



ALWAYS  
MOVING  
FORWARD  
TOGETHER



**Annual Report 2017**

SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED





# VISION

“To be a leading investment company that serves customers with heartfelt service, dedication to ongoing development and social contribution values”

# MISSION

- To invest in high-potential business.
- To increase satisfaction of the supporting trades and services.
- To develop industrial parks to an international standard level.
- To incorporate good corporate governance principles, as well as, promote ongoing personnel development in terms of business expertise, moral and ethics, and social and environmental awareness.

# TARGET

- To achieve sustainable business growth.
- 

# Awards and Recognition



Award an Internationally recognized achievement  
 “BEST THAILAND DEAL” from Finance Asia 2017  
 on \$2.902 billion restructuring and consolidation of  
 four listed entitiee



Awarded the Best Bond Awards 2017  
 in the category of Most Innovative Deal from  
 The Thai Bond Market Association.



Awarded the Pracharat Ruam Jai Honorary Plaques through Saha Group's Pracharat Ruam Jai projects. The Company has taken part in the project through its program to elevate occupational standards, as well as the Dr. Thiam Chokwatana's Sufficiency Agriculture Project and the Road Safety Awareness campaign.

# Content

Saha pathana inter-holding  
public company limited

<b>Financial Highlights</b>	<b>004</b>
<b>Report of the Board of Directors</b>	<b>005</b>
<b>Report of the Audit Committee</b>	<b>006</b>
<b>Report of Nomination and Remuneration Committee</b>	<b>007</b>
<b>Report of Good Governance and Risk Management Committee</b>	<b>008</b>
<b>Business Operations</b>	<b>009</b>
• The Policy and Overview of The Company's Business Operation	009
• Vision, Objectives, Target and Operational Strategies	010
• Background and Significant Development	011
• Shareholding Structure of the Group Company	017
• Nature of Business	020
• The Risk Factors	040
• Legal Dispute	044
<b>Management</b>	<b>045</b>
• Securities and Shareholders	045
• Management Structure	049
<b>Good Corporate Governance</b>	<b>064</b>
• Corporate Governance Policies	065
• Subcommittees	097
• Nomination and Appointment of Company Directors and Executives	108
• Monitoring on subsidiary and associated companies' performance	114
• Control of Internal Data Usage	114
• Auditor's Fee	115
• Compliance with Other Principles of Good Corporate Governance	115

<b>Internal Control and Risk Management</b>	<b>117</b>
Accounting Internal Control System Report	121
Related Transactions	122
Management Discussion and Analysis : MD&A	133
Report on the Board of Director's Responsibility for Financial Statements	135
Independent Auditor's Report	136
Financial Statements	141
 <b>Corporate Profile and Any Other Significant Matters</b>	 <b>209</b>
• Investment	211
 <b>Board of Directors and Executive Board</b>	 <b>214</b>
• Board of Directors	215
• Executive Board	218
• Information of the Directors, Executives, Controlling Persons and Company Secretary	219
• Company Directors Who Seats In Related	
• Companies	234
 <b>SPI...and Sustainable Development</b>	 <b>236</b>

---

Investors are able to access more information of securities issuer  
from the annual report (Form 56-1) of  
Company on [www.sec.or.th](http://www.sec.or.th) or Company's website, [www.spi.co.th](http://www.spi.co.th)

## FINANCIAL HIGHLIGHTS

	2017	2016	2015
<b>Consolidated financials (THB million)</b>			
Total revenue	6,733	4,575	4,211
Gross profit	4,253	2,244	1,848
EBITDA	3,794	1,932	1,528
Net profit	3,165	1,698	1,317
Total assets	35,130	25,126	23,185
Investments	29,320	19,916	18,021
Real estate and other fixed assets	4,968	4,643	4,266
Total liabilities	10,401	2,638	2,731
Interest-bearing debt	9,080	1,760	1,800
Total shareholders' equity	24,729	22,488	20,454
Net cash flow from operating activities	1,075	972	851
<b>Profitability ratio (%)</b>			
Gross margin	63.16%	49.04%	43.89%
EBITDA margin	56.35%	42.24%	36.28%
Net profit margin	47.01%	37.11%	31.28%
Return on assets (ROA)	11.58%	7.07%	5.81%
Return on assets (ROE)	13.41%	7.91%	6.62%
<b>Leverage ratio (Times)</b>			
Debt to equity ratio	0.42	0.12	0.13
Interest-bearing debt to equity ratio	0.37	0.08	0.09
Interest coverage ratio	10.60	23.74	19.71
<b>Per share data (THB per share)</b>			
Earnings per share	6.41	3.44	2.67
Book value per share	50.06	45.52	41.40
Dividend per share*	0.65	0.45	0.23
Dividend payout ratio (%)	10.15%	13.10%	8.63%
<b>Share information</b>			
Par value (THB per share)	1.00	1.00	1.00
Share price (THB per share)	75.00	33.00	24.20
Outstanding shares (shares)	494,034,300	494,034,300	494,034,300
Market capitalisation (THB million)	37,053	16,303	11,956

Remark: During 2017, there were extraordinary items as a result of an entire business transfer ("EBT") of President Holding Co., Ltd. on 8 June 2017 as follows:

- 1) gain on reclassification from available-for-sale investment to investment in associates of THB 1,015.17 million (THB 812.14 million, net of tax)
- 2) gain on bargain purchase of THB 817.65 million (THB 654.12 million, net of tax)
- 3) one-time professional fee related to the EBT and the issuance of convertible debenture totalling THB 118.39 million (THB 94.71 million, net of tax)

\* Dividend per share for 2017 has been consented as per the Board of Directors' resolution on 12 March 2018 and will be proposed in the General Meeting of Shareholders on 23 April 2018 for approval.





## Report of the Board of Directors

The Thai economy in 2017 grew by 3.9% with export value expanding at 9.7%, domestic consumption and investment expanding at 3.2% and 0.9% respectively. Overall the Thai economy is expanding in line with the global economy that has shown stable growth throughout the year. Even though the global economy show signs of improvement the Board of Directors are prudent in obtaining strategic measures where challenges constantly exist. Therefore, the Board of Directors vision and ambition is to develop talented workforce to remain at the competitive forefront in today's globalize world.

In 2017 we have started to transform our organization to remain competitive and ahead of the competition. With today's rapid technological advancement, in the age of digital innovative disruption as well as a more complex consumer behavior with a variety of alternatives for consumer. As a Holding company for Saha Group our first transformation begins in the food sector, successfully completed the entire business transfer (EBT) of President Holding Company Limited in addition to a mandatory tender offer for all securities in President Rice Products Public Company Limited and President Bakery Public Company Limited with a transactional value of over THB 8 billion baht. Moreover, the company has secured additional capital investment through the issuance of a convertible debenture to existing shareholders preferably over a capital increase and to delay the dilution effect as well as minimizing the cost of capital compared to the ordinary debenture. The company is able to maintain a credit rating of "AA" with "Stable" outlook by TRIS Ratings Company Limited.

For the fiscal year 2017 the Company's revenue was THB 6,733 million baht, a 47.2% increase compared to FY16 and net profit of THB 3,171 million baht, a 86.8% increase compared to FY16, partly due to an extraordinary items from the above transaction and the strong operating results of our investment portfolios. By taking into account the aforementioned strong financial performance results, overall financial status and the competitive environment the Board of Directors has resolved to propose to the 2018 Annual General Meeting of Shareholders a dividend of THB 0.65 baht per share, a 44.4% increase compared to FY16. Through the cooperation and support of all stakeholders, the company is honored to have been awarded with an internationally recognized achievement for the "Best Thailand Deal of the Year 2017" from Finance Asia and the "Best Bond Awards 2017 — Most Innovative Deal" from The Thai Bond Market Association. In addition, the company received a "Very Good" rating from the corporate governance assessment for listed companies as well as having achieved a full score of 100 along with an "Excellent" status for the quality assessment on the 2017 Annual General Meeting of Shareholders for the ninth consecutive year.

Moving forward into 2018 will pose a transformative and challenging year for the Company. The strategic measures have been set in place particularly in Big Data for information analytics, organizational restructuring, increase asset efficiency and to prepare for the investment inflow into the Eastern Economic Corridor (EEC) in accordance to Thailand 4.0 strategy.

On behalf of the Company's Board of Directors, we would like to express our sincere appreciation to all our shareholders, debenture holders, joint-venture partners, business partners, clients, executives and employees. We further extend our heartfelt gratitude to the domestic and international financial institutions, as well as government agencies and relevant parties for the continued support for the Company. The Company will continue to adhere to our principles of "Good People, Good Products, Good Society" to ensure a sustainable growth and success in the coming years.



## Report of the Audit Committee

### Dear Shareholders of Saha Pathana Inter-Holding Public Company Limited,

The Audit Committee of Saha Pathana Inter-Holding Public Company Limited was appointed by the Board of Directors on May 12<sup>th</sup>, 2017 with 3 independent Directors and non-executive members, who possess the qualifications specified by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET); namely: Mr. Nophorn Bhongsvej as Chairman of the Audit Committee, Mrs. Punnee Worawuthichongsathit and Ms. Narumon Saardchom as the Audit Committee having a term of one year. The Audit Committee has held 12 meetings in 2017.

Name	Position	No. of Attendance
1. Mr. Nophorn Bhongsvej	Chairman of Audit Committee	12/12
2. Pol. Lt. Gen. Amarin Niemskul (resigned from this position since April 25 <sup>th</sup> , 2017)	Audit Committee	4/4
3. Mrs. Punnee Worawuthichongsathit	Audit Committee	12/12
4. Ms. Narumon Saardchom (served in this position since May 12 <sup>th</sup> , 2017)	Audit Committee	7/7

The Audit Committee has performed their duties within the authority and the responsibilities entrusted by the Board of Directors as follows :

1. Review the Financial Statements of the company for each quarterly period and for the full year 2017 as review and audit by the Auditor. The financial statements are prepared in accordance with generally accepted accounting standards with explaining from the auditor and accounting division, in order to ensure correct and disclosure of information in accordance with the regulations of the Securities and Exchange Commission. Additionally, the Audit Committee met with the Auditor, without any members of the Management being present, to discuss key operational issues in a fully independent manner.

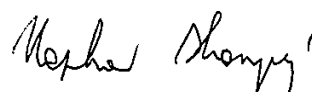
2. Review the internal control system, the alignment of Anti-Corruption Policy including the risk management and approve the annual internal audit plan; and to follow up on the internal audit effort of the internal audit division during the year in order to ensure adequacy and appropriateness of the internal control system to the current state of business. And the complaint channels, investigation, the Company did not receive any claim.

3. Convene meetings with the auditor to review the auditing independence and performance and to seek the opinions of the auditor on the Accounting Internal Control System of the company.

4. Consider the appointment of company's Auditors and audit fee for the year 2018, The Company has a policy to change the auditors and there were auditing companies proposed services and audit fees to the company. The Audit Committee had considered and elected with consideration of qualifications stipulated by the Company Articles of Association and the Securities and Exchange Commission, independence, professional standard, operation result and ability to handle more workload. The audit fees has already compared with the other listed companies in same level. The Audit Committee had an opinion that EY Office Limited who has ability to handle the Company's workload and audit fee is reasonable to be the Company's Auditor for the year 2018 to the Board of Directors for further consideration and endorsement for final approval by the General Meeting of Shareholders.

5. Consider and review the related transactions together with transactions that may involve conflict of interests. As such the Audit Committee is of the opinion that various transactions have been undertaken under the normal business conditions of the company, with transparency and fairness to enhance the benefits for the Company, together with information disclosure in accordance with the regulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand.

6. Consider and review the Audit Committee Charter as well as the self-evaluation of the performance of Audit Committee for the year.



(Mr. Nophorn Bhongsvej)

Chairman of the Audit Committee



## Report of Nomination and Remuneration Committee

Saha Pathana Inter-Holding Public Co. Ltd. has appointed the Nomination and Remuneration Committee, comprising the following three directors serving:

Name	Position
1. Mr. Boonsithi Chokwatana	Chairman of Nomination and Remuneration Committee
2. Mr. Tanong Srichit (Passed away on March 2, 2018)	Nomination and Remuneration Committee
3. Ms. Sirikul Dhanasarnsilp	Nomination and Remuneration Committee

Duties of the Nomination and Remuneration Committee are assigned by the Board of Directors and outlined in their charter.

**Nomination:** The committee is charged with nominating directors to serve on the board by considering knowledge, expertise, experience, leadership, vision, morality, and ethics including other qualifications, as well as no characteristics prohibited by law as forbidden by laws regulation and the Articles of Association of the Company to ensure a transparent nomination process. In addition, the nominated persons have been through analyze process of their skills, experiences, knowledge, and specific expertise the “Board Skill Matrix” and considering the list of nominated persons from the Director Pool of Thai Institute of Directors Association (IOD) and to propose to the Company Board of Directors to consent before being submitted to the General Meeting of Shareholders for approval. Furthermore, the Company encourages minor shareholders to participate in nominating candidates to be appointed as the Company Directors prior to the General Meeting of shareholders. In 2017, none of the shareholders nominated any candidates to be considered as the Company Directors.

**Remuneration:** The committee is tasked with revising the criteria and types of compensation for directors on the board with an aim of fostering transparency and fairness.

In 2017, the Nomination and Remuneration Committee held a total of two meetings, a summary of which is as follows:

**Nomination:** The Nomination and Remuneration Committee to nominate the Company Directors to replace the Company Directors who retired by rotation, the Nomination and Remuneration Committee excluding the vested interests director. The General Meeting of Shareholders No. 47 by considering the Company Directors who retired by rotation of 4 persons which were Mr. Boonsith Chokwatana, Mr. Samrerng Manupool, Ms. Sirikul Dhanasarnsilp and Mr. Pipat Paniangvait who has qualification and expertise meet to the Company requirement to become the Company Directors for another term and nominate and propose another 2 persons who has qualification and expertise meet to the Company requirement which were Mr. Nipon Poapongsakorn and Ms. Narumon Saardchom to become the Company Directors replacing Mr. Akira Murakoshi, the Company Director who resigned and POL.LT.GEN Amarin Niemskul, the Company Director who retired by rotation and intended not to be the Company Director anymore.

**Remuneration:** The committee reviewed the criteria and types of remuneration, as well as remuneration limit and allocation, for directors’ role on the Company Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, and the Corporate Governance and Risk Management Committee. The Company Directors’ remuneration were presented to the General Meeting of Shareholders No. 46 for approval. The remunerations of each the Company Director are disclosed in the Annual Report and Form 56-1.

Additionally, the Charter of the Nomination and Remuneration Committee is also reviewed annually to comply with the related practice guidelines, while the Nomination and Remuneration Committee has performed its duties. There was evaluation performance of the Nomination and Remuneration Committee.

(Mr. Boonsithi Chokwatana)

Chairman of the Nomination and Remuneration Committee



## Report of the Corporate Governance and Risk Management Committee

Saha Pathana Inter-Holding Public Company Limited has appointed the Corporate Governance and Risk Management Committee, comprising the following five directors:

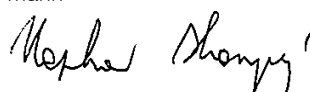
	Name	Position
1. Mr. Nophorn	Bhongsvej	Chairman of Corporate Governance and Risk Management
2. Mr. Tanong	Srichit	Corporate Governance and Risk Management Committee
3. Mr. Vichai	Kulsompob	Corporate Governance and Risk Management Committee
4. Mrs. Darunee	Soontorntumrong	Corporate Governance and Risk Management Committee
5. Mr. Chuto	Jirakunakorn	Corporate Governance and Risk Management Committee

The Corporate Governance and Risk Management Committee, chaired by an independent director, has performed its duties as assigned by the Company's Board of Directors. Set forth in the Charter of the Corporate Governance and Risk Management Committee, these duties include ensuring that the Company's operations comply with principles of good corporate governance, managing risk tolerance, and providing consultation that leads to the achievement of goals. The committee creates value-added to the business by fostering trust in the Company among shareholders and all stakeholders.

In 2017 the Corporate Governance and Risk Management Committee held two meetings to fulfill its mandated obligations. Below is a summary:

1. The committee founded the Good Corporate Governance Working Team, as well as established their duties and responsibilities, by merging three working teams together, namely the Good Governance and Anti-Corruption Working Team, the Risk Management Working Team, and the Corporate Social Responsibility Working Team. The merger's purpose is more flexible in supporting the Corporate Governance and Risk Management Committee.
2. The committee approved the adaptation of the Corporate Governance Code (CG Code) 2017 to the Company's business context. The committee had studied the CG Code and attended a CG Code seminar, which enabled its members to fully understand the CG Code's benefits and how its guiding principles could create long-term value to an organization. In addition, the committee had assessed the Company's compliance with each principle of the CG Code to ensure that all principles were either already implemented or planned according to the Company's business needs and its ensuing plans were presented to the Board of Directors for its approval, as well as disclosed in the annual report (Form 56-2) and the annual registration statement (Form 56-1).
3. The committee and the Good Governance Working Team, considered risk factors and risk mitigation plans including monitored risk-management and provided consultation to ensure the achievement of goals.
4. The committee provided support for the preparation of the "SPI . . . And Sustainable Development" Report.
5. The committee supervised and monitored the Company's compliance with good corporate governance principles, as well as assured that the Company's systems of internal control and risk management were adequate and appropriate for its present operations. As a result, the Company received "Very Good" from its corporate governance assessment. Its organizational quality of the 2017 Annual General Meeting of Shareholders was considered "Excellent" as well, with a perfect score of 100 for the ninth consecutive year. Furthermore, the Company received the Pracharat Ruam Chai Honorary Plaques from the Saha Group's Pracharat Ruam Chai Project for occupational promotion and societal betterment endeavors, in which the Company has participated via its Dr. Thiam Chokwatana's Sufficiency Agriculture Project and its Road Safety Awareness campaign.
6. The committee reviewed its charter and assessed its performance.

The Corporate Governance and Risk Management Committee has performed its duties set forth in its charter, supervised and monitored the Company's operations in accordance with good corporate governance principles. The committee concludes that the Company has sufficient anti-corruption measures, good management of risk tolerance, and an adequate internal control system. Internal Audit is responsible for auditing these matters, while the Audit Committee is responsible for reviewing the internal audit report. The Corporate Governance and Risk Management Committee is committed to continuously develop the Company's corporate governance and internal control system, which are important factors that bring about an effective operation and garner trust from all stakeholders, creating value to the business in a sustainable manner.



Nophorn Bhongsvej

Chairman of the Corporate Governance  
and Risk Management Committee



## Business Operations

### 1. The Policy and Overview of The Company's Business Operation

The Company's main businesses can be divided into 3 types of businesses according to these following details:

#### Investment in Share Capital

The Company has invested in share capital in various businesses with an objective to add value to the Company in the long term. The Company has invested in the businesses that enhance other businesses undertaken by the companies in the group or in business that will possibly be undertaken in the future due to its profitable potentiality. The Company will therefore get the return in the form of dividends. The Company currently invests in three major lines of businesses which are production, distributio, and services and others. As of 31 December 2017, the Company has made investments in the shares of 158 companies in total.

Business Lines	Number of Companies	Net Value of Investment Unit : Thousand Baht
1. Production	81	20,862,359
2. Distribution	25	6,998,130
3. Services and Others	52	1,459,535
<b>Total</b>	<b>158</b>	<b>29,320,024</b>

#### Rental and Services

The Company operates rental and service businesses with the objective of accommodating the growth and enhancing the competitiveness of all companies in Saha Group. The business includes land and building lease and utility services. The Company generates revenue in the form of rental and utility fees as well as electricity and stream services provided for companies in Saha Group Industrial Park in Sriracha. Moreover, the Company has launched a hotel and golf course service by gaining income in the form of room rental fees, golf course fees, food and beverage and others. Additionally, the Company serves as the intermediary of applying for well-known international trademarks and transfers the rights to use such trademarks, such as Guy Laroche, ELLE and Absorba to other affiliated companies in Saha Group by gaining incomes from royalty fees. For domestic trademarks owned by the Company, the Company has already made contracts to allow its affiliates to manufacture and distribute products under those trademarks by gaining incomes from trademark fees.

In addition to the above services, the Company also provides services, such as consultation, business planning, a new project management and implementation, and provision in distribution channels to companies in Saha Group through various activities by gaining incomes from consultation fees and service fees.

#### Industrial Parks

The Company operates its business in land development for industries to support the expansion of production capacity of companies' factories in Saha Group and to support the government's policy on income distribution in rural areas. However, the Company plans to sell more lands to general investors to increase revenues from selling lands. The Company currently operates 4 Industrial Parks in Sriracha District of Chonburi Province, Kabinburi District of Prachinburi Province, Lamphun District of Lamphun Province and Mae Sot District of Tak Province which nowadays, Tak Province is classified as a Special Economic Zone.



## 2. Vision, Objectives, Target and Operational Strategies

By realizing the importance of the business operation, the Board of Directors has established the Company's Vision, Mission and target to guide the Company's directors, executives and employees to the same path of success **by reviewing it annually.**

In 2017, the Company has reviewed its current vision, mission, target, business strategies, and found that the details of such remain up-to-date and in accordance with the Company's operating policy.

### Corporate Vision and Mission

The Board of Directors established the Company's vision, mission and target to visualize the Company's business operation as follows:

#### Vision

**"To be a leading investment company that serves customers with heartfelt service, dedication to ongoing development and social contribution values."**

#### Mission

- To invest in high-potential business.
- To increase satisfaction of the supporting trades and services.
- To develop industrial parks to an international standard level.
- To incorporate good corporate governance principles, as well as, promote ongoing personnel development in terms of business expertise, moral and ethics, and social and environmental awareness.

#### Target

**To achieve sustainable business growth.**

In 2018 the Company's Board of Directors revised the vision, mission and target of the company to be in line with the current business operations and therefore have set the vision, mission and target with especially vision changed, as follows:

#### Vision

**"To be a leading investment company that serves customers with heartfelt service, dedication to ongoing development and social contribution values."**

From the vision, mission and target the company has developed a strategic roadmap to move the company forward sustainably in which the Board of Directors have set the strategic roadmap under the corporate strategy in 2017 as follows:

1. **Corporate Governance perspective** The company clearly focuses on the continuous improvement and development in which the Board of Directors have provided authority to the Good Governance and Risk Management Committee to discuss and review the Corporate Governance Code (CG Code) for listed companies 2017 to better understand the benefits and principles in order to add value to the company sustainably. The Board of Directors have evaluated based on CG Code if there are relevant points that could be applied within the company.
2. **Investment perspective** The company has made investment expansion in the food sector in which pose a potential growth opportunity, therefore the company has completed an entire business transfer (EBT) of President Holding Co., Ltd. (PH) which holds shares in the Group's food businesses as well as a mandatory tender offer of President Rice Products Public Company Limited and President Bakery Public Company Limited through the entire business transfer of PH resulting in an increase in the share holdings in the food sector. As a result, the company was awarded with an internationally recognized achievement from the "BEST THAILAND DEAL Saha Pathana Inter-Holding Public Company's \$2.902 billion restructuring of four listed entities into one" as well as being a partner in American Food Co., Ltd. a producer of ice cream under the BUD's brand name and an increase shareholding in Kemin Foods (Thailand) Co., Ltd. a producer of rice flour.



**3. Industrial perspective** The company strive to develop the Saha Group's Industrial Park within the ECO Industrial Town concept and enhance the Pracharat project (Dr. Thiam Chokwatana's Sufficiency Agriculture Project in Lamphun) with the government's development scheme and supporting projects, such as the development of the Eastern Economic Corridor (EEC) and the establishment of the special economic zones, whose goal is to help local communities generate income to improve the quality of life in the surrounding communities, to create a good environment and generate continuous income growth. In terms of sustainable growth and development of human resources and locales, the Company has aligned its corporate social responsibility management with the Global Reporting Initiative (GRI) Standards 2018 under the policy of "Good People, Good Products, Good Society." The Board of Directors has assigned the Good Governance and Risk Management Committee to oversee matters on sustainable development management with an emphasis on organizational culture of balancing business with environmental conservation and sustainable co-existence with the surrounding communities.

### 3. Background and Significant Development

Saha Pathana Inter Holding Public Company Limited ("Company") was incorporated on 5 April 1972, under the name of Saha Pathana Investment Co., Ltd., with the initial registered capital of 6 million baht. Presently, the Company has a registered capital of 582,923,188 baht with paid-up capital of 494,034,300 baht. The Company's core businesses are divided into three categories: investment, rental and services and industrial parks.

- |      |   |  |
|------|---|--|
| 1972 | - | Increase of registered capital to 10,000,000 baht  |
| 1973 | - | Increase of registered capital to 40,000,000 baht  |
| 1974 | - | Establishment of Saha Group Industrial Park Sriracha, Chonburi Province  |
| 1977 | - | Listing in the Stock Exchange of Thailand (SET)  |
| 1978 | - | Increase of registered capital to 60,000,000 baht  |
| 1983 | - | Increase of registered capital to 120,000,000 baht   |
| 1984 | - | Change of the company name to Saha Pathana Inter Holding Co., Ltd.   |
| 1986 | - | Increase of registered capital to 240,000,000 baht   |
| 1988 | - | Increase of registered capital to 350,000,000 baht   |
| 1989 | - | Establishment of Saha Group Industrial Park Kabinburi and Saha Group Industrial Park Lamphun   |
|      | - | Increase of registered capital to 800,000,000 baht   |
| 1994 | - | Registration as a public company limited on the 9th of May   |
| 2003 | - | Change of the par value of the ordinary shares from 10 baht to 1 baht per share.   |
| 2004 | - | Relocation the headquarter from No. 2156, New Petchburi Road, Bangkapi, Huay Kwang, Bangkok 10310 to No. 530 Sathupradit 58, Bang Pongpang, Yannawa, Bangkok 10120   |
| 2007 | - | Registration the 4th branch at No. 196 Moo 11, Wang Dan, Kabinburi, Prachinburi Province to operate golf course business under the name of "Kabinburi Sport Club"  |
| 2009 | - | Registration the 5th branch at No. 269 Moo 15, Mae Kasa, Mae Sot, Tak Province due to the business expansion to the area   |
| 2014 | - | Registration the 6th branch at No. 1 Moo 6, Surasak Sub-district, Sriracha District, Chonburi Province to operate the shopping mall under the name of "J-Park Sriracha Nihon Mura"   |
|      | - | Establishment of "KBSC Hotel" located in Wang Dan, Kabinburi, Prachinburi Province, which is the only hotel in Prachinburi Province located on a golf course   |
| 2016 | - | According to the Extraordinary Shareholders General Meeting No.1/2016 during 20 September 2016 the proposed resolution to issue debentures with aggregated principal amount not exceeding THB 15,000 million baht. On 9 February 2017, a total of two series debentures are offered worth a total value of THB 2,000 million baht; |
|      |   | Series 1 matures in 2020 with a total value of THB 1,000 million baht at 2.39% per annum   |
|      |   | Series 2 matures in 2024 with a total value of THB 1,000 million baht at 3.44% per annum   |
| 2017 | - | Entire business transfer of President Holdings Co., Ltd. and a mandatory tender offer to purchase the entire securities of President Rice Product Public Company Limited and President Bakery Public Company   |



- Limited. Due to the aforementioned the company was internationally awarded with the “BEST THAILAND DEAL Saha Pathana Inter-Holding Public Company’s \$2.902 billion restructuring of four listed entities into one.” from Finance Asia Awards 2017
- Issue of convertible debenture No. 1/2017 which will reach the convertible period in the year 2024 with the condition to convertible value of 3,505 million baht (0.7% per annum). As a result, the company was awarded “Best Bond Awards 2017 — Most Innovative Deal” from The Thai Bond Market Association.
  - Decrease of registered capital from the existing registered capital Baht 800,000,000 to Baht 494,034,300 by deducting the Company’s un-issued shares
  - Increase of registered capital from Baht 494,034,300 to Baht 582,923,188 in reserve for the convertible debentures conversion

## Environment

- |      |   |
|------|---|
| 1994 | - Central wastewater treatment system at Sriracha Industrial Park was issued an honor certificate from the Environmental Club.  |
| 2002 | - Three Saha Group Industrial Parks initially applied the quality management standard (ISO9001:2000) on land development and basic utility services.  |
| 2003 | - Three Industrial Park, Sriracha, Kabinburi and Lamphun were certified “ISO 9001:2000” from the Management System Certification Institute (Thailand) on land development and basic utility services.   |
| 2006 | - The Saha Group Industrial Park, Kabinburi, had a high volume of treated wastewater from the production plants. For sustainable management of treated wastewater, the Company developed the vacant land by constructing an 18-hole golf course which helps utilize the high volume of treated wastewater in long term.   |
| 2007 | - Saha Group Industrial Park Sriracha participated in a campaign to upgrade the standards of industrial entrepreneurs using ISO 14001 Environmental Management System sponsored by the Department of Industrial Works, Ministry of Industry, and the Management System Certification Institute (Thailand).  |
| 2008 | - Saha Group Industrial Park Sriracha was certified “ISO 14001:2004” by TUV NORD (Thailand) Ltd. for the central wastewater treatment system in accordance with the certificate registration No. 44 104 082444, on the 20th of August.  |
| 2009 | <ul style="list-style-type: none"> <li>- Saha Group Industrial Park Lamphun was certified ISO 14001:2004 by the Management System Certification Institute (Thailand) for environmental management of the central wastewater treatment system.</li> <li>- Saha Group Industrial Park Sriracha was issued a certificate by the Ministry of Industry for “Compliance of the Standard for Corporate Social Responsibility (CSR-DIW) of Year 2009”.</li> <li>- Saha Group Industrial Park Sriracha was certified in the “Total Level of Thai Labor Standard Management (TLS 8001-2546)” by the Department of Labor Welfare and Protection, the Ministry of Labor.</li> <li>- The central wastewater treatment systems of Saha Group Industrial Park Sriracha and Saha Group Industrial Park - Kabinburi were issued certificates by the Ministry of Industry for “Compliance with Good Environmental Governance Principles”.</li> <li>- Three Saha Group Industrial Parks were certified “ISO 9001:2000” by the Management System Certification Institute (Thailand), as well as, “ISO 9001:2008” for land and basic utility service development.</li> </ul> |
| 2010 | - Saha Group Industrial Park Kabinburi was certified “ISO 14001:2004” for the “Central Wastewater Treatment System” by Office of Certification Authority, Thailand Institute of Scientific and Technological Research (TISTR-OCB) and was issued a certificate by the Ministry of Industry for “Compliance of the Standard for Corporate Social Responsibility (CSR-DIW) of Year 2010”.   |
| 2011 | <ul style="list-style-type: none"> <li>- Saha Group Industrial Park Sriracha was issued a certificate by the Ministry of Industry for the “Central Wastewater Management System” and earned the “Gold Medal” level of accreditation for the “Industrial waste management standard under the “Waste Management Business Enhancement Program of the Fiscal Year 2011”.</li> <li>- Saha Group Industrial Park Lamphun was issued a certificate by the Ministry of Industry for “Compliance of the Standard for Corporate Social Responsibility (CSR-DIW) of Year 2011”.</li> <li>- Saha Group Industrial Park Kabinburi was issued a certificate by the Anti-Drug Center of Prachinburi Province for an official recognition as a “White or Drug-Free Industrial Estate of Year 2011”.</li> </ul>  |



- 2012
- Saha Group Industrial Park was issued a certificate by the Ministry of Industry for “Compliance of the Standard for Corporate Social Responsibility (CSR-DIW) of Year 2012” and “CSR-DIW Continuous Award”.
  - Saha Group Industrial Park Sriracha and Saha Group Industrial Park Lamphun were selected by the Ministry of Industry to join the CSR-DIW Network for “Compliance of the Standards for Corporate Social Responsibility (CSR-DIW Network Center)”.
  - Saha Group Industrial Park Sriracha was issued the “Certificate of Achievement” by the Department of Industrial Works for successful evaluation under the energy management system project (EnMS-DIW) where the central wastewater treatment system is assessed as a part of the ISO 50001:2011 energy management system certification by reducing electricity power usage by 5% compared to electricity expenses in 2011.
  - Saha Group Industrial Park Sriracha, Saha Group Industrial Park Kabinburi and Saha Group Industrial Park Lamphun were consistently certified for quality management in accordance with the “ISO 9001:2008” standard for land development and basic utility service by the Management System Certification Institute (Thailand), Foundation for Industrial Development.
  - Saha Group Industrial Park Sriracha was certified “ISO 14001:2004” for the central wastewater treatment system by Thailand Institute of Scientific and Technological Research (TISTR).
  - The genuine commitment to eco-friendliness of Saha Group Industrial Park Sriracha in Chonburi Province has been recognized with the ‘Green Industrial Park Award’.
  - Saha Group Industrial Park was chosen to be a “Green Industrial Park” by the Department of Industrial Works on the 12th of July.
  - Saha Group Industrial Park Sriracha and Saha Group Industrial Park Kabinburi participated in the “Eco Industrial Complex Project of the Department of Industrial Works” by the Ministry of Industry.
  - Saha Group Industrial Park Lamphun established the mixed-use plantation project titled “Dr. Thiam Chokwatana Sufficiency Economy Project in Lamphun” in order to become learning center of ecological balance between agriculture and eco-industry as well as to transfer knowledge for surrounding communities nearby the industrial park.
- 2013
- Saha Group Industrial Park Sriracha became Thailand’s first industrial group or industrial estate in Thailand who achieved the energy management standard by the “International Organization for Standardization (ISO 50001: 2011)”.
  - Three Saha Group Industrial Parks in Sriracha, Kabinburi and Lamphun were certified “ISO 14001:2008” on a multisite basis by the Office of Certification Body (TISTR), Thailand Institute of Scientific and Technological Research.
  - Saha Group Industrial Park Sriracha, Saha Group Industrial Park Kabinburi, and Saha Group Industrial Park Lamphun successfully increased the amount of recycled water usage in green areas to reduce the volume of wastewater released into public waterways.
  - Saha Group Industrial Park Sriracha was awarded the “Outstanding Preservation and Rehabilitation of Rivers Award of Year 2013” by the Ministry of Industry.
  - Saha Group Industrial Park Sriracha and Saha Group Industrial Park Lamphun were issued certificates by the Ministry of Industry for consistent Compliance of the Standards for Corporate Social Responsibility which aimed to promote the social responsibility of industrial factories and contributed to the continuous and sustainable improvement of the Green Culture Network.
- 2014
- The Company was awarded the “CSR Recognition Award of Year 2014” under the category of “Rising Star” hosted by the Stock Exchange of Thailand to honor the Company’s determination to develop its organization towards sustainability with business operations that achieve environmental and social balance together with good corporate governance.
  - Saha Group Industrial Park Sriracha and Saha Group Industrial Park Kabinburi participated in the “Eco Industrial Town Development Project” introduced by the Department of Industrial Works, Ministry of Industry.
  - Saha Group Industrial Park Sriracha was the only industrial group in Thailand selected by Faculty of Engineering, Griffith University, Australia, to join a research project titled “Study of the Benefits from Health and Safety Operation in the Eco Industrial Town Development”.



- Saha Group Industrial Park Kabinburi participated in the “Project of Development and Promotion of Industrial Water Management” organized by the Industrial Office of Prachinburi Province which aimed to encourage the factories in Prachinburi Province to apply the 3R principles to their water management with the objective of reducing water usage while optimizing their water consumption.
  - Saha Group Industrial Park Kabinburi participated in the “Upgrading Waste Management Entrepreneurs Project of Year 2014” which was organized by the Department of Industrial Works in order to monitor and offer suggestions about waste management.
  - Saha Group Industrial Park Sriracha, Saha Group Industrial Park Kabinburi and Saha Group Industrial Park Lamphun were certified “ISO 9001 : 2008” by the Management System Certification Institute (Thailand), and the multisite environmental management systems “ISO 14001 : 2004” certification by the Office of Certification Body (TISTR). Additionally, Saha Group Industrial Park Sriracha maintained the energy management systems “ISO 50001:2011” on a continuous basis.
  - Saha Group Industrial Park Lamphun received the “CSR-DIW Continuous Awards of Year 2014” organized by the Ministry of Industry for its determination to develop towards sustainability and green technology which is environmentally-friendly, community-friendly and well-aligned with good corporate governance.
  - Saha Group Industrial Park Lamphun was certified by the Ministry of Industry as a “Green Industry - Level 3” for its environmental management system which incorporated monitoring, evaluation and reviewing systems for continuous and sustainable development.
- 2015
- Saha Group Industrial Park Sriracha was certified as a “Green Industry - Level 3” by the Ministry of Industry due to the focus on development together with continuous improvement and entrepreneurship with social responsibility both within and outside the industrial park throughout the supply chain to create sustainability.
  - Saha Group Industrial Park Sriracha participated in a promotional activity to encourage the factories inside Saha Group industrial Park to be certified for Green Industry under the Eco Industrial Development Project (Pathum Thani Province, Chonburi Province Ayutthaya Province and Saraburi Province) for the fiscal year 2015 by the Ministry of Industry.
  - Saha Group Industrial Park Sriracha in cooperation with Kasetsart University and the Certification Institute conducted a study of the qualified waste management system in accordance with academic findings and the law in order to develop the potential for the use of sludge as a fertilizer which could be produced according to the standard required by the Department of Agriculture.
  - Saha Group Industrial Park Sriracha, Kabinburi, and Lamphun have obtained ISO 9001: 2008 certificate from the Management System Certification Institute (Thailand), and there was a change in the certification authority to become Thailand Institute of Scientific and Technological Research (TISTR).
  - Saha Group Industrial Park Kabinburi participated in the Master Plan Project for Eco-industry Development of Prachinburi Province to prepare for eco-industrial development and the guideline of green industries development at different levels.
  - Saha Industrial Park Kabinburi was issued a certificate of participation in the “Project of Promotion and Development of Water Management in Industry” by Industrial Office of Prachinburi to promote the factories located within Prachinburi Province to use 3R principles in the management of water.
  - Saha Group Industrial Park Kabinburi was awarded “Gold Medal” as the waste management factory from the “Memorandum Project of Operators’ Waste Management Upgrade Project of Year 2014” by the Department of Industry.
  - Saha Group Industrial Park Kabinburi was issued a certificate for the industrial establishments participating in the activities to improve air quality and water pollution control systems.
  - Saha Group Industrial Park Lamphun received a certificate for the industrial entrepreneur that operated in accordance with the Principles of Good Environmental Governance of Year 2015.
  - Saha Group Industrial Park Lamphun was certified “Green Industry - Level 3” by the Ministry of Industry for the environmental management system that was assessed and praised for its continued development and sustainability.
  - Saha Group Industrial Park Lamphun won the “CSR-DIW Continuous Award of Year 2015” organized by the Ministry of Industry, an award that reflected the organization’s commitment to sustainable development.





- 2016
- Saha Group's industrial park Sriracha received the CSR-DIW Continuous Award 2016 from the Ministry of Industry which is the first year to implement the Standard of Social Responsibility, Department of Industrial Works (CSR-DIW) with the Global Reporting Initiative (GRI-G4) and under the direction of corporate social responsibility standard ISO 26000
  - Industrial Environmental Management The Company has been awarded an excellence award in the Industrial Environmental Management during 2016 from the Engineering Institute of Thailand under the Royal Patronage.
  - Saha Group's Industrial Park in Sriracha was selected to represent and lead the Chonburi area in developing the ECO Industrial town through the feasibility development of the ECO Industrial town prototype together with Chonburi industrial and Ministry of Industry.
  - Water management system of Saha Group's Industrial Park Sriracha has registered the Carbon Footprint together with Thailand Greenhouse Gas Management Organization that estimates the greenhouse gas emission in a form of carbon dioxide gas which is released during the water supply production.
  - Saha Group's Industrial Park Sriracha and Kabinburi participated in projects to enhance the Industrial park towards an ECO Industrial Town.
  - Saha Group's Industrial Park Sriracha, Kabinburi and Lamphun is certified by the Environmental Management Representative ISO 14001:2015 from Institute of Science and Technology of Thailand.
  - Saha Group's Industrial Park Lamphun received a certificate of industry operating under the environmental governance during 2017.
  - Saha Group's Industrail Park Lamphun received a certificate of commitment applying actionable principles of Good Labour Practices (GLP) used for the Labor management during 2017.

## Management

- 1997
- Organized 'SAHA GROUP EXPORT' 98' with Saha Group's affiliates by emphasizing the international market
- 1998
- Organized 'SAHA GROUP EXPORT & TRADE EXHIBITION' with Saha Group's affiliates by emphasizing both international and domestic markets, and has continued organizing it annually
- 2002
- On the 14th of November, the Board of Directors' Meeting No. 7 (Board# 9) approved the policy of corporate governance, business ethics, and employee's code of conduct.
  - Sold the land in the industrial park in Lamphun to the third party, Abbey Crest (Thailand) Co., Ltd. to operate an ornaments business for the first time
- 2003
- Restructured the organization into two large units, the Administration 1 which is responsible for providing supervision and management of the headquarter, and the Administration 2 which is responsible for providing supervision and management of the industrial parks
- 2008
- The Board of Directors appointed Mrs. Darunee Soontorntrumrong as Company Secretary on the 12th of May.
  - The Board of Directors approved the Board of Directors Charter, the Audit Committee Charter, the Nomination and Remuneration Committee Charter, the Executive Board Charter and the President Authority and Responsibilities on the 18th of December which were effective from the 19th of December
  - The Company's shares were listed in the Stock Exchange of Thailand into the scriptless system with Thailand Securities Depository Co., Ltd. (TSD)
- 2009
- Renamed Saha Group Export & Trade Exhibition to Saha Group Fair
- 2010
- Amended the Company Memorandum No.3, "Company Objectives", by amending No.4 with the addition of four items from 37 to 41 items
  - Amended the Company Articles of Association No. 30 and dismissed Articles 18 and 65, resulting in the total number of articles changing from 65 to 63 articles
- 2011
- Established Corporate Development and Management Department, and Corporate Investment Management Department
- 2013
- Amended the Memorandum of Association for Item 6 under "Article 3: Company Objective" and added 1 item, resulting in the total number of objectives changing from 41 to 42 items
  - Revised six company regulations about payment, procurement and contract employment including the sale and disposal of assets and extraneous materials



- Revised internal control regulations to reflect the internal audit standard of COSO (Committee of Sponsoring Organization of the Treadway Commission)
  - Revised the regulations about performance evaluation and welfare
  - Revised the organizational structure into two primary chains of command which are the “Project and Asset Development and Management Chain” and the “Investment and Trading Organization Support Chain”. Another main key chain of command is the Office of the Managing Director in addition to the primary chains
  - Revised the authority, duties and responsibilities of President to reflect the nature of management work and current business operation
  - Started the operation of “J-Park Sriracha Nihon Mura Shopping Mall” which offers rental retail space for clothing items, restaurants, convenience stores and supermarkets and is located in the eastern seaboard area in Surasak Sub-district, Sriracha District, Chonburi Province
- 2014
- Amendment of clause 3 of the memorandum of association regarding the objectives of the Company from 42 existing objectives to total of 51 objectives
  - Revised six company regulations about payment, procurement and contract employment including the sale and disposal of assets and extraneous materials
  - Revised the authority, duties and responsibilities of President to reflect the nature of management work and the current business operation
  - Established 7 annual business plans for the year 2014 which was revised from 7 to 5 plans by the end of the year
  - Appointed the Investment Working Team to study and provide suggestions about investment of Saha Group for greater results and return on investments in accordance with Saha Group’s investment policy
  - Appointed the Remuneration Working Team to jointly consider employees’ performance and determine the criteria for salary adjustments and annual subsidies in order to ensure equality, clarity, transparency and accountability
  - Revised the organizational structure including assessing the company rules, performance evaluation and company regulations / welfare (retirement) and creating the personnel development plan
  - Developed the Geographic Information System (GIS) database using the computer system for storing, improving, searching, manipulating, analyzing, and presenting spatial data
- 2015
- Improved six regulations of the Company’s 2015 policy issued for the purchase and sale/disposal of assets and extraneous materials
  - Improved the duties and authorities of the President in accordance with the current administration
  - Establishment of an Information Technology Center to develop information systems within the company to support the work of the central database of electronic commerce department of Saha Group to aid access to the Digital Economy
  - The Board of the Directors appointed a Good Governance and Risk Management Committee
  - The Good Governance and Risk Management Committee appointed the working teams responsible for good governance and anti-corruption, risk management, and corporate social responsibility to support the operation of the Good Governance and Risk Management Committee
- 2016
- Review of Operation Manual ( Revision #1)
  - Review the Charter of Audit Committee of Saha Pathana Inter-Holding Public Company Limited in 2016 which were effective from 19 December 2008
  - Certified as a member of the Private Sector Collective Action Coalition against Corruption (CAC) on 14 October 2016.
- 2017
- Revised memo Article 3 the Company’s objectives by adding an addition Article from the current Company’s objectives Article 51. Which sums up the objective in Article 52.
  - Update the Charter of the Board of Directors, Charter of the Executive Committee authority and responsibility of the President which suits the current business operations.
  - Restructured the organization, revised six company regulations about payment, procurement and contract employment including the sale and disposal of assets and extraneous materials and working evaluation.

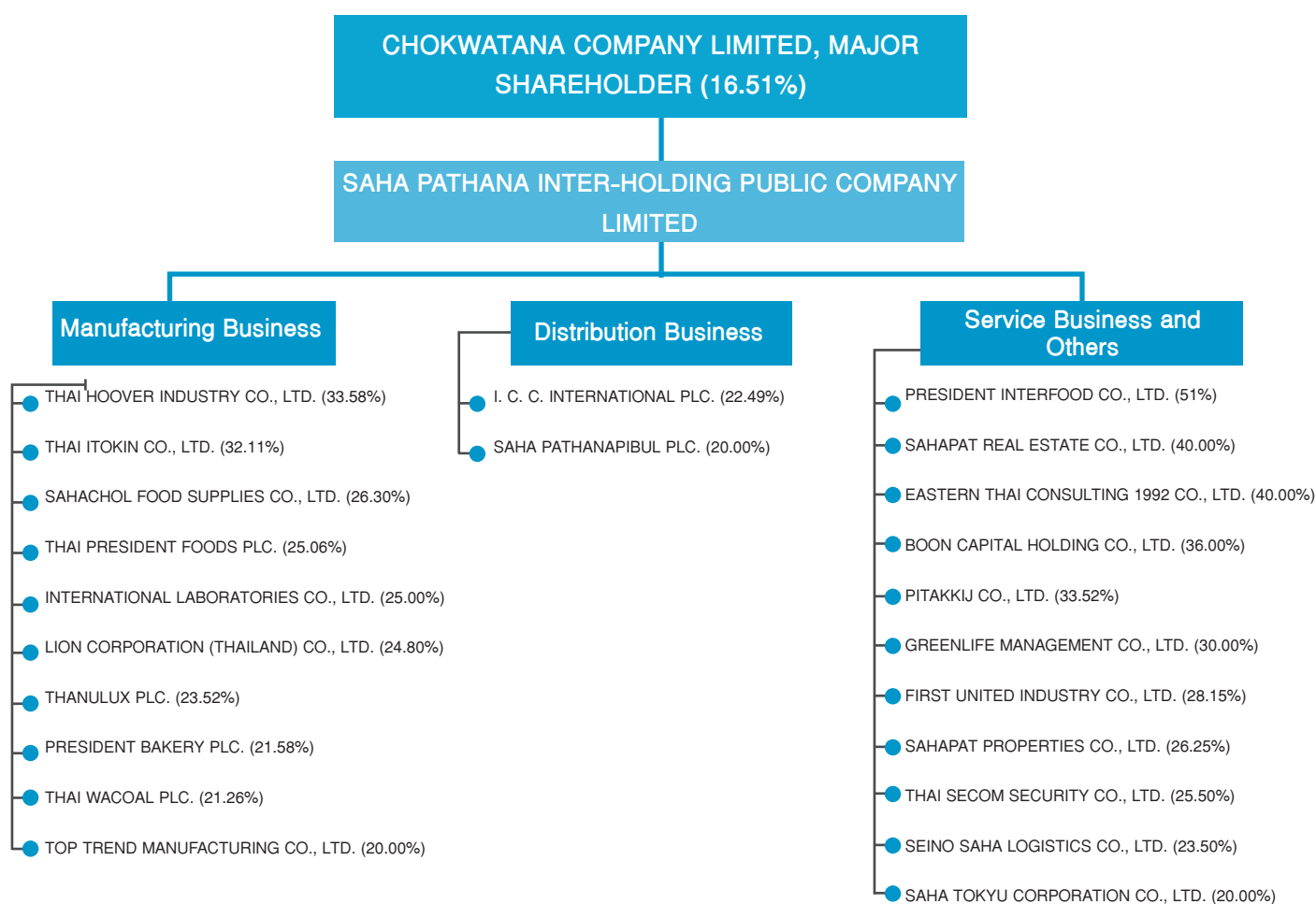


## 4. Shareholding Structure of the Group Company

### 1) Operation Policy of the Group Company

Saha Pathana Inter-Holding Public Company Limited was firstly incorporated on 5 April 1972 under the name of “Saha Pathana Investment Co., Ltd.”, with a registered capital of 6 million baht. The Company currently has the registered capital of 582,923,188 baht with a paid-up capital of 494,034,300 baht. The Company’s core businesses are divided into three categories: Investment, Rental and Service, and Industrial parks. The Company and subsidiaries jointly reviewed the potentiality of investment project and joint investment opportunities by considering the group’s synergy and mutual business benefits. According to the Group’s investment policy, the Company with the most relevant operation or investment value to such a joint venture is required to monitor the operation of the business. Nowadays, the company has an investment team to analyze and follow up on each project. This, therefore helps to identify business concerns and report to the Company and shareholders of Saha Group in order to jointly propose solutions in a timely manner. The operation of individual jointed venture is independently authorized by the Board of Directors of that particular company venture. Currently, The company has also continuously expanded its business lines in manufacturing, distribution, service and others.

**2) As of 31 December 2016, the Company has shareholding in subsidiary company and 22 affiliates companies, totaling 23 companies.** Its voting rights depend on its shareholding ratios. The shareholding structure can be divided into the following business lines:



## Shareholding Structure

1. In 2017, **the Board of Directors and Executives, including their spouses and minor children collectively hold 3.56% of total shares of the Company which does not exceed 25% of the Company issued and paid-up shares. The Company's free float shareholding is 45.04% which is greater than 25% of issued and paid-up shares.**
2. The Company has a cross-shareholding structure. Nevertheless, the cross-shareholding practice is not contradictory to the criteria of Clause 14 of the Announcement of the Equity Market Committee No.ThorJor. 28/2008, Subject: Application and Approval of Newly Issued Shares Sales.
3. The Company has not implemented a mechanism for the prevention of takeovers. The Company discloses the shareholding structure within the business group and the cross-shareholding practice under "the Investment Structure and Cross-Shareholding Structure" section.
4. As of 31 March 2017, foreign institutional investors hold total 61,428,490 shares or 12.43% and Thai institutional investors hold total 34,070 shares or 0.01%. The total number of shares held by institutional investors is 61,462,560 shares or 12.44%.
5. The Company treats all shareholders equally in term that the Company repurchase the shares. However, there was no share repurchase in 2017.
6. The Company published information about the Company through the system of the Stock Exchange of Thailand and company website ([www.spi.co.th](http://www.spi.co.th)). The Company encourages shareholders to attend the shareholders' meeting and also the 9th Saha Group's Opportunity Day in 2017, which was held for shareholders to meet with the analysts, investors and other public individuals, as well as, to exchange their ideas.
7. The Company does not have any shareholders agreement which will have significant impact on the Company or other shareholders.

## Cross-Shareholding Structure

The Company has the cross-shareholding as follows:

### (1) More than 50% Shareholding

- (a) Other companies hold its shares in the Company with the amount exceeding 50%;  
the Company must not hold cross-shareholding in other companies. **-None-**
- (b) The Company holds shares in other companies with the amount exceeding 50%;  
the other companies must not hold cross-shareholding in the Company. **-None-**
- (c) The Company holds shares with the amount exceeding 50% between two or more other companies, any other companies must not hold cross-shareholding to each other.

The details of cross-shareholding, as of 31 December 2017, is as follows:

No.	Name	The Company holds Share in other companies	Other companies hold share in the Company
		Proportion of Shareholding %	Proportion of Shareholding %
1.	PRESIDENT INTERFOOD CO., LTD.	51.00	

### (2) More than 25% Shareholding to 50% Shareholding

- (a) Other companies hold shares in the Company with the amount exceeding 25% but not exceeding 50%;



the Company must not hold cross-shareholding in other companies with the amount exceeding 10%. **-None-**

(b) The Company holds shares in other companies with the amount exceeding 25% but not exceeding 50%;

the other companies must not hold cross-shareholding in the Company with the amount exceeding 10%. **-None-**

The details of cross-shareholding, as of 31 December 2017, are as follows:

No.	Name	The Company holds Share in other companies	Other companies hold share in the Company
		Proportion of Shareholding %	Proportion of Shareholding %
1.	SAHAPAT REAL ESTATE CO., LTD.	40.00	0.16
2.	EASTERN THAI CONSULTING 1992 CO., LTD.	40.00	-
3.	BOON CAPITAL HOLDING CO., LTD.	36.00	-
4.	THAI HOOVER INDUSTRY CO., LTD.	33.58	-
5.	PITAKKIJ CO., LTD.	33.52	-
6.	THAI ITOKIN CO., LTD.	32.11	-
7.	GREENLIFE MANAGEMENT CO., LTD.	30.00	-
8.	FIRST UNITED INDUSTRY CO., LTD.	28.15	0.59
9.	SAHACHOL FOOD SUPPLIES CO., LTD.	26.30	-
10.	SAHAPAT PROPERTIES CO., LTD.	26.25	0.07
11.	THAI SECOM SECURITY CO., LTD.	25.50	-
12.	THAI PRESIDENT FOODS PLC.	25.06	1.20

### (3) Up to 25% Shareholding

(a) Other companies hold shares in the Company with the amount not exceeding 25%;

the Company must not hold cross-shareholding in other companies with the amount exceeding 25%. **-None-**

(b) The Company holds shares in other companies with the amount not exceeding 25%;

the other companies must not hold cross-shareholding in other companies with the amount exceeding 25%. **-None-**

The details of cross-shareholding, as of 31 December 2017, are as follows:

No.	Name	The Company holds Share in other companies	Other companies hold share in the Company
		Proportion of Shareholding %	Proportion of Shareholding %
1.	INTERNATIONAL LABORATORIES CO., LTD.	25.00	0.30
2.	LION CORPORATION (THAILAND) CO., LTD.	24.80	0.51
3.	THANULUX PLC.	23.52	0.90
4.	I. C. C. INTERNATIONAL PLC.	22.49	9.74
5.	THAI WACOAL PLC.	21.26	0.68
6.	SAHA PATHANAPIBUL PLC.	20.00	7.72
7.	NEW CITY (BANGKOK) PLC.	15.50	0.07
8.	S & J INTERNATIONAL ENTERPRISES PLC.	16.02	0.28
9.	FAR EAST DDB PLC.	14.08	0.28



No.	Name	The Company holds Share in other companies	Other companies hold share in the Company
		Proportion of Shareholding %	Proportion of Shareholding %
10.	PEOPLE'S GARMENT PLC.	13.78	0.49
11.	O.C.C. PLC.	12.73	0.06
12.	TEXTILE PRESTIGE PLC.	12.03	0.09
13.	BETTER WAY (THAILAND) CO., LTD	11.77	0.30
14.	NEW PLUS KNITTING PLC.	5.33	0.02
15.	SAHA-UNION PLC.	0.30	1.81
16.	LION CORPORATION	0.11	2.02

Note : The Company has adopted the cross-shareholding structure which is not contradictory to criteria pursuant to Clause 14 of the Announcement of the Equity Market Committee No.Thor.Jor. 28/2551, Subject: Application and Approval of Newly Issued Shares Sales.

## Relationship with the Major Shareholders' Business Group

-None-

## 5. Nature of Business

The Company divides its operation into three main types of business, which are Share Capital Investment, Rental and Service, and Industrial Park.

(Unit : Thousand Baht)

Business Group	Operated By	% Shareholding	Year 2017		Year 2016		Year 2015	
			Amount	%	Amount	%	Amount	%
Share Capital Investment (Other Companies)								
Share of Profit from Investment (Jointed Companies)	Jointed Company	20 - 40	1,810,254	26.89	1,416,661	30.96	1,186,547	28.18
Dividend	The Company	0.03 -19.99	272,054	4.04	369,273	8.07	244,030	5.80
Leasing and Service	The Company		2,518,110	37.40	2,425,279	53.01	2,429,453	57.23
Industrial Park	The Company		209,124	3.11	271,795	5.94	181,877	4.32
Others	The Company		1,923,429	28.56	92,226	2.02	168,828	4.47
Total			6,732,971	100.00	4,575,234	100.00	4,210,735	100.00



## (2) The Operation of Product Lines

The Company's main businesses can be divided into 3 main types of businesses which are Investment in Share Capital, Rental and Services and Industrial Parks according to these following details:

### 2.1 Investment in Share Capital

#### 2.1.1 Products and Services

The Company has invested in share capital in various businesses with the objective of adding value to the Company in long term. The Company has invested in other businesses that enhance those businesses undertaken by the companies in the group or the business that possibly to be undertaken in the future due to its profit potential. The Company will therefore get the return in the form of dividends. During 2017 the Company has completed an entire business transfer (EBT) of President Holding Company Limited which mainly undertakes vast investments in the food businesses which valued a total of 7,748,000.000.00 baht. In addition to a mandatory tender offer for all ordinary shares in President Rice Products Public Company Limited and President Bakery Public Company Limited by way of the entire business transfer of President Holding Company Limited value at 37,191,546.50 baht leading to a total value of 7,785,191,546.50 baht as well as the consolidation of Thai President Foods Public Company Limited and President Rice Products Public Company Limited resulting in an increase of shareholdings in Thai President Foods Public Company Limited from 22.04% to 25.06% and President Bakery Public Company Limited from 2.82% to 21.58%. In addition, we also have increase shareholdings in Kemin Foods (Thailand) Company Limited from 6.67% to 14.24% a producer of rice and flour valued a total 30,537,000 baht and investing in American Food Company Limited at 15% a producer of ice cream under the BUD's brand name valued a total 21,000,000 baht which is to increase the portion of investment in the food business. In 2017, there were 7 new investment companies with investment value of 169,279,935.00 baht and a strategic divestment of 3 companies.

As of 31 December 2017, the Company invested in a total of 158 companies in three main business groups as follows:

1. Production
2. Distribution
3. Service and other businesses

**Production Business:** The Company has joint investments with domestic and international companies. These include investment in the manufacturers of raw materials and consumer products which are currently sold under trademarks held by the Company or the Company's subsidiaries, as well as, the international trademarks licensed by foreign owners. Some examples are as follows:

- LION CORPORATION (THAILAND) COMPANY LIMITED: Manufacturer of consumer products under Pao, Kodomo, Shokubutsu Monogatari, Systema, Kirei Kirei, Sue Sat and other brands
- THANULUX PUBLIC COMPANY LIMITED: Manufacturer of ready-made clothing and leather products under Arrow, Guy Laroche, Daks and other trademarks
- THAI WACOAL PUBLIC COMPANY LIMITED: Manufacturer of ladies' lingerie and ready-made clothing products under Wacoal, ELLE, Enfant, BSC and other trademarks
- THAI PRESIDENT FOODS PUBLIC COMPANY LIMITED: Manufacturer of instant noodles under Mama and other trademarks
- S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED: Manufacturer of cosmetics under BSC and other trademarks

**Distribution Business:** The Company has invested in consumer product distribution companies and direct sale companies which are mostly joint venture business with Saha Group's subsidiaries. The majority of products distributed are also produced by the Group's subsidiaries as follows:

- SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED: Distributor of consumer products, such as Pao detergent, Mama instant noodles, Systema products, Shokubutsu Monogatari liquid soap, Lipon F dish-



washing, Kodomo products, Kirei Kirei, i-Healti Q10, Sue Sat Mama Ramen instant noodle products and POCARI SAWEAT beverage.

- I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED: Distributor of fashion products, such as Arrow, Lacoste, Guy Laroche, ELLE and Daks ready-made clothing items, Wacoal lingerie, Enfant and Absorba children's clothing products, Regal and Naturalizer, Sby, Mizuno and Speedo sportswear and other products under BSC trademark
- BETTER WAY (THAILAND) COMPANY LIMITED: Direct seller of products under Mistine and Faris by Naris trademark
- WORLD SAHA FASHION COMPANY LIMITED: Distributor of Apparels under TAKEO KIKUCHI trademark
- Additionally, the Company has expanded the investment business by having joint venture companies in various businesses, such as convenience stores, retail shops and drug stores and in the beauty business including consumer products:
- SAHA LAWSON COMPANY LIMITED: Convenience store business operated under Lawson 108 trademark
- TSURUHA (THAILAND) COMPANY LIMITED: Retail and drug store operator selling beauty and healthcare products including consumer products in Thailand and ASEAN countries as a Japanese concept store which provide One-Stop Service with various product offerings

**Service and Other Businesses:** The Company has invested in high-potential companies with satisfactory long-term returns which support the operation of Saha Group's subsidiaries. The businesses include service, restaurants and real estate investment and development, such as:

- SAHACOGEN (CHONBURI) PUBLIC COMPANY LIMITED: Producer and distributor of electricity and steam-related services
- FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED: Advertising producer and agency
- EASTERN THAI CONSULTING 1992 COMPANY LIMITED: Provider of environmental services including water and air quality analysis, wastewater treatment system and tap water production
- NIPPON TEI SATO COMPANY LIMITED: Japanese restaurants operator
- SAHA TOKYU CORPORATION COMPANY LIMITED: Real estate development such as The HamoniQ project
- MOBILE LOGISTICS COMPANY LIMITED: Warehousing and logistics operator
- TRANSCOSMOS (THAILAND) COMPANY LIMITED: One-stop e-Commerce solutions provider

### 2.1.2 Marketing and Competition

**Marketing:** The Company invests in shares of various companies which produce raw materials for use by Saha Group's manufacturing companies as well as finished products for distribution companies. Nowadays, as the market is highly competitive, it is necessary for manufacturers to build stakeholders' satisfaction and create innovation which not only creates and develop new competitive products and services but also respond to social needs with awareness of corporate social responsibility (CSR) as well as the importance of the Green Economy by adding value to products in Green Productivity category. At the same time, manufacturers need to engage in social service oriented marketing activities and be aware of environmental issues. These are what matter to consumers and contribute to their purchase decisions. Therefore, our production arm strives to procure raw materials and implement processes which are environmentally friendly to bring product quality to the level desired by modern day consumers. Additionally, manufacturers must improve production efficiency in order to bring production costs down and managerial flexibility up in order to improve competitiveness and secure market share. Saha Group's companies are at an advantage against competition in terms of variety as well as lower cost. Also, the Group regularly invests in the research and development of new raw materials. Most companies in Saha Group are granted ISO 9001:2008 certification for their production standards.

**Cosmetics and fragrance:** The distribution division of Saha Group has been distributing cosmetic products since 1964 and have expanded its cosmetic business through being the representative of various trademarks. In October 2005 the Company first introduce the BSC Cosmetology a cosmetic brand that will lead Saha Group onto the international stage as well as into online channels in order to reach various target groups through online sales channels such as Seven-Eleven



Online Catalogue, OOKBEE.com, O-Shopping as well as [www.eThailandBEST.com](http://www.eThailandBEST.com) which is our new online sales channel. In 2017 Saha Group has signed a memorandum of understanding with LAZADA a giant e-commerce retailer with presence throughout Southeast Asia which will increase our customer base as well as the proportion of our digital marketing and viral VDO campaigns in order to create brand awareness. With addition to include product review by famous Influencers to increase brand loyalty and trust for cosmetic products with constant developments in line with customer's needs.

**Womenswear:** Saha Group of Companies has significant potential in the lingerie market being the distributor of 5 brands by the name of Wacoal, BSC, BSC SIGNATURE, ELLE and KULLASATRI. The strategy to distinguish itself from the market is to create a unique product for each brand and execute a wide marketing strategy to cover all targeted segments through increase in the product efficiency, functionality and product innovation leading to value creation. In 2017 the company has revised the marketing strategy to relate to the market shift in lifestyle and changes in consumer behaviors through prioritizing various digital platforms. This therefore provides consumers with various purchase channels through both online and offline platforms.

**Menswear:** Saha Group of Companies is the leading suppliers of men's apparel under brands by the name of ARROW, DAKS, GUY LAROCHE, ELLE HOMME, LACOSTE and HAZZYS. The distribution channels are through department stores with sales personnel to recommend products, provide after-sales services, channel expansion into discount stores, store opening in shopping centers, TV sales broadcast and e-Commerce.

The consumer markets are still highly competitive as the Company with the distribution Company under Saha Group able to maintain a strong growth with the addition of introducing new products in response to customer's needs. We are highly focused on the quality of our products, affordable price point, honest to customers and increase in the distribution channels. Marketing strategy focuses on selecting the market share that corresponds to the position of the product and service.

In 2017, the market for noodles and instant noodles grew by 4.3%, with a total market value of approximately 17,080 million baht. The bag-type instant noodles growth rate was 5.5% while the cup noodle had the similar growth prospect. Distribution channels in convenience stores grew by 13.1 percent and hypermarket channels grew by 2.7% compared to last year, even though in the year 2017, the market of noodles and instant noodles has fierce competition with a reduction in consumption due to changes in consumer behavior. Mama has maintained its number 1 market position with a market share of 47.9%, with 45.8% share of bag-type products and 51.2% share of cup products.

Consumer goods markets only grew by 3.7%, amounting to approximately 15,601 million baht of the market value. Cup noodles products had a growth rate of 5.5% while bag-type instant noodles enjoyed a sales volume close to that of the previous year. Cup noodle products grew by 11% in the convenience store channel and 21% in the bag-type instant noodles and 4% in the cup noodle segment. For the supermarket and hypermarket channels bag-type instant noodles saw no growth compare to previous years. Mama is still the foremost producer of the pack and cup with a market share of 47.20 percent, consisting of a 45.80% share of bag-type products and 51.20% share of cup products.

The yellow, white and vermicelli noodles in 2017 with a total market value of 1,084 million baht which grew at 3.8% with Mama as the number 1 market position with a 70.2% market share.

Regarding to the direct sales channel, our direct sales channel is managed by Better Way (Thailand) Co., Ltd. with regular adjustment of strategies that have resulted in excellent public awareness of Mistine and the subsequent launch of new products under the Mistine and Faris by Naris brands.

The Company was also engaged in satellite marketing via the Super Channel (S Channel) in keeping with consumers who have gone digital, such as Facebook and Line in order to meet the demand of consumers in new products.

In addition, the Company operates its business under the trademark of Lawson 108 Convenient Store and Tsuruha Store to distribute healthy and beauty products as the Japanese style stores.



Considering that companies under Saha Group are independently managed and are competitive against one another, innovations are continuously being developed by the different companies, resulting in added value and more expansive distribution channels. Nevertheless, the individual companies under the group can synergize to demonstrate our collective potential. The Saha Group Fair, which attracted a very large number of visitors. In 2017, the fair was organized as the 21st event where new products and innovations of the subsidiaries were displayed. Each company showcased their products and services and invitation were passed to existing and new clients to visit the fair to exchange views and learn more about their requirements. This is a perfect channel for joint ventures and the expansion of domestic and international markets. Saha Group Fair gives all its affiliates the possibility to adapt to fluctuating economic situations and to continuously promote both development of innovative products and marketing activities by highlighting on services and creating added value for clients. In such Fair, products with special prices are also available to purchase so as to express gratitude and to assist Thai people.

Competition: Most products produced and sold by Saha Group of Companies are consumer products, which are all products that are essential to daily life, such as menswear, women's and children's underwear, instant noodles, cosmetics, detergents, leather and so on. With the opening of free trade, as a result, consumers will have more choices. Operators in other countries will have to face competition with imported products. Saha Group products have the advantage of development and innovation and enter into the market as brands that are already known and have an established reputation for quality that can meet the needs of consumers.

