committee, Saha-Union Public Company Limited
- May 2014 - June 2020 Director, The Royal Hotel Co., Ltd.
- May 2015 - May 20, 2020 Chairman, Union Textile Industries Public Company Limited
- 2017 Vice Chairman, Saha-Union Public Company Limited
- January 2017 - October 2018 Chairman, Saha-Union Holding Co., Ltd.

Current Positions

Listed Companies

- 2018 - Present Chairman, Saha-Union Public Company Limited
- May 2014 - Present Chairman, Union Plastic Public Company Limited
- June 2012 - Present Chairman, Union Pioneer Public Company Limited
- 2012 - Present Chairman, Union Nifco Co., Ltd.
- 2012 - Present Chairman, Union Garment Co., Ltd.
- 2013 - Present Chairman, Union Zojirushi Co., Ltd.
- 2013 - Present Chairman, Union Micronclean Co., Ltd.
- 2013 - Present Chairman, Union Stainless Steel Products Co., Ltd.
- March 2014 - Present Chairman, Union Thai-Nichiban Co., Ltd.
- 2017 - Present Chairman, Computer Union Co., Ltd.
- Present Chairman and Director, Other Companies in Saha-Union Group

Other Companies

- 1989 - Present Director, Processing Center Co., Ltd.
- August 2015 - Present Director, Sukhumvit 62 Medical Limited
- December 2017- Present Vice Chairman, Navavej International Hospital Public Company Limited

Years of Directorship 21 years (since December 1999)

Education

- Master's Degree in Business Administration, SASIN Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor's Degree in Industrial Engineering, Stanford University, U.S.A

IOD's Training

- Director Accreditation Program (DAP) Class 17/2004

Experiences

- December 1990 - 2006 Director, Saha-Union Public Company Limited
- 1992 - February 2017 Vice Chairman, Venus Thread Co., Ltd.
- 1993 - 2007 Director, Union Textile Industries Public Company Limited
- 2001 - March 2009 Director, Union Pioneer Public Company Limited
- 2002 - January 2018 Director, Union Energy (China) Co., Ltd.
- 2007 - 2012 Vice Chairman / Managing Director, Union Thread Industries Co., Ltd.
- May 2014 - February 2017 Vice Chairman / Managing Director, Union Industries Corp., Ltd.
- March 2017 - February 2018 Vice Chairman (Investments in China), Saha-Union Public Company Limited
- 24 January 2019 - 23 January 2020 Director, The Royal Hotel Co., Ltd.
- 24 January 2019 - 23 January 2020 Vice Chairman, The Royal Hotel Co., Ltd.
- 24 January 2019 - 23 January 2020 Managing Director, The Royal Hotel Co., Ltd.

Current Positions

Listed Companies

- 2013 - Present Vice Chairman, Saha-Union Public Company Limited
- February 2013 - Present Director, Union Textile Industries Public Company Limited
- May 2017 - Present Director, Union Pioneer Public Company Limited

Saha-Union Group Companies

- 2013 - Present Director, Union Garment Co., Ltd.
- 2013 - Present Director, Union Micronclean Co., Ltd.
- November 2015 - Present Director, Union Zojirushi Co., Ltd.
- March 2017 - Present Director, Venus Thread Co., Ltd.
- May 2017 - Present Director, Union Nifco Co., Ltd.
- February 2018 - Present Chairman, Union Spinning Mills Co., Ltd.
- February 2018 - Present Chairman / Managing Director, Union Business Management Co., Ltd.
- February 2018 - Present Chairman / Managing Director, Union Thread Industries Co., Ltd.
- February 2018 - Present Chairman / Managing Director, Union Industries Corp., Ltd.
- March 2018 - Present Chairman, The Royal Hotel Co., Ltd.
- November 2018 - Present Chairman, Saha Union Holding Co., Ltd.
- Present Chairman, Vice Chairman and Director, Other Companies in Saha-Union Group

Other Companies

- April 2017 - Present Director, Sukhumvit 62 Medical Limited
- December 2017 - Present Director, Navavej International Hospital Public Company Limited

Years of Directorship 30 years (since December 1990)

Miss Pakpachong Vadhanasindhu

Independent Director / Chairman of the Audit Committee
(70 years)



Mrs. Suttima Jamnarnwej

Independent Director / Audit Committee
(69 years)



Education

- B.Com., M.Com., Faculty of Commerce and Accountancy, Chulalongkorn University
- MBA. U. of Nebraska at Omaha
- DBA. United States International University

IOD's Training

- Director Accreditation Program (DAP) Class 21/2004
- Director Certification Program (DCP) Class 58/2005
- Audit Committee Program (ACP) Class 36/2011
- Monitoring Fraud Risk Management (MFM) Class 6/2011
- Monitoring of the Quality of Financial Reporting (MFR) Class 15/2012
- Monitoring the Internal Audit Function (MIA) Class 12/2012
- Monitoring the System of Internal Control and Risk Management (MIR) Class 14/2013
- Audit Committee Forum 2018 "Learn, unlearn and relearn - Audit Committee in the Age of Disruption"

Experiences

- 2003 - 2007 Head of the International Business Management Program, Faculty of Commerce and Accountancy, Chulalongkorn University
- 2004 - 2008 Director, Master of Management in International Business Program
- 2004 - 2012 Sub-committee of Indices Determination for Assessment of the State Enterprises, Ministry of Finance
- 2008 - 2010 Board Member of the Technology and Innovation Management Program, Chulalongkorn University
- March 2009 - 2016 Independent Director / Chairman of the Audit Committee, Union Plastic Public Company Limited
- 2011 - 2013 Independent Director and Chairman of the Risk Management Committee, Cambodian Commercial Bank Ltd.
- February 2012 - 2016 Nomination and Remuneration Committee, Union Plastic Public Company Limited
- 2017 - December 2018 Independent Director / Audit Committee, Saha-Union Public Company Limited

Current Positions

Listed Companies

- January 2019 - Present Independent Director / Chairman of the Audit Committee, Saha-Union Public Company Limited

Saha-Union Group Companies

- None -

Other Positions

- Present Lecturer on Business Ethic, Strategic Management, Entrepreneurship
- Present Business Advisor for Organization and Personnel Management, Strategic Planning, Strategic Management and Innovation.

Years of Directorship 4 years (since January 1, 2017)

Years of Independent Directorship 4 years (since January 1, 2017)

Education

- Bachelor of Accountancy (Accounting Theory), Chulalongkorn University
- Bachelor of Business Administration (Management), Chulalongkorn University
- Master of Business Administration (Management), University of Georgia, USA.

IOD's Training

- Director Accreditation Program (DAP) Class 157/2019
- Advanced Audit Committee Program (AACP) Class 34/2019

Experiences

- 1974 - 1976 The Thai Danu Bank, Head Office.
- 1979 - 1981 Fulton Federal Savings and Loan, Atlanta Georgia, USA.
- 1982 - 2012 Lecturer, Chulalongkorn Business School
- 2003 - 2007 Associate Dean (Administrative Affairs), Chulalongkorn Business School
- 2008 - 2016 Assistant to the President for Accounting and Finance, Chulalongkorn University

Current Positions

Listed Companies

- 2019 - Present Independent Director / Audit Committee, Saha-Union Public Company Limited

Saha-Union Group Companies

- None -

Other Positions

- 2013 - Present Part time Lecturer of Chulalongkorn Business School, Chulalongkorn University
- 2015 - Present Member of Board of University Council, Pacific Institute of Management Science
- 2017 - Present Director / Treasurer of The Friend in Need (of "PA") Volunteers Foundation, Thai Red Cross

Years of Directorship 2 years (since January 1, 2019)

Years of Independent Directorship 2 years (since January 1, 2019)

Mr. Anon Sirisaengtaksin

Independent Director / Audit Committee /
Nomination and Remuneration Committee
(68 years)



Mr. Yanyong Tangchitkul

Independent Director
Chairman of the Nomination and
Remuneration Committee
(68 years)



Education

- Honorary Doctor of Public Administration, Bangkok Thonburi University
- M.B.A., Thammasat University
- B.Sc. (Geology), Chulalongkorn University

IOD's Training

- Director Accreditation Program (DAP) Class 52/2006
- Director Certification Program (DCP) Class 73/2006

Experiences

- April 2007 - 2019 Council Committee, King Mongkut's Institute of Technology Ladkrabang Council
- 2008 - 2012 President and Chief Executive Officer, PTT Exploration and Production PLC.
- 2009 - 2017 Independent Director / Chairman of the Audit Committee / Chairman of the Nomination and Remuneration Committee, Bangkok Commercial Asset Management PLC
- 2012 - 2013 Director and Chief Executive Officer, PTT Global Chemical PLC
- 2012 - August 2020 Chairman, PTTGC International Private Limited (Singapore)
- March 2018 - April 2019 Director and Director to the Risk Management Committee, PTT Global Chemical PLC.

Current Positions

Listed Companies

- January 2020 - Present Independent Director / Audit Committee / Nomination and Remuneration Committee, Saha-Union Public Company Limited

Saha-Union Group Companies

- None -

Other Listed Companies

- April 2016 - Present Director / Member of the Corporate Governance and Nomination Committee, Banpu PLC.
- June 26, 2020 - Present Independent Director / Chairman of Nomination Remuneration and Corporate Governance Committee / Member of Board Risk and Compliance Committee, CIMB Thai Bank, PLC.
- October 1, 2020 - Present Oversea Business Consultant, PTT Global Chemical PLC.

Other Companies

- July 6, 2012 - Present Director, Emery Oleochemicals (M) Sdn. Bhd. (Malaysia)
- November 29, 2012 - Present Director, Emery Specialty Chemicals Sdn. Bhd. (Malaysia)
- April 18, 2019 - Present Chairman, Thai Eastern Group Holdings Co., Ltd.

Years of Directorship 1 year (since January 1, 2020)

Years of Independent Directorship 1 year (since January 1, 2020)

Education

- Bachelor's Degree in Economics, Thammasat University
- Master's Degree in Business Administration (Second Class Honor), National Institute of Development Administration (NIDA)
- Management Development Program, Indiana University, U.S.A.

IOD's Training

- Director Accreditation Program (DAP) Class 79/2009

Experiences

- March 2009 - January 2011 Independent Director / Audit Committee, Union Pioneer Public Company Limited

Current Positions

Listed Companies

- September 2009 - Present Independent Director, Saha-Union Public Company Limited
- 2013 - Present Chairman of the Nomination and Remuneration Committee, Saha-Union Public Company Limited

Saha-Union Group Companies

- None -

Other Companies

- 1980 - Present Managing Director, Niyom Service Co., Ltd.

Years of Directorship 11 years 4 months (since September 2009)

Years of Independent Directorship 11 years 4 months (since September 2009)

Mrs. Busarakham Nilavajara

Independent Director
(70 years)



Mr. Pittawat Prertitumrong

Independent Director
(56 years)



Education

- Bachelor's Degree in Education (Second Class Honor), Chulalongkorn University

IOD's Training

- Director Accreditation Program (DAP) Class 100/2013

Experiences

- 2003 - 2007 Assistant to the Treasurer, Children's International Summer Villages (Thailand) Foundation, Ministry of Social Development and Human Security
- 2004 - 2007 Secretary to the Executive Committee, Saha-Union Public Company Limited
- 2007 - 2011 Director, Children's International Summer Villages (Thailand) Foundation, Ministry of Social Development and Human Security

Current Positions

Listed Companies

- 2013 - December 2020 Independent Director, Saha-Union Public Company Limited

Saha-Union Group Companies

- None -

Other Companies

- None -

Years of Directorship 8 years (since January 2013)

Years of Independent Directorship 8 years (since January 2013)

(Remark : Mr. Nithiphan Darakananda as Company's Director in replacement Mrs. Busarakham Nilavajara, effective on January 1, 2021)

Education

- Bachelor of Engineering (Metallurgical Engineering), Chulalongkorn University
- Master of Business Administration (Finance) Chulalongkorn University

IOD's Training

- Director Accreditation Program (DAP) Class 169/2020

Experiences

- 1987 - 1988 Engineer, SiamKubota Diesel Co., Ltd.
- 1990 - 1991 Executive Trainee, Bank of Asia
- 1991 - 1993 Project Analyst, Estate Development Co., Ltd.
- 1994 - 1995 Business Development Manager, Ladawan Palace Co., Ltd.
- 1995 - 1997 Finance and Investment Assistant Manager, Central Department Store Co., Ltd.
- 1998 Finance and Investment Assistant Manager, Central Retail Corporation Co., Ltd.

Current Positions

Listed Companies

- January 2020 - Present Independent Director, Saha-Union Public Company Limited

Saha-Union Group Companies

- November - Present Director, Union Button Corp., Ltd.

Other Companies

- 1997 - Present Owner, Chongsawad Part., Ltd.

Years of Directorship 1 year (since January 2020)

Years of Independent Directorship 1 year (since January 2020)

Mrs. Chantornree Darakananda

President
(57 years)



Mr. Preecha Shunhavanich

Vice President
(63 years)



Education

- Doctor of Medicine, Chulalongkorn University
- Executive MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University

IOD's Training

- Director Accreditation Program (DAP) Class 5/2003

Experiences

- 1990 - February 2017 Director, Ladphrao Hospital Public Company Limited
- 1994 - 2008 Deputy Managing Director, Union Industries Corp., Ltd.
- 2002 - 2008 Deputy Managing Director, Union Thread Industries Co., Ltd.
Director, Saha-Union Public Company Limited
- 2002 - 2009 Director, Union Textile Industries Public Company Limited
- 2002 - 2014 Director, Pro-Lab Co., Ltd.
- 2009 - March 2017 Deputy Managing Director, Venus Thread Co., Ltd.
Deputy Managing Director, Union Zip Co., Ltd.
- 2013 - September 2014 Director, Saha-Union Public Company Limited
- September 2014 - 2016 Executive Vice President, Saha-Union Public Company Limited

Current Positions

Listed Companies

- June 2014 - Present Director, Union Plastic Public Company Limited
- January 2015 - Present Director, Union Textile Industries Public Company Limited
- May 2015 - Present Nomination and Remuneration Director, Union Textile Industries Public Company Limited
- April 2015 - Present Director, Union Pioneer Public Company Limited
- 2017 - Present President, Saha-Union Public Company Limited

Saha - Union Group Companies

- April 2015 - Present Director, Computer Union Co., Ltd.
Director, Union Zojirushi Co., Ltd.
Director, Union Nifco Co., Ltd.
Director, Union Rubber Products Corp., Ltd.
Director, Thai Rubber Enterprise Co., Ltd.
Director, Union Stainless Steel Products Co., Ltd.
- March 2016 - Present Director, Union Thai-Nichiban Co., Ltd.
- March 2017 - Present Director, Union Zip Co., Ltd.
- Present Director, Other Companies in Saha-Union Group

Other Companies

- August 2015 - Present Director, Sukhumvit 62 Medical Limited
- December 2017 - Present Director, Navavej International Hospital Public Company Limited

Years of directorship 8 years (since January 2013)

Education

- Master's Degree in Business Administration (MBA), National Institute of Development Administration (NIDA)

IOD's Training

- Director Accreditation Program (DAP) Class 62/2007

Experiences

- 1977 - 1989 Assistant Group Products Marketing Manager, Sahapathanapibul Public Co., Ltd.
- 1989 - 1995 Deputy Managing Director, PG Intertrade Co., Ltd.
- 1995 - 2003 Sales Manager, Osotsapha Co., Ltd.
- 2003 - 2004 General Manager, Unilever Bestfoods (Thailand) Ltd.
- 2004 - 2007 Director, Union Pioneer Public Co., Ltd.
Director, Union Plastic Public Co., Ltd.
Director, Union Zojirushi Co., Ltd.
Director, Union Thai-Nichiban Co., Ltd.
- 2007 - 2008 General Manager, Union Energy (Hong Kong) Co., Ltd.
- February 2014 - June 2020 Managing Director of Sales and Services Business, Computer Union Co., Ltd.
- 2017 - October 2019 Director, Union Nakorn Co., Ltd.

Current Positions

Listed Companies

- 2015 - Present Vice President, Saha-Union Public Company Limited
- May 2020 - Present Chairman, Union Textile Industries Public Company Limited

Saha - Union Group Companies

- 2008 - Present Director, Computer Union Co., Ltd.
Director, Computer Union Systems Co., Ltd.
- 2013 - Present Director, Soldev Co., Ltd.
- April 2014 - Present Director, Union Stainless Steel Products Co., Ltd.
- 2018 - Present Managing Director, Computer Union Systems Co., Ltd.

Other Positions

- 2017 - Present Committee of Trade, Investment Promotion and Business Council, The Federation of Thailand Industries (F.T.I.)
- 2018 - Present Committee, Industrial Support and Promote Department, The Federation of Thailand Industries (F.T.I.)
- 2019 - Present Thailand-China Industrial Cooperation Institute committee, The Federation of Thailand Industries (F.T.I.)
- 2020 - Present Director, The Federation of Thailand Industries (F.T.I.)
Director, Foreign Affairs, The Federation of Thailand Industries (F.T.I.)
Director, Economic and Academic Data Analytic, The Federation of Thailand Industries (F.T.I.)
Director, ASEAN and Logistics, The Federation of Thailand Industries (F.T.I.)
Thai-Taiwan Economic Cooperation Committee (TTECC), The Federation of Thailand Industries (F.T.I.)
Director, Thailand-China Business Council, The Joint Standing Committee on Commerce, Industry and Banking (JSCCIB)

Years of Directorship 6 years (since January 2015)

Mr. Supakit Paungbua

Director
(60 years)



Mrs. Pinijporn Darakananda Kasemsap

Director
(58 years)



Education

- Master of Business Administration (M.B.A) at National Institute of Development Administration (NIDA)
- Bachelor of Industrial in Technical Education, Technology and Vocational Education Collage (Thewet Campus)
- Bachelor of Education Program (Educational Administration) at Chandrakasem Teacher Collage

IOD's Training

Director Accreditation Program (DAP) Class 148/2018

Experiences

- 1983 - 1991 Teacher, The Bangkok Technology School
- 1991 - 1993 Head of Education Promotion, The Bangkok Technology College
- 1993 Product Division Manager, Union Zojirushi Co., Ltd.
- 1993 - 2006 Product Department Manager, Union Zojirushi Co., Ltd.
- December 2006 - February 2007 Deputy Managing Director, Union Stainless Steel Products Co., Ltd.
- February 2007 - February 2011 Managing Director, Union Stainless Steel Products Co., Ltd.
- July 2007 - September 2007 Deputy Managing Director, Union Nifco Co., Ltd.
- October 2007 - December 2020 Managing Director, Union Nifco Co., Ltd.

Current Positions

Listed Companies

- January 2018 - Present Director, Saha-Union Public Company Limited
- January 2021 - Present Director, Union Textile Industries Public Company Limited

Saha-Union Group Companies

- March 13, 2020 - Present Director, Union Stainless Steel Products Co., Ltd.
- September 17, 2020 - Present Director, The Royal Hotel Co., Ltd.

Other Companies

- None -

Years of Directorship 3 years (since January 2018)

Education

- 1985 - 1991 University of California, San Francisco (Doctor of Pharmacy)
- 1981 - 1985 University of California, Davis (B.S. Chemistry)

IOD's Training

- Director Accreditation Program (DAP) Class 92/2011

Experiences

- 1984 - 1991 Deputy Manager, Geary Pharmacy (U.S.A.)
- 1991 - 1996 Deputy Manager of the Export Sales Department, Union Thread Industries Co., Ltd.
- 1996 - 2005 Managing Director, Venus Kids Co., Ltd.
- 2014 - December 2018 Managing Director, The Royal Hotel Co., Ltd.
- January 2019 - March 2020 Director, The Royal Hotel Co., Ltd.

Current Positions

Listed Companies

- December 2010 - Present Director, Saha-Union Public Company Limited

Saha-Union Group Companies

- 1995 - Present Director, Union Thread Industries Co., Ltd.
Director, Union Industries Corp., Ltd.
- 1996 - Present Managing Director, Uni-Agro Co., Ltd.
- April 2011 - Present Director, Saha Union Holding Co., Ltd.
Director, Union Equity Co., Ltd.
Director, Union Multi-Capital Co., Ltd.
- Present Director, Other Companies in Saha-Union Group

Other Companies

- None -

Years of Directorship 10 years (since December 2010)

Mr. Bovornrat Darakananda

Director
(57 years)



Mr. Vacharaphong Darakananda

Director
(55 years)



Education

- Master of Science Degrees in Management and Electrical Engineering, Massachusetts Institute of Technology, U.S.A.
- Bachelor of Science Degrees in Management and Electrical Engineering, Massachusetts Institute of Technology, U.S.A.

IOD's Training

- Director Accreditation Program (DAP) Class 18/2004

Experiences

- 1993 - December 2006 Director, Union Textile Industries Public Company Limited
Director, Union Pioneer Public Company Limited
- 1994 - December 2006 Director and Executive Director, Union Energy Co., Ltd.
- 1996 - 2009 Director and Manager, Union Energy (China) Co., Ltd.
- 2001 - March 2017 Director, Venus Thread Co., Ltd.
Director, Union Zip Co., Ltd.
- 2011 - December 2012 Director, Union Textile Industries Public Company Limited
Vice President, Saha-Union International (Georgia) Inc.
General Manager, Saha-Union Investment (China) Co., Ltd.

Current Positions

Listed Companies

- April 1991 - Present Director, Saha-Union Public Company Limited

Saha-Union Group Companies

- 1997 - Present Director, Union Thread Industries Co., Ltd.
Director, Union Industries Corp., Ltd.
- 2001 - Present Managing Director, Union Spinning Mills Co., Ltd.
- April 2011 - Present Director, Saha Union Holding Co., Ltd.
- Present Director, Other Companies in Saha-Union Group

Other Companies

- None -

Years of Directorship 29 years 9 months (since April 1991)

Education

- Bachelor's Degree in Physics, Harvey Mudd College, California, U.S.A.

IOD's Training

- Director Accreditation Program (DAP) Class 2/2003
- Director Certification Program (DCP) Class 69/2006
- Director Diploma Examination Class 19/2006
- Role of the Compensation Committee (RCC) Class 15/2012
- Chartered Director Class (CDC) 7/2013

Experiences

- Assistant Manager, Venus Thread Company Limited
- 1990 - May 2013 Director, Computer Union Co., Ltd.
- 1999 - 2000 General Manager, Saha-Union Public Company Limited (Sriracha Operation)
- 2001 - December 2006 Director, Union Textile Industries Public Company Limited
- 2007 - 2008 Director, Union Thai-Nichiban Co., Ltd.
- 2007 - 2011 Director, Union Zojirushi Co., Ltd.
- 2007 - March 2014 Managing Director, Union Technology (2008) Public Company Limited
- May 2014 - March 2017 Director, The Royal Hotel Co., Ltd.

Current Positions

Listed Companies

- February 1992 - Present Director, Saha-Union Public Company Limited
- April 1999 - Present Director, Union Pioneer Public Company Limited
- April 2000 - Present Director, Union Plastic Public Company Limited

Saha-Union Group Companies

- May 2007 - Present Director, Union Stainless Steel Products Co., Ltd.
- 2007 - Present Director, Thai Rubber Enterprise Co., Ltd.
Director, Union Rubber Products Corp., Ltd.
- 2008 - Present Director, Union Nifco Co., Ltd.
- 2009 - Present Managing Director, Union Thai-Nichiban Co., Ltd.
- 2012 - Present Managing Director, Union Zojirushi Co., Ltd.
- September 2015 - Present Acting Managing Director, Union Stainless Steel Products Co., Ltd.
- Present Director, Other Companies in Saha-Union Group

Other Companies

- None -

Years of Directorship 28 years 11 months (since February 1992)

Mr. Nanthiya Darakananda

Director
(52 years)



Mrs. Chadaporn Jiemsakultrip

Company Secretary
(58 years)



Education

- Master's Degree in Business Administration, SASIN Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor's Degree in Applied Physics, University of California, Davis, U.S.A.

IOD's Training

- Director Accreditation Program (DAP) Class 2/2003
- Director Certification Program (DCP) Class 212/2015

Experiences

- 1996 - September 2013 Director, Union Button Corp., Ltd.

Current Positions

Listed Companies

- April 1993 - Present Director, Union Pioneer Public Company Limited
- April 1996 - Present Director, Saha-Union Public Company Limited
- April 1998 - Present Director, Union Plastic Public Company Limited

Saha-Union Group Companies

- None -

Other Companies

- None -

Years of Directorship 24 years 9 months (since April 1996)

Education

- Bachelor's Degree in Business Administration (Management), Sukhothai Thammathirat Open University
- Certificate in Business Administration (Accounting), Vocational College, Bangkok Technical Campus, (Current Named Rajamangala University of Technology Krungthep (RMUTK)), Bangkok

Training

- CGR Workshop 2019 "Enhancing Good Corporate Governance based on CGR Scorecard", Thai Institute of Directors (IOD)
- Company Secretary Program (CSP) Class 27/2008, Thai Institute of Directors (IOD)
- Effective Minute Taking (EMT) Class 11/2008, Thai Institute of Directors (IOD)
- Fundamental Practice for Corporate Secretary (FPCS 28), Thai Listed Companies Association
- Smart Disclosure Program (SDP), The Stock Exchange of Thailand
- CSR for Corporate Sustainability (Preliminary Course) (P01)
- CSR Reporting
- Sustainability Risk and Materiality Analysis (S04)
- CSR Evaluation and Data Management (S05)
- Sustainability Reporting (S06) SR Center and Sustainable Business Development Institute, The Stock Exchange of Thailand
- Customs Professional Program, The Customs Department

Experiences

- July 2008 - 2013 Assistant to the Company Secretary, Saha-Union Public Company Limited

Current Positions

- January 2009 - Present Company Secretary, Union Textiles Industries Public Company Limited
- January 2014 - Present Company Secretary, Saha-Union Public Company Limited
- January 2016 - Present Company Secretary, Union Plastic Public Company Limited
- January 2016 - Present Company Secretary, Union Pioneer Public Company Limited

Years of secretary position 7 years

Miss Ruangdao Supachorncharan

Chief Financial Officer was assigned to the highest responsibility in the line of Accounting and Finance (a) and the person who was assigned to take direct responsibility for the Accounting Control (b), by (a) and (b) was the same person
(40 years)

Mrs. Chanpen Nopsuri

Chief Audit Executive
(64 years)

Appointment Date for Chief Financial Officer: 1 July 2020

Appointment Date for the person who was assigned to take direct responsibility for the Accounting Control: 18 November 2020

Education

- Master Degree in Strategic Management, College of Management, Mahidol University (Graduated in 2009)
- Bachelor of Accountancy, Thammasat University (Graduated in 2002), Major in Accounting and Minor in Finance

Training

- Accounting Standards and Others Training 40 hours per year for Continuing Profession Development and CPD according to the criteria of the Federation of Accounting Professions
- Prepare for changes in Financial Reporting Standards related to Financial Instruments by the Stock Exchange of Thailand (June 2018)
- Financial Reporting Standards related to Revenue from Contracts with Customers (IFRS 15) and Financial Reporting Standards related to Leases (IFRS 16) by the Stock Exchange of Thailand (February 2019)
- E - Learning CFO's Orientation Course (August 2020)
- Smart Disclosure Program (SDP) by the Stock Exchange of Thailand

Experiences

- 2002 - March 2018 Audit Senior Manager, Audit Department, EY Office Ltd.
- May 2018 - June 2020 Assistant to the Chief Financial Officer, Saha-Union Public Company Limited.

Current Positions

- July 2020 - Present Chief Financial Officer, Saha-Union Public Company Limited.
- June 2020 - Present Director, The Royal Hotel Co., Ltd.

Education

- Bachelor's Degree in Business Administration (Accounting), Ramkhamhaeng University

Training

- Writing Audit Report
- Assessment of the internal control system and risk management according to COSO
- Audit System Planning

Experiences

- 1987 - 1992 Internal Audit Officer, Bangkok Metropolitan Bank
- 1996 - 1997 Assistant Director of Security Operation Department, ITF Finance & Securities Ltd.
- 2002 - 2013 Internal Audit Officer, Saha-Union Public Company Limited

Current Positions

- 2014 - Present Chief Audit Executive, Saha-Union Public Company Limited.

Related Person	Relationship
Mr. Chutindhon Darakananda	<ul style="list-style-type: none"> - Elder brother of Mrs. Pinijporn Darakananda Kasemsap, Mr. Bovornrat Darakananda and Mr. Vacharaphong Darakananda - Elder brother of the husband of Mrs. Chantorn tree Darakananda
Mrs. Chantorn tree Darakananda	<ul style="list-style-type: none"> - Younger sister in law of Mr. Chutindhon Darakananda - Elder sister in law of Mrs. Pinijporn Darakananda Kasemsap, Mr. Bovornrat Darakananda and Mr. Vacharaphong Darakananda
Mrs. Pinijporn Darakananda Kasemsap	<ul style="list-style-type: none"> - Younger sister of Mr. Chutindhon Darakananda - Elder sister of Mr. Bovornrat Darakananda and Mr. Vacharaphong Darakananda - Younger sister of the husband of Mrs. Chantorn tree Darakananda
Mr. Bovornrat Darakananda	<ul style="list-style-type: none"> - Younger brother of Mr. Chutindhon Darakananda and Mrs. Pinijporn Darakananda Kasemsap - Elder brother of Mr. Vacharaphong Darakananda - Younger brother of the husband of Mrs. Chantorn tree Darakananda
Mr. Vacharaphong Darakananda	<ul style="list-style-type: none"> - Younger brother of Mr. Chutindhon Darakananda, Mrs. Pinijporn Darakananda Kasemsap and Mr. Bovornrat Darakananda - Younger brother of the husband of Mrs. Chantorn tree Darakananda
Mr. Nanthiya Darakananda	<ul style="list-style-type: none"> - Cousin of Mr. Chutindhon Darakananda, Mrs. Pinijporn Darakananda Kasemsap, Mr. Bovornrat Darakananda and Mr. Vacharaphong Darakananda

IOD's Accreditation and Certification Training Program of the Board of Directors About the Responsibility and Skills of being the Director

Thai Institute of Directors Certification Programs (Thailand Institute of Directors : IOD)													
	Director Accreditation Program (DAP)	Director Certification Program (DCP)	Audit Committee Program (ACP)	Role of the Compensation Committee (RCC)	Chartered Director Class (CDC)	Director Diploma Examination	Monitoring the System of Internal Control and Risk Management (MIR)	Monitoring the Internal Audit Function (MIA)	Monitoring of the Quality of Financial Reporting (MFR)	Monitoring Fraud Risk Management (MFM)	Finance for Non-Finance Director (FN)	Advanced Audit Committee Program (AACP)	Ethical Leadership Program (ELP)
1	Miss Dalad Saphthavichaikul	9/2001	10/2005	-	-	4/2001	-	-	-	-	1/2001	-	13/2018
2	Mr. Chutindhon Darakananda	-	-	-	-	-	-	-	-	-	-	-	-
3	Miss Pakpachong Vadhanasindhu	58/2005	36/2011	-	-	-	14/2013	12/2012	15/2012	6/2011	-	-	-
4	Mrs. Suttima Jamnamwej	-	-	-	-	-	-	-	-	-	-	34/2019	-
5	Mr. Anon Sirisaengtaksin	73/2006	-	-	-	-	-	-	-	-	-	-	-
6	Mr. Yanyong Tangchitkul	-	-	-	-	-	-	-	-	-	-	-	-
7	Mrs. Busarakham Nilavajara	-	-	-	-	-	-	-	-	-	-	-	-
* 8	Mr. Pittawat Prertitumrong	-	-	-	-	-	-	-	-	-	-	-	-
9	Mrs. Chantomtree Darakananda	-	-	-	-	-	-	-	-	-	-	-	-
10	Mr. Preecha Shunhavanich	-	-	-	-	-	-	-	-	-	-	-	-
11	Mr. Supakit Puangbua	-	-	-	-	-	-	-	-	-	-	-	-
12	Mrs. Pinijporn Darakananda Kasemsap	-	-	-	-	-	-	-	-	-	-	-	-
13	Mr. Bovornrat Darakananda	-	-	-	-	-	-	-	-	-	-	-	-
14	Mr. Vacharaphong Darakananda	69/2006	-	15/2012	7/2013	19/2006	-	-	-	-	-	-	-
15	Mr. Nanthiya Darakananda	212/2015	-	-	-	-	-	-	-	-	-	-	-

* Remark : In 2020, Director No. 8 attended the Director Accreditation Program.

Board Structure and Company Executives

As of 31 December 2020

Board of Directors

• Miss Dalad	Sapthavichaikul	Chairman
• Mr. Chutindhon	Darakananda	Vice Chairman
• Miss Pakpachong	Vadhanasindhu	Independent Director
• Mrs. Suttima	Jamnarnwej	Independent Director
• Mr. Anon	Sirisaengtaksin	Independent Director
• Mr. Yanyong	Tangchitkul	Independent Director
• Mrs. Busarakham	Nilavajara	Independent Director
• Mr. Pittawat	Prerttitumrong	Independent Director
• Mrs. Chantorntree	Darakananda	President
• Mr. Preecha	Shunhavanich	Vice President
• Mr. Supakit	Puangbua	Director
• Mrs. Pinijporn Darakananda	Kasemsap	Director
• Mr. Bovornrat	Darakananda	Director
• Mr. Vachaphong	Darakananda	Director
• Mr. Nanthiya	Darakananda	Director
• Mrs. Chadaporn	Jiemsakulthip	Company Secretary

Audit Committee

• Miss Pakpachong	Vadhanasindhu	Chairman of the Audit Committee
• Mrs. Suttima	Jamnarnwej	Director
• Mr. Anon	Sirisaengtaksin	Director

Nomination and Remuneration Committee

• Mr. Yanyong	Tangchitkul	Chairman of the Nomination and Remuneration Committee
• Mr. Anon	Sirisaengtaksin	Director
• Mr. Chutindhon	Darakananda	Director

Risk Management Committee

• Mrs. Chantorntree	Darakananda	Chairman of the Risk Management Committee
• Mr. Preecha	Shunhavanich	Director
• Mr. Vachaphong	Darakananda	Director
• Mrs. Srinual	Sombatpraiwan	Director and Secretary

Investment Committee

• Miss Dalad	Sapthavichaikul	Chairman of the Investment Committee
• Mr. Chutindhon	Darakananda	
• Mrs. Chantorntree	Darakananda	
• Mrs. Pinijporn Darakananda	Kasemsap	
• Mr. Bovornrat	Darakananda	
• Mr. Vachaphong	Darakananda	

Executives

• Mrs. Chantorntree	Darakananda	President
• Mr. Preecha	Shunhavanich	Vice President
• Ms. Ruangdao	Supachorncharan	Account and Finance Department Manager

Remark : 1. Mrs. Suttima Jamnarnwej was appointed to be a Chairman of the Audit Committee, effective January 1st, 2021.
2. Mr. Nithiphan Darakananda was elected to be a Company's Director, as the replacement of Mrs. Busarakham Nilavajara, who resigned from the Director, effective January 1st, 2021.



Direct Investment of Saha-Union (in Group Companies)

as at 31 December 2020

Group of Business	Company's name	Registered capital (Baht)	Paid-up capital (Baht)	Paid-up per share (Baht)	Investment %	Investment per share (Baht)
	Saha-Union Public Company Limited	3,000,000,000	3,000,000,000	10.00		
Textile Business	Zhejiang Saha-Union Feilun Thread Industries Co., Ltd.	USD 30,300,000	USD 30,300,000		39.590	37.71
	Union Textile Industries Public Company Limited	600,000,000	600,000,000	10.00	49.882	10.73
	Union Garment Co., Ltd.	25,000,000	25,000,000	50.00	99.987	90.71
	Union Universe Co., Ltd.	1,875,000	1,875,000	25.00	49.865	25.31
	Union Micronclean Co., Ltd.	5,000,000	5,000,000	10.00	25.001	10.00
	Union Spinning Mills Co., Ltd.	200,000,000	200,000,000	100.00	25.000	93.13
Plastic, Rubber and Metal Business	Union Pioneer Public Company Limited	75,000,000	75,000,000	10.00	48.958	14.46
	Union Plastic Public Company Limited	250,000,000	250,000,000	10.00	49.521	19.02
	Union Zojirushi Co., Ltd.	600,000,000	600,000,000	100.00	51.000	100.22
	Union Stainless Steel Products Co., Ltd.	40,000,000	40,000,000	100.00	98.000	133.70
	Union Rubber Products Corp., Ltd.	20,000,000	20,000,000	100.00	99.998	80.56
	Thai Rubber Enterprise Co., Ltd.	32,000,000	32,000,000	100.00	50.849	106.36
	Union Nifco Co., Ltd.	100,000,000	100,000,000	100.00	30.002	105.18
	Union Thai-Nichiban Co., Ltd.	15,000,000	15,000,000	100.00	40.286	319.72
Trading Business	Computer Union Co., Ltd.	100,000,000	100,000,000	100.00	98.486	105.16
Energy Business	Zhejiang Jiashan-Union Cogeneration Co., Ltd.	USD 36,900,000	USD 36,900,000		56.929	34.58
	Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.	RMB 300,000,000	RMB 300,000,000		25.000	4.99
	Yunnan Energy Luliang-Union Cogeneration Co., Ltd.	USD 24,658,660	USD 24,658,660		40.000	42.30
Hotel Business	The Royal Hotel Co., Ltd.	3,000,000,000	3,000,000,000	10.00	96.000	10.00
Hospital Business	Sukhumvit 62 Medical Ltd.	956,250,000	956,250,000	100.00	41.830	100.00
	Navavej International Plc.	1,350,000,000	1,350,000,000	10.00	30.000	10.00
Investment Business and Others	Saha-Union International Ltd.	HKD 404,500,000	HKD 404,500,000	100.00	99.988	4.72
	Saha-Union Investment (China) Co., Ltd.	USD 45,000,000	USD 45,000,000		100.000	34.95
	Taixing Union Zond Chemicals Co.,Ltd.	USD 27,930,000	USD 27,930,000		23.845	32.88
	Jiangsu Zhonglian-Union Carpet Co.,Ltd.	RMB 79,394,073.79	RMB 79,394,073.79		25.000	4.86
	Saha-Union International Taipei Ltd.	TWD 5,000,000	TWD 5,000,000	25.00	10.000	0.77
	Saha-Union Holding Co., Ltd.	1,600,000,000	1,300,000,000	100, 25	99.540	81.25
	Venus Shoes Co., Ltd.	72,000,000	72,000,000	100.00	76.000	80.42
	Union Printing Corp., Ltd.	30,000,000	30,000,000	10.00	94.735	10.37
	Union Equity Co., Ltd.	160,000,000	160,000,000	10.00	99.794	10.01
	Union Shoes Co., Ltd.	24,000,000	24,000,000	24.00	61.910	35.68
	Union Construction Corp., Ltd.	600,000,000	600,000,000	100.00	62.487	100.14
	Saha-Union Property Co., Ltd.	500,000,000	125,000,000	25.00	99.999	25.00
	Saha-Union Wealth Plus Co., Ltd.	500,000,000	125,000,000	25.00	99.999	25.00
	Union Nakhon Co., Ltd.	350,000,000	210,000,000	60.00	75.000	60.00
	Uni-Fibre Co., Ltd.	120,000,000	120,000,000	100.00	26.867	173.81
	Uni-Agro Co., Ltd.	65,000,000	65,000,000	100.00	30.000	104.95
	Union Thread Industries Co., Ltd.	200,000,000	200,000,000	10.00	24.898	10.41
	Union Industries Corp., Ltd.	150,000,000	150,000,000	100.00	24.900	116.01

SUC Investment at cost (Baht)	Book Value per share (Baht)	Market Value per share (Baht)	Investment Market Value (Baht)	Registration Date	Nature of Business
	53.27	33.00		10 Aug. 1972	Investment, distribution of raw materials and products manufactured by group companies
452,337,284.26	15.97	15.97	191,572,446.90	20 Jun. 2003	Contract manufacture and distribution of textile products
321,180,863.41	16.95	15.30	457,916,760.00	21 Mar. 1977	Manufacture and distribution of textiles
45,348,117.52	29.16	29.16	14,578,133.76	26 Apr. 1974	Manufacture and distribution of garments
946,455.06	64.05	64.05	2,395,405.95	7 Mar. 1968	Distributor of Grand Slam shirts
1,250,405.30	103.38	103.38	12,923,223.66	24 Jan. 1996	Manufacture and distribution of anti-electrostatic and dust clothing
46,563,324.78	117.19	117.19	58,595,000.00	4 Jun. 1971	Manufacture and distribution of thread
53,084,046.25	53.88	69.25	254,273,535.00	8 Oct. 1973	Manufacture and distribution of elastic products
235,432,531.30	18.82	17.00	210,462,210.00	3 Jan. 1969	Contract manufacture of plastic products, manufacture and repair of molds
306,658,338.14	165.90	165.90	507,653,336.40	18 Aug. 1986	Manufacture and distribution of vacuum stainless bottles
52,411,447.56	131.44	131.44	51,524,217.12	16 Dec. 1988	Manufacture and distribution of stainless steel kitchenware
16,110,954.50	103.32	103.32	20,663,483.40	24 Mar. 1971	Manufacture and distribution of rubber products
17,307,345.10	304.63	304.63	49,568,784.34	9 Jul. 1970	Rubber estates
31,556,005.62	420.61	420.61	126,193,094.64	3 Nov. 1988	Manufacture and distribution of plastic parts and molds
19,320,357.67	2,887.54	2,887.54	174,491,154.66	21 Jun. 1973	Manufacture of adhesive paper, corrugated adhesive paper, clear tape and OPP tape
103,571,432.35	209.03	209.03	205,864,449.68	18 Nov. 1982	Computer and accessories dealer
726,355,952.94	40.42	40.42	849,102,050.76	15 Aug. 1994	Power generation
374,415,749.43	8.78	8.78	658,500,000.00	19 Nov. 2002	Power generation
417,270,553.54	12.45	12.45	122,800,126.80	6 Jul. 1994	Power generation
2,880,000,000.00	9.46	9.46	2,724,480,000.00	2 May 2014	Hotel
400,000,000.00	99.50	99.50	398,000,000.00	6 Mar. 2014	Hospital
405,000,000.00	8.16	8.16	330,480,000.00	8 Jul. 2015	Hospital
1,907,800,576.88	4.43	4.43	1,791,713,500.00	18 Aug. 1972	Investment
1,572,809,060.01	48.25	48.25	2,171,250,000.00	19 Jan. 1995	Investment
218,957,706.00	24.83	24.83	165,367,800.00	29 Aug. 2007	Manufacture of Phthalic anhydride & Fumaric acid and associated products
249,239,518.07	8.96	8.96	177,842,721.28	21 May 2007	Manufacture of automobile carpet
385,917.66	2.08	2.08	1,040,000.00	8 Nov. 1984	Investment
1,294,019,006.88	55.52	55.52	884,233,505.92	14 Nov. 1989	Investment
44,006,626.43	103.81	103.81	56,805,143.43	29 Sep. 1988	Dormitory rental and services
29,465,812.50	7.60	7.60	21,599,580.00	10 Jul. 1970	Rental services
159,770,484.00	21.03	21.03	335,786,872.23	31 May 1989	Investment
22,087,110.54	44.95	44.95	27,828,545.00	5 Aug. 1986	Rental services
375,457,200.00	94.63	94.63	354,789,634.90	7 Sep. 1973	Real estate development
124,999,875.00	26.11	26.11	130,549,869.45	22 Apr. 2013	Investment
124,999,875.00	29.19	29.19	145,949,854.05	16 May 2013	Investment
157,499,880.00	49.43	49.43	129,753,651.14	22 Aug. 2013	Real estate development
56,037,633.16	1,024.54	1,024.54	330,312,720.54	5 Nov. 1980	Investment
20,464,690.80	105.34	105.34	20,541,300.00	22 Aug. 1972	Investment and agriculture
51,861,469.06	142.45	142.45	709,342,595.50	2 Nov. 1973	Investment
43,328,196.18	1,402.01	1,402.01	523,650,735.00	23 May 1961	Investment and real estate rental

Group Companies 13,359,311,802.90
Other Companies 1,654,386,177.43
Total 15,013,697,980.33

Group Companies 15,400,395,441.51
Other Companies 2,135,151,000.37
Total 17,535,546,441.88



Business Results and Five Years Financial Status

Separate Financial Statements

(Unit : Million Baht)

	2020	2019	2018	2017	2016
Revenues					
Sales and service income	575.7	929.3	1,220.7	1,234.5	1,176.4
Export sales	338.5	372.7	425.7	506.2	482.5
Local sales	237.2	556.6	795.0	728.3	693.9
Dividend income	922.6	874.5	829.3	910.0	1,082.6
Other income	105.8	94.0	90.5	154.9	537.4
Total revenues	1,604.1	1,897.8	2,140.5	2,299.4	2,796.4
Expenses					
Cost of sales and services	566.2	919.1	1,203.1	1,219.2	1,158.0
Selling and distribution expenses	6.1	6.7	7.2	9.5	8.8
Administrative expenses	103.3	111.1	109.3	110.3	100.4
Other expenses	103.6	20.6	(2.7)	46.0	258.6
Total expenses	779.2	1,057.5	1,316.9	1,385.0	1,525.8
Profit before finance cost and income tax income (expenses)	824.9	840.3	823.6	914.4	1,270.6
Finance Cost	(2.5)	(2.4)	(3.1)	(5.5)	(2.0)
Profit before income tax income (expenses)	822.4	837.9	820.5	908.9	1,268.6
Income tax income (expenses)	0.3	0.9	(0.1)	(5.1)	(87.6)
Equity holders of the Company	822.7	838.8	820.4	903.8	1,181.0
Earnings per share (Baht)	2.74	2.80	2.73	3.01	3.94
Dividend per share (Baht)	1.50	1.50	2.00	2.00	2.00
Dividend per net profit (%)	54.70%	53.65%	73.14%	66.39%	50.80%



Business Results and Five Years Financial Status

Separate Financial Statements

(Unit : Million Baht)

	2020	2019	2018	2017	2016
Assets					
Cash and cash equivalents	489.2	306.2	827.7	1,466.7	2,070.6
Trade and other receivables	80.8	155.8	188.3	137.1	229.1
Short-term loans to related parties	568.3	463.0	276.4	155.5	2.1
Other current financial assets	1.6	-	-	-	-
Other current assets	1.2	1.3	40.6	33.9	25.3
Investment in associate held for sale	-	-	-	-	169.7
Investment in subsidiaries, joint ventures, associates and other companies	11,840.2	13,610.7	13,466.6	13,147.6	11,652.4
Other non-current financial assets	2,135.2	-	-	-	-
Investment properties	1,487.7	1,494.1	1,142.2	1,148.7	1,155.1
Property, plant and equipment	33.0	39.1	45.8	50.3	57.8
Other non-current assets	15.3	16.8	9.7	5.0	7.2
Total assets	16,652.5	16,087.0	15,997.3	16,144.8	15,369.3
Liabilities and shareholders' equity					
Trade and other payables	50.9	66.3	122.3	106.9	91.8
Deposits from related parties	422.2	356.7	315.4	683.8	664.3
Other current liabilities	9.8	10.9	0.9	1.2	53.8
Other non-current liabilities	187.4	154.0	182.1	184.8	87.3
Shareholders' equity					
Issued and fully paid	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0
Share premium	2,599.0	2,599.0	2,599.0	2,599.0	2,599.0
Retained earnings	9,728.3	9,358.2	9,117.8	8,896.1	8,592.3
Other components of shareholders' equity	654.9	541.9	659.8	673.0	280.8
Total shareholders' equity	15,982.2	15,499.1	15,376.6	15,168.1	14,472.1
Total liabilities and shareholders' equity	16,652.5	16,087.0	15,997.3	16,144.8	15,369.3
Book Value per share (Baht)	53.27	51.66	51.26	50.56	48.24

Revenues Structure of the Company and Its Subsidiaries

Comparative from 2018-2020

(Unit : Million Baht)

[illegible]



Investment Structure of the Company and Its Subsidiaries

Group of Business	Company's Name	% Investment Equity Method	Group of Business	Company's Name	% Investment Equity Method
Textile Business	Zhejiang Saha-Union Feilun Thread Industries Co.,Ltd.	57.57	Investment Business and others	Saha-Union International Ltd.	99.99
	Union Textile Industries Plc.	51.42		Saha-Union Investment (China) Co., Ltd.	100.00
	Union Garment Co., Ltd.	99.99		Union Energy (Hong Kong) Co., Ltd.	100.00
	Union Universe Co., Ltd.	49.87		Shanghai Dacity Co., Ltd.	100.00
	Union Micronclean Co., Ltd.	51.00		Taixing Union Zond Chemicals Co., Ltd.	29.65
	Union Spinning Mills Co., Ltd.	51.99		Jiangsu Zhonglian-Union Carpet Co., Ltd.	35.00
	Union Zip Co., Ltd.	24.85		Wuhan Taicang Car Internal Decoration Parts Co., Ltd.	35.00
	Venus Thread Co., Ltd.	24.90		Zhonglian-Union Carpet (Foshan) Co.,Ltd.	21.00
Plastic, Rubber and Metal Business	Union Pioneer Plc.	52.73		Jiangsu Zhonglian-Union Carpet (Teiling) Co., Ltd.	35.00
	Union Plastic Plc.	49.69		Zhuji-Union Real Estate Co., Ltd.	25.00
	Union Zojirushi Co., Ltd.	51.00		Saha-Union International Taipei Ltd.	42.30
	Union Stainless Steel Products Co., Ltd.	98.00		Saha-Union Holding Co., Ltd.	99.54
	Union Rubber Products Corp., Ltd.	99.99		Venus Shoes Co., Ltd.	99.99
	Thai Rubber Enterprise Co., Ltd.	50.85		Union Printing Corp., Ltd.	94.74
	Union Nifco Co., Ltd.	50.00		Union Equity Co., Ltd.	99.79
	Union Thai-Nichiban Co., Ltd.	40.29		Union Shoes Co., Ltd.	98.23
Trading Business	Computer Union Co., Ltd.	98.49		Union Construction Corp., Ltd.	99.99
	Computer Union System Co., Ltd.	99.99		Saha-Union Property Co., Ltd.	99.99
	Soldev Co., Ltd.	61.00		Saha-Union Wealth Plus Co., Ltd.	99.99
Energy Business	Zhejiang Jiashan-Union Cogeneration Co., Ltd.	75.96		Union Nakhon Co., Ltd.	77.49
		50.00		Uni-Fibre Co., Ltd.	62.35
	Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.	50.00		Uni-Agro Co., Ltd.	44.94
	Yunnan Energy Luliang-Union Cogeneration Co., Ltd.			Union Thread Industries Co., Ltd.	36.89
				Union Industries Corp., Ltd.	29.46
Hotel Business	The Royal Hotel Co., Ltd.	96.38		Union Business Management Co., Ltd.	37.54
				Union Management and Service Co., Ltd.	24.87
Hospital Business	Sukhumvit 62 Medical Ltd.	41.83		Union Asset Management Co., Ltd.	24.90
	Navavej International Plc.	30.00		Union Enterprise Holdings Co., Ltd.	22.32
				Union Capital Holdings Co., Ltd.	29.46
				PSV Molds Co., Ltd.	25.00
				Tencate-Union Protective Fabrics Asia Ltd.	49.35
				Union Asset Holdings Corp., Ltd.	40.27
				Union Langsuan Residence Co., Ltd.	29.40
				Union Ratchaprasong Co., Ltd.	29.46
				Union Pathumwan Co., Ltd.	35.99
				Venus Corp., Ltd.	31.79
				Union Wealth Management Co., Ltd.	29.46
				Union Lumpini Co., Ltd.	29.46

Textile Business

Type of Products or Services

There are 3 categories in manufacturing and selling textile products.

1. Sewing accessories such as zippers, thread, and elastic.
2. Woven fabric. The process of manufacturing starting from spinning and weaving such as 100% cotton, polyester cotton and/or other synthetic fiber with special characteristics for making workwear and fabric used in other industries.
3. Cleanroom Garments.

Supply of Products for Manufacturing or Services

The production of woven fabrics starts from spinning the yarn to weaving fabric. The main raw materials used in producing the yarn are cotton which is 100% imported from overseas and synthetic fiber which mainly was purchased from local suppliers and some from abroad. For cleanroom garments production, the main important materials used for this production are fabric and sewing accessories. Fabric used in this category came from both importing from other countries and purchasing from the local suppliers depending on customers' desires. Most of the sewing accessories came from local suppliers.

Performance in 2020

Woven fabric, with most of the sales are from abroad, in 2020, the economic situation of the major trading partners contracted. As a result, orders from customers were greatly reduced. Throughout the past years, the production and distribution of woven fabrics have suffered many obstacles, such as the constantly declining orders from major customers and low profit margins, while the price competition is intense. This is because competing countries have lower production costs. These reasons have caused the Company's competitiveness to deteriorate. Moreover, the machinery used in the production has been in used for more than 30-40 years, thus the limitations in developing new products. All these factors rendered Union Textile Industry Public Company Limited (UT), which is a subsidiary, to continuously operate at loss for its core business. In addition, in the year 2020, the textile industry was affected by the COVID-19 epidemic. Its exports to the main markets dropped considerably compared to 2019. The situation is expected to remain throughout 2021. UT's Board



of Directors, therefore, considered the risk that may cause damage to shareholders if UT will continue to operate its textile business. The Board of Directors eventually decided to cease the production and the textile business, which is its main business as of June 1, 2021 (according to the plan to cease the production and the textile business) and will seek new businesses in the future.

Cleanroom Garments. The Company focused on varieties of high-quality products, marketing flexibility that suits all customer needs, on-time delivery, without minimum order quantity that is a common limitation in the garment industry. In 2020, both sale and performance of this business grew from 2019.

Trends of the Industry and Competition

Cleanroom garments in the ready-to-eat food industry and pharmaceutical industry are being promoted within the country and are constantly growing. There are a few competitors in cleanroom garments. Our strengths against competitors are quality and customization to meet the specific needs of our customers.

Plastic, Rubber and Metal Businesses

Type of Products or Services

The production and sales in the Group Companies of plastic, rubber and metal businesses are divided into 4 categories:

1. Plastic products. The Companies produces plastic parts using plastic injection molding process. The main products consist of parts used in motorcycles and automobiles, electronic appliances, electronics, and household items. The Companies also design and manufacture plastic injection molds, offering spray-painting and silk-screen painting services.

2. Rubber and rubber products. The Group has a complete range of operations on rubber industry ranging from owned rubber plantations that yield rubber latex to be used for production of rubber blocks and smoked sheets. The rubber blocks are used for making elastic threads, elastic bands, elastic webbings and elastic braids, which are mostly used as components in manufacturing products such as garments, textiles, medical equipment, exercise equipment, physical therapy equipment, diapers or for other purposes depending on customers' business needs.

3. Adhesive Tape products. The rubber blocks and smoked sheets are used in manufacturing high quality rubber-based glue for adhesive tapes such as paper tapes, transparent tapes, masking tapes and printing tapes used for packaging industry and office supplies.

4. Stainless steel products. The Company's stainless steel products include vacuum bottles and food containers, stainless steel tubes and household products.



Plastic, Rubber and Metal Businesses

Supply of Products for Manufacturing or Services

The Group Companies of plastic, rubber and metal businesses have its facilities located in Min Buri District, Bangkok Metropolis, and Bang Pakong District, Chachoengsao Province. As for the sourcing raw materials for productions, they vary according to the types of industries.

Plastic products. Plastic-pallets are the main raw materials required for the manufacturing, sourced from both local and overseas suppliers.

Rubber and rubber products. The main raw material is natural rubber which is supplied from the rubber plantations and the Company's subsidiary's rubber factory, as well as from other suppliers.

Adhesive tape business. Rubber-based adhesive for coating the tape is mainly composed of natural rubber and chemical substances. The tape is made of Cellophane and OPP (Oriented Polypropylene), kraft paper, and crepe paper, all of which are sourced from both local and overseas suppliers.

Stainless steel business. The main raw material is stainless steel sheets supplied by both local and overseas suppliers.

Performance in 2020

In 2020, the overall performance of Plastic, Rubber and Metal Businesses achieved less than expected due to the domestic economic stagnation and global economic recession, coupling with stronger Baht appreciation.

Plastic parts production for industry and molds are mainly for automotive industry such as automobiles, pick-up trucks, and motorcycles. In 2020, automotive and parts industry was greatly affected by the COVID-19 epidemic due to travel restrictions, causing the demand for automotive use worldwide to decline. In addition, consumers were unable to carry out normal economic activities. They had to struggle with lower incomes and were likely to save their

money for necessities rather than cars, as a result. Another reason was the fact that production supply chains are in countries affected by the pandemic, such as China, the United States and Europe.

Union Nifco Co., Ltd. saw its performance lower than planned and inferior to the year 2019. In the past year, the company tried to control its production costs and to improve its production efficiency using manpower more efficiently, developing employee skills, while adopting more automation to replace labors and to allow for better control over the quality. In addition, the Company jointly developed and designed molds with partners, resulting in new projects and new businesses in addition to the automotive segment, with the goal of generating more sales and profits. In addition, in 2020, the Company established a sales office in Hanoi, Vietnam, to promote the expansion of business base in Vietnam and other ASEAN countries in the future.

Regarding Union Plastic Public Co., Ltd. in 2020, suffered a loss mainly because the sales did not perform as intended due to economic contraction that resulted in lower purchasing power and a higher competition. In the past year, production efficiency improvements were implemented to continuously increase profitability, such as developing and improving production processes to control production costs, reducing expenses and the amount of waste, raising the quality standards of products, and creating customer satisfaction. This included enhancing and developing employee skills





such as injection techniques, spray-painting, and mold design.

Rubber block, white crepe rubber, and smoked rubber sheet manufacturing relies on rubber latex supplied from Group companies and sourced from external suppliers in order to manufacture extra quality products to supply Group companies. The Company adopted integrated agriculture to generate additional incomes. The rubber latex yields heavily rely on the seasons, resulting in price fluctuation. The overall performance in 2020 was better than the year of 2019.

Production of elastic products from natural rubber and artificial rubber by Union Pioneer (Public) Co., Ltd. in 2020 enjoyed significantly increased sales and profits mainly due to the COVID-19 epidemic situation. Customers increased their orders for elastic products to be used in the manufacturing of face masks. The main customers in the medical supplies sector continuously increased their orders due to the increasing demand for medical supplies. Meanwhile, the sales to the garment industry customers decreased significantly. In the past year, the Company tried to adapt to maintain its competitiveness. It also tried to develop and improve internal processes for maximum efficiency in production, reducing marketing costs and emphasizing to increase sales among existing key customers while expanding the market to new customers both domestically and abroad by offering outstanding quality of products, along with variety and safety in compliance with OEKO-TEX® Standard 100 Class I (For baby articles), which is considered the most reliable level.

Natural rubber adhesive tape products in 2020 performed well, even though the total market shrank but the

company tried to constantly improve on production processes and to seek alternative materials to reduce cost in the future, as well as finding new material suppliers for an option.

Stainless steel vacuum bottle' production by Union Zojirushi Co., Ltd. underperformed in 2020 mainly due to the situation of the COVID-19 epidemic that resulted in the global economy stagnation, including in Thailand. Purchasing power receded as people were less likely to make purchases, together with the gradual appreciation of Baht that severely affected the Company's main revenues from exports. However, the Company kept improving its production capacity while reducing waste, adopting new techniques and machinery to strengthen the production, as well as improving personnel skills.

Stainless tube manufacturing in 2020 saw sales and profits lower than planned. In 2021, the Company has to put more attention to its cost control, while offering new product lines to meet all customer needs in the hope to expand its customer base and promote the sales growth.

Trends of the Industry and Competition

The year of 2021 is going to be a challenging year for automotive and overall industry sector as a result of several risk factors such as the global economic recession, Baht appreciation, the drought, the high level of household debts, stricter credit policies from financial institutes that will affect the sales volume of automotive market, and most importantly, the COVID-19 pandemic outbreak that is making the global economy suffer, putting most businesses under great pressure.

Trading Business

Characteristics of Business

Computer Union Co., Ltd., has been operating computer and Information Technology (IT) business since 1982 as one of the early IT investors in Thailand. We currently offer a wide variety of computer and IT products and services for all types of business, ranging from 'Small Office Home Office' (SOHO) to larger enterprises in Bangkok and its environs, and across the regions of Thailand. In 2012, the Company's trading business expanded to the Lao People's Democratic Republic and Myanmar as a distributor for hardware and software products.

Type of products or services

The Company is an authorized dealer and distributor of products and also services provider as follows:

- Authorized dealer for server and storage products of IBM (Thailand) included products of IBM (Thailand) Global Technology Services (GTS), including Maintenance Agreement (MA), system installation, GTS Implementation Services and Cloud Services;



- Authorized dealer in Lenovo (Thailand), CommVault, T-max, Pure Storage Inc., Ronsyys, NCR, Lexmark International Co., Ltd., Samsung (Thailand) Co., Ltd.
- Authorized Dealer in Lenovo products (PC, ThinkPad, Server) including hardware products (HP, Ronsyys, Epson, Samsung, Canon, Fujitsu, Dell, Acer, etc.
- Repair and maintenance services provider for hardware, software and Network System including equipment as well as design work and system development.
- Distributing and offering installation service for closed-circuit television cameras (CCTV) and other security systems.
- Design, application software development for Mobile Application like IOS and Android as well as installation and consulting service.
- Media data recovery service (Hard Disk, Flash Drive, Memory cards) by Clean room class 100 since 2004, including all operating systems (DOS, Windows, Linux, Unix, Novell, Macintosh), which treated customer information as strictly confidential.

Supply of Products for Manufacturing or Services

The Company's trading and services business involves selling products which are supplied from distributors in Thailand such as IBM Thailand Co., Ltd. Some products are also imported from IBM overseas. The Company has a policy to stay open for collaboration with new manufacturers so as to provide a great variety of products for customers, either as an authorized dealer or project partner.

Performance in 2020

The operating results were good. Sales were higher than that of last year. The impact of COVID-19 and measures to prevent epidemic have caused a slowdown in many business segments such as tourism-related businesses, such as hotels and restaurants. However, key business groups such as government, finance, and banking sectors continued to invest in the infrastructure to prepare for the digital era of economy. Overall, the operating results were not much impacted compared to other business sectors.

Trends of the Industry and Competition

The business is constantly growing due to the increase in demand for IT from both government and public sectors as a result of the Government's Thailand 4.0 policy. The overall products and services provided by the Company focus on fulfilling the market demands for mobile technology and digital transformation. The Company now offers more flexible IT services in response to changes in customer behaviors, changing from asset sales to leasing that charges customers per usage. With a reliable financial system that is highly competitive and intermittent determination to improve its personnel in skills and expertise, along with well-recognized quality of products and services. The company has been serving our valued customers and gaining their trust for over 30 years.

The competition is likely to be fiercer in the future, particularly in pricing as new players, both local and overseas, are continuously entering the domain with new technologies such as cloud computing services, social media networks and platforms, as well as developing tools for computer software and mobile applications.

Hotel Business

Type of Products or Services

The Royal Hotel Co., Ltd., an investor of a five-star hotel on the beachfront center of Hua Hin Town. The Hotel is 17-story high, with 296 rooms of various types. Each room offers the spectacular view of the Gulf of Thailand. The Hotel has a total of 5 conference and banquet rooms capable of serving approximately 500 guests. There are a total of 7 bars, bistros and restaurants, as well as a spa, a fitness center, tennis courts, squash courts, a swimming pool, as well as other facilities.

Supply of Products or Services

The hotel is operated under the name HILTON HUA HIN RESORT & SPA.

Performance in 2020

During 2020, the outbreak of Coronavirus Disease 2019 (COVID-19) greatly affected the hotel business which is related to the tourism sector. The foreign tourist market vanished due to international travel restrictions. Hilton Hua Hin Resort & Spa had temporarily closed since April 2020, in accordance with the government's surveillance measures to prevent and shut down COVID-19 epidemic-prone sites and resumed its service again on June 26, 2020 with an

emphasis on selling to domestic customers. Although the Thai government continues to stimulate the economy and domestic tourism, such volume of income cannot compensate for income from foreign tourists. In addition, tourism is only concentrated in certain provinces and seasons, thus a highly competitive environment in the business. At the end of 2020, a new wave of COVID-19 emerged, severely impacted domestic tourism that was about to recover.

Trends of the Industry and Competition

The new outbreak of COVID-19 at the end of December 2020 affected the hotel sector more severely than the first incident because the number of infected people was much higher, making it more difficult to estimate how long the situation would recover. Therefore, Thailand's tourism sector in 2021 is likely to be more sluggish than in 2020. However, for 2021, the COVID-19 vaccine will be the hope of the tourism sector. Many countries around the world have started vaccinating their citizens. Once enough people are vaccinated worldwide, it is expected that the third quarter to the fourth quarter of the year will be positive for tourism and hotel businesses.



Hospital Business

The Company invested in 2 projects of the hospital and healthcare business:

1. Navavej International Public Co., Ltd., serves approximately 150 beds initially and is capable of expanding up to 300 beds. It is expected to open in the first quarter of the year 2020.



2. Sukhumvit 62 Medical Co., Ltd., or Ruamjai Hospital, as 134-bed hospital. This project is under construction and tend to be commenced in early of the year 2022.

Energy Business in the People's Republic of China

Type of Products or Services

At present, the Company has investments in energy business in the People's Republic of China in the form of cogeneration plants that produce and sell power and steam, operating 3 joint ventures with the State-Owned Chinese Enterprises: two in Zhejiang Province; Zhejiang Jiashan-Union Cogeneration Co., Ltd. and Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd. with the generation capacity of 33 megawatts and 60 megawatts respectively; and one in Yunnan Province named Yunnan Energy Luliang-Union Cogeneration Co., Ltd. Recorded impairment reached net investment capital in 2017.

Supply of Products for Manufacturing or Services

The cogeneration plants in Zhejiang Province, the People's Republic of China is mainly powered by coal which is mostly supplied from coal mines in the Northwestern part of the country.

Performance in 2020

The two cogeneration plants in Zhejiang Province performed quite well.



Trend of the Industry and Competition

Cogeneration plant business is regarded as the nation's utility. Its production and sales volumes depend on the country's economic growth.

Regarding the business competition, all electricity generated will be sold to the local electricity authority for a fixed price. Steam is mostly sold to factories within the industrial estate for agreed prices. The steam delivery is done by piping through underground internal network systems designed and approved by the industrial estate authority. As a result, this prevents the problem of competing with overlapping steam pipelines from other power plants.



Corporate Social Responsibility (CSR)

The principle activities of Saha-Union Public Company Limited are investments in textile, plastic, rubber, metal, trading, energy and hotel businesses, including other businesses in the People's Republic of China such as property, chemical and automobile carpets. The Company has conducted business with the sense of corporate social responsibility (CSR) for the economic benefit of all stakeholders by concerning with the social and environment for its sustainable growth.

The scope of this Corporate Social Responsibility (CSR) report is focused on the Company which is the invested company. According to the disclosure information standards, the risk factor in business was taken into consideration as it is reflecting the way the Company operates its business and the report was done in accordance with the guidelines set by the Stock Exchange of Thailand (SET), issued by the Office of the Securities and Exchange Commission (SEC). The following report of CSR performance was done in consideration of stakeholders, namely investors and or shareholders, employees, associates, customers, business partners, debtors, competitors, communities, relating organizations and intellectual property owners. The Company's operations of CSR under the organizational competencies and currently available resources (in 2020) consist of:

1. Fair Business Operations

The Company conducted the business with morality and fairness as following:

1.1 Fair Competition

The Company committed to do business fairly without taking advantage of its rivals. Therefore, no prior business information or any relating information was used to compete with business rivals or to discredit them. The Company would not disseminate any partners' confidential information. Any agreement made would be followed earnestly.

1.2 Corporate Social Responsibility (CSR) in the Business Value Chain

The Company's joint ventures were equally treated and had the equal rights as shareholders. They were paid the same amount of dividend and at the same time as those of the Company. All joint venture's benefits were not abused due to the accuracy, completeness and ethical transparency of financial and related information.

1.3 Respect for the Property of Others and Infringement of Intellectual Property

The Company made an announcement of the policy to its employees' violation. All executives and employees were encouraged to use real copyright of products, equipment and services.

2. Anti-Corruption Measures

2.1 The anti-corruption policy

In 2017, The Company has formulated written policies for all companies of Saha-Union Group: "Anti-corruption Policy" and "Policy of corruption leads-reporting and complaint-filing" (See www.sahaunion.com). The policies have been provided to be executed as guidelines to the Company Group's work in order that its management would be efficient, transparent and verifiable, enabling every group of stakeholders to be assured. The Company's executives and employees were informed of the policy statement through training by way of printed documents containing summary with compliance illustrations to ensure that they understand and abide by the policies. Besides, the policy statement was publicly accessible and visible to the executives and employees as well.

Moreover, to affirm and demonstrate the Company's commitment and to disseminate the anti-corruption policy, the Company sent the above-mentioned policies to all stakeholders. Then, they were required to acknowledge and sign them back to the Company.

The Company set the code of conduct as prescribed by the Board of Director. It holds a policy of doing business based on the Company's ethical values and good corporate governance and honestly working without corruption. This policy was enforced not only among the Company and the Company group in Thailand but also the overseas Company. All the accounting reports must be done with transparency and accuracy including correct tax calculation and payments. There were not any bribes paid to any persons involved. As a result, the related authorities always received the correct information. The Company would pay taxes correctly. The government would not lose its benefit. This is the policy that the Company has followed consistently. In this way, the Company has earned trust from both the government sector and the society.

2.2 Guidelines according to the Policy

The Company has instilled high a value of integrity, quality and services all the way from management to employees. Laws and regulations will be observed and followed strictly by raising awareness of both executives and employees. Moreover, employees will receive a Guide to Rules and Regulations for Employees, as stated in chapter 6, "The discipline and disciplinary sanctions article 6.1 (f)", article 6.2 (4) "Work with honesty" and article 6.3, "Violation Penalty Policy" and "The Termination of Employment". In order to comply with the Company's policy in business operations, an internal control system was established to efficiently and productively monitor and track any corruption, all of which would go under an inspection procedure conducted by the internal auditing department.

The Company has established Guidelines for Directors and Employees according to the 8 anti-corruption policies;

- Guidelines regarding Conflict of Interest,
- Guidelines regarding Security Trade and Insider Trading,
- Guidelines regarding Procurement,
- Guidelines regarding for Receiving or Giving Assets or Other Incentives that may Influence One's Decision,
- Guidelines regarding Charity Donation and Financial Support Provision,
- Guidelines regarding Political Issues.
- Guidelines regarding Contact with Government Sectors,
- Guidelines regarding Taxes

2.3 The Disclosure of Performance and Progress in Practice

In 2020, there were not any issues or substantial faults involving the prosecutions, investigation, allegations or any lawsuit regarding unfair competition operation, corruption, discrimination or unequal employment, non-compliance with laws, including getting fined or non-fine penalty in any violations caused by non-transparent or incorrect operation of previously mentioned matters.

3. The Respect for Human Rights

The Company promotes basic human rights of freedom, equality in expression, including rights in economic, social and cultural status to which all individuals concerned are entitled according to the highest standards possible.

3.1 Respect Human Rights Principles at Work

The Company has a policy of basic human rights, for example, employee rights to express their opinions. The Company will indiscriminately listen to employees' agendas and put it into consideration to

find measures to prevent or release, and or correct the effects of the matters caused by the organization's activities. As for the right of investors or shareholders, the Company will indiscriminately respect their right of both local and foreign investors. The Company will receive and response to the comments from the minor shareholders with respect. The Company has established an investor relations department to help provide information as well as the opportunity for the shareholders to propose the agenda since October 1st to December 31st of each year. Furthermore, the Company will respect the customers and partners' rights based on the mutual agreement.

3.2 Policy and Guidelines at work

Since the Company's main business is both domestic and overseas investments, the policy of human rights is firmly established to observe the rights of the invested companies' employees are not violated but individually, fairly and indiscriminately respected. Also the employees' safety and occupational health measures are legally established and strictly followed.

3.3 Important Measures on Labor Rights

The Company's policy offers its employees the labor rights in accordance with the relating law and standards. The employees receive benefits based on the Company's rules and regulations, including provident funds. The representatives from the Company and the Group Company, periodically participate in the meetings to oversee possible labor problems, sort out corrective action plans to work peacefully together.

4. Practice on Fair Labor

The one important stakeholders in an organization are staff or employees. The Company attaches importance to human resources matter consistently as it is an essential mechanism in driving the organization to achieve its economic targets as well as creating the impact in the society.

4.1 Employment and Benefits

The Company's human resource management policy is setting up criteria for employment, benefits, salary based on job position and fringe benefits. Employees will be treated fairly and will not be exploited. Employees will receive their pay in full and on time. In addition to benefits offered to employees in accordance with the Company's rules and regulations not less than determined by law or more as appropriate, the contributions and benefits from employees' provident funds, based on the funds' regulations are included. Moreover, the employees are offered the benefits from Employee Savings and Credit Cooperatives of Saha-Union Group. The Company will allow employees holidays, sick leave and annual vacation based on years of service to the company. Moreover, the employees benefit the right of yearly physical examination according to the regulations. In 2020, the Company had 74 employees in total, 16.92% were newly employed and 13.84% were out of employment status. 100% were the rate of employee retention or those returning to work after maternity leaves. The Company offers its employees equal labor rights and benefits, regardless of gender.

4.2 Occupational Health and Safety

The Company considers the employees' occupational health and safety. For example, water of good clean quality as well as drinking water is provided to promote healthy employees, including annual health examinations. Schedule routine-maintenance for workplace's air-conditioning system as well as provide a good work environment and adequate workspace. Routinely inspect the elevator system including setting up the alarm systems. A number of fire extinguishers are installed properly in

each location and routinely maintained. Employees have been trained to be prepared for a case of fire, being able to use fire equipment and escape routes.

The Company does not commit any pollution emissions to the nearby area. The employees' work environment carries high standards of occupational health and safety. In addition, the executives will accept (if any) complaints and take any measures necessary for improvement in accordance with the company's emphasis on employees' well-being policy.

Due to the spread of the Coronavirus 2019, or COVID-19 that has been in place since the end of 2019 and lasts through 2020, the Company places great emphasis on the health and safety of the employees, who are the foundation and important drive force for the organization. Executives, together with the management, have set "Measures to prevent infection and the spread of the COVID-19 virus", including implementing a protocol for entering and exiting the office buildings, such as a temperature check before entering the building, rearrangements of the workplace, designation of walking routes within the buildings and elevators, taking into account the practice of 'social distancing' as well as adjusting the working days and time of employees traveling by public bus and public electric trains to avoid congestion during rush hour. The Company is also allowing managers of each department to consider working from home practice for employees and conducting online meetings to avoid traveling and reduce going out which will help stop and prevent the spread of the disease.

To cooperate with government agencies, the Company decided to postpone traditional holidays during the Songkran Festival to reduce the spread of the disease during Songkran that would be bound to happen as many people travel and gather during long holidays. The company distributed cloth face masks made from clean room fabric produced by the Group Company to the employees in order to help prevent infection from secretions. Alcohol gel for cleaning and disinfection is also distributed. In addition, hand gel diffusers have been installed at different spots so that the employees can always make sure their hands are clean after touching things.

4.3 Diversity and Equal Opportunity

The Company employs diversified group of employees, regardless of their genders, races, religions, age, education and others. The policy of equal treatment and opportunity employment is firmly held in place. For example, employees, regardless of gender, will receive their pay equally such as basic salary rate based on job description. Moreover, the Company gives employees the opportunities to improve their learning and competences which match their job description, including promotion potential to a higher position.

5. Responsibilities to Consumers (Customers)

The Company adheres to its standards of product quality or services, of which is for not only consumers' health safety but also at reasonable price based on the agreed quality.

5.1 Health and Safety of Customers

The Company products which are raw materials used in woven fabric such as cotton and synthetic fiber, and stainless steel, all of which are used to manufacture garments, elastic bands and vacuum bottles, respectively. The Company selectively offers the products with high quality and safe to human body. Stainless steel used in the manufacturing of vacuum bottles are of very high-quality standards with good protection and durable. Also, under the Group Company's manufacturing process, the vacuum bottles offer consumers a very safe and healthy product. The food coloring used in this product is at the safety level for consumers. Therefore, the consumers can trust the Company's product

quality as well as those manufactured and distributed by the Group Company. Similarly, the Company exports high quality adhesive tape products under the trademark of “Unitape, Panfix, Fuji and Nichiban”. In addition, the Company will not only maintain the quality of products but also take responsibility in tracking the shipment, its quality, price and agreement’s time period.

In 2020, the Company and key companies in each business group were not exposed to any legal issues related to terms and conditions of products and services. The key company in textile business conducted a survey to study customer satisfaction, of which the details are as follows:

Description	Unit	2018	2019	2020
Customer Satisfaction Survey	Percentage	95	92	94
Customer Complaints	Time (s)	10	5	3

5.2 Product Labels and Services

The Company not only offers to its customer’s high-quality products but also provides a communication on products and correct instructions. This is to achieve the Company’s objectives of offering high quality products to its customers as much as maximizing the use of products. The Company will clearly label the product according to standards by showing its name, its brand name, its capacity, bar code data, its ingredients by identifying the Universal Product Code (if any), its qualification, its use recommendation, its warnings and manufactured date according to the international laws and standards. The information provided will be all valid information.

5.3 Marketing communications and customer Privacy

The Company’s main business is an investment and trading with the partners who are not the end user. Since the Company did not have marketing expense, the merchandise price did not have to absorb the advertising costs, therefore, the sale price is very reasonable. The Company is aware that good ethical business practices can lead to business sustainability. Up to now, the Company has never disclosed customers’ confidentiality, nor exploited it to the Company or relating party’s benefit without permission.

In the past, the Company never got fined from violations of consumer protection laws and other relating regulations.

6. Responsibilities to Partners

The Company offers fairness in purchasing, hiring process, including agreement with our partners, reliability in business confidentiality, solemn compliance with the promised conditions or agreements. The Company communicates with partners information about its anti-corruption policies to ensure morality, honesty, sincerity, and quality for mutual long-term benefits.

7. Environment Conservation

The Company’s major business is an investment, there was not any significant element that requires natural resources where living organisms might be affected by their operations. The Company and its other businesses’ operations emitted neither pollution nor polluted water that might destroy the environment. The Company promotes efficient use of energy and water.

The Company is aware of the value of resources, thus promoting and encouraging efficient use of energy and water among executives and employees, such as turning off appliances when not in use, adjusting air conditioners to a proper temperature, reducing office paper use by reusing on both sides and also opting to use proper toilet paper to reduce the amount of use

However, its invested company has invested in the use of natural resources and environmental conservation including complying with any relating laws and regulations.

7.1 Sustainable Utilization Strategy of Natural Resource

The Company invested in the Cogeneration Plant in Zhejiang Province, in the People's Republic of China which uses coal as fuel. Therefore, the Company did a study of how to reduce coal consumption. By using modern technology of recycling the ash, the residual waste from coal can be used as fuel as well. This method not only helps reduce the consumption of natural resources but also improves the performance since production costs are lower.

7.2 Prevention and Reduction of Pollution Impact

Every factory in which the Company has invested is a manufacture industrial factory. All of them have pollution prevention systems and are invested in programs that reduce environmental pollution impact. Such management are implemented according to the standards and laws. To give an example, the elastic band factory has 2-step-wastewater treatment system. Until the wastewater was tested safe, not creating any pollution to the environment, it will be released from the factory.

7.3 Eco-Friendly Movement

Since 2019, the Company and Group Companies encouraged all employees to quit using disposable plastic water cups and turn to using tumbler with stainless steel vacuum, our own products, instead. This movement aimed to reduce plastic waste and help relieve the global warming crisis with our high-quality tumbler with stainless steel vacuum which are reusable and long-lasting, capable of keeping temperature for either hot or cold. Employees who wish to purchase a personal tumbler would receive a privilege to buy one for the cost price, once each. Tumblers with stainless steel vacuum were provided for use at the Company's canteen, where they were washed and reused. Employees cooperated very well with this movement.

In addition, the Group has been constantly and solemnly committed to complying with the environmental standards, guaranteed by certificates received such as the environmental management systems (ISO14001:2005) of the two key companies in plastics, rubber, and metal business.

8. Social and Community Development

The Company is aware of stakeholders both in community and those outside the area for a better living. The Company has participated in the following activities;

8.1 Role in the Market and Job Creation

The Company and its invested company developed the community by hiring people mostly from the local area and surrounding communities in order to build a strong foundation for their lives. For example, the invested companies in Bangpakong District, Bang Chan District, and Hua Hin, most of their employees are local residents. Their communities become important labor markets, constantly creating jobs to increase their incomes. As a result, the community and society have been developed.

8.2 Community Involvement

In regard of Item 8.1, the mentioned companies above hold annual religious activities such as Kathin ceremony-that is offering robes to Buddhist monks or Tod Pa Paa, Buddhist Lent Festival at neighborhood temples, and donating some books as well as sports equipment to schools of the communities involved with the Company's business. Moreover, the companies will accept any ideas or complaints

from the residents in order to find the way to improve to the better society.

In 2020, the Company and its subsidiaries did not receive any investigations, accusations or lawsuits that could significantly affect the business operation, reputation or the Company and its subsidiaries' reliabilities over the principles of the above-mentioned operations.

8.3 Social Development

In 2020, the whole world and in Thailand were struck by the outbreak of COVID-19. So as to maintain occupational health and safety to medical personnel, the Company donated 2,400 pieces N95 face masks and 250 sets PPE suits to King Chulalongkorn Memorial Hospital, the Thai Red Cross Society for use in handling COVID-19 patients.

8.4 Personnel Development Strategies

As a company whose main transactions are investments in different businesses, our employees are the key factor that streamlines the Company's activities. With that in mind, the Company focuses on developing a well-informed and skilled team, as well as emphasizing on the recruiting process to make sure that only qualified and desirable persons will join our team and will be able to adapt to our corporate cultures. They are required to understand our vision, mission, and long-term goal so as to support our operations to the fullest with unity. Therefore, the Company launched a strategy to grant scholarships to university students as a part of our CSR activities and HR procedures, which will eventually return the sustainability values to the Company.

9. Corruption Prevention Policy

The Company has developed an Anti-corruption Policy and Guideline Handbook separately from the Corporate Governance Handbook, Code of Business Conduct and Rules and Regulations for Employees in accordance with core values of the Saha-Union, that is integrity, quality and service. These values have been observed by the Company's directors, executives and all employees and regarded as ethical corporate culture which has been promoted and cultivated. It is their duty and responsibility to acknowledge, understand and ensure its rigorous compliance.

The organizational structure is established through a sufficient and appropriate system to prevent business conduct of the Company from any actions related to corruptions, no matter what form of bribery and corruption: seeking, accepting or paying.

The Company provides a system of internal audit to oversee and monitor its compliance with the Corporate Governance Handbook, Code of Business Conduct and rules and regulations for Employees by requiring regular audits. Then, the audit reports will be submitted to the Audit Committee and/or the President. This system includes integrating audits relevant to corruptions into internal audit plans.

The Company will examine and improve standards of anti-corruption measures proposed in the Thailand's Private Sector Collective Action Coalition Against Corruption Project (CAC) and review the Corporate Governance Handbook, Code of Business Conduct and Rules and Regulations for Employees with the aim of adopting clearer and more inclusive guidelines through HR Management, ensuring clear communication to Employees of all levels so that they can practically follow the guidelines.

For more information, please check out the Company's "Anti-Corruption Policies and Practices" on our website: http://www.sahaunion.com/anti-corruption_efforts/

Corporate Social Responsibility (CSR) Activities

2020 marks the year that the novel Coronavirus, or COVID-19, began to spread across the world, resulting in great shortage of protective gears such as surgical face masks, N95 masks and PPE suits. Fully aware of the safety of medical personnel, including those who worked closely with patients, as well as people who were at risk of infection, Saha-Union Public Company Limited, represented by Mrs. Chantontree Darakananda, President, and Mr. Preecha Shunhavanich, Vice President, donated 2,400 N95 masks and 250 PPE suits to King Chulalongkorn Memorial Hospital, the Thai Red Cross Society, via Prof. Dr. Suthipong Watcharasindhu, Medical Director, and Prof. Dr. Ruenruang Leelanukrom, Deputy Director of Service Department, who represented the hospital. In addition, Saha-Union Group donated financial support to King Chulalongkorn Memorial Hospital, the Thai Red Cross Society to assist medical personnel in handling patients with COVID-19.



Other activities organized by Saha-Union Group Companies includes:

Education: Saha-Union Group Companies granted scholarships to engineering students at the Faculty of Engineering, Thammasat University.

Religion: The Company and Group Companies organized and joined religious activities every year.

Environment: Saha-Union Group Companies in Bang Chan District organized an activity on the World Environment Day, cleaning and weeding the canals to maintain water quality in the community, as well as cooperating with the District Office to renovate the landscape along the bank of the Saen Saeb Canal, etc.

Saha-Union Group Companies also supported and developed local communities in the area where the companies in the Saha-Union Group are located; for example, donating face masks to community hospitals and government agencies in Samut Prakan Province, donating face shields to medical staff at Buddhasothorn Hospital, Bang Pakong Hospital, and Phanat Nikhom Hospital in Chachoengsao Province, and Chakri Naruebodindra Medical Institute in Samut Prakan Province, Chonburi Hospital in Chonburi Province, and donating funds for treating COVID-19 patients to Chachoengsao Public Health, etc.

Saha-Union Group Companies in Bang Chan District donated 407,600 baht to purchase respirators for Nopparat Rajathanee Hospital.

A subsidiary operating hotel business in Hua Hin District, Prachuap Khiri Khan Province organized activities to help people in the community and the society, including:

- Donated cooked food to the needy through the Scholars of Sustenance Foundation (Thai SOS)
- Donated old bed sheets to the Animal Hospital, Kasetsart University, Hua Hin
- Donated toys (from Kid's Club) to the Baan Takiab Child Development Center
- Donated aluminum caps for Prostheses Foundation of H.R.H the Princess Mother.
- Donated soap to Somthawin School, Hua Hin District, for use in teaching hygiene to students, etc.



Shareholding Structure

Corporate securities

The Company had a fully paid-up registered capital of Baht 3,000 million, divided into 300,000,000 ordinary shares of Baht 10 each.

- The Company had no types of shares which differed in rights or conditions other than the ordinary shares.
- The Company had no plan to issue and convertible shares to the Thai Trust Fund or to issue non-voting depository receipts (NVDR) which was regarded as a listed security.
- The Company had no securities other than the ordinary shares.
- There was no Shareholders Agreement between groups of major shareholders on effect of the Company's securities issuance or its management.

Shareholders

List of Top 10 major shareholders of Saha-Union Public Company Limited

As of 2 April 2020

No.	Shareholders	Beneficial Owner	Major Business	No. of Shares	Percentage of Shares
1	Group of Companies				
	1.1 Union Thread Industries Co., Ltd.	Darakananda Group	Investment	29,850,000	9.95
	1.2 Union Business Management Co., Ltd.	Darakananda Group	Investment	29,174,000	9.72
	1.3 Union Capital Co., Ltd.	Darakananda Group	Investment	27,011,240	9.00
	1.4 Union Industries Corp., Ltd.	Darakananda Group	Investment	17,988,300	6.00
	1.5 Saha-Union Holding Co., Ltd.	Saha-Union PLC.	Investment	6,133,794	2.04
	1.6 Union Multi-Capital Co., Ltd.	Darakananda Group	Investment	6,082,000	2.03
	1.7 Damrongrak Co., Ltd.	Darakananda Group	Investment	4,078,900	1.36
	1.8 Union Overseas Holdings Co., Ltd.	Darakananda Group	Investment	3,398,200	1.13
	1.9 Union Unity Holdings Co., Ltd.	Darakananda Group	Investment	3,296,700	1.10
	1.10 Darakananda Co., Ltd.	Darakananda Group	Investment	3,000,000	1.00
2	Mr. Chalermchai Mahagitsiri			14,865,400	4.96
3	Mrs. Jarunee Chinnawongworakula			13,934,400	4.64
4	Bangkok Bank Public Company Limited			12,325,000	4.11
5	DBS BANK LTD			12,141,900	4.05
6	Mr. Weerapat Poonsakudomsin			9,711,234	3.24
7	The Southeast Life Insurance Public Company Limited			7,121,000	2.37
8	BANK OF SINGAPORE LIMITED			3,428,400	1.14
9	Mr. Sumeth Darakananda			2,974,814	0.99
10	SS Integration Co., Ltd.			2,887,800	0.96
	Total			209,403,082	69.80

Policy of dividend payment

The Company's policy on dividend payment was a proper rate of return on investment to shareholders, dependent on the performance of the Company, at a rate not less than 1/3 of the annual net profit, after accumulated loss (if any), from the separate financial statement of the Company and depending on the need for investment of the business.

Concerning the subsidiaries' policy on dividend payment for the Company, it is determined by each subsidiary based on its performance.

No.	Name		Shareholding		
			No. of Shares held in 2020	No. of Shares held in 2019	% Change
1	Miss Dalad	Sapthavichaikul	13,052	13,052	-
2	Mr. Chutindhon	Darakananda	3,427,700	3,427,700	-
3	Miss Pakpachong	Vadhanasindhu	-	-	-
4	Mrs. Suttima	Jamnarnwej	-	-	-
5	Mr. Anon	Sirisaengtaksin	-	-	-
6	Mr. Yanyong	Tangchitkul **	434,000	434,000	-
7	Mrs. Busarakham	Nilavajara	-	-	-
8	Mrs. Chantornree	Darakananda **	269,400	269,400	-
9	Mr. Preecha	Shunhavanich **	10,000	10,000	-
10	Mr. Supakit	Puangbua	-	-	-
11	Mrs. Pinijporn	Darakananda Kasemsap**	137,000	137,000	-
12	Mr. Bovornrat	Darakananda	-	-	-
13	Mr. Vacharaphong	Darakananda	50,000	50,000	-
14	Mr. Pittawat	Prerttitumrong	170,124	170,124	-
15	Mr. Nanthiya	Darakananda	-	-	-

Remark : ** Included related person

Director No. 6 held 419,000 shares / Spouse 15,000 shares

Director No. 8 held 17,500 shares / Spouse 251,900 shares

Director No. 9 Spouse held 10,000 shares

Director No. 11 held 12,000 shares / Spouse 125,000 shares

Shareholding of the Executive

No.	Name		Shareholding		
			No. of Shares held in 2020	No. of Shares held in 2019	% Change
1	Ms. Ruangdao	Supachorncharan	-	-	-

Directors' Remuneration

Remunerations for the Company's Directors comprising of Meeting allowance and/or Directors' remuneration, which are fixed based on individual position and previously approved by the 2020 Shareholders' Meeting. Remunerations paid to each Director for the fiscal year 2020 were as follows:

Monetary Remuneration	(Per month : Baht)
Board of Directors : Monthly Remuneration as the position	
- Chairman	340,000
- Vice Chairman	320,000
Remark : Excluded bonus	
Board of Directors : Monthly meeting allowance	
- Chairman / Vice Chairman	12,000
- Executive Director	12,000
- Non-Executive Director	12,000
- Independent Director	12,000
Audit Committee : Montly remuneration	
- Chairman of the Audit Committee	11,000
- Audit Director	10,000
Nomination and Remuneration Committee : Meeting allowance per attendance	
- Chairman of the Nomination and Remuneration Committee	10,000
- Nomination and Remuneration Director	10,000

Table of Remunerations divided by person as the amounts and types.