Each product category has different competitive environment, for example:

- Cosmetics & Fragrances.

Counter Sales competition is intensifying through the introduction of new products and brands as well as customer loyalty which has the potential to decline in the new future.

The counter sales market in the cosmetic category has chosen to use television advertising together with online marketing through the introduction of new products by continuously using theatre media/internet as well as public mass transit system as a new media channel in which these media have high potential growth. This is to maintain and grow our existing and new customer base. Marketing strategies were used particularly organizing events in order to stimulate consumer purchases as well as bundling value set for each brands as this will be the initial test to draw new customers. Introduction of technological services to increase customer's excitement in which each individual counter sales brands displayed various technological advanced products such as the skin analyzer machine with an analysis time of 3-5 minutes, producing test results for clients. This is an example of just one technological advancement that was able to build trust, loyalty and value for money to our customers.

The Discount Store: Competitive pricing amongst discount store businesses has clearly intensify especially through the expansion of communities both in Bangkok and its Provinces across Thailand. This affected intermediaries in traditional trade, wholesaler as well as a change in consumer behavior in the market. BSC Cosmetology has therefore adapted and revised its corporate strategy through the expansion of its outlets in communities to broadly cover all areas possible providing customers with various type of products achieving economies of scale, distribution channels and product innovation as such.

As for the industrial and competitive trends in the near future, cosmetics is the 5th necessity for the majority of woman in the skincare product category which is worth over half the market share with special emphasis on Anti-aging products. Anti-aging product current trends in reducing wrinkles

- Ladies Lingerie: The development of innovation and the adoption of new technologies are important to satisfy consumers' constant change in demands in today's digital age. New technological advancement is being introduced to improve the design and innovative of new products to be the best choice for woman to select, where woman would feel confident in various shape and size that could be worn in various occasions and various time of day. Continuous improvement through an auto replenishment and quick response system (QRMS) will ensure that products are available and in the most efficient quantity in the store front for customers to select. The system works in conjunction with the His & Her Plus Points while new customers



would gain product awareness through various activities. The new customers would gain product awareness and select products to purchase. The CRM (QRMS) will ensure that products are available and in the market. We have added new sales channels such as E-Commerce, TV Shopping to provide consumers with access to product innovation and links to the point of sale in the form of marketing through Omni Channel which is the combination of various marketing channels into one uniform platform to provide customers with a seamless purchasing experience.

- Men's Apparel: Men's apparel saw a reduction of over 10% as compared to last year due to a slow down in domestic consumption of colored apparel. The majority of consumers are cautious regarding their spending and would focus on quality products in regarding products that are more innovative. Majority of manufacturers implement the reduce, trade, give and redeem strategy to increase sales and reduce inventory with no added marketing cost. This causes operators to seek further cost reduction and increase its manufacturing flexibility to remain competitive and profitable to be able to increase its marketing expenses in the long term. Saha Group of Companies has the advantage through accumulation of its portfolio of mens apparel with a wide range of target groups and create negotiation balance in distribution. Saha Group products are known and respected for its quality and reputation. The development and innovation are supported by the major manufacturers of the country under the control of Saha Group. The factory has been enlarged to support the growth, such as, spinning factory, dyeing factory, decorative factory and textiles manufacturing factory, as well as strong personnel to learn and develop themselves continuously. Policy has been stated for Big Data analytics on current and predict future customer behaviors which will be beneficial in the long term.

The men's apparel will recover from a slowdown of consumer purchases with the industry likely to remain stable or slightly growing because consumers still shows signs of purchasing fashionable apparels. Competition is intensifying due to the increase of international competitors as well as low cost products from Mainland China flowing into the market. This therefore cause competitors to further analyze the market economics, consumer behaviors in various areas to produce innovative products. Creation of innovative products in various dimensions through marketing, product strength analysis and target group analysis which are important in developing corporate strategy in today's competitive environment.

Consumer Goods: The consumer goods market is a highly competitive market. Most of our products are intended for daily use and can be classified into four main categories: household products, food products, personal-care products and children's products. These include Lipon F dish-washing agent, Pao detergent, Mama instant noodles, Systema products and Kodomo products. Furthermore, new products are developed to reflect the needs of consumers which change over time. Developing focus marketing strategy to implement localized marketing campaign to be in line with the competition in various areas or consumer behavior in each region. However, some products also need to do a Nationwide Campaign cope against the intense competition. Consumer goods in the year 2017 still have intense competition, such as instant noodles Mama which uses various marketing strategy and public relations of all forms such as advertisement, domestic promotion with focus on the Above the line communication, television advertising, radio, billboards, online media and activities at the point of sale. With a promotion program at and a more modern packaging. Using of Presenter to advertised the product for various type of taste with the addition of new flavors such as the dried basil leaves to stimulate growth and for product diversification. Towards 2018 a strategic formulation to increase additional flavor and towards a premium instant noodle category to boost sales together with marketing campaign events constantly.

The Thai economy in 2017 grew by 3.9% with export value expanding at 9.7%, domestic consumption and investment expanding at 3.2% and 0.3% respectively. Overall the Thai economy is expanding in line with the global economy that has shown stable growth throughout the year. Even though the global economy show signs of improvement the Board of Directors are prudent in obtaining strategic measures where challenges constantly exist. Therefore, the Board of Directors vision and ambition is, develop talented workforce to remain at the competitive forefront in today's globalized world.

In 2017 we have started to transform our organization to remain competitive and ahead of the competition. With today's rapid technological advancement, in the age of digital innovative disruption as well as a more complex consumer



behavior with a variety of alternatives for consumer. As a Holding company for Saha Group our first transformation begins in the food sector, successfully completed the entire business transfer (EBT) of President Holding Company Limited in addition to a mandatory tender offer for all securities in President Rice Product Public Company Limited and President Bakery Public Company Limited with a transactional value of over THB 8 million baht. Moreover, the company has secured additional capital investment through the issuance of a convertible debenture to existing shareholders preferably over a capital increase and to delay the dilution effect as well as minimizing the cost of capital compared to the ordinary debenture. The company is able to maintain a credit rating of “AA” with “Stable” outlook by TRIS Ratings Company Limited.

For the fiscal year 2017 the Company's revenue was THB26,733 million baht, 47.2% increase compared to FY16 and net profit of THB73,171 million baht, 86.8% increase compared to FY16 partly due to an extraordinary items from the above transaction and the strong operating results of our investment portfolios. By taking into account the aforementioned strong financial performance result, overall financial status and the competitive environment the Board of Directors has resolved to propose to the 2018 Annual General Meeting of Shareholders a dividend of THB 0.65 baht per share, 44.4% increase compared to FY16. Through the cooperation and support of all stakeholders, the company is honored to have been awarded with an internationally recognized achievement for the “Best Thailand Deal of the Year 2017” from Finance Asia and the “Best Bond Awards 2017 — Most Innovative Deal” from The Thai Bond Market Association. In addition, the company received a “Very Good” rating from the corporate governance assessment for listed companies as well as having achieved a full score of 100 along with an “Excellent” status for the quality assessment at the 2017 Annual General Meeting of Shareholders for the ninth consecutive year.

Moving forward into 2018 will pose a transformative and challenging year for the Company. The strategic measures have been set in place particularly in Big Data for information analytics, organizational restructuring, increase asset efficiency and to prepare for the investment inflow into the Eastern Economic Corridor (EEC) in accordance to Thailand 4.0 strategy.

### 2.1.3 Procurement of Products and Services

The Company invests in shares of companies and the businesses which relates to or enhances current business operations. Additionally, the Company is investing in new businesses which we believe are capable of generating worthwhile returns, by searching for high potential partners with new technology and effective business operations. Some partners are suggested by current joint investors, financial institutions and Department of International Trade Promotion, Ministry of Commerce. In case that the Company's business partner is willing to establish factory or business operation in Saha Group Industrial Parks, the Company will provide assistance by suggesting location and securing permits of related government organizations with the aim of assisting the partner to achieve its business goal. In terms of finding a location for business operation, the Company has lands and office buildings inside 4 Saha Group Industrial Parks available for lease or sale as well as vacant factories for rent at Mae Kasa Sub-district, Mae Sot District, Tak Province, at negotiable prices which will assist the partner to have a potential location for manufacturing products and maximizing its profits in the short term.

### 2.1.4 Work-in-Process:

-None-

## 2.2 Rental and Service

### 2.2.1 Types of Products and Services

The Company operates rental and service business to accommodate growth and enhance the competitiveness of companies in Saha Group. The rental and service businesses can be classified into four categories as follows:

#### (1) Rental and Services

The industrial parks which are already in operation have lands and buildings for lease; we provide basic utility services as well as maintenance services including wastewater treatment and as such. Moreover, the expansion



of rental service for retailers at J-Park Sriracha Nihon Mura, Surasak Sub-district, Sriracha District, Chonburi Province, have been done by the Company by earning the rental fee and service fee for such utilities. In this regard, the license for electricity distribution and electrical distribution system in Saha Group Industrial Park Sriracha are provided by the Company in order to serve the internal customers according to the electrical fee and steam.

In 2017, Thanulux Public Company Limited lease land in Mae Kasa Sub-district, Mae Sot District, Tak Province to develop warehouse for the production under its Group.

Total of 159 tenants who rented land and building, 97 electricity utilized users and 25 steam utilized users.

## **(2) Business consultation service**

The Company provides consultation on business planning, management and new project management to Saha Group's affiliates in exchange for consultation and service fees. There were a total of 87 clients in 2017.

## **(3) Trademark-related facilitation service**

The Company serves as the intermediary for the seeking licenses and the right to use trademarks of not able brands for Saha Group's affiliates. The trademarks under the Company's operation can be divided into two categories:

- International Trademarks: The Company has been granted the right for international trademarks and transfers the right to Saha Group's affiliate to use the trademarks for manufacturing and distributing products under the brands. These trademarks include well-known international brands, such as Guy Laroche, ELLE and Absorba. The Company gained income in the form of royalty fees. In 2017, there were a total of 12 users for international trademarks.

- Domestic Trademarks: The Company registered the trademarks with the Department of Intellectual Property, the Ministry of Commerce, by product categories and transfers the right to use these trademarks to Saha Group's affiliates for manufacturing and distributing products under the brands, such as Kulasatree, Rain Flower, Homecare and others, by having income in the form of trademark income. In 2017, there were a total of 3 users for domestic trademarks.

## **(4) Golf Course and Hotel Business**

### Kabinburi District, Prachinburi Province

The Company operates a standard 18-hole golf course sports club together with the hotel in Wang Dan Sub-district, Kabinburi District, Prachinburi Province, which is the only hotel situated within golf course in Prachinburi and gains income in the form of golf course fees, food and beverages and room rental fees.

### Muang Lamphun District, Lamphun Province

The Company established a golf course, Hariphunchai Golf Club, which was developed as 9-hole golf course at Saha Group Industrial Park Lamphun, Muang Lamphun District, Lamphun Province, and gains income in the form of golf course fees, food and beverages.

## **2.2.2 Marketing and Competition**

The Company established the Overseas Marketing Unit in addition to the Domestic Marketing Unit to support and attract new foreign investors to invest in Saha Group Industrial Parks. Relevant information is provided to the Board of Investment and made available on the company website at [www.spi.co.th](http://www.spi.co.th). The Company has also arranged a group of experts, specialists and experienced advisors to provide recommendations and guidelines for customers.

In addition, the Company has arranged lands and buildings to facilitate the small and medium enterprises (SMEs) in Saha Group Industrial Park - Sriracha, Kabinburi and Lamphun for lease. Thus, customers are able to start their business operations at once. Regarding the basic utility service, the Company has put its focus on readiness and sufficiency of services, such as high-quality wastewater treatment systems, garbage collection and incinerator service and nursing services. The ISO 9001:2008 quality management system is applied in the area of land and basic utility development. The system provides a basis for continual improvement in quality management. To generate more revenue from rental and



service fees, the Company needs to continue building a good image by operating its business under social and environmental responsibilities which is a key marketing strategy. Currently the Company has participated in the development of the ECO Industrial Town to enhance the industrial park under the management framework and direction in company image, society, economy and environment which is well received and supported by our stakeholders. Having been able for all our stakeholders to be involved in the development of the ECO Industrial Town in order for the industrial park and the surrounding communities to prosper alongside one another. To enhance marketing potential, retaining clients with the Company and attracting new investors to invest in the industrial parks. The Company has been consistently improving the environmental circumstances of three Saha Group Industrial Parks with ISO 14001:2015 certification for the central wastewater treatment system by the Management System Certification Institute (Thailand) and the Office of Certification Body under Thailand Institute of Scientific and Technological Research.

According to Saha Group Industrial Park Sriracha, the industrial park has currently limited available areas. The Company, therefore, emphasizes on lands and office building lease by having small and medium-sized companies (SMEs) or warehousing operators as target customers since the industrial park is located near Laemchabang Port.

**Competition:** Regarding the leasing and service business, the majority of clients are Saha Group affiliate's therefore, the competition is not of a serious concern. In the case that the client is an external party, the Company will carefully select its clients by considering environmental aspects. For leasing business, the Company will consider and manage the area for lease appropriately for both small and large investors. Comparing the lease rates of buildings and factories in Saha Group Industrial Parks with other adjacent industrial areas and estates, Saha Group Industrial Parks have a lower lease rate per square meter and with consistent improvements in services and environment. This have convinced customers to select our sites for their operation. As for our electricity business, the only competitor is the Provincial Electricity Authority. The Company is a holder of an electricity sales permit as a stable supplier providing convenient and efficient services. The steam business is not experiencing any competitive issues as the steam service fee is lower than the cost of steam produced by customer themselves. Moreover, the Company has set aside area within Saha Group's Industrial Park Lamphun as a recreational space for employees and the general public, badminton and football area under the name "Saha Sport Arena."

With the facilities provided above this would be the factors that will draw clients to rent areas within the Saha Group's Industrial Park.

Additionally, the Company has expanded its rental and service business to Mae Kasa Sub-district, Mae Sot District, Tak Province, which is one of the government's special economic areas, as another choice for investors. Moreover, J-Park Sriracha Nihon Mura Shopping Mall started operation on the land of 22-1-14 Rai in the Eastern Seaboard area at Surasak Sub-district, Sriracha District, Chonburi Province, **as the only Japanese tourist attraction in the Eastern region.** The management's design concept is to establish a center for promoting Thailand-Japan cultural exchange as the Company recognizes the importance of the relationship between Thai and Japanese people. The design of the buildings and landscape resembles a traditional Japanese city in Edo period. The location is also another advantage as it is situated in the middle of communities, a housing area and schools. As part of the company we have constructed developments on both sides of the main road in which we operate consisting of a Oisca Japanese Kindergarten, HarmoniQ Residence Sriracha in the form of a service apartment situated across J-Park Sriracha Nihon Mura as well as Thai SECOM Security Company Limited providing safety and Samitivej Sriracha Hospital which are well-known amongst the Japanese community. In 2017 the completion of a flyover bridge is complete and currently operational in order to attract the Japanese investors in Sriracha District and surrounding area. Additionally, this area has the potential to be appropriately developed into the center of Japanese.

For golf courses and hotel businesses, as Saha Group Industrial Park Kabinburi and Lamphun have a large amount of treated wastewater; there is more efficient use of shared resources and a possibility to use industrial waste as raw materials. As a result, it creates a balance in the dimensions of economy, environment and society and thus leads to sustainable development. At the same time, in order to manage wastewater efficiently and sustainably and to meet the demand for recreational properties that yield a return to some extent, the Company recognizes golf businesses in today's market as a growing industry; it has thus decided to build golf courses and driving ranges to generate additional revenue for the Company. The details are as follows:



1. **Kabinburi Sport Club** located at Wang Dan Sub-district, Kabinburi District, Prachinburi Province, is a standard 18-hole golf course with a unique reputation of being the longest golf course in Thailand. Responding to the needs of the fast growing membership, the Company also opened a hotel, which is the only hotel in Prachinburi located on a golf course. Currently, it has 36 rooms with full amenities, such as a swimming pool, small conference room and restaurant. As most of the customers usually reserve a room and go for a round of golf, the golf course then attracts all types of golfers to try its services, allowing Kabinburi Sport Club to gain the upper hand over other operators in the nearby industrial parks. The hotel also serves as accommodations for students of Sriracha Aviation School, an aviation company of Sahapat Group.

2. **Hariphunchai Golf Club** located at Tambon Wiang Yong, Amphoe Mueang Lamphun, Lamphun Province, has been developed in the first phase as a 9-hole golf course. It is a mixture between mixed deciduous forest, lotus ponds and paddies that reflects the harmony of nature and the community. The design of each hole pattern is differently distinctive to test the skills and create challenging courses for golfers with course that is enclosed by water. The golfers can also see Hariphunchai Chedi, Doi Suthep and Doi Inthanon. This is the main attractions for golfers, to experience playing in the midst of nature's beauty during their stay.

Constructing these two golf courses is an incentive for businesses to invest in both the industrial parks and also increases the value of the land as well as incomes for the Company and its surrounding community.

### 2.2.3 Procurement of Products and Services

The Company provides lands and finished buildings in Saha Group Industrial Parks, including land development outside Saha Group Industrial Parks by constructing pre-fabricated buildings for rent, such as office buildings, polyclinic and J-Park Sriracha Nihon Mura project as a shopping mall business in Surasak Sub-district of Sriracha, Chonburi by means of rent offered for land, buildings and shops. It aims to serve investors who desire to conduct businesses within the parks, including personnel in accounting, law, foreign affairs and other fields. Copyrights and trademarks of foreign renowned products which are both popular and much sought after for both domestic and international markets are made available by both the company and the affiliates. Their registration or copyright registration will be made by the company to ensure product diversification, which could create revenues from the increasing productivity, as well as creating our own new trademarks generally accepted by markets to reduce copyright costs in production. In addition, the company makes the optimum use of its plain area by constructing a golf course as its new service.

### 2.2.4 Work-in-Process:

-None-

## 2.3 Industrial Park Business

### 2.3.1 Types of Products and Services

The Company engages in the business of developing industrial areas with an initial objective to serve the increasing needs of the industrial space of our own subsidiaries. The idea was also in compliance with government policies that encourage the expansion of industrial areas to up-country regions. The policies aim for the expansion to contribute to sustainable prosperity, improved quality of life, greater social benefits and a better environment. All of the company's three industrial parks in Chonburi, Prachinburi and Lamphun Provinces are managed under good corporate governance and through them, the company earns income from leasing and selling industrial space.

Instead of 'Industrial Estates', we choose to call our principal business 'Industrial Parks', because we strive to offer peaceful tranquility and desirable greenery in all of our industrial locations. Therefore, in order to ensure client confidence in the services of Saha Group Industrial Park, the Company has introduced the ISO 9001:2008 — a quality management system used specifically for land development and public utilities services has been implemented in Saha Industrial Parks of Sriracha, Kabinburi and Lamphun and the Company continues to improve quality management system.



**The following are the key objectives in the implementation of ISO system:**

1. To use it as a guideline in improving the company's quality management system
2. To ensure greater overall efficiency and effectiveness of the company performance
3. To increase customer satisfaction

The ISO 9001:2008 quality management system was reviewed in 2010 and approval is granted to implement the "Good People, Good Products, Good Society" initiative of Mr. Boonsithi Chokwatana as the quality policy for the service business within Saha Group industrial parks Sriracha, Kabinburi and Lamphun. This is to ensure customer satisfaction and constant development. The policy requires that our staff serves clients quickly, politely and ethically; that the facilities provided are of high quality and adequate; and that improvements are made according to the set objectives. The occupational health, hygiene, safety and environment for the staff and the residents of the surrounding areas are promoted and developed. It is implemented in unison with the ISO 14001:2015 environmental management policy for the beautiful environment within the industrial parks, the proper contribution to society and the allowance of mutual recreation. Employees of all levels are expected to implement the said policies with great efficiency. At present, we have been consistently improving the environmental circumstances of our three, Saha Group Industrial Parks. They are now ISO 14001:2015 certified for the central wastewater treatment system by the Management System Certification Institute (Thailand) and the Office of Certification Body under Thailand Institute of Scientific and Technological Research.

Our environmental policy is promoted among the staff through ongoing training and reminded by posters affixed in the compound of the company. Departmental or divisional managers must ensure that all of their staff, as well as distributors and contractors acting on behalf of the company, are in full understanding and compliance with the company's environmental policy.

Saha Group Industrial Park Sriracha has engaged in a pilot project to improve energy management efficiency, following by the implementation of the energy management policy. The energy policy of the management has been translated into energy policy for the central wastewater treatment facilities with the aim of continuous energy conservation and development. This policy focuses on the energy-saving efforts of the central wastewater treatment systems. Employees at all levels must implement this policy as strictly as possible in order to achieve the desired efficiency. The Company is currently the first industrial group or estate in Thailand to have been certified for the ISO 50001:2011 standard for energy management by the Management System Certification Institute (MASCI) for the energy usage improvement of the central wastewater treatment performance in the main wastewater treatment system unit at Saha Group Industrial Park Sriracha.

Any management standard with the company was certified is reflect to the company business and services meet at standard level and able to have qualification response to customer needs comply with the law and cover all stakeholders with rerize to environment and energy effect and also good safety and health.

Employees are the most invaluable asset and a key to realizing energy management goals. In order to enhance the knowledge and capability of employees on a regular basis, internal and external trainings have been arranged for employees of all levels to ensure systemic development of the Company's energy management. This will allow us to strive forward with optimal energy efficiency, better quality and greater competitiveness. Moreover, the Company aspires to be an organization that provides its employees with learning opportunities. This will in return contribute to the Company's sustainable development and its ability to help improve the society to which the Company belongs.

In response to the above policy, in 2017, the Company imposed a rigorous control over the use of electric power according to significant treatment units in the central wastewater treatment system of Saha Industrial Park Sriracha. Here, the electric power used must be between 0.87 and 1.08 mega-joules per cubic meter and wastewater treatment used must be between 1.49 and 1.59 mega-joules per cubic meter. The Company could control the use of electric power at the specified level while maintaining ongoing energy-related projects, leading to continuity and sustainability of its overall approach to energy conservation.

Saha Group Industrial Park consists of joint ventures with or without Saha Group investment. However, the area within the Saha Group Industrial Park Sriracha is getting crowded. The value of land is increased. Therefore, the company



has encouraged investors to invest in technology, advanced manufacturing plant in the Saha Group Industrial Park Sriracha. For the factories that require production expansion, they have been encouraged to locate in Saha Group Industrial Park Kabinburi. Currently the Company had developed its internal areas as space for rent/sale within Saha Group Industrial Park Kabinburi. To accommodate the needs of investors, the Company has also developed the internal Saha Lamphun industrial park to accommodate the expansion of the factory to be produced with advanced technologies. For example, PANDORA Production Company Limited is a hand-finished jewelry manufacturer from Denmark and Le Creuset Manufacturing (Thailand) Company Limited which is ceramic products manufacturer and a research and development center in manufacturing and selling kitchenware and all ceramic supplies both currently under operation.





SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED

Saha Group Industrial Park - Lamphun



Saha Group Industrial Park — Mae sot



Ratchaburi Project



Saha Group Industrial Park - Kabinburi



Saha Group Industrial Park — Sriracha



- OCCUPIED
- AVAILABLE
- FUTURE PROJECT
- COMMON AREA
- FUTURE COMMON AREA





The Company currently has four operating industrial parks as follows

#### 1) Saha Group Industrial Park — Sriracha

Saha Group Industrial Park - Sriracha was established in 1977 in the municipality of Laemchabang Sub-district, located in Moo. 11, Nong-kham Sub-district, and Moo.1, Bueng Sub-district, Sriracha District, Chonburi Province. It presently covers a space of approximately 1,800 Rai and offers various facilities and infrastructure services as follows:

- The 215 - Megawatt Power Plant capable of providing adequate electricity power backup 24 hours a day. The power plant is operated by Sahacogen (Chonburi) Public Company Limited with an electricity sales license issued by the Energy Regulatory Commission Office, the Ministry of Energy. The excess steam from the generation of electricity is also sold to factories located inside the industrial park.
- The standard centralized wastewater treatment, which was certified by Siam Environment Group in 1994, can treat wastewater according to the standard of the Department of Industrial works. Its capacity could treat daily 12,000 cubic meters of wastewater.
- Air - field with the private license from the Commercial Aviation Department.
- Reservoir with raw water storage capacity of 850,000 cubic meters
- The daily water supply capacity 20,000 cubic meters
- Recreational Park
- Business supplementary service sector, which is the center of selling products from Saha Group under the symbol "Thailand Best", operating by Kabin Pattanakij Co., Ltd.





## 2) Saha Group Industrial Park - Kabinburi

Saha Group Industrial Park - Kabinburi was established in 1989, located in Nong Si Sub-district and Wang Dan District, Kabinburi District, Prachinburi Province. It presently covers a space of approximately 3,900 Rai and offers various facilities and infrastructure services as follows:

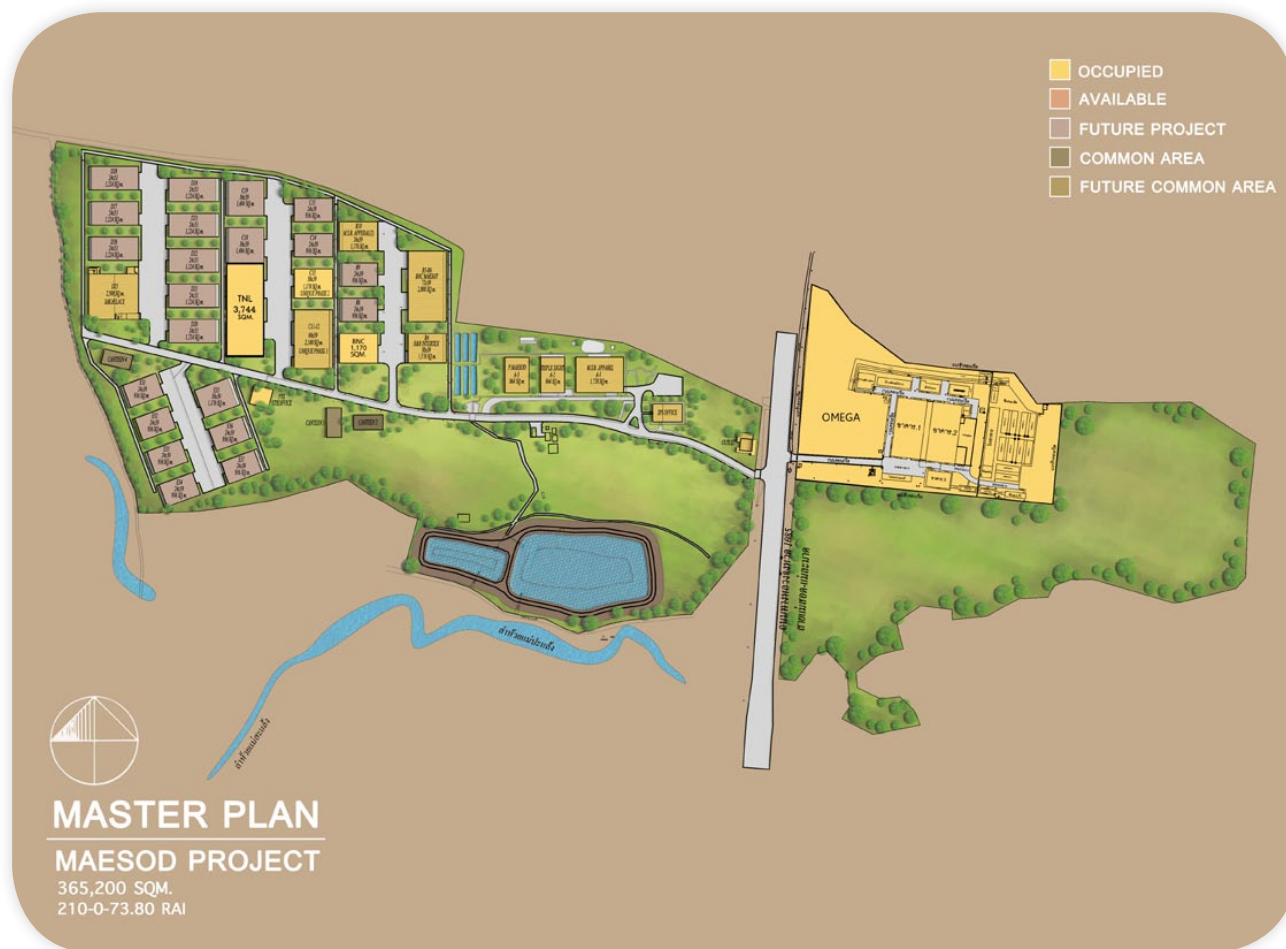
- Reservoir with raw water storage capacity of 1 million cubic meters
- The daily water supply capacity 6,000 cubic meters
- A 50 x 2 - Megawatt Mini Power Plant under the supervision of the Provincial Electricity Authority
- Centralized wastewater treatment system with daily capacity of 16,000 cubic meters
- Air - field with a private license from the Commercial Aviation Department.
- A garbage incinerator with the capacity of 100 kilograms per hour with a permit issued by the Ministry of Industry



### 3) Saha Group Industrial Park - Lamphun

Saha Group Industrial Park - Lamphun was established in 1989, located in Pasak Sub-district and Wieng Yong Sub-district, Mueng District, Lamphun Province. It presently covers a space of approximately 2,200 Rai and offers various facilities and infrastructure services as follows:

- Reservoir with raw water storage capacity of 1 million cubic meters
- Wastewater treatment with the daily capacity of 6,500 cubic meters
- A 50 x 2 -Megawatt Mini Power Plant under the supervision of the Provincial Electricity Authority
- Air - field with the private license from the Commercial Aviation Department
- A garbage incinerator with the capacity of 50 kilograms per hour with a permit issued by the Ministry of Industry
- Water supply from the artesian well with daily capacity of 3,150 cubic meters
- The daily water supply capacity of 1,200 cubic meters



#### 4) Saha Group Industrial Park — Mae sot

Saha Group Industrial Park — Mae sot was established in 2008, located in Mae Kasa Sub-district, Mae Sot District, Tak Province. It presently covers a space of approximately 255 Rai and offers various facilities and infrastructure services as follows:

- Reservoir with raw water storage capacity of 55,000 cubic meters
- Wastewater treatment with the daily capacity of 400 cubic meters
- A 25 Megawatt Mini Power Plant under the supervision of the Provincial Electricity Authority - Mae Sot 2 ( outside the project ) and A 50 Megawatt- Mae Sot 1, totaling 75 Megawatt
- Water supply from the artesian well with daily capacity of 120 cubic meters
- The daily water supply capacity of 600 cubic meters



### 2.3.2 Marketing and Competition

**Marketing** - The Company has developed the Saha Group Industrial Park starting from selecting the location, project design and layout planning, utility system development, arranging facilities and services including managing the environment to be in a good condition. Selection of the Company to undertake a business in the industrial park is based on the environmental impact so the factory with no environmental impact or the factory with proper prevention of environmental impact will be selected. The factories will be continuously monitored while the factory zoning is arranged for better control focusing on the impact on surrounding communities. The majority of clients have received information of Saha Group Industrial Park from the banks or the financial institutions they are in constant contact with, as well as our local and international partners and joint investors and also from the company's website at [www.spi.co.th](http://www.spi.co.th). We have provided our industrial park profile to the Office of Board of Investment in order to facilitate dissemination of information to foreign investors or entrepreneurs looking to invest in Thailand.

In addition to land or service quality, clients are making decisions based on the operator's positive image and social/environmental responsibility. This is an important marketing strategy and one which helps us to increase marketing capability and attract investors to our industrial parks. Currently the Company has participated in the development of the ECO Industrial Town to enhance the industrial park under the management framework and direction in company image, society, economy and environment which is well received and supported by our stakeholders. Having been able for all our stakeholders to be involved in the development of the ECO Industrial Town in order for the industrial park and the surrounding communities to prosper alongside one another. We have worked very hard to improve their environment. Certifications and certificates we have received for our efforts are disclosed in "**Background and Development**".

Saha Group Industrial Park Sriracha currently has a relatively limited area, the Company has focused on marketing for the sales/leasing of land to the industrial group with advanced technology and selected industrial customers with advanced machinery and reduce environmental pollution due to a large communities located in proximity to the industrial park. The Company has supported the factories within Saha Group Industrial Parks in improvement of production by using advanced technologies instead of the original machinery or labor to reduce production costs and reduce environmental impact. Some factories have implemented their production by the use of machines with advanced technology to replace existing equipment. The Company also studies the possibility of reducing costs for resource reduction through the research and development projects initially through the wastewater treatment plant and its wastewater recycling plant within the industrial park achieving the highest utilization rate through the improvement of wastewater treatment system of a Membrane Batch Reactor (MBR) in which the membrane consist of a Micro Filtration - Flat Sheet model. To optimize wastewater treatment and effluent quality to a great extent, the logging filtration membrane RO (Reverse Osmosis) for treatment and final disinfection is applied prior to the further use in the Saha Group Industrial Park Sriracha, which from previous test results have shown that using the above mentioned technology there was a reduction in particles by more than 90% which is an initial starting point for the wastewater management to create the upmost benefit. In addition, this will lead to the improvement, development and technological advancement in line with the company guidelines in which the development of public utilities are part of driving the industrial park to its completion to reducing the consumption of resources as well as the release of emission.

**Competition:** Saha Group Industrial Parks were originally conceived as centers for the manufacturing activity of Saha Group of companies and the joint ventures companies before opening up to accommodate the expansion of Saha Group of companies and other industrial businesses as well. The Company has to compete with other public and private industrial estates.

**The important tactic for competition** is to focus on quality of its utility services including facilities in accordance with the requirements of current and future customers requirements and expectations through the sales / customer service team, who will coordinate with the customer together with top executives and managers of the Company.

By providing a One Stop Service, Saha Group Industrial Parks is therefore a new alternative for operators who wish to solve problems in the issues such as labor, environment or looking for areas where the availability of excellent utility infrastructure, such as electricity, water drainage systems and telecommunications. The Company is also committed to



the business development as the Eco Industrial Park that focuses on environmentally friendly management and stakeholders, including communities around the industrial park.

**Brand Positioning** — Determining the land qualification requirements, such as special characteristics in terms of competitive advantage. The Company has presented the distinction to be the leader in providing public utility infrastructure, such as electricity, water and sewage systems with standard wastewater treatment plant that will optimized the use of electricity as a competitive strategies being a sustainable approach to energy consumption management. The location of the Saha Industrial parks are also located on an area that is suitable for the transport of goods or products to other industrial estates or various seaports.

The Company has the ability to control the Saha Group Industrial Park's reputation through the recruitment and selection of factories and companies to base their operations within the Saha Group Industrial Parks. Therefore, the areas within the Saha Group Industrial Park has a higher price in order to eliminate factories that are unwilling to accept the ethical and environmental aspects. In this regard, foreign investors are willing to purchase land within the Saha Group Industrial Park even with a higher purchasing price compared to peers. Regardless of the land price customers are still interested while the price per rai of land within the Saha Group Industrial Parks are higher if compared to the industrial zone and industrial park in adjacent regions. Operator are willing to invest in the area because of the advantage in the infrastructure such as availability and stability of the power system set in place during power shortages with power sub-station of the Electricity Authority in every Saha Group Industrial Park. Additionally, there are the energy plants that produces electricity from natural gas and biomass within the Saha Group Industrial Park Sriracha and Lamphun with adequate water reserve system. The water supply system is also provided by the Provincial Waterworks Authority, as well as the wastewater treatment system operated by Saha Industrial Parks.

The Company has adopted the Quality Management System ISO 9001: 2008 for the development of public utility and services. The Environmental Management System ISO 14001: 2015 is also used at the Central Wastewater Treatment in Saha Group Industrial Parks Sriracha, Kabinburi and Lamphun. In 2013, Saha Group Industrial Park Sriracha has a power management system ISO 50001: 2011 certification from the International Organization for Standardization (MASCI) for the use of septic systems as the first industrial estates in Thailand. It also approved the establishment of standards of social responsibility of business, Thailand according to management, labor standards, Thailand (T.S. 8001-2546). In 2011, The Company was granted a diploma from the Ministry of Industry in the central sewage system. A centralized wastewater treatment plant of the Company also recognized as the "Gold Level" of the waste management industry under the "Project to upgrade the operator Waste Management". Saha Group Industrial Park is one of the potential industry to be developed into an Ecological Industry according to the Ecological Industry Development Program Department of Industrial Works. The Company also represents a commitment to compliance and occupational health, environmental safety measures involved in the operation, the emphasis on health promotion and health and the safety of workers, communities and other stakeholders, including protection against security risks in health and environmental impact by focusing on preventing pollution at the source as well as support for the measure implementation. The Saha Group Industrial Park Sriracha has been selected by the Faculty of Engineering, Griffith University in Australia for participating in the research project entitled "A study of utility operations on health and safety" in the development of ECO Industrial Town in which the research is currently available to the public.

#### **Key advantages offered by Saha Group Industrial Parks**

The reasons that clients selected Saha Group Industrial Parks are as follows:

1. Saha Group Industrial Parks are located in high-potential locations with a great possibility of economic growth. They offer logistics convenience with accessibility by land, by air and by sea.

##### **(1) By land**

All four Saha Group Industrial Parks i.e. Sriracha, Kabinburi, Lamphun and Mae Sot are all located on main highways, allowing ease of transportation to all other regions.

- **Saha Group Industrial Park Sriracha** is located on Sukhapibarn 8 Road, connecting Highway No. 7 (Bangkok - Pattaya - Rayong Road).



- **Saha Group Industrial Park Kabinburi** is located on Highway No. 33 (Suwansorn Road), connecting with Poipet, Banteay Meanchey, the Kingdom of Cambodia.
- **Saha Group Industrial Park Lamphun** is located on Highway No. 116 (Lampoon — Pahsang Bypass Road).
- **Saha Group Industrial Park Mae Sot** is located on Highway No. 105, Mae Kasa Subdistrict (Mae Sot District — Mae Ramat District, Tak Province Road). All industrial parks are located in the adjacent areas are educational institutions, banks, hospitals and governmental agencies.

**(2) By air**

- **Saha Group Industrial Park Sriracha** is located only 98 kilometers from Suvarnabhumi Airport and only 59 kilometers from U-tapao Airport.
- **Saha Group Industrial Park Kabinburi** is located only 155 kilometers from Suvarnabhumi Airport and only 195 kilometers from U-tapao Airport.
- **Saha Group Industrial Park Lamphun** is located only 35 kilometers from Chiang Mai Airport.
- **Saha Group Industrial Park Mae Sot** is located only 12 kilometers from Mae Sot Airport.

**(3) By sea**

- **Saha Group Industrial Park Sriracha** is located only 6 kilometers from Laemchabang Deep Sea Port which is the largest port in Thailand connecting all regions in the country.

2. Saha Group industrial parks feature the public utilities infrastructure and the facilities necessary to accommodate additional investment. We provide water for industrial use, as well as a standardized central wastewater treatment system, security service for normal operation and during emergency, landscaping, central nurse stations, convenience stores and factory outlets as.

3. The Company is financially stable in which each industrial parks features land plots, office buildings and prefabricated factories (SMEs Factory) for sale and lease to accommodate the expansion of investment from operators in ASEAN countries.

4. Saha Group Industrial Parks are operated by the private sector and as such can afford flexibility in its services and management. With an increase capability in responding to our clients' needs. The management of the Company recognizes the importance of Green Industry and Eco Industrial Town development to sustainably build a balance between economic, social and environmental aspects.

5. Saha Group Industrial Park Kabinburi and Saha Group Industrial Park Lamphun are located on high plains which qualify as suitable locations. This is a crucial deciding factor for investors looking to establish an industrial facility. Saha Group Industrial Park Sriracha, on the other hand, is located on a plain along the eastern seaboard. Another concern lies on the possibility of water overflowing into surrounding canals and the industrial park reservoirs during periods of heavy rain. A contingency and mitigation plan has been formulated to prevent any flooding into the industrial park as our highest priority.

6. All four Saha Group Industrial Parks are eligible for tax privileges for investment to attract potential investors and create business opportunities for the company.

7. Saha Group Industrial Park Lamphun is the only industrial area in the northern region which allocates water resources in the area by specially allocating an area for building largest reservoir of crude with a capacity of more than 1 million cubic meters to support the expansion of the industry in the future.

**The Drawbacks associated with Saha Group Industrial Parks**

Saha Group Industrial Parks are developed for general business operation. Nevertheless, we have not registered the Free Zone (FZ) with the Customs Department for export businesses to gain relevant tax privileges.

**2.3.3 Procurement of Products and Services**

**(1) Procurement of Products and Services**

The Company has arranged each of Saha Group Industrial Parks' land with consideration on the location, water resource, other public utilities, policy and requirements of the authority, project design and project layout, as



well as the study of the environmental impact and determination of the need to expand by the companies in the group. The company has arranged the public utility service properly and sufficiently for the need of the company which are willing to invest in the Industrial Park. Such land development is required to be undertaken step-by-step in accordance with the need to utilize the resources optionally without any disadvantage in the investment.

## (2) Environmental Impact

Saha Group Industrial Park is aware of the significance of the control of environmental impact so the development, measures, guidelines and working methods have been undertaken in relation to the environment. A special unit is formed to take responsibility for the collection of test data and research to control and prevent the environmental impacts caused by the operations of Saha Group Industrial Park in accordance with the standards prescribed by the Department of Industrial Works. When there are a number of factories and jobs, the company has established the Eastern Thai Consulting 1992 Company Limited to undertake the work on research, development and supervision of the environment of Saha Group Industrial Parks, such as the wastewater treatment, garbage removal, measurement of air and noise quality. The measurement made at all three Saha Group Industrial Parks shows that they have passed the standard. For each industrial standard, the company has arranged the central wastewater treatment system and all factories are required to have the wastewater treatment system initially before the wastewater is disposed to the main system. We have been consistently improving the environmental circumstances of our three Saha Group Industrial Parks. They are currently ISO 14001:2015 certified for the central wastewater treatment system by the Management System Certification Institute (Thailand) and the Office of Certification Body under Thailand Institute of Scientific and Technological Research. Currently, the Company focuses on the importance of central wastewater management from the source of wastewater before overflowing into the central wastewater treatment system, to control and prevent possible damage that could occur in the central wastewater treatment system which is the last treatment unit before flowing to public water source and canals. To implement, the Company established the guideline for wastewater management for the wastewater source factories and have been monitoring the statistics of wastewater from factories in the industrial parks. Meetings with industries with high risks on the discharge of water contamination, in order to be able to monitor and to assist in resolving the problem together. In the past the Dye Industry have seen an increase in production which therefore contributed to the today's increase in water contamination and therefore the Company has set its highest priority to discuss with the Dye operators in the industrial park to develop and implement wastewater treatment systems to reduce the wastewater contamination in order to not disrupt the environment. Currently, the Company participated in the ECO Industrial Town with the Department of Industrial Works in order to elevate ECO Industrial Town through a rigorous framework in aspects of managerial, physical, economic, environmental and social. In which we have received positive feedback and support from stakeholders having involve to cooperate in the Development of ECO Industrial TOWN. As a result, this will benefit the industry and communities to grow sustainably. .

### 2.3.4 Work-in-Process

- None

## 6. The Risk Factors

The operational risks of the Company are classified as follows:

### 1. Investment Risks

#### 1.1 Share Capital Investment in Other Companies

The Company has invested in companies in a diverse range of industries with in order to diversify business risks. There are however a number of companies with reciprocal shareholding at a very low proportion of which the Company does not have controlling authority. All companies in Saha group operates freely under the authority of their respective Board of Directors.



The Company business plan for the year includes the investment plan in which the investment team is responsible for the analysis and feasibility study of the investment projects and joint venture opportunities. This is completed through investment consideration in related businesses prioritizing in the synergistic value creation. According to the Group's investment policy, the companies in Saha group with similar operation or in the same value chain to such invested companies are assigned to monitor the operation of the businesses. This therefore helps to identify business concern and report such concern to the Company and Saha group companies' shareholders on a timely basis in order to find appropriate solution. Earnings on the investment are received in the form of dividends. Nevertheless, in the case where any company experiences loss, the Company will have to record the depreciation of investment, and will not receive the dividends. The risk, therefore can affect the profit and loss and also the value of assets of the Company to a certain extent.

In 2016, the Company has invested in 158 companies and recorded an impairment loss on investment of 30 companies, amounting to 171.07 million Baht.

### **1.2 Guarantees**

The Company guarantees the credit line for companies in Saha group, newly incorporated companies and joint venture companies. The guarantee is based on the necessity of business operation and the proportion of investment. The risk associated with the guarantee, in the case where the Company for which the guarantee is given, is unable to repay the debt to the creditors, the Company might have to be liable for the debt instead. As a result, the Company will experience loss from the operation together with that from the guarantee which will result in a significant impact on the Company's performance. The investment team is responsible to analyze and track the financial performances in order to acknowledge the ability and probability in debt payment to reduce the risk of guarantee.

As of 31 December 2016, the Company provided a credit line guarantee for 12 companies under Saha Group, a total amount of 850.53 million baht. The actual credit used was 689.23 million baht. Throughout the year there are an additional 4 companies which are Sahapat Real Estate Company Limited, A Tech Textile Company Limited, Toyobo Saha Safety Weave Company Limited and PT Dynic Textile Prestige Company Limited.

### **1.3 Financial Risks**

The Company businesses include investment in share capital in other companies, rental and service businesses, and the industrial park business, which are long-term investments. To mitigate risks and ensure sufficient capabilities to run the business, the Company established a plan and find suitable financial instrument to raise sufficient funds. Achieving this will keep the capital cost and the debt-to-equity ratio at an appropriate level while maintaining a strong liquidity profile in the expansion of business. Conservative financial policies have also been implemented prudently to obtain satisfactory outcomes. This has led to confidence in the Company's effective risk management and internal controls, which have been performed under acceptable risks and are suited for rapidly altered circumstances. Factors that were considered included fluctuations in interest rates, fluctuations in exchange rates, and, lack of liquidity.

## **2. Risks from Rental and Services**

### **2.1 Rental and Services**

The Company currently has revenues from property rental and utility services in Saha Group Industrial Parks. To provide the most satisfactory service for customers, the Company has to arrange and manage all the office buildings, factories and facilities to be maintained in good operational condition. In the case that there is any damage to properties, it could affect the revenue of the Company. In order to prevent or reduce such risk, the Company has insured all of its rental property in the amount of 1,971,610,450 Baht.

In 2016, the Company has generated 186,308,656.12 Baht from property rental and 2,060,916,018.73 Baht from utility services.



## 2.2 Risk from Trademark Licenses Renewal

The Company is the licensee of many well-known foreign product trademarks. The Company agrees that the Companies of Saha Group can use such trademarks, in order to manufacture and sell goods under such trademarks while the Company will be compensated in the form of royalty fees. In case that the Company fails to renew trademark licenses, the Company will lose revenue from royalty fees accordingly. To prevent such a risk from occurring, the Company has entered into a long-term contracts with licensors and strictly adheres to the stated terms and regulations. However, royalty fees are an income source that is not significant to the total income of the Company.

## 3. Risks from Industrial Park Business

### 3.1 Utilities Supply Risks

The Company operates industrial parks, located in strategic areas that are well to be developed in the near future as well as being receiving incentives from various governing bodies resulting in a boost in investors' confidence to invest within the four industrial parks. This pose a risk on the availability and sufficiency on its public utilities resulting in the development appropriate land areas to cater for utilities development directly and indirectly such as roads, water drainage system, water supply, wastewater drainage system, wastewater management system, electricity and other facilities. Additional public assistance is provided to contact government agencies, hospitals, recreational areas and green areas to support operators.

The Company evaluates and analyze the impact on the continuous operations in order to prevent or mitigate the risk. In which the utilities utilization uptake rates must be in line with the current uptake rate, and through our analysis the utilities utilization capacity is at 50 percent of total capacity, sufficient for current and future operations. The company has also international certification of ISO 9001:2008, ISO 50001:2011 and ISO 14001:2015 to cover all aspects of the utilities within Saha Group Industrial Park with the importance given to the industrial park clients therefore reducing the utilities supply risk. An initiation plan has been formulated in order to support future expansion plans for industrial clients such as the water reserve plan, maintenance prevention for water drainage, water supply, water treatment and electricity supply which will build trust for existing and future industrial clients on the readiness in the utilities infrastructure.

### 3.2 Environmental and Natural Risk

#### 3.2.1 Occupational Health, Safety and Environmental Risks

With the awareness of the negative effects from business operation and other operations in the industrial park, the Company has strictly complied with all the laws and regulations regarding occupational health, safety and environmental impact, and has successfully completed an Environmental Impact Analysis (EIA) report, which has been presented to the Office of Environmental Policy and Planning. The Company closely monitors all of its operating procedures to ensure that each and every production site in Saha Group Industrial Parks is in line with specified regulations. The Company also strives to ensure that its Saha Group Industrial Parks are safe from any occupational health, safety and environmental problem such as air or water pollution, which may affect surrounding communities. Any problem with local communities could cause a legal dispute which may lead to an undesirable legal action, which could eventually result in extensive expenses in the courts or the termination of business. However, such problems have never occurred in the industrial parks and to be in line with the management aim to achieve an industrial park that is livable amongst industries and communities. Management supports employees that shows mindfulness and responsibility towards the community, society and the environment through meetings conducted with the community environmentalist representatives totaling 14 communities. This will generate employment as well as an open ground to hear concerns and complaints in order for the Saha Group Industrial Parks to be able to improve and resolve the health, safety and environment of the industrial park and its surrounding communities achieving a livable and sustainable environment for both ends..



In addition, the Company has been consistently improving the environmental management system of Saha Group Industrial Parks after achieving international standards, resulting in ISO 14001:2015 for the central wastewater treatment system of three Saha Group Industrial Parks by the Quality Assurance Department under the Thailand Institute of Scientific and Technological Research. Throughout the operational years, Saha Group Industrial Parks have considered the importance of any emergency which has possibility to occur and significantly affect the industrial parks' overall operations. Moreover, in 2015, there was a major fire incident occurred in the factories and power plants within Saha Group Industrial Park Sriracha, whose safety division and the security officials could not control the incident in a timely manner due to coordination, technical and management problems, therefore, there was resulting in damage to the properties of the power plant. In this regard, the Company consequently has strictly conducted the pre-fire emergency plan training session in Saha Group Industrial Parks Sriracha, Kabinburi and Lamphun, to prepare security teams for any emergency incident; for example, the training program for chemical leakage and fire accident with related government experts from local government authorities. Based on the previous incidents and risk assessment of the factories within the industrial park, Saha Group Industrial Park has also recognized the importance of different instruments in eliminating the emergency. Consequently, due to the risk assessment of factories within industrial parks, the Company has prepared foam extinguishers in sufficient quantity and purchased a fire truck ready to control the unexpected situation or emergency situation. In 2016, the Company purchased ambulances and fire trucks for Saha Group Industrial Park Sriracha in preparation for emergencies. In the year 2017 the Company has established the Center of Security, Mitigation, Health and Environment for the operation in the Saha Group Industrial Park Sriracha under the name Saha Group Safety Center (SGSC). With exceptional system and standards which will be used for all companies in and around Saha Group Industrial Park Sriracha to enhance the EEC development and BIG Data analytics as well as a learning and development center to exchange ideas and knowledge. This will help prevent and mitigate any fire and chemical hazard from the factories as well as to form a network of security association within Saha Industrial Park with government agencies and private sector being the intermediary in facilitating the workplace safety. Building a workforce to educate employees on workplace safety as well as any events that can cause potential harm to the physical lives, mind and health of employees efficiently.

### 3.2.2 Flood Risk

**Saha Group Industrial Park Sriracha:** The industrial park is located on a coastal plain along the eastern seaboard. It is possible for water to overflow from the public canals or the reservoirs into the industrial park for a short period, particularly during a period of heavy rain or a flooding situation. As for these risks of flood, the prevention and mitigation plan has already been developed for such situation for three Saha Group Industrial Parks. The plan comprises a monitoring team to monitor the water level in a radius of 5 kilometers around Saha Group Industrial Park Sriracha 24 hours. The monitoring levels are divided into three levels which are "Normal Level", "Watching Level" and "Alert Level". In case that the alert level is reached, the factories are advised to follow the emergency plan by following the updated information from the Meteorological Department and to analyze the information including weather map on regular basis. Additionally, the Company conducts the training session of its emergency plan every year. Moreover, Saha Group Industrial Park Sriracha has invested 12-million-baht budget to improve the drainage system by increasing the size of drainage system in order to optimize the drainage capacity to the public water supply areas and solve the flooding problem within the local area, including providing the dredging of drainage systems within the Saha Group Industrial Park Sriracha on annual basis.

In the past year, all Saha Group Industrial Parks were not experienced flooding.

### 3.2.3 Drought Risk

In 2017, current threat of climate change caused by the influence of El Nino phenomenon has resulted in normal rainfall according to the season, minor rainfall during abnormal seasonal distribution as well as tropical typhoon from Vietnam and neighboring countries causing heavy rainfall in some areas in Thailand during the year. The dam reservoir in the northeast was able to store at its maximum specified capacity while during the raining season when the dam reservoir water



levels are overcapacity a water discharge has to be implemented to prevent any damage to the dam during water storage above the set limit. On the other hand, the water supply volume consumption for households have increase dramatically due to the increase population as well as the growth in the economy in the agricultural sector, industrial sector, electricity generation sector through the EEC policy set by the government. Possible water shortage might occur relative to an upward trend where currently Saha Group Industrial Park Sriracha has purchase additional water supply from the Eastern Water Resources Development and Management Public Company Limited which allocates water from the main reservoir in the Eastern areas of the country, distributing to customers from the private and public sector. The Eastern Water Resources Development and Management Public Company Limited exercises its water resources management in a systematic and sustainable operation by creating a water diversion project which will assist in solving the drought risk in the short and long term in areas surrounding Chonburi and Rayong area. Saha Group Industrial Park Sriracha has implemented a water treatment procedure through ozone technology which is able to convert naturally collected water during the drought period to produce usable water supply to the industrial park at 6,000 cubic meters per day. Meanwhile, Saha Group Industrial Park Kabinburi obtains its naturally collected water from natural sources which the storage reservoir is approximately 1 million cubic meters and allocates the water efficiently. Using groundwater within Saha Group Industrial Park Lamphun and Mae Sot has been prohibited, as the quality is not suitable which results into creating an internal reservoir in Mae Sot of 50,000 cubic meter leading to a more sustainable approach in the water management system being able to supply sufficiently for internal use. The risk of drought is reduced, however the Company has continued to monitor the water supply situation and will continue to closely watch the situation in the future even though the Saha Group Industrial Parks have never experienced a water shortage crisis.

### 3.3 Chemical Risk

Through survey and operation of the Saha Group Industrial Park which consist of factories applying chemicals in their production process will result in a high risk of explosion, leakage, hazardous waste contaminants and etc. that cannot be foreseeable but the damage cause will be significant in terms of assets as well as the going concern.

Chemical usage is necessary for industrial operators in the Saha Group Industrial Park and therefore a policy regarding the logistics of hazardous chemical is put in place to cover various types of chemicals. Hazardous waste that enters and exits section of the industrial park are being covered by the policy aforementioned effective on 1 December 2012 onwards with the revision of the Company chemical control policy frequently regarding the sufficient coverage to prevent and reduce chemical risk throughout the past years, resulting in no chemical leakage incident during the year.

## 4. Investment Risk of Shareholders

Given low liquidity of stocks, shareholders may stand the risk of not being able to sell their shares immediately at the price they prefer.

## 7. Legal Dispute

1. The lawsuit that might have an adverse effect on the Company and associated companies' assets, which exceeds more than 5% of shareholders' equity on December 31, 201  
-None-
2. The lawsuit that might have a significant effect on the Company and associated companies' operation which cannot be assessed in numbers  
-None-
3. The lawsuit which has not been caused by the Company and associated companies' ordinary business operation  
-None-



## Management

### 1. Securities and Shareholders

#### 1.1 Registered and Paid-up Share Capital

- (1) The registered share capital and paid-up share capital of the Company as of 31 December 2016 are detailed as follows:

Registered Share Capital	:	THB 582,923,188
		comprising of 582,923,188 common shares with a par value of THB 1.00
Issued and Paid-up Share Capital	:	THB 494,034,300.00
		comprising of 494,034,300 common shares with a par value of THB 1.00

- (2) Other securities with different rights or conditions from common shares such as preferred share:
- None -
- (3) Other securities which are not categorized as common shares such as debentures, bills of exchange, convertible securities or debt instruments:
- Debentures issued by Saha Pathana Inter-Holding Public Company Limited No. 1/2017 #1, will mature in 2020 (Debenture #1) of 1 million units totaling THB 1,000 million baht.
  - Debentures issued by Saha Pathana Inter-Holding Public Company Limited No. 1/2017 #2, will mature in 2024 (Debenture #2) of 1 million units totaling THB 1,000 million baht.
  - Convertible debenture of 3,505,448 units totaling THB 3,505,448,000 baht.
- (4) Agreement between major shareholders on matters which affect issuance and offering of securities, or the management of the company, upon the endorsement of the company:
- None —

#### 1.2 Shareholders

- (1) Lists of Major Shareholders

List of major shareholder's names (Recorded closure of no. of shares as of 31 December 2016)

Names	No. of Shares	%
1. CHOKWATANA COMPANY LIMITED	81,562,322	16.51
2. I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED	48,141,856	9.74
3. SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED	38,159,873	7.72
4. SMBC NIKKO SECURITIES INC. - CLIENT ACCOUNT	20,220,550	4.09
5. UNI CENTRAL COMPANY LIMITED	20,195,960	4.09
6. MR. WEERAPAT PUNSAK-UDOMSIN	17,835,100	3.61
7. NOMURA SECURITIES CO LTD-CLIENT A/C	17,625,000	3.57
8. I.D.F. COMPANY LIMITED	16,046,216	3.25
9. UNI WEALTH COMPANY LIMITED	13,740,310	2.78
10. LION CORPORATION	10,000,000	2.02
<b>Total</b>	<b>283,527,187</b>	<b>57.38</b>

**Remark :** Investors may visit the Company's website, [www.spi.co.th](http://www.spi.co.th) to view the list of the top ten major shareholders of the company as of book closing date prior to attendance of Annual General Meeting of Shareholders.



The range of number of shares held separated into the number of share ownership as follows:

Range of number of shares held	Year 2016	
	No. of Share Ownership	%
1 - 50	142	12.75
51 - 100	72	6.46
101 - 500	123	11.04
501 - 1,000	103	9.25
1,001 - 3,000	127	11.40
3,001 - 5,000	75	6.73
5,000 and more	472	42.37
<b>Total</b>	<b>1,114</b>	<b>100.00</b>

Separated by the type of shareholders in which is shown by the number of shares held as follows:

Type	Year 2016	
	No. of Share	%
Limited companies and public companies	317,594,853	64.29
Commercial banks and financial institutions	349,570	0.07
General individuals who are not employees of the company	101,479,247	20.52
Company employees	11,950,450	2.42
Foreign investors	62,720,180	12.70
<b>Total</b>	<b>494,034,300</b>	<b>100.00</b>

- (2) Shareholders' Agreement between major shareholders with potential impact on the issuance and offering of securities or on the management of the Company, upon the endorsement of the Company

- None -

### 1.3. Issuance of other securities

#### (1) Convertible Securities

According to the General Meeting of Shareholder No. 46, on April 25, 2017 approved to issue and offer of convertible debentures in an aggregate amount of not exceeding 4,000,000 units having a face value of Baht 1,000 each for the total value of up to THB 4,000 million to its existing shareholders eligible pro rata allocation according to their respective shareholdings and had resolution to decrease the Company registered capital THB 305,965,700.- from previous registered capital THB 800,000,000.- to 494,034,300 by cutting off the Company's un-issued shares and increase the registered capital for another THB 88,888,888.- to registered capital THB 582,923,188.- by issuing 88,888,888 new ordinary shares having a par value of Baht 1 each in reserve for the conversion of the Debentures. On June 29, 2017, there were existing shareholders eligible pro rata allocation as stated above 3,505,448 units having a face value of Baht 1,000 each for the total value of up to THB 3,505,448,000.-, key terms of the Convertible Debenture are as follows;



Name of Convertible Debenture	Convertible Debentures of Saha Pathana Inter-Holding Public Company Limited No. 1/2017 Due 2024 with Mandatory Conversion Condition (“Convertible Debentures”)
Debenture Type	The Convertible Debentures will be issued in registered form and will be unsubordinated, without collateral, with a debenture holders’ representative and with a right to convert into newly issued ordinary shares of the Company.
Volume	THB 3,505,448,000.-,
Number of Convertible Debentures	3,505,448 Units
Face Value	THB 1,000 (One Thousand) per 1 (One) per 1 Convertible Debenture (or call “Par Value”)
Interest Rate	0.70% (Zero point Seven Zero) per year
Issuing Date	June 29, 2017
Last Date for Exercising Conversion Right	June 29, 2024
Interest Payment Date	4 times per annum, on 29 March, 29 June, 29 September and 29 December of each year. The first Interest Payment Date is 29 September 2017 and the last Interest Payment Date is the Redemption Date.
Conversion Price	THB 45 (Forty-Five) per 1 (One) common share or other price resulting from the adjustment of conversion price pursuant to the conditions to be further specified in the terms and conditions of convertible debentures
Conversion Ratio	1 Convertible Debenture : 22.222222 shares (or other ratio resulting from the adjustment of conversion price pursuant to the terms and conditions of convertible debentures)
Conversion Date	4 times per annum, in March, June, September and December of each year, provided that the first conversion date is in June 2018, and on the Maturity Date.
Redemption on the Maturity Date	If the average trading price of the Company’s ordinary shares on each day serves as basis for calculating such weighted average price) is higher than THB 52, the Company shall, instead of repaying the principal to the Convertible Debentureholders, force the conversion of outstanding Convertible Debentures into the ordinary shares of the Company on the Redemption Date at the then prevailing Conversion Ratio and the then prevailing Conversion Price as at the Last Date of Exercise Period Before Redemption.
The Company Rating	“AA” with stable outlook by TRIS Rating Co., Ltd.
Convertible Debentures Registration	Thai Bond Market Association (ThaiBMA)
Registrar	Bangkok Bank Public Company Limited
Conversion Agent	Bangkok Bank Public Company Limited
Debentureholders* representative	Bangkok Bank Public Company Limited

(2) Securities as the Debt Securities, ,

As at December 31, 2017, outstanding 2 series of Debentures with a name registered, unsubordinated, unsecured and without representative of debenture holders, 2,000,000 units with Par Value THB 1,000.- per units, totaling principal of THB 2,000 million, details are as follows;

Name of Debenture	<p>“Saha Pathana Inter-Holding Public Company Limited Debenture No. 1/2017 Series 1 due in 2020” (Debenture Series 1)</p> <p style="text-align: center;">and</p> <p>“Saha Pathana Inter-Holding Public Company Limited Debenture No. 1/2017 Series 2 due in 2024” (Debenture Series 2)</p>
-------------------	--



Debenture Type	Debentures with a name registered, unsubordinated, unsecured and without representative of debenture holders	
Objective	The debentures will be used for the purpose of investment and/or debt repayment and/or operation and/or expansion of business and/or working capital and/or for other purposes as deemed appropriated by the Board of Directors.	
Placement Type	Institutional Investors and/or High Net worth Investors (II&HNW)	
Series	Debenture Series 1	Debenture Series 2
Tenor	3 years	7 years
Par Value	THB 1,000.-	THB 1,000.-
No. of Debenture Offering Unit	1,000,000 Units	1,000,000 Units
Issued Size	THB 1,000,000,000.-	THB 1,000,000,000.-
Government Bond Yield (January 18, 2017)	1.81%	2.47%
Interest Rate	2.39%	3.44%
Interest Payment	Every 6 months	
Repayment	Bullet Payment	
Issued Date	February 2017	
The Company Rating	“ AA “ with stable outlook by TRIS Rating Co., Ltd.	
Underwriter	Bangkok Bank Public Company Limited	
Underwriting	Firm commitment	
Registrar	Bangkok Bank Public Company Limited	

## (2) Securities as the Debt Securities

As at December 31, 2016, the Company had outstanding Bill of Exchange of 560 Million Baht, details as follows

**1.4. Dividend Payment Policy****- Company**

The Company has the policy to pay the minimum dividend at 0.10 baht per share (or 10% of the share value), however, the Company has previously paid its dividends at a higher rate than specified in the policy according to the Company's prevailing business performance, cash flow and the overall economic situation.

Year	2017	2016**	2015	2014	2013	2012
Earnings per share (Thai Baht)	6.41	3.44	2.67	2.33	2.63	2.64
Dividend per share* (Thai Baht)	0.65	0.45	0.23	0.23	0.23	0.23
Dividend payout ratio (%)	10.15%	13.10%	8.61 %	9.87%	8.74%	8.71%
Dividend payout against earning per share (%) (non-consolidated)	%20.63	28.36%	18.25 %	20.00%	15.72%	19.66%

**Remark:** \* The Board of Directors Meeting No. 12 (#24) held on 12 March 2018, passed a resolution to propose during the Annual General Shareholders Meeting held on 23 April 2018 for the approval of dividend at THB 0.65 baht per share totaling THB 321,122,295 baht. The Board of Directors Meeting No. 8 (#24) held on 13 November 2017 has approved dividend payment of THB 0.10 baht per share totaling THB 49,403,430 baht remaining balance of THB 0.55 baht per share totaling THB 271,718,865 baht.

\*\* In 2017, the company restated financial statements of 2016 due to investment of affiliated companies that made earnings per share changed from 3.41% to 3.44% and dividend payout ratio changed from 13.22% to 13.10%.

**- Subsidiaries**

- The company is no policy to determine the dividend payment of subsidiary company.



## 2. Management Structure

The Board of Directors is responsible for defining and reviewing an appropriate Board of Directors' structure in term of size, composition and number of independence directors in order to drive the Company to achieve its goal. The Board of Directors' structure is clearly defined, balanced and auditable structure. The Board of Directors has a clear practice for balancing authorities among the Board of Directors, three Sub-committees and the Management through the Board of Directors and three Sub-committees to help screen matters of significance, i.e. the Audit Committee, Nomination and Remuneration Committee, and Good Governance and Risk Management Committee. The Management is responsible for manage the Company. Currently, the Management comprises of, President, First Executive Vice President, the Assistant Vice President and Department Managers. Authority and duties of each committee and those of the President are prescribed in writing in respective charters and the Authority and Responsibilities of the President document which was approved by the Board of Directors meeting. The Company has a company secretary performing certain duties as required by law and assigned by the Board of Directors.

**1 The Board of Directors,** The Board of Directors has a crucial role to manage the Company in the best interests of the Company and its shareholders. The Board of Directors also operates the Company by following laws, policies, objectives, articles of association and resolutions of the Board of Directors and resolutions of the General Meeting of Shareholders. All directors are required to discharge their duties in an accountable, careful, truthful and honest manner as a reasonable entrepreneur would under the same circumstances and with the authority to engage in trading negotiations without any influence from their status as a director. The management structure is clearly defined, balanced and auditable as follows;

1. The Board of Directors has leading skill, vision, independently decision making, a clear understanding of their role, duties and responsibilities in order to achieve the highest benefit to the Company and its shareholders.

2. The structure of the Board of Directors and the Management have sufficient audit and balance measures as described follows;

2.1 Board of Directors: consists of directors who have variety of qualifications in term of skills, experiences, specific skills benefited to the Company regardless of gender. The directors also need to have qualifications as specified by law. The number of directors need to be in appropriated number of seats for management efficiency with at least 6 directors. In 2017, there are 18 directors with six directors being the management and 12 being non-management. At each annual general meeting, one-third of the directors must retire from their post. In a situation where the number of directors cannot be exactly divided by three, the number of directors to retire is to be closest to one-third. Directors who retire from the post may be re-elected.