Unit : Baht

No.	Name	Position	Remuneration					
			Remuneration as the Position	Board of Directors' Meeting Allowance	Audit Committee' Meeting Allowance	Nomination and Remuneration Committee' Meeting Allowance	Total Remuneration	Total Remuneration from Subsidiaries
1	Miss Dalad Saphavichaikul	Chairman	4,590,000	144,000	-	-	4,734,000	232,000
2	Mr. Chutindhon Darakananda	Vice Chairman/ Member of the Nomination and Remuneration Committee	4,320,000	144,000	-	30,000	4,494,000	192,000
3	Miss Pakpachong Vadhanasindhu	Chairman of the Audit Committee/ Independent Director	-	144,000	132,000	-	276,000	-
4	Mrs. Suttima Jamnamwej	Member of the Audit Committee / Independent Director /	-	144,000	120,000	-	264,000	-
5	Mr. Anon Sirisaengtaksin	Member of the Audit Committee/ Independent Director Member of the Nomination and Remuneration Committee	-	144,000	120,000	30,000	294,000	-
6	Mr. Yanyong Tangchitkul	Chairman of the Nomination and Remuneration Committee/ Independent Director	-	144,000	-	30,000	174,000	-
7	Mrs. Busarakham Nilavajara	Independent Director	-	144,000	-	-	144,000	-
8	Mrs. Chantontree Darakananda	President	-	144,000	-	-	144,000	306,000
9	Mr. Preecha Shunhavanich	Vice President	-	144,000	-	-	144,000	56,000
10	Mr. Pittawat Prertitumrong	Independent Director	-	144,000	-	-	144,000	-
11	Mr. Supakit Puangbua	Director	-	144,000	-	-	144,000	-
12	Mrs. Pinijporn Darakananda Kasemsap	Director	-	144,000	-	-	144,000	-
13	Mr. Bovornrat Darakananda	Director	-	144,000	-	-	144,000	-
14	Mr. Vacharaphong Darakananda	Director	-	144,000	-	-	144,000	210,000
15	Mr. Nanthiya Darakananda	Director	-	144,000	-	-	144,000	192,000
			8,910,000	2,160,000	372,000	90,000	11,532,000	1,188,000

Executives' Remuneration

Total remunerations was paid to the 4 Company's Executive and Non-Executive Directors in 2020 amounted to Baht 11,000,438.- comprising of salaries and bonuses. Apart from the aforementioned, other Executive Directors holding equivalent position to the 4th Executive succeeding the President were not entitled to remuneration of this kind, because they had been the Executives in other Group Companies and accordingly received remunerations from those companies in term of salaries and bonuses.

In 2020, the Company paid an aggregate of Baht 102.77 million as remunerations (salaries and bonuses) to totally 48 Executives in 10 Subsidiaries undertaking

Others Remuneration

In addition to the above salaries and bonuses, the Company paid other remunerations to 2 Executive in the form of contributions to Provident Fund, managed by the BBL Asset Management Co., Ltd. as a Fund Manager, at a rate of 3% of individual salary. The other remunerations in 2020 were Baht 154,859.-

Personnel

As of 31 December 2020, the company has had 74 employees. The Company's subsidiaries' total number of employees nationwide is 5,915. In the past 3 years, the Company has not obtained any major labor disputes.

Since year 2007, the Company has made some changes on its structure of management by setting a policy to allow direct sales between subsidiary companies and the customers. In order to provide uninterrupted service to the customers, the Company has relocated some employees to resume the same positions at the subsidiary companies. As a result, the number of employees has significantly changed from the past.

The Company has a policy to pay remuneration to employees in the form of salaries, annual subsidy, gratuity, resignation allowance, Provident Fund contribution, Workmen's Compensation Fund and Social Security Fund contribution.

The Company adjusts annual wages/salaries to employees considering the performance of each employee and the performance of the Company.

Annual subsidy is the prize money that the company allocates to build morale and motivation for employees to see the importance of diligence in performing their duties.

Provident Fund contribution is a benefit that is provided to motivate the employees to work for the company for a long time. The company will pay contributions according to the working period of the employees at the rate of 3% of the employees' salaries.

Social Security Fund Contribution is a benefit that the company provides according to the labor protection law.

The total remuneration of the Company's as of year 2020 came as monthly salary, bonus pay, provident fund and social security fund with the total value of Baht 46.34 million.

The Company's human resource development has set a policy projecting employee self-evaluating, creative thinking and job improvement. The employee should have knowledgeable, ability and skills in accordance with the applicable job description including a potential ability to take on a higher level position. Thus, the Company has been training employees using both inside and outside seminars, depending on appropriate occasions. The Company attends seminars designed for mid-level executives as part of the Company's continuing executive development plan. In addition, there is constant training in preparation for working in various fields and in accounting to support new accounting standards that have already been in effect, such as accounting standards for financial instruments, etc.

Regarding policies about Safety, Occupational Health and Work Environment, the Company emphasizes on providing work safety and hygiene in the workplace. During 2020, there were no accident counts.

The Company has provided a guideline for the Directors, Executives, and Employees of all levels, including additional guideline for the Directors in Corporate Governance Manual and Business Ethics for Executives. Such guidelines in Business Ethics are part of "Employee's Regulations" for all Directors, Executives, and Employees to abide by, contributing to effective corporate administration under the Company's main goals to maintain its core values **"INTEGRITY, QUALITY, SERVICE"**.

Structure of Management

1. Board of Directors

The Company's Board of Directors structure is composed of four committees, namely the Board of Directors of which six or more than one-third of the fifteen directors are independent. The sub-committees are the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee and the Investment Committee.

Here are lists of the committees as of 31 December 2020 with scope of their authorities.

(1) Board of Directors : There are 15 members on the Board of Directors as follows:

1.	Miss Dalad	Sapthavichaikul	Chairman
2.	Mr. Chutindhon	Darakananda	Vice Chairman
3.	Associate Professor Dr. Pakpachong	Vadhanasindhu	Independent Director
4.	Mrs. Suttima	Jamnarnwej	Independent Director
5.	Mr. Anon	Sirisaengtaksin	Independent Director
6.	Mr. Yanyong	Tangchitkul	Independent Director
7.	Mrs. Busarakham	Nilavajara	Independent Director
8.	Mr. Pittawat	Prertitumrong	Independent Director
9.	Mrs. Chantorntree	Darakananda	President
10.	Mr. Preecha	Shunhavanich	Vice President
11.	Mr. Supakit	Puangbua	Director
12.	Mrs. Pinijporn	Darakananda	Kasemsap
13.	Mr. Bovornrat	Darakananda	Director
14.	Mr. Vacharaphong	Darakananda	Director
15.	Mr. Nanthiya	Darakananda	Director

The Board of Directors has authorities in line with the business administration structure as below

1. Plan directions, set goals and business operating policies of the Company.
2. Supervise and oversee business administration, monitor appropriate risk management and make profits so as to make appropriate return on investment to the Shareholders.
3. Supervise and oversee the Company's accounting system in compliance with accounting standard and provide financial reports with complete and accurate records.
4. Ensure a good reputation and image of the Company.
5. Appoint and remove the President of the Company as well as the Managing Director of the subsidiaries of which the Company is a major Shareholder.
6. Stipulate a purview of the Company's President and the subsidiaries' Managing Directors.
7. Make decisions on work plans and annual budgets proposed by the Company's Managing Director.
8. Abide by the laws, objectives, regulations and resolution of the Shareholders' Meeting.
9. Evaluate performance of the President.

Under their power, the Board of Directors may assign one or several member (s) of the Board or other person (s) to perform task (s) on its behalf.

The Board of Directors shall appoint a member of the Board to perform a function of Managing Director who shall have authorities as it is deemed appropriated.

The Board of Directors shall be at least five and a half of its total members shall be resident in the Kingdom of Thailand. Furthermore, at least three-fourth shall be Thai nationality.

The Board of Directors shall be selected by statutory Shareholder meeting in accordance with the rules and procedures for directors and executive's nomination.

Below is a list of six Independent Directors, in other words, more than one-third of the Board of Directors, which comprised of 3 female Independent Directors and 3 male Independent Directors.

- | | |
|---------------------------------------|-----------------|
| 1. Associate Professor Dr. Pakpachong | Vadhanasindhu |
| 2. Mrs. Suttima | Jamnarnwej |
| 3. Mr. Anon | Sirisaengtaksin |
| 4. Mr. Pittawat | Prerttitumrong |
| 5. Mrs. Busarakham | Nilavajara |
| 6. Mr. Yanyong | Tangchitkul |

Criteria for Independent Directors Selection

Independent Directors are selected on the basis of competency, experience and knowledge of business operations relating to those of the subsidiaries. They shall be non executive directors of the Company, with vision, have time to perform duties and be fully qualified in conformity with the rules and official regulations. They are invited by the Nomination Committee to be Independent Directors whom the Company considers to be capable and helpful to manage the Company and the corporate business as well.

Board of Directors' Meeting

Generally, the Company arranges a meeting to be convened at least once a month. They meet to consider the proposals made by executives, to make decisions on issues for further action as it is deemed appropriated and also to follow up performance, aiming at verifying if the business runs as planned or their objectives are attained. In some cases, corrections might be considered and carried out the solutions, personnel may be assigned for further follow-up. In 2020, twelve meetings were held and attended by all Directors with the exception of those who were on duty abroad or absent by force majeure. Since the Company has had a lot of overseas investments and some members of the Board had to take care of and follow up operation of business invested by the Company, they could not be present at the monthly meetings of the year 2020. However, those who have worked for associated companies in Shanghai, Hong Kong or USA, attended the meetings via VDO conferences on the same day. In addition, the Secretary submitted regularly the minutes to all of members, no matter what they were present or absent, to keep them informed and to ask for their suggestions (if any).

Record of 2020 Meeting Attendances of Director

Name		No. of Meeting Attendances
1. Miss Dalad	Sapthavichaikul	12/12
2. Mr. Chutindhon	Darakananda	12/12
3. Associate Professor Dr. Pakpachong	Vadhanasindhu	12/12
4. Mrs. Suttima	Jamnarnwej	12/12
5. Mr. Anon	Sirisaengtaksin	11/12
6. Mrs. Busarakham	Nilavajara	11/12
7. Mr. Yanyong	Tangchitkul	11/12
8. Mr. Pittawat	Prerttitumrong	12/12
9. Mrs. Chantorntree	Darakananda	12/12
10. Mr. Preecha	Shunhavanich	12/12
11. Mr. Supakit	Puangbua	12/12
12. Mrs. Pinijporn	Darakananda Kasemsap	11/12
13. Mr. Bovornrat	Darakananda	11/12
14. Mr. Vacharaphong	Darakananda	12/12
15. Mr. Nanthiya	Darakananda	7/12

Sometimes the director got sick or went to abroad for business trip could not attend the Board of Directors' Meeting.

The Company's Secretary is Mrs. Chadaporn Jiemsakulthip.

The Company's Board of Directors' Meeting No. 12/2013 had a resolution to appoint Mrs. Chadaporn Jiemsakulthip, a full-time employee of the Company, to be a Company's Secretary since 1 January 2014.

Duties and responsibility of Company Secretary

The Company's secretary must perform duties with a sense of responsibility, attentively, honestly as well as loyally, in compliance with the Section 89/15, 89/16, 89/17 and 89/23 of the Securities and Exchange Act (Volume No. 4) B.E. 2551. Besides, she has to comply with the rules of law, the objectives and regulations of the Company, the Board of Directors' resolutions, including the Shareholders' resolutions.

(2) Audit Committee

The Audit Committee comprises of three members who have all necessary qualifications in accordance with the rules set forth by the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). At the meeting held on 19 December 2019, the Board of Directors passed a resolution to appoint the Audit Committee to hold office for the term of three years. In this regard, all members of the Audit Committee are independent directors.

List of the Audit Committee is as follow;

Name		Position
1. Associate Professor Dr. Pakpachong	Vadhanasindhu	Chairman of the Audit Committee
2. Mrs. Suttima	Jamnarnwej	Director
3. Mr. Anon	Sirisaengtaksin	Director

The Audit Director who has knowledgeable about finance and experienced in auditing company

financial statements was Associate Professor Dr. Pakpachong Vadhanasindhu and Mrs. Suttima Jamnarnwej, scholar and experts from the Faculty of Commerce and Accountancy, Chulalongkorn University.

Charter of the Audit Committee shall have duties and responsibilities as follows:

- (1) Ensure the accuracy of Company's financial statement according to certified accounting standards.
- (2) Ensure the effectiveness of Company's internal control, risk management, and internal audit. Assess the independence of internal audit division and propose suggestions for appointment, transfer, or dismiss the internal audit manager.
- (3) Ensure that the Company complies with the laws related to Securities and Exchange, SET regulations, and other laws related to the Company's businesses.
- (4) Consider, qualify, propose or terminate an independent person(s) to be the Company's auditor, and their remunerations. Attend the meeting with auditors by without the Management at least once a year.
- (5) Consider any related transactions or possible conflict of interest to comply with the law and SET regulations to make sure such transactions are reasonable and optimally beneficial to the Company.
- (6) Review the accuracy of references and self-assessment form regarding the Company's anti-corruption measures according to the Collective Action Coalition Against Corruption (CAC).
- (7) Prepare the Audit Committee's Report, signed by Chairman of the Audit Committee, to be disclosed in the Company's Annual Report. Such report involves opinions on the internal control and risk management, as well as other opinions about the performance of the Audit Committee.
- (8) Inform the Management of flaws discovered and urge for solution.
- (9) Monitor and assess the performance deemed necessary by the Audit Committee.
- (10) Perform other tasks assigned by the Board of Directors.

In 2020, the Audit Committee has five meetings. Associate Professor Dr. Pakpachong Vadhanasindhu, Mrs. Suttima Jamnarnwej and Mr. Anon Sirisaengtaksin attended all 4 meetings. Moreover, the Audit Committee was organized a meeting with the Risk Management Committee and another meeting with the Auditor for independently discussion regarding the Auditor's observations and opinions, by without the Company's management.

(3) The Nomination and Remuneration Committee

The Company has appointed qualified and experienced board members as below;

Name		Position
1. Mr. Yanyong	Tangchitkul	Chairman of the Nomination and Remuneration Committee
2. Mr. Anon	Sirisaengtaksin	Director
3. Mr. Chutindhon	Darakananda	Director

The Nomination and Remuneration Committee shall have duties and responsibilities as follows:

1. Establish procedures and selection method for director nomination.
2. Select the persons whose qualifications are in compliance with the government agencies to be nominated as new directors. Such qualifications are based on the principles of good corporate governance in terms of Board of Directors structure.

3. Consider procedures of remuneration for directors, based on their responsibilities, frame of work, performance of the Directors, the Company's performance and financial status, the overall economic situation, compared to other registered companies with similar size of business and/or in a similar industry.
4. Determine the amount and model of Director's remuneration by submitting proposals to the Board of Directors for further propose to the Shareholder meeting's approval

In 2020, four meetings were organized and attended by Mr. Yanyong Tangchitkul and Mr. Chutindhon Darakananda and Mr. Anon Sirisaengtaksin. The Chairman of the Nomination and Remuneration Committee was not Chairman of the Company's Board of Directors.

(4) The Risk Management Committee

List of the Risk Management Committee is as follows:

	Name	Position
1. Mrs. Chantorntree	Darakananda	Chairman of the Risk Management Committee
2. Mr. Vachaphong	Darakananda	Director
3. Mr. Preecha	Shunhavanich	Director
4. Mrs. Srinual	Sombatpraiwan	Director and Secretary

The Risk Management Committee shall have authorities and responsibilities: establish policies and monitor the Company's risk management, conduct reviews of risks and improve risk categories, assess potential risks and their impacts, and also take measures to manage risks and see the outcome. In addition, the Committee may designate a Specific Risk Management Sub-committee to be charged with management as it deems appropriate.

In 2020, one meeting was organized to perform as the scope of duties, the Company's objectives and policy and one meeting were held with the Audit Committee.

(5) The Investment Committee

List of the Investment Committee is as follows:

	Name	Position
1. Miss Dalad	Sapthavichaikul	Chairman of the Investment Committee
2. Mr. Chutindhon	Darakananda	Director
3. Mrs. Chantorntree	Darakananda	Director
4. Mrs. Pinijporn Darakananda	Kasemsap	Director
5. Mr. Bovornrat	Darakananda	Director
6. Mr. Vachaphong	Darakananda	Director

The Investment Committee shall have duties and responsibilities as follows:

1. Seek the opportunity and feasibility study of new projects investment that will bring benefits and progress to Saha-Union Group and propose to the Board of Directors.
2. Have a structure and duties according to what stipulated in the business administration policy and structure guideline approved by the Board of Directors.
3. Perform other tasks assigned by the Board of Directors.

2. Executives

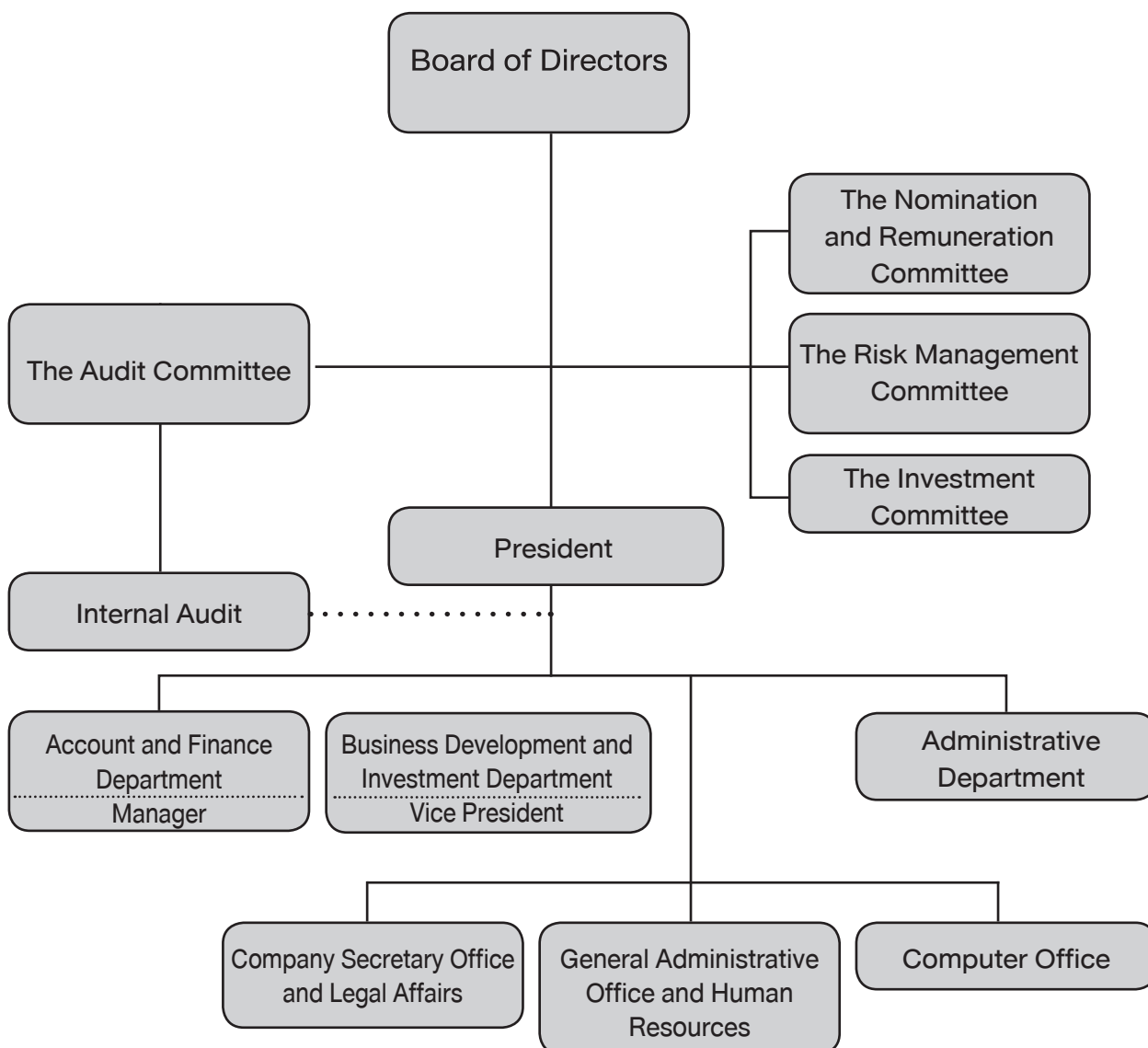
As of 31 December 2020, the Company's Executives were as follows:

	Name	Position
1.	Mrs. Chantorntree Darakananda	President
2.	Mr. Preecha Shunhavanich	Vice President
3.	Ms. Ruangdao Supachorncharan	Account and Finance Department Manager

The Company's organization chart was as follows:

Organization Chart

Dated 1 January 2020-31 December 2020



Nomination of Directors and Executives

Regarding the election of the Company's directors, the Nomination Committee shall recruit persons who are highly qualified or competent and experienced in business administration. In addition, they shall be ready to perform their duties for the Company. Such qualifications shall not be contrary to the regulations of government agencies concerned. Having assessed suitability of interested persons, the Committee suggests them to the Board of Directors who presents to the Shareholders' Annual General Meeting, in accordance with the Company's regulations stipulated below;

1. A Shareholder shall have one vote per one share.
2. Candidates may be elected, at one time, individually or in group, according to the required number of directors at the moment as it is deemed appropriated by the Shareholders' Meeting. The election procedures shall be in line with the public law.
3. Directors shall be elected by majority votes. In case of equal votes, the chairman of meeting shall have a casting vote. Concerning the minor Shareholders, they shall comply with the Company's regulations as mentioned above as their voting rights are not stipulated as a special case. It means that they have equal voting rights.

At the Annual General Meeting, one-third of the directors shall vacate office. In case that the number of directors could not be divided into three parts, the most approximate number to one-third of the directors shall vacate office.

After the Company's registration, directors vacating office in the first year and the second year shall be selected by drawing lots while, in the following years, directors who have held office for the longest time shall vacate office.

Directors vacating office may be re-elected.

In addition to vacating office on the exemption of term, directors vacate office upon:

1. Death
2. Resignation
3. Disqualification
4. Being removed by a resolution of at least three-fourth of the Shareholders attending the meeting and having the voting rights, whose shares, when calculated, are not less than a half of shares held by Shareholders attending the meeting and having the voting rights.
5. The court judgment

All of the Directors were nominated by the Nomination and Remuneration Committee and a resolution on its nomination was adopted by the 2018 Annual General Meeting of Shareholders in the electing directors' agenda.

Corporate Governance

The Board of Directors provides the good corporate governance to support sustainable growth with sharing value among the society and environment, operations and the expectation of stakeholders including customers, partners, employees, shareholders and government agencies.

The company has operated an optimal and sustainable business structure that build confidence among shareholders, government and private agencies, as well as the capital market and the general public.

The Board of Directors has always been committed to corporate governance around principles of virtue, ethics, honesty, prudence and responsibility that cascades down through all employees, resulting in a strong corporate culture.

Over the past 30 years, all employees have adhered to the corporate core value; “Integrity, Quality and Service” as an operational guidepost.

The Company has executed a corporate governance policy with the following key matters.

1. Corporate Governance Policy

The Company regularly reviews its Corporate Governance Policy with the latest edition approved by the Board of Directors on 22 November 2018. The edition was revised to cover the Corporate Governance Code for listed companies 2017 issued by the Securities and Exchange Commission. The policy also included topics on business ethics, anti-corruption and whistle-blowing policy, of which can be viewed on the corporate website at www.sahaunion.com. The details of the policy are summarized as follows.

2. Sub-committee

2.1 The structure of the Board of Directors consists of the Board and four sub-committees, the details of management structure are in the section which comprised of the list of members of the sub-committee and the scope of duty and authority of each committee.

2.2 The Audit Committee according to the details of sub-committee listed above and the Structure of Management section on No 1 (2), in which included the respectable and experienced directors in auditing the financial statements of the Company namely Associate Professor Dr. Pakpachong Vadhanasindhu and Associate Professor Suttima Jamnamwej, scholar and experts from the Faculty of Commerce and Accountancy, Chulalongkorn University.

The detail of the duties of the Audit Committee is specified in No. 7 under a sub-item 7.6.2 under the Responsibility of the Board of Directors, which also indicates the duties and responsibilities of the Audit Committee as well.

3. Nomination and appointment of Directors and Top Executives

(1) Independent Director

The Company’s Nomination and Remuneration Committee had specified the selection process, the scope of duties, responsibilities and operation in section 1(3) structure of management.

The Independent Director had no business relationship and any professional services.

(2) Nomination of Directors and Top Executives

Through the Nomination and Remuneration Committee mentioned above, the Annual General Meeting of the Shareholders has passed the resolution for selecting persons to be appointed as director under the guidelines for the Company's Director's appointment under the Corporate Governance section at item 8.1 regarding the Rights of Shareholder and 8.2 Equality among Shareholders.

4. Supervision of subsidiaries, joint ventures and associated companies

The Company's subsidiaries, joint ventures and associated companies engage in many fields of businesses. The Company has supervised the subsidiaries, joint ventures and monitored the associated companies through the following methods;

- (1) Company's Board of Directors supervises the management and operation of subsidiaries following its objective. Regarding representatives in subsidiaries, the Company assigns the representatives to act as directors or executives to control management and be responsible for the subsidiaries' operation.

Such representatives must be appointed by the Company's Board of Directors. Representatives are sent to the joint ventures and associates to perform their duties as directors of those entities, to provide helpful comments, to acknowledge business trends and operation results of joint ventures and associates in line with the proportion of its shareholding. There will be regular Board of Directors meeting for subsidiaries, joint ventures and associates.

The number of the Directors seat in the subsidiaries, joint ventures and associates must be at least in proportion with the Company's shareholding.

The Company's representative who performed their duties as the directors or executives of the subsidiaries, joint ventures and associates have duties and responsibilities as stated in the management guide, which includes the participation in determining key operating policy for such businesses.

Regarding the supervision of subsidiaries, the Company has done through the Board meeting which regularly holds almost every month to inform the Board on the financial position and operating results or to seek approval on any significant transactions following the relevant mandatory rules.

The Company has determined that its subsidiaries have appropriate and adequate internal audit procedures. The Company has incorporated internal control into 2 steps.

Firstly, the subsidiaries will assess the adequacy of the internal audit by itself. Secondly, the Company's internal audit will randomly inspect the subsidiaries' internal systems through the subsidiaries' internal audit department.

- (2) The Company and shareholders of the subsidiaries, joint ventures and associates have no other agreements which are significant to the business operation or the Group of Companies other than the usual business practice.

5. Insider Information Control

From the beginning, the Company has always prudently operated with the ethical code of conducts for the Company's directors, executives and employees to follow. The Company's core value is emphasizing Integrity, Quality and Service.

Besides, there are other related rules as follows:

- Prohibit the use of either self-authority or other's authority for personal benefit or illegally assisting others.
- Dedicate time and attention to the work for the Company's benefit
- Perform duty with best knowledge and effort
- Perform duty honestly and loyally

The Company exercises disciplinary actions against wrongdoers. If there is any violation of the above mentioned, penalty measures clearly stated in the Company's rules.

Moreover, the Company prohibits and prevents the use of insider information and insider trading practice to avoid an unequal investment opportunity to the public.

The Company's Board of Directors has resolved every year that the executives and Board of Directors must avoid trading the Company's shares 14 days prior to the disclosure date of the Company's annual or quarterly financial statements report and within 24 hours thereafter. The Company's Secretary shall be in charge of making announcements of the Silent Period schedule throughout the year for all directors during the Board of Directors' meeting.

6. Auditor's Remuneration

Audit fee

The auditor of the Company and its subsidiaries for the year 2020 was Mr. Khitsada Lerdwana, Certified Public Accountant No. 4958 (the 5th year auditor) or Mrs. Poonnard Paocharoen, Certified Public Accountant No. 5238 or Ms. Vilailak Laohasrisakul, Certified Public Accountant No. 6140 of EY Office Ltd.

These auditors were independent, had no relationship, and/or conflict of interest with the Company, its subsidiaries, executive, major shareholder, directors or person related to the stated persons. These auditors were certified auditor obtaining approval from the Securities and Exchange Commission (SEC).

At the Annual General Meeting of Shareholders, the Company nominated at least 3 auditors from the same office for consideration. The nominated auditors were qualified entirely according to the Securities and Exchange Commission's requirements and have declared their independence as indicated above for shareholders' consideration.

In the fiscal year 2020, the Company and its subsidiaries paid the audit fee to EY Office Ltd., which is the audit firm the auditor working for totally Baht 11,000,000. The Company and its subsidiaries did not pay audit fee to the auditor directly, any person or business related to the auditor, or other audit firms where the auditor was working for. The Company also did not pay audit fee to the company that owns the audit firm or one owned by the audit firm, or the related company under the common control as the audit firm, whether directly or indirectly.

Non-audit Fee

In the fiscal year 2020, the Company did not pay any non-audit fee to EY Office Ltd. or related companies under common control and there were no other remaining services to be paid in the following year to the auditor or to EY Office Ltd., or to any person/business in connection with the auditor and the audit office where the auditor was working for.

7. Application of Corporate Governance Code for Listed Companies 2017

Once a year, the Board of Directors appropriately reviews and applies Corporate Governance Code for Listed Companies 2017 with the Company's core business, which is the investment business. On the latest edition, the Board of Directors reviewed, improved and passed the Board resolution on 22 November 2018 as disclosed on the Company's website at www.sahaunion.com.

The Corporate Governance (CG) information disclosed by the Company comprises of the structure of the Company's Board of Directors, sub-committees, roles and responsibilities of the Board of Directors based on 8 Principles of CG Code and other relevant matters. The CG best practice details can be summarized as follow.

7.1 Roles and Responsibilities of the Board of Directors as the organization's leader to achieve sustainable value creation.

- The Board demonstrates a thorough understanding of its leadership role whose responsibilities are to ensure the Company operating with good governance. The objectives, goals, strategy and operating policies are defined under the strong ethical practice, with concerning over the potential impact on society and environment. As well, the Board monitors, evaluates and assesses the performance reports.
- The Board has ethically governed the Company to formulate and drive corporate culture under the core value "Integrity, Quality and Service" over the past 30 years.
- In supervising the financial performance, the Board takes into account the changing environment to ensure the Company remains competitive. The Board targets the strong operating results with taking long-term effects into account and being adjustable amid the variable factors.
- The Board prepared the Company's Corporate Governance Manual with written underlying principles and operating guidelines.
- The Board prepared the Code of Conduct Manual, which disclosed on the Company's as indicated above.
- The Company has declared the Corporate Governance Manual and Code of Conduct Manual to directors, executives and employees to acknowledge and sign as the operational guideline. Moreover, there are operational monitor procedures through the self-evaluation of all executives and employees and further audit by the internal audit department.
- The Board will ensure that all directors and executives perform duties responsibly, prudently and honestly as well as prudently comply with entire related laws under the Company's regulation, the Board's resolution, as well as the shareholders' resolution. All actions must be carried out for the best interest of the Company, based on adequate information and without any conflict of interest. All related transactions, asset acquisition or disposal, and dividend payment decisions must be carried out in accordance with the relevant laws.
- The Company prepared Director Manual for every director. The manual ensures a better understanding of roles and responsibilities of the Board of Directors and sub-committees, roles and responsibilities of Chairman, with clearly distinguishing the roles between the Board of Directors, Chairman of the Board, President and management. Director Manual has been reviewed yearly to align with the Company's objectives and directions.
- Governance policy indicated the characteristics, scope of duties and responsibilities of Directors in the Board of Directors such as determining the corporate mission, key business objectives, nomination and remuneration, evaluating directors, create the corporate culture to prudently operate ethically or any other critical issues on the policy planning level. Besides, the governance policy is assigned to be duties and responsibilities of the President or the management to operate business and propose key issue to the Board, such as annual budget approval, ensure adequate risk management and internal audit, provide credible, accurate, complete and timely information disclosure, both financial and non-financial, follow up on operation progress, or other issues that significantly affect operation.
- The Board shall not intervene or take ownership of the responsibility of management, shall not

interfere management decision unless deem necessary, nor violate any relevant law and regulation, such as approving the transaction with conflict of interest.

7.2 Define Objectives and Goals that Promote Sustainable Value Creation

The Board defined objectives or goals that appropriately support the Company's business model, of which the core business is the investment in textile, plastic, rubber, metal, computer, energy, hotel, other business in overseas as well as any business that could be value-accretive for the Company, stakeholders and general public. To determine the business that could create such value, the Company take into consideration the ecosystem, changing factors, requirements of customers and stakeholders, as well as the Company's competitiveness over time. The Company applies innovative technology to serve the changing elements including modernizing information technology system, upgrading the production system of the subsidiaries to improve efficiency, reduce the negative impact on society and environment, and to support longer-term operational growth, which all lead to value creation for all stakeholder in the long run.

The Company determine key objectives, visions, missions and strategies under Corporate Governance Manual as disclosed on the Company's website at www.sahaunion.com on page 4/33 and 5/33, of which are communicated in documents to the Board, executives and all employees under the core value, "Integrity, Quality and Service." These core values have been practiced throughout every level of the organization, resulting in consistent corporate culture over the past 30 years.

The Company and subsidiaries which operate the core business formulate strategies and medium-term plans and annual business plans by taking into account environmental factor, market competition, and their competencies to anticipate and analyze any potential risks. Sometimes, strategies and plans might be reviewed or amended to suit the current situation to ensure long-term competitiveness, while still in line with the Company's key objectives.

The Company provides the particular channel of communication between stakeholders and the Company to obtain accurate information, issues and requirements of each group of stakeholders. For the internal stakeholders, a suggestion box on the 6th floor of the Company's head office is provided. For the external stakeholders, they can communicate via post mail addressing Chairman of the Audit Committee and/or President, Saha-Union Public Co., Ltd. 1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260, or the corporate website. When the Company receives the issues or expectations from any stakeholders, it will identify and prioritizes them based on the level of importance and impact then addresses the issues that could create co-value with such stakeholder.

Everyone in the organization, as well as related persons, well acknowledge that the Company will only perform legally and ethically.

The Company conducts the follow-up and monitoring practices to ensure that the implementation of the company's strategies and plans are consistent with the plan. The Company must provide the responsible person to report to the Board every month of the subsidiary or affiliate's status.

7.3 Strengthen Board Effectiveness

7.3.1 The structure of the Board of Directors comprises of 15 members including both independent directors and executive directors, which is suitable for the Company's operation that invests in various businesses, both domestic and overseas.

- The Board of Directors comprises of executives and experts with diversified skills, experience and various abilities suitable for the company's core businesses.

- There are nine non-executive directors out of a total of 15 directors, or 60 percent, more than

half of the Board members. The remainder are six executive directors to oversee and represent business investments. The balanced proportion between executive directors and non-executive directors provide support for proper checks and balances.

- The portion of the non-executive directors around half of the total executive directors enables the former to exercise objective and independent judgement on the executive actions.
- There are six independent directors out of a total of 15 directors, or more than one-third of the Board members. All of which are qualified with all applicable legal requirements stipulated by the Securities and Exchange Commission and the Stock Exchange of Thailand. The independent directors and the entire board can collaborate and fulfil their role and responsibilities efficiently and in the best interest of the company while exercising objective and independent judgement.
- The Company determined that the Board of Directors must be comprised of persons with knowledge, skills and experience applicable to the Company's core businesses and investments with no gender discrimination. Every director must be qualified with all applicable legal requirements stipulated by relevant regulators. Details of the Board, such as directors' age, gender, education, experience, shareholding percentage, years of service as a director, and director position in other listed company, are disclosed under the section Structure of Management.

7.3.2 Chairman of the Board, the Board's composition and independent judgement

- Chairman is independent and non-executive director
- Chairman is a different individual from President and has different roles and responsibilities. There are clearly defined roles and responsibilities of both positions.
- The Chairman is responsible for leading the Board with duties as followed:
 1. Oversee, monitor, and ensure that the Board efficiently carries out its responsibilities to achieve the Company's objectives and goals.
 2. Ensure that all directors contribute to the company's ethical culture and good corporate governance.
 3. Call for the Board meeting by sending the invitation and related documents to all directors at least 7 days before the meeting.
 4. Set the Board meeting agenda by discussing with the President which essential matters should be included.
 5. Preside over the Board meeting and allocate sufficient time for management to propose topics and for directors to debate essential issues thoroughly. Encourage directors to exercise independent judgement in the best interest of the company. Conclude the Board meeting's resolution.
 6. Promote a good and constructive relationship between the executive and non-executive directors, and between the Board and management.
 7. Preside over the shareholders' meeting to ensure that it is conducted according to the Company and relevant laws and regulations. Allocate sufficient time for shareholders to make the inquiry or provide feedback fairly. Ensure that shareholder's inquiry is appropriately and transparently responded.
- The Company does not establish the policy that the tenure of an independent director should not exceed a cumulative term of nine years from the first day of service since the Company deems independent directors are sufficiently independent and exercise objective and independent judgement that benefit the Company's operation.
- The Company set up sub-committees to prescreen the issues before bringing such matter to the consideration of the Board, such as related transactions, assessment of internal audit and risk management, and to recommend action for Board's approval.

- The Board oversees the information disclosure about the roles and responsibilities of the Board and the sub-committees, the number of meetings and the number of meetings attendants in meetings throughout the previous year, and other relevant information as disclosed under the section 1 and the Board of Directors and the sub-committee performance item 7.3.3 and 7.3.4. The Board must approve this information before being disclosed in the Annual Report.

7.3.3 The selection and nomination of directors and directors' remuneration

The Company has a clear and transparent policy and procedures for the selection and nomination of directors resulting in the desired composition of the Board. The Company proposes the directors' remuneration for shareholders' approval. The Company forms the Nomination Committee and the Remuneration Committee as one committee. Most members of the committee accounting 66.67 percent, are independent directors, including the Chairman are an independent director. The Committee has highly experienced and well-qualified directors. They are:

	Name	Position
1. Mr. Yanyong	Tangchitkul	Chairman of Nomination and Remuneration Committee / Independent Director
2. Mr. Anon	Sirisaengtaksin	Nomination and Remuneration Director / Independent Director
3. Mr. Chutindhon	Darakananda	Nomination and Remuneration Director

The scope of duty and responsibility of the Nomination and Remuneration Committee are as followed:

1. Conduct the meeting to set up guidelines for nominating the Company's director, as well as the selection process.
2. Select the qualified persons suitable to be nominated for new directors, according to the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as the Corporate Governance Principles regarding Board of Directors. Upon proposal to and approval by the Board of a candidate, the candidate is nominated to the shareholders' meeting for election and appointment as a director.
3. Review the guidelines of the director's remuneration every year. Benchmark the remuneration with listed companies of similar size and taking into account the responsibilities, experience, Company's performance and economic circumstance.
4. Set the value and form of remuneration for the director. Upon proposal to and approval by the Board, the remuneration plan is presented to the shareholders' approval.

In 2020, the committee conducted three meetings for considering the relevant matters with members' full attendance on 19 March 2020, 4 May 2020 and 23 November 2020. Further details could be seen in the Annual Registration Statement (Form 56-1).

- The Board of Directors has engaged a professional search firm to recruit the new directors.
- Each director's remuneration from the Company and/or subsidiary (if any) has been disclosed in the table under the section Structure of Management.

7.3.4 Nomination of Audit Committee and related responsibilities

The Board appoints Audit Committee which comprised exclusively of independent directors who are qualified following the requirements of relevant regulators. The Audit Committee has a scope of responsibilities and other details as mentioned in section 7.6.2.

7.3.5 Director's responsibility in allocating sufficient time to perform their duties effectively.

- Every director understands his or her duties very well. The Board sets the dates of the meetings

in advance for the whole year to ensure that directors can attend all sessions. Every director usually attends every meeting unless in the event of unforeseen, such as crucial overseas engagement, accident or sickness. The attendance record of every director is listed individually under the section Structure of Management.

- The Company does not set any criteria limiting the number of director positions directors can hold simultaneously in other companies because there are many subsidiaries and affiliates that the Company is investing in across many industries. The directors are representing those companies to monitor and ensure operations are consistent with the Company's objectives. Therefore, multiple director positions in these affiliated companies are benefiting the Company. In the meantime, the number of listed companies each director holds directorship position does not exceed five companies.

- The Company secretary collected information about directors holding positions at other companies every year. Such information is publicly disclosed as part of Directors profile in both the Annual Registration Statement (Form 56-1) and Annual Report.

- The Company establishes an information security measures and procedures with the information retention system.

For the information that should be publicly disclosed, such as market-sensitive information, related transaction, asset acquisition or divestment, dividend payment, and so forth, the Board will discuss the matters in the Board meeting and disclose through the Electronic Company Information Disclosure (ELCID) system of the Stock Exchange of Thailand to all shareholders and investors within the same day.

7.3.6 The investment in subsidiaries and other businesses supervision framework

The core business of the Company is the investment in subsidiaries, joint ventures and affiliates. The Company, therefore, has to define operating guidelines for executives, management and authorized persons in subsidiaries to oversee and monitor businesses in which the Company has a significant investment in, which could be summarized as follow:

- To determine written policies governing subsidiaries and communicate those policies to directors or managements supervising such businesses.

- The Company's Board of Directors appoint subsidiary directors, executives, or others with governing power to the business in which the Company has a significant investment.

- Defines duties and responsibilities of the Company's representatives, subsidiary's senior executives, finance and accounting manager, and so forth to perform following the prescribed authority with emphasizing in the subsidiary's best interest and consistent with the governance framework and policies of the Company in the same time.

- Ensures subsidiary's internal control systems are effective and that all transactions comply with relevant law and regulations. Subsidiary must complete self-evaluation regarding its internal audit for the parent Company every year and will be subjected to periodically audited by the Company's internal audit.

- Requires subsidiary and business in which the Company has a significant investment in to disclose financial information, related-party transactions, acquisition and disposition of assets and other important transactions to the Company at least every quarter and financial information every quarter.

- For the business in which the Company has a significant investment in, the Company ensures that written shareholder agreements are in place to enable the company's performance monitoring and participation in the businesses' management, including for approval of significant transactions and decisions. This is also used as the information for the Board meeting discussion and shareholders' resolution, of which the information and financial statements have complied with relevant rules and regulations.

7.3.7 Annual performance evaluation of the Board The Board of Directors has regularly evaluated their operational performance once a year both individually and the entire Board. Besides, the sub-committee's performance (the Nomination and Remuneration and the Audit Committee) is also evaluated once a year by assessing the Committee as the whole. The results are collected by the secretary of the sub-committee and the Company's secretary. The results are reported to the Board to review the performance, issues and obstacles during the past year enhancing the Board's effectiveness following the Corporate Governance Principles. The matters are disclosed on the Annual Report.

The criteria and process of performance evaluation of the Board of Directors on a group basis are as following.

Key Performance Evaluation Criteria	Performance Evaluation Process
The evaluation is divided into six topics following the guidelines of the Stock Exchange of Thailand 1) Structure and qualifications of the Board of Directors 2) Roles, duties and responsibilities of the Board of Directors 3) The meetings of the Board of Directors 4) The performance of the Board of Directors 5) Relationship with the management 6) Self-development of Directors and the development of the management	1. The Board of Directors conducts the entire Board's performance evaluation at least once a year
	2. The Company Secretary summarizes and submits the Board of Directors' evaluation results to the Nomination and Remuneration Committee to review the evaluation results and the guidelines to develop and improve their efficiency
	3. The Nomination and Remuneration Committee presents the evaluation results and the efficiency improvement guidelines to the Board of Directors

In 2020, the average score of the Board of Directors' self-evaluation on a group basis was 96.22.

The criteria and process of the performance evaluation of the Board of Directors on an individual basis are as following.

Key Performance Evaluation Criteria	Performance Evaluation Process
The evaluation is divided into three main topics according to the guidelines of the Stock Exchange of Thailand including; 1) Structure and qualifications of the Board of Directors 2) Roles, duties and responsibilities of the Board of Directors 3) The meetings of the Board of Directors	1. The Company's Directors conduct self-evaluation individually at least once a year
	2. The Company Secretary summarizes and submits the Board of Directors' individual evaluation results to the Nomination and Remuneration Committee to review the evaluation results and the guidelines to develop and improve the efficiency.
	3. The Nomination and Remuneration Committee presents the evaluation results and the efficiency improvement guidelines to the Board of Directors

In 2020, the average score of the Board of Directors' self-evaluation individually was 95.76.

The criteria and process of the performance evaluation of the sub-committee-the Nomination and Remuneration Committee on an individual basis are as following.

Key Performance Evaluation Criteria	Performance Evaluation Process
<p>The evaluation is divided into three main topics following the guidelines of the Stock Exchange of Thailand.</p> <p>1) Structure and qualifications of the Nomination and Remuneration Committee</p> <p>2) Roles, duties and responsibilities of the Nomination and Remuneration Committee</p> <p>3) Meetings of the Nomination and Remuneration Committee</p>	1. The Company Secretary submits a self-evaluation form to each member of the Nomination and Remuneration Committee to evaluate their performance individually at least once a year
	2. The Company Secretary collects and summarizes the evaluation results to propose the Nomination and Remuneration Committee and the Board of Directors for their acknowledgement.
	3. The Nomination and Remuneration Committee and the Board of Directors will review the evaluation results together and provide suggestions on areas that should be improved to further enhance the efficiency.

In 2020, the average score of the Nomination and Remuneration Committee's self-evaluation individually was 97.06.

The criteria and process of the performance evaluation of the Audit Committee on an individual basis are as following.

Key Performance Evaluation Criteria	Performance Evaluation Process
<p>The evaluation is divided into four main topics. Three out of four topics are following the guidelines of the Stock Exchange of Thailand, and another one topic is noted on the Audit Committee's report to the Board of Directors.</p> <p>1) Structure and qualifications of the Audit Committee</p> <p>2) Roles, duties and responsibilities of the Audit Committee</p> <p>3) Meetings of the Audit Committee</p> <p>4) Reports of the Audit Committee</p>	1. The Audit Committee's individual evaluation is conducted once a year. The Company Secretary will propose to the Audit Committee to conduct the evaluation at their meeting in the third quarter every year.
	2. The Secretary of the Audit Committee summarizes and proposes the evaluation results to the Audit Committee meeting in the fourth quarter of every year.

In 2020, the average score of the Audit Committee's self-evaluation individually was 99.57.

7.3.8 Training and development of Board of Directors' roles and responsibilities

The Company has constantly ensured that every individual director is provided adequate knowledge and better understanding to perform duties and responsibilities. The Company supports and encourages the director to receive essential and sufficient training and development from external institutes, such as in the area of relevant rules and regulations, laws, financial and so forth.

- For the information regarding the business operation, environment, internal and external changing factors, operating performance and other relevant matters, the Board regularly receives up-to-date information from the Company to enable the Board better understand and perform.
- The newly appointed director will receive a formal and proper introduction and all information relevant to their responsibilities and performing their duties, including details about the company's objectives, vision, missions, core value, the nature of the business, and other relevant company's

operations from the Company's management (New director's orientation). Besides, the new director will be provided training about director's duties from the Thai Institute of Directors (IOD), for instance, DAP and DCP programs or DAP and ACP programs for Audit Committee.

- The training and knowledge development of the Board are disclosed in the section Structure of Management in both the Annual Registration Statement (Form 56-1) and Annual Report.

7.3.9 Duties of the Board and the Company Secretary

- The Company set up the Board's meeting schedule in advance for the whole year. The Company Secretary proposes the schedule to the Board's meeting; hence, each director should receive sufficient notice to ensure attendance.
- The Board's meeting invitation letter, agenda and relevant documents are sent to every director at least five working days prior to the Board's meeting.
- The Company holds Board's meeting monthly, in which executive or management reporting operation and relevant information for the Board's acknowledgement, consideration and/or approval. The Board has monitored the operations to ensure the Company's strategies be applied. If the result of activities were found that it failed to achieve the Company's target, the Company would consider adjusting the strategic plan in line with the situation at that time.
- Before issuing the Board's meeting invitation, every director and executive can propose the inclusion of relevant items on the meeting agenda.
- The Board encourages the President to invite key executives to attend board meetings to provide further details of the meeting agenda that they are directly responsible for.
- The Board can access further accurate, relevant, timely and clear information required for their respective roles from the President, other executives or the Company Secretary within the scope of policies. If necessary, the Board may seek independent professional advice at the company's expense.
- Non-executive directors can hold the meeting, as necessary, among themselves without the management team. In this case, they will report the outcome of their meeting to the Company's President.
- The Board appoints Company Secretary with the necessary qualifications, knowledge, skills, and experience for performing his/her duties, including providing advice on corporate governance, legal, regulatory and administrative requirements for the Board, preparing board meetings and other relevant documents, record the meeting minutes, and coordinating the implementation of board resolutions. The Company Secretary is responsible for duties prescribed in the Securities and Exchange Act, 4th edition (B.E.2551), Section 89/15, Section 89/16, Section 89/17 and Section 89/23.
- The Company Secretary has been received ongoing training and education relevant to his/her duties, including Company Secretary Program (CSP) 27/2008, Effective Minute Taking Program (EMT) 11/2008 from the Thai Institute of Directors (IOD) Fundamental Practice for Corporate Secretary Program (FPCS 28) from Thai Listed Companies Association, and Smart Disclosure Program (SDP) from the Stock Exchange of Thailand.
- The qualifications and experience of the Company Secretary are disclosed following to the director's background under the section Board of Directors.

7.4 Ensure Effective Executive and People Management

7.4.1 The Company deems that capable executives that possess the wealth of knowledge, skills, experience, and characteristics are necessary for the Company to achieve objectives. Therefore, **the Board** has prescribed effective executive management process with the following guidelines:

- The Board assigns the Nomination and Remuneration Committee to establish, the criteria and procedures for nomination and appointment of the President. The current President of the Company was nominated through such selection process and was approved by the Board of the Directors.
- The Board ensures that the President appoints knowledgeable, skilled, and experienced key executives and approved the appointment of the key executives nominated by the Board and the Company's President.
- To ensure business continuity, the Board develops and succession plan for the President and key executive positions. The succession plan is presented to the Board every year, particularly about the executives of the Company, subsidiaries and significant joint-ventures.
- The Board promotes continuous development and education of the President and key executives that is relevant and beneficial to their roles and responsibilities.
- The Board sets clear criteria and guidelines for the President and key executives serving as a director in other companies. Such instruction indicates the type of position and authority but does not limit the number of director positions he/she can hold simultaneously in other companies due to the most of those directorship positions is the Company's affiliates.

7.4.2 Compensation structure and performance evaluation

7.4.2.1 The Company offers attractive compensation structure to incentivize the President, key executives and employees at all levels of the organization to encourage them to perform in support the company's key objectives and values and fosters long-term benefit for the Company's operation through:

- The appropriate combination of salary and other short-term compensation such as bonus, and long-term benefit such as provident fund contribution which it only paid to the employee upon departure under the labour law, plus the retirement pay (in the case of retirement).
- Ensures individual total compensation takes into account industry standards and company performance, and
- Ensures the employees at all level acknowledge the Company's performance evaluation criteria.

7.4.2.2 Non-executive directors have a role in determining the total compensation and performance evaluation criteria of the President. The non-executive directors should:

- Approve the performance evaluation criteria of the President. The appropriate standards could incentivize the President to perform his/her duties under the Company's objectives and for the long-term benefits. The President already acknowledged the evaluation criteria.
- The Company conducted a performance evaluation of the President every year. A senior director will communicate the evaluation result as well as suggesting a key area of improvement to the President. The performance evaluation takes financial performance and other relevant factors into consideration.
- Approve total annual compensation of the President, taking into account the evaluation above.

7.4.2.3 The Board establishes the performance evaluation criteria and overall compensation structure of senior management. Besides, the Board also ensures that the President would evaluate the performance of the senior management in line with the criteria.

7.4.2.4 The Board ensures that clear and predetermined performance evaluation criteria are in place for all employees.

7.4.3 The Company's shareholder structure and relationships, which may affect the management

- The Board acknowledges and understands the Company's shareholder

structure and relationships that the major shareholders are the Company's business partners. Such structure provides it with strategic bargaining power and mutually benefits all parties over the past 40 years in which each major shareholder focus on his/her own business.

- Over time, the shareholder structure does not affect the performance and execution of the Board of Directors.
- The Company has no agreement nor conditions among shareholders that might have any impact on the management control over the Company.

7.4.4 Human resources management and development

The Board pays much attention to the development of human resources management and people.

- The Company ensures that the human resources management is aligning with the company's objectives and strategies with an appropriate number of employees. Also, the Company ensures employees have possessed adequate knowledge and competencies to perform assigned task, fairly-compensated and treatment, as well as the well-being in the workplace to retain capable employees to remain with the Company.
- The Company provides two long-term saving plans for the employee in the event of departure or retirement, including; 1. monthly saving to the Employee Savings and Credit Cooperatives of Saha-Union Group of which the withdrawal is only allowed upon departure, and 2. Provident fund contribution, of which the Company also co-contributes to the employee's fund. Both saving is deducted from employees' monthly salary. For the provident fund, there are employee representatives to participate in the fund committee and choose relatively low-risk investment which is suitable for the majority of employees for the sake of their long-term financial security.

7.5 Nurture Innovation and Responsible Business

7.5.1 Since the Company's core business is the investment in various industries including industrial or service sectors. The economic benefit usually comes from the dividend income from the invested companies, which translates into the return to shareholders. The key contributors to enable the Company to achieve its key objectives are subsidiaries, joint-venture and affiliates who operate the core businesses. Most of the Company's business activities are of those subsidiaries. Therefore, any critical innovation that would transform the business will also be engaged by those subsidiaries, which will indirectly create value for the Company's stakeholders and related parties. Innovation could be implemented throughout the supply chain and working processes of the businesses that the Company has invested in; from product design, product development, research and development, efficiency enhancement and the reduction of negative impact on society and environment.

However, the Board emphasizes on creating a corporate culture and the core value "Integrity, Quality, Service" to be implemented by employees across the Company and all subsidiaries to ensure that they operate ethically, compete effectively, and treat all employees fairly. The Company encourages training and development for employees to be knowledgeable and capable to competently engage in the innovation transformation to improve work efficiency, maintain a good relationship with joint-venture partners, customers, suppliers, relevant regulators, communities and related stakeholders as well as any follow up action.

7.5.2 The Board ensures management to adopt responsible operations to society and environment, and incorporate them into the company's operational plan. The Company applies ethical

operating guidelines to grow the organization sustainably, which covers various aspects including employee, customer, supplier, community, environment, fair competition and anti-corruption, as disclosed under the section Corporate Social Responsibility (CSR).

7.5.3 The Board has a thorough understanding of the company's resource needs

- Monetary resource: Utilizing appropriate resource to support its business model as necessary.
- Human resource: Provide sufficient and qualified employees, as well as support training and development to enhance employees' skill and effectiveness in related fields.
- Social resources and relations: Organize CSR activities, collaborate with relevant government agencies and create healthy and legally relationships with them.
- Environmental resource: Efficiently utilize power and water consumption, improve the efficiency of energy consumption to reduce the impact on the environment indirectly.

7.5.4 The Company has the policy to manage the information technology resource to cope with the changing environment effectively and to allocate IT resources for business operation sufficiently.

- The Company has operated the IT risks with a clear policy announcing to comply with cyber law strictly. The Company prohibits any software piracy, intellectual property violation, and any violations of relevant Information Technology laws and regulations.

- The Company establishes a cyber security policy and measures, with the monitoring system, put in place by the internal audit department. As well, the accounting auditor also audits the IT matter, for instance, the IT working system, the risk management, the information security, right of information usage, information access, the contingency plan and so forth.

7.6 The Board of Directors' effectively strengthen the risk management and internal control

7.6.1 The Board has focused on risk management and internal control system to comply with the regulations and relevant standards. The risk management guidelines are summarized as follow:

- The Board assigns Risk Management Committee to consider and review risk management policy, risk factor, possibility, potential impact and mitigation measures. The Company also identifies the internal and external risks, prioritizes them and the solutions that are suitable for business operation.
- Various risk factors are listed in the section "**Risk Factors**". The Risk Management Committee has reviewed the risk management policy annually and regularly informed any findings and recommendations to the Audit Committee and the Board of Directors.
- The Board aware and understand the significant risk and approves the risk appetite of the Company. The Company sets risk management policies for everyone across the organization to abide.
- The Board ensures that all business operations and activities comply with applicable laws and regulation as well as relevant national and international standards.
- The Company summarizes the result of self-assessment, internal control, and risk management of the Company's subsidiaries and affiliates that the Company has a significant investment in (the shareholding between 20 percent to 50 percent of total). The summary report is presented to the Audit Committee for further consideration.
- The Company already disclosed details about risk management practices under the section "Internal Control and Risk Management".

7.6.2 The Board set up **the Audit Committee** that can act effectively and independently.

- The Audit Committee comprises of three members who are all independent directors. They possess all necessary qualifications and duties under the rules set forth by the Securities and Exchange

Commission (SEC) and the Stock Exchange of Thailand (SET). At the meeting held on 19 December 2019, the Board of Directors passed a resolution to appoint the Audit Committee to hold office for the term of three years. List of the Audit Committee is as follows.

Name	Position	No. of Meeting Attendances in 2020
1. Associate Professor Dr. Pakpachong Vadhanasindhu	Chairman of the Audit Committee / Independent Director	4/4
2. Mrs. Suttima Jamnarnwej	Director / Independent Director	4/4
3. Mr. Anon Sirisaengtaksin	Director / Independent Director	4/4

All three Audit Committee Directors have continued to perform duties independently. During 2020, there were four Audit Committee meetings. The number of meeting attendances are indicated above. The Audit Committee reported its operations and findings to the Board quarterly. During 2020, the Audit Committee **has fulfilled every duties and responsibility as defined in written of the Charter of the Audit Committee** as follows:

1. Review the Company's financial reports for accuracy, completeness and to be in accordance with the General Accounting Standards.

2. Review internal control, risk management system and internal audit procedures to ensure they are appropriate and effective. Also, the Company reviews the independence of the internal audit as well as approving the appointment or termination of the Chief Audit Executive.

3. Review the Company's operations to ensure the compliance with the Securities and Exchange Act, requirements of the Stock Exchange of Thailand, and all relevant and applicable law and standards.

4. Review, select, and nominate or terminate an independent person to be the Company's external auditor, consider the auditor's remuneration as well as hold a meeting with the external auditor without the presence of management at least once a year.

5. Review related transactions and other transactions that may have a conflict of interest, to ensure that they comply with applicable law, are reasonable and carried out in the best interest of the Company.

6. Review the Company's compliance with the private sector's anti-corruption and certification programs, including the Collective Action Coalition Against Corruption's Self-Evaluation Tool.

7. Prepare the report of the Audit Committee and disclosed in the Annual Report. Such report has been signed by the Chairman of the Audit Committee, providing comments about the adequacy of the internal control system, risk management system, along with other significant issues concerning the duties of Audit Committee.

8. Ensure the management to address any issues found and push them to solve the issues quickly.

9. Monitor and evaluate the operations which the Audit Committee deems crucial.

10. Perform other tasks as assigned by the Board of Directors.

- The Audit Committee has full access to any information necessary to perform its duties, including summoning related person for inquiry, discussing with external auditor without the presence of the management, or seeking independent advice from external professional advisers.

- The Board establishes an independent internal audit with the responsible task in reviewing and improving the efficiency of the risk management and internal control systems, and reporting the review results to the Audit Committee. The report of the Audit Committee is disclosed in the Annual Report.
- The Audit Committee provides its opinion on the adequacy of the Company's internal control and risk management systems which is disclosed in the Annual Report.

7.6.3 Monitoring and managing potential conflicts of interest

The Board monitors and manages conflicts of interest that might occur between the Company and management, directors, and shareholders. The Company also has a procedure to prevent inappropriate use of corporate assets, information, and opportunities, including improper transactions with related parties.

- The Board establishes an information security system, including policies and procedures, to protect confidentiality and integrity of business information, as well as the market-sensitive information. The Board regularly monitors that directors, executives and employees comply with the information security policies as indicated in the Corporate Governance Manual. The policies also apply to the external relevant parties, such as legal or financial advisors, by signing the compliance agreement.
- The Board manages and monitors any transactions that potentially cause the conflict of interest, such as related transactions. The Company establishes clear guidelines and procedures for operation and information disclosure according to the relevant regulations for the best interest of the Company and shareholders. Any related parties who have interests in such transaction have no involvement in neither meeting nor the decision-making.
- The Board has set the corporate governance requirements concerning the policies and guidelines for considering and executing the connected transaction or the cross-transaction. Prior to the consideration of the matter in the Board's meeting, there must be a report on conflicts of interest recorded in the minutes of the meeting. The Board also ensures that all directors who have a conflict of interest concerning an agenda item abstain from being present for the discussion of or voting on such agenda.

7.6.4 The Board sets up clear anti-corruption policies and practices, in which pass onto all employees across organization and external parties to ensure consistent practices. The Company also prepares the manual providing to the internal and external parties, which can get further details at the Company's website, www.sahaunion.com.

The Company has arranged the anti-corruption promotion campaigns. Over the past year, the Company donated THB 1 million to Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). The Company also initiates multiple campaigns through various communication outlets to raise awareness and educate employees about anti-corruption practices, legal practices, and relevant regulations. The Company also communicate to partners about its anti-corruption policy and require the strict application of the policy from the external parties as well.

7.6.5 Whistle-blowing and complaints

The Board establishes a mechanism for handling complaints and whistleblowing. In the case of whistle-blowing, the Company provides a convenient and safe channel with a protection measure for the whistleblower to ensure his/her identity be concealed. The Company has disclosed multiple channels for filing complaints on the Company's website or the Annual Report, as follow:

1. Mail to Chairman of the Audit Committee and/or President,

Saha-Union Public Co., Ltd. 1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260,

2. Suggestion box in the Company's head office, or
3. The corporate website at www.sahaunion.com.
 - The Company has an investigation process, action taking and a report to the Board.
 - The Company ensures that whistleblower and informant's identity remain confidential and be protected, as well as the matter consideration process and the result of the investigation informing practice in accordance with the policy. For more information, visit the Company's website section Suggestions/Complaints.

7.7 Ensure Disclosure and Financial Integrity

7.7.1 The Board pays much attention in the integrity of the company's financial reporting system and the accuracy, timeliness, adequacy and credibility of the information disclosure and line with the applicable law and related requirements. The guidelines of which can be summarized as followed.

- The Board ensures that any person involved in the preparation and disclosure of any information of the company has relevant knowledge, skills and experience, and sufficient staffs to perform regarding duties and responsibility. The Company appointed the top executives in accounting and finance, Chief Financial Officer (CFO), accountant, internal auditor, Company Secretary, and investor relations.
- The Board thoroughly considers all relevant factors when approving information disclosures. For example, the periodic financial statement disclosure, the Board must also consider following factors.
 - (1) The results of the adequacy of the internal control system assessment.
 - (2) The external auditor's note on financial reporting, observations on the internal control system, and any other observations (if any).
 - (3) The Audit Committee's opinions.
 - (4) The information's consistency with the Company's objectives, goals, strategies and policies.
- The information disclosures (including financial statements, annual reports, and Form 56-1) can reflect the adequacy disclose of Company's financial status and performance. The Board promotes the inclusion of the Management Discussion and Analysis (MD&A) along with quarterly financial release in the event of significant change in financial performance, such as the change of more than 20 per cent in revenue or net profits, to provide investors information and better understanding in the cause of such changes.
- For any disclosure related to any individual director, such director would be responsible for the accuracy and completeness of the disclosed information.

7.7.2 The Company's sufficient financial liquidity and debt service capability

- The Board assigns management to regularly monitors, evaluates and reports on the Company's financial status monthly. Should there be any sign of liquidity problem, the Board and management will cooperate to promptly address and remedy, for instance, the issue regarding inventory, accounts receivable, or free cash flow requirement from subsidiaries in which almost wholly-owned by the Company.
- Upon any Board resolution or agenda for the shareholders' approval, the Board is confident that such resolve will not affect the business continuity, financial cash flow, or ability to repay debt.

7.7.3 Appropriate information disclosure, the Company discloses operating information in the Form 56-1 and Annual Report according to the relevant regulations. The Company discloses Code of Business

Conduct, Employee and Stakeholder Fair Treatment Policy, Anti-Corruption Policy, and Corporate Governance Policy in the Company's website at www.sahaunion.com. The Company also discloses Fair Treatment and Human Right Policy under the section Responsibilities towards Society and Environment. All disclosed information are the Company's key policies, which lead to sustainable business value creation.

7.7.4 Investor Relations

The Board assigns management to appoint the investor relations function responsible for timely, effective and fair communication with shareholders and other stakeholders such as analysts and potential investors.

- The Company establishes a communication and disclosure policy while protecting the company's classified information and securities price-sensitive information by providing clear communication to all employees regarding such a disclosure policy.
- The Board appoints personnel responsible for providing information to external parties. The company's designated Investor Relations is suitable for the role and have a thorough understanding of the Company's business, objectives, core values and can communicate with the capital market well. The Board assigns the duty of investor relations to Chief Financial officer (CFO) and the Company Secretary to disseminate information effectively.

7.7.5 Effective use of information technology in disseminating information

The Company discloses information according to the required regulation through the Electronic Company Information Disclosure (ELCID) system of the Stock Exchange of Thailand. The Company also uses the information technology for disclosing further information through the Company's website at www.sahaunion.com where would have an update of information regularly. The information comprises of the financial statement, Board of Directors and executives, Form 56-1, Annual Report, and related information, for instance, Corporate Governance Manual, Code of Conduct Manual, Anti-Corruption Policies, Whistle-blowing and complaints handling policies.

7.8 Ensure Engagement and Communication with Shareholders

7.8.1 The Board has the policy to abide by the Corporate Governance Code and any relevant regulation thus assuring that shareholders have the opportunity to participate in decision-making regarding significant corporate matters.

- In the shareholders' meeting agenda, there are agendas according to the regulatory requirement and agendas that could affect business operation (if any) for shareholders' consideration and approval.
- The Board supports the participation of shareholders and allows minority shareholders to propose agenda items for shareholders' meetings prior to the meeting. The Board considers shareholders' proposals to be included in the agenda. Besides, the Board arranges the submission notifications and criteria through Electronic Company Information Disclosure (ELCID) system of the Stock Exchange of Thailand at least five months prior to the shareholders' meeting during October 1st to December 31st of each year.
- The notice of the shareholders' meeting is accurate, complete, and sufficient for the shareholders to exercise their rights.
- The notice of the shareholders' meeting and related documents must be sent to shareholders at least 14 days prior to the shareholders' meeting and posted on the company's website at least 30 days prior to the meeting.
- The notice of the shareholders' meeting and related papers must be fully prepared in both

Thai and English languages, both of which are distributed at the same time.

Other relevant details are disclosed in the section Other Corporate Governance Principles.

7.8.2 The Board ensures that the shareholders' meetings are held as scheduled and conducted properly, with transparency and efficiency, and ensures inclusive and equitable treatment of all shareholders and their ability to exercise their rights.

- The Board sets the date and time for shareholders' meeting on working day. The Board sets and allocates sufficient meeting time for debate. The venue is at the Company's meeting room, which is located by the main road and is accessible by car and sky train.
- The Board does not limit attendance by or place an undue burden on shareholders. For shareholder or proxy identification, the Company only requires minimal identification requirements applicable to legal and regulatory requirements.
- The Company promotes the use of information technology to facilitate the shareholders' meetings, from the registration and vote counting on each agenda that yields fast, accurate and complete results.
- The Chairman of the Board acts as the Chairman of the shareholders' meeting with responsibility for compliance with applicable legal requirements and the company's articles of association, allocating sufficient time for consideration and debate of agenda items, and providing opportunity to all shareholders who wish to share their opinions or ask questions related to the company.
- Directors, as the shareholders' meeting participant and as a shareholder, should NOT add items to the meeting agenda that have not been duly notified in advance nor support such action, especially that agenda that requires extensive information for decision making to allow shareholders to participate in decision making.
- All directors and relevant executives should attend the meeting to answer questions from shareholders on company-related matters, unless in the event of unforeseen, such as sudden sickness.
- Prior to the start of the shareholders' meeting, the Chairman would inform the number and the proportion of shareholders and shares represented at the meeting in person and through proxies, the meeting method, and the voting and vote counting methods.
- If there are any agendas that require multiple voting, the Chairman will unbundle the agenda for shareholders to vote separately on each item, such as the election of the Company's directors or Director's remuneration.
- The Board supports the use of ballots for voting on all resolutions proposed at the shareholders' meeting and designates an independent party to count or to audit the voting results for each resolution in the meeting, and to disclose such voting results at the meeting by identifying the number of "agree", "against" and "abstain" votes. The voting results for each proposed resolution are included in the minutes of the meeting.

7.8.3 The Board ensures accurate, timely and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings.

- The Board ensures that the company discloses the results of voting on proposed resolutions at the shareholders' meeting through the designated Stock Exchange of Thailand channels and the company's website by the next business day.
- The Board ensures that minutes of the shareholders' meeting is submitted to the Stock Exchange of Thailand within 14 days from the shareholders' meeting date.
- The Board ensures that the company promptly prepares the minutes of the shareholders'

meeting, including the following information;

- (1) Date, time and venue of the shareholders' meeting,
- (2) The list of attending directors, executives, and the proportion of participating directors and the non-attendance.
- (3) Voting and vote counting methods, a summary of the resolutions the Chairman or director proposed to the shareholders, and the meeting resolutions.
- (4) Voting results ("agree", "against", and "abstain") for each proposed agenda.
- (5) Questions asked and answered during the meeting, including the identity of the persons asking and answering the questions.

Other relevant information is disclosed in the section Other Corporate Governance Principles.

7.9 Board of Directors' Responsibility for the Financial Report was shown on page 103.

8. Other Corporate Governance Principles

Apart from the Corporate Governance Code as disclosed in section 7 as mentioned above, there are other Corporate Governance Principles as follows:

8.1 The Rights of Shareholders

(1) Apart from the voting rights, the shareholders are eligible for a return on investments in the form of equal dividend payments. The minority shareholders are entitled to the right to receive the dividend at the same rate as those of major shareholders or related parties (if any).

- The Company has allowed shareholders to propose a meeting agenda or submit any questions related to the Company during October 1st to December 31st of each year.

The Company provides the opportunity for shareholders to propose the meeting agenda with informing the criteria of this procedure in advance. The criteria comprised of qualification of the person who proposes the agenda, procedures to propose the agenda, details of the information and including criteria and process to consider the proposal via the Company's website: www.sahaunion.com or by mail.

(2) Shareholders' Meeting Invitation

The Company will send out meeting invitations letter, which specifies each agenda and related documents to the shareholders at least 14 days prior to the meeting date for review. Also included in the documents are:

- Date, time and venue of the shareholders' meeting
- The previous minutes of the shareholders' meeting as supporting documents for endorsing the minutes' agenda.
- Financial statements information, operational performance and the most recent annual report for review to acknowledge the performance report and to present questions or doubts (if any).
- The objectives, rationales and Board of Directors' opinions for each agenda.
- The agenda of the Director, the director's election and remuneration agendas were separated.
- Information of the director nomination in the Director Election agenda including name, last name, age, their educational backgrounds, working experiences and director categories, all of which have been selected and nominated by the Nomination Committee based on the standard criteria and methods. In case, any returning Director is nominated, the information of his previous year's meeting attendance and the number of years of service the person has been serving in the Board of Directors will be provided.
- The information of the auditors including name, last name, the audit firm he/she represents, work

experience and the service fee including verification of the auditor's declaration of independence, number of years for service, all of which have been reviewed by Audit Committee as part of the appointment of the Company's independent auditors' agenda.

- The dividend payment policy, its rate and the rationale for the dividend payment agenda is included.
- The Company prepares invitation in both Thai and English version to cater to foreign shareholders, which is to be distributed at the same time with the Thai version. The invitation was also published on the Company's website.

(3) Shareholders Meeting

- The Company shall encourage shareholders to exercise their rights by attending the meetings and voting. Any shareholder who cannot attend the meeting may present Proxy Letter to assign his/her representative. Therefore, the company must send out the Proxy Letter along with the meeting invitation in advance.
- The Company shall never limit or violate the right of shareholders in any case.
- The Company shall provide any necessary services for shareholders' conveniences on the meeting day. Staff will be available to help with the registration procedure and preparation of any documents requested least one hour prior to the scheduled meeting.
- The meeting shall be located at a convenient location, close to a main street or sky train station. Snacks and beverages shall be served for shareholders.
- Before the meeting starts, the Chairman shall introduce the Directors and Executives individually to shareholders. There should be present the Chairman of the Board, President, the Chairman of the Audit Committee, the Chairman of Nomination and Remuneration Committee, the Chairman of Risk Management Committee, Independent Directors, Directors, the Company Secretary, Finance and Accounting Manager and Auditors.
- Chairman of the meeting shall explain voting procedures, the use of the voting card and how to count the votes to the shareholders prior to the start of the meeting.
- The shareholders have the right to consider the Company Directors' remuneration as its agenda will be held annually.
- As for the Directors' remuneration agenda, the Company shall explain fixing the remuneration's policy and principles, that's the Director received only meeting allowance. Proposing all type of payments in each position of Company's Directors would be approved by the Remuneration Committee, then presented to the shareholders' Meeting's consideration as well.
- As for Director appointment, the Company shall allow shareholders to vote either for an individual or a group based on the meeting's resolution. The vote can be done by either nominating the new member into the committee or the current one to be re-elected. All candidates must be approved by the Nomination Committee. Each candidate has to provide personal history and experience.
- Dividend Payment Agenda. The Chairman shall explain the Company's policy of dividend payment and its offering rate. Also, the current year's dividend payment shall be submitted to shareholders for approval along with its rate and calculation. Therefore, shareholders can consider and vote accordingly.
- Appointment of the auditors' agenda. The Chairman shall nominate more than one person from the same auditing office. The auditors' history of auditing and the number of years working as the Company's auditors including qualifications in compliance with those of the Office of Securities and Exchange Commission. The auditors shall work independently without any personal binding with the company, the Board of Directors or the executives. Also, the auditing fee shall

be proposed for shareholders' approval.

- The Chairman of the meeting shall allow any questions from the shareholders including suggestions regarding any agendas. The Board of Directors or related Directors shall answer every question from shareholders until satisfied. All other opinions or suggestions shall be taken into further consideration. All shall be completely and accurately recorded in the minutes of the meeting.
 - Every agenda resolution, names of attended directors and management, shall be recorded clearly in the Minutes of the Shareholders Meeting and showing number of votes on each agenda. In each agenda, the minutes have to show the number of shareholders that vote for, against and abstain. The computer processing system shall be used for vote counting in each agenda and will be announced by the Chairman. Furthermore, the full report which contains the matters in each agenda shall be sent to the SEC within 14 days after the meeting. The minutes of the meeting shall be carefully filed and available for reference by the shareholders at all time by going to the Company's website; www.sahaunion.com.
- (4) The Company shall not add any item to the agenda that is not previously stated in the shareholders' meeting invitation letter.
- (5) The Company's shareholding structure had been carrying on approximately for the past 40 years which has no objective to set up the prevention of business takeovers but on cross-holding. The structure is to give shareholders the most benefit of managing, manufacturing and selling without any conflicts of interest.
- The Company's structure is not a pyramid scheme. In the past, there were some corrections on the crossholding structure to avoid the connected transactions.
 - The Company's Board of Directors shall not be allowed to hold more than 25 per cent of the Company's issued and paid-up shares.
 - The Company reported over 40 per cent of issued stocks as free float. This will give shareholders trading liquidity in both the secondary market or the Stock Exchange of Thailand.

8.2 Equality among Shareholders

- (1) The company has the policy to treat all shareholders equally which been set in the Company's Code of Conduct Manual with no violation to minority shareholders or foreign shareholders.
- According to the Company's voting rules, one share equals one vote regardless of being major or minority shareholders or foreign shareholders.
 - The Board of Directors shall answer every question raised by minority shareholders and foreign shareholders in the meeting.
 - Prior to the meeting date, the Company shall provide the opportunity for shareholders to submit any agenda, inquiry or information to be included in the meeting agenda and discussed in shareholders' meeting. The submission can be made through the Company's website during October 1st to December 31st of each year.
 - The Company shall provide any conveniences to the shareholders who cannot attend the meeting in person by attaching the Proxy Letter form that contains the information has appeared on Form Kor along with the shareholders meeting invitation letter. The Company shall propose the independent director as a proxy alternative for shareholders.
 - The shareholders' meeting invitation letter shall indicate the type of documents and proof needed to attach the Proxy Letter including to provide step-by-step instructions to issue Proxy Letter to the shareholders in advance without any further regulations or conditions that will complicate the procedure.

- The Company shall send out the shareholders' meeting invitation letter and related documents such as Proxy Letter, meeting minutes, annual report, and financial statements to the shareholders at least 14 days before the meeting date. All shareholders will have sufficient time to study the information and agendas to make informed decisions during the meeting.
- The Company shall use its website to communicate on the meeting plans and agendas to all shareholders before sending out the official invitation letter. All details regarding the meeting shall be included and should be posted on the website for viewing at least 30 days prior to the meeting date.

(2) The Policy of Insider Trading Prevention.

The Company has a policy of insider trading prevention according to its written rules and regulations. Disciplinary violation will call upon different measures of punishments stated in the Company's internal rule where the employees, executives, and Directors will acknowledge and proceed accordingly.

- The Company has a policy of insider trading prevention by announcing an annual Silent Period for Directors and the executives to avoid trading the company's stocks. It will be 14 days before and 24 hours after the Company's fiscal or quarterly report disclosure. All Directors and executives must acknowledge and comply with this policy.

(3) In the previous year, the Company did not have any case of insider trading among the Directors and executives.

(4) For any connected transaction that required disclosure or shareholders' approval, the Company will execute the transaction thoroughly in compliance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, propose for the Board's approval and accurately and completely disclose it through Stock Exchange of Thailand's Electronic Company Information Disclosure (ELCID) system. The transaction disclosure will include its category, the relating individuals' names and relationship/ characteristic of relations, the value of the transaction, the criteria or policy of setting the price, the reasons that necessitate the making of the transaction and the Audit Committee and Board of Directors' opinions over the transaction. In case shareholders' approval is required, the Company will fully comply with all relevant regulations.

(5) Holding company and cross-holding share structure. Due to the status of being a holding company, the Company invests in different kinds of businesses and producing various products, and are independent of each other for operational flexibility. However, for the business benefit and collective negotiation power, the Company sometimes requires connected transactions. All connected transactions during the year 2020 were regular commercial transactions which were conducted on arm's length basis.

- Total related transactions during the year 2020 were valued at Baht 267.66 million, accounting 1.04 percent of total assets and 2.86 percent of total revenues.
- The Company did not provide any financial aids for a non-subsidiary company.
- In the previous year, the Company did not violate or fail to follow the policy of connected transactions according to regulations of the Stock Exchange of Thailand and the SEC.
- In the past year, the Company did not violate or fail to abide by the rules about asset acquisition or disposal according to regulations of the Stock Exchange of Thailand and the SEC.

8.3 Roles and Treatment of Stakeholders

The Company emphasizes the rights of the Company's stakeholders based on either basic legal

rights or the mutual agreement contract. The Company treats all stakeholders based on integrity, quality and service to create good relationship and collaboration between the Company and all

stakeholders to accomplish the goal and sustainable growth. The role between the Company and various stakeholders are as follow:

- (1) The Company shall conduct the business with a sense of responsibility towards society. It is one of the Company's mission. The Company also prepares a sustainable report.
 - (2) Regarding employees, the Company has a clear policy to offer appropriate compensation and welfare to its employees. The employee handbook is available in the Human Resources Department and is acknowledged by the Company's employees.
 - (2.1) The Company sets policies and the handbook about employees' health and safety.
 - (2.2) The Company and its subsidiaries set up a provident fund for Saha-Union Group's employees by appointing a committee to oversee, administer and collaborate with the provident fund manager. This policy will assist in creating an employee's long-term savings. Hence, the company will contribute up to 3 per cent of the employee's salary to this fund.
 - (2.3) The Company and its subsidiaries have established Employee's Savings and Credit Cooperatives of Saha-Union Group to collect the employees' deposits which are deducted from their salary monthly. The employee shall be eligible to withdraw the whole balance upon resignation. However, while working, each year the employee shall receive their dividend and is eligible to apply for a loan in compliance with the rules issued by the Cooperatives Promotion Department.
 - (2.4) The Company sets a clear training and development policy for its employees using a Competency System to select a strong candidate with the good potential to get promoted. In 2020, the Company sent employees to attend the training courses to improve skill. The training courses that cost the Company training fee as follows.
 - The new accounting standard training took into effect on January 1, 2020, for eight employees at the Federation of Accounting Professions under the Royals Patronage of H.M. the King. The one-day course amounted to THB 14,766.
 - The training course on the preparation of financial statements balance and the financial statement submission via DBD e-Filing system conducted by the Department of Business Development, Ministry of Commerce for one day with nine employees attended, the total cost of 9,000 baht.
 - The two-day training courses on internal auditing conducted by the Institute of Internal Auditors of Thailand for two employees, the total cost of 13,000 baht.
- Besides, there were expenses on the independent director's director-level training for an independent director. The one-day DAP 169/2020 course costs 15,000 baht. Total expenses of the Board of Directors' training conducted by the Thai Institute of Directors and human resource development were a total of 51,766 baht.
- (3) The Company has a policy to not violate human rights.
 - (4) For customers, the Company set the policy to be practical and transparent in treating the customer fairly. The Company will maintain a good relationship and take responsibility as vowed to the customers.
 - (5) On account of the business rival, the Company shall maintain its business conduct professionally.
 - (6) The Company will treat its business partners fairly and responsibly as stated in the contract agreement even if the unforeseen situations may result in the unfavorable result for the Company.
 - (7) On account of creditors, the Company sets a policy of fair treatment and responsibility towards creditor. The Company will oblige to the conditions such as making term payment or debt repayment on schedule. The Company will perform according to all guarantee conditions (if any).

- (8) On intellectual property, the Company sets a policy against copyright violation, such as software piracy, and the Company's penalty measures are strongly enforced. The Company also establishes its IT policies that will benefit the Company's business efficiency, optimally utilizing IT systems. IT resources shall not be used for personal benefits or used against good moral conducts. The information published through IT systems shall be securely stored with high standards, in compliance with any relevant laws or regulations and not offensive to any third parties.
- (9) The Company has clearly set an anti-corruption policy and anti-bribery which has been vigorously practiced for over the past 30 years.
- (10) On social responsibility, the Company and its subsidiaries set a policy to take part in the community's responsibility and social welfare. The Company avoids any disturbance to the surrounding community. On the contrary, the Company will contribute to its community and society, to give jobs and provide welfare. Moreover, the Company will regulate noise pollution and treat water before releasing back into the community. The Company also supports community outreach activities including scholarships and donating necessity materials to schools and universities.
- (11) On environmental policy, the Company will strictly abide by the law to reduce pollution by installing a water treatment system and controlling toxic emissions. Other manufacturing subsidiaries have also followed these standard environmental control guidelines and have been certified by related regulators.
- (12) The Company's subsidiaries support, educate and train their employees to understand the importance of environmental protection and set the policy to do so as continuing practice to improve work practices.
- (13) The Company and its subsidiaries support the efficient use of resources by setting a policy to optimize work processes including replacing newer and more energy-efficient equipment.
- (14) The Company provides channels for any Stakeholders to contact or report any concerns that may cause damages via a mail addressing Chairman of the Audit Committee or President or the corporate website at www.sahaunion.com. All matters shall be taken into consideration and under investigation procedure, and the conclusion shall be made to present to the Company's Board of Directors and the whistleblower.

Furthermore, investor and shareholder can contact the Investor Relations Miss Ruangdao Supachorncharan Tel. No. 02-311-5111 Ext. 7675 or Mrs. Chadaporn Jiemsakultip, Tel. No. 02-311-5111 ext. 7688 or Fax. 02-311-6867 for any further proceedings in relating issues.

Internal Control and Risk Management

Saha-Union Public Company Limited's main business is investment and products selling such as textile materials, stainless steel and adhesive tape products. Its policies are based on ethical values, namely-Integrity, Quality and Service, in accordance with its vision and missions in pursuit of achievement of the organization's objectives and value addition to all stakeholders, under the above-mentioned operation. The Company attaches much importance to overseeing progress and procedures on internal control process which involves 5 issues: control environment, risk assessment, control activity, information and communication and monitoring activity. The adequacy assessment of internal control and risk management in 2020 was performed by the Audit Committee and the Board of Directors on December 24, 2020. The result can be summarized as follows:

1. Control Environment

- 1.1 The Company is committed to the values of honesty and morality. Based on these values, the Board of Directors and the Executives have provided practical guidance on daily duties performing, decision-making and the way of treating its business partners, customers and outsiders. Written regulations stipulate that the executives and personnel staff must perform their duties with loyalty and keep to the Code of conduct Handbook regarding a prohibition of action that may provoke conflicts of the interest and bribery that may cause damage to the organization. Disciplinary actions shall call upon different measures of punishments stated in the Company's rules where, the executives and other employees acknowledge and sign each year. In addition, the Code of conduct is communicated to them and outsiders via the Company's website.

A monitoring process and aforementioned performance evaluation has been carried out by the internal audit team. The executives and other employees have conducted a self-assessment, and they have been assessed by independent experts from the outside and external auditor as well.

By means of detective controls, the Company has managed to act in time upon noncompliance of the above-mentioned rules. Penalties are imposed or corrective actions are taken within a reasonable time period against violation of principles of loyalty and the Code of conduct.

- 1.2 The Board of Directors is independent from the Company's executives; their duties are to supervise, oversee and improve the operation of internal control process.

The Company has determined to the Board of Directors specific roles and duties explicitly segregated from the management, clear goals of business operation and measurable plans as guidelines for both the executives and employees' performance. It has also established roles and duties of the Board of Directors and executives in conformity to the laws and rules, together with those of the Audit Committee, auditor, internal audit team as well as a person in charge of financial reporting.

The Board of Directors has an understanding of the Company's activities and helpful expertise

and they can have consultations with specialists over this matter.

The Board of Directors comprised of Independent Directors who are skilled, competent, reliable and fully independent of work - that is one third of the Board of Directors,

The Board of Directors has undertaken an appropriate evaluation of adequacy of the internal control system in all aspects.

- 1.3 While taking business operation and the laws into account, the management has properly set the organizational structure and a hierarchical authority of command and responsibilities among the Board of Directors, Executives and personnel staff, including a design of an efficient internal control process with the aim of achieving the organization's objectives.
- 1.4 The Company has had its intention of motivating, improving and keeping skilled, competent and suitable personnel staff. Performance evaluations have been conducted in a bid to give incentives and rewards to employees for their good work, if not, to take actions to the personnel of whom their performance objectives were not met. This practice is made explicitly known to the executives as well as other staff members. Besides, problems solutions and preparatory measures are provided. The Company has succession plan for important ranks. The Company provides training support to employees so as to improve their relevant skills, hires expert consultants, and establishes a mentoring system.
- 1.5 The Company has ensured that each staff has a duty and is held responsible for internal control within his or her span of authority. The executives have provided corrective actions in operational process if needed through indicators of performance, assessment with the aim of incentives and rewards offering while taking account of the Code of conduct linking to achievement of the organization's internal control objectives in a short term and long term. There has not been too much pressure on the individual performance under the condition.

2. Risk Assessment

The Company has set its clear goals in identifying and assessing risks related to the achievement of the organization's objectives.

- 2.1 In respect to compliance of relevant regulations and rules, the Company has conformed to the accounting standard which is approved and suitable for the business in each period of time; all transactions shown in the financial statements have really existed and are complete, demonstrating correctly the rights and obligations of the Company and proper values. The report is correctly and completely disclosed, reflecting its real operational activities. The criteria for financial reporting are based on significant factors such as regulations of the government agencies involved, financial statement user, the extent of transactions and business trend.

The Risk Management committee approves, communicates and acknowledges risk management policy to the executives and the personnel staff who are required to follow so much that this practice is forming part of the organization culture.

- 2.2 To meet the organization's objectives, all types of risks threatening business operations have been identified and analyzed at all levels within the organization from business units to administration section. Such risks analysis is based on various internal and external factors in relation to the Company. Furthermore, likelihood of the risk occurring and its impact, provision of measures and operational plans to mitigate risks to some degrees have been analyzed as

well. Moreover, the participation in the risk management by the Board of Directors at all levels is embedded in the organization culture.

2.3 The likelihood of frauds has been taken into consideration; any false entry in the Company's financial records, loss of assets, corruption, the executives' performance against the internal control system, information modification on important reports, abused acquisition and exploitation of assets, etc. As a result, the control process is designed and the objectives of operation are carefully reviewed by considering a possibility of the set forth objectives, including logic of incentives and rewards offerings to employees for the purpose of discouraging them from behaving in a dysfunctional manner. However, during the meeting with the executives meeting, the Audit Committee has verified and inquired each year about potentialities of corruption and its preventive or corrective actions, including the risk management. Moreover, the Company has ensured that its policies and internal control strategic plans are understood and also applied by the personnel staff in order to prevent or reduce the risks.

2.4 The Company is able to identify and assess any changes that may have an impact on the internal control process, arising from external factors such as incidence of world economic change, including influence of foreign exchange and interest rates. The responsive measures to such changes have been sufficiently provided.

Furthermore, the responsive measures have been sufficiently provided for the assessment of change in the types of business that may affect business performance, the internal control process and the financial reports related to the Company such as addition of new type of business.

Also, the responsive measures have been sufficiently provided for the assessment of change in the organization's leader that may have an impact on the internal control process, that is to say; when the leader reaches his or her term.

3. Control Activities

The Company has adopted a system of internal control that helps to mitigate a risk of non-achievement of the organization's objectives at an acceptable level.

3.1 The internal control system of the Company is suitable for its risks and its characteristic in terms of the complexity and nature of tasks, investment specification such as follow-up control system of information and financial reporting of all invested companies, usage of cross check data system for the consolidated financial statements presentation, including management of risk arising from the foreign exchange that may affect the operations, etc.

3.2 The Company has provided an appropriate internal control process covering various measures in the form of written instructions by setting policies, regulations and procedures in regard to financial operations, purchasing and general management. There is also a handbook stating explicitly and concisely scopes of powers and duties including hierarchical command of approval of the executives at each level, aiming at preventing fraud, by limiting a ceiling and approval authorization span, providing approval procedures of investment projects, purchasing procedures, supplier selection criteria and procedures of tools requisition. There are also other operational processes as following;

3.2.1 Collect as well as update records of related transactions or transactions with potential

conflict of interest by major Shareholders, Directors, Executives, or any other related persons to these people for the purpose of follow-up and checking.