2.2 Independent Director: The Company has independence directors who are independence from major shareholders of group of shareholders or the Management and have their qualifications as required by the Securities and Exchange Commission. There are six independent directors in the Board of Directors. which is consistent with the criteria on ratio of independent directors whereby listed companies are required to have at least one third of all directors but at least there were three people and two female independent directors.

2.3 Audit Committee: The Board of Directors appoints 3 members of company directors who are independent and qualified to serve in that position according to the announcement of the Capital Market Supervisory Board to be the Independent Directors in order to perform duties in accordance with the charters which is of the same nature as those specified in the regulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand. Members of the Audit Committee have the knowledge in Economics, accounting and finance together with experiences required to review the credibility of the financial statements. All three members are also able to serve other duties as a member of the Audit Committee.

2.4 Nomination and Remuneration Committee: In 2017, the Board of Directors appointed 3 members of company directors to be the Nomination and Remuneration Committee in order to perform duties in accordance with the charters and support of the Board of Directors operations regarding qualified personnel selection and screening for the position of directors, as well as to determine their benefits and payment criteria.

2.5 Good Governance and Risk Management Committee: In 2017, the Board of Directors appointed three members of company directors, one Executive and one Company Secretary totaling 5 persons to be the Good Governance



and Risk Management Committee in order to perform duties in accordance with the charters and support of the Board of Directors operations regarding good governance, anti-corruption and risk management for the Company sufficiency.

2.6 Authority Granting between the Board of Directors and Company Management: The Board of Directors has a clear practice for the granting of authority between the Board of Directors and the management. Authority and the duties of the various sub-committees and the President are established in writing in the charter and in the bill of Authority, Duties and Responsibilities of the President. The details of this are disclosed under the “Corporate Governance: Sub-committee” section.

#### Attendance Record of Board of Directors and Committees

In 2017, the attendance record of the Board of Directors and Committees are detailed as follows:

Name	Position	Board of Director Meetings (Total 13 per annum)	Audit Committee Meetings (Total 12 per annum)	Nomination and Remuneration Committee Meetings (Total 2 per annum)	Good Governance and Risk Management Committee Meetings (Total 2 per annum)	46th General Meeting (Total 1 per annum)
1. Mr. Boonsithi Chokwatana	Chairman of the Board	13/13	-	2/2	-	1/1
2. Mr. Boonpakorn Chokvathana	Vice Chairman	13/13	-	-	-	1/1
3. Mr. Tanong Srichit (Passed away on 2 March 2018)	President	12/13	-	2/2	1/2	1/1
4. Mr. Vichai Kulsomphob (He has served in the President position since 12 March 2018)	First Executive Vice President	13/13	-	-	1/2	1/1
5. Mr. Samrerng Manoonpol	Director	13/13	-	-	-	1/1
6. Mr. Manu Leelanuwatana	Director	11/13	-	-	-	1/1
7. Ms. Sirikul Dhanasarnsilp	Director	13/13	-	2/2	-	1/1
8. Mr. Pipat Paniangvait	Director	12/13	-	-	-	1/1
9. Mr. Kamthon Punsak-Udomsin	Director	9/13	-	-	-	1/1
10. Mr. Boonkiet Chokwatana	Director	13/13	-	-	-	1/1
11. Mr. Boonchai Chokwatana	Director	11/13	-	-	-	1/1
12. Mr. Sujarit Patchimnan	Director	13/13	-	-	-	1/1
13. Mr. Nophorn Bhongsvej	Chairman of Audit Committee and Independent Director	13/13	12/12	-	2/2	1/1
14. Mrs. Punnee Worawuthichongsathit	Audit Committee and Independent Director	12/13	12/12	-	-	1/1
15. Pol.Lt.Gen. Amarin Niensku (He has resigned from this position since 25 April 2017)	Audit Committee and Independent Director	4/4	4/4	-	-	1/1
16. Ms. Nurumon Saardchom (She has served in this position since 25 April 2017)	Audit Committee and Independent Director	9/9	7/7	-	-	0/0
17. Mr. Akira Murakoshi (He has resigned from this position since 20 March 2017)	Independent Director	1/3	-	-	-	0/0
18. Mr. Nipon Poapongsakorn (He has served in this position since 25 April 2017)	Independent Director	7/9	-	-	-	0/0
19. Mr. Surachai Danaitangtrakul	Independent Director	13/13	-	-	-	1/1
20. Mr. Sompong Sungrungsan	Independent Director	13/13	-	-	-	1/1
21. Mr. Chuto Chirakunakorn	Assistant Vice President	-	-	-	2/2	0/0
22. Mrs. Darunee Soontorntumrong	Company Secretary	-	-	-	2/2	1/1

**Remark:** - The qualifications of Independent Directors and Audit Committee are in accordance with the related announcement.

- The Company's Directors who was not able to attend the Company Board of Directors due to sick all busy or going aboard.



**Authorized Directors:** Any two of these following ten directors are jointly sign with the Company's seal. (As at 14 March 2018)

- |                               |                               |                           |
|-------------------------------|-------------------------------|---------------------------|
| 1. Mr. Boonpakorn Chokvathana | 2. Mr. Boonsithi Chokwatana   | 3. Mr. Samrerng Manoonpol |
| 4. Mr. Boonkiet Chokwatana    | 5. Mr. Kamthon Punsak-Udomsin | 6. Mr. Pipat Paniangvait  |
| 7. Mr. Manu Leelanuwatana     | 8. Mr. Boonchai Chokwatana    | 9. Mr. Vichai Kulsomphob  |
| 10. Ms. Sirikul Dhanasarnsilp |                               |                           |

## 2.2 Executive (Management) comprising;

**2.1 Executive Board:** The Board of Directors appoints the directors and/or other individuals who are company employees or staff and/or outsiders to the post of members of the Executive Board, have sufficient knowledge and experience to manage matters of the Company well. The Executive Board discharges duties assigned by the Board of Directors in an accountable, careful, truthful and honest manner as a reasonable person would under the same circumstances and with the authority to engage in trading negotiations without any influence from their status as members of the Executive Board. The Executive Board is comprised of at least five members as follows:

	Name		Position	Term
1.	Mr. Boonsithi	Chokwatana	Chairman of the Executive Board	May 2017 — May 2018
2.	Mr. Vichai	Kulsomphob	Executive Director	May 2017 — May 2018
3.	Mr. Samrerng	Manoonpol	Executive Director	May 2017 — May 2018
4.	Mr. Manu	Leelanuwatana	Executive Director	May 2017 — May 2018
5.	Ms. Sirikul	Dhanasarnsilp	Executive Director	May 2017 — May 2018
6.	Mr. Manus	Ongsaranakom	Executive Director	May 2017 — May 2018
7.	Mr. Tanong	Srichit <i>(Passed away on 2 March 2018)</i>	Executive Director	May 2017 — May 2018

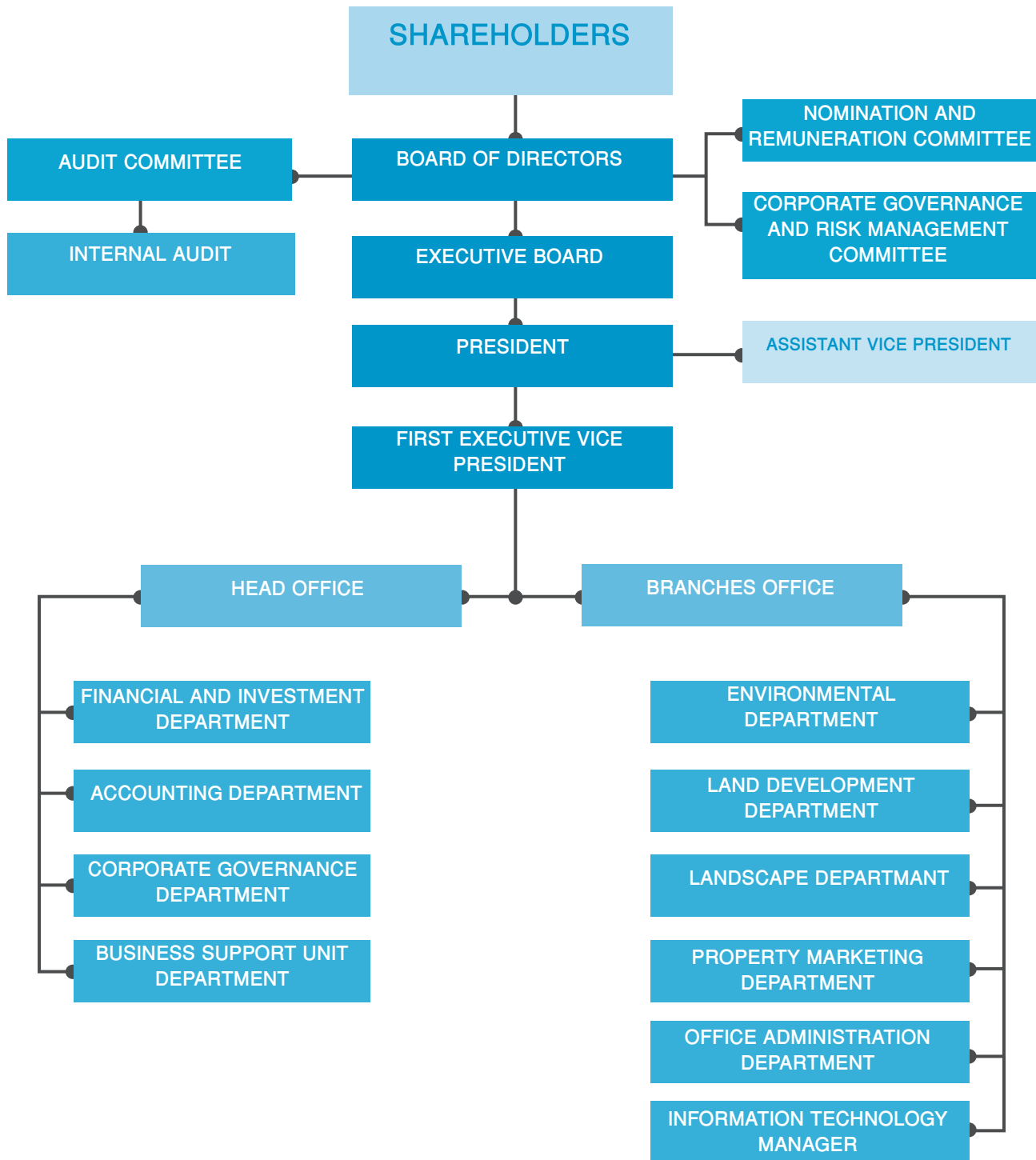
**2.2 Executives:** The Executives, as of 12 January 2017, there were restructuring and appointing executive position consists of:

	Name		Position
1.	Mr. Tanong	Srichit <i>(Passed away on 2 March 2018)</i>	President
2.	Mr. Vichai	Kulsomphob <i>(He has served in the President position since 12 March 2018)</i>	First Executive Vice President and Chief Financial Officer
3.	Mr. Chuto	Chirakunakorn	Assistant Vice President
4.	Mr. Sontaya	Tabkhan	Environment Manager
5.	Mr. Tinakorn	Bunnag	Land Development Manager
6.	Mr. Watchara	Yaemkaew	Landscape Manager
7.	Mr. Amphol	Wattanaworaphong	Property Marketing Manager
8.	Mr. Kittipong	Khongpatyuen	Information Technology Manager
9.	Mrs. Tasanee	Intapura <i>(She has retired from this position since 31 December 2017)</i>	Office Administration Manager

The above personnel serve as the Executives as defined by the Securities and Exchange Commission.



## Company's Organizational Structure





**Changes of Directors and Management Ownership of Shares, as of 31 December 2017**

Name		Director / Management	Spouse/ Minor Child	Increase/ (Decrease) During the Year	Total Shares	%
1.	Mr. Boonsithi Chokwatana	5,854,680	-	-	5,854,680	1.185
2.	Mr. Boonpakorn Chokvathana	1,410,020	192,600	-	1,602,620	0.324
3.	Mr. Tanong Srichit (Passed away on 2 March 2018)	115,000	-	-	115,000	0.023
4.	Mr. Vichai Kulsomphob	-	310,172	30,000	340,172	0.069
5.	Mr. Samrereng Manoonpol	1,488,460	-	-	1,488,460	0.301
6.	Mr. Manu Leelanuwatana	-	-	-	-	-
7.	Ms. Sirikul Dhanasarnsilp	2,997,720	-	-	2,997,720	0.607
8.	Mr. Pipat Paniangvait	8,260	-	-	8,260	0.002
9.	Mr. Kamthon Punsak-Udomsin	10,050	-	-	10,050	0.002
10.	Mr. Boonkiet Chokwatana	4,723,580	194,880	-	4,918,460	0.996
11.	Mr. Boonchai Chokwatana	200,000	-	-	200,000	0.040
12.	Mr. Sujarit Patchimnan	-	-	-	-	-
13.	Mr. Nophorn Bhongsvej	-	-	-	-	-
14.	Mrs. Punnee Worawuthichongsthit	-	-	-	-	-
15.	Ms. Nurumon Saardchom	-	-	-	-	-
16.	Mr. Nipon Poapongsakorn	-	-	-	-	-
17.	Mr. Surachai Danaitangtrakul	-	-	-	-	-
18.	Mr. Sompong Sungrungsan	26,470	5,280	-	31,750	0.006
19.	Mr. Manus Ongsaranakorn	8,220	-	1,800	10,020	0.002
20.	Mr. Chuto Chirakunakorn	-	-	-	-	-
21.	Mrs. Tasanee Intapura	-	-	-	-	-
22.	Mr. Sontaya Tabkhan	-	-	-	-	-
23.	Mr. Tinakorn Bunnag	-	-	-	-	-
24.	Mr. Watchara Yaemkaew	-	-	-	-	-
25.	Mr. Amphol Wattanaworaphong	-	-	-	-	-
26.	Mr. Kittipong Khongpatyuen	-	-	-	-	-

**- Benefits, Shares, and Debentures issued by the Company to the Company's Directors in 2016**

-None-



**3. Company Secretary:** The Board of Directors has appointed Mrs. Darunee Soontorntrumrong, as the Company Secretary on 12 May 2008. She graduated with a Bachelor's Degree, majoring in Banking Finance (Second Class Honors), from Ramkhamhaeng University. She also completed training in all of the programs relevant to performing the duties required of the Company Secretary. **A disclosure of her Qualification has been made in Forms 56-1 and 56-2 in the section covering information about the Company's Directors, Executive Management, Authorized Directors and the Company Secretary.** The Company Secretary is tasked in accordance with the Article 89/15 and Article 89/16 of the Securities and Exchange Act (No. 4) in 2008, which has been effective since 31 August 2008. The Company Secretary is tasked with performing responsibly, carefully, honestly, and truthfully regarding relevant laws, objective, article of association, resolutions of the Board of Directors Meeting and also resolutions of the General Meeting of Shareholders. The scopes of the Company Secretary responsibilities by the law are detailed as follows:

1. Preparing and keeping the following documents:
  - a register of directors;
  - a notice calling a director meeting, minute of the meeting of the board of directors and an annual report of the company;
  - a notice calling a shareholder meeting and minutes of the shareholders meeting;
2. Keeping a report on interest filed by a director or an executive and submitted a copy of report on interest under Section 89/14 to the Chairman of the board of directors and the Chairman of the audit committee within seven business days from the date on which the company has received such report.
3. Performing any other acts as specified in the notification of the Capital Market Supervisory Board.

**Additionally, the Company Secretary has the duty to comply with the assignment by the Board of Director, such as:**

1. To encourage the corporate governance to comply with standards of good corporate governance, providing advice in this respect to the Company's Board of Directors and Management that is relevant to laws, rules, and regulations and article of association. Furthermore, this includes making note of any significant changes to the Company's Board of Directors.
2. To supervise the activities of the Company's Board of Directors, act as a liaison between the Company's Directors and Management, coordinate to ensure the adherence to relevant laws, regulations, perform any actions necessary to ensure proper compliance. The Secretary shall have the duty to monitor the Board of Directors' compliance with the resolutions the Company's Board of Directors and report findings to the Board of Directors upon the next meeting of the Board and Including monitoring compliance with the resolutions of the shareholders' meeting.
3. To organize meetings for the Board of Directors as well as the General Meeting of Shareholders according to the Company's Articles of Association and other best practices.
4. To record the minutes of the Board of Directors Meetings as well as the General Meeting of Shareholders.
5. To liaise with regulators, such as the Securities and Exchange Commission and the Stock Exchange of Thailand, to ensure discloser and report the information to regulators and public that supervise the legality.
6. To facilitate the communication of shareholder rights to all shareholders, as well as regularly release Company's news.
7. To prepare the Directors' Manual, conduct orientation, and provide necessary advice to newly elected directors.
8. Other duties as assigned.

#### **4. Remuneration for the Board of Directors and Executives**

The Nomination and Remuneration Committee evaluates the performance of the total board of directors each year, the company operation as well as their duties, responsibilities, the remuneration budget approved by the General Meeting of Shareholders, the amount paid in the prior year, and also compared with the same level at companies in the same group of business to propose to the board of directors meeting for consideration and propose to the General Meeting of Shareholders for approval.



## 1. Monetary Remuneration

### (A) Remuneration for the Company Directors

The 46th Annual General Meeting of Shareholders, held on 25 April 2017, has approved the total annual remuneration amount for the Board of Directors not to exceed 20 Million Baht. This is not inclusive of remuneration or welfare to which the directors are entitled as a staff or as an employee of the Company, the details of remuneration payment as follows:

#### 1. Directors

- Meeting allowance (paid to attending directors only)
 

Chairman of the Board of Directors	12,000. - Baht/attendance
Director	10,000. - Baht/attendance

 (A total of 2,206,000.- Baht was actually paid in 2017.)
- Professional fee is especially paid to the Chairman, who is not Company's employee or staff. The Nomination and Remuneration Committee allocate and propose to the Board of Directors for approval.
 

(- None -)
- Annual remuneration is paid to all directors. The Nomination and Remuneration Committee and propose to the Board of Directors for approval.
 

(A total of 11,480,000.- Baht was actually paid in 2016.)

#### 2. Audit Committee

- Meeting allowance (Quarterly)
 

Chairman	60,000. - Baht
Director	30,000. - Baht

 (A total of 475,280.- Baht was actually paid in 2017.)

#### 3. Nomination and Remuneration Committee

- Meeting allowance (paid to attending directors only)
 

Chairman	12,000. - Baht/attendance
Director	10,000. - Baht/attendance

 (A total of 64,000.- Baht was actually paid in 2017.)

#### 4. Corporate Governance and Risk Management Committee

- Meeting allowance (paid to attending directors only)
 

Chairman	12,000. - Baht/attendance
Director	10,000. - Baht/attendance

 (A total of 44,000.- Baht was actually paid in 2017.)

There is not any benefit. From the General Meeting of Shareholders approval until there is changes. The remuneration payment will not exceed the amount which approved by the General Meeting of Shareholders.

**The grand total of 14,269,280 Baht was therefore paid in 2017.**



## Remuneration of The Board of Directors of Year 2017

Unit: Baht

Name			Meeting Allowance	Director Fee (Only Chairman)	Annual Remuneration (Directors)	Audit Committee	Nomination and Remuneration Committee	Good Governance and Risk Management Committee	Total
1.	Mr. Boonsithi	Chokwatana	156,000	-	850,000	-	24,000	-	1,030,000
2.	Mr. Boonpakorn	Chokvathana	130,000	-	800,000	-	-	-	930,000
3.	Mr. Tanong	Srichit (Passed away on 2 March 2018)	120,000	-	800,000	-	20,000	10,000	950,000
4.	Mr. Vichai	Kulsomphob	130,000	-	800,000	-	-	10,000	940,000
5.	Mr. Samrerng	Manoonpol	130,000	-	800,000	-	-	-	930,000
6.	Mr. Manu	Leelanuwatana	110,000	-	800,000	-	-	-	910,000
7.	Ms. Sirikul	Dhanasarnsilp	130,000	-	800,000	-	20,000	-	950,000
8.	Mr. Pipat	Paniangvait	120,000	-	530,000	-	-	-	650,000
9.	Mr. Kamthon	Punsak-Udomsin	90,000	-	530,000	-	-	-	620,000
10.	Mr. Boonkiet	Chokwatana	130,000	-	530,000	-	-	-	660,000
11.	Mr. Boonchai	Chokwatana	110,000	-	530,000	-	-	-	640,000
12.	Mr. Sujarit	Patchimnan	130,000	-	530,000	-	-	-	660,000
13.	Mr. Nophorn	Bhongsvej	130,000	-	530,000	240,000	-	24,000	924,000
14.	Mrs. Punnee	Worawuthichongsthit	120,000	-	530,000	120,000	-	-	770,000
15.	Pol.Lt.Gen. Amarini	Niemsukul (He has resigned from this position since 25 April 2017)	40,000	-	-	55,280	-	-	95,280
16.	Ms. Nurumon	Saardchom (She has served in this position since 25 April 2017)	90,000	-	530,000	60,000	-	-	680,000
17.	Mr. Akira	Murakoshi (He has resigned from this position since 20 March 2017)	10,000	-	-	-	-	-	10,000
18.	Mr. Nipon	Poapongsakorn (He has served in this position since 25 April 2017)	70,000	-	530,000	-	-	-	600,000
19.	Mr. Surachai	Danaitangtrakul	130,000	-	530,000	-	-	-	660,000
20.	Mr. Sompong	Sangrungsan	130,000	-	530,000	-	-	-	660,000
Total			2,206,000	-	11,480,000	475,280	64,000	44,000	14,269,280

**(B) Remuneration (Executives Board and Executives)**

For other management, The Executive will consider according to Company criteria policy and based on the Company performance and their individual performance. In 2017, the remuneration for the Executive Board and first four executives under the President, and all the Executives equivalent to the fourth level, a total of 14 persons, comprising of salaries, meeting attendance fees, bonus and retirement benefit. The total remuneration of 76,965,633.- Baht and the total retirement benefit of 4,976,221.25 Baht were paid out.

**2. Other Remuneration****(A) Other Remuneration for the Board of Director**

-None-





### (B) Other Remuneration for the Executives Board and Executives

The Company has established and registered its provident fund, as part of The Provident Fund SCB Permpon 1. As of 31 December 2017, there were Ten Executives who are members of this fund were entitled to an extra payment 8% of their wages from the Company to top up their fund account. The Company has paid 3,230,290.- Baht as the contribution to the fund, the same amount as the payment from the members to the fund. When their membership is terminated, they will receive their money back, as well as, the supporting fund contribution from the Company and other benefits according to terms and conditions of the fund.

## **5. Personnel**

As of 31 December 2017, the Company has a total of 122 employees (exclusive of employees in the positions of Executive Board members and executives). We have paid a total compensation of 112,289,813.50 Baht in the forms of salary, overtime wages, bonus and a total of 3,810,264.06 Baht as retirement benefits.

Over the years, the Company has encouraged employees to consistently improve their knowledge and competency; as well as to spend their money and time wisely, and, to work together in an amicable manner. There have been no labor disputes within the Company as a result.

### Other Remuneration

The Company has established and registered its provident fund, as part of The Provident Fund SCB Permpon 1. As of December 31, 2017 there were 104 employees who are members of this fund were paid 8% of their wages and receive the same amount of support from the Company to top up their fund account. The Company has paid 6,076,627.- Baht in contributions to the fund, the same amount as the payment from the members to the fund. When their membership is terminated, they will receive their money back, as well as, the supporting fund contribution from the Company and other benefits according to terms and conditions of the fund.

## **Personnel Policy**

The Company will be achieved through strategic administration, particularly the personnel-related strategy, in order to cope with both the current and future situations, starting with the steps below.

- To review the Company's past incidents and turns them into lessons.
- To perform an analysis on both internal and external environments of the Company.
- To create a new vision and make adjustments to the patterns of working.
- The management has to adjust their attitude towards personnel from regarding them as assets to human capital.
- To perform change management by Chang Agents with a focus on systematic yet flexible operations.
- To attach importance to tackling corporate governance and corruption

Moreover, the Company encourage employees to enhance their knowledge, abilities and skills to further obtain expertise, along with developing their attitudes and traits that can drive the Company forward in a sustainable manner. The Company has engaged in activities regarding personnel development as follows;

### **1. Human Resource Management**

- **Organizational restructuring**, the Company underwent organizational restructuring to increase operational efficiency, which responded to the nature of both existing and future operations of the business. Management competencies were improved to become more flexible in accordance with the Company's business plan. Furthermore, clear career paths were provided to employees using fair and transparent criteria. For 2017, the Company established Information Technology Division to support digital development plan for economic and social of Thailand 4.0 and prepare Big Data for Saha Group.



- **Succession plans**, in order to ensure uninterrupted operation and enhanced efficient, we have established a policy for the succession of employees in different roles with structured levels of positions and a clear direction of personal development. Knowledgeable and competent personnel are identified to meet replacement needs continuously. In case of the Company adjusted position as they arise, resigned or has retired. There are screened on the following qualifications.

- The candidate must be a competent individual within the organization. The person must have the sufficient qualifications according to Company's rule and have the vision, knowledge, skill and experience to match with the Company's culture.

- Multiple employees must be screened for a higher position based on their performance, professional capabilities, vision and the ability to take the organization forwards including the vision.

- Interpersonal relationships, leadership and competencies, about the knowledge, skill, personality and preferable attitude of that personal position.

- Enhancement of knowledge by participation in leadership courses or courses that are related to their duties, and their Individual Development Plan.

- The candidate must be an individual of high moral and ethical standards in conducting business.

- **Performance evaluation**, the Company has employees' performance evaluation two times a year in January and July in order to assess employees in manager level, operational level and specialists. The performance evaluations provide the Company with benefit of Human Resources Development and compensation management.

- **Updating welfare regulations**, the Company evaluated and improved operating regulations by establishing a committee to conduct a revision to reduce redundancy in documentation, while also ensuring clarity and practicality. In addition, regulations for employee's retirement were amended to be more appropriate and to truly benefit those who have worked with the Company for a long time.

- **Orientation**, is of great importance as it helps create a first impression for new employees, as well as those rotating to perform new functions. The objective of this process is to introduce general knowledge about the Company such as policies, organizational structure, rules and regulations, welfare, and benefits. In addition to operational guidance, these employees will be informed of our good corporate governance consist of: corporate governance policy, business ethics, Code of Conduct with animation, and anti-corruption policy, which are of paramount importance to the Company. This will enable employees to learn and familiar environment and workplace. As the results, employees confident in performing their task while understanding corporate culture that will benefit their performance at a later stage.

## 2. Employee Development Policy

The employees are encouraged to develop their career paths according to their knowledge capability and relentless seeking of new knowledge while being ready to confront a wide range of tasks in support of the Company's growth. They are also empowered to bring the knowledge and experience to be a "Good and Proficient" employee. The Company focuses on creating personnel development activities as follows;

- **Personnel review and selection**, we believe in the significance of the personnel selection process as it can be likened to the first step in any business endeavor. Therefore, we have established efficient, fair, transparent and auditable criteria for the review of competent people who have a positive attitude and whose qualifications correspond with the nature of our operation, and those who enjoy the Company's organizational culture.

The above process begins from the selection of personnel within the organization with the determination of conditions such as qualifications, educational credentials and work experience. These elements are then reviewed in combination with attitude and personality as determined by the behavioral analysis tool called "DISC". A competency-oriented interview would then be conducted to contribute to the process. The merit system has been integrated into our personnel review and selection process. This system is based upon four key elements as follows:



- **Competency:** Qualifications of candidates are determined such as educational credentials and work experience.
- **Equality:** This rule of fairness governs that candidates may not be prejudiced by their locality, place of residence, ethnic origin, gender, religious affinity, parents or guarantor.
- **Security:** Personnel at all levels of the Company must have the security they need in order to work with an uplifting spirit. Employees should not be persecuted, punished or suspended in any unreasonable way.
- **Neutrality:** The guiding principle of our personnel management requires that employees in their various positions act with neutrality and fairness. Their mandate is to not engage in any act of partiality.

Additionally, the Company always runs the criminal records check on new recruits in cooperation with the Criminal Records Division, Royal Thai Police to promote anti-corruption.

- **Training and Development,** the Company aims to equip employees with the knowledge and expertise that can be used in their operations with Training Needs Survey for acknowledge in previous year and also training needs, self development and take results gained from the training demand survey are integrated with the company personnel training and development strategic plan to achieve an effective training and development plan. All employees are determined to attend at least three courses of trainings / seminars per year, consisting of one course related to their operation, and two courses of general subjects. In 2016, the trainings provided by the Company were divided into two main areas below.

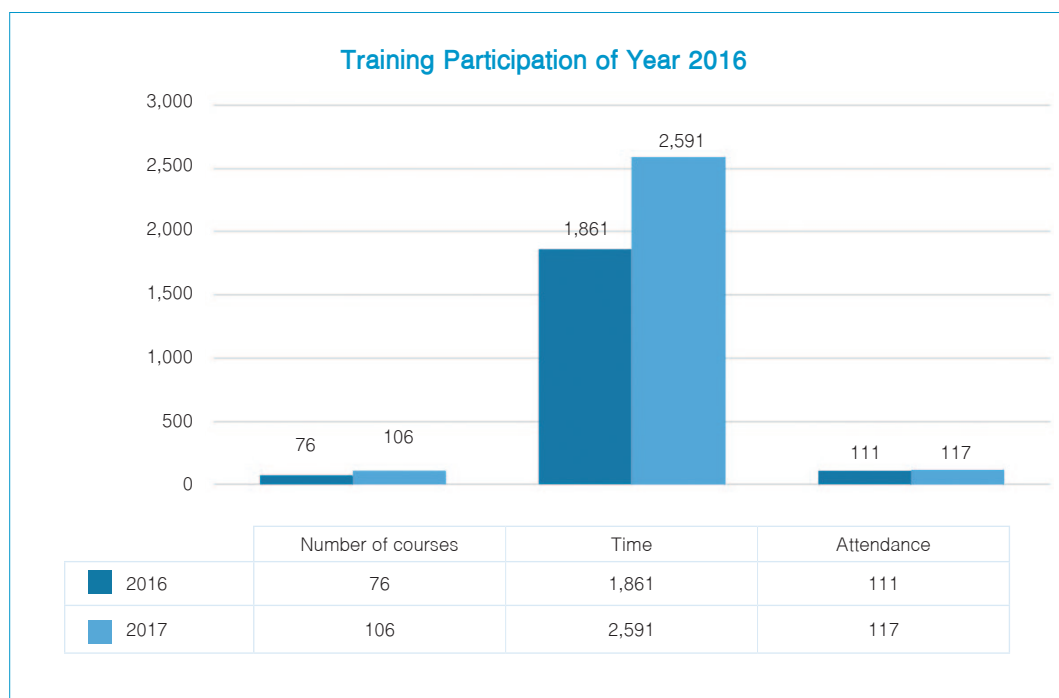
**1. Development of the Company's Employees aims to provide employees with skills and knowledge;** the Company arranged for individuals to participate in a range of public trainings held by different organizations, institutions and agencies. Subjects of the trainings included management, accounting and finance, investment, Information Technology, good corporate governance, laws, and personnel development, totaling 106 courses. A total of 117 employees (92.86% of all employees) participated in the trainings that equaled 2,591 hours in total.

For in-house trainings, the following three courses were offered;

- Tax update 2017
- Good Corporate Governance revised edition for the year 2017
- Roles and duties of director, securities (new edition)

The number of employees that attended the training courses are as followings:





**2. Development of Executives Board and Executives,** all Directors and Executives are encouraged to enhance their knowledge by participating in relevant training courses and seminars by the Thai Institute of Directors Association (IOD), the office of Securities and Exchange Commission, the Stock Exchange of Thailand, and the Thai Listed Company Association. Moreover, our directors and executives meet regularly with their counterparts from other organizations, local and international to exchange their views.

The Directors and Executives of the Company had participated in these following courses organized by the Thai Institute of Directors

1. Director Accreditation Program (DAP)
2. Director Certification Program (DCP)
3. Finance for Non-Finance Director (FND)
4. Audit Committee Program (ACP)
5. Role of Compensation Committee (RCC)
6. Company Secretary Program (CSP)
7. Chartered Director Class (CDC)
8. Improving the Quality of Financial Reporting (QFR)
9. Monitoring the Internal Audit Function (MIA)
10. Monitoring the System of Internal Control and Risk Management (MIR)
11. Monitoring Fraud Risk Management (MFM)
12. Monitoring the Quality of Financial Reporting (MFR)
13. DCP Refresher Course (RE DCP)
14. Role of the Chairman Program (RCP)
15. Role of the Nomination and Governance Committee (RNG)
16. Anti-Corruption for Executive Program (ACEP)
17. Anti-Corruption: The Practical Guide (ACPG)
18. Ethical Leadership Program (ELP)
19. Advanced Audit Committee Program (AACP)
20. Driving Company Success with IT Governance (ITG)



Name	DAP	DCP	FND	ACP	RCC	CSP	CDC	QFR	MIA	MIR	MFM	MFR	RE DCP	RCP	RNG	ACEP	ACPG	ELP	AACP	ITG
1. Mr. Boonsithi Chokwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Mr. Boonpakorn Chokvathana	3/2003	68/2005	-	-	7/2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Mr. Tanong Srichit	3/2003	72/2006	9/2004	-	-	-	8/2014	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Mr. Vichai Kulsomphob	-	61/2005	-	-	-	18/2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Mr. Samreng Manoonpol	3/2003	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Mr. Manu Leelanuwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7. Ms Sirikul* Dhanasamsilp	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8. Mr. Sujarit Patchimnan	41/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9. Mr. Pipat Paniangvait	3/2003	39/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10. Mr. Kamthon Punsak-Udomsin	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Mr. Boonkiet Chokwatana	3/2003	41/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12. Mr. Boonchai Chokwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13. Mr. Nophorn Bhongsvej	38/2005	71/2006	-	12/2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14. Mrs. Punnee Worawuthichongsthit	2/2003	38/2003	-	2/2004	7/2008	-	3/2008	1/2006	1/2007	2/2008	1/2009	5/2007	2/2009	25/2011	1/2011	10/2014	10/2014	2/2015	-	4/2017
15. Ms. Nurumon Saardchom	-	224/2016	-	-	21/2016	-	-	-	-	-	-	-	-	-	-	-	-	-	21/2017	-
16. Mr. Nipon Poapongsakorn	-	14/2002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17. Mr. Surachai Danaitangtrakul	11/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18. Mr. Sompong Sungruangsarn	3/2003	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Remark :** \* Ms. Sirikul Dhanasamsilp attended the Board and CEO Assessment 2/2003



The Board of Company of Directors had attended the appropriate courses and programs related to their duties over 75% of the entire Board.

In 2017, the Company Directors attended the training as follow:

1. Advanced Audit Committee Program (AACP)
2. Driving Company Success with IT Governance (ITG).

In 2017, the Company prioritized to joining Thailand's Private Sector Collective Action Coalition against Corruption (CAC). Executives and employees were offered trainings on courses involving good governance principles and anti-corruption to improve their skills, knowledge and understanding to combat corruption. Such training courses are listed below.

- 2017 Corporate Governance Code (CG Code)
- Enhancing Good Corporate Governance based on CGR Scorecard
- Academic Forum "New Government! Old Corruption?"
- Independent Director : Roles Duties and Expectation of Retail Shareholders
- Roles Duties and Responsibilities of Director and the Use of Internal Information : Case Study
- Roles Duties and Responsibilities of Director on New Securities Act

Moreover, employees had been evaluated on a knowledge of anti-corruption policy and assessed on an understanding of good corporate governance.

- **Site Visits**, this is an effective and worthwhile activity that helps employees increased their competencies and achieve their goals. In 2016, a range of study visits were offered both locally and internationally. The Company organized a number of visits to domestic sites regarding businesses engaged in real estate, trading and investment, public utilities, food and services, and logistics in order to be ready in trade and seek opportunities for joint ventures, as well as to apply their knowledge and to obtain further knowledge to their operations.

- **Relationships Building between Executives and Employees**, the Company has carried out to foster good relationships with staff members. The Company's policies, plans, operational guidelines and project updates, as well as any problems or potential impacts were in a top-down transferred. Employees were allowed to express their views and help the Company to boost operational efficiency through a range of communication channels and activities, such as a monthly steering committee meeting, monthly employee meeting, and an annual company seminar.



21<sup>st</sup> Saha Group Fair at Queen Sirikit National Convention Center



9<sup>th</sup> Analysts and Investors Meet Saha Group at Queen Sirikit National Convention Center

## Good Corporate Governance

The Board of Directors deems importance towards good corporate governance system which ensures transparency, honesty and accountability through the balance of power with sufficient and appropriate internal audit where appropriate. In arrears with fairness to all relevant parties, with consideration to all stakeholders as well as added value for shareholder. Through good corporate governance principle promoted by both the Stock Exchange of Thailand and by the sufficiency economy philosophy which teaches us to be modest, reasonable and resilient depending on ones knowledge and prudence. Our plan operations are developed and executed with expertise and with great caution. Most importantly, our executives and employees are encouraged to be honest, dedicative, patient, resilient and giving with great intellectual in ones work. We are prepared and agile to adapt to todays every changing economic environment, political, cultural and social change to achieve balance and sustainability.

### **The Board of Directors reviews the Good Corporate Governance Principles of the Company on an annual basis**

In the year 2017 according to the Securities Commission and the Stock Exchange of Thailand issued a letter to the SEC 15/2017 regarding “Corporate Governance Code (CG Code) in 2017” to replace the “Principles of Good Corporate Governance for Listed Companies 2012” with the **Board of Directors realizing the duties as leader of the company. The Good Governance and Risk Management Committee has research and ascertain the principles of CG Code until certain that the committee has fully understood to be able to add value to the Company sustainably in additional to an evaluation process for each section of the CG Code. This will build trust in the process to be able to develop a plan suitable for the business.**

The Board of Directors has completed the The Good Corporate Governance Principles (Revision No.1) in compliance with the guidelines. ASEAN CG Scorecard and in accordance with the “Principles of Good Corporate Governance for Listed Companies 2012” of the Stock Exchange of Thailand. It was approved by The Board of Directors Meeting No.9 (Board #20) on January 14th, 2014. and Anti-corruption Policy was approved by the Board of Directors Meeting No.11( Board #21) on March 12th, 2015. and Practices of Anti-corruption Policy was approved by the Board of Directors Meeting No.11( Board #22) on March 14th, 2016. and distributed to directors, executives, and all employees, and disclosed on the Company website ([www.spi.co.th](http://www.spi.co.th)), so as to be a practical guide, which comprises:

1. Corporate Governance policy
2. Corporate Governance Principle: 5 Sections
3. Code of Ethics and Business Conduct, consisting of:
4. Business ethics of Company directors, executives and employees,consisting of:
5. Anti-corruption Policy
6. Practices of Anti-corruption Policy

**In between using a good corporate governance for listed company in 2017 to adapt for business context of the Company**

## 1. Corporate Governance Policies

The Board of Directors is confident in the good corporate governance system which ensures transparency, honesty and accountability through the balance of power with sufficient and appropriate internal audit where appropriate. In arrears with fairness to all relevant parties, with consideration to all stakeholders as well as added value for shareholder will be the key driver to enhance the development of the organization and build success sustainably.

The Board of Directors prescribed the following corporate governance policies as standard practice guidelines for the Company Directors, Executives and all Employees. Details are as follows:

1. Company Directors, Executives and all Employees are fully committed to the application of corporate governance principles, business ethics and further fully committed to the Codes of Conduct for Company Directors, Executives and Employees.
2. Company Directors, Executives and all Employees must perform their duties responsibly, prudently, earnestly and honestly by the relevant laws, Company Articles and Notifications.



3. The action shall be taken to ensure that the Company management structure contains explicit prescriptions of power, duties and the responsibilities of each Company Committees and Executives.
4. An internal control system shall be installed, and risk management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
5. The information shall be disclosed in a sufficient, credible and timely matter to the extent that the legitimate interests of the Company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equally.
7. Undertakings shall have regard to the responsibilities of shareholders and stakeholders, communities, society and the environment.
8. There shall be a determination to strive towards business excellence with a commitment to the creation of customer satisfaction by receiving comments and self-assessments to enhance management capabilities and strive to improve continuously and promote productive creativity.
9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of the personnel.
10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.
11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the Company's interests.

#### **1. Corporate Governance Policy Operation**

The Board of Directors role and responsibility is to build and drive the organizational structure in all aspect. Adhere to the Good Corporate Governance and able to adapt in all business environment. The Board of Directors characteristics are key role model to lead the Company by pursuing policies, business ethics and code of conducts for the directors, management and employees in written form. This has been approved by the Board of Directors with addition to the development of an animated video used as a training material for management and employees to easily understand and is publicly available to outside parties (shareholders, investors, suppliers). The Board of Directors deem importance on the practice of Anti-corruption by pursuing policies and guidelines in which the Company has been a certified member of the Thailand's Private Sector Collective Action Coalition Against Corruption on 14 October 2016 which will create sustainable value, organizational support, develop workforce and being responsible to society and the environment.

**In 2017 The Board of Directors understands its role as leaders of the organization. Through the Good Governance and Risk Management Committee, the board studied and attend the CG Code seminar to familiarize itself with the CG Code benefits, guidelines and promises of long-term benefits to the Company's operations. After having access the Company's compliance with each principles of the CG Code to determine existing compliance points and suitable development plans for non-existing points, the board approved an adaptation of the CG Code to the Company's current business context.**

**Anti-Corruption Efforts** the Company became a certified member of the Thailand's Private Sector Collective Action Coalition Against Corruption on 14 October 2016. The Company has expanded its anti-corruption network policy throughout the Saha Group that are listed on the Stock Exchange of Thailand that are customers and partners of the Company to file for membership of the Anti-corruption totaling 11 companies as follows:

- |   |  |
|---|--|
| 1. President Bakery Public Company Limited              | 2. Thai President Foods Public Company Limited |
| 3. President Rice Product Public Company Limited        | 4. Saha Pathanapibul Public Company Limited    |
| 5. I.C.C. International Public Company Limited          | 6. Thai Wacoal Public Company Limited          |
| 7. Thanulux Public Company Limited                      | 8. Sahacogen (Chonburi Public Company Limited) |
| 9. Textile Prestige Public Company Limited              | 10. People's Garment Public Company Limited    |
| 11. S&J International Enterprise Public Company Limited |  |

and in the year 2017 OCC Public Company Limited was awarded the Anti-Corruption member certification.



Continuous improvement of Good Corporate Governance. As a result, in the year 2017, we have been given positive ratings in the following areas:

- We have achieved a full 100 points for the evaluation of 2017 general meeting of shareholders. This is the 9th consecutive year that we have an “excellent”
- In the corporate governance assessment of listed companies in 2017, the Company had an “Excellence” level.

In 2017 The Principles of Good Corporate Governance for listed companies 2012 which covers 5 topics

## **5 Categories of the Corporate Governance Principle**, consisting of:

### **1. Rights of Shareholders**

1.1 The Board of Directors appreciates and respects the ownership rights of shareholders. No actions shall be taken to violate or infringe the rights of shareholders.

The interests of shareholders are fairly safeguarded, and the exercise of rights by all shareholder groups are supported and promoted, whether domestic or foreign, major shareholders, minority shareholders or institutional shareholders, incorporating both the fundamental rights of shareholders, access rights to information in a sufficient and timely manner and the right to attend shareholders’ meetings to determine the direction of operations and decisions on matters having a significant impact on the Company.

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

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

1.4 The Board of Directors has granted shareholders with the authority to approve the remunerations of Company Directors on a yearly basis as well as to determine the rules for paying remuneration to each Company Committee member.

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

1.6 The Board of Directors publishes shareholders’ meeting resolutions along with the voting results for each agenda on the Company’s website on the day following the meeting.

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

According to the Corporate Governance Policies and the Principles of Corporate Governance in **Rights of Shareholders Section**, the Board of Directors appreciates the significance of shareholders and respects their right as owners of the Company. In addition to the right to vote at shareholder meetings, the Good Corporate Governance Principle is designed to offer protection to shareholder rights; to encourage shareholders to exercise their rights, and to ensure that all shareholders are equally and equitably entitled to their basic rights as defined in the Company Regulations and the Business Ethics. Basic rights are as follows:

- Right to purchase, sell or transfer shares as the owner
- Right to the sharing of profit
- Right to receive adequate news and information about the Company



- Right to participate in shareholder meetings in order to express opinions and participate in the decision-making process by voting on matters such as the appointment or removal of Directors; determination of Directors' compensation; appointment of auditors; approval of matters affecting the Company such as dividend payments; prescription and amendment of Company regulations and articles of association; decrease or increase of capital; other special approvals; as well as the right to express opinions and to make inquiries at the shareholder meetings.

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

**(1.1) Right to be informed** All shareholders have an equal right to be notified. Therefore, information is made available to shareholders in English and Thai via the Stock Exchange of Thailand and the Company's website ([www.spi.co.th](http://www.spi.co.th)). This is to ensure that the shareholders are well informed of matters such as operational results, related transactions, significant sales and purchases of assets, the names of the ten major shareholders as of the registration book closing date for the purpose of an annual general meeting, shareholders meeting minutes within 14 days after the meeting and other information necessary for their decision-making. Correct and complete information is disclosed in a timely and transparent manner.

**(1.2) Right to attend shareholder meetings** The Company arranges for an annual General Meeting of Shareholders within four months from the accounting year end date. The date, time, place and format chosen must not be an obstacle to the participation by the shareholders. This is so to ensure that the shareholders can monitor the performance of the Company. In the case where it is necessary to review a particular agenda with potential impact on the benefits of the shareholders, rules or enforceable laws which must be approved by the shareholders, a special shareholders meeting will be convened on a case by case basis. Our shareholder's meetings follow the format described by the AGM checklist.

In 2017, we held the 46th General Meeting of Shareholders on 25 April 2017 at Montien Riverside Hotel at 372 Rama 3 Road, Bang Kloi, Bang Kolaem, Bangkok 10120. This hotel is where we regularly hold the annual general meeting to avoid confusion among the shareholders. A map to the meeting location is enclosed with the shareholders meeting notice which clearly details the various agendas. **Where agendas concern Company Directors, matters such as the appointment of Directors and their compensation are separated into different agendas.**

#### Prior to the day of the meeting

1. The Company gives shareholders the opportunity to be involved in the meetings. Minority Shareholders can submit matters for inclusion as items on the meeting agenda and/or to nominate individuals for the Company Director elections, and also gives shareholders the opportunity to submit questions in advance.

For the 2017 Annual General Meeting of Shareholders, the Company has allowed shareholders to submit matters for inclusion as items on the meeting agenda and/or nominate individuals for the Company director election from December 1st to 30th, 2016. This was announced in Thai and English via the information system of the Stock Exchange of Thailand and on the Company's website ([www.spi.co.th](http://www.spi.co.th)) and also gives shareholders the opportunity to submit questions in advance. Nevertheless, no shareholder has come forward with any submission or nomination.

2. The Company announced General Meetings of Shareholders with agendas and supporting details in Thai and English via the information system of the Stock Exchange of Thailand, beginning on 16th March 2017 or 40 days prior to the actual meeting day, for the shareholders to be given an opportunity to attend. This announcement is repeated on the Company's website as well ([www.spi.co.th](http://www.spi.co.th)).

3. The Company publishes the meeting notice and supporting documents on the Company's website at [www.spi.co.th](http://www.spi.co.th) prior to the actual delivery of such information in printed form in Thai and English for Thai and foreign shareholders to access information more quickly and conveniently as well as to have more time to review pertinent information 18 days in prior to the meeting and announced on 7 April 2017 which is less than 30 days as the Company completed an entire business transfer



having comply with the notification of the Capital Market Supervisory Board and Securities Commission of The Stock Exchange of Thailand.

4. A meeting notice with the date, time, location and agenda is sent to the shareholders. Each agenda is clearly marked whether it is for the shareholders acknowledgment or their approval. Facts and rationale, as well as opinions of the Board of Directors on each agenda are provided. This was delivered together with supporting documents which include the annual report, financial statements, the profiles of the Company director candidates, definition of independent Directors, profile of Audit Committee members proposed by the Company as proxies, the Articles of Association which related to the General Meeting of Shareholders, description of documents and identification evidence to be produced by the shareholders for admittance into the meeting, map to the meeting venue, and, the “B” proxy form and the advance questionnaire regarding for the Annual General Shareholders Meeting prior to meeting 15 days on 10 April 2017 in order for shareholders to consider in advance The announcement was published in a newspaper seven days prior to the meeting and for three consecutive days from 18 – 20 April 2017.

In the case of foreign or institutional shareholders, English translation is provided with the Thai original of meeting notices and supporting documents to **encourage all shareholders and institutional shareholders to take part**. Additionally, shareholders can review all details pertaining to the meeting on the Company’s website ([www.spi.co.th](http://www.spi.co.th)) and can download the proxy forms, in Thai or English, in the format consistent with the announcement of the Ministry of Commerce. The three types of proxy form are Type A, Type B and Type C. Shareholders can pick one of them.

In 2017, three foreign shareholders have assigned a person to attend the meeting on their behalf while two institutional investor has assigned the Chairman of the Audit Committee.

5. The Company gives shareholders the opportunity to be involved in the meetings. Shareholders can submit matters for inclusion as stated in the meeting notice, which is published on the Company’s website ([www.spi.co.th](http://www.spi.co.th)) 18 days prior to the meeting day.

#### **On the day of the meeting**

1. The Board of Directors appreciates the significance of shareholder meetings. They are responsible to the shareholders by deeming it a duty to participate in the meetings so that the shareholders may inquire about any matters concerning the Company.

For the 46th General Meeting of Shareholders on 25 April 2017, seventeen Directors from seventeen Directors or 100% were present at the meeting. The Chairman of the Board of Directors, the Chairman of the Audit Committee, the Chairmen of the Nomination and Remuneration Committee, the Chairmen of the Good Governance and Risk management Committee were present, as well as management executive, the Chairman of the Executive Board, the President, the Chief Financial Officer and the Executive Board were all present. Additionally, a Company’s auditor and the Company provided two inspectors who were representatives of the Company’s auditors who served as witnesses to the vote counting, and during the meeting the Company completed an entire business transfer as well as issuing convertible bond. The company appointed 2 financial advisors, 2 legal advisor, 2 independent advisor regarding the assets and related transactions, 2 distributors and advisor regarding the convertible debentures, 2 legal advisor regarding the convertible debentures attending the meeting for the purpose of transparency, as well as compliance with the laws and the Articles of Association of the Company. The names of Directors, sub-committees and Executives, the Company’s auditors and also the financial advisors, legal advisors regarding the transaction on the entire business transfer, independent advisor regarding the assets and related transactions, distributors and advisor regarding the convertible debentures, legal advisor regarding the convertible debentures and also representatives of the Company’s auditors present were recorded in the meeting minutes which are subsequently published **by the details of the 46th General Meeting of Shareholders as published on the Company’s website ([www.spi.co.th](http://www.spi.co.th))**.

2. The Company practices an equal treatment of all shareholders. Upon the meeting commenced, the Company’s



secretary announces the number and the ratio of attending shareholders. The Chairman of the Board of Directors declares commencement of the meeting and assigned Mr. Tanong Srichit, the President to manage the meeting, Mr. Tanong Srichit introduces Company Directors, members of the sub-committees, the Company Secretary, Executives, then asks the Company Secretary to introduces Auditors and representative of the Company's auditors, representative of consulting companies who participate the meeting, and explain all rules, including those concerning voting and the counting of the votes of the shareholders on each agenda in accordance with the Company Regulation. Attending shareholders are given the chance to inquire, opine and make suggestions on all agendas. Questions are answered clearly and precisely. For votes, against votes and abstentions are accounted for using the barcode system. The minutes of the meeting are correctly and thoroughly produced. **These are clearly, fully and accurately recorded in the minutes of the 46th General Meeting of Shareholders.** In previous years the Company explain the overall financial performance by business sector and progress regarding the Anti-Corruption to shareholders leaving no questions raised. **The particulars of the 46th General Meeting of Shareholders Minutes are disclosed on the Company's website ([www.spi.co.th](http://www.spi.co.th)).**

3. At the 46th General Meeting of Shareholders on 25 April 2017, the barcode system was used for the purpose of registration and voting for the convenience of the participants. The votes for each agenda are counted using the barcode system arranged by two inspectors from the audit Company to witness the voting of each agenda item for the purpose of transparency, as well as compliance with the laws and the Company regulations. Furthermore, all shareholders and proxies are able to see immediately, on the screen, how many, agree, disagree and abstain votes for each agenda.

Voting for each agenda is done in an open manner. There is a voting card for the shareholders and the proxies for all agendas and will collect voting card with signature. Only the vote-against and null-vote cards are collected, Especially regarding the term of the appointment of the Board of Directors agenda, all shareholders has already got the voting card since the meeting registration except the agenda for the election of individual Directors where the cards will be collected from all shareholders and proxies. Only against votes and/or null votes are counted and subtracted from all votes present to determine the votes for each agenda and remove from the total tally of attendees, while the remaining will consider as voters approved.

Additionally, before voting for each agenda, if more shareholders join the meeting, the number of shareholders and the number of shares would be notified for each agenda.

In 2017, the numbers of votes of the shareholders for each agenda are detailed as follows:

Agenda	Number of Participants	For Votes		Against Votes		Null votes	
		Number of Share	%	Number of Share	%	Number of Share	%
1	137	406,204,500	100.00	-	-	-	-
3	140	406,205,900	100.00	-	-	-	-
4	140	406,205,900	100.00	-	-	-	-
5.1.1	140	406,205,900	100.00	-	-	-	-
5.1.2	140	406,205,900	100.00	-	-	-	-
5.1.3	140	406,205,900	100.00	-	-	-	-
5.1.4	140	406,205,900	100.00	-	-	-	-
5.1.5	140	406,205,900	100.00	-	-	-	-
5.1.6	140	406,205,900	100.00	-	-	-	-
6	141	406,213,901	100.00	-	-	-	-
7	141	406,213,901	100.00	-	-	-	-
8	141	406,213,901					
	(4)	(24,708,090)					
	(Stakeholders)						
	137	381,505,811	100.00				
	(Remained)						
9	141	406,213,901	100.00				



Agenda	Number of Participants	For Votes		Against Votes		Null votes	
		Number of Share	%	Number of Share	%	Number of Share	%
10	141	406,213,901	100.00				
11	142	406,213,902	100.00				
12	142	406,213,902	100.00				
13	142	406,213,902	100.00				
14	142	406,213,902	100.00				
15	142	406,213,902	100.00				

The particulars of the 46th General Meeting of Shareholders Minutes are disclosed on the Company's website ([www.spi.co.th](http://www.spi.co.th)).

4. The Company conducts the meeting in the order of the agendas, without any switching of the agendas or inclusion of additional agendas other than those specified in the meeting notice. Significant information does not change without prior notice to the shareholders. In addition, shareholders have equal rights to raise questions, express their opinions and make suggestions independently concerning every agenda item.

5. The Company records a video of the shareholders meeting throughout the duration of it. Shareholders can ask to see it via the Company Secretary. The video is also published on the Company's website ([www.spi.co.th](http://www.spi.co.th)).

6. Important agendas for shareholder meetings are as follows:

(1) **Dividend payment:** The Company proposes details pertaining to profit allocation and dividend payout rate together with rationales and supporting information in accordance with the dividend payment policy of the Company. Comparisons are made between the paying dividend and the policy, (Offering to pay 0.45 per share for 0.10 shares) and between the paying dividend of the current year and the paid dividend of the previous year. The Company also sets the record date of the shareholders entitled to dividends along with the book-closing and payment dates

(2) **Directorial election: The Company gives shareholders the rights to vote in the election of individuals Company Directors;** and, to nominate individuals for the Company director election. Nominated candidates are reviewed by the Nomination and Remuneration Committee. Nominated candidates for the independent director position must possess the qualifications as required by the Company and the announcement of the Equity Market Committee. The shareholders meeting notice lists the name and a brief profile of each director nominated for election. This includes first name, last name, age, educational background, professional experience, the number of listed and non-listed companies for which they serve as director or executive, positions held in a competitive or relevant business, the holding of Company shares and, the criteria and procedure for the selection of personnel and, the type of Directors proposed. In the case of a re-election, information is also provided to the director's meeting attendance in the previous year and the date on which or the year in which he or she was appointed as a director. **The particulars of which are described in the Letter of Invitation for the 46th General Meeting of Shareholders and on the Company's website ([www.spi.co.th](http://www.spi.co.th)).**

(3) **Directors' Remuneration:** The Company suggests the amount and the form of remuneration to the shareholders meeting for their approval on an annual basis. This is determined by the Nomination and Remuneration Committee and is based on the operational outcome, performance, remuneration limit approved by the shareholders meeting, remuneration paid in the previous year, the benchmark of other companies in the same sector and, the duties and the responsibility of the Company Directors. Policy and criteria for the determination of remuneration for each position of Company director are presented. A summary is provided on the approved remuneration limit, the actual amount paid as well as the form of payment and the exact amount paid to individual Company Directors and members of the Audit Committee and the Nomination and Remuneration Committee. **A summary is provided of the actual amount approved and the form in which payment is made, as well as the amount paid to the individual of the Board of Directors and members of the Audit Committee and the Nomination and Remuneration. This can be found in the annual information declaration sheet (56-1) and the annual report (56-2), under the "Remuneration for Directors" section.**



(4) **Appointment of Auditor and determination of Auditor's fee** : the Audit Committee considered, selected and submitted the candidate for auditors and audit fees by taking into account the independence, operational outcome, the number of years they have been in service, any reason for the changing of auditors, the Audit fee of the current year is compared with the previous year, other service fees incurred from the use of services provided by the audit office with which the auditors are associated. The comparison is made with the amount of work and the audit fees of other listed companies of the same size as well and a proposal given to the Board of Directors for further submission to shareholders for approval. The details of these matters can be viewed from **the Letter of Invitation for the 46th General Meeting of Shareholders and on the Company's website (www.spi.co.th).**

#### **After the day of the meeting**

The resolution of the shareholders meeting and the voting results are published in Thai and English via the information system of the Stock Exchange of Thailand within the time frame required and, on the Company's website at [www.spi.co.th](http://www.spi.co.th) on the following business day. The minutes of a General Meeting of Shareholders are prepared factually and in detail in Thai and English for each agenda. Names are provided of the Directors, sub-committee members, executive board members, top management from the accounting and financial arm, the auditor and the representatives of the auditing Company as witnesses to the votes present, voting and counting practice and, the number of 'for' votes, 'against' votes and 'null' votes for each agenda. There is a record of the inquiries made and the responses provided as well. The minutes are revised by the Legal Department and the Chairman of the Board of Directors in the capacity as the chairperson of the assembly meeting. They are delivered to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, as well as published on the Company's website at [www.spi.co.th](http://www.spi.co.th) in Thai and English within 14 days from the day on which the meeting is held. This allows the shareholders to review information without having to wait for the next meeting. A copy is delivered as well to the Department of Business Development, Ministry of Commerce, within the statutory timeframe. The details of **which are as per the Letter of Invitation for the 45<sup>th</sup> General Meeting of Shareholders and on the Company's website (www.spi.co.th)..**

## **2. Equitable Treatment of Shareholders**

2.1 The Board of Directors treats all shareholders fairly and equitably. Shares of the same class carry equal voting rights, i.e. one vote per share.

2.2 The Board of Directors encourages shareholders who are unable to attend a meeting in person to grant proxies to attend the meeting and vote on their behalves. The proxy form used allows shareholders to determine voting directions, and, at least, one independent director will be provided as an alternative to the granting of shareholder's proxy.

2.3 The Board of Directors provides an opportunity for minority shareholders to nominate candidates for election to become Company Directors at the Annual General Meeting of Shareholders.

2.4 The Board of Directors publishes the shareholders' meeting notice in both Thai and English on the Company's website at least 30 days in advance of the date of the shareholders' meeting.

2.5 The Board of Directors encourages all shareholders to exercise their shareholders' rights. Meeting notices as well as supporting documents are sent to shareholders in advance. An English language version is also prepared for foreign shareholders.

2.6 The Board of Directors pursues a policy to prevent the use of inside information and has implemented measures to prevent the exploitation of inside information for wrongful interests of oneself or of others. Company Directors, Executives and Employees who are in units which expose them to inside information are prohibited from trading in the Company shares in the one month period prior to the public disclosure of financial statements.

2.7 The Board of Directors has directed Company Directors and Executives to declare their interests and the interests of connected persons, to act prudently regarding the management of conflicts of interests and to comply with the rules of the Office of the Securities and Exchange Commission.



According to the “**Equal Treatment of Shareholders**” section of the Good Corporate Governance Policies and Good Corporate Governance Principles, we treat all shareholders equally and equitably. All shareholders have the equal rights as follows:

**(2.1) Exercise of the right to attend the Shareholders Meetings**

1. Votes are determined by the number of shares held by the shareholders. One share represents one vote, and there is only one type of Share which is Ordinary Share.

2. For the shareholder meetings, minority shareholders can submit matters for inclusion on the meeting agendas and/or nominate individuals for the Company director election prior to the meeting by the established criteria, channels and time frame during 1-30 December 2016. **This is made available in both Thai and English via the channels of the Stock Exchange of Thailand, as well as the Company’s website (www.spi.co.th) as well as allowing shareholders to submit questions in advance.**

3. For the 46th General Meeting of Shareholders, held on 25 April 2017, the Company has delivered a notice with supporting documents on 10 April 2017 or Fifteen days prior to the meeting. It included the Annual Report, financial statements, resumes of the persons nominated for election as Directors, definition of independent Directors, information on Directors of audit committee nominated as proxies, the Company regulations in regard to shareholders’ meetings, explanation on documents and the evidence to be presented by shareholders while attending the meetings, procedures for attending the meetings, map of the meeting venue, proxy form “B”, registration form and the procedure for submitting questions in advance for the Annual General Meeting of Shareholders to review the information before the meeting.

**Foreign and institutional shareholders are provided with a complete English language translation of the meeting notice and the supporting documents, together with the Thai original in order to encourage all types of shareholders including institutional shareholders to participate in the meeting.** Furthermore, the Thai and English language versions of the meeting notice and the supporting documents are published on the Company’s website for eighteen days prior to the meeting. They were published on 7 April 2017 which were less than 30 days prior to the meeting date. Due to the Company having completed an entire business transfer to comply with the notification of the Capital Market Supervisory Board and Securities Commission of The Stock Exchange of Thailand. This is the same set of information delivered in hard copy and is intended to facilitate better access to information and to ensure Thai and foreign investors have more time to review the information.

4. The Company encourages all shareholders to be involved in the review and to vote actively on important matters of the Company by the meeting agendas. Shareholders who are not able to participate in the meeting on their own may assign another person or a member of the Audit Committee, who is an independent director to attend the meeting on their behalf. Names, addresses and interests of all three members of the Audit Committee are declared in the Letter of Meeting Invitation. Shareholders can view the information on the three members of the Audit Committee in the annual report, enclosed with the meeting notice or on the Company’s website (www.spi.co.th).

Shareholders who are not able to participate in the meeting on their own may use the “B” proxy form, enclosed with the meeting notice. This allows shareholders to be involved in the voting. Documents and identification evidence required for the proxy process are described. The proxy process is not associated with any inconveniencing criteria. Alternatively, shareholders can download the proxy form, prepared by the relevant announcement of the Business Development Department, the Ministry of Commerce, from the Company’s website (www.spi.co.th). The three versions available are “A”, “B” and “C” proxy forms. (The letter is used only by foreign investors who have appointed a custodian in Thailand as a depository and manager of their shares.)



The 46th General Meeting of Shareholders of Year 2017 was held on 25 April 2017.

	Shareholders	Shares	%
<b>Total Registered Shareholders</b>	<b>1,062</b>	<b>494,034,300</b>	<b>100.00</b>
<b>Attending Shareholders</b>	<b>142</b>	<b>406,213,902</b>	<b>82.22</b>
<b>In Person Attendance</b>	<b>51</b>	<b>38,206,051</b>	<b>7.73</b>
<b>Proxy Attendance</b>	<b>91</b>	<b>368,007,851</b>	<b>74.49</b>
- By Audit Committee	2	26,160,893	5.30
- Other Individual	89	341,846,958	69.19

5. The Company provides duty stamps to the shareholders at no cost for the affixation on the proxy form.

6. The Company fully facilitates shareholders in exercising their right to participate in shareholder meetings and to vote. Shareholders can register for the meeting, at least, two hours in advance. Shareholders joining the meeting after it has begun are given voting rights on agendas which have yet to be reviewed. They are accounted as a part of the quorum from the agenda on which they have voted.

7. The Company meetings agendas were in order without any transition and addition to the existing meeting agendas or significant amendments without prior notification to shareholders.

8. The voting on each agenda item will be carried out openly by preparing ballots for shareholders for every agenda item. Ballots will be collected only when any of the shareholders disagrees or abstains from voting. An exception applies to the election of Directors, from which ballots of every shareholder attending the meeting will be signed and collected. Sufficient personnel and technology are provided to facilitate meeting registration and voting on each agenda. A bar code system is used for convenience, timeliness and transparency.

#### (2.2) **Control of Internal Information Usage**

Most Directors, Executives and Employees have been with the Company for a long time and **have since become accustomed to the philosophy of Dr. Thiam Chokwatana. They are honest and loyal to the Company in such a way that they would look out for the inappropriate use of Company assets.** Presently, the authority in this area is prescribed in writing and through discussion among the Management.

The Company operates in strict compliance with the good corporate governance principle. Measures concerning the use of internal information are prescribed in writing on **Conflict of Interest in the Company's Code of Ethics and** the section on **Authorities and Responsibilities of the Company's Code of Conduct** as a business ethic for everyone to observe in his or her service to the Company and the shareholders. Employee ethics require that Directors, Executives and Employees perform their duties with great honesty, responsibility, discipline and in good conscience towards themselves and others. They must not use their position to gain benefits for themselves and/or others in an inappropriate way or use Company information or assets in such a way that benefits themselves and/or others. Furthermore, they must not engage in any act which constitutes the encouragement of any individual to engage in a business which is competitive with that of the Company. the Company additionally prepared good corporate governance hard copies to the Directors, Executives and Employees. They are published on the Company's website (www.spi.co.th) as well for everyone to observe in his or her performance of duties. The ISO 9001:2008 quality management standard is a principle we also adhere to.

The most severe disciplinary punishment established in the Company regulation is the termination of employment. All Directors, Executives and staff are aware of this and should act accordingly.



**(2.3) Supervision of the Company's security trading transaction and report of stockholding**

The Company has in place measures for the monitoring of our security trading transactions under the section on **Conflict of Interest in the Company's Code of Ethics and** the section on **Authorities and Responsibilities of the Company's Code of Conduct**. These have prescribed a prohibition for Directors, Executives and staff in possession of insider information from selling or purchasing Company shares within one month before the disclosing of financial statements to the public. Every quarter, the Company Secretary sends a letter of reminder regarding this to Directors, Executives and relevant individuals not to purchase and sell the Company's securities before 24 hours after the disclosure date. Additionally, Directors and Executives, as well as, their spouses and under-aged children are required to report their shareholding. Any transaction must be reported to the Securities and Exchange Commission, with a copy sent to the Company Secretary for subsequent notification of the Board of Directors at the next meeting. One mandatory agenda to be present at all Board of Directors meetings involves the holding of Company shares by Directors and Executives. A shareholding report form is enclosed with the invitation to the meeting. Directors and Executives are well aware that it is their duty to comply. The Company Secretary will circulate a letter to all Directors and Executives of any change in this area, with the relevant announcement of the Securities and Exchange Commission enclosed.

**In 2017, the Board of Directors and Executives complied with the policy not to buy and sell the Company's securities during the prohibited period.**

**Changes in the shareholding of Directors and Executives are summarized in the annual information declaration sheet (Document 56-1) and the annual report (Document 56-2) under the "Changes in shareholding of Directors and Executives" section.**

**Change of Interest Reporting:** Measures are in place to require Directors and Executives to report their change of interest in the Management of our businesses on the following occasions:

1. Upon the first appointment to the directorial or executive position
2. Upon the instance of change in interests

3. Directors and Executives are required to submit their interests report to the Company Secretary, who would, in turn, deliver a copy to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven days from the day on which the report is received.

The Directors and Executives have complied with the established criteria in 2017.

**(2.4) Conflict of Interests Policy**

According to the aforementioned practice guidelines, the Company proceeds carefully and rationally concerning conflict of interests and related transactions. We have the Company's best interest, and pricing is consistent with fair trading conditions as if the transactions are those engaged in by members of the general public. Our handling of matters in this area is transparent and consistent with the announcements of the Capital Market Committee. It is established as a good corporate governance policy and an ethical requirement binding upon the Company and shareholders. Information is disclosed to ensure equal access by all. **Details are available on the Business Code of Conduct, section regarding Conflict of Interests and Related Parties Transactions.**

**3. Role of Stakeholders**

3.1 The Board of Directors appreciates and respects the rights of the various stakeholders by having regard to rights under the law or agreement with the Company. Stakeholders are ensured that their rights are protected and that they are treated fairly and equitably. The policy has been prescribed as a guideline for the treatment of each stakeholder group, which has also taken into consideration the community, society and the environment, to promote sustainable development, suppress dishonest acts and corruption, avoid intellectual property infringements and to include giving due respect to human rights.



3.2 The Board of Directors supports the corporate social responsibility reporting, which has been an integral part of the Annual Report.

3.3 The Board of Directors provides channels and procedures for all stakeholder groups to report or file a complaint on any matter which poses a risk of loss to the Company, the accuracy of financial statements or unfair treatment.

3.4 The Board of Directors has prescribed policies or guidelines for protecting Employees or informants of matters which pose a risk of loss to the Company or unfair treatment.

According to Good Governance Policy and Good Corporate Governance Principles under the section on **Roles of Stakeholders**. The Company adheres firmly to our responsibilities, and we have respect for the rights of all interested parties both inside and outside of the Company. We act responsibly towards the communities, the society and the environment are entitled to their rights and that mutual cooperation leads to a sustainable business. Therefore, we have established a policy guideline in the code of business ethics to ensure that the legal rights of all stakeholders will be honored. In the unfortunate event of any inevitable damage, the Company and all interested parties will jointly engage in a discussion to arrive at a solution that benefits all parties involved. We established policies and best practice guidelines related to stakeholders in our business ethics under the section on **Code of Ethics**.

#### **Channels of Stakeholders Involvement**

The Company provided channels for all groups of stakeholders to communicate, as well as to make suggestions and report or file complaints about matters that may cause damage to the Company regarding the correctness of the Company's financial reports, internal control systems or any possible violation of the law or business ethics, fraud or misconduct of Company Employees, as well as unfair treatment or an infringement of the rights of stakeholders. Company Employees or related stakeholders who encounters evidence or have traces of employees or individual acting on behalf of the Company is involved in bribery or corruption directly and indirectly. This will result in the violation of the laws and regulations and the misconduct of the Company's policy includes those not in compliance with the Code of Conduct comprising of the Company directors, management, and employees. Individuals experiencing unfair treatment in the workplace are able to notify traces through the following channels.

1. **The channels of complaint**, practices are as follows;
  1. Direct verbal complaints or complaints in writing.
    - Internal Audit Manager, Tel: 0-293-0030, Ext. 510
    - HR Manager Tel. 0-293-0030 Ext. 400
    - Company Secretary Tel. 0-293-0030 Ext. 300
    - Accounting Manager Tel. 0-293-0030 Ext. 509
  2. Via the E-mail Address: cac@spi.co.th
  3. Feedback Box
  4. Mail to PO Box. 3, Satupradit Post Office, Bangkok 10124
  5. In case the complainant chooses not to reveal his name, they should provide details or facts with sufficient evidence to show that there are reasonable grounds to believe that any person is involved in bribery or corruption.

The Company will keep the relevant information confidential and take into account the safety of the complainant unless it must be disclosed as required by law.

#### **2. False Accusation**

If any complaint is found to be in bad faith or if the whistleblower decides not to testify or to provide any information that proves the acts did occur, then as a result, the complaining party will be deemed to have caused damage. If the company's employees are disciplined due to their actions and according to regulations regarding the operation and / or prosecution, if a third party is involved in the action and the company has been deemed to be damaged. The Company reserves the right to legal proceedings against the person.



### **3. Criteria and consideration of complaints. Or the whereabouts of offenders**

1. Details of the complaint or the whereabouts of offenders must be true and such that they are clear enough to ascertain the facts in order to continue with the complaint.
2. The information received will be treated as confidential. A complainant may choose to remain anonymous if he/she deems that disclosure could lead to insecurity or loss concerns.
3. The complainant or the act of reporting a crime is deemed to be intended in good faith and will be treated with care and fairness. Whether it is from an employees or a third party.
4. The period of implementation of the complaints shall depend on the complexity of the matter and the sufficiency of the evidence given by the complainant including the documents and the statement of the complainant.
5. Those who are involved with the process to investigate will collect all possible relevant information while at the same time remaining confidential. Measures are in place for the protection of complainants who are employees, including those who cooperate in the investigation of facts.

### **4. Related Parties**

1. The report refers to a complaint or to report a crime.
2. The complaint refers to a person under Clause 1.

### **5. Investigation Audit**

- 1 The investigators will investigate and gather facts or assign designated individuals or entities acting on behalf of the trustees.
- 2 Those investigators or receiving complaints can invite employees to give information or to send any documents relating to the investigation
- 3 Where a decision is made on the evidence of a complaint the recipient of the complaint shall report to senior management in order for them to report to the Committee on good governance and risk management, The Audit Committee and The Board of Directors.

Should the investigation decide the complaint to be valid. There should be a ruling of any disciplinary action by the HR Department, who can offer an opinion on the matter together with senior management for action.

In the case of complaints, causing damage to anyone it is proposed to mitigate the damage to the victim's rights and in order to be fair.

### **6. Informant Protection**

The information shall confidential limited to only those with the responsibility to investigate the complaint or who shall be deemed to comply with measures to protect the complainant as defined in the Code of directors, management and employees.

### **7. Protection of Employees**

Measures have been prescribed for the protection of complainants who are employees, including those who cooperate in the investigation of facts. These persons will be protected from unfair treatment as a consequence of the complaint.

In 2017 the Company has not received any complaint filings or notification from stakeholders.

## **4. Information Disclosure and Transparency Policy**

4.1 The Board of Directors oversees that there is proper, transparent and timely disclosure of significant information by the relevant laws and regulations. These disclosures include reports filed by accounting periods and reports of events having an impact on shareholders' interests, as well as the disclosure of other information pursuant to the principles of good corporate governance prescribed by the Stock Exchange of Thailand. Disclosure is made to the extent that the Company's legitimate interests are not prejudiced. Information is published in both Thai and English on the Company's website (www.spi.



co.th), disclosure channels of the Stock Exchange of Thailand and other channels which are comprehensively and equitably accessible.

4.2 The Board of Directors has established units or responsible persons to perform investor relations functions to communicate with external persons equitably and fairly.

Adhering to the good corporate governance principle under the section on **Disclosure and Transparency**. The Company complies with the laws, Company regulations and criteria established by the Office of Securities and Exchange Commission and the Stock Exchange of Thailand, by disclosing significant information with regulations and criteria established by the Office of Securities and Exchange Commission and the Stock Exchange of Thailand, by disclosing significant information with effect or possible effect on the price of Company share on the decision of investors, or, on the benefits of the shareholders. This is to keep all shareholders and investors equally well informed of the following important updates.

(1) Information disseminated by accounting periods: Financial statements, annual disclosure form (56-1) and annual report (56-2)

(2) Information occasionally disseminated: acquisition and disposal of assets, related transactions, joint ventures, payment or non-payment of dividends, financial assistance, etc.

The aforementioned information are disseminated via the information system of the Stock Exchange of Thailand and also disseminated the company's website (www.spi.co.th.) contains information in both Thai and English. This information is regularly updated to reflect current developments. **Over the past year, the Company has not violated any rules or regulations set forth by the Securities and Exchange Commission, nor the Stock Exchange of Thailand.**

**Information disclosed in Annual Statement (Form 56-1) and the Annual Report (Form 56-2).** The information appearing in the annual data sheet and annual report is prepared by the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand and, and compliance with good corporate governance principles 2012 to illustrate the transparency of the operation as follows:

**(1) Shareholding Structure:** List of ten major shareholders as of the closing date of shareholder registry for the purpose of the annual general meeting shareholder of and website at www.spi.co.th.

**(2) Shareholding of Directors and Executives:** The Change of Shareholding is disclosed in Management Structure Section under the Company shares transfers of Director and Executives, including their spouse /minor child **in the Management Structure, under Change of the Board of Directors' and Executives' Shareholding Section.**

**(3) Nature of Business:** The nature of our business in of Industrial Situation and Competition is clearly explained

**(4) Business Structure:** the structure of business is disclosed with the fixing of shareholding ratio clearly in **Revenue Structure Section.**

**(5) Business Risks:** The risks of our operation are disclosed. Explanations are given by their nature, cause, impact, as well as preventive and mitigation measures in the section on **"The Risk Factors"**.

**(6) Financial Status and Performance:** Analysis of financial status, performance and significant changes in the topic of the Explanation and Analysis of the financial position and under the section on **Explanation and Analysis of Financial Status and Operating Performance.**

**(7) Director and Executive Profiles:** Disclosure of a profile of the Directors and Executives, together with an indication of which Directors are independent Directors. The roles and duties of the Board of Directors and subcommittees, the number of meetings held, the number of times each director attended the meeting, the shareholding of Directors, the number of companies for which the Directors serve in the directorial position and the training background of the Directors are disclosed under the section on **The Management Structure and Detailed Information of the Executives and Control Persons and Company Secretary.**

**(8) Remuneration of Company Directors and Executives:** The remuneration for Company Directors and Executives is detailed in terms of both form and amount. The amount paid to each director for their role as Company director and member



of the committee is disclosed. More details on this matter can be found in **Remuneration of Board of Directors**, whereas that for Executives appears in the section on **Remuneration of Executive Boards and Executives**

**(9) Number of Meetings of the Company's Board of Directors, various Sub-committees and the attendance of each of the Company's Directors:** A disclosure was made of the number of meetings held by the Board of Directors, various Sub-Committees, as well as the attendance record for each of the Company's Directors. This is made in the **Management Structure** section.

**(10) Development and Training for Directors:** A disclosure of training given for Directors has been specified in the **Management Structure**.

**(11) Board of Directors Performance Evaluation:** The Board of Directors discloses the findings of their self-evaluation publicly. It is the collective opinion of each director on the performance of the entire Board of Directors. Over the past year, the average score is in a good range (83.98%) under the section on **Compliance of Good Governance Principles in Other Matters**.

**(12) Dividend Payment Policy:** The dividend payment policy states that dividends will be at a minimum 0.10 Baht per share. The exact amount will be based on the operational performance, cash flow, and economic conditions of the Company. Dividends are regularly made in excess of this figure.

**(13) Compliance with Corporate Governance Principles:** A disclosure of the Company's policy on 5 Principles of Corporate Governance, Code of Ethics and Code of Conduct has been made in writing and is detailed on the Company's website ([www.spi.co.th](http://www.spi.co.th)).

In 2017, the Company reported that operations were conducted according to the Corporate Governance policy, in accordance with the principles of good corporate governance set by the Stock Exchange of Thailand in 2012. This was published in the Annual Statement (Form 56-1), Annual Report (Form 56-2) as well as on the Company's website ([www.spi.co.th](http://www.spi.co.th)) and is underway in conducting The Corporate Governance Code (CG Code) 2017 for listed companies based on the business context.

**(14) Corporate Social Responsibility:** A disclosure of the Company's social and environmental policies, as well as the execution of these policies, have been made in the **Sustainability Report** on Form 56-1 and Form 56-2 under the section on **SPI...and Sustainable Development**.

**(15) Internal Control and Audit:** The report of the audit committee, the report of an internal bookkeeping control system of the auditor and, the evaluation of the five areas of internal control system by the Board of Directors, are all revealed

**(16) Report of the Board of Directors' Responsibilities on Financial Statements:** The Board of Directors is responsible for the reliability and the correctness of financial information, upon which the shareholders and the investors base their decisions. The report is signed by the Chairman and the President of the Company as shown in the **Annual Statement (Form 56-1) and Annual Report (56-2)**.

**(17) Related or Interrelated Transactions:** The Board of Directors proceeds conflict of interest with prudence, reasonance, maximizing the Company's benefits and shareholders value. The Board of Directors of the Company complies with the criteria of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand, in which the Company has set the policies for Good Corporate Governance. In addition, the Business Code of Conduct states that during an extraordinary transaction with value over 0.03% of NTA, must be presented to the Executive Board for consideration before being submitted further to the Audit Committee for consideration. If there is a related transaction which must be declared under the requirements of the Stock Exchange of Thailand, the Company will seek **the approval of the Board of Directors** prior to engaging in such a transaction. The director with interests in any such agenda must leave the meeting room and refrain from voting on that agenda. The decision to engage in such a transaction must take into account the necessity to preserve the benefits of the Company. Upon conclusion of the meeting, that transaction must be disclosed in Thai and English to the Stock Exchange of Thailand. It must also be published on the Company's website ([www.spi.co.th](http://www.spi.co.th)), detailing the name of the related person, the nature of the relation, the determination of price, the transaction value, the party to the agreement, the necessity to engage in such a transaction, the opinion of the Board of Directors and any differing opinions (if any). A minute is taken of the meeting for review. It is also summarized in the annual information declaration sheet (56-1) and annual report (56-2).



**(18) Quarterly Performance Reporting:** The Company has prepared Management Discussion and Analysis reports via on both the website of the Stock Exchange of Thailand and the Company's website ([www.spi.co.th](http://www.spi.co.th)).

**(19) Reporting of the Company's Shares Transactions:** The Company has listed its restrictions on share transactions in the Corporate Governance Manual of the Code of Ethics and Business Conduct as well as in the Professional Conduct Standards of Directors, Management and all Employees. It prohibits Company Directors, Management and Employees from participating in departments that deals with shares transactions for one month before the public disclosure of financial statements. Directors, management, related individuals, including family members have the responsibility of reporting any changes in the Company's shareholdings. This must be made to the Securities and Exchange Commission and the Stock Exchange of Thailand. Furthermore, this must be reported to the Board of Directors at its next meeting. Disclosures are also made of changes of shareholdings among Directors and Management throughout the year. This disclosure will display the amount of shares held at both the beginning and the end of the year, as well as any transactions of holdings throughout the year. They are made both in the Annual Statement (Form 56-1) and in the Annual Report (Form 56-2) under the section on **Management Structure in Change of Directors' and Executives' Shareholding.**

**(20) Company Stakeholder Reporting:** The Company has set a number of criteria governing how Company Directors and management must report any interests they have upon initially becoming a Director or a member of management. Furthermore, any changes in their stakeholder positions must be sent to the Secretary of the Company, who will submit a copy of this report to the Chairman of the Board of Directors as well as the Chairman of the Audit Committee. This must be done within seven days of initially receiving such a report.

**(21) Auditors:** Auditors must maintain independence, credibility and have received approval from the Office of the Securities and Exchange Commission as well as the Stock Exchange of Thailand. In the General Meeting of Shareholders of Year 2016, Ms. Somjintana Polhirunrat and/or Mr. Nopparoeek Pissanu Wong and/or Ms. Suphanphorn Mangjit from DIA International Auditing Co., Ltd. was appointed to be the Company's auditors. Fees for these services totaled 2,400,000.- Baht. The licensing fees 40,000 Baht was paid to cover the other services.

In 2017, the Company's Financial Statements were certified by external auditors and then sent to the Securities and Exchange Commission as well as the Stock Exchange of Thailand. This submission was made on time for each quarterly report as well as the annual report and **was not made subject to any correction by the Securities and Exchange Commission.**

**(22) Corporate Communication:** The Company values transparent disclosure of information to the shareholders and investors. Therefore, convenient and equal access of information is ensured with the implementation of various communication channels. The Company discloses the information via the system of the Stock Exchange of Thailand, using the 56-1 and 56-2 templates and via the Company's website ([www.spi.co.th](http://www.spi.co.th)). Additionally, we have made efforts to meet with analysts, investors and members of the press; and, to prepare documents which indicate our financial position.

**(23) Information Disclosure via the Company's Website ([www.spi.co.th](http://www.spi.co.th)):** The Company's website [www.spi.co.th](http://www.spi.co.th) has been developed specifically as a channel of communication for the dissemination of information and updates concerning the Company, shareholders and investors are covered in Thai and English **under the Section on About in Corporate Governance Section and Investor Section.**

**(24) Investor Relation:** The Company has a dedicated Investor Relations team to provide financial performance, information, news and enquiries to investors and stakeholders in which our contact personnel are as below:

Ms. Rattana Chailertkamoldej

Tel. 0-2293-0030 ext. 307

Fax. 0-2293-0040

In 2017, the Company and Saha Group of companies in collaboration with the Stock Exchange of Thailand have conducted a event call **"Analysts and Investors Meet Saha Group"** continuing for 9<sup>th</sup> year, as a part of the 21st Saha Group Fair at Queen Sirikit National Convention Center. The event gave analysts, investors and members of the press the chance to meet with Company Directors and Executives and profile with information on key operational performance was distributed.



There was a chance for participants to experience and purchase products and innovations at the 21st Saha Group Fair at special prices as well. The event was well welcome from every participant. Analysts, investors and members of the press were able to develop a better understanding of the operation of Saha Group as a result. The same information was communicated via the channels of the Stock Exchange of Thailand and the Company's website ([www.spi.co.th](http://www.spi.co.th)).

## **5. Board of Directors' Responsibilities**

5.1 The Board of Directors has prescribed a structure for the Board of Directors comprising of persons having a diverse range of knowledge, competencies and experiences, without limitation to gender and having the qualifications required by law. At least one Company Director is a Non-Executive Director, who has expertise in the Company's business undertaking. There are also Independent Directors as required under the Notification of the Office of the Securities and Exchange Commission.

5.2 The Board of Directors has provided a definition of an Independent Director, which meets the minimum requirements of the Office of the Securities and Exchange Commission.

5.3 The Board of Directors has appointed Committees to screen key matters prior to submission to the Board of Directors.

5.4 The Board of Directors has issued a charter for each Company Committee by prescribing the tenure and scope of their powers and duties to demarcate clearly the roles, duties and responsibilities of each Company Committee and the management.

5.5 The Board of Directors has a policy which requires the Company Directors and Executives holding Directorial positions in other companies to make a disclosure to the Company Chairman and the Chairman of the Audit Committee.

5.6 The Board of Directors has provided for a Company Secretary to perform duties prescribed by law and is entrusted as such. The qualifications of a Company Secretary should be a person possessing knowledge of law or accounting, or who has completed training related to the performance of Company secretarial duties. Continual training and knowledge development are also provided.

5.7 The Board of Directors has prescribed policies for governance, business ethics and codes of conduct for Company Directors, Executives and Employees to ensure a harmonized approach.

5.8 The Board of Directors has prescribed a Company vision and mission so that the Company Directors, Executives and Employees are encouraged to strive towards the same goal.

5.9 The Board of Directors has a policy of continually promoting and sponsoring the development of knowledge amongst Company Directors, Executives and Employees.

5.10 The Board of Directors prescribes an annual meeting schedule in advance every year. The determination of the agenda takes into account the fair interests of shareholders and all stakeholders. All Company Directors enjoy independence in the expression of their opinions. A Company Director having an interest in an agenda shall not have the right to vote in such agenda.

5.11 The Board of Directors prescribes a duty of Company Directors to attend all Board Meetings unless there is a necessary cause.

5.12 The Board of Directors has a policy of encouraging senior Executives to attend Board Meetings.

5.13 The Board of Directors provides Non-Executive Directors with opportunities to meet among themselves in the absence of the management when necessary. The Managing Director shall be notified of the meeting outcome.

5.14 The Board of Directors has a policy of promoting the Company Directors' access to additional essential information from the Managing Director, Company Secretary or other assigned Executives within the scope of the certain policies. If necessary, the Board of Directors may obtain independent opinions from advisors or external professionals on the Company's expenses.

5.15 The Board of Directors has implemented measures pertaining to conflicts of interest which are prudent, rational and in compliance with the rules and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.



5.16 The Board of Directors prohibits Company Directors and Executives from trading in Company shares in the 1-month period prior to the public disclosure of financial statements.

5.17 The Board of Directors has directed Company Directors and Executives as well as their spouses and children who have not attained the legal age to have the duty to disclose shares holdings and changes in the holdings of the Company shares to the Office of the Securities and Exchange Commission and to submit a copy to the Company Secretary to enable reporting to the Board of Directors in the subsequent Board Meeting.

5.18 The Board of Directors has directed Company Directors and Executives to disclose personal interests and interests of connected persons in accordance with the prescribed rules.

5.19 The Board of Directors has established an internal audit unit as an internal agency accountable to the Audit Committee.

5.20 The Board of Directors requires an annual assessment of the Board of Directors' performance.

5.21 The Board of Directors prepares a report on the responsibilities of the Board of Directors pertaining to the financial statements submitted in the Annual Report.

5.22 The Board of Directors oversees and determines the payment of appropriate remuneration to each committee member pursuant to the powers, duties and responsibilities and draws a comparison to the remuneration levels in the same business sector.

5.23 The Board of Directors has prescribed a succession plan for Employees in various positions in view of their advancement to higher positions.

5.24 The Board of Directors provides an orientation and all assistance for first term Company Directors.

5.25 The Board of Directors has established an internal control system and risk management system.

5.26 The Board of Directors has provided for the monitoring and assessment of corporate governance by establishing a corporate governance committee.

According to the Good Corporate Governance Policy and Good Corporate Governance Principles listed under the topic of “**Responsibilities of the Board of Directors and** ”, the Board of Directors operate as follows;

#### **Duties and responsibilities of the Board of Directors**

##### **1. Leadership and Vision**

The Board of Directors consist of Directors with various qualifications in the form of abilities, qualifications and individual talent which are beneficial to the Company showing strong leadership and individualism towards decision making. As well as being able to stir the Company in accordance to the objective and target set which results in the highest benefit for the Company and shareholders.

In 2017 the Board of Directors revised the Vision and Mission in relation to its current business through determining the target, plan and budget during the year in order for the Board of Directors, management and employees with an objective. The objective should be in accordance to the laws and regulations and the company code of conduct. Constant revision of business performance in accordance to the Board of Directors agenda on a monthly basis as to be able to change the strategic direction accordingly.

##### **2. Good Corporate Governance**

**The Board of Directors has revised the Good Corporate Governance with the evaluation guidelines under all the aspects of CG Code in order to update the benefits, guidelines and promises of long-term benefits to the Company's operators.**

##### **3. Conflict of Interest Policy**

The Board of Directors see the importance that might cause conflict of interest in which business must operate in a transparent manner specified in the Good Corporate Governance policy and the Code of Ethics and Code of Conduct. **This can be located in the Code of Ethics Policy under the Conflict of Interest.**



In 2017 the Company incurred a related party transaction for approval from shareholders regarding the entire business transfer of President Holding Company Limited with a mandatory tender offer of all securities of President Rice Products Public Company Limited and President Bakery Public Company Limited with approval made during the Annual General Shareholder Meeting No. 46 on 25 April 2017. The disclosure of information sets the possibility of any conflicts that might arise under “Related parties transactions.”

#### 4. Good Corporate Governance Regulatory Management, Risk Management and Internal Audit Management

The Board of Directors implements an internal control on financing, operating and good corporate governance as well as risk management. In which the Good Corporate Governance and Audit Committee oversees business operations and risk management. The internal audit will verify, test and evaluate various systems within the organization with recommendations to the improvement and report the relevant results to the Audit Committee on a monthly basis. This will enable the Audit Committee to evaluate the Company if it is in compliance with and free from error during the internal audit procedure to determine the relevance and if the internal control system is sufficient. **The disclosure can be found under the “Internal Control and Risk Management.”**

#### 5. Board of Directors Meetings

The Board of Directors schedules 1 meeting per month as a minimum placing great importance on their meetings, and it is regarded as an important obligation for them to participate in such meetings to acknowledge and decide upon any important matters affecting the business operations of the Company. In 2017, there was a total of 13 Board of Directors meetings - the timings of which were pre-determined and notified to concerned individuals in advance. The Company Secretary would deliver a notice to the directors, informing them of the agendas including matters for acknowledgement and matters for consideration, and, minutes of the previous meeting, together with relevant documents in order that the directors may review the matters at the statutorily required timeframe as specified in the relevant laws and company regulations - which is at least 7 days, or 5 working days prior to the date of each meeting. The Form 59-2 is enclosed as well to remind directors to report any change in their holding of company shares during the past month. The Chairman of the Board of Directors and the President would jointly determine the agendas and all directors are allowed to submit matters for inclusion as Board of Directors meeting agendas through the Company Secretary. Additional information can be sought from the President and the Company Secretary.

At the Board of Directors meetings, the Chairman of the Board of Directors serves as the chairman of the meeting and conducts it in such a manner, as to comply with the agenda as follows:

**Consequential Matter:** This is a report to monitor the performance of the previous board meeting.

**Agendas to be informed:** This agenda includes important matters that took place during the past month, such as the operation report on how well the operation team has performed according to the Board of Directors’ agreed procedures, the report on the business performance during the past month, or the report on shares transfers of the company directors to show any directors, spouse, or under-aged children shareholding change.

**Agendas to be considered:** Agendas proposed to the Board of Directors for their agreement or approval. Directors with vested interests in the matter must leave the room and refrain from voting on the agenda. The Chairman of the Board of Directors allows and encourages all directors to voice their opinion freely. Directors can discuss and opine openly. The chairman of the meeting compiles the information shared and conducts the meeting by the discussion of each agenda and concludes within an appropriate time. Decisions are made on the majority vote with one director equaling one vote. In the case of a tie, the chairman of the meeting is to cast the final deciding vote.

Apart from executives who are also company directors, sometimes, the Board of Directors’ meetings may be attended by other executives who are directly involved with any particular matter being discussed.



At the end of each meeting, the company secretary is responsible for preparing the meeting minutes in writing and preparing them ready for any future review. Moreover, if necessary, a separate meeting can also be conducted between company directors who are not executives of the company and to inform the Board of Directors.

The Board of Directors offer the non-executive directors the chance to attend the meeting themselves and subsequently report to the Board of Directors.

In 2017, there were 13 Board of Directors meetings. The meeting attendance for each company is disclosed under **Management structure**. The directors participated in the meetings for more than 75% of all this year's meeting.

#### 6. Evaluation process for the Board of Directors

The Board of Directors has scheduled an annual evaluation of the Board of Directors during 2017 in favor of all the members in which the results are recorded each year in order to compare previous performance metrics. This will result in the revision of the individuals performance, problems and hurdles during the year in order to improve the overall organization efficiency.

Metrics in determining the performances based on the specified scorings as below:

Metrics	Scores
Excellent	More than 90%
Good	More than 70%
Neutral	More than 50%
Unsatisfactory	50% and below

#### **Performance appraisal of the Board of Directors**

The Board of Directors performance appraisal separated into 3 categories:

1. Performance, role and responsibilities of the Board of Directors
2. Independence of the Board of Directors
3. Relationship with the management and stakeholders

In 2017 the overall performance is "Good" with an average score of 83.98%.

#### **- Performance appraisal of the Subcommittee**

The Board of Directors sets the performance appraisal of the subcommittee by having the individual members evaluating the subcommittee in which the member reports.

In 2017 the performance appraisal are summarized as follows: (รพผลการประเมิน)

Audit Committee	Results	100.00% of Average
Nomination and Remuneration Committee	Results	70.63% of Average
Corporate Governance and Risk Management Committee	Results	83.00% of Average



## 7. Report on the Company Board of Directors' Responsibilities to Financial Statements

The Board recognizes the responsibility, reliability and accuracy of financial information for the consideration of shareholders or investors. The Company has prepared the responsibility of the Board of Directors to the Financial Report, which will be signed by the Chairman and the President stated in the **Annual Statement (Form 56-1) and Annual Report (Form 56-2)**.

**In 2017, the Company has not had any incidence of any violation of the regulations of the Office of Securities and Exchange Commission or the Stock Exchange of Thailand.**

### Code of Ethics Policy consists of:

#### **1. Responsibility Towards Stakeholders**

The Company has prepared a written Code of Ethics and Code of Conduct and copies of this manual have been distributed to all Directors, Executives and Employees. It is also disclosed on the Company's website ([www.spi.co.th](http://www.spi.co.th)). Directors, Executives and staff are required to observe it when interacting with the Company to stakeholders. The Board of Directors is very enthusiastic about business ethics with an aim to ensure sustainable growth, believing that business is viable only on the foundation of ethical and moral correctness.

##### **(1.1) Shareholders**

The Board of Directors performs duties responsibly, prudently, earnestly and honestly in order to generate good returns to shareholders on a continual and sustainable basis. In this regard, the following policies and practice guidelines have been prescribed.

1. The ownership rights of shareholders are equitably and justly respected.
2. Operations are undertaken in accordance with the principles of good corporate governance, which will foster the trust and confidence of shareholders and eventually lead to sustainable growth.
3. The Company's businesses are continually advanced to ensure proper returns to shareholders.
4. Significant information which affects or potentially affects the shareholders' interests shall be disclosed, whether reports made pursuant to the accounting period or situation reports, pursuant to the relevant laws and notifications. However, no action shall be taken to restrict shareholders' access to Company information.
5. A report of the Board of Directors' responsibility with regard to the financial statements in the Annual Report shall be prepared.
6. Minority shareholders shall be given an opportunity to propose matters for inclusion in the meeting agenda and/or to nominate persons for election as Company Directors at the Annual General Meeting of Shareholders.
7. Shareholders are given an opportunity to submit questions relevant to the meeting prior to the shareholders' meeting.
8. Shareholders' meeting notices in both Thai and English are published on the Company's website at least 30 days prior to the date of the shareholders' meeting as information for shareholders and to enable the study of information prior to meetings.
9. A Shareholders meeting shall be facilitated. The date, time, venue and procedure must not pose an obstacle to the shareholders' attendance of the meeting. Shareholders who are not able to attend in person must have the opportunity to grant a proxy to other persons to participate in the meeting and vote on their behalf.
10. Conflicts of interests must be dealt with prudently, rationally and information must be fully disclosed.
11. The Company's interests and assets shall be safeguarded as a reasonable person would safeguard his/her property. Wrongful interests, whether obtained by direct or indirect means, shall be eliminated.

According to the policy and guidelines aforementioned, the Company has the necessary system to assure shareholders of the following: The shareholders will receive fair and appropriate returns in accordance with our dividend payment



policy. That related transactions are closely monitored. That measures are in place to prevent any conflict of interests. That internal information is securely protected and its misuse is strictly prohibited. That Company director's, Executives and other personnel – who by duty have access to the Company's internal information are prevented from exploiting it for the benefit of their own or other individuals. Such Company personnel are also prevented from the trading of the Company's securities in the period of one month before the financial statements are disclosed to the public.

In the year 2017, we paid dividends from our 2016 operational performance at the rate of 0.45 Baht per share or 13.10 % of net profit (28.36 % of the Net profit from Non-consolidated Financial Statements) on 22 May 2017. This rate is higher than that specified in the dividend payment policy of 0.10 Baht per share and contributes to the long-term financial well-being of our shareholders. All shareholders are invited to participate in the 2017 shareholders annual general meeting with the right to vote on all agendas. Additionally, we have reported our performance on a quarterly basis and disclosed significant transactions such as investment and related transactions via the information system of the Stock Exchange of Thailand and on the Company's website (www.spi.co.th).

### (1.2) Customers

The Board of Directors realizes that customer satisfaction and confidence are critical factors which contribute to the Company's sustainable success. The following policies and guidelines have been prescribed in this regard:

1. The Company operates the businesses of manufacturing, product distribution and services which are safe for consumers and environmentally friendly.
2. Businesses are operated with a commitment to develop goods and services, to introduce innovations and add value to goods and services in order to continually meet the demands of customers along with the disclosure of necessary information for decision-making without concealment or distortion of facts.
3. Businesses are operated in constant, honest and fair values, and no action is taken that would violate the rights of customers. The confidentiality of customer trade secrets is maintained and not exploited for wrongful personal gains or the achievements of others.
4. The Company does not demand, receive or consent to the direct or indirect receipt of properties or other dishonest benefits from customers.
5. The Company adheres to trade agreements. In the case where adherence is not possible, the customer would be notified in advance in order to jointly find a remedy and prevent loss.
6. The Company provides communication channels to enable customers to file complaints to the Company. Complaints are processed with care and dealt with fairly.

The Company operates its business on the basis of integrity and fairness. Clients are provided with the correct information and quick and efficient services. Furthermore, the Company has developed and improved existing systems and services in all Saha Group Industrial Parks, which have enabled them to achieve certifications by various agencies, the details of **which can be viewed in the section on Background and Development.**

The certifications and the certificates have explicitly given clients more confidence and convince them to take up space inside of the industrial parks. Further, **a customer satisfaction survey is conducted annually in June.** From the 2016 customer satisfaction survey conducted at the Saha Group Industrial Park Sriracha, most customers were concerned about the traffic. which required road construction and the building of motorways, along with a large number of toll gates in the area of Laem Chabang city. Such a large construction project, together with the increasing number of vehicles and daily traffic density, has worsened the traffic during peak hours. The Company has surveyed the risk points that may cause the accident and install the traffic signs, flashing lights and signal lights traffic in order to reduce the possible risk. with the budget of 5 million Baht to solve this problem for the customers. In recent years, the Company allocated areas for green spaces and planted large trees to add shade and reduce the temperature within the industrial park. The Company also established the **Proprty Marketing Department** in order to provide information to the customers and the customers can make any enquiry regarding more information, comments and compliant to: Mr. Amphol Wattanawornpong, Manager of Property Marketing



Division, at Tel: (038) 480-444, Email: [amphol@spi.co.th](mailto:amphol@spi.co.th) or visiting the Company's website: ([www.spi.co.th](http://www.spi.co.th)). After receiving complaints or suggestions, the person in charge will give some recommendations to the Meeting of **Steering Committee** in order to mutually find solutions and corrective actions and assign the related agency to clarify the actual operation and feedback to the complainants. Additionally, the Company has paid more attention and monitor both related internal and external recommendation toward the Company's operation. For any internal complaints, the employees may suggest and give some recommendation to the Company through, such as Project Meeting, the Company's web page and complaints box at Human Resources Department, Project Site.

In 2017, external persons used the Company's website to contact the Company via the "Contact us" section; all of them enquired about Saha Group's products (leasing and service) and other details of J-Park Sriracha Nihon Mura. Moreover, none of the complaints related to the operation have not yet received by the industrial parks.

### (1.3) Partners

The Board of Directors treats trading partners equitably and takes into account mutual interests by prescribing to the following policies and guidelines.

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

The following actions have been taken based on the above policy and guidelines: The Company employs partners, and we strive to maintain positive and understanding relationships with them. We provide trading partners with the correct information and exchange with them knowledge which contributes to the creation of added value for the products and the services. Under no circumstances do we demand or accept other assets or benefits beyond those specified in the trade agreements.

There has been no incidence of failure to honor the contract we have with any trading partners in 2017.

### (1.4) Competitors

The Board of Directors operates businesses in accordance with the provisions of law. In this regard, the following policies and guidelines have been prescribed:

1. The Company shall conduct its businesses within the rules of fair competition with due regard to business ethics and trade competition laws of various countries in which the Company operates.
2. The Company will not damage the reputation of its business competitors.

The following actions have been taken based on the above policy and guidelines: We operate strictly in good faith on the basis of fair competition and within the boundary of the law. We view competitors as an element that contributes to the enhancement of our strengths and potential. There has been no dispute with any competitor throughout the history of our operation.

### (1.5) Creditors

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



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

Our creditors can be classified as follows:

#### **Business Creditors**

We comply with the conditions we have with our creditors, and all due amounts were paid in full when they were due regardless of the economic situation. This is done via the Smart Banking system. Creditors are asked to submit their invoices on the 1<sup>st</sup> to the 7<sup>th</sup> of every month. Payment is then made to them on the 26<sup>th</sup> of the same month or the next business day if the 26<sup>th</sup> falls on a holiday.

#### **Loan Creditors**

The Company strictly adheres to the terms and conditions of its loan creditors and always makes due payments for the loan and the interest on time and according to the terms and conditions agreed upon. This ensures that all the loans to the Company are Clean Loans.

### **(1.6) Employees**

The Board of Directors regards Employees as a valuable resource and a key factor in the Company's success. The following policies and guidelines have been prescribed in this regard.

1. Human dignity and the fundamental rights of Employees are respected at work. Employee data or confidential information is not disclosed or transmitted to third parties or unrelated persons.
2. Employees are treated in accordance with the provisions of law, regulations and articles governing the Company's operations.
3. Employment equality is promoted. There is no discrimination on the grounds of gender, skin color, race, religion, age, disability or another status that is not directly related to the works.
4. Training and knowledge exchange are sponsored and promoted to encourage learning and skill development throughout employment; The Company seeks to strengthen career security and offer opportunities for advancements pursuant to each person's potential.
5. Employee participation in the determination of the Company's direction and development are promoted.
6. Fair compensation is offered depending upon knowledge, skill, duties, responsibilities and performance.
7. Appropriate welfare and benefits are given to Employees, e.g. medical expenses, provident fund and a savings cooperative.
8. Channels are provided for Employees to communicate suggestions and complaints pertaining to work. These suggestions are considered and remedies will be determined in the interest of all parties and with regard to good working relations.
9. Facilities necessary for work operations are provided and working conditions are maintained with due regard to health, safety and occupational hygiene as a means of promoting and raising the quality of lives of Employees.
10. Employees of all levels are encouraged to participate in social responsibility activities.

The Company provides various benefits to ensure its Employees' welfare. In addition to basic welfare, including welfare assistance to staff members who experience disasters such as fire, storm, or floods; accidents; and illnesses, as well as financial support in the event of the death of their parent, spouse, or children. Other types of benefits are also provided, such as:



- Infirmary: An infirmary facility is available to provide Employees with preliminary medical treatment, to provide first aid, care for illness and to offer health advice from certified physicians and nurses.

- Medical check-up: Employees are entitled to medical checkups and for qualified staff to correctly assess their circumstances and to engage in preventive measures with regard to their health, suitable to the employees age.

Activities are organized annually to encourage Employees to be aware of health care and for them to learn to protect themselves. These activities include influenza vaccination, cervical cancer screening. Additionally, a hand hygiene gel was provided adequately and thoroughly in different areas of the Company, while hygienic face masks were also given to ill staff members. Along with the implementation of an air purifier ozone system in order to reduce the accumulated bacteria.

- Provident fund for long-term savings and financial security to Employees' future is organized by the Company, which enables the accumulated savings of 8% - 15% on a monthly salary with addition to the Company's participation of 8%.

- Saha Group Employees' Savings Co-operative to encourage Employees to learn about the savings principles of the Co-operative . in a form of capital and savings as well as educating and understanding the privilege of loans in order to reduce the debt burden.

- Retirement Bonus: Upon retirement, Employees will be paid a pension bonus to be used in their post-retirement life.

- Group Assurance is provided by the Company as the group insurance covers the life insurance premium and accidental premium for all employees as a guaranteed collateral.

- Health Insurance Group to lighten the financial burden and cover the costs of medical treatment is included in the Company's benefits due to illness or injury, both inpatient and outpatient, plan in the case of death to an employee.

- Housing loans are provided as a welfare by the Company due to the Company has formed a relationship with a number of finance institutions to develop a housing loan welfare project aiming to help ease Employees' debt burdens.

- Employee uniforms to being organized and appropriate during business operations.

- Training and seminars a wide range of training sessions and seminars were organized both in and outside the Company so that Employees can continuously improve their knowledge, abilities and skills, which can then be further applied to improve their operational performance.

- Other facilities within our industrial parks include leisure parks, sports grounds, aerobic grounds, golf driving ranges and a golf course.

Saha Group Industrial Park Sriracha was certified at the level of Total for the Thai Labor Standard Management (TLS 8001-2546) by the Department of Labor Welfare and Protection, the Ministry of Labor. This is a sign that we have complied with the social responsibility standard of Thai businesses.

#### Communication Channels for Employees

The **Welfare Committee** was established with the aim of being an intermediary between Employees and the Company concerning welfare benefits. Employees were allowed to participate in the management of welfare in a thorough manner. In addition to the **whistleblowing channel** for stakeholders as mentioned above, a communication channel is also offered to Employees to file complaints or report any problems with supervisors via a comment box, which goes directly to the Internal Audit Division, or by post to P.O. BOX 3, Sathu Pradit Post Office, Bangkok 10124.

#### (1.7) Community and Society

The Board of Directors operates the businesses with due regard for the duties and responsibilities owed to the nation, community and society as well as local traditions in order to maintain a desirable society and participation. In this regard, the following policies and guidelines have been prescribed.

1. A business which could lead to a deterioration of society shall not be undertaken and the rights of others in the community and society shall not be violated.

2. The consciousness of responsibilities towards the community and society as a whole shall be instilled continuously for the benefit of the Company and all levels of Employees.



3. Measures shall be provided for the prevention and remedy of any negative impact on the community and society as a consequence of the Company's operations.
4. The preservation of local culture and traditions shall be promoted.
5. Cooperation shall be entered into with various agencies for the development of communities.
6. Activities that benefit the public shall be sponsored.
7. Incomes shall be generated, and the community economy shall be promoted through the employment of community members and the use of community products.
8. Good relations shall be fostered between the Company and the community and society on the basis of propriety, transparency and fairness.

Upon these policies and guidelines, the Company has **promoted the organization of activities related to community development** by planting conscious seeds of community and social responsibility into its organization, with continuous acts of monitoring its activities to prevent any negative impact on the community; supporting and helping the community to create mutual benefits and happiness; and promoting activities that are beneficial to community and society as a whole. These activities cover many areas, such as education and career development. For example, the Company, with the cooperation of government agencies, has utilized the areas inside the industrial parks as a training center for traffic safety and a driver's license testing facility. In addition, the Company has also organized events such as a PAP test, Red Cross blood donations, a sports event between Executives from the Company's factories and members of the communities, an annual seminar, events regarding education funds, workshops, community garbage management and waste recycling, etc. For those activities mentioned and other events, the Company has received good cooperation from the communities surrounding Saha Group Industrial parks. More details can be found in the **SPI...and Sustainable Development Section** and on Company's website ([www.spi.co.th](http://www.spi.co.th)).

The Company has appointed Mrs. Omsin Phansin, HR Consultant, to handle Community Relations. He can be reached by phone at (038) 480-444 or by e-mail: [omsin@spi.co.th](mailto:omsin@spi.co.th).

#### (1.8) Environment

The Board of Directors undertakes businesses with due regard for responsibilities to the environment. In this regard, the following policies and guidelines have been prescribed.

1. Businesses shall be undertaken in accordance with laws, regulations and policies on the environment with due regard for the impact on natural resources and the environment and regular revisions and assessments of the performance results shall be undertaken.
2. Organizational culture and consciousness of Employees at all levels shall be promoted to encourage cooperation and responsibility for the efficient and sustainable management of the environment and utilization of resources.
3. Knowledge promotion and environmental training shall be extended to Employees.
4. An Environmental management system shall be promoted, from the economical use of resources to the sustainable treatment and rehabilitation, replacement, monitoring and prevention of impact on natural resources.
5. There is a system for selection of trade partners in the value chain who undertake businesses in an environmentally friendly manner.
6. Environmentally friendly technology is developed and used whenever possible.

The following actions have been taken based on the above policy and guidelines. We operate with an awareness of any potential impact on the environment and natural resources. The Company believes that quality work and efficient performance are the results of happy personnel so the **"Industrial Park"** has been created to be a big house of family members of several tens of thousands of people which are fully equipped with facilities. The aim is for everyone to work happily with a warm lifestyle under the philosophy of **building something more than an "Industrial zone"** where the environment is developed with a warm atmosphere. Every tree has been fully cared for with proper attention to ensure that the industrial park is for everybody under the umbrella of the Industrial Park. Moreover, Eastern Thai Consulting 1992 Co., Ltd. has been



contracted to do the research, develop and control the environment continuously, in terms of quality of air, water, noise and garbage. All four industrial parks have been measured, and all of them have performed better than the standard in all aspects.

### **Efficient Use of Resources**

A performance of the Company's environmental activities is detailed below.

1. After treatment, industrial wastewater is used for watering trees in the green areas of our industrial areas.

Amounts of >30%, 40% and >90% of wastewater were treated and used for this purpose in our respective factory areas in Sriracha, Kabinburi and Lamphun. The results have been conclusive. It is easy to see the great benefits in the green areas of our industrial areas in Lamphun due to the increased watering efficiencies. This has included the cultivation of vegetable plants as well as various other programs. The environment has improved, and costs for water have decreased in a positive way for our green areas.

2. Company and the Faculty of Agriculture, Kasetsart University, have been researching on the use of wastewater sludge to produce fertilizer with the standards of the Department of Agriculture to handle with wastewater sludge within Saha Group Industrial Parks Sriracha.

Based on the principle of Waste Minimization, such practice helps reduce waste generation and benefits both the wastewater treatment system where sludge is formed and the environment in terms of cost reduction in water treatment. After the completion of a research project on organic fertilizer composting using wastewater sludge, two fertilizer formulas were achieved: a sludge-coconut coir pith compost and a sludge-hyacinth compost. As a result, all compositions mixed well in both formulas with no odour emitting from the compost. Other aspects of the study include the correct ratios for different types of plants and factors involving in the composting process as well as changes in wastewater sludge. Furthermore a test was performed on the influence that any factors have on nutrient ratios of organic fertilizers.

3. In an effort to increase the quality of life for its communities, Employees and the surrounding environment, Saha Group Industrial Parks in Sriracha, Kabinburi and Lamphun conduct data related to the quality of air and treated wastewater. Furthermore, noise pollution and the quality of water of surrounding canals is monitored both before as well as after they leave Saha Group Industrial Parks. This is performed in compliance with waste management criterion at least 1-2 times per year or 1 time per month. All data recorded is provided to the relevant agencies in local government, the Department of Industrial Works and the Department of Pollution Control

4. The Project for Sustainable Agriculture by Dr. Thiam (Lamphun) has been allocated green areas of Saha Group Industrial Parks for rice cultivation and animal husbandry. A focus has been placed on using energy conservation methods in these activities to reduce their effects on the environment. Furthermore, these green activities do not include the use of synthetic chemicals and follow environmental conservation protocols, helping to restore the environment and act as a source of agricultural-related knowledge for their surrounding communities. **For more details, please read the section on SPI... and Sustainable Development.**

### **Environmental Awareness and Training**

The working team on the environmental protection had assessed on internal organization structure, i.e. policy, objective, strategy and vision. The working team found that the management realized an important of environmental protection and emphasized highly on a potential on an improvement of employee environmental protection knowledge. Therefore, the working team had set up training programs to develop employees on 5 objectives as follows;

1. To emphasized and create an awareness of environmental protection within an organization
2. To understand Environmental policy and related laws
3. To study a water treatment system in Sriracha industrial park and Environmental protection within the park
4. To understand a crisis management of a water treatment system in Sriracha
5. To understand environmental protection projects in 2017 and an energy saving project in main water treatment system



Moreover, the working team had evaluated organization external factors e.g. social and public needs and culture. The working team found that the Company was able to develop a corporate image and improved a water treatment system for educational purpose. Potential visitors are our stakeholders and report such activities to our shareholders through The Stock Exchange of Thailand.

#### (1.9) **Public Sector**

The Board of Directors undertakes businesses in compliance with the rules and regulations enacted by the State. In this regard, the following policies and guidelines have been prescribed.

1. To study and understand the laws governing operations acquired and not to undertake any activities that would be inconsistent with the law.
2. To properly act when conducting transactions with an official or agency of the State.
3. To create good relations between the Company and the public sector within proper boundaries.
4. To comply with the relevant laws and business traditions in particular country or locality.

According to the above policy and guidelines, the Company has made its tax remittances in an accurate, complete and timely manner in accordance with all related laws.

## **2. Conflict of Interest**

The Board of Directors has the policy to deal with conflict of interest and prescribes the guidelines as follows:

1. The conflict of interest or related transactions must be undertaken prudently, fairly and rationally. There is a transparent system for approving transactions which primarily takes into account the Company's interests. The Interested Company Directors have no right to vote and must make a full disclosure in accordance with the rules of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

2. The Company's interests shall be upheld subject to legality. No action shall be taken that would produce a conflict with the Company's interests, and no benefits or privileges will be given to any person.

3. Company Directors and Executives must disclose personal interests and the interests of related persons in accordance with the prescribed rules.

4. Company Directors, Executives and Employees who acquire inside information are prohibited from trading in Company shares in the 1-month period prior to public disclosure of financial statements.

5. Company Directors, Executives as well as their spouses and children who have not yet attained legal age shall have a duty to report Company securities holdings and changes in such holdings to the Board of Directors at the subsequent Board Meeting.

6. Company information or secrecy acquired or acknowledged, shall not be disclosed or transmitted to third parties or unrelated persons.

7. Disclosure shall be made by authorized Company Employees. Classes of secrecy may be prescribed in accordance with the significance of the information. Disclosure shall be made within the assigned scope of duties and responsibilities.

According to the aforementioned practice guidelines, In order to supervise transactions with a possible conflict of interest or related transactions to ensure compliance with the announcement of the Equity Market Commission and the Stock Exchange of Thailand, during an extraordinary related parties transaction with value over 0.03% of NTA, must be presented to the Executive Board for consideration before being submitted further to the Audit Committee for consideration. If there is a related transaction which must be declared under the requirements of the Stock Exchange of Thailand, the Company will seek **the approval of the Board of Directors** prior to engaging in such a transaction. The director with interests in any such agenda must leave the meeting room and refrain from voting on that agenda. The decision to engage in such a transaction must take into account the necessity to preserve the benefits of the Company. Upon conclusion of the meeting, that transaction must be disclosed in Thai and English to the Stock Exchange of Thailand. It must also be published on the Company's website ([www.spi.co.th](http://www.spi.co.th)), detailing the name of the related person, the nature of the relation, the determination of price, the transaction value, the party to the agreement, the necessity to engage in such a transaction, the opinion of the Board of Directors and



any differing opinions (if any). A minute is taken of the meeting for review. It is also summarized in the annual information declaration sheet (56-1) and annual report (56-2). There were twelve related transactions involving assets or services, as well as six transactions of financial assistance in 2017. These are detailed under the section on **Related Transactions**, as for the related parties transaction the Company incurred a related party transaction for **approval from shareholders regarding the entire business transfer of President Holding Company Limited with a mandatory tender offer of all securities of President Rice Products Public Company Limited and President Bakery Public Company Limited with approval made during the Annual General Shareholder Meeting No. 46 on 25 April 2017** and not any purchase or sales of assets which is contradictory to or not in compliance with the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

In the case of ordinary related transactions the Company has determine business policies that covers the transactions with related companies, directors, management or individuals on a yearly basis during the Board of Directors meeting No.1 after the Annual General Shareholder Meeting during the year. This is in order to notify the newly appointed management as well as outlining on a quarterly basis for the Board of Directors revision. They are made available in the Annual Statement (Form 56-1) and in the Annual Report (Form 56-2).

The Company has measure to mitigate transactions that might cause a conflict of interest or related transactions as well as providing loans to companies not under out affiliates. Loan process and guarantees are in proportion of shareholdings as per the joint venture / partnership agreement.

In addition the Company is responsible for the sales and purchase of assets in accordance to the Securities Commission.

Having related transactions and the acquisition or disposal of assets the Board of Directors, stakeholders are unable to decide, creating greater transparency.

### **(3) Meals, Receipts and Gifts**

The Board of Directors aspires to undertake the Company's businesses in line with the fair competition. Nevertheless, meals, receipts and gifts or attendance at receptions in accordance with traditions and practices to maintain good relations are necessary and desirable. In this regard, the following guidelines have been prescribed.

1. Gifts, presents or meals which may influence a decision must be prohibited. If necessity according to the tradition, the value in excess of normal circumstances, a report shall be filed with the respective supervisors.

2. In the case of an assignment or authorization by a supervisor to assist with an external agency, money, objects or gifts may be received in accordance with the applicable rules or standards prescribed by such an agency, e.g. gifts, presents or lucky draws.

3. In the case where an agent, contractual party, partner or any other person wishes to grant a gift, token or reception to the Company, prior authorization must be obtained from the Company.

4. Expenses pertaining to these matters shall be maintained within a reasonable budget.

Due to the above policy, the Company set regulations in regard to expense reimbursement, including the receiving and giving of gifts in the travel expenses regulations.

Last year, the Company operated in compliance with the specified guidelines and regulations.

### **4. Anti-Fraud and Anti-Corruption**

The Board of Directors policy to operate in accordance to the Anti-corruption policy and prohibits bribery for the Company having established the practice of the Anti-corruption policy in order to be inline with the business operational guidelines disclose on the Company website ([www.spi.co.th](http://www.spi.co.th)) as part of Business Code of Conduct. The improvement of employees attitude towards operating by the law and regulations with honesty by prohibiting management and employees to give, receive or agree on any tangible asset or benefits. As well as prohibiting handing or suggesting tangible assets or benefits to outside individuals. This will motivate and create self awareness to the organization and those that violates will be penalized for their wrong doings according to the laws and regulations.

The Company sets the procedures to examine, follow-up and evaluate the risk from corruption with mitigation plan as follows through the internal control system to evaluate and recommend to the Audit Committee meeting to study and evaluate



misconduct or fraud. The internal audit will directly report to the Audit Committee and the Audit Committee will directly report to the Board of Directors.

In 2017, According to the Company was accepted as a member of the Thailand's Private Sector Collective Action Coalition Against Corruption with efforts to publicize and use as a training material on the policy and penalties arising to the Company's management and employees at all levels continuously. An evaluated test is mandatory with 80% participating all achieving a total score of 100% resulting in a deep understanding of the Anti-corruption policy that the Company has set. This will assist in the recruitment of future workforce, training, evaluation, remuneration and promotion in which employees will have the chance to discuss with their line superiors in order for the business to operate in a corruption free environment.

The Company constantly develops and increase its presence through the supporting the Saha Group of companies that are listed on The Stock Exchange of Thailand whom are our supplier and customers. The listed companies are to file to be certified as a member of the Thailand's Private Sector Collective Action Coalition Against Corruption, in which in 2016 a total of 11 listed companies and in 2017 O.C.C. Public Company Limited was awarded the membership.

In 2017 the Company has no corruption cases as well as business misconduct.

##### **5. Non-infringement of Intellectual Property**

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

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

According to the above policies and guidelines, the Company maintains a policy not to involve itself in activities related to intellectual property infringement, use of imitation products, or the unlicensed use of the intellectual properties of others.

1. Trademark management of the Company is divided into two areas:

1.1 Foreign Trademarks: The Company has been licensed to use the trademarks of various well-known brand products from overseas. It acts according to related agreements with the affiliates for products like Guy Laroche and Elle, which receive royalties for their use.

1.2 Domestic Trademarks: The Company is the registered owner of various trademarks through the Department of Intellectual Property, Ministry of Commerce. It has entered into agreements with the affiliates to license the use of different trademarks such as Kullastre, Rain Flower and receives trademark income for the licensing of such trademarks.

Furthermore, the Company, together with its affiliates, encourages and supports its Employees to submit their innovations to the Company Chairman Awards. This ceremony is held to recognize and reward Employees for their innovations, motivating them to engage in creative innovation at work at all times.

2. The use of Computer and Information technology, the Company use copyright computer programs. Moreover, our management emphasized on the use of copyright programs and encourage employees to understand the important of intellectual property violation. The use of computer and information technology have to abiding by the Computer-related Crime Act B.E. 2550 (2007) as amended by the Computer-related Crime Act (No. 2) B.E. 2560 (2017) and following by "the Company rule on using computer network for employee" stated as follows;

- 2.1 Employees will not use the computer network for the following purposes:

- To conduct in any activities that are against the law, or that would result in losses for other individuals.



- To act contrary to the public order or the moral values of Thai people.
- To act in a manner that might infringe on the intellectual property of the organization or others
- To access the information of another individual without the consent of information's owner.
- To transmit or receive information that may cause damage towards the organization. This would include

the transmission of chain letters, or any unlawful transmission of information that was received from other individuals outside the organization

2.2 To ensure the overall safety of the computer networks, Employees are required to follow the following guidelines:

- Not to install any pirated software.
- Not to install any software that can be used on our computer network without prior approval.
- Not to install any computer software or accessories on the organization's computers on behalf of another individual or behalf of another user on the organization's network.
- Each employee shall turn their computer off at the end of the day, or if it is expected it will not be in use for over an hour. An exception made is when the computer needs to be operated as a server running 24 hours a day.
- Must perform a virus scan of any information or programs that are introduced to the organization's computers from an outside source. If any infection is found, it must be eradicated as quickly as possible.
- Regularly delete unnecessary files from computer systems to maximize the efficiency of computer memory.
- Co-operate with all supervisors and caretakers of the computer network, helping them ensure the safety of each employee's computer as well as the network at large. This includes using computers according to all advice given by the network administrator and caretakers as well.
- Be careful in the use and maintenance of the network and its computers.
- Refrain from accessing other areas of the network without receiving prior approval.
- Return all of the organization's computer-related resources promptly. This includes any information or copies of information, keys, identification cards, security cards, etc. This needs to be done within seven days of termination of employment.

2.3 The Company will not be responsible for any employee who acts in violation to laws set forth by the Computer Crimes Act 2007 the Computer-related Crime Act B.E. 2550 and the Computer-related Crime Act (No. 2) B.E. 2560, which causes or may cause any loss to the organization or any other individuals. Furthermore, the Company will determine the appropriate disciplinary action for any employee who commits any violation.

In 2017, the Company did not find any cases of intellectual property infringement.

#### **(6) Non-violation of Human Rights**

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

1. There shall be no activities or support of activities which violate human rights.
2. Employees are provided with knowledge and understanding of human rights which are applied to their work operations.
3. There are no limitations to independence or differences in ideology, gender, race, religion, politics or other matters.

The expression of opinions which could cause conflicts or divisions should be avoided.

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

As long as our business was in operation, there is no record of Non-violation of the Human Rights.

#### **7. Safety and Occupational Hygiene**

The Board of Directors attaches importance to safety and occupational hygiene. In this regard, the following guidelines have been prescribed.



1. Business undertakings shall comply with laws, regulations and policies on safety, occupational hygiene and working environment with due regard to the safety of life and properties as well as to the impact on the health of Employees, trading partners and stakeholders. Regular monitoring and safety assessments must be conducted.

2. Occupational safety shall be promoted. Work regulations, procedures and standards are prescribed to ensure risk safety is consistent the working environment and safe work procedures are improved. Tools and equipment for safety protection are also provided to Employees.

3. Preparations are made for emergency events. An emergency plan has been devised and regular drills and improvements are carried out. This is to prevent and minimize any loss of lives or properties of the Company, Employees, trading partners and related persons.

4. A safe working culture has been built for the entire organization to ensure sustainable safe work operations.

In connection with the policy, the Company organized a 5S activity to promote safety measures, such as developing a chemical spill emergency plan that is on par with international standards and monitoring and maintaining lighting and fire alarm systems to ensure their good working condition. The Company also provides knowledge on the prevention of disasters, while clarifying guidelines according to new laws regarding fire evacuation and firefighting. Employees were shown how to use a fire extinguisher in a correct, safe and efficient way. Furthermore, non-toxic fire extinguishers using clean substances were installed at different areas throughout the Company.

#### **Code of Conduct for Company Directors, Executives and Employees**

##### **1. Formal Responsibilities**

The Board of Directors appreciates the importance of good governance. Continual undertakings are implemented to ensure that Company Directors, Executives and Employees are aware and comply with standards under the framework of the Code of Conduct and conduct oneself honestly, cautiously and prudently for the greatest benefit of the Company and all related parties. As a consequence, the following Code of Conduct has been prescribed.

##### **Company Directors and Executives**

1. Duties shall be performed responsibly, prudently, honestly and in good faith in compliance with the law, Company Articles and relevant notifications.

2. Duties shall be conducted to the utmost of ability in order to generate the greatest returns to the Company. This includes attendance at all meetings, except where there is an unavoidable necessity.

3. Duties shall be performed impartially. In a Board Meeting, Company Directors and Executives shall not vote on matters which they have interests.

4. Conflicts of interests shall be administered prudently and reasonably, in adherence to the Company's interests, to ensure transparent management of operations.

5. The acquisition or disposal of assets of the Company, Company Directors and Executives, including their spouses and children who have not attained legal age, shall comply with the relevant rules and disclosure shall be made to the Board Meeting at the subsequent meeting.

6. Company Directors and Executives are prohibited from buying or selling Company shares in the 1-month period prior to the public disclosure of financial statements.

7. Company Directors and Executives must disclose personal interests and those of related persons in accordance with the prescribed rules.

8. There shall be regular appraisals of the Board of Directors' performance every year.

##### **Employees**

1. Employees must support and cooperate in the Company's activities on a regular basis. Assigned tasks must be performed to the best of ability in order to ensure good results and advancement of the Company and Employees.

2. Employees must comply with the relevant law, policies, terms of employment, regulations and notifications.



3. Persons contacting the Company must be treated courteously, hospitable and provided with excellent service in order to preserve the Company's image and reputation.

4. Trade secrets must be kept and any of the Company's confidential information must not be disclosed to third parties.

5. Loans should not be obtained from customers, persons connected to customers or business counterparts of the Company, except for loans obtained from a bank or financial institution.

6. Lawful orders of supervisors should be complied with.

7. There should be a commitment to teamwork, mutual assistance, harmony and mutual respect for the benefit of the Company and other Employees.

8. Co-workers must be treated generously and with good human relations. No groundless allegations should be made against others. Credit should not be claimed for the works of others.

9. Duties should be performed with determination, in earnest and honesty and the roles and responsibilities in the Company shall not be abused for the purpose of acquiring wrongful benefits for oneself or others.

10. Duties shall be performed responsibly, cautiously and without neglect in such a manner which could cause a loss of works or properties of the Company.

11. Employees should conduct themselves as good citizens who comply with the Constitution and relevant laws. Political rights shall be exercised appropriately. Employees shall also avoid involvement in any activity which is unlawful or inconsistent with public order or the good morals of the people.

## **2. Maintenance of Company Assets**

Company Directors, Executives and Employees are under a duty and responsibility to efficiently maintain Company assets and assets under the care of the Company. In this regard, the following guidelines have been prescribed.

1. Assets shall be used for business operations and not used for personal gains or the gains of third parties.

2. Interests shall be protected and assets shall be cared for to prevent loss, damage or wrongful use pursuant to the standards of a reasonable man caring for one's property. Direct or indirect wrongful exploitation of benefits shall be eliminated.

3. Sufficient insurance protection from losses shall be obtained for assets.

4. The use of computers to harass, infringe, spy, corrupt another person's personal data or fabricate evidence which could lead to data theft shall be prohibited. An information security system consistent with international standards shall be installed.

5. E-mails and internet access provided shall be used for business purposes. They shall be used cautiously and not prejudice the Company's reputation.

6. Passwords for access to the Company's data shall be kept secret and shall not be disclosed to unauthorized persons.

7. The Company's intellectual property works shall not be reproduced, adapted or used for personal benefit or the benefit of others without authorization from the Company.

8. A supervisor should be reported to if anyone is found to be conducting a rights infringement or acts which could lead to a rights infringement or any act which could potentially lead to a dispute relating to the Company's intellectual property.

9. The safekeeping of important documents of the Company shall be overseen to ensure full compliance with the relevant laws and regulations. Upon the lapse of the safekeeping period, the relevant employee must oversee that the documents are destroyed by appropriate means.

## **3. Whistle-blowing, Complaints, and Measures for the Protection of Complainants**

The Board of Directors has provided a channel of communication for stakeholders are the Code of Conduct for the Company's management and employees and the Anti-corruption policy. The Company will consolidate the enquiries and will not disclose any information to protect the identity. Measure will be used to protect the informant that are the Company's employees as well as those involved in the proof of truth. Further disclosure can be found on the Company website ([www.spi.co.th](http://www.spi.co.th)).

**In 2017 the Company has not received any complaint filings or notification from stakeholders.**



## 2. Subcommittees

It is the duty of the Board of Directors to establish and review the Company's management structure to ensure the suitability and adequacy of its size, composition and number of Independent Directors that will enable the Company to achieve its objectives and goals. This structure must be clearly defined, foster checks and balances and ensure accountability. Power must be clearly delegated between the Board of Directors, subcommittees and management. The Company's management structure comprises the Board of Directors and three subcommittees to help supervise the critical issues of Directors, the Audit Committee, the Nomination and Remuneration Committee and the Good Governance and Risk Management Committee. In January 2017, the Company underwent organizational restructuring along with an adjustment of Executives' positions. Therefore, the Executive Board (management), which is the unit in charge of the Company business management, would henceforth consist of the Executive Board, President, First Executive Vice President, Executive Vice President. Authority and duties of each committee and those of the President are prescribed in writing in respective charters and the Authority and Responsibilities of the President document which was approved by Board of Directors with the Company Secretary performing the duties required by the laws and assigned by the Board of Directors.

**2.1 The Board of Directors** has a high level of responsibility in overseeing and ensuring good corporate governance to maximize the Company's and its shareholders' benefits based on the Company's policies, objectives, rules, regulations, the Board of Directors' resolutions, resolutions from the shareholders' meetings and law. The Board of Directors shall possess the qualities of accountability, careful discretion and integrity such as reasonable business people would do under the same business situations. It shall also use its trade bargaining power without exploiting the power from being a member of the Board of Directors. Without any form of gender bias, the Board of Directors is comprised of persons who have knowledge, capabilities and experience from relevant backgrounds. Moreover, the members must understand their roles and responsibilities as the Company's Directors and in the context of the Company's businesses. The details are shown below:

**(1) The balance of Authority:** The Board of Directors must be comprised of a minimum of five individuals. The required qualifications for each director are as follows:

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

The Board of Directors comprises of 18 Directors:

- Executive Directors 6 persons
- Non - Executive Directors 12 persons (66.67%)

of the twelve non-executive Directors, six are independent Directors; **Three of the six independent Directors are the Audit Committees and two female independent directors.** This is consistent with the independent Directors' ratio criterion which requires that a listed Company must have one-third of the Directors or, at least, three Directors being independent Directors. All Directors have the intention to perform their duties as assigned and trusted by the Board of Director and Shareholders and independent in giving their opinion, consideration and approval upon the maximum benefits of the Company, Mr. Tanong Srichit, passed away on 2 March 2018 which the Company Board of Directors reserved one the Company Director position.

**(2) Directorial term:** Directors serve the term specified in the articles of association of the Company. They may be reelected upon the completion of a term. The Nomination and Remuneration Committee screens qualified candidates to ensure that all Directors are adequately knowledgeable and experienced and possess expertise in various fields that suit the Company's business operations before nominating them to the Board of Directors for their consideration. and expertise of the board



**(3) A serving of term by investment, the number of companies for which the Directors serve; the age of Directors; and the number of terms allowed:** We have not established requirements relating to the serving of term by investment, the number of companies for which the Directors serve, the age of Directors and number of terms allowed. This is because we believe that the ability to manage the business and the expertise of each director are not dependent upon their age or the number of companies for which they serve. Directors can remain in office for as long as they are committed to their duties as Company Directors and trusted by the Board of Directors and the shareholders.

The Company has announced the composition of its Board of Directors, including who will serve as Independent Directors. This includes their history, experience, share held in the Company and the date and year that the Director assumed their position. The Company has no Independent Director, who has served longer than nine years with no independent Directors serving as a director for more than five listed companies and has detailed the information of each of the Company's Directors in Forms 56-1 and 56-2. Presently, there is no Director take the position of director of more than five listed companies.