- 3.2.2 Monitor the follow-up through agreed conditions throughout commitment period, for example, repayment at the due date and review of contracts appropriateness in case of authorization of transactions with the related parties in the manner of committing the Company in long term such as borrowings, loans, guarantees and securities loans.
- 3.3 The Company has determined various types of internal controls, for example, manual and automated controls, including preventive and detective controls.
- 3.4 The internal control process takes place at all constituencies of the organization; Group companies, business units, party hierarchy, departments, sections including overall processes.
- 3.5 The roles are strictly divided into three groups for the purpose of cross checking. That is role of approval, role of accounting and information transaction recording and role of asset management and storage.
- 3.6 The Company has selected and has improved the control activities by means of technologies in a bid to support the achievement of its objectives, adopting information technology of relevance to operational process and having general control over the information and communication system through scope of duties concerned. The Company has also provided proper activities controls of structure, security, acquisition, improvement and maintenance of information and communication technology.
- 3.7 The Company has established the monitoring activities towards its policies stating what is expected and how to proceed in order to render these policies applicable. The procedures are specified in the Code of conduct. To give an example, concerning business transactions by major Shareholders, Directors, Executives, or any other related persons to these people, there must be approval procedures in conformity with regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. This is to prevent the related parties from exploiting the opportunities or interests of the Company for their personal benefit. Moreover, determination of transaction approval shall be done by people who do not have the common interest, on the basis of the Company's optimal interest or at arms' length basis.

As an investment company, the Company shall need to take measures and policies on following up activities of its subsidiaries or associated companies and shall also provide guidelines to the Directors or to the Executives of those companies. The Company has determined roles and responsibilities for implementing policies and internal control plans in a timely manner to both the competent executives and staff members and has taken measures to rectify performance failings (if any).

The Company has regularly conducted a review of its policies as well as operational process to render them appropriate.

4. Information and Communication

The Company puts emphasis on pertinent and quality information processing to support the internal control process as intended, by defining categories of information related to the Company's performance from within and outside the organization and bearing cost/benefit as well as correctness considerations in mind in regard to quantity of information.

- 4.1 Decision-making by the Board of Directors is based on the important information that the Company has sufficiently provided. This is to say, the Board of Directors shall be summoned to a meeting or receive supporting documents which are necessary and sufficient for considerations at least seven days in advance, as stipulated by the law. In addition to the minutes containing enough details on appropriate performance of the Board of Directors, that could be retro-checked, the Company has properly classified filing related to important documentation into categories. In case of deficiencies in the operation of internal control found by the auditor or the internal audit team, the Company has made corrections of the control already.
- 4.2 The Company has designed a flow of information and established the objectives as well as the responsibilities for the internal controls to support efficiently and effectively the internal control process plans. Moreover, important issues are regularly reported once a month to the Board of Directors whom access to the information and communication technology is possible for the purpose of their activities or listing check as needed. To give an example, the Board of Directors can get more information from the auditor and the internal control team besides that of the executives. Normally, meetings are held especially for only the Audit Committee and auditor, excluding the executives. Also, there were discussions between the Board of Directors and Executives besides meeting of the Board of Directors.

A channel of communication has been established for individuals so that they could inform in a safe manner the Company on suspected fraudulent activities incurring within the Company.

- 4.3 The Company has a proper means of communication with the external stakeholders regarding the matters that may affect the internal controls. For example, some staffs are assigned the duty of looking after activities in relation to investors or the task of receiving complaints. The external stakeholders can safely give information on suspected fraud to the Company as well.

5. Monitoring activities

The Company has provided monitoring activities and evaluation of effectiveness of the internal control process to ensure that the internal control strategic plan is completely working.

- 5.1 The Company forms an internal control team to be in charge of monitoring compliance of business ethics and the Company's regulations stating a prohibition of the management and personnel staffs' behavior that may provoke a conflict of interest. The internal control team shall submit the report to the Audit Committee.

The task of monitoring activities and evaluation of effectiveness of the internal control process has been assigned to the skilled and competent internal control team working independently. Their task is to verify if the internal control strategy is applied as planned. The Company has determined a frequency of the monitoring and the evaluation according to the situation that might change. The guidelines on audit reporting issued by the Company demand that it should be directly reported to the Audit Committee. In this regard, the internal control team is encouraged to conform to the international standard on professional internal audit performance and also provided with relevant training programs.

5.2 The Company has created a channel of communication of audit report and deficiencies of internal controls on a timely basis to the persons responsible for this matter involving high-ranked executives and the Audit Committee. This allows necessary corrective actions to be taken promptly in case of the findings with a significant difference from the set forth goal.

The Company has a policy on reporting in a cascading way; In case of an incident, suspected serious fraudulent acts, violation of laws or any queer activities that may have a significant impact on the Company's reputation and financial position, the executives shall notify them immediately to the Board of Directors.

For any detected significant failings together with actions to be taken to rectify them, the internal control team is required to communicate them to the Audit Committee for its consideration within a reasonable time period and the latter, in turn, must present them to the Board of Directors.

Concerning progress of significant failing correction, it shall be reported to the Audit Committee who shall make a judgment on forwarding the matter to the Board of Directors.

Normally, the Audit Committee shall monitor the audit outcome at quarterly intervals and submit subsequently the report to the Board of Directors within the same time period.

The Audit Committee concluded that the internal control process and the risk management of the Company are adequate and proper. There is sufficient personnel staff to execute the work efficiently. In regard to the internal control process, control activities have been sufficiently carried out for the purpose of preventing the subsidiaries' Directors and Executives from abusing or using without authorization the assets of both the Company and the subsidiaries, involving the related transactions between parties who may have conflicts of interests and the related parties.

The Company's Auditor is Mr. Khitsada Lerdwana, from EY Office Limited had performed an audit of quarterly financial statements of the year 2020 and expressed suitability and adequacy of the internal control process.

The Company gives much importance to the internal control system as well as the risk management aforementioned, which are the core elements inspiring confidence in the quality of the organization to those involved.

In the past year, there was no any defect on the internal control system.

The Audit Committee expressed no difference in opinions from those of the Board of Directors, as shown in the annual report of the year 2020 made by the Audit Committee's Report.

Chief of the internal Audit

Mrs. Chanpen Nopsuri, the Company's Chief Audit Executive in 2020, takes responsibility for operational monitoring of internal audit process. Being experienced in internal audit system and having an understanding of the Company's business activities, she is suitably qualified for this task.

Approval, appointment and removal of the Chief of the internal Audit shall be made, at the high-ranking executives' suggestion, by the Chairman of the Audit Committee. The qualification of the Chief Audit Executive was shown on page 14.

Risk Factors

The Company is aware of the importance of implementing sustainable risk management, ensuring the ability to achieve the Company's goals while mitigating any potential risk to all the stakeholders. Therefore, the Risk Management Committee, appointed by the Board of directors, is responsible for risk evaluations, policy setting, risk management and risk evaluation reporting to the board members of the Company and its subsidiaries within a time frame. Due to economic and political situations and changes in society, reviews of risk factors, risk potentialities including their impact and management measures are needed for the purpose of reducing the risk in an acceptable range or eliminating them. Taking into account both internal and external factors, risk assessment is classified into four categories: business risk, operational risk, financial risk and external circumstances risk which may have a significant impact on the Company. In regard to the measures and policies on the risk management, they have been transmitted to the executives and operational teams of both the Company and the companies in the group's core business so that the latter would identify clear objectives and carry them out in the same direction to achieve goals.

Risk factors that may significantly affect the Company as well as shareholders' investment are as follows:

1. Risk factors contributed by external situations beyond control of the Company. These factors include:

1.1 Risk from COVID-19 situation

Due to the COVID-19 pandemic taking place since the beginning of 2020, the global and the Thai economy have been severely disrupted. The economic growth rate of Thailand throughout 2020 was in recession. Although vaccines have already been imported and distributed to control the situation, it is yet to cover the entire population of the country. This factor may affect the Company's business as well, especially the hotel business that primarily relies on revenues from foreign tourists and the investment business of overseas subsidiaries that are greatly affected by the fluctuation of stock prices in the stock market. This will cause a drop in sales and services of the Group Companies. As a result, the dividends, which is the main return on investment that the Company receives, will be affected as well. The Company has assessed that the likelihood of occurrence and impacts in this case is high, as the on-going epidemic situation is on a global scale whereas the amount of vaccine available worldwide is still limited, thus the strict control of the outbreak may be in place for another one or two years. The Group has implemented measures to prevent the potential impact on the performance of the businesses of the Group, improving operating procedures to reduce costs and expenses to a minimum, reducing production waste to a low level, seeking new business opportunities that are relevant to the current situation, such as those related to computers and human health to increase income from business operations, monitoring the liquidity and credit limit of the business to be at an appropriate level, as well as increasing measures in the workplace to keep employees safe and to prevent the spread of the disease.

1.2 Increasing interest rate risk

The source of operating capital of some subsidiaries is partly from loan. Therefore, the increasing interest rate may result in higher financial costs for such companies. This factor is outside the control scope of the company. In 2020, the interest rate was lowered in comparison to the previous year. However, the

Company and its subsidiaries only have a small sum of capital that was from loans. Thus, the risk and its possible impacts are considered at a low level. However, so as to prevent damage from a turn of events, the Company has prepared a policy to mitigate the risk by maintaining a proper proportion of the structure between debts and funds accordingly in a bid to generate a higher return on investment than the financial cost of the Company.

1.3 Risk of global economic changes

In 2020, the growth of the global economy was stagnant, due to the aforementioned COVID-19 situation as well as concerning trade protection measures that is constantly in place, significantly affecting Thai economy. Overseas customer orders decreased. Some customers turn to buy from other developing countries with lower wages than Thailand's. Several industries in Thailand, including ones the Company had invested in, were adversely affected by the trend, such as textile business, automobile related business, and other relevant businesses. As the risk was assessed and considered a high level, the Company launched a measure to protect its market shares and improve product quality to stay competitive. Should these measures fail, the Company would decide to terminate the business. Anyway, the Company's existing investments are aimed at getting long-term yields. Regarding risk management measures, the Company has focused on careful consideration about investments, follow-up of economic situations in the invested partner's countries, including study of fundamental factors in the countries to be invested, on the purpose of getting proper yields.

1.4 Risk of domestic economic changes

Thailand's economy has been changing due to political situations, the society, and the environments. Especially in 2020, the Thai economy was significantly affected by the COVID-19 situation, resulting in a decrease in domestic demands for consumable products. Some businesses even had to temporarily close during the spike of the outbreaks. The Company has assessed that the level of impact this risk factor can possibly have on the Group Companies is high. Therefore, the Group has prepared a measure to pay more attention to management, expand its business channels, and closely observe the economic situations to handle the issue accordingly. In 2020, businesses that were adversely affected included the garment business and the plastic, rubber, and metal business which are now undergoing the revision process. Moreover, in 2020, in order to prevent damage to the shareholders, the Group decided to shut down the operation of the textile business due to the fact that it had been operating at loss as the fierce competition.

2. Business risk is the risk that investment returns may be not according to the plan.

The Company's major business is investment, consisting of domestic and foreign investment capital on which the return is in the form of dividend. There is the risk that investment returns may be not according to the plan and would result in profit diminution. In 2020, the Company estimated that likelihood and impact on this case are at a high level. Despite the Company's diversification of investments, several businesses have been affected by the stagnant economy caused by the COVID-19 situation. The measure to manage this risk is to make adjustments in Group Companies in terms of reducing variable costs and expenses to a minimum level, lowering waste to a low level, and closely monitoring the performance and investment returns to assess the potential scenarios of invested businesses and devise precaution approaches and improvement plans, requiring invested businesses to make medium-term plans to propose to the Company's Board of Directors.

2.1 Decreasing income from investment

The Company launched a new business acquisition plan to address this issue by venturing into a new type of business involving medical services since 2015, establishing new hospitals which take about 3 years of construction. Now the constructions are in progress with one of the hospitals expected to be ready for operations in late 2021.

3. Operational risks. The important operational risks are as follows:

3.1 Risk of damage and management errors of invested business.

As indicated earlier that the Company's main business is investment, logically, if any entities in which the Company invested failed to work, it may cause damage to the Company in terms of securities.

The Company estimates that potential risk and its impact are at a moderate level as the company has diversified their investments. The company's measures for the entities in question are through risk assessment, internal control process, self-assessment, policy on providing relevant knowledge, performance follow-up, including regular meeting holdings for investors and executives. In addition, on the part of the Company, checking, monitoring and internal control processes provided for each operation business is a must. The Company places an emphasis on checking remaining goods as well as managing debtors and creditors affairs and other systems in secondary things.

3.2 Risk of reliance on orders from a few key customers.

Some of the Company's subsidiaries are joint ventures and the partners are foreigners who carry out the overseas marketing plans. The Company is strongly influenced by demand for product orders from a few of these key customers in case they change or reduce order volume or move their facilities to another country. However, the potential risk is quite low as these partners have about 50% of capital and they should cooperate to get returns on investment.

The Company has taken measures by maintaining good relationships with the partners and by offering its products of quality to the customers as required.

3.3 Risk of non-return on assets.

The Company had some business assets which were lands that were not in use in Sriracha District, Chonburi Province, in Baan Chang District, Rayong Province, in Sai Noi District, Nanta Buri Province, and in Muang District, Samut Sakhon Province. The Company considered this risk low-medium and proceeded to investigate the assets to evaluate the fair price. The evaluation suggested that the assets were worth more than the accounting cost. The Management always seeks for a proper economic opportunity.

3.4 Risk of Damage from Corruption

The Company's core values are integrity, quality and service, with a policy to operate a business morally, rightfully, and transparently. Corruption has been prevented since the beginning. However, this matter is a type of risk with medium estimated impact. Since it has a low chance to happen but can cause medium impact which may ruin the reputation of the Company and the Executives, contrasting with the Company's business policies. The approach to prevent corruption is done by building morality among the Executives and employees, enforced with a strict regulation and regular monitoring.

4. Financial risks. Below is a list of significant financial risks:

4.1 Risk of foreign currency exchange loss in the associated companies.

According to the Company's analysis, the potential risk and their impacts are relatively high as exports account for a major proportion of revenues generated by Group companies. A high fluctuation of exchange rate for Thai baht and US dollars, can have an impact on the foreign currency-denominated expenses and earnings from product sales, when converted to Thai baht. Substantially, this risk factor plays an important role. The Company takes action by assigning a personal to be responsible with the ongoing situation and the exchange rate. This person must report activity and consult with Managing Directors of the associated companies, in relation to prompt decision-making. Additionally, the associated companies must report the impact of foreign currency exchange rate, including the number of debtors and creditors to the Company.

Normally, the Company has its policy to manage this risk by using Natural hedge and consider making Forward contracts with banks according to the situation. This is only to prevent the risk, but speculation about exchange rate is not permitted. Moreover, the Company has invited from time to time key speakers from financial institutions to bring about more knowledge and skills, at the same time to place emphasis on management vigilance, to executives and personnel concerned.

4.2 Risk of impairment of investments.

The Company's main business is investment, in many kinds of investments. With the passing time, changes in economic and political situation, demand and supply, raw material price, energy price, and consumption trends, may influence some business types in which the Company is investing. If the performance of these companies is negative, the value of shareholders' equity will decrease. The Company also evaluated the opportunity for payback and the value of its investment. In case these values are inferior to the total of the Company's investment, it is necessary to record impairment of such investment. In this regard, the Company assessed that the potential risk and its impacts at a medium level. The Company has been carrying out assessments of invested business. In 2020, the Company decided to set aside an impairment of investment in a subsidiary operating a textile business due to production cessation and of investment in an associated company that operates automotive carpet business due to a loss in operation so that the value of the investment would appropriately reflect the expected returns in the future.

Management Discussion and Analysis

1. Overview

Factors that influenced significant changes

Due to the COVID-19 pandemic since early 2020, the global economy faced stagnation. The trade restriction between the United States and China has also intensified, further dampening the global economy's overall prospect. Thailand was significantly affected by these two incidents, resulted in Thailand 2020 economy contracted 6.5% from the previous year, while exports and imports were down 7.0% and 14.0%, respectively, over the same period. Private consumption slowed down while unemployment rose from many businesses shutting down. Thai Baht has been volatile throughout the year, affecting the Company's business operations, including:

- Hotel business that relies on foreign tourists,
- Energy business reported lower revenue due to business shutdown during the coronavirus outbreak,
- Plastic, rubber and metal business faced delayed order and export sales decline due to Baht appreciation,
- Investment business of overseas subsidiaries were affected by the stock price volatility.

Operation summary

The company and subsidiaries reported consolidated net profits for the year ending 31 December 2020 amounted Baht 867 million, decreased by Baht 308 million when compared to 2019 as follow.

(Unit: Baht Million)

Consolidated financial statement	2020	2019	Increase (decrease)	%
Total revenue	9,367	10,745	(1,378)	(13%)
Total cost of sales and expenses	8,943	9,902	(959)	(10%)
Share of profit from investments in joint ventures	495	535	(40)	(7%)
Share of profit (loss) from investments in associates	116	(13)	129	(992%)
Finance cost	43	29	14	48%
Income tax expenses	125	161	(36)	(22%)
Profit for the year	867	1,175	(308)	(26%)
Profit attributable to equity holders of the Company	845	1,112	(267)	(24%)

2. Operation Performance and Profitability

Separate financial statement

During 2020, the Company's separate financial statements based on cost method reported a net profit of Baht 822.68 million, a decrease of Baht 16.07 million or 1.92%, from 2019 net profit. The key factors for the decreasing net profit were as follow;

- During 2020, the Company recorded an investment impairment of Baht 78 million. The impairment resulting from its subsidiary (Union Garment Co., Ltd.) ceased its textile business operation. Also, a joint venture (Jiangsu Zhonglian-Union Carpet Co., Ltd) operated automobile carpet production that incurred accumulated loss to reflect the expected return in the future appropriately.

- Dividend income increased by Baht 48.12 million compared to 2019, mainly due to increased dividend income from domestic energy business as per the Company's plan and from Chinese energy business due to capacity expansion and efficiency enhancement. However, the domestic plastic, rubber and metal business paid less dividend due to declined operation due to the global economic downturn and Thai Baht appreciation.

- 2020 interest income increased Baht 7.06 million from 2019 as a loan to subsidiaries (average outstanding amount) increased by Baht 256 million. The loan was to finance working capital at the interest rate referred to the commercial banks and would change according to the market environment.

- The administration expenses declined by Baht 7.64 million as the Company set a long-term provision for employee benefits of Baht 4 million during 2019 according to the Labor Protection Act (7th Edition) B.E. 2562.

Consolidated Financial Statements

For the operating result according to the consolidated financial statements based on equity method in 2020, the Company reported a consolidated net profit attributable to equity holders of the Company of Baht 845.09 million, a decrease of Baht 266.90 million or by 24.00%, compared to the Company's 2019 consolidated net profit of Baht 1,111.99 million. The key factors and events that contributed to the change of the result as mentioned earlier were as follow;

1) Sales and Service Incomes

During 2020, the Company's sales and service income totaled Baht 8,728 million, down Baht 1,423 million from 2019 income, or 14% year-over-year. The significant changes are as follow;

- Textile business reported a revenue decline of Baht 128 million due to the textile industry's competitive environment that focuses on pricing competition. Moreover, some of the key clients in Europe were affected by an economic slowdown. Sales to Europe was in a downtrend. The sales declined was also attributable to the Baht appreciation that affected sales income.

- Plastic, rubber, and metal businesses reported a sales decline of Baht 814 million due to a significant impact from the COVID-19 pandemic that severely affected automotive industries, resulted in declined and deferred order, which correlated the Company's plastic business supplied to automotive. Moreover, the metal business mainly exported stainless-steel vacuum bottles, adversely affected by declined demand and continuing Baht appreciation, resulting in lower Thai Baht income from overseas customers' foreign currency payment.

- Computer trading business sales and service income improved Baht 192 million due to an increase in purchasing orders from both public and private sectors.

- Energy business mainly operates in China, one of the countries affected by COVID-19 during early 2020, resulting in lower sales of electricity and steam by Baht 374 million when compared to 2019.

- Hotel business was also heavily affected by COVID-19. It relies on foreign tourists, which were absent since the end of March 2020 until now, resulting in sales and service income declined by Baht 296 million when compared to 2019. Furthermore, during 2020, the hotel has renovated some central facilities to modernize its aged facilities, contributing to the service revenue decline.

2) Other income

During 2020, the Company and its subsidiaries earned other income of Baht 640 million, up Baht 45 million or 8% from 2019. The change can be classified as follow;

(Unit: Baht million)

Other income	2020	2019	Increase (decrease)	%
Dividend income	376	245	131	53%
Rental income	36	36	-	-
Interest income	29	50	(21)	(42%)
Unrealized gains from revaluation of trading securities	-	28	(28)	(100%)
Gain on derivatives designated at fair value through profit or loss	7	-	7	n/a
Other income	192	236	(44)	(19%)
Total	640	595	45	8%

- The dividend income increased by Baht 131 million, mainly resulted from the rising return from domestic energy business that increased according to the operation plan.
- Interest income declined by Baht 21 million in line with the decrease of the investment in fixed income instruments. The Company's subsidiary has divested that fixed income to invest in marketable equity securities.
- Unrealised gains from revaluation of trading securities were from the marking of trading securities to market price at the end of 2019 and incurred unrealized gains of Baht 28 million. However, at the end of 2020, those securities' market value dropped compared to the cost, resulting in 2020 unrealized losses from marking to market its marketable securities amount Baht 196 million.
- Other income declined by Baht 44 million due to lower gains from the foreign exchange due to Thai Baht exchange rate volatility against US Dollar.

3) Cost of Sales and Services and Selling and Distribution Expenses and Administrative Expenses

Cost of Sales and Services

2020 cost of sales and service was at Baht 7,736.22 million, decreased by Baht 1,044.40 million compared to Baht 8,780.62 million in 2019, in line with the declined sales and service income. Cost of sales and service declined less than sales and service income as every business has certain fixed costs, such as labor and depreciation expenses. As a result, 2020 cost of sales was 88.64% of sales and service income, compared to 86.50% during 2019, representing an increase of 2.14% in a ratio of cost of sales to sales and service income.

Hotel and energy businesses experienced the higher cost of sales and declined gross profit margin due to:

- Hotel business was heavily affected. It has to stop operation from April to June 2020 following the Regulator's order to control the pandemic, resulting in a revenue decline of 56.60% from the previous year. While most of the hotel operating costs are fixed, such as personnel and depreciation expenses. Its fixed cost does not scale in line with the revenue decline, resulted in a significant deterioration of gross profit margin.

- Energy business reported revenue decreased by 23.60% from the previous year due to the production shutdown in early 2020 to control the pandemic situation. A part of the costs is fixed such as personnel and depreciation expenses. Its fixed cost does not scale according to the revenue decline. Besides, the company has commenced a new generator during 2020, resulting in higher depreciation expenses.

Selling and Distribution Expenses

In 2020, the selling expenses, mainly comprised of export fees, sales commission fees, and transportation fees, were Baht 268.40 million, a decrease of Baht 11.14 million from 2019, in line with decreased sales and service income during the year. The 2020 selling expenses accounted for 3.08% of sales and service revenue in line with 2.75% during 2019 under the Company and subsidiaries' usual level.

Administrative Expenses

In 2020, administrative expenses were Baht 659.29 million, a decrease of Baht 170.11 million or 20.51% of total sales and service income, compared to Baht 829.40 million during 2019. The key factors contributing to the significant changes were due to;

- Personnel expenses decreased Baht 79 million as the Company and subsidiaries recorded personnel expenses related to the change in The Labor Protection Act (No. 7) B.E. 2562. During 2020, the Company's subsidiaries also controlled personnel expenses and rationalized the workforce to enhance cost efficiency, resulting in further reduction in personnel expenses.
- Professional fees during 2020 declined by Baht 25 million from 2019 due to lower management fees paid to the third party by a hotel subsidiary due to a decline in hotel revenue amid the COVID-19 pandemic.
- Losses from disposal / write-off of property, plant and equipment in 2020 were down by Baht 23 million from 2019 as three subsidiaries disposed of obsolete machinery and equipment during 2019.
- The land and building tax in 2020 down Baht 14 million from 2019 as the government provided relief measure by waiving 90% of property tax, resulting in lower tax expenses.
- Transportation expenses were down Baht 11 million compared to 2019 as the pandemic restrict international business trips to prevent the spreading of the virus, promoting the usage of online meetings.

4) Share of profit (loss) from investments in associates

Share of profit from investments in associates increased Baht 128.78 million from 2019, driven mainly by the Company recognizing a higher share of profits by percentage of shareholding from investment in three associates as follows;

- A Chinese associate that operates automobile carpet had implemented a good cost control program, resulting in a more efficient operation and higher profit contribution.
- A Chinese associate that operates a real estate business in China realized revenue from a completed real estate project, resulting in higher operating profit and profit contribution.
- A domestic associate which operates an investment business contributed a higher share of profits from investment in associates due to an increased in percentage of shareholding.

5) Profitability Ratio

Description	Unit	For the year ended 31 December	
		2020	2019
Gross profit margin	%	11.36	13.50
Operating profit margin	%	7.41	7.72
Net profit margin	%	8.47	9.87
Return on equity	%	4.09	5.45

Gross profit margin

In 2020, the Company and subsidiaries recorded a gross profit of Baht 991.90 million, representing a gross profit margin of 11.36%. The gross profit was down Baht 378.23 million, or 2.14% of sales and service income, compared to the 2019 gross profit of Baht 1,370.13 million with a 13.50% gross profit margin. The declined gross profit was mainly contributed by major two businesses, energy and hotel businesses. The hotel business reported a lower gross profit of Baht 210.67 million, with gross profit margin declined from 2019 by 48.86%. The energy business also reported a lower gross profit by Baht 161.66 million, with gross profit margin declined from 2019 by 2.89%. Lower sales and service income both changed amid the slighter decrease of the cost of business. These businesses have particularly fixed costs irrespective of the revenue, such as personnel or depreciation expenses, as mentioned before.

Operating Profit and Cash Flow from Operation

According to the 2020 consolidated financial statement, the Company and its subsidiaries recorded an operating profit of Baht 693.89 million, a decrease of Baht 154.99 million compared to a 2019 operating profit of Baht 848.88 million. The decline was mainly due to the disproportionate decline in sales and services income and the cost of sales and services, where the cost of sales and services declined slower than the income, as mentioned above.

Operating Profit Margin

2020 operating profit margin was at 7.41%, down 0.31% due to the aforementioned reasons, which was an appropriate level of profitability given the circumstance.

Net Profit Margin

According to 2020 consolidated financial statements, a net profit attributable to the Company's equity holders was at Baht 845.09 million, down Baht 266.90 million compared to a 2019 net profit of 1,111.99 million. The net profit margin in 2020 was at 8.47%, down 1.40% compared to the 2019 net profit margin of 9.87%, due to the reasons mentioned earlier. However, the 2020 net profit margin was deemed appropriate given the prevailing circumstance.

Return on Equity (ROE)

In 2020, according to the Company and subsidiaries consolidated financial statements based on equity method, the Company recorded net profit attributable to the equity holders of Baht 845.09 million, or basic earnings per share at Baht 2.91. The 2020 average ROE was 4.09%, down 1.36% compared to 2019 average ROE of 5.45%, as a result of various aforementioned factors. Based on the cost method, the Company reported the 2020 net profit of Baht 822.68 million or Baht 2.74 per share on the separate financial statements. Net profit decreased Baht 16.07 million or Baht 0.06 per share in comparison to 2019. The key drivers for the decrease were due to the impairment of domestic subsidiary and overseas associate to appropriately reflect future expected return.

The Company maintained the dividend policy with a payout ratio no less than a-third of annual net profit based on cost method as reported in separate financial statements after deduction of retained loss (if any). The Company would also consider business liquidity and any cash requirement. However, the Company has consistently paid dividends to its shareholders in appropriate rate. On 18 March 2021, the Company's Board of Directors proposed to the shareholders meeting for approval of paying a dividend to the shareholders at the rate of Baht 1.50 per share or 54.70% of net profit based on cost method for the operation year 2020.

The Company's Dividend Payment History compared to net profit per share based on cost method:

Year	Dividend per share (per share)	Earning per share (cost method)	Dividend payout Ratio (%)
2019	1.50	2.80	53.65
2018	2.00	2.73	73.26
2017	2.00	3.01	66.45
2016	2.00	3.94	50.76
2015	1.50	1.91	78.53

3. Financial Position and Asset Management Capability

Asset Composition and Asset Quality

As of 31 December 2020, The Company and subsidiaries assets value were at Baht 25,716.92 million, an increase of Baht 513.34 or 2.04% compared to the end of 2019 with total assets of Baht 25,203.58 million. The asset compositions, the asset quality and

(Unit: Baht million)

Assets as at 31 December	2020	%	2019	%	Increase (decrease)	%
Cash and cash equivalents	2,877	11%	2,700	11%	177	7%
Trade and other receivables	1,490	6%	1,708	7%	(218)	(13%)
Inventories	941	4%	1,018	4%	(77)	(8%)
Investments in joint ventures and associates	5,683	22%	5,305	21%	378	7%
Other non-current financial assets (2019: Other long-term investments)	3,288	13%	2,692	11%	596	22%
Property, plant and equipment	6,154	24%	6,532	26%	(378)	(6%)
Right-of-use assets	246	1%	-	-	246	n/a
Goodwill	522	2%	522	2%	-	-
Other assets	4,516	17%	4,727	18%	(211)	(4%)
Total assets	25,717	100%	25,204	100%	513	2%

- **Cash and cash equivalents** increased Baht 177 million due to a net operating cash inflow of Baht 1,084 million, net cash inflow from investing activities of Baht 3 million, net cash used in financing activities of Baht 955 million, and in translation adjustments of Baht 45 million.
- **Trade and other receivables** decreased Baht 218 million in line with the lower sales of Baht 1,423 million. Most of which accounts receivable are not yet due. The Company Group's collection period is average at 60 days, similar to the credit term. Moreover, the management has

prudently and adequately set aside an allowance for expected credit losses to anticipate any potential credit default.

- **Inventories** decreased Baht 77 million due to a decrease in raw materials as the Group Company focused on minimizing inventory level to enhance the liquidity. The inventory turnover was at 18.98 times. The management has set aside the reduction of cost to net realisable value to appropriately reflect each type of those inventories' net economic value.
- **Investment in joint ventures and associates** increased Baht 378 million. In 2020, the Company increased its investment in a joint venture, Sukhumvit 62 Medical Ltd., by Baht 199.5 million. A part of an increase was attributable to the revaluation of joint ventures and affiliates' investment book value based on the equity method.
- **Other non-current financial assets** increased 596 million due to an increase in investment amount of Baht 523 million, mainly on an investment in the equity marketable securities investment, of which fair value has shown in the note 16 to financial statements
- **Property, plant and equipment** decreased Baht 378 million due to the depreciation expenses of Baht 746 million and property, plant and equipment acquisition of Baht 398 million during 2020. Moreover, during 2020, a subsidiary impaired property, plant and equipment worth Baht 45 million to appropriately reflect the net economic value from utilising such assets.
- **Right-of-use assets** increased Baht 246 million, resulting from adopting the new accounting standard TFRS-16 Lease effective from 1 January 2020. These right-to-use assets include the rights to utilise lands, properties, equipment and vehicles.
- **Goodwill** resulted from the acquisition of Hilton Huahin Resort and Spa, which comprised the opportunity to start operation since the first day of purchase. The company has reviewed and tested for impairment every year according to the accounting standard. During 2020, there is no sign of impairment on such asset. Thus, there is no significant change in goodwill value.

There was no significant change for other assets, except for those mentioned above.

Efficiency Ratio

Item	Unit	For the year ended 31 December	
		2020	2019
Return on Assets	%	3.32	4.35
Return on fixed asset	%	19.30	21.56

Return on Assets

The 2020 return on assets was 3.32%, down 1.03% from the previous year. Due mainly to the Company's consolidated net profit in Thai Baht was lower as a result of economic slowdown and significant Baht appreciation.

Return on fixed asset

The 2020 return on fixed asset was 19.30%, down 2.26% from the previous year due to the declined net profit as discussed in the section Profitability.

4. The Company's Liquidity and Capital Adequacy

Sources and uses of capital

As of 31 December 2020, the Company and subsidiaries recorded the sources and uses of capital as follow:

(Unit: Baht million)

Cash flow items	For the year ended 31 December 2020
Net cash from operating activities	1,084
Net cash from investing activities	3
Net cash used in financing activities	(955)
Translation adjustments	45
Net increase in cash and cash equivalents	177
Cash and cash equivalents at beginning of year	2,700
Cash and cash equivalents at end of year	2,877

- **Cash flow from operating activities** The Company and its subsidiaries reported earnings before tax of Baht 992 million, with adjusting for recorded items from operating activities. The major items were the depreciation and amortisation expenses of Baht 859 million. The loss on investments designated at fair value through profit or loss was Baht 196 million. The share of profit from investments in joint ventures was Baht 495 million. The share of profit from investments in associates was Baht 116 million. The dividend received from investments was Baht 376 million. A decrease in trade and other receivables was Baht 197 million and the cash paid for income tax of Baht 197 million, resulting in a net cash flow from operating activities worth Baht 1,084 million.
- **Cash flow from investing activities** was Baht 3 million with significant changes as follow:
 - Cash receipt from long-term loans to related party of Baht 185 million
 - Cash payment to acquire an investment in joint venture (Sukhumvit 62 Medical Ltd.) of Baht 199.5 million
 - Cash payment to acquire other non-current financial assets of Baht 523 million, of which mostly was an investment in a marketable equity investment.
 - Dividend received from investments of Baht 932 million
 - Acquisition of property, plant and equipment of Baht 396 million was considered the capital expenditure. Key items included an investment in machinery and equipment in an oversea energy subsidiary of Baht 156 million; an investment in machinery and equipment in a domestic plastic, rubber and metal businesses of Baht 138 million to enhance efficiency; hotel renovation of Baht 90 million; and other capital expenditure of Baht 12 million.
- **Cash flows used in financing activities** was at Baht 955 million with significant items as follow:
 - Repayment of short-term loans from financial institutions of Baht 147 million
 - Dividend payment of Baht 547 million
 - Repayment of long-term loans of Baht 278 million

Overall, the Company and subsidiaries have demonstrated high liquidity and has adequate cash flow to conduct business operation and meet debt obligation according to loan schedule.

The Adequacy of Capital Structure

As of 31 December 2020, the Company's capital base comprised of total shareholders' equity of Baht 22,832.18 million and total liabilities of Baht 2,884.73 million, thus, implied a debt-to-equity ratio of 0.13:1 time. Most of the capital base is comprised of shareholders' equity. Apart from the debts from the external creditors shown on the Company's statement of financial position, there is also off-balance sheet financing source which is the Company's unused credit facility of about Baht 900 million, issued by the financial institution.

During 2020, the Company had no change in capital structure. There was neither capital increase nor capital reduction activity. Its subsidiaries raised debt funding from creditors as details disclosed in Note 22 and 24 to financial statements.

Composition of the Shareholders' Equity

According to the consolidated financial statements as of 31 December 2020, the equity attributable to owners of the Company was at Baht 21,072.40 million, an increase of Baht 773.77 million compared to the end of 2019 equity of Baht 20,298.63 million. The change was mainly driven by:

- Consolidated net profit attributable to equity holders of the Company of Baht 845 million
- During 2020, the Company paid dividend of Baht 450 million according to the resolution of the Shareholders' Annual General Meeting.
- Exchange differences on translation of financial statements in foreign currency due to the difference in exchange rate that used to translate overseas financial statements into Thai Baht between 2020 and 2019, the difference increased the shareholders' equity by Baht 187 million.
- Gain on change in value of equity investments designated at fair value increased by Baht 69 million.
- Share of other comprehensive net income from joint ventures and associates increased by Baht 137 million.

Adequacy of Liquidity

Liquidity Ratio

Items	Unit	For the year ended 31 December	
		2020	2019
Current Ratio	Times	3.43	3.15
Quick Ratio	Times	2.98	2.71
Interest coverage ratio	Times	32.36	58.00

Current Ratio and Quick Ratio

In 2020, the Current Ratio and Quick Ratio were at 3.43 times and 2.98 times, respectively, indicating that the Company and subsidiaries maintain adequate liquidity level.

Interest coverage ratio

Interest coverage ratio was at 32.36 times, indicating that the Company and its subsidiaries generate enough cash flow to pay interests to their creditors.

Ability to Secure Additional Funding

The Company has additional unused credit facility of about Baht 900 million issued by the financial institution, which comprised of three-month promissory note and available-on-call loan. Moreover, for project funding, the Company could propose to financial institutions to issue either medium or long-term project financing facility to fund such project investment.

Factors that May Affect Credit Rating

The Company's source of capital came entirely from the common stock equity, and neither debenture nor bond was ever issued; thus, there is no requirement for credit rating.

Debt Service ability and Compliance to Debt Covenant

The 2020 Debt service coverage ratio (DSCR) for long-term, short-term and interest payment was at 1.64 times, indicating that the Company and subsidiaries have ability and adequate liquidity to pay up all loans in full. Therefore, there is neither a reason that could lead to the non-compliance of the debt covenants nor a cause that could impact dividend payment.

5. Contractual Obligations and Off-Balance Sheet Arrangements

Details on off balance sheet obligations are disclosed in the Notes to the Financial Statements as follow:

Type of Obligation	Details according Notes to Financial Statements, Amount, Payment Period shown on each obligation	
Long-term liabilities commitments	Note 19	Lease
	Note 24	Long-term loans
	Note 25	Provision for long-term employee benefits
Tax liabilities commitments	Note 30	Income tax (last paragraph) Deferred tax liabilities
Capital commitments	Note 36.1	Capital commitments
Operating lease commitments	Note 36.2	Operating lease commitments
Long-term service agreements	Note 36.3	Long-term service agreements
Operating commitments	Note 36.4	Commitment to purchase raw materials
Guarantees' commitments	Note 36.5	Guarantees

The Company and its subsidiaries have ability to manage the aforementioned factors with no negative on business operation.

6. Forward Looking: Factors and Influences that may affect the Operations or Financial Position

The Company has anticipated that the global economy will recover in 2021 compared to 2020. However, the Company has also aware of the intense competition in the overseas market. The Baht exchange rate and interest rate continue to be volatile, and the risk of resurgence of COVID-19 pandemic. Thus, the Company puts in damage mitigating measures to prevent or minimise any potential impacts that could affect the Company and its subsidiaries' operation. The Company and its subsidiaries have improved their working process to reduce variable costs and minimise other expenses to the minimum level. The Company and subsidiaries have also reduced production waste and looked for new business avenues that cater to the New Normal. They have controlled and monitored the Company's financial credit at an appropriate level, enhancing health and safety policies to ensure the safety of employees and prevent the pandemic. The Company also prepared its production and service operations to be ready to serve the demand recovery once the majority of the population get vaccination until the COVID-19 pandemic is under control.

7. Additional Information of the Translation Adjustments

The Company's consolidated financial statements include the overseas subsidiaries, joint ventures and affiliates reporting in foreign currencies. The Company must convert those financial statements into

Thai Baht for consolidation purpose. The table below shows the exchange rates used in consolidated financial statements during the past 3 years as follow.

Currency	The exchange rate applied in					
	Statement of financial position			Income statement		
	2020	2019	2018	2020	2019	2018
RMB	4.60140	4.29930	4.70850	4.621200	4.281650	4.722125
HKD	3.86645	3.86475	4.13465	3.965263	3.864325	4.177363
TWD	1.06895	1.00190	1.05445	1.078213	0.992938	1.065188

Having verified Company's both separate and consolidated financial statements, the auditor expressed unqualified opinion and provided a summary statement on the independent auditor's report.

Related Transactions

1. Characteristics of Related Transactions

Related transactions are regarded as a normal business practice of companies, with general trading conditions, and no unusual transactions or improper pricing. Most of the transactions are conducted in the form of trading of goods, related creditors and debtors, loans and borrowings among groups of companies for the purpose of maximum benefits in terms of financial management, by charging interests at the referenced rates of a large domestic commercial bank, based on business type.

The companies' policy on related transactions between parties, who may have conflicts of interests, focuses on necessity and reasonability of such transactions. These transactions usually take form of normal trading related to business operation, including related trading of goods or borrowings among companies. Sales price and benefit are calculated according to the market rate. To give an example, in case of interest charge, the companies adopt the market rate by the time such transactions are conducted. Thus, the return shall be the same as the rate charged in the market.

Since related transactions are commercially customary or unexceptional, it is not necessary to get opinions from directors who have no interests or independent experts on the related transaction and including, in the past year, the Company did not have any securities offerings. In case that the Company has the related party transactions, these transactions were disclosed through an electronic channel of the Stock Exchange of Thailand.

2. Necessity and logic of Related Transactions

The main business of the Company is investment, selling raw materials and certain products of the companies in the group, thus purchase-sale transactions, as well as related debtor-creditor and interest received and paid between each other because the company also helps manage the finance of the Group Companies to achieve maximum efficiency and benefits. Therefore, for these items, there is necessity and reason for the occurrence of related transactions.

3. Approval procedures of Related Transactions

The approval procedures of related transactions are followed in the same way as with external customers practicing a normal business. The Board of Directors used to approve, in principle, the related transactions as a normal business. Regarding the follow-up of payments, the due date of each transaction was specified and controlled; however, the approval of each transaction was in conformity with rules and regulations of the Stock Exchange of Thailand (SET) and with the Office of the Securities and Exchange Commission (SEC).

4. Policy and future trends in Related Transactions

With regard to policies on related transactions, the Company seeks to treat fairly all related parties, with the aim of maximizing benefits, to comply with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission (SEC), and to disclose sufficiently essential information.

In the future, the number of business transactions between the group companies is likely to decline in parts related to textile business material procurement which is bound for closure during 2021. Meanwhile, transactions of deposit and borrowing between the group companies remain unchanged because they have insisted on their effective financial management.

Related transactions in 2020 are shown on the next page.

Related Transactions of Saha-Union Public Company Limited with Related Parties in 2020

Related Transaction					
Party's Name	Type of Relationship	Type of Transaction	Amount (Million Baht)	Pricing Policy	Necessity
1 Union Thread Industries Co., Ltd.	One of 10 major related shareholders	1 Dividend Income / Payment 2 Other Income / Expenses	53.74 0.02	From resolution of the Shareholders' Meeting Contract price	In the ordinary course of business should have return on investment.
2 Union Industries Corp., Ltd.	One of 10 major related shareholders	1 Dividend Income / Payment 2 Other Income / Expenses	33.70 0.02	From resolution of the Shareholders' Meeting Contract price	In the ordinary course of business should have return on investment.
3 Venus Thread Co., Ltd.	Major shareholder holding more than 30% of shares	1 Purchases / Sales of Merchandise 2 Rental Income 3 Other Income / Expenses 4 Account Receivables / Payables	9.13 0.02 0.11 1.43	Comparable with market price Contract price Contract price Outstanding balance as at 31 December 2020	The purchasing of raw material should be made in large quantity to generate more bargaining power.
4 Union Spinning Mills Co., Ltd .	Major shareholder holding more than 30% of shares	1 Purchases / Sales of Merchandise 2 Rental Income 3 Other Income / Expenses 4 Account Receivables / Payables	4.84 0.09 0.07 0.06	Comparable with market price Contract price Contract price Outstanding balance as at 31 December 2020	The purchasing of raw material should be made in large quantity to generate more bargaining power.
5 Union Zip Co., Ltd.	Major shareholder holding more than 30% of shares	1 Other Income / Expenses	0.10	Contract price	
6 Union Shoes Co., Ltd.	Saha-Union Plc. is a major shareholder	1 Deposits 2 Interest Receivables / Payables 3 Interest Income / Expenses	43.46 0.01 0.21	Outstanding balance as at 31 December 2020 Outstanding balance as at 31 December 2020 Referred to types and rates of a major commercial bank	The Companies in the Group had their surplus liquidity and deposited the money with the Company for effective financial management.
7 Thai Rubber Enterprise Co., Ltd.	Saha-Union Plc. is a major shareholder	1 Account Receivables / Payables 2 Rental Income 3 Other Income / Expenses 4 Dividend Income/Payment	3.92 1.53 0.03 0.49	Outstanding balance as at 31 December 2020 Contract price Contract price From resolution of the Shareholders' Meeting	To develop and make use of its vacant plots of land by rental of property for rubber plantation.
8 Union Textile Industries Public Company Limited	Saha-Union Plc. is a major shareholder	1 Purchases / Sales of Merchandise 2 Dividend Income / Payment 3 Account Receivables / Payables 4 Other Income / Expenses	34.95 1.50 4.32 0.36	Comparable with market price From resolution of the Shareholders' Meeting Outstanding balance as at 31 December 2020 Contract price	The purchasing of raw material should be made in large quantity to generate more bargaining power.