**(4) The Aggregation or Separation of Positions:** The Chairman of the Board, Chairman of Executive Board and President, are three separate positions occupied by three different individuals. Each of these three positions has separate responsibilities and should be considered independent of each other, with a clear separation of duties. The Chairman of the Board serves as an Independent Director, maintaining independence from the Company management. The Chairman provides leadership in the setting of policy and oversight of management. Furthermore, the Chairman is responsible for presiding over Board of Directors' meetings so that Directors may express their opinions freely, as well as make sure that Shareholders are able to raise any questions they feel are important at the General Shareholders Meeting. The Chairman of the Executive Board leads the operation and prepares operational plans which are consistent with the established policies while the President is independent, supervises the management to ensure compliance with the operational plans and the policies. Further, the Board of Directors Charter, the Executive Charter and, the President Authority and Responsibilities have all been clearly written. The authority is clearly compartmentalized for regulatory transparency.

**(5) Company Directors and senior management should never have been an employee or shareholder of any of the Company's outside audit companies.**

**(6) Among the Board of Directors, no Independent Director shall serve as Director of more than 5 listed companies.**

**(7) Among the Board of Directors, there shall be at least 6 of 12 non-executive Directors that have experience relevant to the Company's operations.**

In the past year:

- The Company did not take any serious actions against the rules and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- The Company did not commit any fraudulent activities or unethical practices.
- There was no resignation of any of the non-executive Directors with regard to the corporate governance of the Company.
- There were no incidents that led to the Company earning notoriety due to the Board of Directors' failure to perform their duties.

#### **Authority of The Board of Directors**

1. To appoint, remove and authorize consultants to the Board of Directors, to committees and/or other individuals
2. To approve loans of the amount greater than the authority of the Executive Board, to companies with a business relationship to the Company as shareholders, or to companies with a trading relationship or other companies
3. To approve guarantee of loans of the amount greater than the authority of the Executive Board, to companies with a business relationship with the Company as shareholders, or to companies with a trading relationship or other companies
4. To approve engagement in a legal act, that is a financial transaction of an amount greater than the authority of the Executive Board.



5. To approve acceptance or deny loans of the amount greater than the authority of the Executive Board
6. To approve investment, sale of investment capital in ordinary shares and/or any other securities of the amount greater than the authority of the Executive Board
7. To approve sourcing and investment in fixed assets of the amount greater than the authority of the Executive Board
8. To approve the payment for, or distribution or transfer of fixed assets that exceeds the authority of the Executive Board.
9. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, deteriorated or out of date, which is of the amount greater than the authority of the Executive Board.
10. To approve modification, change of price and destruction of raw materials and/or remaining inventories which are deteriorated or out of date, which is of the amount greater than the authority of the Executive Board
11. To approve compromise or settlement of dispute by arbitration, complaint, filing of lawsuits and/or any legal proceeding on behalf of the Company on matters which are not/or normal business course with an amount exceeding the authority of the Executive Board

In the event of an urgently matter, this authority will be granted to the President. The outcome will be reported to the Board of Directors during the closest board meeting.

12. The power of the Board of Directors regarding the acquisition or distribution of assets and connected transactions shall fall in line with announcements of the Capital Market Supervisory Board.
13. To propose to shareholders an increase or a decrease of capital, a change of share value; modification of memorandum, articles of association and/or objectives of the Company
14. To approve incorporation, merger or dissolution of subsidiaries
15. To authorize the chairman or the Executive Board to prepare the authority manual.
16. To authorize the management, managerial Employees of the Company, or any other individual to act on their behalf
17. To invite members of Management, Executives, or relevant Employees to provide explanations, opinions or documents as necessary
18. To consult with specialists or Company consultants (if any) or hire third-party consultants or specialists if necessary at the expense of the Company
19. To appoint and remove a Company Secretary

#### **Duties and Responsibilities**

1. To establish directions, goals and business policies of the Company
2. To approve plans and annual budgets; to supervise the performance of the management in order to ensure effectiveness and compliance with the laws and established policies and plans.
3. To encourage the development of the policy of corporate governance, ethics and business Code of Ethics, written in order for Company Directors, Executives and Employees to observe as guideline in the conduct of the business
4. To arrange for a sufficient internal control system in order to ensure that transactions are approved by authorized individuals, reviewed and recorded accounting reports; and, to implement systems preventing inappropriate use of Company assets
5. Transactions with a possible conflict of interests must be carefully reviewed, with a definite guideline to ensure the interests of both the Company and the shareholders. Individuals with interests may not be involved in the decision-making process. They must observe the requirements of the proper procedure and disclosure of transactions with regard to any possible conflict of interests.
6. To approve the reviewed and/or audited financial reports, that has previously been approved by the Audit Committee
7. To be equally responsible to all shareholders and, to correctly, basely and transparently disclose information to shareholders and investors



8. To acknowledge business management reports from the Executive Board
9. To convene shareholders meeting upon a specified date, time, place and agenda as well as dividends (if any); and, to provide shareholders with opinions of the Board of Directors on the matters proposed to the shareholders. During the twenty-one days prior to each shareholder meeting, the Company may stop share transfer registration by informing the shareholders at the headquarters and the branch offices at least fourteen days prior to the day of share transfer registration suspension. Alternatively, a record date (RD) may be determined no longer than two months prior to the day of any shareholders meeting and, which will determine the right to attend shareholders meeting and to receive dividends.
10. To prepare the Report on the Company Board of Directors' Responsibilities for Financial Statements and disclose it in the annual report of the Company (56-2 Form) and the annual disclosure report (56-1 Form)
11. To follow up on documents to be submitted to relevant regulatory agencies, in order to ensure that the statements or the items are correct as per the data appearing in the account documents, the registration or any other document of the Company
12. To approve the charter of the Board of Directors and/or other committees
13. To engage in any other action, which is beyond the authority of the Executive Board, or which the Board of Directors deems appropriate

In 2017 the Board of Directors held a total of 13 meetings. The board reviewed the Company's vision and mission statements and concluded that they were still appropriate for the Company's current operations. The Board of Directors also devised goals, operational policies and budgets to create common goals for directors, management and employees. Furthermore, the board oversaw the Company's compliance with relevant laws, as well as its own regulations and charters, in addition to monitoring its operational progress on a monthly basis. Meeting attendance of each board member appears under Management Structure.

**Chairman** The Board of Directors elects one of its members as chairman based on his or her qualifications.

**The authority and responsibilities of the chairman are as follows:**

1. As head of the Board of Directors, the chairman oversees and monitors the performance of the Board of Directors, ensuring the efficiency of the board.
2. The chairman also presides over shareholder meetings to ensure their compliance with company regulations on shareholder meetings. The chairman leads each meeting according to the agenda that appear in the meeting notice, unless a meeting resolution is passed with at least two-thirds of the votes of shareholders in attendance to change the order of the meeting agenda.
3. The chairman of the board calls for board meetings or assigns a proxy to do so on his behalf. The chairman also jointly establishes meeting agenda with the president, assuring that important issues are included.
4. The chairman casts the deciding vote at board meetings in the event of a tie.
5. The chairman ensures that every director has a role to play in promoting an organizational culture of ethics and good governance.
6. The chairman affords sufficient time for management to present issues and for directors to thoroughly discuss major issues. The chairman also encourages directors to exercise discretion and express their opinion freely.
7. The chairman fosters good relations between executive and non-executive directors, as well as between the Board of Directors and management.
8. The chairman may also carry out other tasks assigned to him by the Board of Directors.

**2.2 Audit Committee** The Board of Directors has appointed three Directors as members of the Audit Committee with two female independent directors. in accordance with the announcement of the Capital Market Supervisory Board to provide assistance to the Good Corporate Governance of the Board of Directors, particularly in the area of financial reporting, internal control and risk and anti-corruption compliance with laws and regulations. Members of the Audit Committee are as below:



Name (Date of Appointment an Audit Committee)	Position	Term
1. Mr. Nophon Bhongsvej - May 13th, 2011	Chairman of Audit Committee with expertise in the areas of economic and accounting and finance	May 2017 - May 2018
2. Mrs. Punnee Worawuthichongsathit - April 25th, 2016	Audit Committee with expertise in the areas of accounting and finance	May 2017 - May 2018
3. Ms. Narumon Saardchom - May 12th , 2017	Audit Committee With expertise in the ares of finance and risk management	May 2017 - May 2018
4. POL.LT.GEN. Amarin Niemskul (Terms ended on 25th April 2017)	Audit Committee	May 2016 - May 2017

#### Authorities of The Audit Committee

1. To cooperate with the Auditor, Board of Director, and Internal Audit Division in order to create the same level of understanding
2. To invite Executives, members of the management, internal audit unit, or relevant Employees to provide explanations, opinions or documents as necessary. The Audit Committee also has the authority to access corporate documents of all levels.
3. To inquire of relevant individuals and matters within the extent of authority and duties of the Audit Committee
4. To consult with specialists or Company consultants (if any), or hire third-party consultants or specialists, if necessary, at the expense of the Company

#### Duties and Responsibilities

1. To review correct and sufficient financial reporting of the company with reviewing the important accounting policy of the Company and disclose the date according to the International Financial Reporting Standards.
2. To review availability of appropriate and effective internal control and internal audit systems.
3. To review the procedure in compliance with the Anti-Corruption Policy.
4. To consider the independence of the internal audit unit and, to consent on consideration of appointment, transfer and termination of the head of internal control unit.
5. To approve the audit plan and to follow up the procedure in compliance with the internal audit unit plan.
6. To review that the company complies with the laws on securities and stock exchange, the Stock Exchange of Thailand regulations and laws relating to the business of the company.
7. To consider, and nominate independent individuals as company auditors; to propose the compensation for such individuals; to obtain the General Meeting of Shareholders for appointment and to engage in a meeting with auditors without the presence of members of the management at least once a year.
8. To review related transactions or transactions with possible conflict of interests to ensure compliance with the laws and regulations of the Stock Exchange of Thailand and notifications of Capital Market Commission, in order to ascertain that such transactions are reasonable and in the best interests of the company.
9. To prepare the report of the Audit Committee for disclosure in the annual report of the company. The report must be signed by the Chairman of Audit Committee and contains the following information as a minimum:  
(A) The opinion on correctness, completeness and credibility of the financial reports of the company.



- (B) The opinion on sufficiency of the internal control system of the company.
  - (C) The opinion on compliance with the laws on securities and stock exchange, Stock Exchange of Thailand, regulations and laws relating to the business of the company.
  - (D) The opinion on suitability of the auditors.
  - (E) The opinion on transactions with possible conflict of interests.
  - (F) The number of Audit Committee meetings and the attendance of each member.
  - (G) The overall opinion or observation regarding the Audit Committee performance of duties under this charter.
  - (H) Other matters which the Audit Committee believes that shareholders and investors should be aware of that are within the extent of duties and responsibilities assigned by the Board of Directors.
10. In the case where the Audit Committee finds or suspects any of the following matters, which may have significant effect on the financial status and the operation of the company, the Audit Committee must report to the Board of Directors for suitable remedy within a timeframe deemed appropriate by the Audit Committee:
- (A) Transactions with conflict of interests.
  - (B) Corruption, fraud, irregularity or significant defect of the internal control system.
  - (C) Violation of the laws on securities and stock exchange, Stock Exchange of Thailand, regulations and laws relating to the business of the company.

In the case where the Board of Directors or the responsible executives do not remedy the matter within the timeframe specified by the Audit Committee, a member of the Audit Committee may report such a transaction or action to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

- 11. To encourage the company to have an efficient risk management system and follow up on it.
- 12. To ensure the company has whistle-blowing and complaint channels related to transaction on inappropriate financial statements, corruption or any issue with procedure of protection and information secret of complainants including independent investigation and appropriated follow up.
- 13. To ensure the company has a management system with the Good Corporate Governance principles.
- 14. To review, update and revise the Audit Committee Charter and propose to the Board of Directors for approval.
- 15. To provide a self-assessment at least once a year.
- 16. To engage in any other action as assigned by the Board of Directors at the agreement of The Audit Committee under the authority of company regulations and the laws.

The Audit Committee is directly responsible to the Board of Directors for the performance of duties above while the Board of Directors is directly responsible for actions of the Company to third parties.

**In the year 2017**, the Audit Committee was comprised of 3 individuals. Three of these hold a high level of expertise in regards to financial accounting. A total of 12 meetings of the Audit Committee were held, in which all three members attended, representing 100% attendance rate. Furthermore, a **“Report of the Audit Committee” was disclosed in Forms 56-1 and 56-2** and included the following details:

- (1) Disclosure of the number of meetings throughout the year held by the Audit Committee
- (2) An assessment and review of the internal controls and risk management systems.
- (3) A review of all Connected Transaction Reports
- (4) Appointment of auditors, as well as a determination of their fees.
- (5) A review of financial reports.
- (6) Details of oversight to ensure adherence to all related policies, laws, rules and regulations as set forth by the government.
- (7) A general overview of the operations of the Audit Committee.

Meeting attendance of each member of the Audit Committee appears under **Management Structure**.



**2.3 Nomination and Remuneration Committee** The Board of Directors has appointed three Directors as members of Nomination and Remuneration Committee to provide assistance to the Good Corporate Governance of the Board of Directors.

**Nomination** - To select and screen qualified individuals to be installed in the directorial positions of the Company to ensure that the process is thoroughly transparent.

**Remuneration** - To determine the criteria and format of compensation paid to the Directors in order to ensure that it is fair and transparent. Members of Nomination and Remuneration Committee are as below:

Name (Date of Appointment a Nomination and Remuneration Committee )	Position	Term
1. Mr. Boonsithi Chokwatana - May 14, 2007	Chairman of Nomination and Remuneration Committee	May 2017 - May 2018
2. Ms. Sirikul Dhanasarnsilp - Dec 15, 2016	Nomination and Remuneration Committee	May 2017 — May 2018
3. Mr. Tanong Srichit - Passed away on Mar 2, 2018	Nomination and Remuneration Committee	May 2017 - May 2018
4. Mr. Vichai Kulsomphob - Mar 12, 2018	Nomination and Remuneration Committee	March 2018 — May 2018

#### **Authority**

1. To invite members of the management or relevant Employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or Company consultants (if any) or hire third-party consultants or specialists if necessary at the expense of the Company

#### **Duties and Responsibilities**

##### **Nomination**

1. To identify and screen individuals who are qualified to serve as Company Directors
2. To review the background of selected individuals to ensure that they are qualified by their knowledge, competence, experience and expertise in accordance with Company regulations and relevant laws
3. To provide selection opinions or recommendations for the consideration of the Board of Directors
4. To nominate selected individuals to the Board of Directors for consideration
5. To revise the Nomination and Remuneration Committee Charter, when needed and propose it to the Board of Directors for their approval
6. To engage in any other action as assigned by the Board of Directors

##### **Remuneration**

1. To evaluate the performance of the Board of Directors each year
2. To determine the remuneration of Company Directors on the basis of the operational performance of the Company, the amount of remuneration approved at the previous shareholders meeting and the amount paid in the prior year; and, to propose the determined amount to the Board of Directors for their consideration and to the shareholders meeting for approval
3. To determine the remuneration for Company Directors on the basis of performance, as well as, duties and responsibilities, this will not be in excess of the amount approved by the shareholders; and to propose the determined amount to the Board of Directors for approval



4. To determine the remuneration for members of the Nomination and Remuneration Committee (those who are not Company Directors) on the basis of performance as well as duties and responsibilities; and, to propose the determined amount to the Board of Directors for approval
5. To revise the Nomination and Remuneration Committee Charter and propose it to the Board of Directors for approval
6. To engage in any other action as assigned by the Board of Directors

In the year 2017, the Nomination and Remuneration Committee was comprised of 3 persons. A total of 2 meetings of the Nomination and Remuneration Committee were held, in which all three members attended, representing more than 75% attendance rate. Furthermore, a **“Report of the Nomination and Remuneration Committee” was disclosed in Forms 56-1 and 56-2** Meeting attendance of each member of the Nomination and Remuneration Committee appears under **Management Structure**.

**2.4 Good Governance and Risk Management Committee** The Board of Directors shall appoint the three company directors, one management and one Company Secretary, total five person to be the Good Governance and Risk Management Committee to support functions, duties and responsibilities of the Board of Directors. The Good Governance and Risk Management Committee shall help support the various activities to achieve the objectives and targets set in order to add the value of confidence to the shareholders and all related stakeholders. The lists of Good Governance and Risk Management Committee are detailed as follows:

Name	Position	Term
1. Mr. Nophorn Bhongvej - August 4, 2015	Chairman of Good Governance and Risk Management	May 2017 — May 2018
2. Mr. Tanong Srichit (Passed away on March 2, 2018)	Good Governance and Risk Management	May 2017 — May 2018
3. Mr. Vichai Kulsomphob - December 15, 2016	Good Governance and Risk Management	May 2017 — May 2018
4. Mr. Chuto Chirakunakorn - August 4, 2015	Good Governance and Risk Management	May 2017 — May 2018
5. Mrs. Darunee Soontorntumrong - August 4, 2015	Good Governance and Risk Management	May 2017 — May 2018

#### Duties and Responsibilities

1. To have the authority to call for any related Management or Employees of the Company for an explanation, giving their opinion, meeting attendance or document submission as deemed necessary.
2. To consult with the experts or consultants with the Company (if any) or hire the external consultant or experts at the expense of the Company if necessary.
3. To have the authority to appoint the working team in order to implement in good governance and risk management across the organization.

#### Authorities

##### Good Governance

1. To review and update the Good Corporate Governance, Good Principles of Good Corporate Governance, Code of Ethics, and Code of Conducts for Executives and Employees, Anti-corruption Policy and Procedure in order to be in line with the changes in related business, regulations, announcement, rules, and laws.
2. To set the operational guidelines in accordance with the Principles of Good Governance, Anti-corruption, and to monitor, supervise, and assess the operation.



3. To promote and support the Board of Directors, Executives, and Employees to comply with the Principles of Good Governance and Anti-corruption.
4. To review the Charters of Good Governance and Risk Management Committee and propose to the Board of Directors for approval.
5. To perform any operation as assigned by the Board of Directors.

#### **Risk Management**

1. To clearly and continuously determine the policy and targets, plan, assess the risk, and provide the risk management system of the Company in order to deal with any significant risk and report to the Board of Director
2. To promote and encourage cooperation in risk management at all levels in the organization.
3. To monitor, supervise, and assess the performance in order to have appropriate and effective risk management by paying attention to all possible warning signs and irregularities.
4. To continuously develop effective risk management throughout the organization.
5. To review and amend the Charters of Good Governance and Risk Management Committees and propose to the Board of Directors for approval.
6. To perform any operation as assigned by the Board of Directors.

In 2017 the Good Governance and Risk Management Committee of 2017 was comprised of five members. They held a total of two meetings with an attendance rate of over 75 percent. The Good Governance and Risk Management Committee has made **the Report of the Good Governance and Risk Management Committee to inform the board of its annual performance at a board meeting. This report has also been disclosed in Form 56-1 and Form 56-2.** Meeting attendance of each member of the Good Governance and Risk Management Committee appears under **Management Structure**.

**2.5 Executive Board** The Board of Directors appoints the directors and/or other individuals who are Company employees or staff and/or outsiders to the post of a member of the Executive Board, provided that the said individuals have sufficient knowledge and experience to manage matters of the Company well. The Executive Board discharges duties assigned by the Board of Directors in an accountable, careful, truthful and honest manner as a reasonable person would under the same circumstances and with the authority to engage in trading negotiations without any influence from their status as a member of the Executive Board. The Executive Board is comprised of at least five members as follows:

Name	Position	Term
1. Mr. Boonsithi Chokwatana	Chairman of the Executive Board	May 2017 — May 2018
2. Mr. Tanong Srichit (Passed away on March 2, 2018)	Executive Director	May 2017 — May 2018
3. Mr. Vichai Kulsomphob	Executive Director	May 2017 — May 2018
4. Mr. Samrerng Manoonpol	Executive Director	May 2017 — May 2018
5. Mr. Manu Leelanuwatana	Executive Director	May 2017 — May 2018
6. Ms Sirikul Dhanasarnsilp	Executive Director	May 2017 — May 2018
7. Mr. Manus Ongsarakom	Executive Director	May 2017 — May 2018

#### **Authorities**

1. To appoint, discharge, transfer, evaluate and determine compensation and welfare of Employees of different levels.
2. To appoint and discharge any other working committee to carry out actions necessary for the management of the Company.
3. To issue regulations and announcements on the performance of duties; to assign authority to members of the Executive Board and/or Employees serving managerial posts; and, to execute authorization on Company assets.



4. To approve loans to companies related to the Company as shareholders, trading parties or other companies, provided that the amount not exceed 50 million Baht.
5. To approve a guarantee of loans for companies related to the Company as shareholders, trading parties or other companies, provided that the amount not exceed 50 million Baht.
6. To approve engagement in non-financial juristic actions provided that the amount not exceed 50 million Baht.
7. To approve acceptance or to deny loans provided that the amount not exceed 50 million Baht.
8. To approve the investment, the sale of investment capital in ordinary shares and/or any other securities provided that the amount not exceed 50 million Baht.
9. To approve sourcing and investment in fixed assets, provided that the amount not exceed 50 million Baht.
10. To approve a payment for, distribution or transfer of fixed assets, provided that each transaction amount does not exceed 50 million baht.
11. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, deteriorated or out of date, provided that the book value not exceed 50 million Baht.
12. To approve the modification, change of price and destruction of raw materials and/or remaining inventory which are deteriorated or out of date, provided that the book value not exceed 50 million Baht.
13. To approve compromise or settlement of dispute by arbitration, complaint, filing of lawsuits and/or any legal proceeding on behalf of the Company on matters which are not normal business course of the value not exceeding 2 million Baht and/or the amount must not exceed 50 million Baht in such case of a normal business course.

In the event of an urgent matter, this authority will be granted to the President. The outcome will be reported to the Board of Directors during the closest board meeting.

14. The power of the Executive Board regarding the acquisition or distribution of assets and connected transactions shall fall in line with announcements of the Capital Market Supervisory Board
15. To authorize Executives of the Company or other individuals to act on their behalf.
16. To invite members of the management or relevant Employees to provide explanations, opinions or documents as necessary.
17. To consult with specialists or Company consultants (if any) or hire third-party consultants or specialists if necessary at the expense of the Company.
18. To stipulate any other regulations as deemed appropriate.

#### **Duties and Responsibilities**

1. To propose goals, policies, operational plans and annual budgets to the Board of Directors.
2. To manage the business of the Company in accordance with the directions, goals and business policies of the Company.
3. To enhance the competitiveness of the Company and encourage continuous innovation.
4. To ensure that the operation of the Company is consistent with the laws, Company objectives and regulations, shareholders meeting resolutions, Board of Directors resolutions and relevant regulations.
5. Members of the Executive Board may distribute responsibilities among themselves, provided that the Executive Board be kept informed of the progress of the matter each member oversees.
6. To arrange for financial statements to be prepared in order for the auditors to audit and/or review prior to a proposal to the Audit Committee and the Board of Directors respectively.
7. To review matters to be proposed to the Board of Directors for approval.
8. To revise the Executive Board Charter and propose it to the Board of Directors for approval.
9. To engage in any other action as assigned by the Board of Directors.

In the year 2017, the Executive Board was comprised of 7 persons. A total of 12 meetings of the Executive Board were held, in which all three members attended, representing more than 75% attendance rate. The Executive Board on duties comply with charter and approval on authorization if any transaction exceed authorization, the Executive Board consider to consent and provide reasons before propose to the Company Board Director approval.



### Meeting Attendance of the Executive Board in 2017

The Executive Board convenes in meetings with other members of the management once a month. These meetings are scheduled in advance throughout the year as follows:

Name	No. of Attendance
1. Mr. Boonsithi Chokwatana	12/12
2. Mr. Tanong Srichit (Passed away on March 2, 2018)	11/12
3. Mr. Vichai Kulsomphob	12/12
4. Mr. Samrerng Manoonpol	12/12
5. Mr. Manu Leelanuwatana	10/12
6. Ms Sirikul Dhanasarnsilp	11/12
7. Mr. Manus Ongsaranakom	12/12

**2.6 Executives** The Executives, as of January 12, 2017, There is a company's structure organization which appointed the Executive position consists of:

Name	Position
1. Mr. Tanong Srichit (Passed away on March 2, 2018)	President
2. Mr. Vichai Kulsomphob (He has served in the President position since March 12, 2018)	First Executive Vice President and Chief financial officer
3. Mr. Chuto Chirakunakorn	Assistant Vice President
4. Mr. Sontaya Tabkhan	Environment Manager
5. Mr. Tinakorn Bunnag	Land Development Manager
6. Mr. Watchara Yaemkaew	Landscape Manager
7. Mr. Amphol Wattanawong	Property Marketing Manager
8. Mr. Kittipong Khongpatyuen	Information Technology Manager
9. Mrs. Tasanee Intapura (She has retired from this position since 31 December 2017)	Office Administration Manager

The above personnel serves as the Executives as defined by the Securities and Exchange Commission.

#### Authority and Responsibilities of the President

The Board of Directors shall appoint the President with authority and responsibilities as follows:

1. To manage the business of the company in accordance with the policies, the laws, the objectives, the company regulations, the shareholders meeting resolutions, the Board of Directors resolutions, the Executive Board resolutions and relevant regulations.
2. To authorize any necessary and appropriate action to accomplish the deeds under Clause 1, and, in the case of any significant matter, the President needs to report to and/or notify the Board of Directors and/or the Executive Board of the matter.
3. To manage, put, remove, transfer, reward, issue disciplinary measures against, or issue compensation and welfare for employees, provided that such actions not interfere with the authority of the Executive Board.



4. To prescribe regulations for the operation of the company, which are not contradictory to any policy, regulation, requirement, order or resolution of the Board of Directors and/or the Executive Board.
5. The President has the authority to procure or invest in fixed assets for an amount not exceeding 10 Million Baht on each occasion.
6. To approve a payment for, distribution or transfer of fixed assets, provided that each transaction amount does not exceed 10 million baht.
7. The President has the authority to offer investment in ordinary shares and/or any other securities by the Company for the amount not exceeding 10 Million Baht on each occasion.
8. Possess the approval authority for all legal contracts except for the contracts related to payments that will be approved based on a credit limit of not more than 10 Million Baht at a time.
9. To approve compromise or settlement of dispute by arbitration, complaint, filing of lawsuits and/or any legal proceeding on behalf of the Company on matters which are not normal business course and/or in such case of a normal business course. In the event of an urgent matter.
10. The power of the President regarding the acquisition or distribution of assets and connected transactions shall fall in line with announcements of the Capital Market Supervisory Board
11. To authorize and/or assign another individual or other individuals to perform certain tasks on behalf of the President
12. The above authority of the President cannot be exercised in the case where the President is a stakeholder or has a conflict of interests in any manner with the company.
13. In the case that there is any doubt or uncertainty regarding the exercise of any of the above authority, the matter is to be presented to the Board of Directors for their consideration.
14. To engage in any other action as assigned by the Board of Directors and/or the Executive Board.

#### **Authorities and Responsibilities of Other Key Executives**

1. To ensure that the company operation is in compliance with policies, laws, objectives, company regulations, Executive Board resolutions, Board of Directors resolutions and shareholders meeting resolutions in a responsible, cautious and honest manner.
2. To observe the good corporate governance principle established by the Board of Directors.
3. To engage in other duties as assigned by the President, the Executive Board and the Board of Directors.

### **3. Nomination and Appointment of Company Directors and Executives**

#### **3.1 Independent Directors**

The Independent Directors shall be responsible for the nomination and selection of individuals who are qualified by law as well as various other restrictions set forth by the Company. Furthermore, such individuals must not be lacking in the trustworthiness necessary to perform the duties consistent with a publicly-traded company. Such restrictions have been set forth by the Securities and Exchange Commission and cover the areas of knowledge, abilities, experience, required expertise, and moral vision necessary. Individuals must conduct themselves in a fair manner and be able to express their opinions freely. When selecting independent directors, the individuals under consideration must meet criteria as defined by the Company's Independent Directors before having their names submitted to the Company's Board of Directors. Consideration will also be made by shareholder vote.

"Independent Director" means the individual fully qualified and able to act as an independent party outside the influence of management or large shareholders. The Company's definition of "Independent Director" follows an announcement made by the Securities and Exchange Commission as follows:

(1) Not to hold shares with voting rights larger than a 1% stake of the Company, its subsidiaries, partner companies, major shareholders, or controlling agencies. This includes any shares held by persons related to the Independent Director.



(2) Not be or have ever been a director with a management authority, an employee, a staff member, a consultant with a regular salary, or an individual with an administrative power of the Company, its subsidiaries nor joint ventures. An Independent Director is also required not to be a major shareholder with an administrative power of the Company, except if he or she has been no longer involved with such position for more than two years on the day he or she is appointed as an Independent Director. However, such restrictions under this Clause do not prohibit an Independent Director from being a civil servant or a consultant of a civil service agency which may be a major shareholder or a party with an administrative power within the Company.

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

(4) Not having or having had a business relationship with the company, the parent company, the subsidiaries, the associates major shareholder, or control person of the company in such a manner that his or her exercise of independent discretion may be obstructed. Further, the individual must not be or have been a significant shareholder, control person of a party with business relationship with the company, the parent company, the subsidiaries, the associates, the major shareholders or the parties with control person of the company, with the exception of the case where the individual has retired from such a position for a minimum of two years prior to the date of appointment as an independent director.

The business relationship as described in paragraph one is inclusive of normal trading transactions for the conduct of business; lease or letting of immovable; transactions relating to assets or service; provision or acceptance of financial assistance through acceptance or provision of loans and guarantees, including other similar practices which result in the company or the party to the agreement being under an obligation of debt towards the other party for an amount from three percent of the net tangible assets of the company or from twenty million Baht, whichever is lower. The calculation of such debt obligation is to be as per the method for the calculation of connected transaction value of the Announcement of the Capital Market Committee on Related Transaction Criteria with exceptions. Nevertheless, the consideration of such debt obligation should be accumulative of debt obligation arising within the period of one year prior to the day of business relationship with the same person.

(5) Not serving or having served as an auditor of the company, the parent company, the subsidiaries, the associates, the major shareholders, or a control person of the company; and, not a significant shareholder, nor a control person of or a partner of the auditing office where the auditor of the company, the parent company, the subsidiaries, the associates, the major shareholders or the control person of the company, with the exception of the case where the individual has retired from such a position for a minimum of two years prior to the date of appointment as an independent director.

(6) Not serving or having served as a professional service provider including a legal or financial consultant who is or has been paid over two million Baht per year in service fee by the company, the parent company, the subsidiaries, the associates, the major shareholders or a control person of the company. Not a significant shareholder, a party with the capacity to control or a partner of the said professional service provider, with the exception of the case where the individual has retired from such a position for a minimum of two years prior to the date of appointment as an Independent Director.

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

(8) Not engaged in a business which is of the same nature as, or in competition with, that of the company or the subsidiaries. Not a significant partner of a partnership or a director with involvement in the administration, nor an employee, a staff member, a consultant with a regular salary, nor a shareholder with more than one percent of all shares with voting rights of another company which is engaged in a business of the same nature as, or in competition with, that of the company or the subsidiaries.

(9) Not of any other quality which affects the ability to opine freely on the operation of the company.

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

Throughout the previous financial year, the independent directors had no business relationship or professional service provider or a person who has been appointed as an independent director has or has had no a business relationship or not providing professional services in excess of the guidelines stipulated in the Notification of the Capital Market Supervisory Board on the approval and permission of offering of newly issued shares.

### 3.2 Nomination of Company Directors and Executives

The Nomination and Remuneration Committee shall screen the qualified individuals for nomination to the Board of Directors as a director to fill vacant posts for a subsequent proposal to the shareholders meeting, with the exception of the case where the post became vacant due to a reason other than completion of the term. The Committee must perform its duties in accordance with company regulations. In the case where the post is that of an Independent Director, **the nominated individual** must possess all qualifications required by The Office of the Securities and Exchange Commission.

It is also important to note that minor shareholders also have the right to nominate individuals to be elected as directors, at the shareholders annual general meeting in accordance with the prescribed criteria which can be viewed on the company website at [www.spl.co.th](http://www.spl.co.th).

#### 1. Board of Directors

**Composition and Election** According to the Articles of Association, Chapter 3 'Board of Directors', Clause 18 and Charters, the shareholders meeting determines the number of desired directors, but it shall not be fewer than five. The individuals to be appointed as directors must not have prohibited characteristics as specified by the law or company regulations, or must not be described as inappropriate or untrustworthy to manage a business the shares of which are held by the public, as per regulations specified by the Securities and Exchange Commission.

At least half of all directors must reside in the Kingdom of Thailand. The number of independent directors and Audit Committee must be in accordance with the announcement of the Capital Market Supervisory Board.

**Directorial Election Procedure** According to the Articles of Association, Chapter 3, 'The Board of Directors', Clause 20, the shareholders meeting is to elect directors in accordance with the following criteria and procedure:

(1) A shareholder shall have one vote for one share.

(2) Each shareholder must exercise all of the votes he or she has under Clause (1) to elect one or several persons to be a director or directors and must not allot his or her votes to any person in any number.

(3) The persons having the highest number of votes to the lower number of votes in the order shall be elected as the directors equal to the number of directors to be elected by the Shareholders' Meeting in such election. Where the number of votes for the candidate's in descending order are equal which would otherwise cause the number of directors to be elected by the Shareholders' Meeting to be exceeded in such election, the Chairman shall have a casting vote.

#### **Term of Service**

**(A) Term Completion:** In accordance with Articles of Association Chapter 3, 'Board of Directors' No. 21 and the Company Charters, one-third of the directors have to retire from the post at each annual general meeting. In the case where the number of directors cannot be divided by three, the number of directors to retire is to be closest to one-third. During the first two years after the company's registration, a lottery draw needs to be cast among company directors to identify the one-third



directors who have to retire at each annual general meeting. After the first two years, the lottery draw is no longer needed as the longest-serving directors are asked to retire. Directors who retire from the post may be re-elected

#### **(B) Non-Term Completion**

1. In accordance with Articles of Association Chapter 3, 'Board of Directors, Clause 22 and Clause 24, the Directors shall be discharged from the post (in a case other than completion of term) under the following circumstances:

- 1.1 Death
- 1.2 Resignation
- 1.3 Lack of required qualifications or having a prohibited character as specified by the law or company regulations
- 1.4 Being described as inappropriate or untrustworthy to manage a business the shares of which are held by the public, as per regulations specified by the Securities and Exchange Commission
- 1.5 Removal from office at the resolution of a shareholders meeting
- 1.6 Removal by court order

When a post of a director becomes vacant due to a reason other than completion of the term, and the remaining term is more than two months, the Board of Directors is to select a qualified individual who is free of any prohibited characteristics as a replacement at the next Board of Directors meeting. The replacement member is to serve for only the remaining term of the substituted Director.

2. According to Articles of Association, Chapter 3 'Board of Directors', Clause 25, the shareholders meeting may pass a resolution removing any director prematurely with at least three-fourths of the votes of present and eligible shareholders who have in total the number of shares of at least half of the shares held by present and eligible shareholders.

The Company has not fixed the maximum term for Directors as we believe that the ability to manage the business and the expertise of each director are not dependent upon their age. Directors can remain in office for as long as they are committed to their duties as company directors and trusted by the Board of Directors and the shareholders. However, it is the authority of shareholders to elect individuals as directors to establish policies and act on their behalf.

## **2. Audit Committee**

**Composition and Appointment:** The Audit Committee shall consist of at least three individuals. All individuals shall be company directors who are qualified as members of the Audit Committee as per the following Capital Market Supervisory Board requirements:

1. Having been appointed by the Board of Directors or at a shareholders meeting
2. Being an independent director
3. Not having been assigned by the Board of Directors to make decisions concerning the operation of the parent company, a subsidiary, an affiliate, a subsidiary of the same level or a juristic person with any possible conflict of interests
4. Not being a director of the parent company, a subsidiary, a subsidiary of the same level which is a listed company
5. Having sufficient knowledge and experience to perform duties as a member of the Audit Committee.

Provided that at least one member of the Audit Committee has sufficient knowledge and experience to review the credibility of financial statements.

In the case where a change of Audit Committee member qualifications is made by the Capital Market Supervisory Board, the above qualifications must be changed to reflect accordingly.

#### **Term of Service**

**(A) Term Completion:** In accordance with the charter, it serves a term of one year from the day on which a resolution is passed for the appointment. Once a term is completed, and a replacement Audit Committee has not been appointed by the Board of Directors or a shareholders meeting, the outgoing Audit Committee must continue to serve until a replacement Audit Committee is appointed. An appointment must be completed within two months from the day on which the outgoing Audit Committee completes their term. The member of the Audit Committee, who has completed a term, may be reappointed.



**(B) Non-Term Completion:** In accordance with the Company Charter, audit committee members are to retire from the post (in a case other than completion of term) under the following circumstances:

1. Death
2. Resignation
3. Termination of the post as a company director
4. Premature removal from office at the resolution of the Board of Directors
5. Disqualification as pronounced by the Capital Market Supervisory Board

In the case where a position in the Audit Committee becomes vacant due to a reason other than completion of the term and where the remaining term is longer than two months, the Board of Directors or the shareholders meeting shall appoint a properly qualified individual to replace the vacant post at the next meeting. The replacement member is to serve for only the remaining term of the substituted member.

The Company has not fixed the maximum number of the Audit Committee, depending on the consideration of the Board of Directors.

### **3. Nomination and Remuneration Committee**

**Composition and Appointment:** According to the Company Charter, the Nomination and Remuneration Committee shall consist of at least three individuals. The Board of Directors is to appoint company directors and/or other individuals to the posts. The appointees must have sufficient knowledge and experience to nominate company directors and determine their remuneration.

#### **Term of Service**

**(A) Term Completion:** According to the Company Charter, it serves a term of one year from the day on which a resolution is passed for the appointment. When a term is completed, and a replacement Nomination and Remuneration Committee has not been appointed by the Board of Directors, the outgoing Nomination and Remuneration Committee must continue to serve until a replacement Nomination, and Remuneration Committee is appointed. An appointment must be completed within two months from the day on which the outgoing Nomination and Remuneration Committee completes their term. Members of the Nomination and Remuneration Committee who have completed a term may be reappointed.

**(B) Non-Term Completion:** In accordance with the Charter, nomination and remuneration committee are to retire from the post (in a case other than completion of term) under the following circumstances:

1. Death
2. Resignation
3. Removal from office at the resolution of the Board of Directors

In the case where a position in the Nomination and Remuneration Committee becomes vacant due to a reason other than completion of the term and where the remaining term is longer than two months, the Board of Directors shall appoint a suitably qualified individual to replace the vacant post at the next meeting. The replacement member is to serve for only the remaining term of the substituted member.

The Company has not fixed the maximum number of the Nomination and Remuneration Committee, depending on the consideration of the Board of Directors.

### **4. Good Governance and Risk Management Committee**

**Composition and Appointment:** According to the Company Charter, the Good Governance and Risk Management Committee shall consist of at least three individuals. The Board of Directors is to appoint the Company Directors and/or other individuals (i.e. staff or employees of the company and/or third parties) to the posts. The appointees must have sufficient knowledge and experience to manage the business of the company well.



### **Term of Service**

**(A) Term Completion:** According to the Company Charter, the Good Governance and Risk Management Committee serves a term of one year from the day on which a resolution is passed for the appointment. When a term is completed, and the new Good Governance and Risk Management Committee has not been appointed by the Board of Directors, the outgoing Good Governance and Risk Management Committee must continue to serve until a replacement Good Governance, and Risk Management Committee is appointed. An appointment must be completed within two months from the day on which the outgoing Good Governance and Risk Management Committee completes their term. The member of the Good Governance and Risk Management Committee who have completed a term may be reappointed.

**(B) Non-Term Completion:** According to the Company Charter, the Executive Board shall leave the post (in a case other than completion of term) under the following circumstances:

1. Death
2. Resignation
3. Removal from office at the resolution of the Board of Directors

In the case where a position in the Good Governance and Risk Management Committee becomes vacant due to a reason other than completion of the term and where the remaining term is longer than two months, the Board of Directors shall appoint a suitably qualified individual to replace the vacant post at the next meeting. The replacement member is to serve for only the remaining term of the substituted member.

The Company has not fixed the maximum number of the Good Governance and Risk Management Committee, depending on the consideration of the Board of Directors.

## **5. Executive Board**

**Composition and Appointment:** According to the Company Charter, the Executive Board shall consist of at least five individuals. The Board of Directors is to appoint company directors and/or other individuals (i.e. staff or employees of the company and/or third parties) to the posts. The appointees must have sufficient knowledge and experience to manage the business of the company well.

### **Term of Service**

**(A) Term Completion:** According to the Company Charter, the Executive Board serves a term of one year from the day on which a resolution is passed for the appointment. When a term is completed, and a replacement Executive Board has not been appointed by the Board of Directors, the outgoing Executive Board must continue to serve until a replacement Executive Board is appointed. An appointment must be completed within two months from the day on which the outgoing Executive Board completes their term. Members of the Executive Board who have completed a term may be reappointed.

**(B) Non-Term Completion** In accordance with the Charter, executive board members are to retire the post (in a case other than completion of term) under the following circumstances:

1. Death
2. Resignation
3. Being described as inappropriate or untrustworthy to manage a business the shares of which is held by the public, as per regulations specified by Capital Market Supervisory Board
4. Removal from office at the resolution of the Board of Directors

In the case where a position in the Executive Board becomes vacant due to a reason other than completion of term and where the remaining term is longer than two months, the Board of Directors shall appoint a suitably qualified individual to replace the vacant post at the next meeting. The replacement member is to serve for only the remaining term of the member whom he/she replaces.



**6. Appointment of President, First Executives Vice President and Assistant Executives Vice President:** The aforementioned personnel shall be appointed at Board of Directors meetings in consideration of knowledge, capability, experience, and Company's operation.

**7. Appointment of Other Executives:** The management is responsible for the appointment of other executives in accordance with the Company Regulations. Competent and appropriate employees are considered as candidates.

#### 4. Monitoring on subsidiary and associated companies' performance

Saha group and the Company will consider to invest or jointly invest together with other joint ventures partners. The Company will monitor joint venture companies (JVs) by assigning such JV shareholder who has high expertise or has related business with the JVs to oversee JVs performance and to report its performance or problem to the Company and other shareholders within Saha group. If JVs has business problem, the Company together with others group shareholder will assist JVs to resolve the problem. The Company policy or practices on assigning our directors or Saha group's management to be our JVs representative director as a part of investment or Joint Venture Agreement, high level of group management will select JVs representative based on director's knowledge experience and expertise related to Jvs business. The representative director will put a best effort to manage the JVs for it highest benefit. The Company has no control on the director's decision. A Jvs' management committee has an independent management decision making.

In case the Company has subsidiaries company(ies) ("the subsidiaries"), the Company will assist the subsidiaries to have accounting practices and financial reporting guideline as same as the Company e.g. accounting policy of related party transaction, acquisition and disposition of assets practice and other importance practices. Moreover, The Company will assist the subsidiaries to have a proper accounting data collection to able to audit and consolidate with the Company financial statements in time.

#### 5. Control of Internal Data Usage

The Company has performed in accordance with good corporate governance in Article: Control of Internal Data Usage, which determines in writing of the **Code of Ethics, "Conflict of Interests and Code of Conduct for the Company Directors, Executives, and Employees.** These require that directors, executives, and employees perform their duties with great honesty, responsibility, discipline and in good conscience towards themselves and others. They must not use their position to gain benefits for themselves and/or others in an inappropriate way or use company information or assets in such a way that benefits themselves and/or others. Further, they must not engage in any act which constitutes the encouragement of any individual to engage in a business which is competitive with that of the Company, including regulations on the purchase and sales of Company's securities. The Company Directors, Executives, and Employees responsible for the internal data of the Company are prohibited to buy/sell the Company's securities in a period of one month prior to public disclosure. Every quarter, the Company Secretary has delivered the notification letter to the Company Directors, Executives, and other related persons for a prohibited period of purchase/sales of shares until another 24 hours passed since the information disclosed publicly.

In addition, the Board of Directors and Executives, including spouses and minor children are obliged to report on their holding shares to The Securities and Exchange Commission and the Board of Directors at the next meeting. The Company also sets guidelines for the Board of Directors and Executives to report the transactions that may be related to the interest of the Board of Directors, Executives, and related persons at the first positioning date and after any change of information are made. The Company Secretary will submit the copies of change of interest report to the Chairman of the Board and Chairman of the Audit Committee within seven days from the date of report receipt.

The Policies on Good Corporate Governance, Five Principles of Good Corporate Governance, Code of Ethics, and Code of Conduct for the Executives and the Employees are handed out to Company Directors, Executives, and Employees, including a disclosure on the Company's website ([www.spi.co.th](http://www.spi.co.th)) to be used as their operational guidelines and principles.



Moreover, the most severe disciplinary punishment established by the Company is the termination of employment. All directors, executives and staff are aware of this and act accordingly. Most directors, executives and employees have been with the Company for a long time. They are honest and loyal to the Company in such a way that they would look out for the inappropriate use of a company asset. Presently, authority in this area is prescribed in writing and through discussion among the Management.

## 6. Auditor's Fee

### 6.1 Audit Fee

The Audit Committee considered to select and proposed to appoint DIA INTERNATIONAL AUDIT CO.LTD., to be the Company's Auditor for the previous financial year and determined the remuneration of the auditor's fee as follows:

1. Review of the financial statement for 1st, 2nd, 3rd, 4th quarters	1,100,000.-	Baht
- the 1st quarter, Baht 200,000.-		
- the 2nd - 4th quarter, Baht 300,000.-		
2. Audit fee for the year ended 31 December 2015	920,000.-	Baht
3. Service fee for review of the work by other auditors	<u>380,000.-</u>	Baht
Total	<u>2,400,000.-</u>	Baht

### 6.2 Non-Audit Fee

The Company paid for other services fee to the Company's Auditor, DIA INTERNATIONAL AUDIT CO.LTD., during the previous financial year as follows:

Review Fee (Royalty Income) 40,000.- Baht

Other service fee to be paid in advance due to the uncompleted service for the previous financial year:

-None-

## 7. Compliance with Other Principles of Good Corporate Governance

The Company seeks to comply with good Principles of Good Corporate Governance and acts as for companies listed on the Stock Exchange of Thailand on matters other than the matters disclosed above as follows:

### Directors' Orientation and Handbook

Newly appointed directors are introduced at the Board of Directors meeting. They are given the business policy, the director's manual and the annual report for the purpose of reference. The director's manual has been revised and distributed to all directors and executives for their use. It contains information on the followings:

1. Comparison of the company's regulations, The Public Company Act, Securities and Exchange Act and Good Principles of Good Corporate Governance on topics concerning the performance of directors and executives such as the Board of Directors meeting, the Board of Directors duties and responsibilities, validity of the Board of Directors actions, and, directorial elections.
2. Charters of each subcommittee
3. Good Principles of Good Corporate Governance including Code of Ethics and Code of Conduct



**Sections in which the Company have not materialize** The Company will implement where appropriate.

Sections not materialized		Reasons
1.	The Company has a cross-shareholding structure	The cross-shareholding structure was part of the Company before listing on The Stock Exchange of Thailand. There are no contradiction to Section 14 according to the notification of the Capital Market Supervisory Board Thor Jor 28/2008 regarding the approval of newly issued shares.
2.	The Board of Directors of the Company does not determine the proportion of directorships in the Company according to the investment portion, number of companies that the Directors is a member , term directorship and the number of meetings able to attend.	The Board of Directors of the Company does not determin the proportion of directorships in the Company according to the investment portion due to the nature of business and the individual experience of the Board of Directors does not reflect the term or number of directorship positions held as long as the Directors have the vision and passion to lead the companies as trusted by the Board of Directors and shareholders. In 2017 the Board of Directors have not held a independent position of over 5 listed companies and over 9 years of service.
3.	The Chairman of the Board of Directors sets the remuneration whom is not an independent position or does not consist of an independent position	Eventough the Chairman of the Board of Directors the Remuneration committee is not independent, all the members are directors with knowledge, capabilities and expertise in their roles. Together with doing business in an honest, responsible and votes in areas where they hold shares.
4.	The Chairman of the Board of Directors is not independent	Eventough the Chairman of the Board of Directors is not independent but due to the knowledge, experience and ability in the business in which it operates as well as operating in an independent manner. This opens an opportunity to all the Board of Directors with the independence to share ideas and opinion that would be beneficial to the Company.
5.	The Board of Directors have yet to evaluate the individual performances	With the overall evaluation of the Board of Directors this still reflects the total business operations in which the individual members are capable in taking the results into development



## Internal Control and Risk Management

### 1. The Company Board of Directors opinions on the Company's Internal Control Systems in respects of the sufficiency and appropriateness

The Board of Directors No.12 (Board #24) was held on 12 March 2018. **There were a total of 6 independent directors in attendance; 3 of them were also members of the Audit Committee.** The Board of Directors evaluated the company's internal control system for 2017. The Assessment of Internal Control used an appraisal form that has been provided by the Securities and Exchange Commission, utilizing a COSO Concept that served as the basis for a new framework, information was provided by members of the management. The Audit Committee was the body that oversaw the assessment process. It was found that the Company's operations were conducted according to its objectives, and no major infractions or violations have occurred and follow relevant laws. The meeting summarized that internal control system of the Company assessment of 5 key components, **It was determined by the Company Board of Directors that all internal control systems of the Company have been sufficient and appropriate in accordance with its current operations.** The audit department which consists of the Company personnel, has also been sufficiently provided in conducting its duties on a regular basis according to the internal audit plan with independent manner and directly reports to the Audit Committee. Furthermore, it has been able to support any duties of Audit Committee in order to comply with the systems in an efficient manner, as outlined below;

#### 1. Control Environment

The company has assigned explicit policies and objectives of business with evaluation by considering fairness to employees, customers, trading partners, competitors, creditors, state sector and responsibility to shareholders, society, community and environment. It has also reviewed the implementation of the goals set on a regular basis to comply with the conditions at that time.

Moreover, the company has established organizational structure with decentralization to provide operational flexibility and balanced assessment. It also has set up a charter of various committees, authorities and responsibilities of president and regulations in such work in order to separate duties and responsibilities of The Board of Directors and the management apart, thus allowing effective operation. Additionally, there were policy on corporate governance, business ethics, and code of conduct of directors, executives and employees in writing, which were acknowledged by all directors, executives and employees as guidelines for everyone to perform their duties with integrity, and restrain from posing conflict of interest with the company, including not cheating or corrupting which cause damage to the organization. The audit department operates systematically under the supervision of the Audit Committee to ensure that company's assets are being used properly. The company has set up monitoring and evaluation process, based on the principles of good corporate governance and regulations in such work. Provided the company found disobedience, it would have the process which could appropriately punish and manage with any violations in due time according to the regulations on work and related legislation manner according to the code of conduct and any related laws.

#### 2. Risk Assessment

The Board of Directors has assigned The Corporate Governance and Risk Management Committee to take care of risk management in a systematic and effective manner. There was risk analysis that revealed probable risks causing from internal and external factors which could affect business conduct of the organization. It has also decided clear working plan and working procedures, as well as constantly followed up on risk management result to ensure that it is at acceptable level. This included all executives to engage in risk management and communicated to all employees to comply with as a part of organizational culture.

The Corporate Governance and Risk Management Committee has evaluated the potential for fraud and corruption and carefully reviewed the targets of operations, follow the anti-corruption and practices of anti-corruption policies, as well as considered the reasonableness of offering incentives or rewards to employees that does not encourage them to act in an inappropriate manner, also not to receive or pay a bribe for business interests as stated by the company.



Moreover, the company complied with generally accepted accounting principles and suitable for business, by revealing financial report that is fully accurate and reflects the operating activities of the company.

### 3. Control Activities

The company has clearly specified the limitations of authority and approved credit line for each management level in writing, as well as separated duties and responsibilities into 3 key components; approval authority, accounting and IT information protection and supervision and safeguarding of assets. It has also set the regulations concerning financial transaction, purchasing, and general management in writing, to prevent from authority abuse seeking to misappropriate company assets, or acting beyond mandate. Additionally, the company also had monitoring measures allowing the company operations to correspond with related laws. In the case of transactions with the major shareholders, directors, executives, or those who are involved with such persons, the company has followed related transaction procedures and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand with to prevent conflicts of interest so as to protect the company benefits against the exploitation since the best interest of the company are of the utmost concern. There was also a policy about the approval of business transactions that must be carried out by those with no conflict of interest to prevent from putting the interests of the company to private use.

Furthermore, in the case of the approval of business transactions with long-term binding effects on the company, the company has follow-up measure to ensure full compliance according to agreed conditions. Also, the company has regularly reviewed over the appropriateness of the contract in accordance with the situations, as well as consistently monitored business operations of its subsidiaries and associate.

### 4. Information & Communication

The company has presented sufficient information and documents to The Board of Directors in advance as relevant references for their decision-making. In addition, the company has drawn up financial statements in compliance with Thai Financial Reporting Standards (TFRS), by selecting accounting policy which is suitable with the business nature of the company. The company also stored accounting documents and other related accounts in an orderly and classified manner, kept in the safe place according to the duration of time required by law.

The company effectively communicated information to inside and outside the organization with appropriate channels, in order to encourage internal control to be proceeded as required by the company. It also provided a whistle blower for information or clues about fraud or corruption, while the detail of the complainers and complaints will be kept confidential.

In addition, a disaster recovery site was set up to work as a backup site of a short period of time and to handle emergency situations.

### 5. Monitoring Activities

The company has appointed superior of each department to monitor and evaluate performance regularly to ensure that internal control is carried out fully and appropriately. In this regard, The Internal Audit Office was responsible for the checking, analysis and assessment of various internal control systems, together with the regular follow-up on their implementation. The results of the audit were reported directly to The Audit Committee, who holds their joint meetings every month. Provided that significant deficiency is detected, The Audit Committee will report the matter to Executive and The Board of Directors, suggesting improving the situation and monitoring progress in improving deficiencies regularly.



## 2. The Audit Committee Opinions

The Company Board of Directors believes that the Company's internal control systems are adequately effective. The Company's Audit Committee also concurs with this opinion. (For more details, see the Report of the Audit Committee in Attachment 5). Furthermore, auditors have reported no conflicting observations on internal controls.

## 3. Head of Internal Audit and Head of Operational Supervision

The Board of Directors has established the Internal Audit Unit. The Company has appointed Ms. Pleanpit Boonsiri as Manager of the Internal Audit, which is the head of Internal Audit. She graduated with a Master Degree of Business Administration and was provided with training relevant to internal audit operations, such as: Role and Duty of individual shareholder : Case Study, Updated COSO Enterprise Risk Management: Integrating with Strategy and Performance, Update New Tax for the year 2017, Thailand's Big Strategic Move, Advances For Corporate Secretaries, Corporate Governance Code (CG Code) for the year 2017, Enhancing Good Corporate Governance based on CGR Scorecard, Strategy for the Debenture and Seminar "New government against corruption?" . She also has a proper understanding of the activities and businesses of the Company. Directly to the Audit Committee. As such, she has been deemed fit for this :-

1. To develop an annual Internal Audit plan to correspond with relevant professional standards.
2. To establish procedures, practices, and methodologies for the Internal Audit Unit.
3. To ensure consistency with the audit plan.
4. To evaluate audit performance.
5. To present internal audit findings to the Audit Committee.
6. To serve as Secretary of the Audit Committee.
7. To cooperate with related person and Auditor.

Any performance review, appointment, or removal of the head of the Internal Audit Unit must be approved by the Audit Committee. The Company has not yet appointed the Head of Compliance team.

### Head of Internal Audit Profile

<b>Name</b>	Ms. Pleanpit Boonsiri
<b>Age</b>	52 years
<b>Nationality</b>	Thai
<b>Education</b>	Master degree of Business Administration, Dhurakij Pundit University.
<b>Position</b>	Manager of the Internal Audit as head of Internal Audit.
<b>Years of tenure</b>	0.6 year (being an Internal Audit Manager since June 15 <sup>th</sup> , 2017)
<b>Training</b>	<ul style="list-style-type: none"> <li>- Role and Duty of individual shareholder : Case Study.</li> <li>- Updated COSO Enterprise Risk Management: Integrating with Strategy and Performance.</li> <li>- Update New Tax for the year 2017.</li> <li>- Thailand's Big Strategic Move.</li> <li>- Advances for Corporate Secretaries, Corporate Governance Code (CG Code) for the year 2017,</li> <li>- Enhancing Good Corporate Governance based on CGR Scorecard.</li> <li>- Strategy for the Debenture.</li> <li>- Seminar "New Government Against Corruption?"</li> </ul>
<b>Experiences</b>	
June 15 <sup>th</sup> , 2017 - Present	<ul style="list-style-type: none"> <li>- Manager of the Internal Audit</li> <li>- Secretary and Internal Audit as head of Internal Audit</li> </ul>



Although, the Company has not yet appointed the head and department of supervisory team, the Company has assigned the head of each department to be responsible for work in his or her line so as to ensure that work performances shall comply with any related laws, rules, regulations, and provisions.

#### **4. Internal Accountant**

The Company's accountant, in accordance with the Accounting Act B.E. 2543, is Ms. Kesara Sumkanjanaruk. She serves in the role of Accounting Manager. She graduated with a Bachelor Degree in Accounting from Srinakharinwirot University. She is assigned to prepare the financial statements and assure the disclosure of the Company's information is accurate, with the proper accountant qualifications.



## Accounting Internal Control System Report



บริษัท สอบบัญชี ดี ไอ เอ อินเตอร์เนชั่นแนล จำกัด  
D I A INTERNATIONAL AUDIT CO., LTD.

A Member Of  
Moore Stephens  
International Limited

MOORE STEPHENS

Ref: ADO. 1803004

March 16<sup>th</sup>, 2018

Re: Accounting Internal Control System Report  
Attn: The Board of Directors,  
Saha Pathana Inter-Holding Public Company Limited

With reference to the D I A International Audit Co., Ltd. has audited of the financial statements of Saha Pathana Inter-Holding Public Company Limited for the year ending December 31<sup>st</sup>, 2017 and also reported on March 12<sup>th</sup>, 2018, we would like to inform you that the audit was carried out in accordance with generally accepted auditing standards in order to express opinions if and to what extent these financial statements correctly indicate the financial status or the performance of the Company, we have studied and assessed the efficiency of the accounting internal control of the Company as we deemed it necessary for a compact and appropriate audit. We have not detected any significant deficiency of the accounting internal control system which may have an effect on our opinion of the financial statements as of December 31<sup>st</sup>, 2017.

The management of Saha Pathana Inter-Holding Public Company Limited is responsible for the implementation of an accounting internal control system and for the strict adherence to this system. Estimation and discretion are required to this end, taking into account the expected benefits and the costs to be incurred by the use of this control system. This internal control system provides reasonable assurance to the management.

Nevertheless, we would like to declare that we did not inspect every single transaction. A test method was used instead. Additionally, the accounting internal control system efficiency evaluation and study was carried out with the sole purpose of the above audit. Therefore, it may not be able to determine all deficiencies present in the internal control system of the Company.

We would like to thank the staff for the cooperation they have given during the auditing process.

Sincerely yours,

(Miss Somjintana Pholhirunrat)

C.P.A. (Thailand) Registration No. 5599



## Related Transactions

**Measures for Approval of Related Transactions:** The Company determines the related transaction policy to comply with the Notification of Capital Market Supervisory Board and the Stock Exchange of Thailand which is one of policies of the Good Corporate Governance and business ethics. Additionally, the Company determines in the Company's regulations, in case of non-commercial terms, the Company will propose the related transactions which exceed 0.03% of NTA to the consented by the Executive Board and re-consented by the Audit Committee and **propose to the Company Board of Directors for consideration.** Any Director with vested interest shall leave the meeting room and abstain from voting on such matter. After the meeting, the transactions will be disclosed to the Stock Exchange of Thailand in both Thai and English languages and shall be published in the Company website (www.spi.co.th).

Additionally, the Board of Directors approves principles that allow the Management to engage in ordinary business transactions or support ordinary business that have general trade agreements in the same manner that reasonable person would treat his partners in the same situation. Such manner must be performed without the influence of the status as the Company's directors, the management or involved individuals. The principles must be approved on an annual basis while any related transaction must be summarized quarterly and report to the Board of Directors. The summary has been disclosed in 56-1 and 56-2 forms.

**Related Transactions Trends:** Most business transactions of the Company are conducted among the Saha Group companies. Such transactions are ordinary commercial business undertakings under general trade agreements. The Company instigated measures to regulate the related transactions to ensure compliance with the rules and regulations of the Capital Market Regulatory Board and the Stock Exchange of Thailand. **In 2017, there were Related Transactions as follows;**

### 1. The Transaction was approved by the General Meeting of Shareholders

1.1 According to the resolution of the General Meeting of Shareholder No. 46, held on April 25, 2017, approved to accept the entire business transfer of President Holding Co., Ltd., (PH) with amounting to Baht 7,920,000,000.- including the tender offer for all securities in President Rice Products Public Company Limited and President Bakery Public Company Limited in compliance with the entire business transfer of PH and on June 8, 2017, the Company informed the entire business transaction of PH with amounting to Baht 7,748,000,000.- and the tender offer for all ordinary shares in PR and PB in compliance with the duties after the acquisition of the ordinary shares of PR and PB by way of entire business transaction of PH with total amounting to Baht 37,191,546.50

The related persons are Mr. Boonsithi Chokwatana, Mr. Pipat Paniangvait and Mr. Karmthon Punsak-Udomsin as the Company's Directors and major shareholders of President Holding Co., Ltd., and Mr. Weerapat Punsak-Udomsin as closed relative to the Company's Director and a major shareholder of President Holding Co., Ltd.

### 2. The Transaction was approved by the Board of Directors Meeting

#### 2.1 Shares Purchasing/Selling

1. According to the resolution of the Board of Directors Meeting No. 10 (Board #23) on February 10, 2017, approved to sell 22,000 common shares of Champ Ace Co., Ltd., @ Baht 311.73 per share (Book Value as at December 31, 2015), amounting to Baht 6,858,060.- to Sinparadon Co., Ltd.

The related persons are Mr. Boonsithi Chokwatana, Mr. Samrerng Manoonpol and Mr. Boonkiet Chokwatana as the Company's Directors and major shareholders of Sinparadon Co., Ltd.

2. According to the resolution of the Board of Directors Meeting No. 3 (Board #24) on June 15, 2017, approved to sell 36,000 common shares of S. Apparel Co., Ltd., @ Baht 76.48 per share (Book Value as at March 31, 2016) amounting to Baht 2,753,280.- to Thanulux Public Company Limited.

The related person is Mr. Boonsithi Chokwatana, as the Company's Director and a major shareholder of Thanulux Public Company Limited.



3. According to the resolution of the Board of Directors Meeting No. 4 (Board #24) on July 20, 2017, approved to sell 20,000 common shares of Sriracha Transport Co., Ltd., @ Baht 114.17 per share (Book Value as at March 31, 2016), amounting to Baht 2,283,400.- to Sinparadon Co., Ltd.

The related persons are Mr. Boonsithi Chokwatana, Mr. Samrerng Manoonpol and Mr. Boonkiet Chokwatana as the Company's Directors and major shareholders of Sinparadon Co., Ltd.

4. According to the resolution of the Board of Directors Meeting No. 6 (Board #24) on September 21, 2017, approved to buy 540,000 common shares of Thai President Foods Public Company Limited @ Baht 232.- per share, amounting to Baht 125,280,000.- from related persons as follows;

4.1 To buy 100,000 common shares of Thai President Foods Public Company Limited @ Baht 232.- per share, amounting to Baht 23,200,000.- from I.D.F. Company Limited.

The related person is Mr. Boonsithi Chokwatana, as the Company's Director and major shareholder of I.D.F. Company Limited.

4.2 To buy 150,000 common shares of Thai President Foods Public Company Limited @ Baht 232.- per share, amounting to Baht 34,800,000.- from I.D.F. Company Limited.

The related persons are Mr. Narong Chokwatana and Mrs. Kitayaporn Chithavornsathien as major shareholders of Lanpu Co., Ltd., and closed relative to the Company's Director,

4.3 To buy 70,000 common shares of Thai President Foods Public Company Limited @ Baht 232.- per share, amounting to Baht 16,240,000.- from Chokwatana Co., Ltd.

The related person is Mr. Boonpakorn Chokvathana, as the Company's Director and major shareholder of Chokwatana Co., Ltd.

4.4 To buy 120,000 common shares of Thai President Foods Public Company Limited @ Baht 232.- per share, amounting to Baht 27,840,000.- from Mr. Petch Paniangvait.

The related person is Mr. Petch Paniangvait as a closed relative to the Company's Director.

4.5 To buy 100,000 common shares of Thai President Foods Public Company Limited @ Baht 232.- per share, amounting to Baht 23,200,000.- from Mr. Weerapat Punsak-Udomsin.

The related person is Mr. Weerapat Punsak-Udomsin as a closed relative to the Company's Directors.

5. According to the resolution of the Board of Directors Meeting No. 7 (Board #24) on October 19, 2017, approved to sell 71,000 common shares of S.T. (Thailand) Co., Ltd., @ Baht 150.66 per share (Book Value as at December 31, 2015), amounting to Baht 10,696,860.- to I.D.F. Company Limited.

The related person is Mr. Boonsithi Chokwatana, as the Company's Director and a major shareholder of I.D.F. Company Limited.

6. According to the resolution of the Board of Directors Meeting No. 8 (Board #24) on November 13, 2017, approved to sell 200 common shares of Canchana Internation Co., Ltd., @ USD 1,020.861 per share (Book Value as at December 31, 2015), amounting to USD 204,172.20 equivalent to Baht 7,350,710.- to I.C.C. International Public Company Limited.

The related person is Mr. Boonsithi Chokwatana, as the Company's Director and a major shareholder of I.C.C. International Public Company Limited.

7. According to the resolution of the Board of Directors Meeting No. 9 (Board #24) on December 21, 2017, approved to sell 110,000 common shares of Thai Hoover Industry Co., Ltd. @ Baht 3,000.- per share which is a negotiation price on fair value Baht 2,862 - Baht 3,270 per share (Discounted Cash Flow Method) which higher than Book Value of Thai Hoover Industry Co., Ltd., as at December 31, 2016, at Baht 2,771.54 per share, amounting to Baht 330,000,000.- to Boon Capital Holding Co., Ltd., details as follows;

7.1 24,900 common shares of Thai Hoover Industry Co., Ltd., @ at Baht 3,000.- per share, amounting to Baht 74,700,000.- in December 2017



7.2 85,100 common shares of Thai Hoover Industry Co., Ltd., at fair value but is not below Baht 3,000.- per share, amounting to approximately Baht 255,300,000.- will not later than December 2019. The Company considers to sell all share or gradually shares depend on payment condition on negotiation according to Boon Capital Holding Co., Ltd. shares payment ability.

The related person is Mr. Boonsithi Chokwatana, as the Company's Director and a major shareholder of I.C.C. International Public Company Limited which as a major shareholder of Boon Capital Holding Co., Ltd.

## **2.2 Utility Systems Purchasing**

1. According to the resolution of the Board of Directors Meeting No. 12 (Board #23) on April 20, 2017, approved to sign the Sale and Purchase Agreement of Fiber Filter Capacity 100 cubic meter per hour and Ozone Generator including installation, amounting to Baht 11,450,000.- with Eastern Thai Consulting 1992 Co., Ltd.

The related person is Mr. Boonsithi Chokwatana, as the Company's Director and a major shareholder of Eastern Thai Consulting 1992 Co., Ltd.

2. According to the resolution of the Board of Directors Meeting No. 4 (Board #24) on July 20, 2017, approved to sign the Sale and Purchase Agreement of Reclaimed Water System Saha Group Industrial Park — Kabinburi (A-7) with amounting to Baht 12,465,000.- and pumps for Water Supply System for KBSC Golf Course, amounting to Baht 4,190,000.-, total amounting to Baht 16,655,000.- with Eastern Thai Consulting 1992 Co., Ltd., details as follows;

The related person is Mr. Boonsithi Chokwatana, as the Company's Director and a major shareholder of Eastern Thai Consulting 1992 Co., Ltd.

3. According to the resolution of the Board of Directors Meeting No. 6 (Board #24) on September 21, 2017, approved to sign the Sale and Purchase Agreement of Water Supply System, 2,000 cubic meter per day for Saha Group Industrial Park — Lamphun, amounting to Baht 15,068,000.- with Eastern Thai Consulting 1992 Co., Ltd.

The related person is Mr. Boonsithi Chokwatana, as the Company's Director and a major shareholder of Eastern Thai Consulting 1992 Co., Ltd.

4. According to the resolution of the Board of Directors Meeting No. 8 (Board #24) on November 13, 2017, approved to sign the Sale and Purchase Agreement of Water Supply System, 8,000 cubic meter per day for Saha Group Industrial Park — Sriracha with amounting to Baht 46,990,000.- and to sign the Employ Agreement of Water Plumping Station for Saha Group Industrial Park - Kabinburi, with amounting to Baht 5,484,000.- total amounting to Baht 52,474,000.- with Eastern Thai Consulting 1992 Co., Ltd.

The related person is Mr. Boonsithi Chokwatana, as the Company's Director and a major shareholder of Eastern Thai Consulting 1992 Co., Ltd.

## **2.3 Office Building — Sriracha Branch Construction**

According to the resolution of the Board of Directors Meeting No. 10 (Board #23) on February 10, 2017, approved the budget of office building — Sriracha Branch construction with total amount is not exceeded Baht 43,000,000.-, for building and outside building, sanitary, road (car park), the Company hired Pitakkij Co., Ltd. which related person who operates with approximately amount is Baht 30,000,000.-

The related person is Mr. Boonsithi Chokwatana, as the Company's Director and a major shareholder of Pitakkij Co., Ltd.

## **2.4 Financial Support (Guarantee/Loan)**

1. According to the resolution of the Board of Directors Meeting No. 9 (Board #23) on January 19, 2017, and the resolution of the Board of Directors Meeting No. 5 (Board #24) on August 11, 2017, approved to guarantee obligation to Sahapat Real Estate Co., Ltd. on shareholding proportion 40% of registered capital, with Baht 152,000,000.-, started on January 20, 2017 (installment within 5 years) and Baht 280,000,000.- respectively, to Bank of Ayudhya Public Company Limited.



The related person are Mr. Boonsithi Chokwatana, as the Company's Director and a major shareholder of Sahapat Real Estate Co., Ltd., and Mr. Boonchai Chokwatana, as the Company's Director, Chairman of the Executive Board and President of Saha Pathanapibul Public Company Limited which is as a major shareholder of Sahapat Real Estate Co., Ltd.

2. According to the resolution of the Board of Directors Meeting No. 10 (Board #23) on February 10, 2017, approved to guarantee obligation to Tsuruha (Thailand) Co., Ltd. on shareholding proportion 15% of registered capital with Baht 30,910,000.-, started on March 1, 2017 to February 28, 2016 to Sumitomo Mitsui Banking Corporation

The related person is Mr. Boonchai Chokwatana, as the Company's Director, Chairman of the Executive Board and President of Saha Pathanapibul Public Company Limited which is as a major shareholder of Tsuruha (Thailand) Co., Ltd.

3. According to the resolution of the Board of Directors Meeting No. 11 (Board #23) on March 15, 2017, approved to guarantee obligation to Saha Tokyu Corporation Co., Ltd. on shareholding proportion 20% of registered capital with Baht 140,000,000.- and Baht 137,000,000.- respectively, to TOKYU CORPORATION (Japan).

The related person is Mr. Boonchai Chokwatana, as the Company's Director, Chairman of the Executive Board and President of Saha Pathanapibul Public Company Limited which is as a major shareholder of Saha Tokyu Corporation Co., Ltd.

4. According to the resolution of the Board of Directors Meeting No. 11 (Board #23) on March 15, 2017, approved to guarantee obligation to Transcosmos (Thailand) Co., Ltd. on shareholding proportion 9% of registered capital with Baht 9,000,000.-, to Transcosmos Inc.

The related person is Mr. Boonchai Chokwatana, as the Company's Director, Chairman of the Executive Board and President of Saha Pathanapibul Public Company Limited which is as a major shareholder of Transcosmos (Thailand) Co., Ltd.

As of December 31, 2017, the company incurred a guarantee of Baht 850.53 million of which Baht 689.23 million had been utilized by 12 companies under the resolution of the General Meeting of Shareholders on April 21, 2003 from the outstanding amount.

In 2017, the company had a guarantee income of Baht 2.28 million from 11 companies through the guarantee fee charged at 0.5-1% of the guaranteed amount and the company will collect the fee from the companies which have the consulting fee at 0.5% and from the companies which have no consulting fee at 1% and will not collect the fee from the foreign joint venture companies because there is a guarantee according to the investment proportion and in accordance with the joint venture agreement. The transactions are as follows

(UNIT : BAHT)

ITEM	COMPANY	Consolidated and Separate financial statements
1	SAHAPAT REAL ESTATE CO., LTD.	1,187,506.86
2	SAHACHOL FOOD SUPPLIES CO., LTD.	430,000.15
3	PITAKKIJ CO., LTD.	160,000.04
4	SAHA TOKYU CORPORATION CO., LTD.	146,714.71
5	MOBILE LOGISTIC CO., LTD.	122,342.97
6	TRANSCOSMOS (THAILAND) CO., LTD.	67,500.04
7	OSOTH INTER LABORATORIES CO., LTD.	58,082.21
8	A TECH TEXTILES CO., LTD.	45,772.04
9	THAI ITOKIN CO., LTD.	25,000.00
10	PT. DYNIC TEXTILE PRESTIGE CO.,LTD.	18,229.91
11	TOYOBO SAHA SAFELY WEAVE CO., LTD.	17,122.18
	TOTAL	2,278,271.11



### 3. Electrical and Steam Income

In 2017, the company incurred the electrical and steam incomes from 18 related companies for a total amount of Baht 235.25 million. Most of the sale and purchase transactions are made under the long-term contracts with contract term of 15 years. The electrical charge of the company is computed at the price not over the charge of the Provincial Electricity Authority while the steam will be charge at the price not lower than that purchased from Sahacogen (Cholburi) Public Company Limited. The transactions with value over Baht 500,000.00 equal to 99.59% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	TOP TREND MANUFACTURING CO., LTD.	B	55,929,659.03
2	S & J INTERNATIONAL ENTERPRISE PLC.	B,C	43,851,314.77
3	TEXTILE PRESTIGE PLC.	B	38,089,628.88
4	LION CORPORATION (THAILAND) LTD.	B	32,710,255.89
5	BANGKOK TOKYO SOCKS CO.,LTD.	A,B	16,932,852.59
6	OSOTH INTER LABORATORIES CO., LTD.	B	15,071,115.51
7	RACHA UCHINO CO., LTD.	B	7,860,638.46
8	FIRST UNITED INDUSTRY CO., LTD.	A	6,931,543.22
9	SAHACHOL FOOD SUPPLIES CO., LTD.	B,C	6,656,149.71
10	KABIN PATTHANAKIJ CO.,LTD.	A,B	4,676,839.37
11	EASTERN THAI CONSULTING 1992 CO., LTD.	C	2,583,694.27
12	EXACT Q CO., LTD.	B	1,699,150.15
13	PITAKKIJ CO., LTD.	B	1,296,467.67
14	OTHER COMPANIES		956,009.49
	TOTAL		<b>235,245,319.01</b>

### 4. Royalty Income

The company has entered into an agreement to allow the related companies to use the trademark with the average contract term of 1-3 years and the remuneration to the company is 3.50-8.30% of the total net sales. In 2017 the company incurred the royalty income of Baht 61.69 million from 6 related companies. The transactions with value over Baht 500,000.00 equal to 99.12% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	THANULUX PLC.	B	36,845,173.40
2	I.C.C. INTERNATIONAL PLC.	B	19,439,663.71
3	PATTAYA MANUFACTURING CO., LTD.	B	4,861,311.61
4	OTHER COMPANIES		542,970.48
	TOTAL		<b>61,689,119.20</b>



## 5. Consulting Fee

In 2017, the company incurred the consulting fee of Baht 5.90 million from 12 related companies while the consulting fee is prepared with respect to the service scope. The transactions with value over Baht 500,000.00 equal to 50.85% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	I.C.C. INTERNATIONAL PLC.	B	1,800,000.00
2	INTERNATIONAL LABORATORIES CO., LTD.	B	1,200,000.00
3	OTHER COMPANIES		2,900,000.00
	TOTAL		<b>5,900,000.00</b>

## 6. Immovable Rental Income

The company has entered into an immovable rental agreement with related companies with the average contract term of 1-3 years and the rental income is based on the location and the investment cost of the company. In 2017, the company incurred the immovable rental income of Baht 54.81 million from 23 related companies. The transactions with value over Baht 500,000.00 equal to 96.89% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	FIRST UNITED INDUSTRY CO., LTD.	A	29,084,700.00
2	S & J INTERNATIONAL ENTERPRISE PLC.	B,C	7,200,624.00
3	SRIRACHA AVIATION CO.,LTD.	C	3,000,000.00
4	KABIN PATTHANAKIJ CO.,LTD.	A,B	2,994,240.00
5	H & B INTERTEX CO., LTD.	B	2,574,060.00
6	TOP TREND MANUFACTURING CO., LTD.	B	2,570,686.56
7	MODERN TECHNOLOGY CO.,LTD.	B	1,500,000.00
8	LION CORPORATION (THAILAND) LTD.	B	1,101,600.00
9	SSDC (TIGERTEX) CO. ,LTD.	B	1,027,584.00
10	BNC MAESOD CO.,LTD	B	794,160.00
11	EASTERN THAI CONSULTING 1992 CO., LTD.	C	748,643.28
12	THANULUX PLC.	B	515,490.00
13	OTHER COMPANIES		1,702,797.40
	TOTAL		<b>54,814,585.24</b>

## 7. Water Income

In 2017, the company incurred the water income of Baht 18.30 million from 38 related companies while the water charge is computed at the price not over the water charge of the Provincial Water Authority. The transactions with value over Baht 500,000.00 equal to 80.58% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	SSDC (TIGERTEX) CO. ,LTD.	B	4,199,020.00
2	S & J INTERNATIONAL ENTERPRISE PLC.	B,C	3,906,576.00
3	RACHA UCHINO CO., LTD.	B	1,735,392.00



ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
4	TOP TREND MANUFACTURING CO., LTD.	B	1,257,240.00
5	OSOTH INTER LABORATORIES CO., LTD.	B	1,071,412.80
6	SAHACOGEN GREEN CO.,LTD.	B	985,750.00
7	THANULUX PLC.	B	970,562.15
8	SAHACHOL FOOD SUPPLIES CO., LTD.	B,C	621,824.00
9	OTHER COMPANIES		3,554,140.15
	TOTAL		<b>18,301,917.10</b>

### 8. Waste Water Income

In 2017, the company incurred the waste water income of Baht 11.02 million from 31 related companies while the service charge is based on the nature, amount, duration and cost of the service with details .The transactions with value over Baht 500,000.00 equal to 83.41% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	SSDC (TIGERTEX) CO. , LTD.	B	4,904,390.40
2	S & J INTERNATIONAL ENTERPRISE PLC.	B,C	2,144,220.48
3	SAHACOGEN (CHONBURI) PLC.	B	926,283.36
4	THANULUX PLC.	B	714,563.20
5	TOP TREND MANUFACTURING CO., LTD.	B	502,896.00
6	OTHER COMPANIES		1,828,309.44
	TOTAL		<b>11,020,662.88</b>

### 9. Trade Exhibition Income

In 2017, the company incurred the trade exhibition income of Baht 38.80 million from 33 related companies while the service charge is based on the nature, of service with details .The transactions with value over Baht 500,000.00 equal to 93.65% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	I.C.C. INTERNATIONAL PLC.	B	21,209,980.00
2	THANULUX PLC.	B	4,154,350.00
3	KABIN PATTHANAKIJ CO.,LTD.	A,B	2,164,500.00
4	PEOPLE'S GARMENT PLC.	B	1,671,000.00
5	O.C.C. PLC.	B,C	1,400,000.00
6	UNIVERSE BEATY CO.,LTD.	B,D	1,230,000.00
7	NEWCITY (BANKOK) PLC.	B	980,200.00
8	WIEN INTERNATIONAL CO., LTD.	B	933,000.00
9	PATTAYA MANUFACTURING CO., LTD.	B	917,000.00
10	TEXTILE PRESTIGE PLC.	B	576,000.00
11	H & B INTERTEX CO., LTD.	B	549,500.00
12	BOONWATANACHOK CO.,LTD.	C	553,000.00
13	OTHER COMPANIES		2,465,769.76
	TOTAL		<b>38,804,299.76</b>



### 10. Service Center & Public Utility Income

In 2017, the company incurred the service center & public utility income of Baht 30.91 million from 36 related companies while The service charge is based on the areas of service, amount, duration and cost of the service with details .The transactions with value over Baht 500,000.00 equal to 91.04% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	S & J INTERNATIONAL ENTERPRISE PLC.	B,C	10,836,972.00
2	KABIN PATTHANAKIJ CO.,LTD.	A,B	5,387,735.00
3	LION CORPORATION (THAILAND) LTD.	B	2,256,261.09
4	H & B INTERTEX CO., LTD.	B	1,640,652.16
5	THAI AIZAWA PITAKKIT CO., LTD.	B	1,514,941.94
6	PITAKKIJ CO., LTD.	B	1,274,862.20
7	THANULUX PLC.	B	1,135,241.14
8	TSURUHA (THAILAND) CO.,LTD,	B	957,777.60
9	I.C.C. INTERNATIONAL PLC.	B	917,098.27
10	SRIRACHA AVIATION CO.,LTD.	B	869,141.00
11	BNC MAESOD CO.,LTD	B	789,660.00
12	FIRST UNITED INDUSTRY CO.,LTD.	A	563,344.80
13	OTHER COMPANIES		2,769,458.90
	TOTAL		<b>30,913,146.10</b>

### 11. Other Service Income

In 2017, the company had other service income of Baht 48.54 million from related companies. The service charge is based on the nature, amount, duration and cost of the service with details as follows

(UNIT : BAHT)

INCOME	Consolidated and Separate financial statements
1. Disposal of securitie	29,942,310.00
2. Sales Real Estate	6,825,000.00
3. Service Income	5,396,622.75
4. Financial lease interest income	3,657,192.23
5. Trademark Income	866,522.75
6. Rental Income (Movable)	230,000.00
7. Medical Service Income	216,730.51
8. Leasehold Income	55,103.50
9. Other Income	1,580,189.04
TOTAL	<b>48,769,670.78</b>

### 12. Cost of Electricity and Steam

The company has entered into a sale/purchase contract, 15 year contract term, with a related company, Sahacogen (Cholburi) Public Company Limited. The payment does not exceed the price made by the Provincial Electricity Authority. In 2017, the company incurred the service cost of electricity and steam as follows

(UNIT : BAHT)

	Consolidated and Separate financial statements
1. Cost of Electricity	337,129,739.99
2. Cost of Steam	74,983,337.80
	<b>412,113,077.79</b>



### 13. Electrical and Electrical Water Filtration

In 2017, the company incurred the electrical charge paid to 2 related companies, which have stipulated the price not over the rate charged by the Provincial Electricity Authority, for a total amount of Baht 2.53 million with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	SAHACOGEN (CHONBURI) PLC.	B	1,557,708.06
2	I.C.C. INTERNATIONAL PLC.	B	972,040.52
	TOTAL		<b>2,529,748.58</b>

### 14. Security Expenses

In 2017, the company incurred the security service charge with a related company with consideration on the number of security guards, duration and space for the service with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	PITAKKIJ SECURITY GUARD CO.,LTD.	B	27,056,811.03

### 15. Waste Water Treatment

In 2017, the company paid the total water treatment charge to 1 related company according to the contract and the amount of supplies actually used at the market price with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	EASTERN THAI CONSULTING 1992 CO., LTD.	C	26,913,590.28

### 16. Rental Fee

In 2017, the company incurred the total rental of Baht 3.71 million to 5 related companies. The remuneration under the contract is based on the rental charge of other landlords with consideration on the location, condition and utility of the property with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	I.C.C. INTERNATIONAL PLC.	B	2,648,400.00
2	SAHAPAT PROPERTIES CO., LTD.	A	773,042.82
3	SINPARADORN CO., LTD.	B	240,000.00
4	PITAKKIJ CO., LTD.	B	47,261.49
5	PTK MULTI SERVICE CO., LTD.	B	588.50
	TOTAL		<b>3,709,292.81</b>



### 17. Construction Cost and purchase assets

In 2017, the company paid the total construction cost and investment properties of Baht 191.17 million to 5 related companies. The remuneration is based on the style, size, construction materials and decorative techniques of the building in comparison with the price of other bidders with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	PITAKKIJ CO.LTD.	B	103,624,583.90
2	EASTERN THAI CONSULTING 1992 CO., LTD.	C	85,525,389.00
3	I.D.F. CO.,LTD.	B	1,676,265.00
4	PTK MULTI SERVICE CO., LTD.	B	262,144.07
5	PITAKKIJ SECURITY GUARD CO.,LTD.	B	85,868.10
	TOTAL		191,174,250.07

### 18. Exhibition Expenses

In 2017, the company incurred the total exhibition expenses of Baht 3.82 million with 12 related companies. The remuneration is based on the nature of work, location, volume of work and length of service The transaction with value over Baht 500,000.00 equal to 22.08% with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	KABIN PATTHANAKIJ CO.,LTD.	A,B	956,359.81
2	PITAKKIJ CO.LTD.	B	626,680.00
3	PITAKKIJ SECURITY GUARD CO.,LTD.	B	584,761.64
4	OTHER COMPANIES		1,650,038.21
	TOTAL		3,817,839.66

### 19. Other Expenses

In 2017, the company incurred the other expenses of Baht 189.41 million with 58 related companies with the price compared with those of other service providers in the same manner. The transactions with value over Baht 500,000.00 equal to 98.56% of the total other expenses are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	PTK MULTI SERVICE CO., LTD.	B	97,189,498.15
2	EASTERN THAI CONSULTING 1992 CO., LTD.	C	68,899,943.35
3	PITAKKIJ CO. LTD.	B	5,784,712.56
4	KABIN PATTHANAKIJ CO.,LTD.	A,B	3,068,055.67
5	SRIRACHA AVIATION CO., LTD.	C	2,568,000.00
6	CHOKCHAIPIBUL CO.,LTD.	B	2,355,646.14
7	I.C.C. INTERNATIONAL PLC.	B	1,732,325.71
8	SAHA PATHANAPIBUL PLC.	A	1,430,267.46
9	TREASURE HILLS CO.LTD.	B	1,221,467.00
10	PITAKKIJ SECURITY GUARD CO.,LTD.	B	937,450.66
11	WATSADORAMAI CO.,LTD.	A	750,859.75
12	I.D.F CO.LTD.	A,B	732,220.37
13	OTHER COMPANIES		2,734,828.59
	TOTAL		189,405,275.41



As most of the connected transactions with related companies have been conducted under the normal course of business to facilitate the business operation of the companies in the group such as sale or purchase of electricity in the industrial park, business advisory service, trademark service provided. Thus, the approval process for the transactions has been in accordance with the normal business practice of the company. However, the connected transactions which are not the normal business conduct, the company has complied with the notification of the Stock Exchange of Thailand on Disclosure and Practice of the listed companies on the connected transactions, B.E. 2546.

The policy on connected transactions of the company for the normal business transactions with the related companies has a tendency to grow but for the loans, the company has a policy to reduce the loans provided to companies in the group consistently. Besides, its policy is to reduce the guarantee amount which is in excess of necessity and to reduce the guarantee amount provided to the companies in the group. In addition, the companies in the group which are responsible for monitoring such business line will be designated as a guarantor.

#### **NOTE: RELATIONSHIP**

A DIRECTOR/EXECUTIVE AS MD

B DIRECTOR/EXECUTIVE AND RELATED PERSON AS A MAJOR SHAREHOLDER

C DIRECTOR/EXECUTIVE AS A MAJOR SHAREHOLDER

D CLOSED RELATIVE OF DIRECTOR/EXECUTIVE AS A MAJOR SHAREHOLDER



## Management Discussion and Analysis : MD&A

### 2017 Performance

In 2017, the total revenue growth of 47% mainly came from the extraordinary items as a result of an Entire Business Transfer (“EBT”) of President Holding Co., Ltd. on 8 June 2017.

### Revenue Breakdown

Unit: THB million

Revenue	2017	2016	% Increase (Decrease)
Investments and others	4,006	1,878	113
Rents and services	2,518	2,425	4
Industrial parks	209	272	(23)
Total	6,733	4,575	47

Remark: During 2017, there were extraordinary items as a result of an EBT of President Holding Co., Ltd. on 8 June 2017 as follows:

- 1) gain on reclassification from available-for-sale investment to investment in associates of THB 1,015.17 million (THB 812.14 million, net of tax)
- 2) gain on bargain purchase of THB 817.65 million (THB 654.12 million, net of tax)
- 3) one-time professional fee related to the EBT transaction as well as the issuance of convertible debentures totaling THB 118.39 million (THB 94.71 million, net of tax)

#### Revenue from investments and others

The company revenue from investments and others increased by 113% in 2017 mainly due to the extraordinary items as a result of the EBT of President Holding Co., Ltd. on 8 June 2017, together with an expansion of production base and ongoing product developments by companies of Saha Group. In overall, the companies of Saha Group reported a consistent profit growth, which increased the Company's share of profit under equity method accordingly.

#### Revenue from rents and services

The company revenue from rents and services increased by 4% mainly due to an upward adjustment in rates for rental and utility services.

#### Revenue from industrial parks

The company revenue from industrial parks mainly derived from land sales which declined by 23% as less land plots were transferred than last year.

### Net profit

In 2017, The company net profits increased by 87% mainly due to the extraordinary items as a result of the EBT of President Holding Co., Ltd. on 8 June 2017.

Unit: THB million

Item	2017	2016	% Increase (Decrease)
Total net profit	3,171	1,698	87
Net profit margin	2,518	37%	

### Financial position and Cash flows

In 2017, The company restated its statements of financial position for the year ended 31 December 2016 as a result of adjustments in some associate companies' accounts when applying accounting standards for Publicly Accountable Entities (“PAE”). At the end of 2017, The company reported total assets of THB 35,130 million, which increased by THB 10,003 million from THB 25,127 million at the end of 2016. The increase was primarily the result of:



1. THB 10,050 million increase in the investment in associates due mainly to the EBT of President Holding Co., Ltd., contributing to changes in holding percentage and hence reclassification of President Bakery Plc. and President Rice Products Plc. as The company associates (President Rice Products Plc. was subsequently merged with Thai President Foods Public Company Limited (TF) into a new entity under name of Thai President Foods Public Company Limited (TFMAMA) on 16 October 2017).
2. THB 828 million decrease in available-for-sales investment in related parties mainly from the reclassification of investment in President Bakery Plc. and President Rice Products Plc. from “available-for-sales investment” to be “investment in associates”.
3. THB 162 million increase in other long-term investments in related parties primarily because of additional investments in other businesses.
4. THB 262 million increase in investment properties attributable to additional investment in Industrial park Sriracha and Maesot.

The company reported liabilities of THB 10,401 million at the end of 2017, an increase of THB 7,763 million from THB 2,638 million at the end of 2016. The increase was mainly from

1. The receipt of short-term borrowing of THB 3,520 million
2. The issuance of 3-year debenture of THB 1,000 million and 7-year debenture of THB 1,000 million
3. The issuance of convertible debenture of THB 3,505 million, of which THB 3,000 million was classified as liability component. These facilities were used for the EBT of President Holding Co., Ltd., offset with
4. The repayment of long-term loan of THB 1,200 million

Shareholders' equity increased by THB 2,241 million from THB 22,488 million at the end of 2016 to THB 24,729 million at the end of 2017, owing primarily to (1) 2017 net profit of THB 3,165 million, (2) Equity component of convertible debenture of THB 502 million, offset with (3) Unrealised loss on remeasuring of available-for-sales investment of THB 1,197 million, and (4) Dividends payment of THB 222 million.

In 2016, The company net cash and cash equivalents declined by THB 5 million from THB 104 million at the end of 2016 to THB 99 million at the end of 2017. The balance consisted of (1) Net cash received of THB 1,075 million from the operating activities, comprising mainly operating profit and dividend received, (2) Net cash received of THB 7,603 million from financing activities, consisting primarily of the proceeds from borrowing of THB 3,520 million, the issuance of 5-year and 7-year debentures of THB 2,000 million, and convertible debentures of THB 3,505 million, offset with (3) Net cash used of THB 8,682 million in investing activities, due primarily to the consideration of THB 7,748 million paid for the EBT of President Holding Co., Ltd..

### Financial Ratio Analysis

The company net profit margin increased from 37.1% in 2016 to 47.0% in 2017, primarily from the extraordinary items from the EBT of President Holding Co., Ltd. Excluding those items, the net profit margin of 2017 would be 36.6%.

Return on equity increased from 7.9% in 2016 to 13.4% in 2017. Correspondingly, return on assets increased from 7.1% in 2016 to 11.6% in 2017. An increase in both ratios was due to the extraordinary items from the EBT of President Holding Co., Ltd. Excluding those items, the return on equity and the return on asset would be 7.6% and 7.0%, respectively.

### Factors influencing Future Business Operation

Year 2018 will pose a challenging year from various factors both domestics and international such as exchange rate fluctuation, interest rate hike by central banks in many countries, trade barriers and countermeasures between the U.S. and its trade partners including digital innovation disruption as well as changing consumer behavior. The Company has put in place strategic measures for these challenges particularly in Big Data for information analytics, organizational restructuring, increase asset efficiency and to prepare for the investment inflow into the Eastern Economic Corridor (EEC) in accordance to Thailand 4.0 strategy. The Company are prudent to implement the above strategic measures.

Thus, factors and risk factors that influencing future business operation such as investment risks, financial risks, rental and services risks, industrial park business risks have been disclosed in The Risk Factors section.



## Report On The Board Of Directors's Responsibility For Financial Statements

**บริษัท สหพัฒนอินเดอร์โฮลดิ้ง จำกัด (มหาชน)**

530 ซอยสาธุประดิษฐ์ 58 แขวงบางโพงพาง เขตยานนาวา กรุงเทพมหานคร 10120  
ทะเบียนเลขที่ 0107537001340 โทรศัพท์ 0 2293 0030 โทรสาร 0 2293 0040



**SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED**

530 SOI SATHUPRADIT 58, BANGPONGPANG, YANNAWA, BANGKOK 10120  
REGISTRATION NO. 0107537001340 TEL : +66 2293 0030 FAX : +66 2293 0040

### Report on the Board of Directors' Responsibilities for Financial Statements

The Board of Directors duly recognized their obligations and responsibilities in their status as the directors of SET listed company, with regard to the compilation of financial statements for Saha Pathana Inter-Holding Public Company Limited. The financial statements were prepared in accordance with Thai Financial Reporting Standards (TFRS), based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimates. Furthermore, adequate significant information was disclosed per the notes to the financial statements, together with necessary clarification and analysis regarding the financial positions and performances by the company, so as to contribute to the interests of the shareholders and general investors. Moreover, the financial statements were duly audited and verified by independent certified public accountants.

At the same time, the Board of Directors had exercised efforts to promote good governance practice, and to establish risk management system and internal control system in an efficient and effective manner. These practices were intended to ensure that the recording of accounting information was carried out in an accurate, complete, and sufficient manner, in order to safeguard the assets of the company, while also safeguarding against any significant fraud or abuse.

In the regard, the company's Audit Committee whose members comprising independent directors had duly carried out audit work on the quality of the financial statements and the efficiency of internal control system. The opinions of the Audit Committee were displayed per the Audit Committee's report contained in the annual report publication, as well as the annual registration statement (form 56-1).

Accordingly, the Board of Directors concluded that the good corporate governance practice, the risk management system, as well as the internal control system already in place, were well adequate and sufficient reasonably providing sufficient confidence to all the concerned parties that, the financial statements of the company ending December 31, 2017, were prepared and presented in substantial context, in an accurate and reliable manner in accordance with Thai Financial Reporting Standards.

(Mr. Boonsithi Chokwatana)

Chairman

(Mr. Vichai Kulspmbhob)

President



## INDEPENDENT AUDITOR'S REPORT

### To The Shareholders of SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

#### Qualified Opinion

I have audited the accompanying consolidated and separate financial statements of SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED AND SUBSIDIARIES ("the Group") and of SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED ("the Company"), which comprise the consolidated and separate statements of financial position as at December 31, 2017, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects as might arise from the matter as described in the Basis for Qualified Opinion paragraph, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED as at December 31, 2017, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### Basis for Qualified Opinion

As stated in notes 11 to financial statements, as at December 31, 2017, the Company recorded investments in 13 associates under equity method in the financial statements equal to 6.64% of total assets which had share of profit of investment equal to 6.34% of net profit. Those associates are Non-Publicly Accountable Entities therefore, they applied the Financial Reporting Standards for Non-Publicly Accountable Entities which did not comply with the accounting policies as the same of the Company and the Company has not obtained the additional information from those associates in the preparation of financial statements as if those associates applied the same accounting policies in which the Management of the Company has no a power in commanding those associates. The Company also recorded investments in an associate under equity method from the unaudited financial statements equal to 0.16% of total assets which had share of loss of investment equal to 0.20% of net profit. I was unable to apply the other auditing procedures to satisfy as to such transaction.

As at December 31, 2016, the Company recorded investments in 19 associates of 26 associates as following : investments in 15 associates are recorded under equity method from the financial statements audited by the other auditors equal to 16.20% of total assets which had share of profit of investment equal to 14.21% of net profit and recorded investments in 4 associates under equity method from the unaudited financial statements equal to 0.57% of total assets and had share of loss equal to 0.78% of net profit and I was unable to apply the other auditing procedures to satisfy about such investments. In addition, 19 associates are Non-Publicly Accountable Entities therefore, they applied the Financial Reporting Standards for Non-Publicly Accountable Entities which did not comply with the accounting policies as the same of the Company and the Company has not obtained the additional information from those associates in the preparation of financial statements as if those associates applied the same accounting polies in which the Management of the Company has no a power in commanding those associates and I was unable to apply the other auditing procedures to satisfy myself as to such transaction. My opinion presented on the financial statements for the year ended December 31, 2016, expressed a qualify in that matter. Accordingly, my opinion on the current financial statements also expressed a qualify in the same matter which may be have the impacts on the comparative figures of the current and previous period.



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

### **Key Audit Matters**

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

Except for the matters stated in the Basis for Qualified Opinion, I have material to add the following matters and are therefore the key audit matters to communicate in my report.

### **Valuation of long-term investments**

As stated in notes 11, 13 and 14 to financial statements, the Company has investments in subsidiaries, associates and other long-term investments in various companies. The Company has significant risks relating to investments valuation especially considering provision for impairment of investments. The Management has considered the expected return from investments including the past performance, the Management has made significant judgment for taking consideration the adequacy of provision for impairment of investment for presenting appropriate value.

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

- Obtained an understanding and assessed the procedures for indication of impairment of investment.
- Considered the profitability from investment of the Company such as performance, historical financial information in the past including other information to assess the adequacy of provision for impairment of investment.
- Considered the appropriate of assumption use in calculation.
- Tested mathematical accuracy.
- Assessed the adequacy of disclosures of information in accordance with the related financial reporting standards.

### **Business transaction with related parties**

As stated in notes 39 to financial statements, the Company has material amount of business transaction with several related parties in the financial statements which comprise trade accounts receivable, trade accounts payable, revenues from sales and other trading transactions. The Company has determined the methodology for gathering information in order to record and disclose in notes to financial statements correctly and completely in conformity with the pricing policy as determined.

I have obtained an assurance in respect of business transactions with related parties, by included;

- Obtained an understanding of the gathering information control system and indication of related persons and parties as disclosed.

- Considered the determination of reasonable pricing policy with related parties approved by the suitable authorized person.
- Sampling the inter-company confirmation letter requirement
- Performed analytical review the significant of irregular transactions
- Sample tested trading transactions incurred during the year compared with the pricing policy of the Company and compare the same related transactions with related parties as deal with other parties.
- Checked supporting documents the recording of selling, purchasing, receipt and payment transactions by considering the adequacy and suitability of such documents.
- Checked the accounting record and reclassification including the completeness of disclosure of information with related parties.

### Other Information

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

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

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

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

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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



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

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

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

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


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

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



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

D I A INTERNATIONAL AUDIT CO., LTD.



(Miss Somjintana Pholhirunrat)

C.P.A. (Thailand)

Registration No. 5599

March 12, 2018



## STATEMENTS OF FINANCIAL POSITION

### AS AT DECEMBER 31, 2017

(Unit : Baht)

Assets	Note	Consolidated	Financial statements		Separate financial statements	
		financial statements	in which the equity method is applied			
		December 31, 2017	December 31, 2016	January 1, 2016	December 31, 2017	December 31, 2016
			(Restated)	(Restated)		
<b>Current assets</b>						
Cash and cash equivalents	6	98,756,538.91	104,135,961.05	337,526,130.91	91,281,006.18	104,135,961.05
Current investments	7	61,042,440.82	0.00	0.00	0.00	0.00
Trade and other current receivables - related parties	8	219,101,210.57	172,457,582.50	165,732,522.09	212,761,364.91	172,457,582.50
Trade and other current receivables - others	9	34,371,854.27	26,650,480.85	28,553,917.45	34,244,772.37	26,650,480.85
Hire purchase receivables due within 1 year	10	47,530,312.41	0.00	0.00	47,530,312.41	0.00
Inventories		2,558,431.24	2,429,344.53	2,221,117.97	2,558,431.24	2,429,344.53
<b>Total current assets</b>		<b>463,360,788.22</b>	<b>305,673,368.93</b>	<b>534,033,688.42</b>	<b>388,375,887.11</b>	<b>305,673,368.93</b>
<b>Non-current assets</b>						
Hire purchase receivables due over 1 year	10	47,935,697.39	0.00	0.00	47,935,697.39	0.00
Investments in subsidiaries	12	0.00	0.00	0.00	12,321,654.00	0.00
Investments in associates						
By using equity method	11	25,188,993,972.10	15,138,479,329.45	13,735,978,586.07	0.00	0.00
By using cost method	11	0.00	0.00	0.00	11,039,670,855.01	2,203,091,277.95
Investments in related parties						
Available-for-sale investment	13	2,391,588,012.50	3,219,255,465.88	2,847,600,459.26	2,391,588,012.50	3,219,255,465.88
Other long-term investments	13	1,566,652,764.46	1,404,181,106.78	1,211,888,507.65	1,565,113,406.87	1,404,181,106.78
Other long-term investments						
Available-for-sale investment	14	126,709,873.80	111,990,349.50	183,651,021.50	126,709,873.80	111,990,349.50
Other long-term investments	14	46,079,079.26	41,817,560.63	41,820,500.30	46,079,079.26	41,817,560.63
Real estate under to buy and to sell contract		2,926,304.98	621,770.34	59,354,515.94	2,926,304.98	621,770.34
Real estate for sale	15	606,443,723.56	631,516,632.56	721,997,967.14	606,443,723.56	631,516,632.56
Investment properties	16	3,041,091,919.84	2,778,974,000.51	2,365,808,250.18	3,041,091,919.84	2,778,974,000.51
Property, plant and equipment	17	1,320,438,804.60	1,232,178,391.67	1,178,607,217.87	1,318,277,482.42	1,232,178,391.67
Intangible assests	18	8,936,189.85	10,523,743.94	11,129,016.19	8,936,189.85	10,523,743.94
Deferred tax assets	30	222,951,365.57	161,959,498.50	181,018,266.37	245,379,731.45	180,691,484.33
Other non-current assets						
Deposit for land	19	42,527,100.00	42,527,100.00	42,527,100.00	42,527,100.00	42,527,100.00
Withholding tax		48,150,425.16	42,209,354.35	61,636,628.04	48,150,425.16	42,209,354.35
Others		5,065,668.60	4,504,292.77	7,974,453.79	5,064,468.60	4,504,292.77
<b>Total other non-current assets</b>		<b>95,743,193.76</b>	<b>89,240,747.12</b>	<b>112,138,181.83</b>	<b>95,741,993.76</b>	<b>89,240,747.12</b>
<b>Total non-current assets</b>		<b>34,666,490,901.67</b>	<b>24,820,738,596.88</b>	<b>22,650,992,490.30</b>	<b>20,548,215,924.69</b>	<b>11,904,082,531.21</b>
<b>Total assets</b>		<b>35,129,851,689.89</b>	<b>25,126,411,965.81</b>	<b>23,185,026,178.72</b>	<b>20,936,591,811.80</b>	<b>12,209,755,900.14</b>

Notes to financial statements are parts of these financial statements



## STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2017

(Unit : Baht)

Liabilities and shareholders' equity	Note	Consolidated		Financial statements		Separate financial statements	
		financial statements	in which the equity method is applied	in which the equity method is applied	in which the equity method is applied	in which the equity method is applied	in which the equity method is applied
		December 31, 2017	December 31, 2016	January 1, 2016	December 31, 2017	December 31, 2016	December 31, 2016
			(Restated)	(Restated)			
<b>Current liabilities</b>							
Bank overdrafts and short-term loans from financial institutions	20	4,080,000,000.00	560,000,000.00	0.00	4,080,000,000.00	560,000,000.00	
Trade and other current payables		330,372,758.68	252,722,589.23	335,451,349.23	324,895,819.54	252,722,589.23	
Current portion of long - term debt	21	0.00	300,000,000.00	300,000,000.00	0.00	300,000,000.00	
Current provisions for employee benefits	25	3,863,141.87	5,985,953.00	0.00	0.00	5,985,953.00	
<b>Total current liabilities</b>		<u>4,414,235,900.55</u>	<u>1,118,708,542.23</u>	<u>635,451,349.23</u>	<u>4,404,895,819.54</u>	<u>1,118,708,542.23</u>	
<b>Non-current liabilities</b>							
Investments payable		0.00	599,700.00	599,700.00	0.00	599,700.00	
Amount received in advance		142,703,343.28	24,517,959.95	32,873,406.40	142,703,343.28	24,517,959.95	
Deposits		86,353,151.04	86,461,857.48	83,156,746.83	86,353,151.04	86,461,857.48	
Long-term loans	21	0.00	900,000,000.00	1,500,000,000.00	0.00	900,000,000.00	
Debentures	22	2,000,000,000.00	0.00	0.00	2,000,000,000.00	0.00	
Convertible debentures - liability component	23	2,999,766,560.71	0.00	0.00	2,999,766,560.71	0.00	
Contingent liabilities from guarantees	24	13,574,409.75	4,574,409.75	4,574,409.75	13,574,409.75	4,574,409.75	
Non-current provisions for employee benefits	25	91,109,474.27	50,502,398.17	72,437,395.00	77,948,720.29	50,502,398.17	
Deferred tax liabilities	30	653,077,243.99	452,758,510.58	401,480,022.86	489,447,757.00	452,758,510.58	
<b>Total non-current liabilities</b>		<u>5,986,584,183.04</u>	<u>1,519,414,835.93</u>	<u>2,095,121,680.84</u>	<u>5,809,793,942.07</u>	<u>1,519,414,835.93</u>	
<b>Total liabilities</b>		<u>10,400,820,083.59</u>	<u>2,638,123,378.16</u>	<u>2,730,573,030.07</u>	<u>10,214,689,761.61</u>	<u>2,638,123,378.16</u>	
<b>Shareholders' equity</b>							
Share capital							
Authorized share capital							
582,923,188 common shares of Baht 1 each	26	<u>582,923,188.00</u>			<u>582,923,188.00</u>		
800,000,000 common shares of Baht 1 each	26		<u>800,000,000.00</u>	<u>800,000,000.00</u>		<u>800,000,000.00</u>	
Issued and paid-up share capital							
494,034,300 common shares of Baht 1 each		494,034,300.00	494,034,300.00	494,034,300.00	494,034,300.00	494,034,300.00	
Premium on share capital		1,041,357,580.00	1,041,357,580.00	1,041,357,580.00	1,041,357,580.00	1,041,357,580.00	
Premium on treasury stock of associates		6,151,888.73	6,151,888.73	6,151,888.73	0.00	0.00	
Retained earnings							
Appropriated							
Legal reserve	28	80,000,000.00	80,000,000.00	80,000,000.00	80,000,000.00	80,000,000.00	
General reserve	29	280,000,000.00	280,000,000.00	280,000,000.00	280,000,000.00	280,000,000.00	
Unappropriated		19,706,204,657.56	16,794,271,390.91	15,274,542,425.49	7,180,150,867.72	5,865,564,295.97	
Other components of equity		<u>3,092,838,010.23</u>	<u>3,792,473,428.01</u>	<u>3,278,366,954.43</u>	<u>1,646,359,302.47</u>	<u>1,810,676,346.01</u>	
Total owners of the Company		24,700,586,436.52	22,488,288,587.65	20,454,453,148.65	10,721,902,050.19	9,571,632,521.98	
Non-controlling interests		28,445,169.78	0.00	0.00	0.00	0.00	
<b>Total shareholders' equity</b>		<u>24,729,031,606.30</u>	<u>22,488,288,587.65</u>	<u>20,454,453,148.65</u>	<u>10,721,902,050.19</u>	<u>9,571,632,521.98</u>	
<b>Total liabilities and shareholders' equity</b>		<u>35,129,851,689.89</u>	<u>25,126,411,965.81</u>	<u>23,185,026,178.72</u>	<u>20,936,591,811.80</u>	<u>12,209,755,900.14</u>	

Notes to financial statements are parts of these financial statements





## STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit : Baht)

	Note	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
		2017	2016 (Restated)	2017	2016
<b>Revenues</b>					
Facility income		2,060,916,018.73	2,026,172,765.92	2,060,916,018.73	2,026,172,765.92
Sales of real estate		209,123,750.00	271,795,750.00	209,123,750.00	271,795,750.00
Consulting and services income		457,193,516.96	399,105,982.64	420,888,137.02	399,105,982.64
Hire purchase interest income		33,660,872.54	0.00	33,660,872.54	0.00
Share of profit from investment in associates by equity method		1,839,568,970.15	1,461,890,956.46	0.00	0.00
Dividend income		272,054,348.50	369,273,163.02	1,054,609,640.40	878,588,763.32
Other income					
Gain on price bargaining	5	817,646,968.93	0.00	0.00	0.00
Gain on change in investment classify	11.2	1,015,170,600.00	0.00	1,015,170,600.00	0.00
Gain on disposal of assets		2,792,190.10	4,202,676.67	2,787,002.37	4,202,676.67
Gain on disposal of investment		253,155.74	4,413,310.33	84,647,630.00	4,413,310.33
Reversible impairment loss of investment		6,740,885.42	21,000,000.00	6,740,885.42	26,250,000.00
Gain on exchange rate		200,863.53	390,102.84	200,863.53	390,102.84
Interest income		2,447,721.64	1,036,798.65	1,813,030.20	1,036,798.65
Doubtful account (reversal)		0.00	1,255,250.01	0.00	1,255,250.01
Others		15,201,297.02	14,697,151.90	15,168,680.19	14,697,151.90
<b>Total revenues</b>		<b>6,732,971,159.26</b>	<b>4,575,233,908.44</b>	<b>4,905,727,110.40</b>	<b>3,627,908,552.28</b>
<b>Expenses</b>					
Cost of facility		1,875,061,582.36	1,844,538,975.89	1,875,061,582.36	1,844,538,975.89
Cost of sales of real estate		33,163,283.75	63,360,955.67	33,163,283.75	63,360,955.67
Cost of services		339,769,653.98	328,689,861.02	329,140,167.87	328,689,861.02
Share of loss on investment in associates by equity method		29,315,484.20	45,230,223.32	0.00	0.00
Administrative expenses		652,518,172.54	490,863,029.59	640,595,546.77	490,863,029.59
Other expenses					
Loss on disposal of investment		31,902,853.05	9,334,583.45	8,880,920.00	9,334,583.45
Impairment loss of investments		171,067,664.97	38,622,851.42	206,573,461.10	54,122,851.42
Loss on disused of investments		0.00	1,819,141.02	0.00	0.00
Loss on exchange rate		44,975.26	64,298.73	44,975.26	64,298.73
Finance costs		112,573,748.61	43,771,256.92	112,573,748.61	43,771,256.92
<b>Total expenses</b>		<b>3,245,417,418.72</b>	<b>2,866,295,177.03</b>	<b>3,206,033,685.72</b>	<b>2,834,745,812.69</b>
<b>Profit before income tax</b>		<b>3,487,553,740.54</b>	<b>1,708,938,731.41</b>	<b>1,699,693,424.68</b>	<b>793,162,739.59</b>
Income tax (expense)	30	(317,021,394.97)	(11,282,863.87)	(143,329,782.73)	(9,232,863.87)
<b>Profit for the year</b>		<b>3,170,532,345.57</b>	<b>1,697,655,867.54</b>	<b>1,556,363,641.95</b>	<b>783,929,875.72</b>

Notes to financial statements are parts of these financial statements



# STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)

## FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit : Baht)

		Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	Note	2017	2016 (Restated)	2017	2016
Other comprehensive income :-					
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>					
Gain (loss) on re-measuring of available for sale investments (net of tax)		(665,507,372.94)	239,995,467.70	(665,853,498.54)	239,995,467.70
Gain (loss) on re-measuring of available for sale investments - associates (net of tax)	11.2	(531,162,304.55)	278,062,718.47	0.00	0.00
Premium on changes in percentage of investment in associates		(51,366.97)	0.00	0.00	0.00
Exchange differences on translating financial statements of associates		(4,450,828.32)	(3,951,712.59)	0.00	0.00
<b>Total components of other comprehensive income that will be reclassified</b>		<b>(1,201,171,872.78)</b>	<b>514,106,473.58</b>	<b>(665,853,498.54)</b>	<b>239,995,467.70</b>
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>					
Actuarial gain (loss) on defined employee benefit plan (net of tax)		(9,890,163.88)	(3,777,900.80)	(19,461,635.20)	(3,777,900.80)
Actuarial gain (loss) on defined employee benefit plan - associates (net of tax)		(16,128,108.44)	(11,117,682.32)	0.00	0.00
<b>Total components of other comprehensive income that will not be reclassified to profit or loss</b>		<b>(26,018,272.32)</b>	<b>(14,895,583.12)</b>	<b>(19,461,635.20)</b>	<b>(3,777,900.80)</b>
<b>Other comprehensive income (expense) for the year, net of tax</b>		<b>(1,227,190,145.10)</b>	<b>499,210,890.46</b>	<b>(685,315,133.74)</b>	<b>236,217,566.90</b>
<b>Total comprehensive income (expense) for the year</b>		<b>1,943,342,200.47</b>	<b>2,196,866,758.00</b>	<b>871,048,508.21</b>	<b>1,020,147,442.62</b>
Profit attributable to :					
Owners of the Company		3,164,956,994.92	1,697,655,867.54	1,556,363,641.95	783,929,875.72
Non-controlling interests		5,575,350.65	0.00	0.00	0.00
Total comprehensive income attributable to :					
Owners of the Company		1,933,076,828.87	2,196,866,758.00	871,048,508.21	1,020,147,442.62
Non-controlling interests		10,265,371.60	0.00	0.00	0.00
Basic earnings per share :					
Profit attributable to equity holders of the Company	36	6.41	3.44	3.15	1.59
Weighted average number of ordinary shares (shares)		494,034,300	494,034,300	494,034,300	494,034,300
Diluted earnings per share :					
Profit attributable to equity holders of the Company	36	5.95	3.44	2.93	1.59
Weighted average number of ordinary shares (shares)		533,730,697	494,034,300	533,730,697	494,034,300

Notes to financial statements are parts of these financial statements



# STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

## FOR THE YEAR ENDED DECEMBER 31, 2017

### CONSOLIDATED FINANCIAL STATEMENTS / FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED

(Unit : Baht)

Note	Issued and paid-up share capital	Premium (Discount) on share capital	Premium on treasury stock of associates	Retained earnings		Other components of equity							Non-controlling interests	Total	Grand Total
				Appropriated	Unappropriated	Gain on re-measuring of available-for-sale investment	Gain on re-measuring of available-for-sale investment of associates	Premium on changes in percentage of investment in associates	Exchange differences on translating financial statements of associates	Convertible debentures - equity component					
											Legal reserve	General reserve			
FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED															
	Balance as of 1 January 2016 (as reported)	484,034,300.00	1,041,357,580.00	6,151,888.73	80,000,000.00	280,000,000.00	15,177,778,024.67	1,570,680,878.31	1,676,716,184.15	20,068,165.61	10,461,335.56	0.00	3,277,926,563.63	0.00	20,357,248,357.03
	Correction an accounting restatement of associated companies						96,764,400.82		440,390.80						97,204,791.62
	Balance as at January 1, 2016 (restated)	484,034,300.00	1,041,357,580.00	6,151,888.73	80,000,000.00	280,000,000.00	15,274,542,425.49	1,570,680,878.31	1,677,156,574.95	20,068,165.61	10,461,335.56	0.00	3,278,366,954.43	0.00	20,454,453,148.65
	Dividend paid						(163,031,319.00)								(163,031,319.00)
	Total comprehensive income for the year														
	Net profit														1,697,655,867.54
	Other comprehensive income (expense)														499,210,890.46
	Balance as at December 31, 2016	484,034,300.00	1,041,357,580.00	6,151,888.73	80,000,000.00	280,000,000.00	16,794,271,390.91	1,810,676,346.01	1,955,219,293.42	20,068,165.61	6,509,622.97	0.00	3,792,473,428.01	0.00	22,488,288,587.65
	CONSOLIDATED FINANCIAL STATEMENTS														
Balance as of 1 January 2017 (as reported)	484,034,300.00	1,041,357,580.00	6,151,888.73	80,000,000.00	280,000,000.00	16,682,579,339.57	1,810,676,346.01	1,956,199,499.72	20,068,165.61	6,509,622.97	0.00	3,793,453,634.31	0.00	22,377,576,742.61	
Correction an accounting restatement of associated companies							111,692,051.34		(980,206.30)			(980,206.30)		110,711,845.04	
Balance as at January 1, 2017 (restated)	484,034,300.00	1,041,357,580.00	6,151,888.73	80,000,000.00	280,000,000.00	16,794,271,390.91	1,810,676,346.01	1,955,219,293.42	20,068,165.61	6,509,622.97	0.00	3,792,473,428.01	0.00	22,488,288,587.65	
Dividend paid							(222,315,435.00)						(222,315,435.00)		
Non-controlling interests in subsidiaries at the acquisition date														18,179,798.18	18,179,798.18
Issue convertible debentures - equity component												501,536,455.00	501,536,455.00	501,536,455.00	501,536,455.00
Total comprehensive income for the year															
Net profit														5,575,350.65	3,170,532,345.57
Other comprehensive income (expense)													(1,201,171,872.78)	4,680,020.95	(1,227,190,145.10)
Balance as at December 31, 2017	484,034,300.00	1,041,357,580.00	6,151,888.73	80,000,000.00	280,000,000.00	19,706,204,657.56	1,145,168,973.07	1,424,056,988.87	20,016,798.64	(51,366.97)	(4,450,828.32)		3,092,838,010.23	28,445,169.78	24,729,031,606.30

Notes to financial statements are parts of these financial statements

# STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

## FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit : Baht)

## SEPARATE FINANCIAL STATEMENTS

	Note	Retained earnings				Other components of equity			Grand Total	
		Issued and paid-up share capital	Premium (Discount) on share capital	Appropriated		Unappropriated	Gain on re-measuring of available-for-sales investment	Convertible debentures - equity component		Total
				Legal reserve	General reserve					
Balance as at January 1, 2016		494,034,300.00	1,041,357,580.00	80,000,000.00	280,000,000.00	5,248,443,640.05	1,570,680,878.31	0.00	1,570,680,878.31	8,714,516,398.36
Dividend paid	27.3, 27.4					(163,031,319.00)				(163,031,319.00)
Total comprehensive income for the year										
Net profit						783,929,875.72				783,929,875.72
Other comprehensive income (expense)						(3,777,900.80)				236,217,566.90
Balance as at December 31, 2016		494,034,300.00	1,041,357,580.00	80,000,000.00	280,000,000.00	5,865,564,295.97	1,810,676,346.01	0.00	1,810,676,346.01	9,571,632,521.98
Balance as at January 1, 2017		494,034,300.00	1,041,357,580.00	80,000,000.00	280,000,000.00	5,865,564,295.97	1,810,676,346.01	0.00	1,810,676,346.01	9,571,632,521.98
Dividend paid	27.1, 27.2					(222,315,435.00)				(222,315,435.00)
Issue convertible debentures - equity component	23							501,536,455.00	501,536,455.00	501,536,455.00
Total comprehensive income for the year										
Net profit						1,556,363,641.95				1,556,363,641.95
Other comprehensive income (expense)						(19,461,635.20)	(665,853,498.54)		(665,853,498.54)	(685,315,133.74)
Balance as at December 31, 2017		494,034,300.00	1,041,357,580.00	80,000,000.00	280,000,000.00	7,180,150,867.72	1,144,822,847.47	501,536,455.00	1,646,359,302.47	10,721,902,050.19

Notes to financial statements are parts of these financial statements





## STATEMENTS OF CASH FLOWS

### FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016 (Restated)	2017	2016
<b>Cash flows from operation activities</b>				
Profit before income tax	3,487,553,740.54	1,708,938,731.41	1,699,693,424.68	793,162,739.59
<b>Add Adjustments to reconcile net profit (loss) to cash receipt (disbursement) from operating activities :</b>				
Depreciation and amortization	194,206,897.16	179,722,829.68	193,787,589.26	179,722,829.68
Finance costs	112,573,748.61	43,771,256.92	112,573,748.61	43,771,256.92
Employee benefit obligation expenses	7,679,375.43	4,555,831.00	5,919,810.43	4,555,831.00
Share of (profit) from investment by equity method	(1,839,568,970.15)	(1,461,890,956.46)	0.00	0.00
Share of loss from investment by equity method	29,315,484.20	45,230,223.32	0.00	0.00
Dividend received from investment	782,555,291.90	509,315,600.30	0.00	0.00
Reversible impairment loss of investment	(6,740,885.42)	(21,000,000.00)	(6,740,885.42)	(26,250,000.00)
Impairment loss on investment	171,067,664.97	38,622,851.42	206,573,461.10	54,122,851.42
(Gain) loss on sales of investment	31,649,697.31	4,921,273.12	(75,766,710.00)	4,921,273.12
(Gain) loss on investment	0.00	1,819,141.02	0.00	0.00
(Gain) loss on sales of assets	(2,792,190.10)	(4,202,676.67)	(2,787,002.37)	(4,202,676.67)
(Gain) loss on price bargaining	(817,646,968.93)	0.00	0.00	0.00
(Gain) loss on change in investment classify	(1,015,170,600.00)	0.00	(1,015,170,600.00)	0.00
Loss on obligations	9,000,000.00	0.00	9,000,000.00	0.00
Doubtful accounts	1,631,308.15	227,979.22	1,631,308.15	227,979.22
Doubtful account (reversal)	0.00	(1,255,250.01)	0.00	(1,255,250.01)
<b>Profit (Loss) from operations before change in operating assets and liabilities</b>	<b>1,145,313,593.67</b>	<b>1,048,776,834.27</b>	<b>1,128,714,144.44</b>	<b>1,048,776,834.27</b>
<b>(Increase) Decrease of change in operating assets</b>				
Inventories	(129,086.71)	(208,226.56)	(129,086.71)	(208,226.56)
Real estate for sale	0.00	(125,991.17)	0.00	(125,991.17)
Real estate under to buy and to sell contract	21,658,239.31	61,858,173.72	21,658,239.31	61,858,173.72
Intangible assets	(25,743.44)	(946,894.17)	(25,743.44)	(946,894.17)
Trade and other current receivables - related parties	(40,704,495.94)	(4,575,347.03)	(40,358,032.41)	(4,575,347.03)
Trade and other current receivables - others	(7,959,626.25)	780,994.01	(7,930,978.93)	780,994.01
Hire purchase receivables	(96,706,380.54)	0.00	(96,706,380.54)	0.00
Other non-current assets	15,955,986.74	44,065,984.04	15,955,986.74	44,065,984.04
<b>Increase (Decrease) of change in operating liabilities</b>				
Trade and other current payables	46,558,186.65	(80,015,828.49)	48,641,970.86	(80,015,828.49)
Unearned revenue	118,185,383.33	(8,355,446.45)	118,185,383.33	(8,355,446.45)
Deposits	(108,706.44)	3,305,110.65	(108,706.44)	3,305,110.65
Employee benefits paid	(9,136,485.31)	(25,227,250.83)	(8,786,485.31)	(25,227,250.83)

Notes to financial statements are parts of these financial statements



## STATEMENTS OF CASH FLOWS (CONTINUED)

### FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016 (Restated)	2017	2016
Cash generated (paid) from operation	1,192,900,865.07	1,039,332,111.99	1,179,110,310.90	1,039,332,111.99
Interest paid	(89,042,489.16)	(46,484,188.43)	(89,042,489.16)	(46,484,188.43)
Income tax paid	(29,176,509.19)	(21,204,505.50)	(26,955,439.31)	(21,204,505.50)
<b>Net cash received by (used in) operating activities</b>	<b>1,074,681,866.72</b>	<b>971,643,418.06</b>	<b>1,063,112,382.43</b>	<b>971,643,418.06</b>
<b>Cash flows from investing activities</b>				
Current investments	(10,000,000.00)	0.00	0.00	0.00
Purchase of securities	(8,247,609,026.72)	(491,166,212.00)	(8,253,609,979.20)	(491,166,212.00)
Disposal of securities	111,250,719.65	42,351,000.00	111,250,719.65	42,351,000.00
Purchase of property, plant and equipment	(206,383,086.77)	(106,579,911.76)	(206,281,640.67)	(106,579,911.76)
Disposal of vehicles and office equipment	11,966,765.69	4,236,170.23	11,960,223.63	4,236,170.23
Purchase of investment properties	(343,797,417.05)	(450,843,315.39)	(343,797,417.05)	(450,843,315.39)
Disposal of investment properties	1,977,891.34	0.00	1,977,891.34	0.00
<b>Net cash received by (used in) investing activities</b>	<b>(8,682,594,153.86)</b>	<b>(1,002,002,268.92)</b>	<b>(8,678,500,202.30)</b>	<b>(1,002,002,268.92)</b>
<b>Cash flows from financing activities</b>				
Increase (Decrease) in overdrafts and short-term loans from financial institutions	3,520,000,000.00	560,000,000.00	3,520,000,000.00	560,000,000.00
Increase (Decrease) investments payable	(599,700.00)	0.00	(599,700.00)	0.00
Cash received from issuance of debentures	2,000,000,000.00	0.00	2,000,000,000.00	0.00
Cash received from issuance of convertible debentures	3,505,448,000.00	0.00	3,505,448,000.00	0.00
Dividend paid	(222,315,435.00)	(163,031,319.00)	(222,315,435.00)	(163,031,319.00)
Increase (Decrease) in long - term loans	(1,200,000,000.00)	(600,000,000.00)	(1,200,000,000.00)	(600,000,000.00)
<b>Net cash received by (used in) financing activities</b>	<b>7,602,532,865.00</b>	<b>(203,031,319.00)</b>	<b>7,602,532,865.00</b>	<b>(203,031,319.00)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(5,379,422.14)</b>	<b>(233,390,169.86)</b>	<b>(12,854,954.87)</b>	<b>(233,390,169.86)</b>
Cash and cash equivalents at the beginning of the year	104,135,961.05	337,526,130.91	104,135,961.05	337,526,130.91
<b>Cash and cash equivalents at the end of the year</b>	<b>98,756,538.91</b>	<b>104,135,961.05</b>	<b>91,281,006.18</b>	<b>104,135,961.05</b>

Notes to financial statements are parts of these financial statements





## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2017

### 1. GENERAL INFORMATION

1.1 Saha Pathana Inter-Holding Public Company Limited was registered as a public company limited on May 9, 1994 with registration No. 0107537001340 which is located at 530 Soi Sathupradit 58, Bangpongpan, Yannawa, Bangkok with 6 branches as follows :

Branch 1 Located at 999 Moo 11, Sukhapiban 8 Road, Tambon Nong-Kham, Amphur Sriracha, Choburi Province

Branch 2 Located at 1 Moo 5, Suwannasorn Road, Tambon Non-si, Amphur Kabinburi, Prachinburi Province

Branch 3 Located at 189 Moo 15, By-Pass Lamphun-Pasang Road, Amphur Mueng, Lamphun Province

Branch 4 Located at 196 Moo 11, Tambon Wangdan, Amphur Kabinburi, Prachinburi Province

Branch 5 Located at 269 Moo 15, Tambon Maekasa, Amphur Maesot, Tak Province

Branch 6 Located at 1 Moo 6, Tambon Surasak, Amphur Sriracha, Choburi Province

1.2 The Company operates in business of investment, rental and services, industrial park (real estate business) and goods distribution business and long-term assets or leasing business which has subsidiary companies engaged in other business as stated in notes 3.

### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

#### 2.1 Financial statements preparation

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

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

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

#### 2.2 New financial reporting standards

Financial reporting standards that become effective in the current year and that will become effective in the future as follows :

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

During the year, the Company has adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after January 1, 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.



## 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

- (b) Financial reporting standards that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements.

The management of the Company believes that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

## 3. PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS BASIS

- 3.1 These financial statements are consolidated by including the financial statements of Saha Pathana Inter-Holding Public Company Limited and subsidiaries of which was controlled by Saha Pathana Inter-Holding Public Company Limited as follows :

Company's name	Type of Business	Established in	Percentage of shareholding or equity	
			2017	2016
<u>Direct subsidiary</u>				
PRESIDENT INTERFOODS CO., LTD.	Export of consumer goods and agent of the Group of Thai Prisident Foods Co., Ltd., and affiliates	Thailand	51.00	0.00

- 3.2 Transaction between the Company and subsidiaries have been eliminated under the equity method. Investments in subsidiaries was eliminated with the subsidiaries shareholders' equity in preparing consolidated financial statements.
- 3.3 The results of operations of subsidiaries are included in the consolidated financial statements from the control date to the selling date.
- 3.4 The consolidated financial statements have been prepared in conformity with the same accounting policy for the accounts and accounting events of the Company and subsidiaries.
- 3.5 On June 8, 2017, the Company has transferred total assets and liabilities of President Holding Co., Ltd. and received ordinary shares of President Interfoods Co., Ltd. Equal to shareholding proportion at 51% and taken into the consolidation since June 8, 2017. The Company has recognized assets and liabilities of such subsidiaries at the fair value. Difference of cost of combination and fair value of recognized assets and liabilities are presented as gain on bargain of purchasing price as stated in note 5.



## 4. SIGNIFICANT ACCOUNTING POLICIES

- 4.1 Revenues and expenses are recognized on an accrual basis.
- 4.2 Revenues from services are recognized as income when the services are rendered to the customers.
- 4.3 Revenue from sales of real estate is recognized as income when the significant risks and rewards of ownership have been transferred to the buyer.
- 4.4 Revenue from sales of goods is recognized when the goods are delivered after deduction with goods return and sales discount.
- 4.5 The Company recognized dividend as income in total whenever the declaration is made.
- 4.6 The Company recognized hire purchase and financial lease interest income on the effective interest rate method. Revenues from installments will be stopped to recognize if there is overdue 3 installments of receivable from the maturity date, and thereafter interest income will be recognized on a cash basis until the payment of overdue debts is made.

### 4.7 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposit at bank with 3 months maturity.

### 4.8 Allowance for doubtful accounts

The Company provided allowance for doubtful accounts equal to the estimated uncollectable receivable based on the review of current status of each receivable.

### 4.9 Hire purchase and financial lease receivables and allowance for doubtful accounts

Hire purchase and financial lease receivables are stated at net realizable value which presented by the outstanding amounts under agreement less deferred interest and allowance for doubtful accounts. The Company provided the allowance for doubtful accounts from the estimated loss of uncollectable receivable base on historical collection experience and an analytical review of the receivable aging. The Company provided allowance for doubtful accounts at the rate follow:

The basis of provision of allowance for doubtful accounts of hire purchase receivable in each period are as follows :

	Percentage
Normal receivable and overdue 1 installment	1
Overdue 1 installments	2
Overdue 3 installments	20
Overdue 6 installments	50
Overdue exceed 12 installments	100

### 4.10 Inventory Valuation

Inventories are valued at the lower of cost or net realizable value. Cost is determined on weighted average method.

### 4.11 Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are recorded at cost net of provision for impairment of investment(if any).



## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.12 Investment in associates

Investment in associates is investment in an enterprise in which the investor has significant influence but no the power to participate in the financial and operating policy decisions of the investment and is not in control over those policies. Investment in associates are carried at net cost of provision for impairment of investment in the separate financial statements and included share of profit or loss of associates under the equity method in the consolidated financial statements in and recognized share of loss of associates from the investment reported at nil, except the extent that group of company has incurred obligations to satisfy obligations of associates.

### 4.13 Investment in equity securities

Long-term investments in marketable was securities available for sales are stated at fair value. The difference of carrying value and fair value are separately shown as unrealized gain (loss) from change in value of investment in shareholders' equity unit such investments were sold. The change in such value is recorded in statements of income.

Long-term investments in foreign marketable was securities available for sales are stated at fair value, converting into Baht by using exchange rate as at the end of the period. The difference of carrying value and fair value are separately shown as gain (loss) from change in value of investment in shareholders' equity unit such investments were sold. The change in such value is recognized in statements of income.

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

Long-term investments in foreign non marketable securities which are held as general investment, are stated at cost less provision for impairment of investment, converting into Baht by using the exchange rate as at the transaction date.

Cost of long-term investments sold during the year is determined by the weighted average method.

### 4.14 Goodwill

Goodwill is initial measured at cost which equal to the cost of business combination exceed than fair value of acquisition. If fair value of acquired net assets exceed than cost of business combination will be recognized the excess as gain in profit or loss immediately.

Goodwill is stated at cost less allowance for accumulated impairment (if any) and the impairment will be tested every year or when there is an indication that the assets may be impaired.

### 4.15 Investment Properties

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

Investment properties are stated at cost less accumulated depreciation and provision for impairment loss of assets (if any). Depreciation for investment properties is calculated on a straight-line basis for 20 - 34 years.

### 4.16 Property, plant and equipment

Property, plant equipment are recorded at cost. Cost consist of cost of acquisition, dismantlement, removal and restoration less accumulated depreciation and provision for impairment (if any).



## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.16 Property, plant and equipment (Continued)

Depreciation is determined separately for each significant part of assets.

Building and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets as follows :

Building and construction	20-34 years
Facility system	10 years
Road and sidewalk	15-25 years
Other assets	5 years

### 4.17 Cost of land development

Cost of land development are stated at cost which including expenses and interest for the project are shown in land development cost.

### 4.18 Provision for impairment of assets

Provision for impairment of assets represented the carrying amount of an asset exceeds its recoverable value, the Company will recognize as impairment loss in the statements of comprehensive income for the period. The Company will reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment which is shown in statements of comprehensive income.

### 4.19 Transactions in Foreign Currencies

The Company records its transactions in foreign currencies converting into Thai Baht by using the exchange rates ruling on the transaction dates.

Assets and liabilities in foreign currencies as at the end of the year are converted into Thai Baht by using the exchange rates ruling on the same day prescribed by the Bank of Thailand.

Gain or loss on exchange rates are taken into statement of comprehensive income.

### 4.20 Leasehold right

Leasehold right is stated at net cost from amortization on a period of the lease.

### 4.21 Intangible assets

Intangible assets consist of computer program is amortized within the period of 10 years. Other deferred expenses are amortized within the period of 5 years.