Related Transaction					
Party's Name	Type of Relationship	Type of Transaction	Amount (Million Baht)	Pricing Policy	Necessity
9 Union Pioneer Public Company Limited	Saha-Union Plc. is a major shareholder	1 Purchases / Sales of Merchandise	6.19	Comparable with market price	The purchasing of raw material should be made in large quantity to generate more bargaining power and in the ordinary course of business should have return on investment
		2 Dividend Income / Payment	0.48	From resolution of the Shareholders' Meeting	
		3 Rental Income	3.31	Contract price	
		4 Other Income / Expenses	0.41	Contract price	
		5 Account Receivables / Payables	0.34	Outstanding balance as of 31 December 2020	
10 Union Construction Corp., Ltd.	Saha-Union Plc. is a major shareholder	1 Deposits	23.00	Outstanding balance as at 31 December 2020	
11 Union Nakorn Co., Ltd.	Saha-Union Plc. is a major shareholder	1 Account Receivables / Payables	0.04	Outstanding balance as at 31 December 2020	
		2 Other Income / Expenses	0.02	Contract price	
12 Union Button Corp., Ltd.	Directors and related person holding more than 10% of shares	1 Other Income / Expenses	0.04	Contract price	In the ordinary course of business should have return on investment.
		2 Dividend Income / Payment	1.95	From resolution of the Shareholders' Meeting	
13 Venus Button Co., Ltd.	Related person holding more than 10% of shares	1 Dividend Income / Payment	0.87	From resolution of the Shareholders' Meeting	In the ordinary course of business should have return on investment.
14 Uni-Fibre Co., Ltd.	Major shareholder holding more than 30% of shares	2 Other Income / Expenses	0.01	Contract price	
		1 Other Income / Expenses	0.01	Contract price	
15 Union Management and Service Co., Ltd.	Major shareholder holding more than 30% of shares	1 Other Income / Expenses	0.01	Contract price	
16 Union Property Co., Ltd.	Related person holding more than 10% of shares	1 Other Income / Expenses	0.07	Contract price	
17 Venus Shoes Co., Ltd.	Saha-Union Plc. is a major shareholder	1 Deposits	31.00	Outstanding balance as at 31 December 2020	The Companies in the Group had their surplus liquidity and deposited the money with the Company for effective financial management.
		2 Interest Income / Expenses	0.19	Referred to types and rates of a major commercial bank	
		3 Other Income / Expenses	0.70	Contract price	
		4 Rental Income	0.42	Contract price	
		5 Interest Receivables / Payables	0.01	Outstanding balance as at 31 December 2020	
		6 Account Receivables / Payables	0.10	Outstanding balance as at 31 December 2020	
		7 Dividend Income / Payment	4.38	From resolution of the Shareholders' Meeting	
Total amount of related transaction in 2020			267.66		

Board of Directors' Responsibility for the Financial Report

The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries and other financial information as appeared in the Annual Report. Such financial statements are prepared in accordance and consistency with the Accounting Standards for Publicly Accountable Entities. Careful consideration and best estimation are applied in the preparation. Important information is fully disclosed in the notes to such financial statements which have adopted the revision new treatment guidance in accordance with the accounting standards that are effective. As investment is the Company's major business, therefore, the consolidated financial statements are comprised of its subsidiaries, joint venture and associates' information. In the separated financial statements, investment accounts are recorded on cost method. In the consolidated financial statements, gains and losses from investments are recognized on equity method. In addition, the Company has accommodated new accounting standards which have been effective since 2 January 2011 and the revision of accounting standards that became effective periodically until present, including the TFRS 10 Consolidated Financial Statements which has significant implication to the Company. In the year 2020, the Company has adopted the new Accounting Standards which are effective since 1 January 2020 onwards, which are TFRS 16 Leases and financial reporting standard related to financial instruments. The financial statements of the Company are audited and given an unqualified audit opinion by the Auditors.

The Board of Directors has maintained proper and effective internal control system to reasonably ensure that accounting records are correct, complete, and sufficient to safeguard Company's assets and to detect any weaknesses so as to prevent fraud or material irregularities.

Hence, the Board of Directors has appointed the Audit Committee comprising Independent Directors who are Non-Executive Directors to be responsible for the quality of the financial reports and the internal control system. Opinions of the Audit Committee on these matters are disclosed in the Report from the Audit Committee as appeared in the Annual Report on the next page

The Board of Directors is confident that the Company's overall internal control system is satisfactory and can reasonably ensure the credibility of the financial statements of the Company and its subsidiaries as of 31 December 2020.

On behalf of the Board of Directors



(Miss Dalad Sapthavichaikul)
Chairman



(Mrs. Chantornree Darakananda)
President

25 February 2021

Audit Committee's Report

To Shareholders,

In the year 2020, the Audit Committee is comprised of three independent directors, namely Associate Professor Dr. Pakpachong Vadhanasindhu as a Chairman, Associate Professor Suttima Jamnarnwej and Mr. Anon Sirisaengtaksin. Four meetings had been organized and attended by all members of the Audit Committee as below:

		Number of Attendances
- Associate Professor Dr. Pakpachong	Vadhanasindhu	4/4
- Associate Professor Suttima	Jamnarnwej	4/4
- Mr. Anon	Sirisaengtaksin	4/4

Participated in the meetings were the Company's Executives, internal auditors and the external auditors. The performance of the Audit Committee can be summarized as follows:

1. Review of Financial Reports.

The Audit Committee, the Company's Executives and the external auditors reviewed the quarterly and annual financial statements and consolidated financial statements of the year 2020 on the accounting policies and including some important changes during the year, the integrity and reliability of the financial reports and the timing and adequacy of information disclosure, to assure the Company's compliance with accounting standards in accordance with generally accepted accounting principles and the regulations concerned prior to the financial statements' approval for the beneficial of the investors and the other users. Moreover, the Committee held a meeting, in absence of the Company's Executives, to analyse the observations and opinions of the external auditor and to discuss on the comments independently. In addition, the Company emphasized on the key audit matters of the Group Companies for disclosing information in accordance with the auditing standards in the auditor's report.

2. Review of Corporate Governance.

The Audit Committee oversaw the Company's rules and regulations to ensure they are compliant with the Company's Code of Conduct and Regulations, without any legal violations. The Committee also established good awareness of anti-corruption measures and prevention among Executives and Employees.

3. Review of Risk Management.

The Audit Committee held a meeting with the Risk Management Committee with their remarks on the auditing plan, the functions, and follow up the work of the Risk Management Committee. The Audit Committee confirmed the adequacy and suitability of risk management system of the company.

4. Review of Internal Control and Internal Audit.

The Audit Committee reviewed, examined and approved the annual audit plan and assessed the adequacy and suitability of internal control process of the Company. Furthermore, some useful suggestions were made for the purpose of improving the efficiency of internal audit system.

5. Review of Related Transactions.

The Audit Committee reviewed and commented on related transactions and transactions with possible conflicts of interests and disclosed a complete and adequate report of the transactions in compliance with the regulations and requirements set forth by the Stock Exchange of Thailand, considering the Company's benefits and the completion and adequacy of information disclosure. In the year 2020, the company has no any related transactions.

6. Self-assessment.

The Audit Committee conducted individually a self-assessment of personal performance according to the Charter of the Audit Committee and the best practice guidelines of the Stock Exchange of Thailand.

7. Nomination of External Auditor.

The Audit Committee decided on qualifications of external auditor and the proposed remuneration. Then, the Committee suggested its nomination to the Board of Directors to present to the statutory shareholder meeting.

In conclusion, the Audit Committee emphasized on the importance of internal control for the sake of the Company's good corporate governance, efficient internal control process and risk management, including its compliance with the law and regulations related to business operation.

On behalf of the Audit Committee



(Associate Professor Dr. Pakpachong Vadhanasindhu)

Chairman of the Audit Committee
Saha-Union Public Company Limited

Report of Nomination and Remuneration Committee

Dear Valued Shareholders,

Saha-Union's Nomination and Remuneration Committee consists of 3 Directors, 2 of which are independent Directors. The Chairman of the Nomination and Remuneration Committee is an independent Director who can act and express his or her opinion at will.

For more details regarding the components, scope of work and responsibilities, seeking and nomination processes for a qualified person, criteria and means, as well as Remuneration consideration approaches, shareholders are free to check in the Nomination and Remuneration Committee Manual published on the Company's website.

In 2020, the Nomination and Remuneration Committee held a total of 3 meetings, in which the whole body of the Committee was present. An operation summary of the Nomination and Remuneration Committee throughout 2020 is listed below:

1. Sought and selected qualified persons to propose to the Board of Directors for further nomination during the Annual General Meeting of Shareholders 2020 to appoint new persons for the Director positions in place of former Directors who completed their service term.

2. Considered and determined the amount and form of remuneration for the Board of Directors and other committees for 2020 to propose to the Board of Directors, who would use it to ask for approval from the body of the Annual General Meeting of Shareholders 2020.

3. Sought and selected qualified persons to propose to the Board of Directors for consideration to appoint them for the Director positions in place of former Directors who completed their service term.

4. Provided necessary orientations for newly appointed Directors to ensure an understanding over their roles, duties, and responsibilities, as well as the Company's policies, business executions, and other relevant information that facilitates their work.

5. Evaluated the operations of the Nomination and Remuneration Committee and submitted an annual assessment report to the Board of Directors. The summary result of self-evaluation of the Nomination and Remuneration Committee in 2020 scored an average of 97.06 percent.

The list of nominated persons to be considered by the Board of Directors and the Annual General Meeting of Shareholders 2020 for appointing for the Director position was made by the Nomination and Remuneration Committee, based on the criteria established by the Committee itself. A person to be nominated must possess qualifications and must not be under any prohibitions as stipulated by laws, must possess qualifications according to the regulations of Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET), must comply with the principles of good corporate governance for registered companies concerning the Committee structures, and must be a knowledgeable, talented, and independent person who has necessary skills, expertise, and experiences in businesses that will benefit the Company's business operations.

For means and forms of remuneration, the Nomination and Remuneration Committee determined through careful and fair consideration so as to provide reasonable remuneration rates that are subject to be reviewed annually. In the process, the Committee took into consideration the remuneration of other registered companies with similar sizes and types of businesses, along with relevant factors such as job descriptions, responsibilities, scope of work, the Company's performance and financial status, as well as the overall economic situations.

In 2020, the Nomination and Remuneration Committee fulfilled the tasks and responsibilities with prudence, transparency, impartiality, and independence, for the highest benefit of the Company, shareholders, and stakeholders.

On Behalf of the Nomination and Remuneration Committee



(Mr. Yanyong Tangchitkul)

Chairman of the Nomination and Remuneration Committee

Independent Auditor's Report

To the Shareholders of Saha-Union Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Saha-Union Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Saha-Union Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saha-Union Public Company Limited and its subsidiaries and of Saha-Union Public Company Limited as at 31 December 2020, 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 Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

The Group has sales and service income for the year ended 31 December 2020 amounting to Baht 8,728 million, which is significant to the income statement. The Group has a large number of customers and there are a variety of conditions of sale in the agreements made with these customers. There are therefore risks with respect to the amount and timing of revenue recognition.

In examining the revenue recognition of the Group, I assessed and tested the IT system and the internal controls of the Group with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls and with considerations given to testing related to the accuracy and timing of revenue recognition. On a sampling basis, I also examined supporting documents for sales transactions occurring during the year, near the end of the accounting period, with special consideration given to expanding the scope of the examination of supporting documentation for transactions occurring near the end of the accounting period. In addition, I reviewed credit notes issued by the Group after the period-end and performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Goodwill

As discussed in Note 20 to the financial statements, as at 31 December 2020, the Group has goodwill amounting to Baht 522 million, which is significant to the statement of financial position. Thus, the assessment of impairment of goodwill is a significant accounting estimate requiring the subsidiary's management to exercise a high degree of judgement in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of goodwill.

I assessed the identification of cash generating units and the financial models selected by the subsidiary's management by gaining an understanding of decision-making process to assess whether the decisions made were consistent with how assets are utilised. In addition, I tested the significant assumptions applied by the subsidiary's management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of the subsidiary's management judgement in preparing the cash flow projections.

I also evaluated the discount rate applied by the subsidiary's management through an analysis of the weighted average finance costs of the subsidiary and of the industry, and I tested the calculation of the realisable value of the goodwill using the selected financial models and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rate. Moreover, I reviewed the disclosures made with respect to the impairment assessment for goodwill.

Other Information

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

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

In connection with my audit of the financial statements, my responsibility is to read the other information 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.

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 correction of the misstatement.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group'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 Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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.
- 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 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.

I am responsible for the audit resulting in this independent auditor's report.



Khitsada Lerwana

Certified Public Accountant (Thailand) No. 4958

EY Office Limited

Bangkok: 25 February 2021

Saha-Union Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	7	2,877,160,999	2,700,034,677	489,225,894	306,170,093
Current investments	11	-	1,580,974,527	-	-
Trade and other receivables	9	1,490,376,819	1,707,870,623	80,773,280	155,816,848
Inventories	10	940,546,509	1,018,071,689	-	-
Short-term loans to related parties	8	-	500,000	568,327,000	463,001,000
Other current financial assets	11	1,459,712,565	-	1,545,154	-
Other current assets		360,551,172	276,760,471	1,207,062	1,270,320
Total current assets		7,128,348,064	7,284,211,987	1,141,078,390	926,258,261
Non-current assets					
Restricted investments	12	31,849,126	34,585,559	1,000,000	1,000,000
Long-term loans to related party	8	-	171,972,000	-	-
Investments in subsidiaries	13	-	-	10,010,623,269	9,928,482,445
Investments in joint ventures	14	1,931,585,688	1,666,306,669	806,918,210	610,223,135
Investments in associates	15	3,751,181,527	3,638,517,270	1,022,733,216	1,079,733,216
Other non-current financial assets	16	3,287,506,985	-	2,135,151,001	-
Other long-term investments	16	-	2,692,212,723	-	1,992,298,788
Investment properties	17	2,401,996,260	2,390,722,643	1,487,748,413	1,494,132,932
Property, plant and equipment	18	6,154,082,889	6,531,731,499	33,011,252	39,071,035
Right-of-use assets	19	245,787,459	-	-	-
Goodwill	20	521,724,374	521,724,374	-	-
Intangible assets - computer software		8,784,076	8,554,667	4,983,515	5,856,157
Deferred tax assets	30	91,459,114	76,587,069	3,988,012	2,925,394
Other non-current assets	21	162,613,655	186,455,634	5,261,702	7,011,815
Total non-current assets		18,588,571,153	17,919,370,107	15,511,418,590	15,160,734,917
Total assets		25,716,919,217	25,203,582,094	16,652,496,980	16,086,993,178

The accompanying notes are an integral part of the financial statements.

Saha-Union Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	22	84,471,639	231,928,576	-	-
Short-term loan from related party	8	10,000,000	-	-	-
Trade and other payables	23	1,478,995,011	1,479,598,053	50,875,987	66,289,204
Current portion of long-term loans	24	314,867,200	428,620,911	-	-
Current portion of liabilities under finance lease agreements		-	36,960,739	-	-
Current portion of lease liabilities	19	57,892,263	-	-	-
Deposits from related parties	8	-	4,000,000	422,207,316	356,714,324
Income tax payable		41,908,058	37,319,523	-	-
Other current liabilities		87,632,520	91,558,184	9,809,642	10,891,827
Total current liabilities		2,075,766,691	2,309,985,986	482,892,945	433,895,355
Non-current liabilities					
Long-term loans, net of current portion	24	162,577,476	277,791,983	-	-
Liabilities under finance lease agreements, net of current portion		-	60,285,005	-	-
Lease liabilities, net of current portion	19	148,099,233	-	-	-
Provision for long-term employee benefits	25	301,730,636	296,831,823	23,821,804	18,508,714
Deferred tax liabilities	30	158,595,616	141,858,187	163,626,723	135,483,224
Other non-current liabilities		37,960,942	41,602,819	-	-
Total non-current liabilities		808,963,903	818,369,817	187,448,527	153,991,938
Total liabilities		2,884,730,594	3,128,355,803	670,341,472	587,887,293

The accompanying notes are an integral part of the financial statements.

Saha-Union Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Shareholders' equity					
Share capital					
Registered					
300,000,000 ordinary shares of Baht 10 each		3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Issued and fully paid					
300,000,000 ordinary shares of Baht 10 each		3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Share premium		2,599,000,000	2,599,000,000	2,599,000,000	2,599,000,000
Retained earnings					
Appropriated					
Statutory reserve	27	980,518,350	979,095,287	750,000,000	750,000,000
Other reserve		349,704,147	303,242,076	-	-
Unappropriated		14,212,327,892	13,882,352,822	8,978,304,409	8,608,172,987
Other components of shareholders' equity		(69,147,127)	(465,058,850)	654,851,099	541,932,898
Equity attributable to owners of the Company		21,072,403,262	20,298,631,335	15,982,155,508	15,499,105,885
Non-controlling interests of the subsidiaries		1,759,785,361	1,776,594,956	-	-
Total shareholders' equity		22,832,188,623	22,075,226,291	15,982,155,508	15,499,105,885
Total liabilities and shareholders' equity		25,716,919,217	25,203,582,094	16,652,496,980	16,086,993,178

The accompanying notes are an integral part of the financial statements.

Saha-Union Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues					
Sales and service income	33	8,728,119,662	10,150,753,775	575,755,600	929,339,998
Dividend income	11, 13, 14, 15, 16	375,932,978	245,200,610	922,601,664	874,480,579
Rental income		36,196,619	35,903,201	48,389,775	41,992,329
Interest income		28,976,496	50,111,022	34,107,677	27,049,384
Unrealised gains from revaluation of trading securities		-	28,014,790	-	-
Gain on derivatives designated at fair value through profit or loss		6,844,740	-	791,898	-
Other income		191,870,848	235,468,780	22,448,445	24,906,839
Total revenues		9,367,941,343	10,745,452,178	1,604,095,059	1,897,769,129
Expenses					
Cost of sales and services		7,736,218,494	8,780,622,492	566,215,486	919,050,817
Selling and distribution expenses		268,401,723	279,542,795	6,071,764	6,823,920
Administrative expenses		659,290,317	829,395,694	103,341,410	110,981,167
Loss on investments designated at fair value through profit or loss		195,900,062	-	430,257	-
Loss on impairment of property, plant and equipment (reversal)	18	45,291,559	(7,773,876)	-	-
Loss on impairment of investments		-	-	78,000,000	-
Expenses of withholding tax write-off		38,530,973	20,645,029	25,137,907	20,645,029
Total expenses		8,943,633,128	9,902,432,134	779,196,824	1,057,500,933
Operating profit		424,308,215	843,020,044	824,898,235	840,268,196
Share of profit from investments in joint ventures	14	495,280,579	535,277,391	-	-
Share of profit (loss) from investments in associates	15	116,036,945	(12,741,445)	-	-
Finance cost	28	(43,160,838)	(29,040,528)	(2,538,966)	(2,373,674)
Profit before income tax income (expenses)		992,464,901	1,336,515,462	822,359,269	837,894,522
Income tax income (expenses)	30	(125,174,273)	(161,537,243)	322,715	858,747
Profit for the year		867,290,628	1,174,978,219	822,681,984	838,753,269
Profit attributable to					
Equity holders of the Company		845,089,726	1,111,991,978	822,681,984	838,753,269
Non-controlling interests of the subsidiaries		22,200,902	62,986,241		
		867,290,628	1,174,978,219		
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company	31	2.91	3.83	2.74	2.80

The accompanying notes are an integral part of the financial statements.

Saha-Union Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit for the year	867,290,628	1,174,978,219	822,681,984	838,753,269
Other comprehensive income				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	210,084,868	(407,839,629)	-	-
Loss on changes in value of available-for-sale investments - net of income tax	-	(159,582,191)	-	(117,833,748)
Share of other comprehensive income from investments in joint ventures and associates - net of income tax	139,468,309	(202,209,023)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	349,553,177	(769,630,843)	-	(117,833,748)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain (loss) - net of income tax	(24,870,858)	(5,880,667)	(3,303,818)	1,533,264
Loss on change in value of equity investments designated at fair value through other comprehensive income - net of income tax	(146,987,163)	-	(103,081,799)	-
Share of other comprehensive income from investments in joint ventures and associates - net of income tax	(12,448,214)	(41,129)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	(184,306,235)	(5,921,796)	(106,385,617)	1,533,264
Other comprehensive income for the year	165,246,942	(775,552,639)	(106,385,617)	(116,300,484)
Total comprehensive income for the year	1,032,537,570	399,425,580	716,296,367	722,452,785
Total comprehensive income attributable to				
Equity holders of the Company	994,012,694	367,448,602	716,296,367	722,452,785
Non-controlling interests of the subsidiaries	38,524,876	31,976,978	-	-
	1,032,537,570	399,425,580	-	-

The accompanying notes are an integral part of the financial statements.

Saha-Union Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements														
Equity attributable to owners of the Company														
	Other components of equity													
	Other comprehensive income					Other change by the owners								
	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Retained earnings - Appropriated - other reserve	Unappropriated reserve	Exchange differences on translation of financial statements in foreign currency	Surplus on changes in value of available-for-sale investments	Gain (loss) on equity investments designated at fair value	Share of other comprehensive income from joint ventures and associates	The Company's shares held by the subsidiaries (Note 26)	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 January 2019	3,000,000,000	2,599,000,000	973,612,218	265,097,911	13,397,843,017	(357,908,366)	724,024,460	-	111,469,515	(234,404,410)	243,182,199	20,478,735,345	1,891,971,947	22,370,707,292
Profit for the year	-	-	-	-	1,111,991,978	-	-	-	-	-	62,986,241	1,111,991,978	-	1,174,978,219
Other comprehensive income for the year	-	-	-	-	(3,900,327)	(379,023,182)	(159,410,844)	-	(202,209,023)	-	(740,643,049)	(744,543,376)	(31,009,263)	(775,552,639)
Total comprehensive income for the year	-	-	-	-	1,108,091,651	(379,023,182)	(159,410,844)	-	(202,209,023)	-	(740,643,049)	367,448,602	31,976,978	399,425,580
Increase in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	39,827,986	39,827,986
Dividend paid (Note 35)	-	-	-	-	-	-	-	-	-	-	-	(600,000,000)	(187,181,955)	(787,181,955)
Less: Dividend paid in respect of the Company's shares held by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	20,045,388	-	20,045,388
Dividend paid - net	-	-	-	-	-	-	-	-	-	-	-	(579,954,612)	(187,181,955)	(767,136,567)
Decreased in the Company's shares held by the subsidiaries	-	-	-	-	-	-	-	-	-	32,402,000	32,402,000	-	-	32,402,000
Unappropriated retained earnings transferred to statutory reserve	-	-	5,483,069	-	-	-	-	-	-	-	-	-	-	-
Unappropriated retained earnings transferred to other reserve	-	-	-	38,144,185	(38,144,185)	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2019	3,000,000,000	2,599,000,000	979,095,287	303,242,076	13,882,352,822	(736,929,548)	564,613,616	-	(90,740,508)	(202,002,410)	(465,058,850)	20,298,631,335	1,776,594,956	22,075,226,291
Balance as at 1 January 2020	3,000,000,000	2,599,000,000	979,095,287	303,242,076	13,882,352,822	(736,929,548)	564,613,616	-	(90,740,508)	(202,002,410)	(465,058,850)	20,298,631,335	1,776,594,956	22,075,226,291
Cumulative effect of change in accounting policy (Note 4)	-	-	-	-	(2,448,533)	-	(564,613,616)	780,613,616	-	-	216,000,000	213,550,467	1,413,607	214,964,074
Balance as at 1 January 2020 - as restated	3,000,000,000	2,599,000,000	979,095,287	303,242,076	13,879,903,289	(736,929,548)	-	780,613,616	(90,740,508)	(202,002,410)	(249,058,850)	20,512,181,802	1,778,008,563	22,290,190,365
Profit for the year	-	-	-	-	845,089,726	-	-	-	-	-	845,089,726	845,089,726	22,200,902	867,290,628
Other comprehensive income for the year	-	-	-	-	(30,274,244)	187,272,185	-	(146,681,081)	138,606,108	-	179,197,212	148,922,968	16,323,974	165,246,942
Gain on disposals of equity investments	-	-	-	-	1,673,264	-	-	(481,093)	(1,192,171)	-	(1,673,264)	-	-	-
Total comprehensive income for the year	-	-	-	-	816,488,746	187,272,185	-	(147,162,174)	137,413,937	-	177,523,948	984,012,694	38,524,876	1,032,537,570
Decreased in the Company's shares held by the subsidiaries	-	-	-	-	-	-	-	-	-	2,387,775	2,387,775	2,387,775	-	2,387,775
Increase in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	53,924,174	53,924,174
Dividend paid (Note 35)	-	-	-	-	(450,000,000)	-	-	-	-	-	-	(450,000,000)	(110,672,252)	(560,672,252)
Less: Dividend paid in respect of the Company's shares held by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	13,820,991	-	13,820,991
Dividend paid - net	-	-	-	-	-	-	-	-	-	-	-	(436,179,009)	(110,672,252)	(546,851,261)
Unappropriated retained earnings transferred to statutory reserve	-	-	1,423,063	-	-	-	-	-	-	-	-	-	-	-
Unappropriated retained earnings transferred to other reserve	-	-	-	46,462,071	(46,462,071)	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2020	3,000,000,000	2,599,000,000	980,518,350	349,704,147	14,212,327,892	(549,657,363)	-	633,451,442	46,673,429	(199,614,635)	(69,147,127)	21,072,403,262	1,759,785,381	22,832,188,623

The accompanying notes are an integral part of the financial statements.

Saha-Union Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Separate financial statements							Total shareholders' equity
	Issued and paid-up share capital	Share premium	Retained earnings		Other component of equity			
			Appropriated - statutory reserve	Unappropriated	Surplus on change in value of available-for-sale investments	Other comprehensive income		
						Gain (loss) on changes in value of equity investments designated at fair value	Total other components of shareholders' equity	
Balance as at 1 January 2019	3,000,000,000	2,599,000,000	750,000,000	8,367,886,454	659,766,646	-	659,766,646	15,376,653,100
Profit for the year	-	-	-	838,753,269	-	-	-	838,753,269
Other comprehensive income for the year	-	-	-	1,533,264	(117,833,748)	-	(117,833,748)	(116,300,484)
Total comprehensive income for the year	-	-	-	840,286,533	(117,833,748)	-	(117,833,748)	722,452,785
Dividend paid (Note 35)	-	-	-	(600,000,000)	-	-	-	(600,000,000)
Balance as at 31 December 2019	3,000,000,000	2,599,000,000	750,000,000	8,608,172,987	541,932,898	-	541,932,898	15,499,105,885
Balance as at 1 January 2020	3,000,000,000	2,599,000,000	750,000,000	8,608,172,987	541,932,898	-	541,932,898	15,499,105,885
Cumulative effect of change in accounting policy (Note 4)	-	-	-	753,256	(541,932,898)	757,932,898	216,000,000	216,753,256
Balance as at 1 January 2020 - as restated	3,000,000,000	2,599,000,000	750,000,000	8,608,926,243	-	757,932,898	757,932,898	15,715,859,141
Profit for the year	-	-	-	822,681,984	-	-	-	822,681,984
Other comprehensive income for the year	-	-	-	(3,303,818)	-	(103,081,799)	(103,081,799)	(106,385,617)
Total comprehensive income for the year	-	-	-	819,378,166	-	(103,081,799)	(103,081,799)	716,296,367
Dividend paid (Note 35)	-	-	-	(450,000,000)	-	-	-	(450,000,000)
Balance as at 31 December 2020	3,000,000,000	2,599,000,000	750,000,000	8,978,304,409	-	654,851,099	654,851,099	15,982,155,508

The accompanying notes are an integral part of the financial statements.

Saha-Union Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before tax	992,464,901	1,336,515,462	822,359,269	837,894,522
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	858,989,683	820,597,690	15,433,678	15,121,705
Allowance for doubtful accounts	-	1,993,451	-	-
Reversal of allowance for expected credit losses	(1,789,694)	-	-	-
Reversal of allowance for loss on impairment of other non-current assets	(7,000)	(212,000)	(7,000)	(212,000)
Reduction of cost of inventories to net realisable value (reversal)	(14,385,361)	17,665,826	-	-
Loss (gain) on disposals/write-off of property, plant and equipment	13,078,239	33,767,411	(229,879)	(97,144)
Gain on disposals/write-off of investment properties	(591,356)	(34,525)	(591,418)	(34,525)
Loss on impairment of property, plant and equipment (reversal)	45,291,559	(7,773,876)	-	-
Reversal of losses on impairment of investment properties	(1,500,000)	-	-	-
Loss on impairment of investments	-	-	78,000,000	-
Expenses of withholding tax write-off	38,530,973	20,645,029	25,137,907	20,645,029
Loss on investments designated at fair value through profit or loss	195,900,062	-	430,257	-
Unrealised gains from revaluation of trading securities	-	(28,014,790)	-	-
Gain on derivatives designated at fair value through profit or loss	(6,844,740)	-	(791,898)	-
Share of profit from investments in joint ventures	(495,280,579)	(535,277,391)	-	-
Share of loss (profit) from investments in associates	(116,036,945)	12,741,445	-	-
Gain on disposals of investments	(662,125)	(2,134,215)	-	-
Unrealised loss (gain) on exchange	4,623,854	6,929,635	370,169	(275,902)
Dividend received from investments	(375,932,978)	(245,200,610)	(922,601,664)	(874,480,579)
Provision for long-term employee benefits	14,013,318	75,935,016	1,887,808	5,777,673
Finance income	(28,976,496)	(50,111,022)	(34,107,677)	(27,049,384)
Finance cost	43,160,838	29,040,528	2,538,966	2,373,674
Profit (loss) from operating activities before changes in operating assets and liabilities	1,164,046,153	1,487,073,064	(12,171,482)	(20,336,931)
Operating assets (increase) decrease				
Trade and other receivables	197,433,218	215,660,464	18,335,148	89,366,495
Inventories	91,910,541	89,981,640	-	39,409,906
Other current assets	(83,783,701)	(81,017,829)	70,258	66,745
Other non-current assets	(23,777,386)	6,758,661	36,980	(47,269)
Operating liabilities increase (decrease)				
Trade and other payables	2,262,998	(19,526,273)	(13,287,213)	(57,652,041)
Other current liabilities	(3,925,664)	15,185,340	(1,082,185)	10,030,160
Payment of provision for long-term employee benefits	(40,817,307)	(9,774,745)	(704,491)	(2,462,762)
Other non-current liabilities	2,166,757	(407,251)	-	-
Cash from (used in) operating activities	1,305,515,609	1,703,933,071	(8,802,985)	58,374,303
Cash paid for interest	(40,341,465)	(29,377,376)	(4,664,971)	(1,543,480)
Cash paid for income tax	(197,218,706)	(293,240,942)	(28,119,895)	(23,793,392)
Cash refund from income tax	15,551,586	33,747,128	4,861,496	-
Net cash from (used in) operating activities	1,083,507,024	1,415,061,881	(36,726,355)	33,037,431

The accompanying notes are an integral part of the financial statements.

Saha-Union Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Decrease (increase) in short-term loans to related parties	500,000	-	(105,326,000)	(186,562,000)
Increase in current investments	-	(166,427,246)	-	-
Increase in other current financial assets	(27,466,094)	-	-	-
Decrease in restricted investments	2,736,433	87,884	-	-
Decrease in long-term loans to related party	185,434,000	-	-	-
Acquisition of investments in subsidiaries	-	-	(128,137,624)	(95,192,306)
Acquisition of investment in joint venture	(199,500,000)	-	(199,500,000)	-
Acquisition of investments in associates	-	(167,502,595)	-	(192,740,035)
Acquisition of investments in other long-term investments	-	(131,781,537)	-	(3,457,641)
Acquisition of other non-current financial assets	(522,707,913)	-	(2,134,718)	-
Proceeds from disposals of property, plant and equipment	12,536,802	5,908,878	229,886	98,595
Proceeds from disposals of investment properties	594,425	41,465	594,425	41,465
Proceeds from return of investments in subsidiary	-	-	24,996,800	-
Proceeds from return of investments in joint venture	2,804,925	-	2,804,925	-
Cash receipt from disposals of investment in available-for-sale securities	-	19,750,000	-	-
Proceeds from disposals of investments	15,536,173	-	-	-
Dividend received from investments	931,769,912	683,867,700	979,648,078	817,434,165
Interest income	29,276,357	50,588,000	33,233,140	25,725,947
Acquisition of investment properties	(28,962,608)	(370,322,326)	(110,001)	(358,435,000)
Acquisition of property, plant and equipment	(396,144,926)	(636,731,249)	(1,906,248)	(1,881,850)
Acquisition of computer software	(3,123,106)	(2,083,187)	(103,499)	(913,641)
Net cash from (used in) investing activities	3,284,380	(714,604,213)	604,289,164	4,117,699
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	(147,456,937)	(165,344,949)	-	-
Increase in short-term loan from related party	10,000,000	-	-	-
Increase (decrease) in deposits from related parties	(4,000,000)	4,000,000	65,492,992	41,271,537
Cash receipt from disposals of the Company's shares held by subsidiaries	2,387,775	32,402,000	-	-
Cash receipt for share capital receipt from non-controlling interests of the subsidiaries	53,924,174	39,827,986	-	-
Dividend paid	(546,851,261)	(767,136,567)	(450,000,000)	(600,000,000)
Cash receipt from long-term loans	17,215,259	36,582,692	-	-
Repayment of long-term loans	(278,204,799)	(245,669,096)	-	-
Cash paid for liabilities under finance lease agreements	-	(44,178,649)	-	-
Payment of principal portion of lease liabilities	(54,612,347)	-	-	-
Interest paid of lease liabilities	(7,864,474)	-	-	-
Net cash used in financing activities	(955,462,610)	(1,109,516,583)	(384,507,008)	(558,728,463)
Increase (decrease) in translation adjustments	45,797,528	(137,137,439)	-	-
Net increase (decrease) in cash and cash equivalents	177,126,322	(546,196,354)	183,055,801	(521,573,333)
Cash and cash equivalents at beginning of year	2,700,034,677	3,246,231,031	306,170,093	827,743,426
Cash and cash equivalents at end of year	2,877,160,999	2,700,034,677	489,225,894	306,170,093
Supplemental cash flows information				
Non-cash transaction				
Purchases of property, plant and equipment for which no cash has been paid	1,520,453	99,028,375	-	3,483
Purchases of computer software for which no cash has been paid	-	820,360	-	820,360
Right-of-use assets acquired under lease agreement	117,007,699	-	-	-

The accompanying notes are an integral part of the financial statements.

Saha-Union Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2020

1. General information

1.1 Corporate information

Saha-Union Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in investment, distribution of raw materials and products manufactured by group companies. The registered address of the Company is at 1828 Sukhumvit Road, Phrakonong Tai, Phrakonong, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Corporate information and fundamental accounting assumptions of a subsidiary - Union Textile Industries Public Company Limited

On 22 December 2020, Union Textile Industries Public Company Limited ("Union Textile") submitted the notification on the Resolutions of the Board of Directors' Meeting No. 12/2020 to The Stock Exchange of Thailand related to the cessation of textile operations (spinning and weaving) and the seeking of a new business. Union Textile's core business is textile business which has incurred loss due to the intense competition in the textile business, the economic downturns in Europe which is the Company main customer and the COVID-19 pandemic that has affected Thailand and other countries worldwide and it is expected that the situation will not improve in the year 2021. Union Textile's management has considered that if the Company continues to operate in the textile business in the future, this will pose a major risk to the shareholders. In this regard, Union Textile has a plan to cease the textile operations (spinning and weaving) within year 2021 and to consider and study the feasibility of investing in new businesses in the future. However, Union Textile still has other income from the lease of land and partial of factory buildings. The subsidiary's management believes that the Company will be able to continue as a going concern. The operating result of textile business is described in Note 32 to the consolidated financial statements.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Saha-Union Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company	Nature of business	Country of incorporation	Percentage of Shareholding	
			<u>2020</u> (percent)	<u>2019</u> (percent)
Textile business				
Union Textile Industries Plc.	Manufacture and distribution of textiles	Thailand	51.42	51.42
Union Garment Co., Ltd.	Manufacture and distribution of garments	Thailand	99.99	99.99
Plastic, rubber and metal business				
Union Pioneer Plc.	Manufacture and distribution of elastic products	Thailand	52.73	52.73
Union Plastic Plc.	Contract manufacture of plastic products, manufacture and repair of molds	Thailand	49.69	49.69
Union Zojirushi Co., Ltd.	Manufacture and distribution of vacuum stainless bottles	Thailand	51.00	51.00
Union Stainless Steel Products Co., Ltd.	Manufacture and distribution of stainless steel kitchenware	Thailand	98.00	98.00
Union Rubber Products Corp., Ltd.	Manufacture and distribution of rubber products	Thailand	99.99	99.99
Thai Rubber Enterprise Co., Ltd.	Rubber estates	Thailand	50.85	50.69
Trading business				
Computer Union Co., Ltd.	Computer and accessories dealer	Thailand	98.49	98.49
Computer Union Systems Co., Ltd. (99.99 percent owned by Computer Union Co., Ltd.)	Computer and accessories dealer	Thailand	99.99	99.99

Company	Nature of business	Country of incorporation	Percentage of Shareholding	
			<u>2020</u> (percent)	<u>2019</u> (percent)
Energy business				
Zhejiang Jiashan-Union Cogeneration Co., Ltd.	Power generation	China	75.96	75.96
Hotel business				
The Royal Hotel Co., Ltd.	Hotel	Thailand	96.38	96.26
Investment and others business				
Saha-Union International Ltd.	Investment	Hong Kong	99.99	99.99
Saha-Union Investment (China) Co., Ltd.	Investment	China	100.00	100.00
Union Energy (Hong Kong) Co., Ltd. (100.00 percent owned by Saha-Union International Ltd.)	Investment	Hong Kong	100.00	100.00
Shanghai Dacity Co., Ltd. (100.00 percent owned by Saha-Union Investment (China) Co., Ltd.)	Sales and services	China	100.00	100.00
Saha-Union Holding Co., Ltd.	Investment	Thailand	99.54	99.54
Venus Shoes Co., Ltd.	Dormitory rental and services	Thailand	99.99	99.99
Union Printing Corp., Ltd.	Rental services	Thailand	94.74	94.74
Union Equity Co., Ltd.	Investment	Thailand	99.79	99.79
Union Shoes Co., Ltd.	Rental services	Thailand	98.23	98.23
Union Construction Corp., Ltd.	Real estate development	Thailand	99.99	99.99
Saha-Union Property Co., Ltd.	Investment	Thailand	99.99	99.99
Saha-Union Wealth Plus Co., Ltd.	Investment	Thailand	99.99	99.99
Union Nakhon Co., Ltd.	Real estate development	Thailand	77.49	77.49

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.

- f) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

3. New financial reporting standards

a) Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised (revised 2019) and new 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. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements. However, the new standard involves 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:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment 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 amortised 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 also include stipulations regarding the presentation and disclosure of financial instruments.

The impact of the adoption of these standards on the Company and its subsidiaries' financial statements is as follows:

Classification and measurement of investments in equity instruments of non-listed companies

The Company and its subsidiaries measure investments in equity instruments of non-listed companies at fair value and classifies the investments as financial assets at fair value, through other comprehensive income.

Recognition of credit losses

The Company and its subsidiaries recognise an allowance for expected credit losses on its debt instruments measured at amortised cost and it is no longer necessary for a credit-impaired event to have occurred.

Recognition of derivatives

The Company and its subsidiaries initially recognise derivatives at their fair value on the contract date and subsequently measure them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss.

The Company and its subsidiaries adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings or other components of shareholders' equity as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Company and its subsidiaries adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the financial statements.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impacts of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

During the period from the first quarter to the third quarter of 2020, the Company and its subsidiaries elected to apply the temporary relief measures on accounting alternatives relating to:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Company and its subsidiaries use a simplified approach to determine expected credit losses.
- To measure the fair value of investments in unquoted equity instruments using the fair value as at 1 January 2020.
- Not to use information relating to the COVID-19 situation that may affect the cash flow forecasts used in testing goodwill for impairment.

In the fourth quarter of 2020, the Company and its subsidiaries have assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets, provisions and contingent liabilities. As a result, in preparing the financial statements for the year ended 31 December 2020, the Company and its subsidiaries have decided to discontinue application of all temporary relief measures on accounting alternatives with no significant impact on the Company and its subsidiaries' financial statements.

b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021

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 2021. 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 management of the Company and its subsidiaries have evaluated that these standards do not have any significant impact on the Company and its subsidiaries' financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the financial statements, during the current year, the Company and its subsidiaries have adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings or other components of shareholders' equity as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts on the beginning balance of statement of financial position of 2020 from changes in accounting policies due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	The impacts of			
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Current assets				
Current investments	1,580,975	(1,580,975)	-	-
Trade and other receivables	1,707,871	(8,289)	-	1,699,582
Other current financial assets	-	1,587,576	-	1,587,576
Non-current assets				
Other non-current financial assets	-	2,962,213	-	2,962,213
Other long-term investments	2,692,213	(2,692,213)	-	-
Property, plant and equipment	6,531,731	-	(88,268)	6,443,463
Right-of-use assets	-	-	191,999	191,999
Other non-current assets	186,456	-	(56,510)	129,946
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	1,479,598	-	(3,618)	1,475,980
Current portion of liabilities under finance lease agreements	36,961	-	(36,961)	-
Current portion of lease liabilities	-	-	45,197	45,197
Non-current liabilities				
Liabilities under finance lease agreements, net of current portion	60,285	-	(60,285)	-
Lease liabilities, net of current portion	-	-	102,888	102,888
Deferred tax liabilities	141,858	53,349	-	195,207
Shareholders' equity				
Retained earnings - unappropriated	13,882,353	(2,450)	-	13,879,903
Other components of shareholders' equity	(465,059)	216,000	-	(249,059)
Non-controlling interests of the subsidiaries	1,776,595	1,413	-	1,778,008

(Unit: Thousand Baht)

	Separate financial statements		
	31 December 2019	The impacts of Financial reporting standards related to financial instruments	1 January 2020
Statement of financial position			
Assets			
Current assets			
Other current financial assets	-	753	753
Non-current assets			
Other non-current financial assets	-	2,262,299	2,262,299
Other long-term investments	1,992,299	(1,992,299)	-
Liabilities and shareholders' equity			
Non-current liabilities			
Deferred tax liabilities	135,483	54,000	189,483
Shareholders' equity			
Retained earnings - unappropriated	8,608,173	753	8,608,926
Other components of shareholders' equity	541,933	216,000	757,933

4.1 Financial instruments

Details of the impact on retained earnings and other components of shareholders' equity as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	Retained earnings	Other components of shareholders' equity	Retained earnings	Other components of shareholders' equity
Fair value measurement of investments in equity instruments of non-listed companies - net of income tax	-	216,000	-	216,000
Recognition of an allowance for expected credit losses on financial assets - net of income tax	(3,675)	-	-	-
Recognition of derivatives at fair value through profit or loss - net of income tax	2,638	-	753	-
Total	(1,037)	216,000	753	216,000
Non-controlling interests of the subsidiaries	(1,413)	-	-	-
Impacts on retained earnings and other components of shareholders' equity due to the adoption of financial reporting standards related to financial instruments	(2,450)	216,000	753	216,000

The classifications, measurement basis and carrying values of financial assets in accordance with TFRS 9 as at 1 January 2020, and with the carrying amounts under the former basis, are as follows:

Consolidated financial statements					(Unit: Thousand Baht)
Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9				
	Fair value through profit or loss	Fair value through other comprehensive income		Amortised cost	
Financial assets as at 1 January 2020					
Cash and cash equivalents	2,700,035	-	-	2,700,035	2,700,035
Current investments	1,580,975	-	-	-	-
Trade and other receivables	1,707,871	-	-	1,699,582	1,699,582
Short-term loans to related parties	500	-	-	500	500
Other current financial assets	-	1,202,564	-	385,012	1,587,576
Restricted investments	34,586	-	-	34,586	34,586
Long-term loans to related party	171,972	-	-	171,972	171,972
Other non-current financial assets	-	-	2,962,213	-	2,962,213
Other long-term investments	2,692,213	-	-	-	-
Total financial assets	8,888,152	1,202,564	2,962,213	4,991,687	9,156,464

(Unit: Thousand Baht)

	Separate financial statements			
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9		
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial assets as at 1 January 2020				Total
Cash and cash equivalents	306,170	-	-	306,170
Trade and other receivables	155,817	-	-	155,817
Short-term loans to related party	463,001	-	-	463,001
Other current financial assets	-	753	-	753
Restricted investments	1,000	-	-	1,000
Other non-current financial assets	-	-	2,262,299	2,262,299
Other long-term investments	1,992,299	-	-	-
Total financial assets	2,918,287	753	2,262,299	3,189,040

As at 1 January 2020, the Company and its subsidiaries have not designated any financial liabilities at fair value through profit or loss.

4.2 Leases

Upon initial application of TFRS 16 the subsidiaries recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the subsidiaries' incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the subsidiaries recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Thousand Baht)
	Consolidated financial statements
Operating lease commitments as at 31 December 2019	47,740
Less: Short-term leases and leases of low-value assets	(6,907)
Add: Option to extend lease term	34,250
Less: Contracts reassessed as service agreements	(15,262)
Add: Others	3,618
Less: Deferred interest expenses	(12,600)
Increase in lease liabilities due to TFRS 16 adoption	50,839
Liabilities under finance lease agreements as at 31 December 2019	97,246
Lease liabilities as at 1 January 2020	148,085
Comprise of:	
Current lease liabilities	45,197
Non-current lease liabilities	102,888
	148,085

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Land	70,615
Buildings	25,221
Equipment	88,268
Vehicles	7,895
Total right-of-use assets	191,999

5. Significant accounting policies

5.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon 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 and discounts.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Revenues from hotel operations

Revenues from hotel operations, which are a part of service revenues, consisted of room rental revenues, food and beverage sales and other related services which represented with invoiced value (excluding value added tax) for delivered products and services revenues after deducting discounts and adding service charges.

Dividends

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

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis.

Rental income

Rental income is recognised on an accrual basis based on the contract period.

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.3 Inventories

Finished goods, semi products and work in process are valued at the lower of cost (under the average/ first-in, first-out method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of cost (under the average/ first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

5.4 Investments in subsidiaries, joint ventures and associates

Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method less allowance for impairment.

5.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment.

Depreciation of investment properties are calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20	years
Land improvement awaiting development	-	5, 20	years
Facilities	-	5	years

Depreciation of investment properties is included in determining income.

No depreciation is provided on land and assets under construction which are classified as investment properties.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year when the asset is derecognised.

5.6 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets.

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20	years
Land improvement	-	5, 10, 20	years
Machinery and equipment	-	3, 5, 10, 20	years
Molds	-	5	years
Building improvements and facilities	-	5	years
Furniture and fixtures	-	3, 5, 10	years
Motor vehicles	-	5, 10	years
Computers	-	3, 5	years
Power plants	-	5, 10, 25	years

Depreciation of machinery and equipment of a subsidiary acquired in the year 2015, is calculated by reference to its net book value on a double-declining basis, over the useful lives of 10 years.

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.7 Intangible assets - Computer software

Computer Software of the Company and its subsidiaries is recognised at cost. Following the initial recognition, Computer Software is carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Computer Software with finite lives, which has an estimated useful life of three and five years, is amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method of such computer software is reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

No amortisation is provided on computer software in progress.

5.8 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the subsidiary's cash generating units that are expected to benefit from the synergies of the combination. The subsidiary estimates the recoverable amount of each cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

5.9 Leases

At inception of contract, the subsidiaries assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The subsidiaries as a lessee

Accounting policies adopted since 1 January 2020

The subsidiaries applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the subsidiaries recognise right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	10, 14 years
Buildings	5, 10 years
Equipment	1, 6 years
Vehicles	4, 5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term.

The subsidiaries discounted the present value of the lease payments by the interest rate implicit in the lease or the subsidiaries' incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

Accounting policies adopted before 1 January 2020

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

5.10 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company and its subsidiaries that gives them significant influence over the Company and its subsidiaries, key management personnel, directors, and officers with authority in the planning and direction of the Company and its subsidiaries' operations.

5.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period, with the exception of those covered by forward exchange contracts, which are translated at the contracted rates.

Gains and losses on exchange are included in determining income.

5.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment, investment properties, investments and include intangible assets and other non-current assets whenever events or changes in circumstances indicate that an asset may be impaired and also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

5.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law and resignation fund plan. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Past service cost are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

Defined benefit liability (asset) is the present value of the defined benefit obligation less the fair value of plan assets which are available to pay the employee benefits obligation directly.

Plan assets are assets held by a long-term employee benefit fund. They are not available to the Company and its subsidiaries' creditors and cannot be returned to the Company and its subsidiaries, except the portion which reference to the provident fund's rules. The Company and its subsidiaries measure the fair value of plan assets by using market price and, in case that plan assets are debt instruments in active market, the Company and its subsidiaries measure them by using quoted price.

5.14 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.15 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

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

Overseas subsidiaries calculate corporate income tax in accordance with tax rates mandated under the tax law of those countries.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets 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 utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.16 Financial instruments

Accounting policies adopted since 1 January 2020

The Company and its subsidiaries initially measure financial assets at their fair value. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company and its subsidiaries' business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The subsidiaries measure financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company and its subsidiaries can elect to irrevocably classify their equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Company and its subsidiaries have not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Company and its subsidiaries' financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company and its subsidiaries take into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company and its subsidiaries have transferred substantially all the risks and rewards of the asset, or the Company and its subsidiaries have neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

For trade receivables, the Company and its subsidiaries apply a simplified approach in calculating ECLs. Therefore, the Company and its subsidiaries do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Accounting policies adopted before 1 January 2020

Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income and will be recorded in profit or loss when the securities are sold.
- c) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective interest rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- d) Investments in non-marketable equity securities, which the Company and its subsidiaries classify as other investments, are stated at cost net of allowance for impairment loss (if any).

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.17 Derivatives

The Company and its subsidiaries use derivatives, such as forward currency contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

5.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. 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 expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Company and its subsidiaries' historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Property, plant and equipment, and investment properties/Depreciation

In determining depreciation of plant and equipment, and investment properties, the management is required to make estimates of the useful lives and residual values of those assets 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, and investment properties 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.

Goodwill

The initial recognition and measurement of goodwill, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised 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 utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, 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.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash	1,265	1,500	110	65
Bank deposits	2,795,965	2,501,862	489,116	306,105
Bonds	79,931	196,673	-	-
Total cash and cash equivalents	<u>2,877,161</u>	<u>2,700,035</u>	<u>489,226</u>	<u>306,170</u>

As at 31 December 2020, bank deposits in saving accounts, fixed deposits and bonds carried interests between 0.01 and 0.45 percent per annum (2019: between 0.01 and 2.11 percent per annum).

8. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

Consolidated financial statements

(Unit: Million Baht)

	For the years ended		
	31 December		Pricing policy
	<u>2020</u>	<u>2019</u>	
<u>Transactions with joint ventures</u>			
Sales of merchandise	46	61	Cost plus margin
Service income	1	1	Contract price
Rental income	3	3	Contract price
Purchases of merchandise	14	19	Resale price reduced by a margin
Short-term lendings (weighted average from outstanding balances at month end)	-	1	Interest rate with reference to the loan interest rate of local commercial bank and China
<u>Transactions with associates</u>			
Sales of merchandise	107	83	Cost plus margin
Service income	3	3	Contract price
Rental income	5	3	Contract price
Short-term loans (weighted average from outstanding balances at month end)	4	-	Interest rate with reference to the loan interest rate of local commercial bank
Purchases of merchandise	392	431	Resale price reduced by a margin
Long-term lendings (weighted average from outstanding balances at month end)	127	180	Interest rate with reference to the loan interest rate of commercial bank in China
Interest income	9	12	Interest rate with reference to the loan interest rate of commercial bank in China
Deposits (weighted average from outstanding balances at month end)	2	1	Interest rate with reference to the deposit interest rate of local commercial bank

Separate financial statements

(Unit: Million Baht)

	For the years ended		Pricing policy
	31 December		
	<u>2020</u>	<u>2019</u>	
<u>Transactions with subsidiaries</u>			
Sales of merchandise	182	491	Cost plus margin
Service income	5	5	Contract price
Rental income	37	37	Contract price
Short-term lendings (weighted average from outstanding balances at month end)	591	335	Interest rate with reference to the loan interest rate of local commercial bank
Interest income	34	22	Interest rate with reference to the loan interest rate of local commercial bank
Deposits (weighted average from outstanding balances at month end)	394	337	Interest rate with reference to the deposit interest rate of local commercial bank
Finance cost	3	3	Interest rate with reference to the deposit interest rate of local commercial bank
<u>Transactions with joint ventures</u>			
Rental income	3	3	Contract price
<u>Transactions with associates</u>			
Sales of merchandise	14	13	Cost plus margin
Purchases of merchandise	373	421	Resale price reduced by a margin
Deposits (weighted average from outstanding balances at month end)	2	1	Interest rate with reference to the deposit interest rate of local commercial bank

The balances of the accounts as at 31 December 2020 and 2019 between the Company, its subsidiaries and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade and other receivables - related parties</u>				
(Note 9)				
<i>Trade receivables</i>				
Subsidiaries	-	-	41,806	52,078
Joint ventures	8,887	9,301	-	-
Associates	9,722	9,653	1,418	-
Related companies (related by shareholding)	-	177	-	-
Total trade receivables - related parties	<u>18,609</u>	<u>19,131</u>	<u>43,224</u>	<u>52,078</u>
<i>Other receivables</i>				
Subsidiary	-	-	-	57,046
Total other receivables - related party	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,046</u>
Total trade and other receivables - related parties	<u>18,609</u>	<u>19,131</u>	<u>43,224</u>	<u>109,124</u>
<u>Trade payables - related parties (Note 23)</u>				
Joint venture	2,847	3,267	-	-
Associates	29,706	34,100	27,955	32,591
Related companies (related by shareholding)	56	-	-	-
Total trade payables - related parties	<u>32,609</u>	<u>37,367</u>	<u>27,955</u>	<u>32,591</u>
<u>Deposits from related parties</u>				
Subsidiaries	-	-	422,207	352,714
Associate	-	4,000	-	4,000
Total deposits from related parties	<u>-</u>	<u>4,000</u>	<u>422,207</u>	<u>356,714</u>

Short-term loans to related parties

As at 31 December 2020 and 2019, the balances of short-term loans between the Company, its subsidiaries and those related parties and the movement are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance		Translation	Balance
	as at	Decrease		as at
	31 December 2019	during the year	adjustments	31 December 2020
<u>Short-term loans to related parties</u>				
<i>Joint ventures</i>				
Yunnan Energy Luliang-Union Cogeneration Co., Ltd.	5,374	-	378	5,752
Soldev Co., Ltd.	500	(500)	-	-
Total	5,874	(500)	378	5,752
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	(5,374)	-	(378)	(5,752)
Total short-term loans to related parties - net	500	(500)	-	-

(Unit: Thousand Baht)

	Separate financial statements			
	Balance		Decrease	Balance
	as at	Increase	during the year	as at
	31 December 2019	during the year	during the year	31 December 2020
<u>Short-term loans to related party</u>				
<i>Subsidiary</i>				
Computer Union Co., Ltd.	463,001	2,715,000	(2,609,674)	568,327
Total short-term loans to related party	463,001	2,715,000	(2,609,674)	568,327

Long-term loans to related party

As at 31 December 2020 and 2019, the balances of long-term loans between a subsidiary and a related party and the movements are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance		Translation	Balance
	as at	Decrease		as at
	31 December 2019	during the year	adjustments	31 December 2020
<u>Long-term loans to related party</u>				
<i>Associate</i>				
Zhuji-Union Real Estate Co., Ltd.	171,972	(185,434)	13,462	-
Total long-term loans to related party	171,972	(185,434)	13,462	-

Set out below is the movement in the allowance for expected credit losses of loans to related parties.

(Unit: Thousand Baht)

	Consolidated financial statements
As at 1 January 2020	5,374
Translation adjustments	378
As at 31 December 2020	5,752

Short-term loan from related party

As at 31 December 2020 and 2019, the balances of short-term loan between a subsidiary and a related party and the movements are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Balance as at 31 December 2019	Increase during the year	Balance as at 31 December 2020
<u>Short-term loan from related party</u>			
Associate			
Union Thread Industries Co., Ltd.	-	10,000	10,000
Total short-term loan from related party	-	10,000	10,000

Directors and management's benefits

During the year ended 31 December 2020 and 2019, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	127	127	23	22
Post-employment benefits	5	6	-	1
Total	132	133	23	23

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade receivables - related parties</u> (Note 8)				
Aged on the basis of due dates				
Not yet due	17,451	18,905	43,224	52,078
Past due				
Up to 3 months	616	226	-	-
3 - 6 months	107	-	-	-
6 - 12 months	435	-	-	-
Total trade receivables - related parties	<u>18,609</u>	<u>19,131</u>	<u>43,224</u>	<u>52,078</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	978,037	1,162,086	19,141	28,608
Past due				
Up to 3 months	325,880	238,714	-	-
3 - 6 months	31,701	39,695	-	-
6 - 12 months	14,775	21,358	-	-
Over 12 months	23,300	19,068	-	-
Total	<u>1,373,693</u>	<u>1,480,921</u>	<u>19,141</u>	<u>28,608</u>
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	<u>(15,046)</u>	<u>(12,301)</u>	<u>-</u>	<u>-</u>
Total trade receivables - unrelated parties, net	<u>1,358,647</u>	<u>1,468,620</u>	<u>19,141</u>	<u>28,608</u>
Total trade receivables - net	<u>1,377,256</u>	<u>1,487,751</u>	<u>62,365</u>	<u>80,686</u>
<u>Other receivables</u>				
Dividend receivables - related party (Note 8)	-	-	-	57,046
Input tax refundable	44,694	103,107	7,608	7,001
Import duty refundable	403	763	-	-
Accrued income	14,741	31,761	7,612	7,473
Prepaid corporate income tax	29,209	39,046	2,982	3,148
Others	24,074	45,443	206	463
Total other receivables	<u>113,121</u>	<u>220,120</u>	<u>18,408</u>	<u>75,131</u>
Total trade and other receivables - net	<u>1,490,377</u>	<u>1,707,871</u>	<u>80,773</u>	<u>155,817</u>

Set out below is the movement in the allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)
	Consolidated financial statements
As at 1 January 2020	12,301
Provision for expected credit losses	2,745
As at 31 December 2020	15,046

10. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	505,489	356,642	(21,569)	(25,294)	483,920	331,348
Semi products	12,516	14,500	(483)	(347)	12,033	14,153
Work in process	57,984	97,806	(1,533)	(3,173)	56,451	94,633
Raw materials	252,052	398,435	(4,216)	(8,320)	247,836	390,115
Packing materials	17,075	29,608	(1,368)	(1,130)	15,707	28,478
Spare parts and factory supplies	100,715	123,351	(52,602)	(57,892)	48,113	65,459
Goods in transit	76,487	93,886	-	-	76,487	93,886
Total	1,022,318	1,114,228	(81,771)	(96,156)	940,547	1,018,072

During the current year, the subsidiaries reduced cost of inventories by Baht 22 million (2019: Baht 44 million) to reflect the net realisable value. This was included in cost of sales. In addition, the subsidiaries reversed the write-down of cost of inventories by Baht 36 million (2019: Baht 28 million) and reduced the amount of inventories recognised as expenses during the year.

11. Other current financial assets/Current investments

11.1 As at 31 December 2020, the balances of other current financial assets are as follows:

(Unit: Thousand Baht)

	31 December 2020	
	Consolidated financial statements	Separate financial statements
<u>Debt instruments at amortised cost</u>		
Fixed deposits	335,776	-
Bonds	70,896	-
Total debt instruments at amortised cost	406,672	-
<u>Financial assets at FVTPL</u>		
Overseas listed equity investments	1,043,558	-
Derivative assets (Note 38.1)	9,483	1,545
Total financial assets at FVTPL	1,053,041	1,545
Total other current financial assets - net	1,459,713	1,545

As at 31 December 2020, bonds and the fixed bank deposits with an original maturity within one year carried interests between 0.33 and 0.63 percent per annum.

During the year 2020, the subsidiaries received dividends amounting to Baht 31 million.

11.2 As at 31 December 2019, the balances of current investments are as follows:

(Unit: Thousand Baht)

	31 December 2019	
	Consolidated financial statements	
	Cost / Book value	Fair value
Trading securities		
Overseas marketable equity securities	1,179,444	1,195,963
Unrealised gains from revaluation of investments	23,906	
Translation adjustments	(7,387)	
Total trading securities - net	1,195,963	
Debt securities held to maturity - current portion		
Bonds	43,794	
Total debt securities held to maturity - current portion	43,794	
Fixed bank deposits with an original maturity within one year		
Fixed deposits of commercial bank	341,218	
Total fixed bank deposits with an original maturity within one year	341,218	
Current investments - net	1,580,975	

As at 31 December 2019, bonds and the fixed bank deposits with an original maturity within one year carried interests between 1.16 and 1.65 percent per annum.

During the year 2019, the subsidiaries have gains on disposals of current investments amounting to Baht 2 million and received dividends amounting to Baht 37 million.

12. Restricted investments

These represent bank deposits and the bonds of the Company and its subsidiaries which pledged with the local banks to guarantee electricity use.

13. Investments in subsidiaries

13.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
	<u>2020</u> (Million Baht)	<u>2019</u> (Million Baht) (Except for other specified currencies)	<u>2020</u> (%)	<u>2019</u> (%)	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Textile business								
Union Textile Industries Plc.	600	600	49.88	49.88	321,181	321,181	-	-
Union Garment Co., Ltd.	25	50	99.99	99.99	45,348	70,345	-	-
					366,529	391,526	-	-
Plastic, rubber and metal business								
Union Pioneer Plc.	75	75	48.96	48.96	53,084	53,084	477	8,849
Union Plastic Plc.	250	250	49.52	49.52	235,433	235,433	-	-
Union Zojirushi Co., Ltd.	600	600	51.00	51.00	306,659	306,659	38,556	113,220
Union Stainless Steel Products Co., Ltd.	40	40	98.00	98.00	52,411	52,411	8,820	35,280
Union Rubber Products Corp., Ltd.	20	20	99.99	99.99	16,111	16,111	-	-
Thai Rubber Enterprise Co., Ltd.	32	32	50.85	50.69	17,307	17,179	486	-
					681,005	680,877	48,339	157,349
Trading business								
Computer Union Co., Ltd.	100	100	98.49	98.49	103,571	103,571	98,486	121,137
					103,571	103,571	98,486	121,137

Company	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2020 (Million Baht)	2019 (Million Baht) (Except for other specified currencies)	2020 (%)	2019 (%)	2020	2019	2020	2019
Energy business								
Zhejiang Jiashan-Union Cogeneration Co., Ltd.	37	30 (Million USD)	56.93	56.93	726,355	598,345	167,909	158,318
					726,355	598,345	167,909	158,318
Hotel business								
The Royal Hotel Co., Ltd.	3,000	3,000	96.00	96.00	2,880,000	2,880,000	-	-
					2,880,000	2,880,000	-	-
Investment and others business								
Saha-Union International Ltd.	405	405 (Million HKD)	99.99	99.99	1,907,801	1,907,801	-	-
Saha-Union Investment (China) Co., Ltd.	45	45 (Million USD)	100.00	100.00	1,572,809	1,572,809	-	-
Saha-Union Holding Co., Ltd.	1,300	1,300	99.54	99.54	1,294,019	1,294,019	-	-
Venus Shoes Co., Ltd.	72	72	76.00	76.00	44,007	44,007	4,378	-
Union Printing Corp., Ltd.	30	30	94.74	94.74	29,466	29,466	-	-
Union Equity Co., Ltd.	160	160	99.79	99.79	159,771	159,771	-	-

(Unit: Thousand Baht)

Company	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(Million Baht)	(Million Baht)	(%)	(%)			Dividend received during the year	
	(Except for other specified currencies)							
Investment and others business (continued)								
Union Shoes Co., Ltd.	24	24	61.91	61.91	22,087	22,087	-	3,095
Union Construction Corp., Ltd.	600	600	62.49	62.49	375,457	375,457	-	-
Saha-Union Property Co., Ltd.	125	125	99.99	99.99	125,000	125,000	-	-
Saha-Union Wealth Plus Co., Ltd.	125	125	99.99	99.99	125,000	125,000	-	-
Union Nakhon Co., Ltd.	210	210	75.00	75.00	157,499	157,499	-	-
Total					5,812,916	5,812,916	4,378	3,095
Less: Allowance for impairment of investments in subsidiaries					10,570,376	10,467,235	319,112	439,899
					(559,753)	(538,753)		
Total investments in subsidiaries - net					10,010,623	9,928,482		

13.2 Details of investments in subsidiaries that have material non-controlling interests

Company	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non- controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(%)	(%)						
Union Textile Industries Plc.	48.58	48.58	38	51	(19)	(27)	-	-
Union Pioneer Plc.	47.27	47.27	141	113	32	1	1	9
Union Plastic Plc.	50.31	50.31	(25)	(13)	(31)	(36)	-	-
Union Zojirushi Co., Ltd.	49.00	49.00	198	241	(1)	38	37	109
Zhejiang Jiashan-Union Cogeneration Co., Ltd.	24.04	24.04	84	95	37	80	71	67

(Unit: Million Baht)

13.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling.

Summarised information about financial position

	As at 31 December						(Unit: Million Baht)	
	Union Textile Industries Plc.		Union Pioneer Plc.		Union Plastic Plc.		Zhejiang Jiashan-Union Cogeneration Co., Ltd.	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current assets	458	438	440	353	307	377	399	613
Non-current assets	747	725	121	97	323	251	1,050	1,292
Current liabilities	104	32	75	56	105	112	346	657
Non-current liabilities	85	80	81	48	46	51	109	157
							326	335

Summarised information about comprehensive income

	For the year ended 31 December						(Unit: Million Baht)	
	Union Textile Industries Plc.		Union Pioneer Plc.		Union Plastic Plc.		Union Zojirushi Co., Ltd.	Zhejiang Jiashan-Union Cogeneration Co., Ltd.
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue	471	750	693	563	546	713	2,151	2,931
Profit (loss)	(38)	96	67	1	(26)	(35)	(20)	76
Other comprehensive income	(89)	(2)	(7)	(3)	(23)	-	-	95
Total comprehensive income	(127)	94	60	(2)	(49)	(35)	(20)	76
							248	217

Summarised information about cash flow

(Unit: Million Baht)

	For the year ended 31 December							
	Union Textile Industries Plc.		Union Pioneer Plc.		Union Plastic Plc.		Union Zojirushi Co., Ltd.	
	2020	2019	2020	2019	2020	2019	2020	2019
Cash flow from (used in) operating activities	188	(34)	78	50	(38)	(29)	455	529
Cash flow from (used in) investing activities	(193)	26	(49)	(5)	(19)	(77)	(81)	(138)
Cash flow used in financing activities	-	-	(5)	(18)	-	-	(374)	(391)
Net increase (decrease) in cash and cash equivalents	(5)	(8)	24	27	(57)	(106)	-	-
							4	15

Zhejiang Jiashan-Union Cogeneration Co., Ltd.

During the current year, there were the following significant changes in the investments in subsidiaries accounts.

Increase in share capital

On 27 May 2020, the meeting of Board of Directors of Zhejiang Jiashan-Union Cogeneration Co., Ltd. approved to increase share capital totaling USD 7 million. As a result, the registered and paid-up share capital will increase to USD 37 million and this was registered on 20 July 2020. The Company pay for the share subscription in proportion to existing investments totaling Baht 128 million.

Decrease in share capital

On 1 July 2020, the meeting of Extraordinary General Meeting of Union Garment Co., Ltd. approved to decrease share capital of Baht 50 million (500,000 ordinary shares of Baht 100 per share), to Baht 25 million (500,000 ordinary shares of Baht 50 per share). As a result, the paid-up share capital will decrease to Baht 25 million. The Company received for the deducted share subscription in proportion to existing investments totaling Baht 25 million on 18 August 2020.

14. Investments in joint ventures**14.1 Details of investments in joint ventures:**

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows:

Consolidated financial statements

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2020	2019	2020	2019	2020	2019
			(%)	(%)				
Textile business								
Zhejiang Saha-Union Feilun Thread Industries Co., Ltd.	Contract manufacture and distribution of textile products	China	57.57	57.57	640,940	640,940	-	-
					640,940	640,940	-	-
Plastic, rubber and metal business								
Union Nifco Co., Ltd.	Manufacture and distribution of plastic parts and molds	Thailand	50.00	50.00	51,559	51,559	217,615	246,671
					51,559	51,559	217,615	246,671
Energy business								
Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.	Power generation	China	50.00	50.00	748,523	748,523	1,313,544	1,214,301
Yunnan Energy Luliang-Union Cogeneration Co., Ltd.	Power generation	China	50.00	50.00	445,914	445,914	-	-
					1,194,437	1,194,437	1,313,544	1,214,301

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			<u>2020</u> (%)	<u>2019</u> (%)	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Hospital business								
Sukhumvit 62 Medical Ltd.	Hospital	Thailand	41.83	47.21	400,000	200,500	398,016	200,089
					400,000	200,500	398,016	200,089
Investment and others business								
Soldev Co., Ltd.	Develop and distribution of computer software	Thailand	61.00	61.00	2,210	2,210	-	-
					2,210	2,210	-	-
Liquidation								
Union Universe Co., Ltd.	Distributor of Grand Slam shirts	Thailand	49.87	49.87	946	3,751	2,411	5,246
					946	3,751	2,411	5,246
					2,290,092	2,093,397	1,931,586	1,666,307
Total investments in joint ventures								

Separate financial statements

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		Allowance for impairment of investments		(Unit: Thousand Baht) Carrying amounts based on cost method - net	
			<u>2020</u> (%)	<u>2019</u> (%)	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Textile business										
Zhejiang Saha-Union Feilun Thread Industries Co., Ltd.	Contract manufacture and distribution of textile products	China	39.59	39.59	452,337	452,337	(452,337)	(452,337)	-	-
					452,337	452,337	(452,337)	(452,337)	-	-
Plastic, rubber and metal business										
Union Nifco Co., Ltd.	Manufacture and distribution of plastic parts and molds	Thailand	30.00	30.00	31,556	31,556	-	-	31,556	31,556
					31,556	31,556	-	-	31,556	31,556
Energy business										
Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.	Power generation	China	25.00	25.00	374,416	374,416	-	-	374,416	374,416
Yunnan Energy Luliang-Union Cogeneration Co., Ltd.	Power generation	China	40.00	40.00	417,271	417,271	(417,271)	(417,271)	-	-
					791,687	791,687	(417,271)	(417,271)	374,416	374,416
Hospital business										
Sukhumvit 62 Medical Ltd.	Hospital	Thailand	41.83	47.21	400,000	200,500	-	-	400,000	200,500
					400,000	200,500	-	-	400,000	200,500
Liquidation										
Union Universe Co., Ltd.	Distributor of Grand Slam shirts	Thailand	49.87	49.87	946	3,751	-	-	946	3,751
					946	3,751	-	-	946	3,751
Total investments in joint ventures - net					1,676,526	1,479,831	(869,608)	(869,608)	806,918	610,223

14.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of comprehensive income from investments in the joint ventures in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company	Consolidated financial statements			Separate financial statements	
	Share of profit/loss from investments in joint ventures during the year	Share of other comprehensive income from investments in joint ventures during the year		Dividend received during the year	
	2020	2019	2020	2019	2019
Plastic, rubber and metal business					
Union Nifco Co., Ltd.	67,838	92,563	(6,145)	98	55,174
	67,838	92,563	(6,145)	98	55,174
Energy business					
Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.	430,641	443,091	87,871	(120,311)	143,731
	430,641	443,091	87,871	(120,311)	143,731
Hospital business					
Sukhumvit 62 Medical Ltd.	(1,573)	(459)	-	-	-
	(1,573)	(459)	-	-	-
Investment and other business					
Soldev Co., Ltd.	(1,615)	82	-	-	-
	(1,615)	82	-	-	-
Liquidation					
Union Universe Co., Ltd.	(10)	-	-	-	19
	(10)	-	-	-	19
Total	495,281	535,277	81,726	(120,213)	198,905

14.3 Summarised financial information about material joint ventures

Summarised information about financial position

(Unit: Million Baht)

Financial position	Union Nifco Co., Ltd.		Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.		Sukhumvit 62 Medical Ltd.	
	2020	2019	2020	2019	2020	2019
Current assets	565	609	1,265	1,089	310	80
Non-current assets	161	161	2,277	2,228	685	358
Current liabilities	227	218	907	856	36	10
Non-current liabilities	64	58	-	25	7	-
Net assets	435	494	2,635	2,436	952	428
Shareholding percentage (%)	50.00	50.00	50.00	50.00	41.83	47.21
Share of net assets	218	247	1,318	1,218	398	202
Elimination entries	-	-	(4)	(4)	-	(2)
Carrying amounts of joint ventures based on equity method	218	247	1,314	1,214	398	200

Summarised information about comprehensive income

(Unit: Million Baht)

Comprehensive income	Union Nifco Co., Ltd.		Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.		Sukhumvit 62 Medical Ltd.	
	2020	2019	2020	2019	2020	2019
Revenue	948	1,173	3,744	3,836	1	2
Profit (loss)	135	185	861	886	(4)	(1)
Other comprehensive income	(12)	-	176	(241)	-	-
Total comprehensive income	123	185	1,037	645	(4)	(1)

Additional call up in share capital

During the year, Sukhumvit 62 Medical Ltd. approved the second and the third call for payment of the remaining share capital of Baht 25 per share, totaling Baht 209.31 million per time. As a result, the registered and paid-up share capital will increase to Baht 847.25 million. The Company pay for the share subscription in proportion to existing investments totaling Baht 199.5 million on 27 February 2020 and 31 August 2020.

In the fourth quarter, the Extraordinary General Meeting of Shareholders of Sukhumvit 62 Medical Ltd. No. 1/2020, approved an increase in the registered share capital amounting to Baht 109 million. The Company had no intention of paying for the share capital, resulting in the slight decrease in the shareholding percentage.

15. Investments in associates

15.1 Details of material associates:

Consolidated financial statements

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			<u>2020</u> (%)	<u>2019</u> (%)	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Textile business								
Union Spinning Mills Co., Ltd.	Manufacture and distribution of thread	Thailand	51.99	51.99	46,563	46,563	67,879	77,510
Others (3 companies)								
Plastic, rubber and metal business								
Union Thai-Nichiban Co., Ltd.	Manufacture of adhesive paper, corrugated adhesive paper, clear tape and OPP tape	Thailand	40.29	40.29	19,320	19,320	174,491	172,240
Hospital business								
Navavej International Plc.	Hospital	Thailand	30.00	30.00	405,000	405,000	326,584	353,210

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		(Unit: Thousand Baht)	
			<u>2020</u> (%)	<u>2019</u> (%)	<u>2020</u>	<u>2019</u>	Carrying amounts	based on equity method
Investment and others business								
Taixing Union Zond Chemicals Co., Ltd.	Manufacture of Phthalic anhydride and Fumaric acid and associated products	China	29.65	29.65	273,029	273,029	207,811	216,678
Jiangsu Zhonglian-Union Carpet Co., Ltd.	Manufacture of automotive carpets	China	35.00	35.00	353,054	353,054	250,757	226,280
Uni-Fibre Co., Ltd.	Investment	Thailand	62.35	62.35	79,598	79,598	747,507	748,022
Union Thread Industries Co., Ltd.	Investment	Thailand	36.89	35.99	51,861	51,861	906,652	870,448
Union Industries Corp., Ltd.	Investment and real estate rental	Thailand	29.46	29.46	43,328	43,328	499,967	475,910
Union Business Management Co., Ltd.	Investment	Thailand	37.54	37.54	94,999	94,999	237,067	224,354
(51.10 percent owned by Union Thread Industries Co., Ltd., 18.99 percent by Union Textile Industries Plc. and 0.50 percent by Union Industries Corp., Ltd.)								
Zhuji-Union Real Estate Co., Ltd.	Investment	China	25.00	25.00	180,032	180,032	179,567	147,053
Union Asset Holdings Corp., Ltd. and its subsidiaries	Investment	Thailand	-	-	-	-	3,649	3,765
(82.67 percent owned by Uni-Fibre Co., Ltd.)								
Others (17 companies)					213,352	213,352	66,248	48,554
(2019: 14 companies)					1,289,253	1,289,253	3,099,225	2,961,064
Total investments in associates					1,762,686	1,762,686	3,751,182	3,638,517

Separate financial statements

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		Allowance for impairment of investments		(Unit: Thousand Baht) Carrying amounts based on cost method - net	
			2020 (%)	2019 (%)	2020	2019	2020	2019	2020	2019
Textile business										
Union Micronclean Co., Ltd.	Manufacture and distribution of anti-electrostatic and dust clothing	Thailand	25.00	25.00	1,251	1,251	-	-	1,251	1,251
Union Spinning Mills Co., Ltd.	Manufacture and distribution of thread	Thailand	25.00	25.00	46,563	46,563	-	-	46,563	46,563
					47,814	47,814	-	-	47,814	47,814
Plastic, rubber and metal business										
Union Thai-Nichiban Co., Ltd.	Manufacture of adhesive paper, corrugated adhesive paper, clear tape and OPP tape	Thailand	40.29	40.29	19,320	19,320	-	-	19,320	19,320
					19,320	19,320	-	-	19,320	19,320
Hospital Business										
Navavej International Plc.	Hospital	Thailand	30.00	30.00	405,000	405,000	-	-	405,000	405,000
					405,000	405,000	-	-	405,000	405,000
Investment and other business										
Taixing Union Zond Chemicals Co., Ltd.	Manufacture of Phthalic anhydride and Fumaric acid and associated products	China	23.85	23.85	218,958	218,958	(32,129)	(32,129)	186,829	186,829
Jiangsu Zhonglian-Union Carpet Co., Ltd.	Manufacture of automotive carpets	China	25.00	25.00	249,239	249,239	(57,000)	-	192,239	249,239
Uni-Fibre Co., Ltd.	Investment	Thailand	26.87	26.87	56,038	56,038	-	-	56,038	56,038
Union Thread Industries Co., Ltd.	Investment	Thailand	24.90	24.90	51,861	51,861	-	-	51,861	51,861
Union Industries Corp., Ltd.	Investment and real estate rental	Thailand	24.90	24.90	43,328	43,328	-	-	43,328	43,328
Others (2 companies)					20,851	20,851	(547)	(547)	20,304	20,304
					640,275	640,275	(89,676)	(32,676)	550,599	607,599
Total investments in associates - net					1,112,409	1,112,409	(89,676)	(32,676)	1,022,733	1,079,733

15.2 Share of comprehensive income and dividend received in material associates

During the years, the Company has recognised its share of profit/loss from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company	Consolidated financial statements				Separate financial statements	
	Share of profit/loss from investments in associates during the year		Share of other comprehensive income from investments in associates during the year		Dividend received during the year	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Textile business						
Union Spinning Mills Co., Ltd.	(7,920)	(9,797)	(1,653)	(58)	-	-
Others (3 companies)	11,915	5,260	(727)	(1,199)	1,250	2,250
	3,995	(4,537)	(2,380)	(1,257)	1,250	2,250
Plastic, rubber and metal business						
Union Thai-Nichiban Co., Ltd.	30,643	26,925	(1,520)	79	26,952	34,927
	30,643	26,925	(1,520)	79	26,952	34,927
Hospital business						
Navavej International Plc.	(26,626)	(30,114)	-	-	-	-
	(26,626)	(30,114)	-	-	-	-
Investment and others business						
Taixing Union Zond Chemicals Co., Ltd.	(22,786)	(19,626)	13,919	(21,385)	-	-
Jiangsu Zhonglian-Union Carpet Co., Ltd.	8,443	(48,241)	16,033	(24,898)	-	-
Uni-Fibre Co., Ltd.	(153)	13,393	(362)	(26)	-	-
Union Thread Industries Co., Ltd.	49,179	24,479	(1,262)	(2,456)	8,963	8,963
Union Industries Corp., Ltd.	19,825	11,571	(25)	(1,921)	6,723	6,723

(Unit: Thousand Baht)

Company	Consolidated financial statements				(Unit: Thousand Baht)	
	Share of profit/loss from investments in associates during the year		Share of other comprehensive income from investments in associates during the year		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Investment and others business (continued)						
Union Business Management Co., Ltd.	12,666	23,627	48	(1,498)	-	-
Zhuji-Union Real Estate Co., Ltd.	22,686	(10,212)	9,828	(14,513)	-	-
Union Asset Holdings Corp., Ltd. and its subsidiaries	(1,898)	2,499	(264)	(270)	-	-
Others (17 companies)	20,063	(2,505)	11,321	(14,856)	-	-
(2019: 14 companies)						
	108,025	(5,015)	49,236	(81,823)	15,686	15,686
Total	116,037	(12,741)	45,336	(83,001)	43,888	52,863

15.3 Summarised financial information of material associates

Summarised information about financial position

Company	Current assets		Non-current assets		Current liabilities		Non-current liabilities		Net assets		Shareholding percentage (%)		Share of net assets based on equity method		Elimination entries		(Unit: Million Baht)	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	Carrying amounts of associates based on equity method	
Textile business																		
Union Spinning Mills Co., Ltd.	218	226	60	60	28	20	16	13	234	253	51.99	51.99	122	132	(54)	(54)	68	78
Others (3 companies)	659	632	325	236	75	81	130	136	779	651	-	-	207	174	(124)	(100)	83	74
Plastic, rubber and metal business																		
Union Thai-Nichiban Co., Ltd.	431	442	90	93	54	77	34	30	433	428	40.29	40.29	174	172	-	-	174	172
Hospital business																		
Navavej International Plc.	70	90	3,008	2,040	330	14	1,647	939	1,101	1,177	30.00	30.00	330	353	(4)	-	326	353
Investment and other business																		
Taixing Union Zond Chemicals Co., Ltd.	457	375	663	672	427	324	-	-	693	723	29.65	29.65	205	214	3	2	208	216
Jiangsu Zhonglian-Union Carpet Co., Ltd.	472	472	817	777	578	608	-	-	711	641	35.00	35.00	249	224	2	2	251	226
Uni-Fibre Co., Ltd.	3	11	1,252	1,252	25	33	-	-	1,230	1,230	62.35	62.35	767	767	(19)	(19)	748	748
Union Thread Industries Co., Ltd.	265	383	2,155	2,110	3	4	135	189	2,282	2,300	36.89	35.99	842	828	65	43	907	871
Union Industries Corp., Ltd.	313	587	1,510	1,293	1	37	75	110	1,747	1,733	29.46	29.46	515	511	(15)	(35)	500	476
Union Business Management Co., Ltd.	3	2	1,040	1,102	65	100	102	158	876	846	37.54	37.54	329	318	(92)	(94)	237	224
Zhuji-Union Real Estate Co., Ltd.	983	1,169	2	2	267	583	-	-	718	588	25.00	25.00	180	147	-	-	180	147
Union Asset Holdings Corp., Ltd. and its subsidiaries	345	430	2,635	2,361	1	4	-	-	2,979	2,787	-	-	1,200	1,122	(1,206)	(1,127)	(6)	(5)
Others (17 companies) (2019: 14 companies)	600	638	1,246	880	297	363	23	14	1,526	1,141	-	-	473	353	(410)	(305)	63	48

Summarised information about comprehensive income

Company	Revenue		Profit (loss)		Other comprehensive income		Total comprehensive income	
	2020	2019	2020	2019	2020	2019	2020	2019
	(Unit: Million Baht)							
Textile business								
Union Spinning Mills Co., Ltd.	264	355	(15)	(19)	(3)	-	(18)	(19)
Others (3 companies)	671	718	34	6	(1)	-	33	6
Plastic, rubber and metal business								
Union Thai-Nichiban Co., Ltd.	697	803	76	67	(4)	-	72	67
Hospital business								
Navavej International Plc.	2	2	(89)	(86)	-	-	(89)	(86)
Investment and other business								
Taixing Union Zond Chemicals Co., Ltd.	1,568	1,842	(77)	(66)	48	(72)	(29)	(138)
Jiangsu Zhonglian-Union Carpet Co., Ltd.	687	1,041	24	(138)	46	(71)	70	(209)
Uni-Fibre Co., Ltd.	1	105	-	97	(1)	1	(1)	98
Union Thread Industries Co., Ltd.	70	87	22	49	(4)	-	18	49
Union Industries Corp., Ltd.	86	410	41	33	-	-	41	33
Union Business Management Co., Ltd.	44	58	30	50	-	-	30	50
Zhuji-Union Real Estate Co., Ltd.	1,121	-	91	(41)	39	(58)	130	(99)
Union Asset Holdings Corp., Ltd. and its subsidiaries	12	188	(5)	139	(1)	(1)	(6)	138
Others (17 companies)	686	729	11	(13)	(21)	(50)	(10)	(63)
(2019: 14 companies)								

Increase in registered share capital

On 24 April 2020, the Annual General Meeting of Navavej International Plc. approved an increase of Baht 450 million in the registered share capital, to Baht 1,800 million, with the additional capital to be offered by Private Placement Method. On 28 January 2021, the Company has subscribed in right offering, amounting to Baht 75 million. As a result, following the increase in share capital the Company's investment in this associate is Baht 480 million and shareholding percentage slightly decreased.

16. Other non-current financial assets/Other long-term investments

16.1 As at 31 December 2020, the balances of other non-current financial assets are as follows:

Consolidated financial statements

(Unit: Thousand Baht)		
31 December 2020		
	Cost	Fair value
<u>Equity instruments designated at FVOCI</u>		
Quoted equity investments		
Saha Pathana Inter-Holding Plc.	27,508	616,396
Bangkok Bank Plc.	1,088,334	1,172,905
Electricity Generating Plc.	30,514	54,285
Ratch Group Plc.	33,001	42,400
Banyan Tree Indochina Hospitality Fund, L.P.	271,882	119,857
Bangchak Corporation Plc.	48,479	32,902
Others	203,384	182,207
Non-listed equity instruments		
Ratchaburi Power Co., Ltd.	732,500	702,500
Value Creation Inc.	328,280	-
Processing Center Co., Ltd.	10,000	290,000
Union Button Corp., Ltd.	14,714	38,714
Others	15,850	4,182
Total equity instruments designated at FVOCI	2,804,446	3,256,348
<u>Financial assets at FVTPL</u>		
Open-end Fund	30,966	31,159
Total financial assets at FVTPL	30,966	31,159
Total other non-current financial assets	2,835,412	3,287,507

Separate financial statements

(Unit: Thousand Baht)

	31 December 2020	
	Cost	Fair value
<u>Equity instruments designated at FVOCI</u>		
Quoted equity investments		
Saha Pathana Inter-Holding Plc.	27,508	616,396
Bangkok Bank Plc.	215,885	325,689
Banyan Tree Indochina Hospitality Fund, L.P.	271,882	119,857
Bangchak Corporation Plc.	4,874	3,075
Others	17,843	17,539
Non-listed equity instruments		
Ratchaburi Power Co., Ltd.	732,500	702,500
Value Creation Inc.	328,280	-
Processing Center Co., Ltd.	10,000	290,000
Union Button Corp., Ltd.	14,714	38,714
Others	10,900	1,811
Total equity instruments designated at FVOCI	1,634,386	2,115,581
<u>Financial assets at FVTPL</u>		
Open-end Fund	20,000	19,570
Total financial assets at FVTPL	20,000	19,570
Total other non-current financial assets	1,654,386	2,135,151

During the year 2020, the Company and its subsidiaries received dividends from other non-current financial assets amounting to Baht 345 million and the Company received Baht 294 million.

16.2 As at 31 December 2019, the balances of other long-term investments are as follows:

Consolidated financial statements

Investments in ordinary shares

(Unit: Thousand Baht)		
31 December 2019		
Company	Shareholding	Cost method
	percentage	
	(%)	
Ratchaburi Power Co., Ltd.	10.00	732,500
Value Creation Inc.	0.18	328,280
Others		40,565
Total investments in ordinary shares		1,101,345
Less: Allowance for impairment of investments		(339,824)
Total investments in ordinary shares - net		761,521

Investments in available-for-sale securities

(Unit: Thousand Baht)			
31 December 2019			
Company	Cost	Surplus (deficit)	Fair value
		on changes in value of investments	
Saha Pathana Inter-Holding Plc.	27,508	595,590	623,098
Bangkok Bank Plc.	583,257	157,928	741,185
Electricity Generating Plc.	30,514	61,982	92,496
Ratch Group Plc.	33,001	21,999	55,000
Banyan Tree Indochina Hospitality Fund, L.P.	271,882	(141,490)	130,392
Bualuang Thanatavee Fixed Income Fund	21,080	1,101	22,181
Buakaew Open-end Fund	20,000	1,634	21,634
Bangchak Corporation Plc.	48,479	(3,940)	44,539
Others	188,937	11,230	200,167
Total investments in available-for-sale securities	1,224,658	706,034	1,930,692
Total other long-term investments - net			2,692,213

Separate financial statements**Investments in ordinary shares**

(Unit: Thousand Baht)		
31 December 2019		
Company	Shareholding	Cost method
	percentage (%)	
Ratchaburi Power Co., Ltd.	10.00	732,500
Value Creation Inc.	0.18	328,280
Others		35,614
Total investments in ordinary shares		1,096,394
Less: Allowance for impairment of investments		(337,369)
Total investments in ordinary shares - net		759,025

Investments in available-for-sale securities

(Unit: Thousand Baht)			
31 December 2019			
Company	Cost	Surplus (deficit) on changes in value of	Fair value
		investments	
Saha Pathana Inter-Holding Plc.	27,508	595,590	623,098
Bangkok Bank Plc.	215,885	222,490	438,375
Banyan Tree Indochina Hospitality Fund, L.P.	271,882	(141,490)	130,392
Buakaew Open-end Fund	20,000	1,634	21,634
Bangchak Corporation Plc.	4,874	(712)	4,162
Others	15,709	(96)	15,613
Total investments in available-for-sale securities	555,858	677,416	1,233,274
Total other long-term investments - net			1,992,299

During the year 2019, the Company and its subsidiaries received dividends from their investments in ordinary shares and available-for-sale securities totaling Baht 208 million, with the Company received Baht 183 million.