### 4.22 Income tax

#### **Income tax**

Income tax expense for the period comprises current tax and deferred tax.

#### **Current tax**

Current 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.



## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.22 Income tax (Continued)

#### Deferred tax

Deferred tax is provided on temporary differences between their carrying amounts at the end of each reporting period and the tax bases of assets and liabilities by using the tax rates enacted at the end of the reporting period.

The Company recognizes deferred tax liabilities for all taxable temporary differences while they recognize 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 utilized.

At each reporting date, the Company 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 utilized.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

### 4.23 Basic earnings per share

Earning (Loss) per share presented in the statements of comprehensive income is the basic earnings (loss) per share which is determined by dividing the net profit (loss) for the year by the number of common share outstanding at the end of the period.

### 4.24 Related persons and parties

Related persons and parties are persons and enterprise that related with group of companies and the Company through shareholding or common shareholders or co-director. The related transaction is determined on the normal course of business.

Related persons and parties are presented in notes to financial statements No. 8, 10, 11, 12, 13, 14, 37 and 39.

### 4.25 Provisions

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

### 4.26 Employee benefits

#### 4.26.1 Provident fund

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



## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.26 Employee benefits (Continued)

#### 4.26.2 Employment Benefits

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

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

### 4.27 Operating Segments

Operating Segments is presenting the perspective of administrators to segment reporting. The data segments based on internal data reported to the authorities maximum operational decisions of the company regularly.

Changes in presentation and disclosure of segment information has no significant impact on the ever-present segment information in the financial statements of the Company and no effect on the assets, liabilities, earnings per share of the Company.

### 4.28 Measurement of fair values

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

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

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as selling prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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



## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.28 Measurement of fair values (Continued)

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

### 4.29 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 doubtful accounts**

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

#### **Impairment of equity investments**

The Group treats available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

#### **Property, plant and equipment/Depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

#### **Intangible assets**

The initial recognition and measurement of intangible assets, 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.

#### **Leases**

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.



## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.29 Significant accounting judgements and estimates (Continued)

#### Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plans and other long-term employee benefit plans are 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.

#### Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded at the end of reporting period.

## 5. BUSINESS TRANSFER

According to the ordinary shareholders meeting No. 46 held on April 25, 2017, the meeting has passed resolution to proceed whole business transfer of President Holding Co., Ltd. ("PH") including propose purchasing order total securities in President Rice Product Plc. ("PR") and President Bakery Plc. ("PB") resulting from proceeding whole business transfer of President Holding Co., Ltd.

On June 8, 2017, the Company received the transferred business of President Holding Co., Ltd. By receiving identifiable assets relating to businesses including rights and liabilities relating to long-term lease of vehicles and machinery.

(Unit : Baht)

	Assets and liabilities as at the transfer date
Investment in Thai President Foods Plc. ("TF")	33,072,000.00
Investment in President Rice Product Plc. ("PR")	2,954,479,250.00
Investment in President Bakery Plc. ("PB")	5,404,800,000.00
Investment in S.Pack & Print Plc. ("SPACK")	7,637,604.00
Investment in President Inter Foods Co., Ltd. ("PI")	18,921,831.34
Long-term investment in Sriracha Transport Co., Ltd. ("STC")	2,295,446.00
Long-term investment in Thaisunfoods Co., Ltd. ("TSC")	10,499,031.59
Financial lease receivable, net	165,733,250.00
Financial lease guarantee	(31,961,444.00)
Other non-current assets	170,000.00
Net assets	8,565,646,968.93
Consideration in acquisition payment	(7,748,000,000.00)
Gain on price bargaining	817,646,968.93
Cash paid in acquisition	7,748,000,000.00
Less Cash and cash equivalents of subsidiary ("PI")	(6,000,952.48)
Cash outflow from transfer of business - net of Cash and cash equivalents received	7,741,999,047.52



## 5. BUSINESS TRANSFER (CONTINUED)

According to Thai Financial Reporting Standard No. 3 (Revised 2016), the Company must consider net fair value of identifiable assets, liabilities and contingent liabilities from business transfer of President Holding Co., Ltd. As at transfer date, the Company has completely assessed fair value and the difference amount of net assets value and total cost of payment Baht 817.65 million recorded as “gain on price bargaining” and presented as other income in the consolidated statement of comprehensive income.

From transferring total business of President Holding Co., Ltd. The Company received the transfer of share capital from these 7 companies, resulting to the shareholding proportion is as follow:

(Unit : Baht)

	Shareholding proportion (percent)		Investment value after transfer of business	
	Before transfer of business	After transfer of business	Consolidated financial statements	Separate financial statements
THAI PRESIDENT FOODS PLC.	21.96	22.04	3,579,550,980.63	119,255,895.47
PRESIDENT RICE PRODUCT PLC.	3.01	35.76	3,225,604,250.00	2,877,441,550.00
PRESIDENT BAKERY PLC.	2.82	21.58	6,215,654,400.00	5,757,935,400.00
S.PACK & PRINT PLC.	0.00	0.98	7,637,604.00	8,070,261.00
PRESIDENT INTERFOODS CO., LTD.	0.00	51.00	18,921,831.34	12,321,654.00
SRIRACHA TRANSPORT CO., LTD.	18.00	38.00	5,247,802.50	5,315,611.50
THAISUNFOODS CO., LTD.	0.00	6.00	10,499,031.59	8,959,674.00

The proceeding whole business transfer of President Holding Co., Ltd. has resulted in making President Interfoods Co., Ltd. as subsidiary company, President Rice Product Plc. and President Bakery Plc. as associated company.

On August 2, 2017, the Company sold investment in Sriracha Transport Co., Ltd. 20 percentage of shareholding to a related parties making remaining percentage of shareholding to be 18 percent after selling them.

From receiving the transfer of total assets and liabilities of President Holding Co., Ltd. as a result, the Company is a major shareholder of President Interfoods Co., Ltd. with the shareholding proportion at 51% and the Company has power to control such company, recorded as investment in subsidiaries. Fair value of assets and liabilities in President Interfoods Co., Ltd. is as follows:



## 5. BUSINESS TRANSFER (CONTINUED)

(Unit : Baht)

Fair value of the business

As at June 8, 2017

Cash and cash equivalents	6,000,952.48
Current investments	51,042,440.82
Trade and other receivables	5,993,382.13
Other current assets	98,434.58
Deferred tax assets	5,515,734.00
Property, plant and equipment	2,480,538.31
Other non-current assets	1,200.00
Trade and other payables	(659,280.66)
Income tax payable	(799,089.51)
Other current liabilities	(4,994,012.63)
Employee benefit obligations	(27,578,670.00)
Net assets	37,101,629.52
Non-controlling interests in subsidiaries at the acquisition date	(18,179,798.18)
Net assets received	18,921,831.34

As the Company has proceeded whole business transfer of President Holding Co., Ltd. and acquired ordinary shares of President Rice Product Plc. and President Bakery Plc. Until the percentage of shareholding over trigger point of mandatory tender offer of President Rice Product Plc. and President Bakery Plc. (Mandatory Tender Offer). The Company must make total tender offer in President Rice Product Plc. at the price Baht 53.15 per share and President Bakery Plc. Baht 58.58 per share. Under regulation of Capital market Supervisory Board No. TorJor. 12/2011, On August 1, 2017, the Company acquired securities of both President Rice Product Plc. as sellers have intention to sell amount 691,150 shares or 0.46% of total shares sold of President Rice Product Plc. and President Bakery Plc. as sellers have intention to sell amount 7,800 shares or 0.00169 % of total shares sold of President Bakery Plc.

## 6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, deposit at bank and financial institution.

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016	2017	2016
Cash on hand	1,829,711.00	1,289,654.88	1,798,736.02	1,289,654.88
Current accounts	4,522,155.61	1,563,567.18	3,494,428.93	1,563,567.18
Savings deposit	92,404,672.30	101,282,738.99	85,987,841.23	101,282,738.99
Total	98,756,538.91	104,135,961.05	91,281,006.18	104,135,961.05



## 7. CURRENT INVESTMENTS

(Unit : Baht)

Consolidated financial statements		
	2017	2016
Fixed deposit certificate	47,000,000.00	0.00
(As at December 31, 2017, from a financial institution total 11 issues at the interest rate of 1.65 - 1.75%)		
Fixed deposit	14,042,440.82	0.00
Total	<u>61,042,440.82</u>	<u>0.00</u>

## 8. TRADE AND OTHER CURRENT RECEIVABLES – RELATED PARTIES

Trade and other current receivables-related parties at December 31, 2017 and 2016, are as follows :

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016	2017	2016
Trade accounts receivable - related parties	219,155,460.57	172,457,582.50	212,815,614.91	172,457,582.50
(Less) Allowance for doubtful accounts	<u>(54,250.00)</u>	<u>0.00</u>	<u>(54,250.00)</u>	<u>0.00</u>
Total	<u>219,101,210.57</u>	<u>172,457,582.50</u>	<u>212,761,364.91</u>	<u>172,457,582.50</u>

Trade accounts receivable - related parties which reclassified by aging as at December 31, 2017 and 2016, are as follows :

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016	2017	2016
Undue	209,483,922.92	163,711,933.43	204,044,214.76	163,711,933.43
From 1 month to 3 months	9,609,899.50	8,599,299.68	8,709,762.00	8,599,299.68
Over 3 months to 6 months	5,450.00	25,535.60	5,450.00	25,535.60
Over 6 months to 12 months	28,498.15	21,630.00	28,498.15	21,630.00
Over 12 months	<u>27,690.00</u>	<u>99,183.79</u>	<u>27,690.00</u>	<u>99,183.79</u>
Total	219,155,460.57	172,457,582.50	212,815,614.91	172,457,582.50
(Less) Allowance for doubtful accounts	<u>(54,250.00)</u>	<u>0.00</u>	<u>(54,250.00)</u>	<u>0.00</u>
Trade accounts receivable - related parties	<u>219,101,210.57</u>	<u>172,457,582.50</u>	<u>212,761,364.91</u>	<u>172,457,582.50</u>





## 9. TRADE AND OTHER CURRENT RECEIVABLES – OTHERS

Trade and other current receivables – others at December 31, 2017 and 2016, are as follows :

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016	2017	2016
Trade accounts receivable – others	26,461,743.36	23,717,627.27	26,461,743.36	23,717,627.27
Other receivables	<u>7,910,110.91</u>	<u>2,932,853.58</u>	<u>7,783,029.01</u>	<u>2,932,853.58</u>
Total	<u><u>34,371,854.27</u></u>	<u><u>26,650,480.85</u></u>	<u><u>34,244,772.37</u></u>	<u><u>26,650,480.85</u></u>

Trade accounts receivable – others which reclassified by aging as at December 31, 2017 and 2016, are as follows :

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016	2017	2016
Undue	24,426,076.01	21,422,321.24	24,426,076.01	21,422,321.24
From 1 month to 3 months	2,164,902.68	752,231.93	2,164,902.68	752,231.93
Over 3 months to 6 months	37,761.46	1,978,371.19	37,761.46	1,978,371.19
Over 6 months to 12 months	140,609.09	318,248.50	140,609.09	318,248.50
Over 12 months	<u>4,024,729.55</u>	<u>3,242,102.43</u>	<u>4,024,729.55</u>	<u>3,242,102.43</u>
Total	30,794,078.79	27,713,275.29	30,794,078.79	27,713,275.29
(Less) Allowance for doubtful accounts	<u>(4,332,335.43)</u>	<u>(3,995,648.02)</u>	<u>(4,332,335.43)</u>	<u>(3,995,648.02)</u>
Trade accounts receivable – others	<u><u>26,461,743.36</u></u>	<u><u>23,717,627.27</u></u>	<u><u>26,461,743.36</u></u>	<u><u>23,717,627.27</u></u>

## 10. HIRE PURCHASE RECEIVABLES

As at December 31, 2017, hire purchase receivables are separated by maturity in agreement as follows:

(Unit : Baht)

	Consolidated and Separate financial statements		
	Agreement value	Maturity	
		Due within 1 year	Due over 1 year
Hire purchase receivables – vehicles	178,912,550.08	90,546,255.00	88,366,295.08
Deferred interest income	<u>(54,875,476.46)</u>	<u>(32,434,121.25)</u>	<u>(22,441,355.21)</u>
Hire purchase receivables	124,037,073.62	58,112,133.75	65,924,939.87
Guarantees	<u>(27,330,693.08)</u>	<u>(10,000,700.00)</u>	<u>(17,329,993.08)</u>
Hire purchase receivables	96,706,380.54	48,111,433.75	48,594,946.79
Allowance for doubtful accounts –			
Hire purchase receivables – vehicles	<u>(1,240,370.74)</u>	<u>(581,121.34)</u>	<u>(659,249.40)</u>
Hire purchase receivables – Net	<u><u>95,466,009.80</u></u>	<u><u>47,530,312.41</u></u>	<u><u>47,935,697.39</u></u>

## 10. HIRE PURCHASE RECEIVABLES (CONTINUED)

(Unit : Baht)

	Consolidated and Separate financial statements	
	2017	2016
Hire purchase receivables - related parties	81,905,425.04	0.00
Hire purchase receivables - others	13,560,584.76	0.00
Total hire purchase receivables	<u>95,466,009.80</u>	<u>0.00</u>

10.1 Financial lease receivables - related parties as follows:

(Unit : Baht)

	Consolidated and Separate financial statements		
	Related parties	Maturity	
		Due within 1 year	Due over 1 year
Hire purchase receivables - vehicles	134,338,169.08	65,917,768.00	68,420,401.08
Deferred interest income	(43,416,514.41)	(26,004,758.23)	(17,411,756.18)
Hire purchase receivables	90,921,654.67	39,913,009.77	51,008,644.90
Guarantees	(8,107,013.08)	(920,300.00)	(7,186,713.08)
Hire purchase receivables	82,814,641.59	38,992,709.77	43,821,931.82
Allowance for doubtful accounts - Hire purchase receivables - vehicles	(909,216.55)	(399,130.10)	(510,086.45)
Hire purchase receivables - Net	<u>81,905,425.04</u>	<u>38,593,579.67</u>	<u>43,311,845.37</u>

As at December 31, 2017, financial lease receivables - related parties are separated by the outstanding installment as follows:

(Unit : Baht)

Aging	No. of agreement	Balance after deferred interest income	% of allowance for doubtful accounts	Allowance for doubtful accounts
Normal receivable and overdue 1 installment	167	90,921,654.67	1%	909,216.55
Total	<u>167</u>	<u>90,921,654.67</u>		<u>909,216.55</u>





## 10. HIRE PURCHASE RECEIVABLES (CONTINUED)

10.2 Financial lease receivables - other parties as follows:

(Unit : Baht)

Consolidated and Separate financial statements			
	Others parties	Maturity	
		Due within 1 year	Due over 1 year
Hire purchase receivables - vehicles	44,574,381.00	24,628,487.00	19,945,894.00
Deferred interest income	(11,458,962.05)	(6,429,363.02)	(5,029,599.03)
Hire purchase receivables	33,115,418.95	18,199,123.98	14,916,294.97
Guarantees	(19,223,680.00)	(9,080,400.00)	(10,143,280.00)
Hire purchase receivables	13,891,738.95	9,118,723.98	4,773,014.97
Allowance for doubtful accounts - Hire purchase receivables - vehicles	(331,154.19)	(181,991.24)	(149,162.95)
Hire purchase receivables - Net	<u>13,560,584.76</u>	<u>8,936,732.74</u>	<u>4,623,852.02</u>

As at December 31, 2017, financial lease receivables - other parties are separated by the outstanding installment as follows:

(Unit : Baht)

Aging	No. of agreement	Balance after deferred interest income	% of allowance for doubtful accounts	Allowance for doubtful accounts
Normal receivable and overdue 1 installment	36	33,115,418.95	1%	331,154.19
Total	36	<u>33,115,418.95</u>		<u>331,154.19</u>

## 11. INVESTMENTS IN ASSOCIATES

## 11.1 Investments in associates

No.	Company names	Type of business	Relationship	Paid-up capital	Percentage of investment		Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements -cost method		Dividend
				(Thousand Baht)	(%)		(Baht)		(Baht)		(Baht)
				2017	2016	2017	2016	2017	2016	2017	2016
1	THAI PRESIDENT FOODS PLC. (AFTER THE MERGER)	Food processing	A, B, E, F	329,704	-	25.06	6,692,685,940.83	(Restated)	3,180,573,043.07	-	-
2	PRESIDENT BAKERY PLC.	Bakery	A, B, E, F	450,000	-	21.58	6,314,305,384.45	-	5,758,392,324.00	-	68,960,454.00
3	I.C.C. INTERNATIONAL PLC.	Consumer products	A, B, E, F	290,634	290,634	22.49	3,766,776,555.34	3,654,021,352.40	702,907,481.99	702,907,481.99	75,156,686.00
4	SAHA PATHANAPIBUL PLC.	Consumer products	A, B, E, F	330,000	330,000	20.00	2,699,894,002.18	2,502,413,250.88	319,955,400.86	319,800,476.00	118,800,117.00
5	THAI WACOAL PLC.	Lingerie	A, B, E, F	120,000	120,000	21.26	1,184,042,965.09	1,144,839,092.66	63,545,155.00	63,545,155.00	28,063,750.00
6	THANULUX PLC.	Garment	A, E, F	120,000	120,000	23.52	819,723,884.25	803,225,676.80	28,688,920.22	28,688,920.22	23,987,697.00
7	THAI PRESIDENT FOODS PLC. (BEFORE THE MERGER)	Food processing	A, B, E, F	-	180,000	-	21.96	-	90,310,095.47	90,310,095.47	187,328,686.80
8	PRESIDENT RICE PRODUCT PLC.(BEFORE THE MERGER)	Rice products	A, E, F	-	-	-	-	3,426,108,432.19	-	53,143,587.00	-
9	LION CORPORATION (THAILAND) CO., LTD.	Detergent	A, B, E, F	300,000	300,000	24.80	1,029,707,130.57	995,547,504.52	74,400,000.00	74,400,000.00	140,184,480.00
10	INTERNATIONAL LABORATORIES CO., LTD.	Cosmetics	A, B, E, F	120,000	120,000	25.00	936,655,613.04	901,120,118.67	165,000,000.00	165,000,000.00	24,000,000.00
11	THAI HOOVER INDUSTRY CO., LTD.	Plastic products	A, B, E, F	60,000	60,000	33.58	668,315,901.93	627,420,666.49	20,149,600.00	22,639,600.00	19,243,660.00
12	THAI SECOM SECURITY CO., LTD. (formally named THAI SECOM PITAKKU CO., LTD.)	Security system	A, B, E	378,934	378,934	25.50	239,921,318.34	230,562,294.82	196,965,028.00	196,965,028.00	18,521,579.50
13	SAHAPAT REAL ESTATE CO., LTD.	Property developer	A, B, C, E, F	412,500	250,000	40.00	213,136,327.04	163,851,521.75	165,000,000.00	100,000,000.00	1,000,000.00
14	FIRST UNITED INDUSTRY CO., LTD.	Investment	A, B, E, F	40,000	40,000	28.15	141,455,520.31	124,495,661.15	11,258,200.00	11,258,200.00	3,377,460.00
15	TOP TREND MANUFACTURING CO., LTD.	Plastic products	A, B, E, F	120,000	120,000	20.00	122,253,183.55	115,630,802.89	47,625,000.00	47,625,000.00	-
16	BOON CAPITAL HOLDING CO., LTD.	Investment	A, B	343,000	270,000	36.00	123,500,609.84	97,005,316.02	123,479,990.00	97,199,990.00	-
17	SAHA TOKYU CORPORATION CO., LTD.	Housing service	A, B, C, E	332,000	332,000	20.00	71,694,803.36	66,637,227.40	66,400,000.00	66,400,000.00	-
18	SAHACHOL FOOD SUPPLIES CO., LTD.	Agriculture products	A, B, C, E, F	325,000	345,000	26.30	55,574,960.76	67,410,379.08	148,407,884.00	148,407,884.00	-
19	PITAKKU CO., LTD.	Service	A, B, C, E, F	20,000	20,000	33.52	54,578,477.73	60,622,357.42	6,704,000.00	6,704,000.00	335,200.00
20	EASTERN THAI CONSULTING 1992 CO., LTD.	Environment	A, B, E	20,000	20,000	40.00	27,150,305.85	25,246,647.61	10,000,000.00	10,000,000.00	800,000.00
21	SEINO SAHA LOGISTICS CO., LTD.	Logistic	A, B, E	20,000	20,000	23.50	18,659,828.17	22,767,200.11	17,285,646.74	17,285,646.74	940,000.00
22	THAI ITOKIN CO., LTD.	Garment	A, B, C, E	111,250	111,250	32.11	12,353,023.27	12,353,023.27	58,152,029.69	58,152,029.69	-
23	GREEN LIFE MANAGEMENT CO., LTD.	Service apartment	A, B, E	10,000	10,000	30.00	8,961,259.47	10,702,689.37	11,049,900.00	11,049,900.00	1,200,000.00
24	SAHAPAT PROPERTIES CO., LTD.	Investment	A, B, E, F	20,000	20,000	26.25	-	-	5,250,000.00	5,250,000.00	210,000.00
25	S.T. (THAILAND) CO., LTD.	Rubber glove	A, B, C, E, F	-	142,000	-	23.75	50,809,940.98	-	33,725,000.00	505,875.00
26	CANCHANA INTERNATIONAL CO., LTD.	Selling merchandise	A, B, F	-	KHR 2,000,000	-	-	6,894,743.58	-	3,236,800.00	-
27	S. APPAREL CO., LTD.	Garment	A, E, F	-	36,000	-	20.00	-	-	7,200,000.00	-
28	CHAMP ACE CO., LTD.	Garment	A, B, E, F	-	40,000	-	22.50	25,579,016.87	-	9,000,000.00	-
29	T.U.C. ELASTIC CO., LTD.	Power net	A, B, E, F	-	-	-	-	-	-	-	372,960.00
Total							25,201,346,995.37	15,138,479,329.45	11,181,189,603.57	2,296,751,207.11	509,315,600.30
(Less) Provision for impairment loss							(12,353,023.27)	-	(141,518,748.56)	(93,659,929.16)	-
Total investment in associates							25,188,993,972.10	15,138,479,329.45	11,039,670,855.01	2,203,091,277.95	509,315,600.30





## 11. INVESTMENTS IN ASSOCIATES (CONTINUED)

As at December 31, 2017 and 2016, the Company recorded investments in 22 and 26 associates as follows :

### Investments in public company limited

As at December 31, 2017 and 2016, the Company recorded investments and share of profit in 1 associate from the audited financial statements of a public company which had investment value amount of Baht 2,699.89 million and Baht 2,502.41 million equal to 7.69% and 9.96% of total assets and had share of profit amount of Baht 306.84 million and Baht 272.56 million equal to 9.68% and 16.06% of net profit of each year respectively.

As at December 31, 2017 and 2016, the Company recorded investments and share of profit in 5 and 4 public companies limited from the financial statements audited by the other auditors which had investment value amount of Baht 18,777.53 million and Baht 9,028.18 million equal to 53.45% and 35.93% of total assets and had share of profit amount of Baht 1,077.20 million and Baht 800.92 million equal to 33.98% and 47.18% of net profit of each year respectively.

### Investments in company limited

As at December 31, 2017 and 2016, the Company recorded investments and share of profit in 1 associate from the audited financial statements which had investment value amount of Baht 1,029.71 million and Baht 995.55 million equal to 2.93% and 3.96% of total assets and had share of profit amount of Baht 194.30 million equal and Baht 194.45 million equal to 6.13% and 11.45% of net profit respectively.

As at December 31, 2017 and 2016, and the Company recorded investments and share of profit in 15 and 20 associates from the financial statements audited by the other auditors which 14 and 16 associates had investment value amount of Baht 2,639.63 million and Baht 2,468.41 million equal to 7.51 % and 9.83% of total assets and share of profit from investments amount of Baht 243.88 million and Baht 161.98 million equal to 7.70% and 9.54% of net profit of each year, and investments in 1 and 4 associates were recorded from the management's financial statements, were not audited by the auditors which had the amount of Baht 54.58 million and Baht 143.91 million equal to 0.16% and 0.57% of total assets and share of profit from investments amount of Baht 6.39 million and Baht 13.25 million equal to 0.20% and 0.78% of net profit of each year respectively.

In addition, 13 associates (2016 19 associates) are Non-Publicly Accountable Entities therefore, they applied the Financial Reporting Standards for Non-Publicly Accountable Entities which did not comply with the accounting policies as the same of the Company and the Company has not obtained the additional information from those associates in the preparation of financial statements as if those associates applied the applied the same accounting polies. The Management of the Company has no a power in commanding those associates.

### 11.2 Supplemental information of associates

During the year, the Company partially disposed an investment in Champ Ace Co., Ltd., decreasing the holding percentage from 22.50% to 17.00%, and partially disposed an investment in S.T. (Thailand) Co., Ltd., decreasing the holding percentage from 23.75% to 18.75%. After the decreased percentage of shareholding, the Company has no significant influence in those companies, which leads to the reclassification from investments in associates to investments in related parties - general investments as presented in Note 13.

By proceeding whole business transfer of President Holding Co., Ltd., the Company has received transfer share of President Rice Product Plc. as previous percentage fo shareholding 3.01% to be 35.76% and share of President Bakery Plc. as previous percentage of shareholding 2.82% to be 21.58%. The Company, therefore, has significant influenced in such company. The Company has changed investment category from investments in related parties

available for sale to be investments in associates. At the transfer date, the Company reversed unrealized gain on revaluation of fair value of available-for-sale securities amount of Baht 812.14 million (net of tax As a result, amount of Baht 203.03 million) in other comprehensive income and measure the value of existing investments at fair value. the gains on transfer of investment amount of Baht 1,015.17 million was shown as other income in the statement of comprehensive income.

On October 16, 2017, Thai President Foods Public company Limited (previously “TF”) and President Rice Products Public Company Limited (previously “PR”) has combined into a new company under the name of Thai President Foods Public Company Limited (“TFMAMA” or the “New company”). After the combination, the Company holds 25.06% of the new company’s total registered and paid-up capital. The Company accounts for investments in those companies by combining investments in both companies under equity method prior to the merger, and recording investment in the new company under equity method from October 16, 2017, onwards. Both companies had investments in President Bakery Public Company Limited (“PB”), which TF classified as available-for-sales investment. As a result of the business combination, the holding percentage in PB has increased to 46.90% and thus been considered as a subsidiary of TFMAMA. This subsidiary is deemed to be under the same control with TFMAMA, which requires consolidation by carrying value. This resulted in a reversal of gain on remeasuring available-for-sale investments at the business combination date and affected the Company’s equity accounting to Baht 466.59 million as presented in the statements of comprehensive income.

Fair value of investment in associates (only associates in which the equity securities can be traded in the SET, is calculated from the bid price as at the statement of financial position date of the Stock Exchange of Thailand). The details are as follows :

Fair value of investment in associates consist of :

(Unit : Baht)

Associates	December 31, 2017	December 31, 2016
THAI PRESIDENT FOODS PLC. (AFTER THE BUSINESS COMBINATION)	15,698,389,380.00	0.00
THAI PRESIDENT FOODS PLC. (BEFORE THE BUSINESS COMBINATION)	0.00	7,568,237,030.00
PRESIDENT BAKERY PLC.	6,167,589,900.00	0.00
SAHA PATHANAPIBUL PLC.	3,448,503,396.25	2,920,502,876.25
I.C.C. INTERNATIONAL PLC.	2,516,115,140.00	2,336,392,630.00
THAI WACOAL PLC.	1,192,709,375.00	1,205,465,625.00
THANULUX PLC.	586,993,056.00	640,612,614.00
<b>Total</b>	<b>29,610,300,247.25</b>	<b>14,671,210,775.25</b>

## 12. INVESTMENTS IN SUBSIDIARIES

No.	Company names	Type of business	Relationship	Paid - up share capital		Percentage of investment		Separate financial statements		Dividend	
				(Thousand Baht)		(%)		(Baht)		(Baht)	
				2017	2016	2017	2016	2017	2016	2017	2016
1	PRESIDENT INTERFOODS CO, LTD.	Consumer Products	A, B, F	3,000	-	51.00	-	12,321,654.00	-	-	-

The financial statements for the Seven months period (from acquisition date) ended December 31, 2017 of a subsidiary in the consolidated financial statements preparation were reviewed by other auditor.





## 13. INVESTMENTS IN RELATED PARTIES

### 13.1 Investments in securities available-for-sales

No.	Company names	Type of business	Relationship	Paid - up share capital	Percentage of investment	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	Dividend				
				(Thousand Baht)	(%)	(Baht)	(Baht)	(Baht)	(Baht)				
				2017	2016	2017	2016	2017	2016	2017	2016		
1	SAHACOGEN (CHONBURI) PLC.	Electric current	A, B, E	955,000	955,000	16.81	15.57	321,685,407.99	264,227,129.37	321,685,407.99	264,227,129.37	20,817,584.20	14,869,703.00
2	BANGKOK RUBBER PLC.	Sport shoes	A, E	-	1,634,572	-	4.48	-	197,844,509.73	-	197,844,509.73	-	-
3	PAN ASIA FOOTWEAR PLC.	Sport shoes	A, B, E	275,400	275,400	5.65	5.65	195,978,047.96	195,978,047.96	195,978,047.96	195,978,047.96	677,457.60	622,528.60
4	S&J INTERNATIONAL ENTERPRISE PLC.	Cosmetic	A, B, E, F	149,930	149,930	16.02	15.35	150,691,632.29	130,042,427.82	150,691,632.29	130,042,427.82	27,619,285.20	23,016,071.00
5	LION CORPORATION (JAPAN)	Detergent	A, E	¥34,433	¥34,433	0.11	0.11	92,656,195.00	92,656,195.00	92,656,195.00	92,656,195.00	1,371,596.21	977,233.73
6	SINGER THAILAND PLC.	Distributor	A, B, E	270,000	270,000	2.09	2.09	76,720,760.76	76,720,760.76	76,720,760.76	76,720,760.76	1,409,300.00	1,691,160.00
7	PEOPLES GARMENT PLC.	Garment	A, B, E, F	96,000	96,000	13.78	13.78	56,886,983.49	56,886,983.49	56,886,983.49	56,886,983.49	-	-
8	NEW CITY (BANGKOK) PLC.	Consumer products	A, B, E, F	149,510	149,510	15.50	15.50	43,120,478.00	43,120,478.00	43,120,478.00	43,120,478.00	509,902.36	463,547.60
9	PRESIDENT BAKERY PLC.	Bakery	A, B, E, F	-	450,000	-	2.82	-	38,008,800.00	-	38,008,800.00	11,529,336.00	19,891,272.00
10	BOUTIQUE NEWCITY PLC.	Women's wear	A, E, F	120,000	120,000	8.53	8.53	34,040,231.12	34,040,231.12	34,040,231.12	34,040,231.12	768,000.00	-
11	FAR EAST DDB PLC.	Advertising	A, B, E, F	75,000	75,000	14.08	14.08	29,154,287.52	29,154,287.52	29,154,287.52	29,154,287.52	7,389,900.00	6,334,200.00
12	PRESIDENT RICE PRODUCT PLC.	Rice products	A, E, F	-	149,704	-	3.01	-	28,800,000.00	-	28,800,000.00	5,490,000.00	9,180,000.00
13	TEXTILE PRESTIGE PLC.	Embroidery	A, B, E	108,000	108,000	12.03	12.03	12,993,750.00	12,993,750.00	12,993,750.00	12,993,750.00	9,095,625.00	20,790,000.00
14	O.C.C. PLC.	Consumer products	A, B, E, F	60,000	60,000	12.73	12.73	12,215,983.30	12,215,983.30	12,215,983.30	12,215,983.30	5,344,500.00	5,344,500.00
15	NEW PLUS KNITTING PLC.	Hose products	A, E, F	100,000	100,000	5.33	5.33	11,199,960.00	11,199,960.00	11,199,960.00	11,199,960.00	127,999.68	106,666.40
Total								1,037,343,717.431	223,889,544.071	1,037,343,717.431	223,889,544.07	92,150,486.25	103,286,882.33
Add Unrealized gain from adjust fair value								1,354,244,295.072	193,210,431.541	1,354,244,295.072	193,210,431.54	-	-
(Less) Provision for impairment loss								-	(197,844,509.73)	-	(197,844,509.73)	-	-
Total investment in securities available-for-sales - related parties								2,391,588,012.503	219,255,465,882.391	2,391,588,012.503	219,255,465.88	92,150,486.25	103,286,882.33

### 13.2 General investments

16	BANGKOK RUBBER PLC.	Sport shoes	A, E	1,634,572	-	4.48	-	197,844,509.73	-	197,844,509.73	-	-	-
17	A TECH TEXTILES CO., LTD.	Lingeries products	A, C, E	1,000,000	1,000,000	19.00	19.00	190,000,000.00	190,000,000.00	190,000,000.00	190,000,000.00	-	-
18	ERAWAN TEXTILE CO., LTD.	String, weave	A, B, E	621,463	621,463	16.04	16.04	126,256,111.36	126,256,111.36	126,256,111.36	126,256,111.36	-	-
19	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	Fiber manufacturing	A, B, E	2,110,000	2,110,000	6.78	6.78	115,469,900.00	104,759,900.00	115,469,900.00	104,759,900.00	-	-
20	SAHA LAWSON CO., LTD.	Retail Shop	A, B, E, F	1,087,000	1,087,000	9.00	9.00	97,830,000.00	97,830,000.00	97,830,000.00	97,830,000.00	-	-
21	TOYOBO SAHA SAFELY WEAVE CO., LTD.	Airbag Textile	A, C, E	1,000,000	-	10.00	-	100,000,000.00	-	100,000,000.00	-	-	-
22	THAI ASAHI KASEI SPANDEX CO., LTD.	Spandex	A, E	1,350,000	1,350,000	6.00	6.00	81,000,000.00	81,000,000.00	81,000,000.00	81,000,000.00	13,980,240.00	9,234,000.00
23	SSDC (TIGERTEX) CO., LTD.	Dyeing	A, B, E	324,000	324,000	19.71	19.71	76,609,202.82	76,609,202.82	76,609,202.82	76,609,202.82	2,554,068.00	2,873,326.50
24	BANGKOK ATHLETIC CO., LTD.	Sport ware	A, E, F	200,000	200,000	18.16	18.16	69,561,939.58	69,561,939.58	69,561,939.58	69,561,939.58	-	-
25	TSURUHA (THAILAND) CO., LTD.	Drug Store	A, B, C, E, F	250,000	250,000	15.00	15.00	60,000,000.00	60,000,000.00	60,000,000.00	60,000,000.00	-	-
26	J&P (THAILAND) CO., LTD.	Investment	A, B	132,500	132,500	9.00	9.00	11,925,000.00	11,925,000.00	11,925,000.00	11,925,000.00	-	-
27	PAN LAND CO., LTD.	Land development	A, B, F	300,000	300,000	19.33	19.33	58,000,000.00	58,000,000.00	58,000,000.00	58,000,000.00	-	-
28	G TECH MATERIAL CO., LLD.	Lingeries products	A, E	300,000	300,000	19.00	19.00	57,000,000.00	57,000,000.00	57,000,000.00	57,000,000.00	-	-
29	OSOTH INTER LABORATORIES CO.,LTD.	Medicines	A, B, E	600,000	600,000	9.00	9.00	54,937,500.00	54,937,500.00	54,937,500.00	54,937,500.00	-	-
30	CARBON MAGIC (THAILAND) CO.,LTD.	Cars Composite	A, B, E	590,000	590,000	8.33	8.33	49,167,000.00	49,167,000.00	49,167,000.00	49,167,000.00	-	-
31	THAI SAMSUNG ASSURANCE CO., LTD.	Insurance	A, B, E	3,200,000	2,000,000	3.65	2.42	112,625,862.00	47,123,280.00	112,625,862.00	47,123,280.00	-	-
32	BNC REAL ESTATE CO., LTD.	Property	A, B, E	240,000	240,000	16.67	16.67	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	-	-
33	UNITED UTILITY CO., LTD.	Investment	A, B, E, F	350,000	350,000	9.24	9.24	39,574,300.00	39,574,300.00	39,574,300.00	39,574,300.00	1,617,845.00	3,235,690.00
34	THAI SAMSUNG ELECTRONICS CO.,LTD.	Electrical appliances	A, B, E	1,200,000	1,200,000	3.00	3.00	36,000,000.00	36,000,000.00	36,000,000.00	36,000,000.00	10,800,000.00	10,800,000.00
35	GENERAL GLASS CO., LTD.	Glass	A, B, E, F	145,000	145,000	15.00	15.00	34,339,805.49	34,339,805.49	34,339,805.49	34,339,805.49	-	-
36	THAI PRESIDENT FOODS (Hungary) Kft.	Instant noodle	A	HUF 2,350,000	HUF 2,350,000	10.00	10.00	32,182,363.55	32,182,363.55	32,182,363.55	32,182,363.55	-	-



## 13. INVESTMENTS IN RELATED PARTIES (CONTINUE)

No.	Company names	Type of business	Relationship	Paid - up share capital		Percentage of investment		Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements		Dividend	
				(Thousand Baht)		(%)		(Baht)		(Baht)		(Baht)	
				2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
37	MOBILE LOGISTIC CO., LTD.	Logistic	A, B, C, E	300,000	300,000	9.00	9.00	27,000,000.00	27,000,000.00	27,000,000.00	27,000,000.00	-	-
38	BANGKOK TOKYO SOCKS CO., LTD.	Socks	A, B, E	143,220	143,220	19.55	19.55	26,764,312.50	26,764,312.50	26,764,312.50	26,764,312.50	1,120,000.00	-
39	KEWPIE (THAILAND) CO., LTD.	Sauce	A, B, E, F	260,000	260,000	10.00	10.00	26,000,000.00	26,000,000.00	26,000,000.00	26,000,000.00	5,200,000.00	4,680,000.00
40	S.T. (THAILAND) CO., LTD.	ถุงมือยาง	A, B, C, E, F	142,000	-	18.75	-	26,625,000.00	-	26,625,000.00	-	-	-
41	THAI SHIKIBO CO., LTD.	Spinning	A, B, E	237,500	237,500	10.00	10.00	23,760,000.00	23,760,000.00	23,760,000.00	23,760,000.00	3,326,400.00	950,400.00
42	KPN HEALTHCARE PLC.	Hospital	A	950,000	-	2.50	-	23,750,000.00	-	23,750,000.00	-	-	-
43	SAHA RATTANA NAKORN CO., LTD.	Industrial Project	A	180,000	180,000	12.50	12.50	22,500,000.00	22,500,000.00	22,500,000.00	22,500,000.00	-	-
44	THAI GUNZE CO., LTD.	Men's inner	A, B, E	180,000	180,000	11.00	11.00	19,800,000.00	19,800,000.00	19,800,000.00	19,800,000.00	-	-
45	THAI ARAI CO., LTD.	Motorcycle	A, B, E	126,000	126,000	14.75	14.75	19,202,504.36	19,202,504.36	19,202,504.36	19,202,504.36	442,500.00	442,500.00
46	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	Auto part	A, E, F	120,000	120,000	15.60	15.60	18,720,000.00	18,720,000.00	18,720,000.00	18,720,000.00	3,744,000.00	3,744,000.00
47	DAIRY THAI CO., LTD.	Milk	A, B	67,125	67,125	9.13	9.13	17,550,000.00	17,550,000.00	17,550,000.00	17,550,000.00	-	-
48	SAHA SEHWA CO., LTD.	Plastic	A, B, E	145,000	145,000	10.52	10.52	15,250,000.00	15,250,000.00	15,250,000.00	15,250,000.00	-	-
49	THAI TAKEDA LACE CO., LTD.	Product lace	A, B, E	127,000	127,000	8.78	8.78	15,053,034.16	15,053,034.16	15,053,034.16	15,053,034.16	1,672,500.00	1,672,500.00
50	THAI KOBASHI CO., LTD.	Box	A, E	100,000	100,000	15.00	15.00	15,000,000.00	15,000,000.00	15,000,000.00	15,000,000.00	-	-
51	OTSUKA SAHA ASIA RESEARCH CO., LTD.	Goods research and development	A, B	80,000	80,000	16.33	16.33	13,066,600.00	13,066,600.00	13,066,600.00	13,066,600.00	-	-
52	JANOME (THAILAND) CO., LTD.	Sewing machine	A, B, E	97,400	97,400	9.00	9.00	12,416,490.00	12,416,490.00	12,416,490.00	12,416,490.00	2,191,500.00	2,191,500.00
53	MOLTEN (THAILAND) CO., LTD.	Ball	A, E, F	100,000	100,000	12.00	12.00	12,000,000.00	12,000,000.00	12,000,000.00	12,000,000.00	1,200,000.00	1,200,000.00
54	BETTER WAY (THAILAND) CO., LTD.	Direct sale	A, B, E, F	100,000	100,000	11.77	11.77	11,773,620.00	11,773,620.00	11,773,620.00	11,773,620.00	82,415,340.00	86,148,450.00
55	THAI LOTTE CO., LTD.	Grewing gum	A, E	3,013,000	3,013,000	0.37	0.37	11,000,000.00	11,000,000.00	11,000,000.00	11,000,000.00	-	-
56	SHISEIDO PROFESSIONAL (THAILAND) CO., LTD.	Beauty Service Center	A, E, F	70,000	70,000	15.00	15.00	10,500,000.00	10,500,000.00	10,500,000.00	10,500,000.00	1,289,400.00	1,808,100.00
57	RACHA UCHINO CO., LTD.	Cotton towels	A, B, E	121,500	121,500	12.41	12.41	10,080,960.00	10,080,960.00	10,080,960.00	10,080,960.00	1,508,280.00	150,828.00
58	SUN 108 CO., LTD.	Logistic	A, B, E, F	300,000	100,000	10.00	10.00	30,000,000.00	10,000,000.00	30,000,000.00	10,000,000.00	21,000,000.00	1,000,000.00
59	TREASURE HILLS CO., LTD.	Golf course	A, B, E, F	200,000	200,000	6.00	6.00	10,000,000.00	10,000,000.00	10,000,000.00	10,000,000.00	-	-
60	KALLOL THAI PRESIDENT FOODS (BD)	Food processing	A	TAKA 630,000	TAKA 630,000	3.75	3.75	9,420,105.03	9,420,105.03	9,420,105.03	9,420,105.03	-	-
61	K.P. SOFT CO., LTD.	Service	A, F	-	120,000	-	4.00	-	9,200,000.00	-	9,200,000.00	-	-
62	FUJIX INTERNATIONAL CO., LTD.	String	A	100,000	100,000	9.00	9.00	9,000,000.00	9,000,000.00	9,000,000.00	9,000,000.00	-	-
63	THAI SUN FOODS CO.,LTD.	Drinks and sweets	A, B, E , F	50,000	-	6.00	-	10,499,031.59	-	8,959,674.00	-	-	-
64	TIGER DISTRIBUTION AND LOGISTICS CO., LTD.	Distributor and logistic	A, B, E	20,000	20,000	19.00	15.00	12,546,200.00	8,427,000.00	12,546,200.00	8,427,000.00	1,500,000.00	2,250,000.00
65	PT. DYNIC TEXTILE PRESTIGE	Air bag	A, C	USD 5,000	USD 5,000	5.00	5.00	8,151,350.00	8,151,350.00	8,151,350.00	8,151,350.00	-	-
66	SAHA NUM TEXTILES CO.,LTD.	Textiles	A, B	36,000	36,000	18.00	18.00	3,535,488.00	7,747,488.00	3,535,488.00	7,747,488.00	-	-
67	H&B INTERTEX CO., LTD.	Cloth toy Products	A, B, E, F	40,000	40,000	19.00	19.00	7,600,000.00	7,600,000.00	7,600,000.00	7,600,000.00	-	380,000.00
68	WORLD SAHA FASHOIN CO.,LTD	Manufacturer and distributor men'apparel	A, F	50,000	50,000	15.00	15.00	7,500,000.00	7,500,000.00	7,500,000.00	7,500,000.00	-	-
69	INTERNATIONAL LEATHER FASHION CO., LTD.	Leather shoes	A, B, E, F	50,000	50,000	14.00	14.00	7,000,000.00	7,000,000.00	7,000,000.00	7,000,000.00	700,000.00	700,000.00
70	RATCHASRIMA SHOPPING COMPLEX CO., LTD.	Shopping center	A, B	350,000	350,000	2.00	2.00	7,000,000.00	7,000,000.00	7,000,000.00	7,000,000.00	-	-
71	SAHA UBOL NAKORN CO., LTD.	Industrial Park	A	7,813	7,813	19.50	19.50	6,998,437.50	6,998,437.50	6,998,437.50	6,998,437.50	-	-
72	CHAMP ACE CO., LTD.	Garment	A, B, E, F	40,000	-	17.00	-	6,800,000.00	-	6,800,000.00	-	-	-
73	TRANSCOSMOS (THAILAND)												





## 13. INVESTMENTS IN RELATED PARTIES (CONTINUE)

No.	Company names	Type of business	Relationship	Paid - up share capital		Percentage of investment		Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements		Dividend	
				(Thousand Baht)		(%)		(Baht)		(Baht)		(Baht)	
				2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	CO., LTD.	Consultant	A, C, E, F	70,000	70,000	9.00	9.00	6,300,000.00	6,300,000.00	6,300,000.00	6,300,000.00	-	-
74	TOTAL WAY IMAGE CO., LTD.	Leather	A, E, F	20,000	20,000	19.50	19.50	6,246,583.44	6,246,583.44	6,246,583.44	6,246,583.44	155,992.00	467,976.00
75	THAI STAFLEX CO., LTD.	Woven lining	A, B, E	60,000	60,000	10.00	10.00	6,000,000.00	6,000,000.00	6,000,000.00	6,000,000.00	900,000.00	360,000.00
76	THAI MONSTER CO., LTD.	Garment	A , E, F	5,000	20,000	19.50	19.50	5,906,141.75	5,906,141.75	5,906,141.75	5,906,141.75	-	-
77	PT. TRINITY LUXTRO APPAREL	Garment merchandise	A	USD 1,200	USD 1,200	15.00	15.00	5,861,700.00	5,861,700.00	5,861,700.00	5,861,700.00	-	-
78	SRIRACHA TRANSPORT CO., LTD.	Transportation	A, B, E, F	10,000	10,000	18.00	18.00	2,518,011.50	2,952,357.50	2,518,011.50	2,952,357.50	190,000.00	90,000.00
79	K.COMMERCIAL & CONSTRUCTION CO., LTD.	Construction	A, B, E, F	50,000	50,000	10.00	10.00	5,150,406.14	5,150,406.14	5,150,406.14	5,150,406.14	500,000.00	-
80	SIAM AUTOBACS CO., LTD.	Car accessories	A	39,900	39,900	12.53	12.53	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	-	-
81	PATTAYA MANUFACTURING CO., LTD.	Lingeries	A, B, F	30,000	30,000	16.00	16.00	4,922,582.50	4,922,582.50	4,922,582.50	4,922,582.50	1,440,000.00	1,920,000.00
82	MORGAN DE TOI (THAILAND) CO., LTD.	Garment	A, E, F	40,000	40,000	12.00	12.00	4,800,000.00	4,800,000.00	4,800,000.00	4,800,000.00	-	-
83	AMIS DU MONDE SARL	Export merchandise	A	EUR 1,200	EUR 1,200	9.00	9.00	4,658,140.00	4,658,140.00	4,658,140.00	4,658,140.00	-	-
84	TOYO TEXTILE THAI CO., LTD.	Sock	A, B, E	30,000	30,000	15.00	15.00	4,500,000.00	4,500,000.00	4,500,000.00	4,500,000.00	-	-
85	EASTERN RUBBER CO., LTD.	Sole	A, B, F	30,000	30,000	15.00	15.00	4,500,000.00	4,500,000.00	4,500,000.00	4,500,000.00	-	-
86	BNC MAESOT CO., LTD.	Sock	A, B, E	60,000	60,000	7.50	7.50	4,500,000.00	4,500,000.00	4,500,000.00	4,500,000.00	-	-
87	THAI CUBIC TECHNOLOGY CO., LTD.	Cubic Printing	A, B, E, F	40,000	40,000	10.00	10.00	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	400,000.00	400,000.00
88	MAESOT SAKAE LACE CO., LTD.	Product Lace	A, B, E	50,000	50,000	8.00	8.00	3,999,900.00	3,999,900.00	3,999,900.00	3,999,900.00	-	-
89	WIEN INTERNATIONAL CO., LTD.	Direct sale	A, B, E	30,000	30,000	12.00	12.00	3,600,000.00	3,600,000.00	3,600,000.00	3,600,000.00	-	-
90	NIPPON TEI SATO CO., LTD.	Restaurant	A, B, E	60,000	60,000	6.00	6.00	3,600,000.00	3,600,000.00	3,600,000.00	3,600,000.00	-	-
91	PENS MARKETING AND DISTRIBUTION CO., LTD.	Consumer Products	A, E, F	100,000	100,000	3.50	3.50	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	-	-
92	MCT HOLDING CO., LTD.	Investment	A, E	100,000	100,000	3.50	3.50	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	105,000.00	105,000.00
93	THAI TAKAYA CO., LTD.	Garment	A, E, F	30,000	30,000	10.00	10.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	-	450,000.00
94	VALUE ADDED TEXTILE CO., LTD.	Clothes	A	16,500	16,500	6.00	6.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	-	-
95	SRIRACHA AVEATION CO., LTD.	Logistic	A, B, E, F	55,000	55,000	5.45	5.45	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	300,000.00	-
96	THAI NAXIS CO., LTD.	Label	A, B, E	20,000	20,000	3.38	3.38	2,700,000.00	2,700,000.00	2,700,000.00	2,700,000.00	189,000.00	189,000.00
97	WASEDA EDUCATION (THAILAND) CO., LTD.	School	A, B, E	21,952	31,360	7.14	7.14	1,568,000.00	2,240,000.00	1,568,000.00	2,240,000.00	-	-
98	K.T.Y INDUSTRY CO., LTD.	Spinning, Dyeing	A, B, E	28,000	28,000	9.00	9.00	2,521,000.00	2,521,000.00	2,521,000.00	2,521,000.00	5,042,000.00	378,150.00
99	INTERNATIONAL COMMERCIAL COORDINATION LTD. (H.K)	Distributor	A, B, F	HK\$ 5,000	HK\$ 2,000	18.00	18.00	4,483,997.26	2,161,197.26	4,483,997.26	2,161,197.26	-	-
100	THAI TOHMADO CO.,LTD.	Window frame	A, E	20,000	20,000	10.00	10.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	-	100,000.00
101	THAI BUNKA FASHION CO., LTD.	School	A, B, E, F	25,000	25,000	8.00	8.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	-	-
102	KENMIN FOOD (THAILAND) CO., LTD.	Rice Noodle	A, E	33,000	30,000	14.27	6.67	32,537,000.00	2,000,000.00	32,537,000.00	2,000,000.00	700,000.00	680,000.00
103	BOONRAVEE CO., LTD.	Service	A, F	20,000	20,000	10.00	10.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	-	-
104	KYOSHUN CO., LTD.	Trading	A	Y 30,000	Y 30,000	18.33	18.33	1,997,600.00	1,997,600.00	1,997,600.00	1,997,600.00	-	-
105	TIGER MK LOGISTICS (MYANMAR)	Transportation	A	USD 300	USD 300	18.00	18.00	1,781,720.00	1,781,720.00	1,781,720.00	1,781,720.00	-	-
106	THAI SPORT GARMENT CO., LTD.	Garment	A, B, E, F	10,000	10,000	15.00	15.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
107	U.C.C. UESHIMA COFFEE (TH) CO., LTD.	Coffee can	A, B, E	15,000	15,000	10.00	10.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	-	-
108	THE MALL RATCHASIMA CO., LTD.	Department Store	A, B	50,000	50,000	2.00	2.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	-	-
109	M B T S BROKING SERVICE CO., LTD.	Broker	A, E ,F	5,000	5,000	19.99	19.99	999,500.00	999,500.00	999,500.00	999,500.00	3,278,360.00	2,398,800.00
110	HWATOR (THAILAND) CO., LTD.	Medical service	A	12,000	12,000	4.75	4.75	570,000.00	570,000.00	570,000.00	570,000.00	-	-



## 13. INVESTMENTS IN RELATED PARTIES (CONTINUE)

No.	Company names	Type of business	Relationship	Paid - up share capital	Percentage of investment	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	Dividend				
				(Thousand Baht)	(%)	(Baht)	(Baht)	(Baht)	(Baht)				
				2017	2016	2017	2016	2017	2016	2017	2016		
111	UNILEASE CO., LTD.	Leasing	A, F	30,000	30,000	1.67	1.67	500,000.00	500,000.00	500,000.00	500,000.00	-	-
112	THAI FLYING MAINTENANCE CO., LTD.	Maintenance Airplane	A, B, F	2,000	2,000	15.00	15.00	300,000.00	300,000.00	300,000.00	300,000.00	-	-
113	ARUSU MYANMAR CO., LTD.	Interior Decoration	A	USD 100	USD 100	9.00	9.00	313,370.00	313,370.00	313,370.00	313,370.00	-	-
114	SAMPAN TRAMITR CO., LTD.	Consumer Products	A, E, F	5,000	5,000	5.42	5.42	270,800.00	270,800.00	270,800.00	270,800.00	270,800.00	13,540.00
115	AMERICAN FOOD CO., LTD.	Ice Cream	A	140,000	-	15.00	-	21,000,000.00	-	21,000,000.00	-	-	-
116	THAI SECOM SECURITY CO., LTD. (formaly named THAI SECOM PITAKKIJ CO., LTD.)	Security system	A, B, E	-	-	-	-	-	-	-	-	-	110,076,992.59
Total						2,337,793,080.26	1,832,601,302.94	2,336,253,722.67	1,832,601,302.94	171,233,225.00	252,590,753.09		
(Less) Provision for impairment loss						(771,140,315.80)	(428,420,196.16)	(771,140,315.80)	(428,420,196.16)	-	-		
Total general investment - related parties						1,566,652,764.46	1,404,181,106.78	1,565,113,406.87	1,404,181,106.78	171,233,225.00	252,590,753.09		
Total investment - related parties						3,958,240,776.96	4,623,436,572.66	3,956,701,419.37	4,623,436,572.66	263,383,711.25	355,877,635.42		

## Note : Relationship

A Shareholding by the Company/common shareholding

B Directorship

C Guaranteed by the Company

D Loan given by the Company

E Inter - company trading

F Shareholders or directors are intimate of the Company's directors

## 14. OTHER LONG-TERM INVESTMENTS

## 14.1 Investments in securities available-for-sales

Other companies

No.	Company names	Paid - up share capital		Percentage of investment		Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements		Dividend	
		(Thousand Baht)		(%)		(Baht)		(Baht)		(Baht)	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
1	NATION MULTIMEDIA GROUP PUBLIC COMPANY LIMITED	2,155,959	2,155,959	0.49	0.49	21,819,138.54	21,819,138.54	21,819,138.54	21,819,138.54	-	594,441.00
2	SAHA UNION PUBLIC COMPANY LIMITED	3,000,000	3,000,000	0.30	0.30	16,727,150.00	16,727,150.00	16,727,150.00	16,727,150.00	1,824,780.00	1,368,585.00
3	S.PACK & PRINT PUBLIC COMPANY LIMITED	300,000	-	0.98	-	7,637,604.00	-	8,070,261.00	-	-	-
4	AMATA VN PUBLIC COMPANY LIMITED	467,500	467,500	0.82	0.82	3,010,800.00	3,010,800.00	3,010,800.00	3,010,800.00	384,300.00	1,152,900.00
5	THAI TORE TEXTILEMILLED PUBLIC COMPANY LIMITED	60,000	60,000	0.50	0.50	265,320.00	265,320.00	265,320.00	265,320.00	30,000.00	60,000.00
6	UNION PIONEER PUBLIC COMPANY LIMITED	75,000	75,000	0.03	0.03	32,940.00	32,940.00	32,940.00	32,940.00	15,336.00	10,584.00
Total						49,492,952.54	41,855,348.54	49,925,609.54	41,855,348.54	2,254,416.00	3,186,510.00
Add Unrealized gain (loss) from adjust fair value						77,216,921.26	70,135,000.96	76,784,264.26	70,135,000.96	-	-
Total investment in securities available-for-sales - other companies						126,709,873.80	111,990,349.50	126,709,873.80	111,990,349.50	2,254,416.00	3,186,510.00





## 14. OTHER LONG-TERM INVESTMENTS (CONTINUE)

### 14.2 General investment

Other companies

No.	Company names	Paid - up share capital		Percentage of investment		Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements		Dividend	
		(Thousand Baht)		(%)		(Baht)		(Baht)		(Baht)	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
7	DAI SO SUNGKEAW (THAILAND) CO., LTD.	280,000	280,000	6.45	6.45	18,052,630.00	18,052,630.00	18,052,630.00	18,052,630.00	1,480,315.66	1,299,789.36
8	OZUKA CO., LTD.	35,000	35,000	4.00	4.00	8,400,000.00	8,400,000.00	8,400,000.00	8,400,000.00	3,276,560.00	2,674,840.00
9	OTSUKA NUTRACEUTICAL (THAILAND) CO., LTD.	300,000	-	2.50	-	7,500,000.00	-	7,500,000.00	-	-	-
10	IMPERIAL TECHNOLOGY MANAGEMENT SERVICE CO., LTD.	3,549,400	3,549,400	0.18	0.18	6,250,000.00	6,250,000.00	6,250,000.00	6,250,000.00	-	-
11	SUNLOTS ENTERPRISE (THAILAND) PLC.	130,000	130,000	3.85	3.85	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	-	-
12	SIAM DCM CO., LTD.	82,500	82,500	1.52	1.52	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	-	-
13	SAHA SEREN CO., LTD.	780,000	780,000	0.58	0.58	4,500,000.00	4,500,000.00	4,500,000.00	4,500,000.00	588,970.59	3,970,588.24
14	MEDICAL CENTER PLC.	200,539	200,539	0.002	0.002	4,100,000.000	4,100,000.000	4,100,000.000	4,100,000.000	2,000.00	2,000.00
15	BANGKOK CLUB CO., LTD.	450,000	450,000	0.44	0.44	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	-	-
16	AMATA CITY CO., LTD.	450,000	450,000	0.67	0.67	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	600,000.00	1,800,000.00
17	NOBLE PLACE CO., LTD.	296,250	296,250	0.08	0.08	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	-	-
18	NUBOON CO., LTD.	35,000	35,000	3.83	3.83	1,340,000.00	1,340,000.00	1,340,000.00	1,340,000.00	361,800.00	361,800.00
19	HERBAL PRODUCTS CO., LTD.	80,000	80,000	1.50	1.50	1,200,000.00	1,200,000.00	1,200,000.00	1,200,000.00	43,200.00	-
20	SIAM I - LOGISTICS CO., LTD.	15,000	15,000	7.00	7.00	1,050,000.00	1,050,000.00	1,050,000.00	1,050,000.00	-	-
21	PRACHARAT RAKSAMAKHHEE (THAILAND) CO., LTD.	100,000	100,000	1.00	1.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	-	-
22	KHON KAEN VITHES SUKSA CO., LTD.	60,000	60,000	1.67	1.67	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	60,000.00	100,000.00
23	SIAM COMMERCIAL FACTORING PLC.	18,000	18,000	3.78	3.78	539,665.00	680,000.00	539,665.00	680,000.00	-	-
24	WINSOR PARK AND GOLF CLUB CO., LTD.	320,325	320,325	0.02	0.02	520,000.00	520,000.00	520,000.00	520,000.00	3,375.00	-
Total						72,952,295.00	65,592,630.00	72,952,295.00	65,592,630.00	6,416,221.25	10,209,017.60
(Less) Provision for impairment loss						(26,873,215.74)	(23,775,069.37)	(26,873,215.74)	(23,775,069.37)	-	-
Total general investment - other companies						46,079,079.26	41,817,560.63	46,079,079.26	41,817,560.63	6,416,221.25	10,209,017.60
Total investment - other companies						172,788,953.06	153,807,910.13	172,788,953.06	153,807,910.13	8,670,637.25	13,395,527.60



## 15. REAL ESTATE FOR SALE

(Unit : Baht)

	Consolidated and Separate financial statements	Financial statements in which the equity method is applied and Separate financial statements
	2017	2016
Real estate for sale - Sriracha	275,149,410.04	300,222,319.04
Real estate for sale - Lamphun	271,855,130.78	271,855,130.78
Real estate for sale - Kabinburi	68,378,924.56	68,378,924.56
Total	615,383,465.38	640,456,374.38
Less Provision for impairment loss	(8,939,741.82)	(8,939,741.82)
Net	606,443,723.56	631,516,632.56

During the year, the Company has reclassified assets to be conformed to their type of operations by transferring to real estate under to buy and to sell contract amount of Baht 24.85 million and property, plant and equipment amount of Baht 0.22 million.

## 16. INVESTMENT PROPERTIES

16.1 Investment properties - other land shown in financial statements as at December 31, 2017 and 2016, are details as follows :

(Unit : Baht)

	Consolidated and Separate financial statements			Financial statements in which the equity method is applied and Separate financial statements		
	2017			2016		
	Land	Development	Total	Land	Development	Total
Sriracha	411,592,633.87	6,982,654.56	418,575,288.43	279,042,640.87	6,791,124.56	285,833,765.43
Maesot	409,540,250.00	5,455,125.78	414,995,375.78	307,960,500.00	5,455,125.78	313,415,625.78
Ratchaburi	64,565,160.44	12,641,516.27	77,206,676.71	64,565,160.44	12,641,516.27	77,206,676.71
Lopburi	4,028,000.00	0.00	4,028,000.00	4,028,000.00	0.00	4,028,000.00
Chainat	2,825,500.00	0.00	2,825,500.00	2,825,500.00	0.00	2,825,500.00
Lamphun	24,410,219.00	0.00	24,410,219.00	0.00	0.00	0.00
Total	916,961,763.31	25,079,296.61	942,041,059.92	658,421,801.31	24,887,766.61	683,309,567.92

Fair value of investment properties - other lands as at December 31, 2017 and 2016, which were appraised by the independent appraiser amounted to Baht 1,712.16 million and Baht 1,453.43 million respectively.





## 16. INVESTMENT PROPERTIES (CONTINUED)

16.2 Investment properties - lease shown in financial statements as at December 31, 2017 and 2016, are details as follows :

(Unit : Baht)

	Consolidated and Separate financial statements			
	Land and land development	Construction	Assets under construction	Total
<b>Cost</b>				
As at December 31, 2016	1,204,965,607.76	1,274,969,332.82	3,543,300.00	2,483,478,240.58
Acquisition	5,052,964.00	5,940,035.58	74,072,925.47	85,065,925.05
Transfer	(2,441,247.17)	60,258,791.88	(77,130,109.86)	(19,312,565.15)
Disposal/write-off	(1,954,891.34)	0.00	(23,000.00)	(1,977,891.34)
As at December 31, 2017	1,205,622,433.25	1,341,168,160.28	463,115.61	2,547,253,709.14
<b>Accumulated depreciation</b>				
As at December 31, 2016	0.00	322,688,573.44	0.00	322,688,573.44
Depreciation /write-off	0.00	60,389,041.23	0.00	60,389,041.23
Disposal/write-off	0.00	0.00	0.00	0.00
As at December 31, 2017	0.00	383,077,614.67	0.00	383,077,614.67
<b>Provision for impairment</b>				
As at December 31, 2016	65,125,234.55	0.00	0.00	65,125,234.55
Increase	0.00	0.00	0.00	0.00
As at December 31, 2017	65,125,234.55	0.00	0.00	65,125,234.55
<b>Net book value</b>				
As at December 31, 2016	1,139,840,373.21	952,280,759.38	3,543,300.00	2,095,664,432.59
As at December 31, 2017	1,140,497,198.70	958,090,545.61	463,115.61	2,099,050,859.92

Depreciation for the year ended December 31, 2017 and 2016, amounted to Baht 60.39 million and Baht 50.99 million respectively.

Fair value of investment properties - for rent as at December 31, 2017 and 2016, which were appraised by the independent appraiser amounted to Baht 4,318.74 million and Baht 4,372.71 million respectively.

During the year, the Company has reclassified assets to be conformed to their type of operations by transferring to property, plant and equipment amount of Baht 16.90 million and transferred to real estate under to buy and to sell contract amount of Baht 2.41 million



## 16. INVESTMENT PROPERTIES (CONTINUED)

(Unit : Baht)

	Consolidated and Separate financial statements	Financial statements in which the equity method is applied and Separate financial statements
	2017	2016
Investment properties - other land (net)	942,041,059.92	683,309,567.92
Investment properties - lease (net)	<u>2,099,050,859.92</u>	<u>2,095,664,432.59</u>
Total investment properties	<u><u>3,041,091,919.84</u></u>	<u><u>2,778,974,000.51</u></u>

The significant amount recognized in statements of comprehensive income of the Company from investment properties for the years ended December 31, 2017 and 2016, are as follows :

(Unit : Baht)

	Consolidated and Separate financial statements	Financial statements in which the equity method is applied and Separate financial statements
	2017	2016
Revenues		
Rental	191,839,448.29	171,837,736.52
Service	<u>136,751,839.37</u>	<u>134,626,535.04</u>
Total revenues	<u><u>328,591,287.66</u></u>	<u><u>306,464,271.56</u></u>
Directly operating expense which incurred		
rental and service income		
Cost of service	89,281,899.51	90,627,206.25
Depreciation of construction	<u>60,389,041.23</u>	<u>50,990,337.33</u>
Total directly operating expenses	<u><u>149,670,940.74</u></u>	<u><u>141,617,543.58</u></u>



## 17. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment shown in financial statements as at December 31, 2017 and 2016, consist of :

	Consolidated financial statements						(Unit : Baht)
	Land	Construction	Vehicles	Equipment	Office equipment and others	Work in progress	Total
<b>Cost</b>							
As at December 31, 2016	297,479,209.92	1,555,353,240.77	206,574,850.46	118,380,932.78	598,307,367.04	5,734,983.79	2,781,830,584.76
Acquisition	0.00	5,832,647.41	34,523,563.55	8,196,217.61	19,435,473.76	138,395,184.44	206,383,086.77
Increase from acquire of subsidiaries	0.00	0.00	5,453,946.64	0.00	6,416,342.37	0.00	11,870,289.01
Transfer	3,551,382.22	17,768,351.12	0.00	7,779,144.03	35,769,277.20	(44,445,454.37)	20,422,700.20
Disposal or amortization	0.00	(13,906,703.72)	(14,034,458.79)	0.00	(485,484.02)	0.00	(28,426,646.53)
As at December 31, 2017	301,030,592.14	1,565,047,535.58	232,517,901.86	134,356,294.42	659,442,976.35	99,684,713.86	2,992,080,014.21
<b>Accumulated depreciation</b>							
As at December 31, 2016	0.00	790,938,657.46	149,970,461.50	97,506,623.82	511,236,450.31	0.00	1,549,652,193.09
Depreciation	0.00	63,242,813.99	22,710,532.23	9,426,424.84	36,471,565.70	0.00	131,851,336.76
Increase from acquire of subsidiaries	0.00	0.00	3,734,494.85	0.00	5,655,255.85	0.00	9,389,750.70
Disposal	0.00	(4,728,161.42)	(14,039,836.32)	0.00	(484,073.20)	0.00	(19,252,070.94)
As at December 31, 2017	0.00	849,453,310.03	162,375,652.26	106,933,048.66	552,879,198.66	0.00	1,671,641,209.61
<b>Net book value</b>							
As at December 31, 2016	297,479,209.92	764,414,583.31	56,604,388.96	20,874,308.96	87,070,916.73	5,734,983.79	1,232,178,391.67
As at December 31, 2017	301,030,592.14	715,594,225.55	70,142,249.60	27,423,245.76	106,563,777.69	99,684,713.86	1,320,438,804.60

Depreciation for the year ended December 31, 2017 and 2016, amount of Baht 131.85 million and Baht 127.14 million respectively.