17. Investment properties

The net book value of investment properties as at 31 December 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements		
	Land and land improvement awaiting development	Factory and office building for rent	Assets under construction	Total	Land and land improvement awaiting development	Factory and office building for rent	Total
As at 31 December 2020							
Cost	2,101,062	2,461,973	111,921	4,674,956	1,545,232	1,794,547	3,339,779
<u>Less</u> Accumulated depreciation	(72,619)	(2,020,620)	-	(2,093,239)	(61,993)	(1,646,918)	(1,708,911)
<u>Less</u> Allowance for impairment loss	(4,413)	(150,308)	(25,000)	(179,721)	(4,413)	(138,707)	(143,120)
Net book value	<u>2,024,030</u>	<u>291,045</u>	<u>86,921</u>	<u>2,401,996</u>	<u>1,478,826</u>	<u>8,922</u>	<u>1,487,748</u>
As at 31 December 2019							
Cost	2,100,756	2,592,840	93,884	4,787,480	1,545,124	1,794,583	3,339,707
<u>Less</u> Accumulated depreciation	(66,739)	(2,148,797)	-	(2,215,536)	(56,114)	(1,646,340)	(1,702,454)
<u>Less</u> Allowance for impairment loss	(4,413)	(151,808)	(25,000)	(181,221)	(4,413)	(138,707)	(143,120)
Net book value	<u>2,029,604</u>	<u>292,235</u>	<u>68,884</u>	<u>2,390,723</u>	<u>1,484,597</u>	<u>9,536</u>	<u>1,494,133</u>

A reconciliation of the net book value of investment properties for the years 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Net book value at beginning of year	2,390,723	2,072,096	1,494,133	1,142,178
Acquisition of assets	28,963	370,322	110	358,435
Disposals/write-off - net book value	(3)	(7)	(3)	(7)
Transferred from property, plant and equipment - net book value	197	-	-	-
Depreciation for the year	(30,580)	(30,020)	(6,492)	(6,473)
Decrease in allowance for impairment loss during the year	1,500	-	-	-
Translation adjustments	11,196	(21,668)	-	-
Net book value at end of year	<u>2,401,996</u>	<u>2,390,723</u>	<u>1,487,748</u>	<u>1,494,133</u>

The fair value of the investment properties as at 31 December 2020 and 2019 stated below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land and land improvement awaiting development	4,113,742	4,010,832	2,541,898	2,541,788
Factory and office building for rent	1,530,104	1,393,635	29,964	29,964

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of the land and land improvement awaiting development has been determined based on market prices, while that of the factory and office building for rent has been determined using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

18. Property, plant and equipment

Cost	Consolidated financial statements						(Unit: Thousand Baht)
	Buildings, building improvements and facilities						
	Land	Land improvement	Machinery and equipment	Power plants	Others	Total	
As at 1 January 2019	1,896,985	20,571	3,496,276	6,440,735	2,019,011	1,251,652	15,125,230
Additions	-	511	48,042	74,184	247,143	365,880	735,760
Disposals/write-off	-	-	(13,487)	(149,243)	(89,188)	(81,154)	(333,072)
Transfers	-	-	1,854	33,047	-	(34,901)	-
Translation adjustments	-	-	(55,588)	-	(175,466)	(3,147)	(234,201)
As at 31 December 2019	1,896,985	21,082	3,477,097	6,398,723	2,001,500	1,498,330	15,293,717
Adjustments of right-of-use assets due to TFRS 16 (Note 4)	-	-	-	-	-	(158,232)	(158,232)
As at 1 January 2020	1,896,985	21,082	3,477,097	6,398,723	2,001,500	1,340,098	15,135,485
Additions	-	819	27,051	90,303	156,535	122,957	397,665
Disposals/write-off	-	-	(15,857)	(320,540)	(47,925)	(31,009)	(415,331)
Transfers to investment properties	(197)	-	(3,338)	-	-	-	(3,535)
Transfers	-	491	35,899	84,139	-	(120,529)	-
Translation adjustments	-	-	29,634	-	140,640	1,577	171,851
As at 31 December 2020	1,896,788	22,392	3,550,486	6,252,625	2,250,750	1,313,094	15,286,135

(Unit: Thousand Baht)

Consolidated financial statements (continued)

	Land	Land improvement	Buildings, building improvements and facilities	Machinery and equipment	Power plants	Others	Total
Accumulated depreciation							
As at 1 January 2019	-	7,788	1,720,523	5,284,096	410,234	909,099	8,331,740
Depreciation for the year	-	1,194	185,408	333,642	113,935	139,708	773,887
Depreciation on disposals/write-off	-	-	(12,135)	(138,177)	(69,823)	(73,261)	(293,396)
Translation adjustments	-	-	(18,392)	-	(35,652)	(2,845)	(56,889)
As at 31 December 2019	-	8,982	1,875,404	5,479,561	418,694	972,701	8,755,342
Adjustments of right-of-use assets due to TFRS 16 (Note 4)	-	-	-	-	-	(69,964)	(69,964)
As at 1 January 2020	-	8,982	1,875,404	5,479,561	418,694	902,737	8,685,378
Depreciation for the year	-	1,194	185,964	304,590	143,776	110,271	745,795
Depreciation on disposals/write-off	-	-	(15,601)	(311,794)	(33,847)	(28,474)	(389,716)
Transfers to investment properties	-	-	(3,338)	-	-	-	(3,338)
Translation adjustments	-	-	11,379	-	29,421	1,394	42,194
As at 31 December 2020	-	10,176	2,053,808	5,472,357	558,044	985,928	9,080,313

(Unit: Thousand Baht)

Consolidated financial statements (continued)

	Land	Land improvement	Buildings, building improvements and facilities	Machinery and equipment	Power plants	Others	Total
Allowance for impairment loss							
As at 1 January 2019	-	-	-	1,072	-	13,346	14,418
Decrease from disposals	-	-	-	-	-	(7,774)	(7,774)
As at 31 December 2019	-	-	-	1,072	-	5,572	6,644
Increase during the year	-	-	-	-	45,778	-	45,778
Decrease during the year	-	-	-	-	-	(487)	(487)
Translation adjustments	-	-	-	-	(196)	-	(196)
As at 31 December 2020	-	-	-	1,072	45,582	5,085	51,739
Net book value							
As at 31 December 2019	1,896,985	12,100	1,601,693	918,090	1,582,806	520,057	6,531,731
As at 31 December 2020	1,896,788	12,216	1,496,678	779,196	1,647,124	322,081	6,154,083
Depreciation for the year							
2019 (Baht 721 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)							773,887
2020 (Baht 745 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)							745,795

(Unit: Thousand Baht)

Separate financial statements

	Land	Buildings and facilities	Machinery and equipment	Others	Total
Cost					
As at 1 January 2019	18,550	143,061	84,498	296,158	542,267
Additions	-	-	-	1,885	1,885
Disposals/write-off	-	(26)	(180)	(3,380)	(3,586)
As at 31 December 2019	18,550	143,035	84,318	294,663	540,566
Additions	-	-	-	1,906	1,906
Disposals	-	-	-	(3,287)	(3,287)
As at 31 December 2020	18,550	143,035	84,318	293,282	539,185
Accumulated depreciation					
As at 1 January 2019	-	134,093	84,032	272,964	491,089
Depreciation for the year	-	2,626	-	5,979	8,605
Depreciation on disposals/write-off	-	(26)	(180)	(3,379)	(3,585)
As at 31 December 2019	-	136,693	83,852	275,564	496,109
Depreciation for the year	-	2,367	-	5,599	7,966
Depreciation on disposals	-	-	-	(3,287)	(3,287)
As at 31 December 2020	-	139,060	83,852	277,876	500,788

(Unit: Thousand Baht)

Separate financial statements (continued)

	Land	Buildings and facilities	Machinery and equipment	Others	Total
Allowance for impairment loss					
As at 1 January 2019	-	-	464	4,922	5,386
As at 31 December 2019	-	-	464	4,922	5,386
As at 31 December 2020	-	-	464	4,922	5,386
Net book value					
As at 31 December 2019	18,550	6,342	2	14,177	39,071
As at 31 December 2020	18,550	3,975	2	10,484	33,011
Depreciation for the year					
2019 (included in administrative expenses)					8,605
2020 (included in administrative expenses)					7,966

As at 31 December 2020, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 5,143 million (2019: Baht 5,198 million) and the Company only Baht 233 million (2019: Baht 222 million).

During the year 2020, a subsidiary recognises an impairment loss for machinery in part of electric factory amounting to Baht 46 million (2019: Nil) to reduce the carrying amount of the assets to their recoverable amounts due to the out of date of technology and resulted in the production efficiency decrease. In this regard, the subsidiary considers to set the allowance of impairment in fully amount.

19. Leases

19.1 The subsidiaries as a lessee

The subsidiaries have lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 14 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land	Buildings	Equipment	Motor vehicles	Total
As at 1 January 2020					
(Note 4)	70,615	25,221	88,268	7,895	191,999
Additions	-	-	115,269	1,739	117,008
Depreciation for the year	(3,175)	(5,045)	(53,904)	(3,019)	(65,143)
Translation adjustments	1,923	-	-	-	1,923
As at 31 December 2020	69,363	20,176	149,633	6,615	245,787

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements
	<u>2020</u>
Lease payments	221,310
Less: Deferred interest expenses	(15,319)
Total	205,991
Less: Current portion	(57,892)
Lease liabilities - net of current portion	148,099

A maturity analysis of lease payments is disclosed in Note 38.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)
	For the year ended
	31 December 2020
	Consolidated
	financial statements
Depreciation expense of right-of-use assets	65,143
Interest expense on lease liabilities	7,864
Expense relating to short-term leases	9,726
Expense relating to leases of low-value assets	639

d) Others

The subsidiaries had total cash outflows for leases for the year ended 31 December 2020 of Baht 73 million, including the cash outflow related to short-term leases and leases of low-value assets. Moreover, the subsidiaries had non-cash additions to right-of-use assets and lease liabilities of Baht 117 million.

20. Goodwill

Goodwill of the Royal Hotel Co., Ltd. (subsidiary) ("The Royal Hotel") from business acquisition amounting to Baht 522 million consisted of the business opportunity provided by the acquisition of a five star hotel (Hilton Hua Hin Resort and Spa Hotel) ready to operate immediately from the acquisition date, as well as various physical features are viewed as significant distinctive point of The Royal Hotel when compares with the business competitors in Hua Hin.

The recoverable amount of the CGUs have been determined based on value in use calculation using cash flow projections from financial budgets approved by the subsidiary's management covering a five-year period.

Key assumptions used in value in use calculation are summarised below:

	(Unit: percent per annum)
	The Royal Hotel
Growth rates	2.5
Discount rates	8.5

The subsidiary's management determined growth rates based on historical operation results and expected market growth and discount rates is the rate that reflects the risks specific to each CGU.

The management believes that there is no impairment loss for goodwill.

21. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Withholding tax	63,829	40,410	3,148	4,861
Leasehold - net of accumulated amortisation	-	56,510	-	-
Advance for purchase of fixed assets	12,847	7,324	-	-
Others	85,938	82,212	2,114	2,151
Total other non-current assets	<u>162,614</u>	<u>186,456</u>	<u>5,262</u>	<u>7,012</u>

The balances of other non-current assets in the consolidated financial statements above include account receivables, Ten Cate-Union Protective Fabrics Asia Ltd. ("TCUA"), amounting to Baht 39 million. There is uncertainty about the recoverable amount of this receivable because TCUA has filed for deregistration with the Ministry of Commerce and is in the process of liquidation. At present, it still not finalised the net asset value. For prudent reasons, the allowance for doubtful debts for this receivable is fully set aside.

22. Short-term loans from financial institutions

	Interest rate (percent per annum)	(Unit: Thousand Baht)	
		Consolidated	
		financial statements	
		<u>2020</u>	<u>2019</u>
Short-term loans from local financial institutions	MLR minus discount rate as defined in contract	19,300	178,900
Short-term loans from financial institutions in China	Reference from interest rate of bank in China	65,172	53,029
Total short-term loans from financial institutions		<u>84,472</u>	<u>231,929</u>

23. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade payables - related parties (Note 8)	32,609	37,367	27,955	32,591
Trade payables - unrelated parties	1,032,560	992,610	6,096	12,447
Other payables	67,892	90,986	-	882
Accrued expenses	334,195	345,304	16,551	20,094
Others	11,739	13,331	274	275
Total trade and other payables	<u>1,478,995</u>	<u>1,479,598</u>	<u>50,876</u>	<u>66,289</u>

24. Long-term loans

			(Unit: Thousand Baht)	
			Consolidated	
			financial statements	
Loan	Interest rate (%)	Repayment schedule	2020	2019
1. Loan from local bank	Based on MLR minus discount rate as defined in contract	Six-month installments from 2017 to 2021	44,000	133,000
2. Loan from local bank	Market rate minus discount rate as defined in contract	Six-month installments from 2019 to 2022	75,000	125,000
3. Loan from local bank in China	Reference from interest rate of bank in China	Six-month installments from 2019 to 2022	358,444	448,413
Total			477,444	706,413
Less: Current portion			(314,867)	(428,621)
Long-term loans, net of current portion			162,577	277,792

Movement of the long-term loan account during the year ended 31 December 2020 are summarised below:

		(Unit: Thousand Baht)
		Consolidated
		financial statements
Balance as at 1 January 2020		706,413
Add: Additional borrowings		17,215
Less: Repayment		(278,205)
Translation adjustments		32,021
Balance as at 31 December 2020		477,444

The loan agreements contain several covenants which, among other things, require the subsidiaries to maintain debt-to-equity ratio and negative pledges on certain assets that are essential for the subsidiaries' operations.

As at 31 December 2020 and 2019, there are no long-term credit facilities of the subsidiaries which have not yet been drawn down.

25. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents the cash which will be paid to employees after they retire as at 31 December 2020 and 2019, were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Present value of defined benefit obligation	419,125	478,218	31,965	27,369
Fair value of plan assets	(117,394)	(181,386)	(8,143)	(8,860)
Net defined benefit liability	<u>301,731</u>	<u>296,832</u>	<u>23,822</u>	<u>18,509</u>

Changes in present value of defined benefit obligation and fair value of plan assets were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Defined benefit obligation at beginning of year	478,218	397,015	27,369	25,790
Current service cost	30,306	25,908	1,081	1,090
Interest cost	9,048	10,129	604	577
Past service cost	(68,610)	65,747	-	4,377
Transferred from related companies	-	925	-	1,122
Actuarial (gain) loss arising from				
Demographic assumptions changes	(14,078)	-	-	-
Financial assumptions changes	42,536	4,686	6,028	(142)
Experience adjustments	3,245	2,128	(1,899)	(1,775)
Benefits paid during the year	(61,540)	(28,320)	(1,218)	(3,670)
Defined benefit obligation at end of year	<u>419,125</u>	<u>478,218</u>	<u>31,965</u>	<u>27,369</u>
Fair value of plan assets at beginning of year	181,386	173,157	8,860	8,680
Change in fair value	(57,143)	(1,234)	(834)	(592)
Contribution by the Company and its subsidiaries	13,874	27,083	631	858
Benefits paid during the year	(20,723)	(17,620)	(514)	(86)
Fair value of plan assets at end of year	<u>117,394</u>	<u>181,386</u>	<u>8,143</u>	<u>8,860</u>

Plan assets comprise bank deposits, bonds, and equity and local debt instruments in active market.

The Company and its subsidiaries expect to pay Baht 26 million (2019: Baht 44 million) of long-term employee benefits during the next year and the Company only amounting to Baht 1 million (2019: Baht 1 million).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 11 years (2019: 11 years) and the Company only is 11 years (2019: 11 years).

Key actuarial assumptions used for the valuation are as follows:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Discount rate	1.4	1.1 - 1.7	1.4	1.5
Future salary increase rate (depending on age of employees)	3.0 - 7.0	3.5 - 5.5	5.0 - 7.0	3.5 - 5.5
Turnover rate	0.0 - 45.0	0.0 - 40.0	0.0 - 30.0	0.0 - 30.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 are summarised below.

	(Unit: Million Baht)				
	Consolidated			Separate	
	financial statement			financial statement	
	<u>%</u>	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
Discount rate	1.00	(33)	34	(2)	2
Future salary increase rate	1.00	36	(32)	2	(2)
Turnover rate	20.00	(16)	20	(1)	1

26. The Company's shares held by its subsidiaries

This represents the acquisition cost of the 9,213,994 ordinary shares (3.07 percent of the total number of shares in issue) of the Company acquired and held by Saha-Union Holding Co., Ltd., Union Equity Co., Ltd. and Union Textile Industries Plc., subsidiaries.

27. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

However, the Company's regulations require the Company to set aside to the statutory reserve at least 10 percent of its net profit after deducting accumulated deficit brought forward (if any), until such reserve reaches at least 25 percent of the registered capital.

28. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Interest expenses on borrowings	35,297	25,818	2,539	2,374
Interest expenses on lease liabilities	7,864	3,223	-	-
Total	43,161	29,041	2,539	2,374

29. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Salary and wages and other employee benefits	1,608,714	1,872,286	60,254	63,255
Depreciation and amortisation expenses	858,990	820,598	15,434	15,122
Rental expenses from operating lease agreements	10,365	22,651	-	-
Transportation expenses	19,722	30,378	738	1,911
Raw materials and consumables used	1,773,187	2,284,234	-	-
Purchase of finished goods and raw materials for sales	3,007,579	3,127,771	566,215	879,641
Changes in inventories of finished goods and work in process	(152,755)	15,631	-	39,410

30. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Current income tax charge	132,989	166,115	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(7,815)	(4,578)	(323)	(859)
Income tax expenses (income) reported in the income statements	<u>125,174</u>	<u>161,537</u>	<u>(323)</u>	<u>(859)</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax on loss from the change in value of financial assets measured at FVOCI	37,350	-	25,770	-
Deferred tax on actuarial loss (gain)	9,301	943	826	(383)
Deferred tax on losses from the change in value of available-for-sale investments	-	41,528	-	29,458
Total	46,651	42,471	26,596	29,075

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit before tax	992,465	1,336,515	822,359	837,895

The separation of accounting profit before tax of the Company and its subsidiaries to each applicable tax rate are as follows:

Applicable tax rate 5.00 percent	172	270	-	-
Applicable tax rate 16.50 percent	(2,991)	148,381	-	-
Applicable tax rate 20.00 percent	698,968	656,626	822,359	837,895
Applicable tax rate 25.00 percent	296,316	531,238	-	-
Accounting profit before tax multiplied by income tax rate	213,388	288,631	164,472	167,579

Effects of:

Tax exempt dividend revenue	(64,755)	(42,496)	(184,354)	(174,864)
Share of profit from investments in joint ventures	(99,056)	(107,055)	-	-
Share of loss (profit) from investments in associates	(23,207)	2,548	-	-
Additional expense deductions allowed	(39,163)	(33,620)	(1,255)	(1,346)
Non-deductible expenses	23,074	25,223	5,277	4,233
Losses on impairment of assets	11,145	7	15,600	-
Losses on disposals of investments under equity method	-	8,656	-	-
Unrecognised deferred tax on deductible temporary differences and unused tax losses	113,403	30,873	(210)	3,392
Others	(9,655)	(11,230)	147	147
Total	(88,214)	(127,094)	(164,795)	(168,438)
Income tax expenses (income) reported in the income statements	125,174	161,537	(323)	(859)

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated statements of		Separate statements of	
	financial position		financial position	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax assets				
Allowance for diminution in value of inventories	11,451	13,318	-	-
Accumulated depreciation - Plant and equipment	7,915	8,811	-	-
Provision for long-term employee benefits	58,683	47,129	3,988	2,925
Deferred income	7,446	5,723	-	-
Others	5,964	1,606	-	-
Total	91,459	76,587	3,988	2,925
Deferred tax liabilities				
Gain on change in fair value of investments	158,596	141,207	163,627	135,483
Others	-	651	-	-
Total	158,596	141,858	163,627	135,483

As at 31 December 2020, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 693 million (2019: Baht 322 million) and the Company only amounting to Baht 28 million (2019: Baht 33 million) no deferred tax assets have been recognised on these amount as the Company and its subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses and the unused tax losses will expire within 2025.

31. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares held by outside shareholders in issue during the year.

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit attributable to equity holders of the Company (Baht)	845,089,726	1,111,991,978	822,681,984	838,753,269
Weighted average number of ordinary shares (shares)	290,783,025	290,138,993	300,000,000	300,000,000
Basic earnings per share (Baht/share)	2.91	3.83	2.74	2.80

32. Discontinued operation

By resolution of the meeting of Board of Directors of Union Textile Industries Public Company Limited ("Union Textile") on 22 December 2020 was authorized to cease its textile business (spinning and weaving) within 2021, as mentioned in Note 1.3 to the financial statement. As of 31 December 2020, textile segment of Union Textile was classified as a discontinued operation.

Operating results and cash flows of the discontinued and continuing operations presented in the consolidated financial statements for the year ended 31 December 2020 and 2019 are as follows:

	(Unit: Million Baht)		
	For the year ended 31 December 2020		
	Continuing operation	Discontinued operation	Consolidated financial statements
Operating result			
Sales and service income	8,295	433	8,728
Other income	622	18	640
Total revenues	8,917	451	9,368
Cost of sales and services	7,300	436	7,736
Selling and distribution expenses	259	10	269
Administrative expenses	880	59	939
Total expenses	8,439	505	8,944
Operating profit (loss)	478	(54)	424
Share of profit from investments in joint ventures	495	-	495
Share of profit from investments in associate	116	-	116
Finance cost	(42)	(1)	(43)
Profit (loss) before income tax income (expenses)	1,047	(55)	992
Income tax income (expenses)	(131)	6	(125)
Profit (loss) for the year	916	(49)	867
Cash flows			
Net cash flows from operating activities	906	178	1,084
Net cash flows from investing activities	-	3	3
Net cash flows from (used in) financing activities	(1,136)	181	(955)

(Unit: Million Baht)

For the year ended 31 December 2019

	Continuing operation	Discontinued operation	Consolidated financial statements
Operating result			
Sales and service income	9,640	511	10,151
Other income	563	32	595
Total revenues	10,203	543	10,746
Cost of sales and services	8,227	554	8,781
Selling and distribution expenses	271	8	279
Administrative expenses	797	45	842
Total expenses	9,295	607	9,902
Operating profit (loss)	908	(64)	844
Share of profit from investments in joint ventures	535	-	535
Share of loss from investments in associate	(13)	-	(13)
Finance cost	(28)	(1)	(29)
Profit (loss) before income tax expenses	1,402	(65)	1,337
Income tax expenses	(162)	-	(162)
Profit (loss) for the year	1,240	(65)	1,175
Cash flows			
Net cash flows from (used in) operating activities	1,460	(45)	1,415
Net cash flows used in investing activities	(713)	(2)	(715)
Net cash flows used in financing activities	(1,063)	(47)	(1,110)

33. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have six reportable segments as follows:

- Textile segment, which is the contract manufacture and distribution of textile products and garments
- Plastic, rubber and metal segment, which is the manufacture and distribution of rubber, elastic products, finished elastic products, plastic products, vacuum bottles and stainless steel kitchenware
- Trading segment, which is the operation of a computer and equipment dealership
- Energy segment, which is power generation
- Hotel segment, which is the operation of hotel
- Investment and others segment, which is principally the operation of an investment business

No other operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. However, the Company and its subsidiaries' central administrative activities, financing activities (including finance costs and finance income) and income taxes are managed on a group basis. Therefore, these income and expenses are not allocated to operating segments.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company and its subsidiaries' operating segments for the years ended 31 December 2020 and 2019, respectively.

(Unit: Million Baht)

	For the years ended 31 December															
	Textile segment		Plastic, rubber and metal segment		Trading segment		Energy segment		Hotel segment		Investment and others segment		Elimination of inter-segment revenues		Consolidated financial statements	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenues																
Revenue from external customers	480	608	3,751	4,565	3,039	2,847	1,211	1,585	227	523	20	23	-	-	8,728	10,151
Inter-segment revenues	7	4	-	-	-	1	-	-	-	-	18	24	(25)	(29)	-	-
Total revenues	487	612	3,751	4,565	3,039	2,848	1,211	1,585	227	523	38	47	(25)	(29)	8,728	10,151
Segment operating profit	19	(19)	310	358	282	286	377	538	(35)	176	39	31	-	-	992	1,370
Unallocated income and expenses:																
Dividend income															376	245
Rental income															36	36
Interest income															29	50
Gain on derivatives designated at FVTPL															7	-
Other income															192	264
Selling and distribution expenses															(269)	(279)
Administrative expenses															(743)	(842)
Loss on investments designated at FVTPL															(196)	-
Share of profit from investments in joint ventures															495	535
Share of profit (loss) from investments in associates															116	(13)
Finance cost															(43)	(29)
Profit before income tax expenses															992	1,337
Income tax expenses															(125)	(162)
Non-controlling interests of the subsidiaries															(22)	(63)
Profit for the year - equity holders of the Company															845	1,112

Below is the segment assets of the Company and its subsidiaries' operating segment as at 31 December 2020 and 2019.

(Unit: Million Baht)

As at 31 December																
	Textile segment		Plastic, rubber and metal segment		Trading segment		Energy segment		Hotel segment		Investment and others segment		Elimination of inter-segment revenues		Consolidated financial statements	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Current investments	-	-	-	144	-	-	-	-	-	-	-	1,437	-	-	-	1,581
Trade and other receivables	84	125	400	544	785	719	174	243	6	15	92	193	(51)	(131)	1,490	1,708
Inventories	67	218	429	506	423	285	21	7	1	2	-	-	-	-	941	1,018
Other current finance assets	199	-	202	-	(2)	-	-	-	-	-	1,061	-	-	-	1,460	-
Investments in subsidiaries	-	-	-	-	-	-	-	-	-	-	5,925	5,980	(5,925)	(5,980)	-	-
Investments in joint ventures	-	-	87	98	-	-	-	-	-	-	1,845	1,568	-	-	1,932	1,666
Investments in associates	414	406	11	11	-	-	-	-	-	-	3,326	3,222	-	-	3,751	3,639
Other non-current finance assets	2	-	-	-	-	-	-	-	-	-	3,286	-	-	-	3,288	-
Other long-term investments	-	2	-	-	-	-	-	-	-	-	-	2,690	-	-	-	2,692
Investment properties	41	41	4	4	-	-	-	-	-	-	2,357	2,346	-	-	2,402	2,391
Property, plant and equipment	96	128	1,315	1,573	27	120	1,647	1,583	2,633	2,677	436	451	-	-	6,154	6,532
Unallocated assets	145	176	418	381	602	391	445	456	600	714	2,846	2,498	(757)	(639)	4,299	3,977
Total assets	1,048	1,096	2,866	3,261	1,835	1,515	2,287	2,289	3,240	3,408	21,174	20,385	(6,733)	(6,750)	25,717	25,204

Transfer prices between business segments are set out in Note 8 to the financial statements.

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Million Baht)	
	For the years ended 31 December	
	<u>2020</u>	<u>2019</u>
Revenue from external customers		
Thailand	4,343	4,708
Asia	3,770	4,899
Europe	328	356
America	283	185
Others	4	3
Total	<u>8,728</u>	<u>10,151</u>

Major customer

For the year 2020, a subsidiary has revenue from one major customer in amount of Baht 1,982 million, arising from sales by the plastic, rubber and metal segment (2019: Baht 2,652 million derived from one major customer, arising from sales by the plastic, rubber and metal segment).

34. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company contributes to the fund monthly at the rate of 3 percent of basic salary while the employees contribute to the fund monthly at the rate of 3 - 15 percent of basic salary (2019: the Company contributes to the fund monthly at the rate of 3 percent of basic salary while the employees contribute to the fund monthly at the rate of 3 - 15 percent of basic salary). The fund, which is managed by BBL Asset Management Company Limited, will be paid to employee upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to Baht 1 million (2019: Baht 1 million).

35. Dividends

		(Unit: Baht)	
<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend per share</u>
Final dividends for 2018	Annual General Meeting of the shareholders on 25 April 2019	600,000,000	2.00
Total for 2019		<u>600,000,000</u>	<u>2.00</u>
Final dividends for 2019	Annual General Meeting of the shareholders on 23 April 2020	450,000,000	1.50
Total for 2020		<u>450,000,000</u>	<u>1.50</u>

36. Commitments and contingent liabilities

36.1 Capital commitments

As at 31 December 2020, the Company and its subsidiaries had capital commitments of Baht 37 million (2019: Baht 59 million) and the Company only Baht 0.1 million (2019: Nil), relating to the purchases of machinery and equipment, factory buildings and office buildings.

36.2 Operating lease commitments

The subsidiaries have entered into several lease agreements in respect of the lease of vehicles, equipment and other services. The terms of the agreements are generally between 1 and 3 years. Future minimum lease payments required under these non-cancellable operating leases contracts and services agreements which have not recorded under lease liabilities were Baht 17 million.

36.3 Long-term service agreements

The Royal Hotel Co., Ltd. (subsidiary) entered into a management agreement with a non-related company in respect of managing its hotel business, The Hilton Hua Hin Resort and Spa Hotel. The subsidiary has to pay the related management fee at the rate stated in the agreement.

36.4 Commitment to purchase raw materials

36.4.1 As at 31 December 2020, the Company had commitments to purchase raw materials with overseas companies amounting to 767 Metric tons (2019: 390 Metric tons) with reference to contract prices. Deliveries of raw materials will occur within January 2021.

36.4.2 As at 31 December 2020, a subsidiary had commitments to purchase raw materials with overseas companies amounting to 121 Metric tons (2019: 101 Metric tons) with reference to contract prices. Deliveries of raw materials will occur during March 2021.

36.5 Guarantees

As at 31 December 2020, there were outstanding bank guarantees amounting to Baht 165 million (2019: Baht 167 million) issued by banks on behalf of the Company and its subsidiaries and the Company only amounting to Baht 1 million (2019: Baht 1 million) in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 145 million (2019: Baht 149 million) to guarantee contractual performance, Baht 15 million (2019: Baht 13 million) to guarantee electricity use and Baht 5 million (2019: Baht 5 million) to guarantee others.

37. Fair value hierarchy

As at 31 December 2020 and 2019, the Company and its subsidiaries had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)				
Consolidated financial statement				
As at 31 December 2020				
Level 1	Level 2	Level 3	Total	
Assets measured at fair value				
<u>Financial assets measured at FVTPL</u>				
Oversea listed equity investments	1,044	-	-	1,044
Open-end Fund	31	-	-	31
Foreign currency forward contracts	-	9	-	9
<u>Financial assets measured at FVOCI</u>				
Equity investments	2,221	-	1,035	3,256
Assets for which fair value are disclosed				
Investment properties	-	-	5,644	5,644

	(Unit: Million Baht)			
	Consolidated financial statement			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments	1,196	-	-	1,196
Available-for-sale investments	1,931	-	-	1,931
Assets for which fair value are disclosed				
Investment properties	-	-	5,404	5,404

	(Unit: Million Baht)			
	Separate financial statement			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
<u>Financial assets measured at FVTPL</u>				
Open-end Fund	20	-	-	20
Foreign currency forward contracts	-	2	-	2
<u>Financial assets measured at FVOCI</u>				
Equity investments	1,083	-	1,033	2,116
Assets for which fair value are disclosed				
Investment properties	-	-	2,572	2,572

(Unit: Million Baht)

	Separate financial statement			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments	1,233	-	-	1,233
Assets for which fair value are disclosed				
Investment properties	-	-	2,572	2,572

38. Financial instruments**38.1 Derivatives**

(Unit: Thousand Baht)

	31 December 2020	
	Consolidated financial statements	Separate financial statements
Derivative assets		
Derivative assets not designated as hedging instruments		
Foreign exchange forward contracts	9,483	1,545
Total derivative assets	<u>9,483</u>	<u>1,545</u>

Derivatives not designated as hedging instruments

The Company and its subsidiaries use foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year.

38.2 Financial risk management objectives and policies

The Company and its subsidiaries' financial instruments principally comprise cash and cash equivalents, trade and other receivables, short-term loans to related parties, other current financial assets, restricted investments, short-term loans from financial institutions and related party, trade and other payables, deposits from related parties, lease liabilities and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. Except for derivatives, the Company and its subsidiaries' maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company and its subsidiaries does not have high concentrations of credit risk.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are 2 types of market risk comprising currency risk and interest rate risk.

Foreign currency risk

The Company and its subsidiaries' exposure to the foreign currency risk relates primarily to its trading transactions and borrowings that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2020 and 2019, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	2020	2019	2020	2019	2020	2019
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	33	34	23	5	30.0371	30.1540
Japanese yen	3	7	-	15	0.2907	0.2759
Euro	1	1	-	-	36.8764	33.7311
Hong Kong	3	2	-	-	3.8335	3.8328

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to their loans to related parties, short-term borrowings, deposits from related parties, lease liabilities and long-term borrowings. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2020

	Fixed interest rates				Total
	Within	1-5	Floating	Non-interest	
	1 year	years	interest rate	bearing	
Financial assets					
Cash and cash equivalents	769	-	2,107	1	2,877
Trade and other receivables	-	-	-	1,490	1,490
Other current financial assets	407	-	-	1,053	1,460
Restricted investments	11	21	-	-	32
	1,187	21	2,107	2,544	5,859
Financial liabilities					
Short-term loans from financial institutions	-	-	84	-	84
Short-term loan from related party	-	-	10	-	10
Trade and other payables	-	-	-	1,479	1,479
Long-term loans	50	25	402	-	477
Lease liabilities	58	148	-	-	206
	108	173	496	1,479	2,256

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2019

	Fixed interest rates				Total
	Within	1-5	Floating	Non-interest	
	1 year	years	interest rate	bearing	
Financial assets					
Cash and cash equivalents	947	-	1,751	2	2,700
Current investments	385	-	-	1,196	1,581
Trade and other receivables	-	-	-	1,708	1,708
Short-term loans to related parties	1	-	-	-	1
Restricted investments	11	24	-	-	35
Long-term loans to related party	-	172	-	-	172
	1,344	196	1,751	2,906	6,197
Financial liabilities					
Short-term loans from financial institutions	-	-	232	-	232
Trade and other payables	-	-	-	1,480	1,480
Long-term loans	50	75	581	-	706
Liabilities under finance lease agreements	37	60	-	-	97
	87	135	813	1,480	2,515

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2020				
	Fixed interest rate	Floating	Non-interest	
	1 - 5 years	interest rate	bearing	Total
Financial assets				
Cash and cash equivalents	-	489	-	489
Trade and other receivables	-	-	81	81
Short-term loans to related parties	-	568	-	568
Other current financial assets	-	-	2	2
Restricted investments	1	-	-	1
	1	1,057	83	1,141
Financial liabilities				
Trade and other payables	-	-	51	51
Deposits from related parties	-	422	-	422
	-	422	51	473

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2019				
	Fixed interest rate	Floating	Non-interest	
	1 - 5 years	interest rate	bearing	Total
Financial assets				
Cash and cash equivalents	-	306	-	306
Trade and other receivables	-	-	156	156
Short-term loans to related parties	-	463	-	463
Restricted investments	1	-	-	1
	1	769	156	926
Financial liabilities				
Trade and other payables	-	-	66	66
Deposits from related parties	-	357	-	357
	-	357	66	423

Liquidity risk

The table below summarises the maturity profile of the Company and its subsidiaries' non-derivative financial liabilities as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	84,472	-	84,472
Short-term loan from related party	10,000	-	10,000
Trade and other payables	1,478,995	-	1,478,995
Long-term loans	314,867	162,577	477,444
Lease liabilities	57,892	148,099	205,991
Total non-derivatives	1,946,226	310,676	2,256,902

(Unit: Thousand Baht)

	Separated financial statements		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Trade and other payables	50,876	-	50,876
Total non-derivatives	50,876	-	50,876

38.3 Fair values of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

39. Capital management

The primary objective of the Company and its subsidiaries' capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholders value. As at 31 December 2020, the Company and its subsidiaries' debt-to-equity ratio was 0.13:1 (2019: 0.14:1) and the Company's was 0.04:1 (2019: 0.04:1).

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2021.

Principles of Corporate Governance

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8.1 Rights of Shareholders	
- To encourage Shareholders to exercise their rights in attending and casting their votes by facilitating on the matters concerned;	
- The Company shall neither limit nor violate the rights of Shareholders;	
- To provide opportunities for its Shareholders to send questions in advance before the meeting;	
- An invitation letter to the Shareholders' Meeting and related documents would be sent to the Shareholders in advance at least 14 days;	
- The financial statements, summary of Company's performance, the latest annual report would be sent to the Shareholders;	
- Shareholders have the rights to determine the remunerations of the Company's Board of Directors in the Annual General Meeting (AGM);	
- The Company shall allow Shareholders to ask questions or express opinions in the Shareholders' Meeting;	
- Minutes of Shareholders' Meeting shall clearly record and disclose information through the Company's website;	
- No adding other agendas prior to notify the Shareholders in advance;	
- Free-float ratios;	
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- Matters of Shareholders' Meeting attendance by proxies;	
- Voting rights;	
- Sending of data and documents to shareholders prior to the meeting date, with details shown	

in the Company's website;

- Every Shareholders could propose the meeting agendas in advance for 4 months before the meeting date;
- To announce how to cast a vote, use a ballot paper and counting votes;
- Internal data usage;
- Related transactions, reasons and necessities thereof;

8.3 Consideration of Roles of Stakeholders

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- The rights of Shareholders beyond the basic legal rights;
- Policy on against violation of human rights;
- Policy on benefit of employees and develop skills and competency;
- Policy on treatment to customers;
- Policy on treatment to competitors;
- Policy on treatment to business partners;
- Policy on treatment to creditors;
- Policy on the intellectual property;
- Policy on the corruption and bribery;
- Policy on the environmental protection and strictly complying with the legal requirements;
- Responsibilities for the community and the society;

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General Information

Saha-Union Public Company Limited and Its Subsidiaries

Saha-Union Public Co., Ltd.

Company Registration No. 0107537000971

(Formerly Public Limited Company No. 344)

Head Office : 1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260, Thailand

Tel : (66-2) 311-5111-9, 332-5600 Fax : (66-2) 331-5668

www.sahaunion.com

The company is principally engaged in investment in textiles, plastic, rubber, metal, computer, hotel, hospital, energy and other business in the People's Republic of China, provide the financial services to the group companies, distribution of raw materials and product manufactured by the group companies, and the rental of property and real estate.

The company had a fully paid-up registered capital of Baht 3,000 million, divided into 300 million ordinary shares of Baht 10 each.

For more information, please visit the Securities and Exchange Commission's website at www.sec.or.th or the Company's website at www.sahaunion.co.th

Other References

Securities Registrar

Thailand Securities Depository Co., Ltd.

The Securities Exchange of Thailand Building

93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand

Tel : (66-2) 009 9000 Fax: (66-2) 009 9991

SET Contact center: 0-2009-9999

Website: <http://www.set.or.th/tsd>

E-mail: SETContactCenter@set.or.th

Auditors

Mr. Khitsada Lertwana, who was a Certified Public Accountant approved from the Securities and Exchange Commission.

EY Office Limited

33rd Floor, Lake Rajada Office Complex

193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110

Tel : (66-2) 264-0777

Fax : (66-2) 264-0789

Juristic Persons of which the Company's Shareholding exceed 10%

Textile Business

- **Zhejiang Saha-Union Feilun Thread Industries Co., Ltd.**

No. 7, Hengshan Road, Jiashan County, Economic Development Zone, Zhejiang Province, China

- **Union Textile Industries Public Company Limited**

205 Moo 4 Sukhumvit Road Km. 39.5, Bangpoo Mai, Samut Prakan Province 10280

Tel : (66-2) 323-1085-7

Fax : (66-2) 323-9283

- **Union Garment Co., Ltd.**

1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260

Tel : (66-2) 311-5111-9

Fax : (66-2) 331-5668

Branch (1) : 205 Moo 4 Sukhumvit Road Km.39.5, Bangpoo Mai, Samut Prakan Province 10280

Tel : (66-2) 323-9350

Fax : (66-2) 710-7009

- **Union Universe Co., Ltd.**

52/1, 52/4, Soi Chao Chet Shrine, Chareonkrung Road, Si Phraya, Bang Rak, Bangkok 10500

- **Union Micronclean Co., Ltd.**

1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260

Branch (1) : 205 Moo 4 Sukhumvit Road, Bangpoo Mai, Samut Prakan Province 10280

Tel : (66-2) 710-7693, 323-0565

Fax : (66-2) 710-7793, 710-8100 (Sales)

- **Union Spinning Mills Co., Ltd**

142 Lat Phrao 80 Alley (Chantima), Lat Phrao Road, Wang Thonglang, Bangkok 10310

Tel : (66-2) 514-7555

Fax : (66-2) 538-4247

Plastic, Rubber and Metal Business

- **Union Pioneer Public Company Limited**

No. 1, Serithai 62 Alley, Min Buri, Bangkok 10510

Tel : (66-2) 517-0105-8, 517-9052-5, 517-8217-21

Fax : (66-2) 517-9056, 517-0345, 517-1016

Branch (1) : 70/2 Moo 1, Santeung, Khao Saming, Trat Province 23150

Branch (2) : 99 Moo 5 Bangna-Trat Km. 38, Bang Samak, Bang Pakong, Chachoengsao Province 24180

- **Union Plastic Public Company Limited**

11/1 Serithai 62 Alley, Min Buri, Bangkok 10510

Tel : (66-2) 517-0109-14

Fax : (66-2) 517-0529

- **Union Zojirushi Co., Ltd.**

11/3 Serithai 62 Alley, Min Buri, Bangkok 10510

Tel : (66-2) 919-8893-5

Fax : (66-2) 517-1863

Branch (1) : 99 Moo 5 Bangna-Trat Km. 38, Bang Samak, Bang Pakong, Chachoengsao Province 24180

Tel : (66-39) 540-100

Fax : (66-39) 540-082

- **Union Stainless Steel Products Co., Ltd.**

11/2 Serithai 62 Alley, Min Buri, Bangkok 10510

Tel : (66-2) 919-8996-8

Fax : (66-2) 517-8167

- **Union Rubber Products Corp., Ltd.**

99 Moo 5 Bangna-Trat Road Km.38, Bang Samak, Bang Pakong, Chachoengsao Province 24180

Tel : (66-89) 500-3516, 500-3546, (66-39) 510-463

Fax : (66-39) 696-420

Branch (1) : 70/1 Moo 1, Saantung, Khao Saming, Trat Province

- **Thai Rubber Enterprise Co., Ltd.**

99 Moo 5 Bangna-Trat Road Km.38, Bang Samak, Bang Pakong, Chachoengsao Province 24180

Tel : (66-89) 500-3516, 500-3546, (66-39) 510-463

Fax : (66-39) 696-420

Branch (1) : 12 Moo 2, Thabsai, Pong Nam Ron, Chantaburi Province

Tel : (66-39) 447-300

Branch (2) : 70/2 Moo 1, Santeung, Khao Saming, Trat Province

Tel : (66-39) 696-423

- **Union Nifco Co., Ltd.**

99/11 Moo 5 Bangna-Trat Road, Bang Samak, Bang Pakong, Chachoengsao Province 24180

Tel : (66-38) 842-130-5

Fax : (66-38) 842-129

- **Union Thai-Nichiban Co., Ltd.**

12 Serithai 62 Alley, Min Buri, Bangkok 10510

Tel : (66-2) 517-0100-3

Fax : (66-2) 517-0104

Trading Business

- **Computer Union Co., Ltd.**

1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260

Tel : (66-2) 311-5111-9, 311-6881-2

Fax : (66-2) 311-6889 (Server)

(66-2) 311-6869 (Purchasing)

Branch (1) : 142/1-2 Lat Phrao 80 Alley (Chantima), Lat Phrao Road, Wang Thonglang, Bangkok 10310

Tel : (66-2) 530-0505

Fax : (66-2) 530-2940 (Customer Service)

(66-2) 530-1955 (Warehouse)

(66-2) 530-2388 (Installation Department)

Energy Business

- **Zhejiang Jiashan-Union Cogeneration Co., Ltd.**

No. 8, Hengshan Road, Jiashan County, Economic Development Area, Zhejiang Province, China

- **Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.**

No. 7, Wei Jiu Road, Shangyu Economic and Technological Development Zone, Hangzhou Bay, Zhejiang Province, China

- **Yunnan Energy Luliang-Union Cogeneration Co., Ltd.**

Bamochong, Xiaobaihu Village, Cheng Xi Hua Si, Luliang County, Yunnan Province, China

- **Ratchaburi Power Co., Ltd.**

1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260

Tel : (66-2) 311-5111-9

Fax : (66-2) 332-3882

Site : 245 Moo 6 Baan Rai Sub-district, Damnoen Saduak District, Ratchaburi Province 70130

Tel : (66-32) 719-300 # 1000

Fax : (66-32) 719-300 #1090

Hotel Business

- **The Royal Hotel Co., Ltd.**

1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260

Tel : (66-2) 311-5111-9

Fax : (66-2) 331-5668

Branch (1) : No. 33, Naresdamri Road, Hua Hin, Prachuap Khiri Khan Province 77110

Branch (2) : No. 142, Lat Phrao 80 Alley (Chantima), Lat Phrao Road, Wang Thonglang, Bangkok 10310

Hospital Business

- **Sukhumvit 62 Medical Ltd.**

88 Sukhumvit 62 Alley, Yak 3, Phra Khanong Tai, Phra Khanong, Bangkok 10260
Tel : (66-2) 311-0823

- **Navavej International Public Company Limited**

9 Ratchada-Ramindra Road, Nuanchan, Bueng Kum, Bangkok 10230
Tel : (66-2) 483-9999

Investment Business and Others

- **Saha-Union International Ltd.**

12th Floor, Bangkok Bank Building, No. 28 Des Voeux Road, Central, Hong Kong
Tel : (852) 2521-2260
Fax : (852) 2521-0021

- **Saha-Union Investment (China) Co., Ltd.**

#31A-C, No. 18 Cao Xi Road (North), Shanghai 200030, China
Tel : (86-21) 5459-0378, 5459-0678, 5459-0526
Fax : (86-21) 6427-9117

- **Taixing Union Zond Chemicals Co., Ltd.**

No. 18, Zhanan Road, Taixing Economic Development Area, Jiangsu Province, China

- **Jiangsu Zhonglian-Union Carpet Co., Ltd.**

No. 81, East Luoyang Road, Taicang City, Jiangsu Province, China

- **Saha-Union International (Taipei) Ltd.**

15th Floor, Bangkok Bank Building, No. 121 Sung Chiang Road, Taipei 10429, Taiwan

- **Saha-Union Holding Co., Ltd.**

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- **Venus Shoes Co., Ltd.**

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- **Union Printing Co., Ltd.**

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Tel : (66-2) 311-5111-9
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- **Union Equity Co., Ltd.**

1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260

Tel : (66-2) 311-5111-9

Fax : (66-2) 331-5668

- **Union Shoes Co., Ltd.**

1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260

Branch (1) : 99 Moo 5 Bangna-Trat Road (Km. 38), Bang Samak, Bang Pakong, Chachoengsao Province 24180

Tel : (66-2) 311-5111-9

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- **Union Construction Co., Ltd.**

1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260

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- **Saha-Union Property Co., Ltd.**

1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260

Tel : (66-2) 311-5111-9

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- **Saha-Union Wealth Plus Co., Ltd.**

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- **Uni-Agro Co., Ltd.**

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Tel : (66-2) 514-7555, 530-0511-24

Fax : (66-2) 538-3292

- **Union Thread Industries Co., Ltd.**

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Tel : (66-2) 514-7555, 530-0511-24

Fax : (66-2) 539-6153

- **Union Industries Corp., Ltd.**

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Tel : (66-2) 514-7555, 530-0511-24

Fax : (66-2) 538-3292

- **Union Sime Darby (Thailand) Co., Ltd**

323, United Center Building, 30th Floor, Unit No. 3002A, Silom Road, Silom, Bangrak, Bangkok 10330

Tel : (66-2) 254-8091

Fax : (66-2) 254-8098

- **Union Button Corporation Co., Ltd.**

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Tel : (66-2) 530-7040-54

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- **Processing Center Co., Ltd.**

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