During the year, the Company has reclassified assets to be conformed to the type of operations by transfer from Real estate under to buy and to sell contract amount of Baht 3.30 million and investment properties amount of Baht 16.90 million and transfer from real estate for sale amount of Baht 0.22 million.

## 17. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Property, plant and equipment shown in financial statements as at December 31, 2017 and 2016, consist of :

Consolidated financial statements							(Unit : Baht)
	Land	Construction	Vehicles	Equipment	Office equipment and others	Work in progress	Total
<b>Cost</b>							
As at December 31, 2016	297,479,209.92	1,555,353,240.77	206,574,850.46	118,380,932.78	598,307,367.04	5,734,983.79	2,781,830,584.76
Acquisition	0.00	5,832,647.41	34,523,563.55	8,196,217.61	19,334,027.66	138,395,184.44	206,281,640.67
Transfer	3,551,382.22	17,768,351.12	0.00	7,779,144.03	35,769,277.20	(44,445,454.37)	20,422,700.20
Disposal or amortization	0.00	(13,906,703.72)	(14,034,458.79)	0.00	(373,227.51)	0.00	(28,314,390.02)
As at December 31, 2017	301,030,592.14	1,565,047,535.58	227,063,955.22	134,356,294.42	653,037,444.39	99,684,713.86	2,980,220,535.61
<b>Accumulated depreciation</b>							
As at December 31, 2016	0.00	790,938,657.46	149,970,461.50	97,506,623.82	511,236,450.31	0.00	1,549,652,193.09
Depreciation	0.00	63,242,813.99	22,488,418.91	9,426,424.84	36,274,371.12	0.00	131,432,028.86
Disposal	0.00	(4,728,161.42)	(14,039,836.32)	0.00	(373,171.02)	0.00	(19,141,168.76)
As at December 31, 2017	0.00	849,453,310.03	158,419,044.09	106,933,048.66	547,137,650.41	0.00	1,661,943,053.19
<b>Net book value</b>							
As at December 31, 2016	297,479,209.92	764,414,583.31	56,604,388.96	20,874,308.96	87,070,916.73	5,734,983.79	1,232,178,391.67
As at December 31, 2017	301,030,592.14	715,594,225.55	68,644,911.13	27,423,245.76	105,899,793.98	99,684,713.86	1,318,277,482.42

Depreciation for the year ended December 31, 2017 and 2016, amount of Baht 131.43 million and Baht 127.14 million respectively.

During the year, the Company has reclassified assets to be conformed to the type of operations by transfer from Real estate under to buy and to sell contract amount of Baht 3.30 million and investment properties amount of Baht 16.90 million and transfer from real estate for sale amount of Baht 0.22 million.



## 18. INTANGIBLE ASSETS

(Unit : Baht)

	Computer software
<b>Cost</b>	
As at December 31, 2015	30,948,285.61
Acquisition	946,894.17
As at December 31, 2016	31,895,179.78
Acquisition	25,743.44
As at December 31, 2017	31,920,923.22
<b>Accumulated amortization of expenses</b>	
As at December 31, 2015	19,819,269.42
Amortization	1,552,166.42
As at December 31, 2016	21,371,435.84
Amortization	1,613,297.53
As at December 31, 2017	22,984,733.37
<b>Net book value</b>	
As at December 31, 2016	10,523,743.94
As at December 31, 2017	8,936,189.85

Amortization expenses for the year ended December 31, 2017 and 2016, amount of Baht 1,613,297.53 and Baht 1,552,166.42 respectively.

## 19. DEPOSIT FOR LAND

(Unit : Baht)

	Consolidated and Separate financial statements	Financial statements in which the equity method is applied and Separate financial statements
	2017	2016
Deposit for land - Nort Park Project	60,753,000.00	60,753,000.00
Less Provision for impairment loss	(18,225,900.00)	(18,225,900.00)
Net	42,527,100.00	42,527,100.00

The Company has entered into the contract to buy and to sell of land in Nort Park Project with Nort Park Real estate Company Limited for the area of 2 rais 1 Ngan and 20.5 square wah in the amount of Baht 60,753,000.00. The Company has fully paid for land under such contract. The Company will be received the transfer of land ownership whenever the building construction is completed (within 54 months from the contract date).

The Company has not proceeded the construction of building to be conformed to the contract, may incur loss amount of Baht 18,225,900.00 which was recorded as provision for impairment loss.



## 20. BANK OVERDRAFTS AND LOANS FROM FINANCIAL INSTITUTIONS

(Unit : Baht)

	Consolidated and Separate financial statements	Financial statements in which the equity method is applied and Separate financial statements
	2017	2016
Loans from banks	4,080,000,000.00	560,000,000.00
Total	<u>4,080,000,000.00</u>	<u>560,000,000.00</u>

### 20.1 Bank overdrafts and short-term loans from financial institutions

As at December 31, 2017 and 2016, the Company has overdrafts facilities with 7 banks and 8 banks amount of Baht 150 million and Baht 180 million respectively at the interest rate of MOR- the fixed additional rate per annum under agreement.

### 20.2 Loans from banks

As at December 31, 2017 and 2016, the Company has loans from 5 and 6 local banks and financial institutions amount of Baht 11,390 million and Baht 3,740 million respectively, loans from 3 and 2 foreign banks amount of Baht 6,210 million and Baht 700 million respectively at the fixed rate promissory note and the agreement.

## 21. LONG-TERM LOANS

The Company has long-term loans from banks as follows :

(Unit : Baht)

	Consolidated and Separate financial statements	Financial statements in which the equity method is applied and Separate financial statements
	2017	2016
Long-term loans	0.00	1,200,000,000.00
Less Current portion of long-term debt	<u>0.00</u>	<u>(300,000,000.00)</u>
Long-term loans	<u>0.00</u>	<u>900,000,000.00</u>



## 21. LONG-TERM LOANS (CONTINUED)

- 21.1 In 2015, the Company has loans from a commercial bank amount of Baht 1,000.00 million by making the first repayment under agreement amount of Baht 100.00 million within November 11, 2016. The remaining is repayable every six months through 9 installments of Baht 100.00 million each. The agreement is terminated on May 11, 2021, (interest at rate of BIBOR+ the fixed additional rate per annum under agreement, interest is payable on a monthly basis). In 2017, the Company has repaid the principal and interest to a commercial bank in full.
- 21.2 In 2014, the Company has loans from a commercial bank amount of Baht 500.00 million by making the first repayment under agreement amount of Baht 50.00 million within February 16, 2015. The remaining is repayable every six months through 9 installments of Baht 50.00 million. The agreement is terminated on August 15, 2019, (interest at rate of BIBOR+ the fixed additional rate per annum under agreement, interest is payable on a monthly basis). In 2017, the Company has repaid the principal and interest to a commercial bank in full.

## 22. DEBENTURES

On February 9, 2017, the Company has issued debentures in the form of specific name, unsubordinated, unsecured and debenture holders' representative for 2,000,000 shares of Baht 1,000 each amounting to Baht 2,000 million for 2 lots, the 1st lot of debentures had 3 years term in the amount of Baht 1,000 million at the interest rate of 2.39 per annum, the interest is payable every six months throughout the debenture period and the 2nd lot of debentures had 7 years term in the amount of Baht 1,000 million at the interest rate of 3.44% per annum, the interest is payable every six months throughout the debenture period. Such debentures were issued in accordance with the resolution of the shareholders' extraordinary meeting No. 1/2016 held on September 20, 2016.

## 23. CONVERTIBLE DEBENTURES – LIABILITY COMPONENT

According to the resolution of the shareholders' general meeting No.46 held on April 25, 2017, the Company issue and offer convertible debentures not exceed 4 million units at Baht 1,000 each, total value not exceeding Baht 4,000 million to the existing shareholders of the Company proportionate to their respective shareholdings and passed to approve the increase the Company's share capital as stated in note 25 to reserve the exercise of such convertible debentures. On June 29, 2017, the Company has issued such convertible debentures with the key terms and conditions as follows:

## 23. CONVERTIBLE DEBENTURES – LIABILITY COMPONENT (CONTINUED)

Name convertible debentures	Convertible debentures of the Company SAHA PATHANA INTER-HOLDING PUBLICCOMPANY LIMITED No. 1/2017, matured for redemption in 2024 with the key of conversion (“Convertible debentures”)
Type of convertible debentures	Specific name convertible debentures can be converted to new common shares of the Company, unsubordinated, unsecured and debentureholders’ representative
Offering price	Baht 3,505,448,000
Number of convertible debentures (unit)	3,505,448 units
Face Value	Baht 1,000 per 1 od convertible debenture (“par value”)
Interest rate	At 0.70% per annum
Issuance date	June 29, 2017
Maturity date of redemption	June 29, 2024
Interest payment	Quarterly basis, on March 29, June 29, September 29 and December 29 of every year, the first payment is on September 29, 2017, and the last payment on the redemption date
Convertible price	Baht 45 per 1 share, conversion price may change due to the adjustment of conversion price pursuant to the conditions to be further specified in the terms and conditions of the convertible debentures
Conversion ratio	1 convertible debenture : 22.222222 shares (or other ratio resulting from adjustment of conversion price pursuant to the conditions to be further specified in the terms and conditions of the convertible debentures
Conversion date	4 times per annum in March, June, September and December of each year, the first conversion date is in June, 2018
Forced conversion	In case of the weighted-average price of the ordinary shares of the company of the SET for the past 15 consecutive business days prior to the last convertible exercise date before Redemption is higher than THB 52 (fifty two), the Company shall force to convert total non-converted or redemption debentures into the ordinary shares of the Company at the redemption due date. Conversion ratio and price are effective on the last convertible exercise date before redemption



## 23. CONVERTIBLE DEBENTURES – LIABILITY COMPONENT (CONTINUED)

At the issuance date, the Company separated the components of liabilities from owners' equity. The components of the liabilities are calculated from the future cash flows of principal and interest discounted by market interest at that moment. Convertible debentures-components of capital is different of carrying value of convertible debenture less components of liabilities as follows:

(Unit : Baht)

	Consolidated and Separate financial statements
Convertible debentures issuance value	3,505,448,000.00
Direct costs	<u>(4,462,249.76)</u>
Net cash received	3,500,985,750.24
Value reclassified to owner's equity	(501,536,455.00)
Amortized cost	<u>317,265.47</u>
<b>Balance as at December 31, 2017</b>	<b><u>2,999,766,560.71</u></b>

## 24. CONTINGENT LIABILITIES ON GUARANTEE

As at December 31, 2017 and 2016, the Company has contingent liabilities on guarantee loans of 2 and 1 related party in the amount of Baht 13.57 and Baht 4.57 million respectively.

## 25. PROVISIONS FOR EMPLOYEE BENEFITS

The Company paid post-employment benefits, retirement benefits and pensions in accordance with Labor Protection Act B.E. 2541. Employee is entitled the retirement benefits and other long-term benefits based on right and length of service.

Changes in present value of employee benefits obligations

(Unit : Baht)

	Consolidated financial statements	Separate financial statements
Provisions for employee benefits as at December 31, 2016	56,488,351.17	56,488,351.17
Current service cost and interest	7,679,375.43	5,919,810.43
Employee benefit of subsidiaries from receiving business transfer	27,578,670.00	0.00
Employee benefit paid	(9,136,485.31)	(8,786,485.31)
Actuarial loss (gain) on defined employee benefit plan	<u>12,362,704.85</u>	<u>24,327,044.00</u>
<b>Provisions for employee benefits as at December 31, 2017</b>	<b><u>94,972,616.14</u></b>	<b><u>77,948,720.29</u></b>



## 25. PROVISIONS FOR EMPLOYEE BENEFITS (CONTINUED)

Provisions for employee benefits to be paid in accordance the period as follows :

(Unit : Baht)

	Financial statements Consolidated financial statements	in which the equity method is applied
	2017	2016
Obligations to be paid within 1 year	3,863,141.87	5,985,953.00
Obligations to be paid over 1 year	91,109,474.27	50,502,398.17
Total	<u>94,972,616.14</u>	<u>56,488,351.17</u>

Provisions for employee benefits to be paid in accordance the period as follows :

(Unit : Baht)

	Separate financial statements	
	2017	2016
Obligations to be paid within 1 year	0.00	5,985,953.00
Obligations to be paid over 1 year	77,948,720.29	50,502,398.17
Total	<u>77,948,720.29</u>	<u>56,488,351.17</u>

Amounts recognized in administrative expenses shown in statements of comprehensive income for employee benefit obligations as for the year ended follows :

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016	2017	2016
Current service cost	5,575,887.77	3,073,554.00	4,283,780.43	3,073,554.00
Interest cost	<u>2,103,487.66</u>	<u>1,482,277.00</u>	<u>1,636,030.00</u>	<u>1,482,277.00</u>
Total	<u>7,679,375.43</u>	<u>4,555,831.00</u>	<u>5,919,810.43</u>	<u>4,555,831.00</u>



## 25. PROVISIONS FOR EMPLOYEE BENEFITS (CONTINUED)

The principal actuarial basis assumptions as at reporting date :

	Consolidated financial statements	Separate financial statements
	(%)	(%)
Discount rate	2.46 - 2.65	2.46
Salary increase rate	5.00	5.00
Employee turnover	0-22*	0-22*
Mortality	TMO2017**	TMO2017**

\* Age-related scale

\*\* Thailand TMO2017

### Sensitivity analysis

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

(Unit : Baht)

	Consolidated financial statements	Separate financial statements
<b>Defined benefit obligation as at December 31, 2017</b>		
Discount rate (0.5% movement)	(4,604,991.00)	(4,013,479.00)
Discount rate (0.5% movement)	4,951,798.00	4,321,957.00
Future salary growth (0.5 - 1.0% movement)	5,159,504.00	4,025,536.00
Future salary growth (0.5 - 1.0% movement)	(4,804,251.00)	(3,784,427.00)
Turnover rate ( 10 - 20% movement )	(1,659,172.81)	(1,006,971.81)
Turnover rate ( 10 - 20% movement )	1,754,916.70	1,045,576.70
Mortality rate ( 0.5 - 20% movement )	(99,716.74)	(20,129.74)
Mortality rate ( 0.5 - 20% movement )	100,325.86	20,135.86

## 26. SHARE CAPITAL

According to the minutes of the Board of directors Meeting No. 46 held on April 25, 2017, passed the resolution to approve the decrease share capital to corresponded with the increase share capital of the Company.

- 26.1 To decrease the Company's share capital from the registered share capital amount of Baht 800,000,000 to Baht 494,034,300.00 by cutting off the Company's unissued 305,965,700 shares at the par value of Baht 1 each. The Company has amended the Memorandum of Association Clause 4 regarding the Company's share capital on May 9, 2017.
- 26.2 To increase share capital of the Company from the registered share capital amount of Baht 494,034,300 to Baht 582,923,188 by issuing the Company's 88,888,888 ordinary shares increasing at the par value of Baht 1 each. The Company has amended the Memorandum of Association Clause 4 regarding the Company's share capital on May 11, 2017.



## 27. DIVIDEND

- 27.1 According to the resolution of the General Meeting of the shareholders for the year 2017 No. 8 (set 24th) held on November 13, 2017, passed to pay dividend from the results of operation for the first six-months result of year 2017 sine January 1, 2017 to June 30, 2017 at Baht 0.10 per share for 494,034,300 shares, amounting to Baht 49,403,430 which was paid to the shareholders on December 8, 2017.
- 27.2 According to the resolution of the General Meeting of the shareholders for the year 2017 No. 46 held on April 25, 2017, passed to pay dividend from the results of operation for the year 2016 at Baht 0.35 per share for 494,034,300 shares, amounting to Baht 172,912,005.00 which was paid to the shareholders on May 22, 2017.
- 27.3 According to the resolution of the Board of directors' meeting No.7 (set 23rd) held on November 11,2016, passed to pay interim dividend for the first six-months result of year 2016 sine January 1, 2016 to June 30,2016 at Baht 0.10 per share for 494,034,300 shares, amounting to Baht 49,403,430.00 which was paid to the shareholders on December 9,2016.
- 27.4 According to the resolution of the General Meeting of the shareholders for the year 2016 No. 45 held on April 25, 2016, passed to pay dividend from the results of operation for the year 2015 at Baht 0.23 per share for 494,034,300 shares, amounting to Baht 113,627,889.00 which was paid to the shareholders on May 23, 2016.

## 28. LEGAL RESERVE

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

## 29. GENERAL RESERVE

As at December 31, 2017 and 2016, the Company has appropriated part of profit amount of Baht 280 million as general reserve without the objectives indication.

## 30. INCOME TAX

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
<b>Deferred tax assets</b>				
Hire purchase receivables	248,074.15	0.00	248,074.15	0.00
Provision for impairment of investments	162,073,310.97	129,689,681.05	187,906,456.02	148,421,666.88
Provision for impairment of real estate for sale	1,787,948.36	1,787,948.36	1,787,948.36	1,787,948.36
Provision for impairment of investment properties - land for lease	13,025,046.91	13,025,046.91	13,025,046.91	13,025,046.91



### 30. INCOME TAX (CONTINUED)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Provision for impairment - land deposits	3,645,180.00	3,645,180.00	3,645,180.00	3,645,180.00
Amount received in advance	20,462,400.00	1,599,090.00	20,462,400.00	1,599,090.00
Contingent liabilities from guarantees	2,714,881.95	914,881.95	2,714,881.95	914,881.95
Employee benefit obligations	18,994,523.23	11,297,670.23	15,589,744.06	11,297,670.23
Total	222,951,365.57	161,959,498.50	245,379,731.45	180,691,484.33
<b>Deferred tax liabilities</b>				
Gain on bargain purchase investments	(163,542,955.59)	0.00	0.00	0.00
Gain on conversion of investment in associates	(203,034,120.00)	0.00	(203,034,120.00)	0.00
Unrealized gain on changes in fair value of investments in - available-for-sale securities	(286,292,243.26)	(452,669,086.50)	(286,205,711.86)	(452,669,086.50)
Real estate under to buy and to sell contract (Differences of accounting base and tax base)	(207,925.14)	(89,424.08)	(207,925.14)	(89,424.08)
Total	(653,077,243.99)	(452,758,510.58)	(489,447,757.00)	(452,758,510.58)
Net	(430,125,878.42)	(290,799,012.08)	(244,068,025.55)	(272,067,026.25)

Income tax expenses for the years ended December 31, 2017 and 2016, are summarized as follows :

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
<b>Current tax :</b>				
Income tax for the year	(3,329,410.51)	0.00	0.00	0.00
<b>Deferred tax :</b>				
Deferred tax resulted from temporary differences and reversal of temporary differences	(313,691,984.46)	(11,282,863.87)	(143,329,782.73)	(9,232,863.87)
Income tax expenses presented in statement of income	(317,021,394.97)	(11,282,863.87)	(143,329,782.73)	(9,232,863.87)

Reconciliation between income tax expenses and multiplication of taxable profit and tax rate for the years ended December 31, 2017 and 2016, can be presented as follow :

## 30. INCOME TAX (CONTINUED)

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Profit before income tax	3,487,553,740.54	1,708,938,731.41	1,699,693,424.68	793,162,739.59
Income tax rate	20%	20%	20%	20%
Taxable profit before income tax multiply with tax rate	697,510,748.11	341,787,746.28	339,938,684.94	158,632,547.92
Taxable effects for :				
Prohibited expenses	5,054,386.83	3,125,414.23	4,866,425.20	2,761,586.03
Other income which accounting base differ from tax base	(381,970,138.14)	(356,841,862.03)	(197,901,725.58)	(175,372,835.47)
Taxable exemption				
Deficit for the year with unutilized	<u>(3,573,601.83)</u>	<u>23,211,565.39</u>	<u>(3,573,601.83)</u>	<u>23,211,565.39</u>
Total	<u>(380,489,353.14)</u>	<u>(330,504,882.41)</u>	<u>(196,608,902.21)</u>	<u>(149,399,684.05)</u>
Income tax expenses (income) presented in statements				
of comprehensive income	317,021,394.97	11,282,863.87	143,329,782.73	9,232,863.87
Effective income tax rate	9.09%	0.66%	8.43%	1.16%

## 31. PROVIDENT FUND

The Company and its employees have jointly established a provident fund on May 30, 1990, in accordance with the provident fund Act B.E. 2530 and assigned the authorized manager to manage this fund by deducting the employee's and the Company's contribution to the fund. The benefits will be entitled to the employees on their resignation in accordance with the fund regulation. For the years ended December 31, 2017 and 2016, the Company paid a contribution to the fund in the amount of Baht 9.31 million and Baht 9.09 million respectively.

## 32. EXPENSES ANALYZED BY NATURE

The significant expenses analyzed by nature are as follows :

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016	2017	2016
Cost of electricity	1,436,962,655.36	1,441,854,519.87	1,436,962,655.36	1,441,854,519.87
Cost of water and steam	355,017,318.08	325,626,346.48	355,017,318.08	325,626,346.48
Cost of rental	72,900,139.14	74,667,919.91	72,900,139.14	74,667,919.91
Cost of exhibition	46,755,799.64	47,956,414.40	46,755,799.64	47,956,414.40
Cost of royalties	53,858,867.14	64,462,363.93	53,858,867.14	64,462,363.93
Employees benefits expenses	177,811,804.98	154,294,808.69	158,536,016.00	154,294,808.69
Depreciation and amortization	193,883,855.65	179,722,829.68	193,464,966.75	179,722,829.68
Premises and equipment expenses	53,488,978.82	51,485,288.81	52,773,319.13	51,485,288.81
Management benefit expense	65,507,784.00	56,999,361.44	63,643,408.25	56,999,361.44
Directors' remuneration	14,854,280.00	12,824,000.00	14,269,280.00	12,824,000.00





### 33. CAPITAL MANAGEMENT

The objective of financial management of the Company are to preserve the ability to continue its operation and capital structure to be properly appropriated.

### 34. DIRECTORS' REMUNERATION

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Company Act, excluding salaries and related benefits payable to executive director.

### 35. MANAGEMENT BENEFIT EXPENSE

Benefit expenses paid to chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels consist of salaries, bonus, retirement benefit and meeting allowance.

### 36. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share.

Consolidated financial statements						
	Net profit (Baht)		Number of ordinary shares		Earnings per share	
	2017	2016	2017	2016	2017	2016
<b>Basic earnings per share</b>						
Profit of ordinary						
shareholders assuming	3,164,956,994.92	1,697,655,867.54	494,034,300	494,034,300	<u>6.41</u>	<u>3.44</u>
Effect of dilutive potential						
ordinary shares						
(Convertible share right)	<u>10,003,492.16</u>	<u>-</u>	<u>39,696,397</u>	<u>-</u>		
<b>Diluted earnings per share</b>						
Profit of ordinary						
shareholders assuming						
the conversion of dilutive						
potential ordinary shares	<u>3,174,960,487.08</u>	<u>1,697,655,867.54</u>	<u>533,730,697</u>	<u>494,034,300</u>	<u>5.95</u>	<u>3.44</u>

Separate financial statements						
	Net profit (Baht)		Number of ordinary shares		Earnings per share	
	2017	2016	2017	2016	2017	2016
<b>Basic earnings per share</b>						
Profit of ordinary						
shareholders assuming	1,556,363,641.95	783,929,875.72	494,034,300	494,034,300	<u>3.15</u>	<u>1.59</u>
Effect of dilutive potential						
ordinary shares						
(Convertible share right)	<u>10,003,492.16</u>	<u>-</u>	<u>39,696,397</u>	<u>-</u>		
<b>Diluted earnings per share</b>						
Profit of ordinary						
shareholders assuming						
the conversion of dilutive						
potential ordinary shares	<u>1,566,367,134.11</u>	<u>783,929,875.72</u>	<u>533,730,697</u>	<u>494,034,300</u>	<u>2.93</u>	<u>1.59</u>



## 37. COMMITMENT AND CONTINGENT LIABILITIES

37.1 The Company has commitment which presented in the consolidated and separate financial statements as at December 31, 2017 and 2016, as follows :

37.1.1 The Company has commitment for letter of guarantee issuance by a commercial bank for electricity usage to Metropolitan Electricity Authority and Provincial Electricity Authority in the amount of Baht 7,222,380.13 and Baht 6,322,380.13 respectively, guarantee the unfiltered water usage with East - Water Resources Development and Management Public Company Limited in the amount of Baht 1,130,000.00 and Baht 1,720,000.00 respectively.

37.1.2 The Company entered into an agreement for using trademark for consumer products with a foreign company. This agreements is the reciprocal contract which either of parties has to perform according to the condition in agreement at the agreed rate per sales price.

37.1.3 The Company made an agreement to purchase electricity current from an affiliated company for 15 years in order to distribute to the user in Industrial Park Project-Sriracha. The Company has to pay electricity expense according to the contract and the users have to guarantee to the Company for electricity used according to the size of transformer, charging in amount of Baht 400.00 per 1 KVA.

As at December 31, 2017, there are 60 electricity users of which 49 users guaranteed their electricity usage by commercial bank amount of Baht 197,800,300.00 , 6 users guaranteed by cash amount of Baht 1,487,000.00 1 user guaranteed by bond of Bank of Thailand amount of Baht 5,000,000.00. and the remaining 4 users guaranteed by commercial bank and cash total amount of Baht 13,097,344.00

As at December 31, 2016, there are 58 electricity users of which 47 users guaranteed their electricity usage by commercial bank amount of Baht 181,848,300.00, 6 users guaranteed by cash amount of Baht 1,487,000.00 1 user guaranteed by bond of Bank of Thailand amount of Baht 6,220,000.00 and the remaining 4 users guaranteed by commercial bank and cash total amount of Baht 11,935,044.00.

37.1.4 The Company made an agreement to purchase steam from an affiliate for 15 years in order to distribute to the user in Industrial Park Project-Sriracha. The Company has to pay steam expenses in accordance with the condition in agreement and the users have to guarantee to the Company for steam usage since the beginning of usage at the rate determined by the seller but not lower than steam expenses of the previous year.

As at December 31, 2017, there are 22 steam users of which 21 users guaranteed their steam usage by commercial bank amount of Baht 19,390,510.00 and the remaining 1 user guaranteed by bonds of The Bank of Thailand amount of Baht 12,000,000.00.

As at December 31, 2016, there are 22 steam users of which 21 users guaranteed their steam usage by commercial bank amount of Baht 20,039,710.00 and the remaining 1 user guaranteed by bonds of The Bank of Thailand amount of Baht 10,382,000.00.

37.2 As at December 31, 2017 and 2016, the Company has commitment on agreement in respect of construction in Sahaphat Industrial Park for 12 and 4 agreement with the remaining amount under the agreement of Baht 21.93 million and Baht 6.13 million respectively.

37.3 As at December 31, 2017 and 2016, the Company has foreign currencies usage line with 2 banks amount of USD 13,000,000.00.



### 37. COMMITMENT AND CONTINGENT LIABILITIES (CONTINUED)

35.4 The Company has commitment lines with banks, financial institutions and other companies for its related parties as follows :

(Unit : Baht)

		Consolidated and Separate financial statements	Financial statements in which the equity method is applied and Separate financial statements
Associates	Relationship	December 31, 2017	December 31, 2016
- SAHAPAT REAL ESTATE CO., LTD.	A, B, C, E, F	430,000,000.00	0.00
- SAHA TOKYU CORPORATION CO., LTD.	A, B, C, E	137,900,000.00	140,000,000.00
- SAHACHOL FOOD SUPPLIES CO., LTD.	A, B, C, E, F	43,000,000.00	43,000,000.00
- PITAKKIJ CO., LTD.	A, B, C, E, F	16,000,000.00	16,000,000.00
- THAI ITOKIN CO., LTD.	A, B, C, E	5,000,000.00	5,000,000.00
- S.T. (THAILAND) CO., LTD.	A, B, C, E, F	0.00	12,000,000.00
Total		631,900,000.00	216,000,000.00
<b>Related parties</b>			
- TOYOBO SAHA SAFELY WEAVE CO., LTD.	A, C, E	100,800,000.00	0.00
- TSURUHA (THAILAND) CO., LTD.	A, B, C, E, F	35,500,000.00	35,500,000.00
- MOBILE LOGISTIC CO., LTD.	A, B, C, E	25,200,000.00	25,200,000.00
- P.T.DYNIC TEXTILE PRESTIGE CO., LTD.	A, C	18,065,960.00	16,201,125.00
- A TECH TEXTILES CO., LTD.	A, C, E	18,061,400.00	0.00
- S.T. (THAILAND) CO., LTD.	A, B, C, E, F	12,000,000.00	0.00
- OSOTH INTER LABORATORIES CO., LTD.	A, B, E	0.00	10,000,000.00
- TRANCOSMOS (THAILAND) CO., LTD.	A, C, E, F	9,000,000.00	9,000,000.00
Total		218,627,360.00	95,901,125.00
Total commitment		850,527,360.00	311,901,125.00

As at December 31, 2017 and 2016, the Company has commitment lines amount of Baht 850.53 million and Baht 311.90 million respectively, has spent in the amount of Baht 689.23 million and Baht 156.94 million respectively.

The Company will charge the fees from guarantee at the rate of 0.5 - 1% of credit lines by collecting at the rate of 0.5% from the Company who has paid the business advisory fee and at 1% from the Company who has not paid business advisory fee except for the Company who has jointly invested with foreigner will not be collected the guarantee fee.

**Note : Relationship**

- |   |   |
|---|---|
| A Shareholding by the Company/common shareholding | D Loan given by the Company   |
| B Directorship                                    | E Inter - company trading   |
| C Guaranteed by the Company                       | F Shareholders or directors are intimate of the Company's directors |



### 38. SEGMENT FINANCIAL INFORMATION

Operating Segments is presenting the perspective of administrators to segment reporting. The data segments based on internal data reported to the authorities maximum operational decisions of the Company regularly.

The Company in the investment business, rent and services, industrial park and goods distribution which operates in the geographic area in Thailand. Therefore, the performance of each segment of the report are summarized as follows :

38.1 Financial information is classified in consolidated financial statement for the year ended December 31, 2017 and financial statements which the equity method is applied for the year ended December 31, 2016, are as follows :

**(Unit : Thousand Baht)**

	Investment and others		Rent and services		Industrial park		Total
	2017	2016	2017	2016	2017	2016	
Revenues	4,005,537	1,876,514	2,518,310	2,426,924	209,124	271,796	6,732,971
Expenses	(232,286)	(95,007)	(2,214,876)	(2,173,293)	(33,163)	(63,361)	(2,480,325)
Profit from operation	3,773,251	1,781,507	303,434	253,631	175,961	208,435	4,252,646
Common facilities							
Finance costs							(652,518)
Income tax							(112,574)
Income tax							(317,021)
Net profit							3,170,533
Property, plant and equipment	172,416	162,495	828,624	752,478	319,399	317,206	1,320,439
Other assets							33,809,413
Total assets							35,129,852
Segment liabilities	0	600	331,713	277,933	102,312	7,995	434,025
Non-segment liabilities							9,966,795
Total liabilities							10,400,820
							2,638,123



### 38. SEGMENT FINANCIAL INFORMATION (CONTINUED)

38.2 Financial information is classified in the separate financial statements for the year ended December 31, 2017 and 2016, are as follows :

(Unit : Thousand Baht)

	Investment and others		Rent and services		Industrial park		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Revenues	2,214,598	929,189	2,482,005	2,426,924	209,124	271,796	4,905,727	3,627,909
Expenses	(215,454)	(47,958)	(2,204,247)	(2,173,293)	(33,163)	(63,361)	(2,452,864)	(2,284,612)
Profit from operation	1,999,144	881,231	277,758	253,631	175,961	208,435	2,452,863	1,343,297
Common facilities							(640,595)	(506,363)
Finance costs							(112,574)	(43,771)
Income tax							(143,330)	(9,233)
Net profit							1,556,364	783,930
Property, plant and equipment	170,255	162,495	828,623	752,478	319,399	317,206	1,318,277	1,232,179
Other assets							19,618,315	10,977,577
Total assets							20,936,592	12,209,756
Segment liabilities	0	600	331,713	277,933	102,312	7,995	434,025	286,528
Non-segment liabilities							9,780,665	2,351,595
Total liabilities							10,214,690	2,638,123

### 39. TRANSACTION WITH RELATED PARTIES

The Company has significant transaction with related parties. These companies are related through common shareholding or co-shareholders or directorship. Those transaction are determined in the normal course of business as similar to other parties.

As at December 31, 2017 and 2016, the significant transaction with related parties are as follows :

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016	2017	2016
<b>Assets/Liabilities</b>				
Trade and other current receivables	219,155,460.57	172,457,582.50	212,815,614.91	172,457,582.50
Hire purchase receivables	82,814,641.59	0.00	82,814,641.59	0.00
Trade and other current payables	188,644,607.52	163,090,204.96	188,536,353.08	163,090,204.96
Cash received in advance and guarantees	161,213,302.54	56,750,796.96	161,213,302.54	56,750,796.96

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Pricing policy
	2017	2016	
<b>Revenues</b>			
Electricity and steam income	1,567,484,954.52	1,550,963,470.85	Electricity price not exceed selling price of Provincial Electricity Authority Steam price not less than purchasing price of Saha Cogen (Chonburi) Plc.
Rental income	128,040,375.72	120,907,089.79	Based on location and cost of investment
Facility income	90,304,889.53	82,035,516.22	At the rate in agreement applicable to other customers
Royalties income	68,253,135.49	79,101,132.28	At rate of 3.5-8% of net sale volume
Exhibition income	55,101,296.25	51,073,045.20	Cost plus margin
Water income	61,966,660.20	64,962,840.53	Not exceed selling price of Provincial Waterworks Authority
Commission income	33,709,879.94	0.00	At the price in agreement
Other income	30,570,609.26	32,680,516.41	At the rate in agreement by considering from service nature, amount, periods and cost of service
Financial lease interest income	22,260,872.54	0.00	Based on agreed rate
Waste water treatment income	28,412,650.47	29,943,857.89	At the rate in agreement depending on the nature and waste water quantity
Consulting income	20,048,267.93	18,306,957.50	At the agreed rate based on the nature of service
Export services income	2,595,500.00	0.00	At the price in agreement
Guarantee income	2,252,168.49	784,148.48	At rate of 0.5 - 1% of guarantee
Sales of real estate and under contract to buy and to sell	202,623,750.00	73,000,000.00	At the rate indicated in agreement



### 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

(Unit : Baht)

	Separate financial statements		Pricing policy
	2017	2016	
<b>Revenues</b>			
Electricity and steam income	1,567,484,954.52	1,550,963,470.85	Electricity price not exceed selling price of Provincial Electricity Authority Steam price not less than purchasing price of Saha Cogen (Chonburi) Plc.
Rental income	128,040,375.72	120,907,089.79	At the rate in agreement based on the location and cost of investment
Facility income	90,304,889.53	82,035,516.22	At the rate in agreement applicable to other customers
Royalties income	68,253,135.49	79,101,132.28	At rate of 3.5-8% of net sale volume
Exhibition income	55,101,296.25	51,073,045.20	Cost plus margin
Water income	61,966,660.20	64,962,840.53	Not exceed selling price of Provincial Waterworks Authority
Other income	30,570,609.26	32,680,516.41	At the rate in agreement by considering from service nature, amount, periods and cost of service
Financial lease interest income	22,260,872.54	0.00	Based on agreed rate
Waste water treatment income	28,412,650.47	29,943,857.89	At the rate in agreement based on the nature and waste water quantity
Consulting income	20,048,267.93	18,306,957.50	At the agreed rate based on the nature of service
Guarantee income	2,252,168.49	784,148.48	At rate of 0.5 - 1% of guarantee
Sales of real estate and under contract to buy and to sell	202,623,750.00	73,000,000.00	At the rate indicated in agreement

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016	2017	2016
Dividend income	263,383,711.25	355,877,635.42	1,045,939,003.15	865,193,235.72

For the years ended December 31, 2017 and 2016, electricity and steam income were received from related parties of amount of Baht 1,567.48 million and Baht 1,550.96 million, and received from other companies amount of Baht 176.07 million and Baht 168.75 million, totaling Baht 1,743.55 million and Baht 1,719.71 million respectively.



## 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Pricing policy
	2017	2016	
<b>Expenses</b>			
Cost of electricity and steam	1,724,073,316.68	1,711,928,859.33	Electricity cost at the rate of Provincial Electricity Authority less discount rate Steam cost at the rate in agreement
Construction	191,174,250.07	81,170,611.97	Based on plan, size of building, materials and decoration technical
Other expenses	89,884,878.96	74,474,441.78	Based on market price closed to other servants in the same services line
Land development expenses	65,206,320.25	67,181,818.86	Based on market price closed to other servants in the same services line
Water filtration expenses	31,763,479.42	28,318,761.06	Based on market price closed to other servants in the same services line
Security expense	27,056,811.03	27,002,958.90	At the rate in agreement reference to number of security guards, time and area of service
Interest of convertible debentures	11,891,670.58	0.00	Based on debenture's term to maturity and the company's credit rating (AA)
Waste water treatment	26,913,590.28	22,891,227.40	At the rate in agreement and actual quantity used of equipment, normal market price
Analysis water expenses	8,047,596.50	7,153,473.00	Based on market price closed to other servants in the same services line
Exhibition expenses	3,831,839.66	3,278,324.63	Based on nature of work, quantity and periods of services
Electricity for Water filtration and water treatment	6,455,136.31	10,870,538.37	Based on the servant determined
Insurance premium	1,434,673.14	1,164,834.38	Based on market price closed to other servants in the same services line

(Unit : Baht)

Separate financial statements		Pricing policy	
	2017	2016	
Expenses			
Cost of electricity and steam	1,724,073,316.68	1,711,928,859.33	Electricity cost at the rate of Provincial Electricity Authority less discount rate Steam cost at the rate in agreement
Construction	191,174,250.07	81,170,611.97	Based on plan, size of building, materials and decoration technical
Other expenses	89,132,105.79	74,474,441.78	Based on market price closed to other servants in the same services line
Land development expenses	65,206,320.25	67,181,818.86	Based on market price closed to other servants in the same services line
Water filtration expenses	31,763,479.42	28,318,761.06	Based on market price closed to other servants in the same services line





### 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

(Unit : Baht)

	Separate financial statements		Pricing policy
	2017	2016	
<b>Expenses (Continued)</b>			
Security expense	27,056,811.03	27,002,958.90	At the rate in agreement reference to number of security guards, time and area of service
Interest of convertible debentures	11,891,670.58	0.00	Based on debenture's term to maturity and the company's credit rating (AA)
Waste water treatment	26,913,590.28	22,891,227.40	At the rate in agreement and actual quantity used of equipment, normal market price
Analysis water expenses	8,047,596.50	7,153,473.00	Based on market price closed to other servants in the same services line
Exhibition expenses	3,831,839.66	3,278,324.63	Based on nature of work, quantity and periods of services
Electricity for Water filtration and water treatment	6,455,136.31	10,870,538.37	Based on the servant determined
Insurance premium	1,434,673.14	1,164,834.38	Based on market price closed to other servants in the same services line

For the years ended December 31, 2017 and 2016, cost of electricity and steam amount of Baht 1,725.60 million and Baht 1,711.93 million respectively were paid to Saha Cogen (Chonburi) Public Company Limited, a related party and sold to related and other companies.

Fixed assets acquisition and disposal with related persons and parties for the three months and for the years ended December 31, 2017

(Unit : Baht)

	Consolidated and Separate financial statements	Financial statements in which the equity method is applied and Separate financial statements
	2017	2016
Vehicles disposal	434,579.44	1,400,000.00

Investment in securities with related persons and parties for the year end December 31, 2017 and 2016 are as follows :

(Unit : Baht)

	Consolidated and Separate financial statements	Financial statements in which the equity method is applied and Separate financial statements
	2017	2016
Purchase of securities	27,319,200.00	0.00
Disposal of securities	104,642,310.00	0.00

Directors' remuneration and management benefit expenses for the three months and for the years ended December 31, 2017 and 2016, are as follows :



## 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

(Unit : Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2017	2016	2017	2016
Short-term benefits	78,933,213.00	69,589,043.44	76,204,906.25	69,589,043.44
Long-term benefits	1,428,851.00	234,318.00	1,707,782.00	234,318.00
Total	80,362,064.00	69,823,361.44	77,912,688.25	69,823,361.44

## 39.1 Trade and other current receivables - related parties

As at December 31, 2017, the Company has trade and other receivables related parties from Consolidated financial statements and Separate financial statements 87 amount of Baht 219,155,460.57 and Baht 212,815,614.91 respectively. (As at December 31, 2016, 87 related parties amount of Baht 172,457,582.50) as detailed following :

(Unit : Baht)

		Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
		2017	2016	2017	2016
	Relationship				
1	THANULUX PLC.	A, E, F	7,011,483.65	7,042,365.75	7,011,483.65
2	THAI PRESIDENT FOODS PLC. (AFTER THE MERGER)	A, B, E, F	23,595,948.76	15,232,568.56	17,256,103.10
3	SAHACHOL FOOD SUPPLIES CO., LTD.	A, B, C, E, F	954,634.03	810,997.91	954,634.03
4	LION COPORATION (THAILAND) CO., LTD.	A, B, E, F	61,443,387.66	13,372,756.79	61,443,387.66
5	TOP TREND MANUFACTURING CO., LTD.	A, B, E, F	5,009,370.60	4,622,210.45	5,009,370.60
6	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	3,740,303.78	4,019,689.30	3,740,303.78
7	BUTIQUE NEWCITY PLC.	A, E, F	1,452,310.79	1,845,826.30	1,452,310.79
8	PATTAYA MANUFACTURING CO., LTD.	A, B, E	977,291.82	1,187,346.51	977,291.82
9	THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	19,436,005.70	19,740,500.34	19,436,005.70
10	THAI SHIKIBO CO., LTD.	A, B, E	6,207.98	6,010,064.27	6,207.98
11	JANOME (THAILAND) CO., LTD.	A, B, E	1,334,486.27	1,423,291.19	1,334,486.27
12	BANGKOK TOKYO SOCKS CO., LTD.	A, B, E	2,054,460.94	1,936,677.64	2,054,460.94
13	RACHA UCHINO CO., LTD.	A, B, E	3,718,570.09	4,501,755.38	3,718,570.09
14	THAI ARAI CO., LTD.	A, B, E	7,111,053.09	6,386,482.13	7,111,053.09
15	SSDC (TIGERTEX) CO., LTD.	A, B, E	908,906.31	809,577.31	908,906.31
16	THAI LOTTE CO., LTD.	A, E	22,718.27	945,680.43	22,718.27
17	THAI KAMAYA CO., LTD.	E	2,623,959.89	2,687,606.16	2,623,959.89
18	OSOTH INTER LABORATORIES CO., LTD.	A, B, E	1,530,900.60	1,280,021.31	1,530,900.60
19	THAI ASAHI KASEI SPANDEX CO., LTD.	A, E	16,085,851.79	15,133,249.16	16,085,851.79
20	I.C.C. INTERNATIONAL PLC.	A, B, E, F	5,779,182.61	10,026,987.59	5,779,182.61
21	KABIN PHATTHANAKIJ CO., LTD.	B, E	534,015.53	539,783.51	534,015.53
22	KENMIN FOOD (THAILAND) CO., LTD.	A, E	2,586,393.65	2,339,277.90	2,586,393.65
23	TOYO TEXTILE THAI CO., LTD.	A, B, E	1,372,057.64	886,430.12	1,372,057.64
24	TEXTILE PRESTIGE PLC.	A, B, E	3,105,467.93	3,128,736.15	3,105,467.93
25	MOLTEN (THAILAND) CO., LTD.	A, E, F	2,153,866.27	2,134,271.72	2,153,866.27
26	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	A, E, F	4,067,350.35	3,894,553.76	4,067,350.35





### 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

#### 39.1 Trade and other current receivables - related parties (Continued)

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
Relationship						
27	SAHA SEHWA CO., LTD.	A, B, E	3,712,062.94	3,394,698.36	3,712,062.94	3,394,698.36
28	ST (THAILAND) CO., LTD.	A, B, C, E, F	617,664.65	615,776.02	617,664.65	615,776.02
29	FIRST UNITED INDUSTRY CO., LTD.	A, B, E, F	628,613.88	642,841.90	628,613.88	642,841.90
30	EXACT Q CO., LTD.	B, E	762,785.17	592,338.20	762,785.17	592,338.20
31	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	A, B, E	21,718,028.34	20,566,081.46	21,718,028.34	20,566,081.46
32	PEOPLES GARMENT PLC.	A, B, E, F	45,305.08	2,175,431.36	45,305.08	2,175,431.36
33	SRIRACHA AVEATION CO., LTD.	A, B, E, F	923,188.52	672,585.34	923,188.52	672,585.34
34	CARBON MAGIC (THAILAND) CO., LTD.	A, B, E	1,607,966.16	1,271,817.35	1,607,966.16	1,271,817.35
35	THAILAND SILICATE CHEMICAL CO., LTD.	E, F	2,947,797.67	2,536,851.81	2,947,797.67	2,536,851.81
36	A TECH TEXTILES CO., LTD.	A, C, E	1,697,612.78	1,781,827.62	1,697,612.78	1,781,827.62
37	NIPPON TEI SATO CO., LTD.	A, B, E	630,096.88	276,529.01	630,096.88	276,529.01
38	WACOAL SIRACHA CO., LTD. (formaly named SR.W.GARMENT CO., LTD.	B, E	522,032.03	487,436.01	522,032.03	487,436.01
39	Other related parties		4,726,120.47	5,504,660.42	4,726,120.47	5,504,660.42
Total			219,155,460.57	172,457,582.50	212,815,614.91	172,457,582.50

#### 39.2 Hire purchase receivables

As at December 31, 2017, the Company has hire purchase receivables from 16 related parties amount of Baht 82,814,641.59 as detailed following :

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
Relationship						
1	THAI PRESIDENT FOODS PLC. (AFTER THE MERGER)	A, B, E, F	1,376,329.30	0.00	1,376,329.30	0.00
2	PRESIDENT BAKERY PLC.	A, B, E, F	36,477,311.91	0.00	36,477,311.91	0.00
3	PITAKKIJ CO., LTD.	A, B, C, E, F	3,226,484.25	0.00	3,226,484.25	0.00
4	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	7,348,624.69	0.00	7,348,624.69	0.00
5	SEINO SAHA LOGISTICS CO., LTD.	A, B, E	3,247,164.59	0.00	3,247,164.59	0.00
6	KABIN PHATTHANAKIJ CO., LTD.	B, E	1,320,038.85	0.00	1,320,038.85	0.00
7	PENS MARKETING AND DISTRIBUTION CO., LTD.	A, E, F	2,199,207.03	0.00	2,199,207.03	0.00
8	PTK MULTI SERVICE CO., LTD.	B, E	677,391.54	0.00	677,391.54	0.00
9	THAI SUN FOODS CO., LTD.	A, B, E, F	25,886,356.44	0.00	25,886,356.44	0.00
10	DAI ICHI PACKAGING CO.,LTD.	E, F	596,253.63	0.00	596,253.63	0.00
11	Other related parties		459,479.36	0.00	459,479.36	0.00
Total			82,814,641.59	0.00	82,814,641.59	0.00



## 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

## 39.3 Trade and other current payables - related parties

As at December 31, 2017, the Company has trade and other current payables related parties from Consolidated financial statements and Separate financial statements 95 amount of Baht 188,644,607.52 and Baht 188,536,353.08 respectively. (As at December 31, 2016, 15 related parties amount of Baht 163,090,204.96) as detailed following :

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
	Relationship					
1	PITAKKIJ CO., LTD.	A, B, C, E, F	8,533,562.04	5,452,590.92	8,533,562.04	5,452,590.92
2	SAHACHOL FOOD SUPPLIES CO., LTD.	A, B, E	139,397,506.24	136,524,364.23	139,397,506.24	136,524,364.23
3	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	32,606,511.48	5,326,720.72	32,606,511.48	5,326,720.72
4	PTK MULTISERVICE CO., LTD.	B, E	6,626,636.23	14,557,458.62	6,626,636.23	14,557,458.62
5	Other related parties		1,480,391.53	1,229,070.47	1,372,137.09	1,229,070.47
Total			<u>188,644,607.52</u>	<u>163,090,204.96</u>	<u>188,536,353.08</u>	<u>163,090,204.96</u>

## 39.4 Cash received in advance and guarantees

As at December 31, 2017, the Company has cash received in advance and guarantees related parties from Consolidated financial statements and Separate financial statements 54 amount of Baht 161,213,302.54 (As at December 31, 2016, 48 related parties amount of Baht 56,750,796.96) as detailed following :

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
	Relationship					
1	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	4,492,120.00	4,492,120.00	4,492,120.00	4,492,120.00
2	TOP TREND MANUFACTURING CO., LTD.	A, B, E, F	578,911.53	596,494.13	578,911.53	596,494.13
3	THAI CUBIC TECHNOLOGY CO., LTD.	A, B, E, F	0.00	1,976,400.00	0.00	1,976,400.00
4	THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	6,240,008.09	6,066,260.45	6,240,008.09	6,066,260.45
5	THAI LOTTE CO., LTD.	A, E	656,100.00	656,100.00	656,100.00	656,100.00
6	THAI ARAI CO., LTD.	A, B, E	6,206,960.00	6,206,960.00	6,206,960.00	6,206,960.00
7	FIRST UNITED INDUSTRY CO., LTD.	A, B, E, F	7,198,275.00	7,198,275.00	7,198,275.00	7,198,275.00
8	ST (THAILAND) CO., LTD.	A, B, C, E, F	1,539,399.00	1,539,399.00	1,539,399.00	1,539,399.00
9	KABIN PHATTHANAKIJ CO., LTD.	B, E	1,167,010.00	1,167,000.00	1,167,010.00	1,167,000.00
10	THAI KOBASHI CO., LTD.	A, E	1,603,800.00	1,603,800.00	1,603,800.00	1,603,800.00
11	SAHA SEHWA CO., LTD.	A, B, E	1,305,618.30	994,578.30	1,305,618.30	994,578.30
12	TSURUHA (THAILAND) CO., LTD.	A, B, C, E, F	1,024,400.00	1,024,400.00	1,024,400.00	1,024,400.00
13	BNC MAESOT CO., LTD.	A, B, E	510,040.00	510,040.00	510,040.00	510,040.00
14	CARBON MAGIC (THAILAND) CO., LTD.	A, B, E	15,403,093.75	17,442,718.75	15,403,093.75	17,442,718.75
15	THAI SECOM SECURITY CO., LTD. (formally named THAI SECOM PITAKKIJ CO., LTD.)	A, B, E	900,000.00	900,000.00	900,000.00	900,000.00
16	KENMIN FOOD (THAILAND) CO., LTD.	A, E	72,391,529.75	16,263.12	72,391,529.75	16,263.12
17	TEXTILE PRESTIGE PLC.	A, B, E	29,925,553.49	39,386.82	29,925,553.49	39,386.82
18	LION COPORATION (THAILAND) CO., LTD.	A, B, E, F	3,879,040.00	4,000.00	3,879,040.00	4,000.00
19	MAESOT SAKAE LACE CO., LTD.	A, B, E	1,047,957.50	0.00	1,047,957.50	0.00
20	NIPPON TEI SATO CO., LTD.	A, B, E	644,000.00	0.00	644,000.00	0.00
21	Other related parties		4,499,486.13	4,316,601.39	4,499,486.13	4,316,601.39
Total			<u>161,213,302.54</u>	<u>56,750,796.96</u>	<u>161,213,302.54</u>	<u>56,750,796.96</u>





### 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

#### 39.5 Revenues

In 2017 the Company had revenues of companies and individuals in the financial statements related from consolidated financial statements and Separate financial 155 amount of Baht 2,540,703,377.65 and Baht 3,323,258,669.55 respectively. (In 2016, 133 related parties amount of Baht 2,459,636,210.57 and Baht 2,968,951,810.87 respectively) as detailed following :

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
Relationship			2017	2016	2017	2016
1	THANULUX PLC.	A, E, F	44,771,406.63	43,169,196.57	68,759,103.63	64,334,811.57
2	THAI PRESIDENT FOODS PLC. (BEFORE THE MERGER)	A, B, E, F	140,601,507.16	175,866,918.68	339,727,813.56	363,195,605.48
3	THAI PRESIDENT FOODS PLC. (AFTER THE MERGER)	A, B, E, F	49,556,121.13	0.00	49,556,121.13	0.00
4	THAI WACOAL PLC.	A, B, E, F	5,229,448.64	4,661,253.43	38,395,698.64	32,725,003.43
5	SAHA PATHANAPIBUL PLC.	A, B, E, F	4,142,449.33	4,099,873.60	122,942,566.33	76,699,945.10
6	I.C.C. INTERNATIONAL PLC.	A, B, E, F	44,182,889.39	49,026,916.85	119,339,575.39	117,648,238.85
7	HOOVER INDUSTRY (THAILAND) CO., LTD.	A, B, E, F	284,566.00	284,362.00	22,924,166.00	19,528,022.00
8	PITAKKIJ CO., LTD.	A, B, C, E, F	10,898,259.75	3,156,951.58	11,233,459.75	3,492,151.58
9	THAI ITOKIN CO., LTD.	A, B, C, E	435,477.23	446,231.40	435,477.23	446,231.40
10	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	5,732,621.87	3,712,920.71	6,532,621.87	4,512,920.71
11	SAHACHOL FOOD SUPPLIES CO., LTD.	A, B, C, E, F	10,064,846.68	9,058,979.64	10,064,846.68	9,058,979.64
12	FIRST UNITED INDUSTRY CO., LTD.	A, B, E, F	37,788,543.52	38,195,779.24	41,166,003.52	41,573,239.24
13	LION COPORATION (THAILAND) CO., LTD.	A, B, E, F	156,483,013.46	133,992,888.31	296,667,493.46	213,228,888.31
14	INTERNATIONAL LABORATORIES CO., LTD.	A, B, E, F	1,536,000.00	1,568,500.00	22,536,000.00	25,568,500.00
15	SHALDAN (THAILAND) CO., LTD.	E	2,697,304.43	2,024,207.77	2,697,304.43	2,024,207.77
16	ST (THAILAND) CO., LTD.	A, B, C, E, F	13,624,066.76	13,899,603.28	14,129,941.76	14,405,478.28
17	TOP TREND MANUFACTURING CO., LTD.	A, B, E, F	60,671,896.27	62,470,269.97	62,111,896.27	62,470,269.97
18	SAHAPAT REAL ESTATE CO., LTD.	A, B, C, E, F	1,191,568.86	1,846.50	1,191,568.86	1,001,846.50
19	SEINO SAHA LOGISTICS CO., LTD.	A, B, E	1,309,388.44	524,895.34	1,309,388.44	1,464,895.34
20	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	96,399,778.06	94,026,622.03	96,399,778.06	94,026,622.03
21	O.C.C. PLC.	A, B, E, F	7,673,925.74	7,557,240.79	7,673,925.74	7,557,240.79
22	BANGKOK RUBBER PLC.	A, E	638,172.00	1,839,292.00	638,172.00	1,839,292.00
23	BOUTIQUE NEWCITY PLC.	A, E, F	7,801,742.21	7,913,666.45	7,801,742.21	7,913,666.45
24	PAN ASIA FOOTWEAR PLC.	A, B, E	751,057.60	693,128.60	751,057.60	693,128.60
25	SAHACOGEN (CHONBURI) PLC.	A, B, E	30,883,120.56	25,196,405.98	30,883,120.56	25,196,405.98
26	BANGKOK ATHLETIC CO., LTD.	A, E, F	1,742,600.00	1,697,360.00	1,742,600.00	1,697,360.00
27	THAI TAKEDA LACE CO., LTD.	A, B, E	6,633,712.00	5,749,012.58	6,633,712.00	5,749,012.58
28	TOTAL WAY IMAGE CO., LTD.	A, E, F	1,153,363.57	2,142,120.56	1,153,363.57	2,142,120.56
29	THAI MONSTER CO., LTD.	A, E, F	554,641.74	650,730.57	554,641.74	650,730.57
30	PATTAYA MANUFACTURING CO., LTD.	A, B, E	7,912,865.14	8,298,580.57	7,912,865.14	8,298,580.57
31	THAI SUMSUNG ELECTRONICS CO., LTD.	A, B, E	327,764,405.30	323,103,556.02	327,764,405.30	323,103,556.02
32	THAI SHIKIBO CO., LTD.	A, B, E	51,662,551.24	75,968,006.58	51,662,551.24	75,968,006.58
33	THAI SECOM SECURITY CO., LTD. (formaly named THAI SECOM PITAKKIJ CO., LTD.)	A, B, E	4,213,647.90	111,534,195.09	22,735,227.40	111,534,195.09
34	BETTER WAY (THAILAND) CO., LTD.	A, B, E, F	82,455,340.00	86,188,450.00	82,455,340.00	86,188,450.00
35	JANOME (THAILAND) CO., LTD.	A, B, E	17,986,783.70	18,744,027.78	17,986,783.70	18,744,027.78



## 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

## 39.5 Revenues (Continued)

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
	Relationship					
36	BANGKOK TOKYO SOCKS CO., LTD.	A, B, E	24,342,123.10	23,819,646.64	24,342,123.10	23,819,646.64
37	THAI SPORT GARMENT CO., LTD.	A, B, E, F	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
38	RACHA UCHINO CO., LTD.	A, B, E	40,834,405.60	45,741,065.09	40,834,405.60	45,741,065.09
39	THAI STAFLEX CO., LTD.	A, B, E	6,691,224.00	6,522,966.22	6,691,224.00	6,522,966.22
40	THAI ARAI CO., LTD.	A, B, E	50,550,001.86	48,467,838.12	50,550,001.86	48,467,838.12
41	SSDC (TIGERTEX) CO., LTD.	A, B, E	12,985,498.40	14,615,565.05	12,985,498.40	14,615,565.05
42	THAI CUBIC TECHNOLOGY CO., LTD.	A, B, E, F	803,454.92	16,265,400.09	803,454.92	16,265,400.09
43	THAI LOTTE CO., LTD.	A, E	5,868,701.61	12,266,286.99	5,868,701.61	12,266,286.99
44	THAI KAMAYA CO., LTD.	E	30,876,486.05	27,375,883.41	30,876,486.05	27,375,883.41
45	OSOTH INTER LABORATORIES CO., LTD.	A, B, E	16,673,887.32	16,233,704.09	16,673,887.32	16,233,704.09
46	KEWPIE (THAILAND) CO., LTD.	A, B, E, F	5,466,500.00	4,940,000.00	5,466,500.00	4,940,000.00
47	THAI ASAHI KASEI SPANDEX CO., LTD.	A, E	196,061,186.94	190,986,002.70	196,061,186.94	190,986,002.70
48	SHISEDO PROFESSIONAL (THAILAND) CO., LTD.	A, E, F	1,289,400.00	1,808,100.00	1,289,400.00	1,808,100.00
49	H & B INTERTEX CO., LTD.	A, B, E, F	6,885,023.93	6,977,835.65	6,885,023.93	6,977,835.65
50	MBTS BROKING SERVICE CO., LTD.	A, E, F	3,318,360.00	2,438,800.00	3,318,360.00	2,438,800.00
51	SAHACOGEN GREEN CO., LTD.	B, E	3,299,359.70	2,479,222.48	3,299,359.70	2,479,222.48
52	LION CORPORATION (JAPAN)	A, E	1,371,596.21	977,233.73	1,371,596.21	977,233.73
53	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	A, E, F	51,352,950.19	50,400,292.35	51,352,950.19	50,400,292.35
54	INTERNATIONAL LEATHER FASHION CO., LTD.	A, B, E, F	3,764,465.94	3,890,380.25	3,764,465.94	3,890,380.25
55	NEW CITY (BANGKOK) PLC.	A, B, E, F	1,630,102.36	1,689,847.60	1,630,102.36	1,689,847.60
56	PEOPLES GARMENT PLC.	A, B, E, F	2,443,569.48	6,055,632.29	2,443,569.48	6,055,632.29
57	TEXTILE PRESTIGE PLC.	A, B, E	49,709,861.14	68,244,281.89	49,709,861.14	68,244,281.89
58	NEW PLUS KNITTING PLC.	A, E, F	129,999.68	70,106,666.40	129,999.68	70,106,666.40
59	K.COMMERCIAL & CONSTRUCTION CO., LTD.	A, B, E, F	500,000.00	0.00	500,000.00	0.00
60	THAI TAKAYA CO., LTD.	A, E, F	2,542,356.77	5,438,997.34	2,542,356.77	5,438,997.34
61	MOLTEN (THAILAND) CO., LTD.	A, E, F	28,844,497.35	27,905,381.68	28,844,497.35	27,905,381.68
62	WIEN INTERNATIONAL CO., LTD.	A, B, E	1,082,500.00	1,343,800.00	1,082,500.00	1,343,800.00
63	SAHA SEHWA CO., LTD.	A, B, E	49,464,553.10	43,055,811.03	49,464,553.10	43,055,811.03
64	KENMIN FOOD (THAILAND) CO., LTD.	A, E	31,692,448.05	29,180,535.48	31,692,448.05	29,180,535.48
65	KABIN PHATTHANAKIJ CO., LTD.	B, E	16,362,521.48	15,260,216.78	16,362,521.48	15,260,216.78
66	EXACT Q CO., LTD.	B, E	8,580,661.47	9,782,446.21	8,580,661.47	9,782,446.21
67	TOYO TEXTILE THAI CO., LTD.	A, B, E	14,141,093.86	12,926,793.74	14,141,093.86	12,926,793.74
68	FAR EAST DDB PLC.	A, B, E, F	7,393,900.00	6,334,200.00	7,393,900.00	6,334,200.00
69	PRESIDENT RICE PRODUCT PLC. (BEFORE THE MERGER)	A, E, F	6,666,748.38	9,180,000.00	59,810,335.38	9,180,000.00
70	PRESIDENT BAKERY PLC.	A, B, E, F	20,830,727.74	20,706,272.00	89,791,181.74	20,706,272.00
71	CARBON MAGIC (THAILAND) CO., LTD.	A, B, E	25,446,761.91	25,596,286.22	25,446,761.91	25,596,286.22
72	THAI GUNZE CO., LTD.	A, B, E	2,249,680.60	2,316,188.68	2,249,680.60	2,316,188.68





### 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

#### 39.5 Revenues (Continued)

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
	Relationship					
73	TIGER DISTRIBUTION AND LOGISTICS CO., LTD.	A, B, E	1,500,000.00	2,250,000.00	1,500,000.00	2,250,000.00
74	THAI TOMADO CO., LTD.	A, E	1,144,847.31	1,199,943.89	1,144,847.31	1,199,943.89
75	THAI KOBASHI CO., LTD.	A, E	4,322,620.88	4,473,176.61	4,322,620.88	4,473,176.61
76	TREASURE HILLS CO., LTD.	A, B, E, F	2,584,429.00	2,677,570.09	2,584,429.00	2,677,570.09
77	UNITED UTILITY CO., LTD.	A, B, E, F	1,617,845.00	3,235,690.00	1,617,845.00	3,235,690.00
78	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	A, B, E	418,726,095.97	202,662,811.76	418,726,095.97	202,662,811.76
79	PEN MARKETING AND DISTRIBUTION CO., LTD.	A, E, F	2,076,292.96	714,000.00	2,076,292.96	714,000.00
80	CHOKCHAIPIBUL CO., LTD.	E, F	1,030,906.40	991,950.40	1,030,906.40	991,950.40
81	SAHA LAWSON CO., LTD.	A, B, E, F	2,381,595.79	1,622,200.76	2,381,595.79	1,622,200.76
82	TSURUHA (THAILAND) CO., LTD.	A, B, C, E, F	5,176,916.44	4,285,527.78	5,176,916.44	4,285,527.78
83	SAHAPAT PROPERTIES CO., LTD.	A, B, E, F	3,777.00	2,730.00	213,777.00	527,730.00
84	SRIRACHA AVEATION CO., LTD.	A, B, E, F	4,275,981.00	3,953,241.56	4,275,981.00	3,953,241.56
85	MODERN TECHNOLOGY COMPONENT CO., LTD.	B, E	6,581,872.00	6,526,880.00	6,581,872.00	6,526,880.00
86	BNC MAESOT CO., LTD.	A, B, E	2,355,012.75	2,285,138.40	2,355,012.75	2,285,138.40
87	GREEN LIFE MANAGEMENT CO., LTD.	A, B, E, F	3,433.50	-	1,203,433.50	1,200,000.00
88	THAI SILICATE CHEMICAL CO., LTD.	E, F	28,794,638.71	29,209,437.49	28,794,638.71	29,209,437.49
89	SUN 108 CO., LTD.	A, B, E, F	21,285,239.60	1,253,600.10	21,285,239.60	1,253,600.10
90	K.T.Y INDUSTRY CO., LTD.	A, B, E	5,212,612.00	550,704.82	5,212,612.00	550,704.82
91	PTK MULTISERVICE CO., LTD.	B, E	6,908,608.93	3,160,468.58	6,908,608.93	3,160,468.58
92	SINGER THAILAND PLC.	A, B, E	1,506,927.80	1,760,888.79	1,506,927.80	1,760,888.79
93	NIPPON TEI SATO CO., LTD.	A, B, E	2,658,339.06	2,680,747.84	2,658,339.06	2,680,747.84
94	WACOAL SIRACHA CO., LTD. (formaly named SR.W.GARMENT CO., LTD.	B, E	6,431,907.37	6,275,405.35	6,431,907.37	6,275,405.35
95	WBLP CO., LTD.	B, E	2,617,618.59	2,250,009.18	2,617,618.59	2,250,009.18
96	A TECH TEXTILES CO., LTD.	A, C, E	20,780,878.78	18,608,795.55	20,780,878.78	18,608,795.55
97	G TECH MATERIAL CO.,LTD.	A, E	893,741.25	638,595.22	893,741.25	638,595.22
98	BUNWATANACHOKE CO.,LTD.	B, E, F	558,500.00	465,000.00	558,500.00	465,000.00
99	ADVANTAGE FOOTWEAR CO.,LTD.	B, E	522,400.00	356,144.00	522,400.00	356,144.00
100	THAI SUN FOODS CO.,LTD.	A, B, E, F	7,162,423.66	124,500.00	7,162,423.66	124,500.00
101	UNIVERSE BEATY CO.,LTD.	B, E, F	1,733,391.87	0.00	1,733,391.87	0.00
102	MAESOT SAKAE LACE CO., LTD.	A, B, E	567,538.09	0.00	567,538.09	0.00
103	BANGKOK RUBBER DEVELOPMENT CENTER CO., LTD.	E, F	1,243,620.00	0.00	1,243,620.00	0.00
104	Other related parties		6,967,674.49	5,127,481.73	6,967,674.49	5,500,441.73
	Total		<u>2,540,703,377.65</u>	<u>2,459,636,210.57</u>	<u>3,323,258,669.55</u>	<u>2,968,951,810.87</u>



## 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

### 39.6 Cost of facility and services

In 2017 the Company has cost of facility and service and individuals related parties from consolidated financial statements and Separate financial 17 amount of Baht 1,894,829,473.57 (In 2016, 20 related parties amount of Baht 1,879,785,395.93) as detailed following :

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
	Relationship					
1	I.C.C. INTERNATIONAL PLC.	A, B, E, F	8,667.93	1,149,598.90	8,667.93	1,149,598.90
2	PITAKKI CO., LTD.	A, B, E	1,244,811.58	683,646.00	1,244,811.58	683,646.00
3	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	79,831,012.62	71,849,323.54	79,831,012.62	71,849,323.54
4	SAHACOGEN (CHONBURI) PLC.	A, B, E	1,730,528,452.99	1,721,732,003.46	1,730,528,452.99	1,721,732,003.46
5	PTK MULTISERVICE CO., LTD.	B, E	52,143,563.25	65,671,427.54	52,143,563.25	65,671,427.54
6	MBTS BROKING SERVICE CO., LTD.	A, E, F	1,280,787.67	523,868.64	1,280,787.67	523,868.64
7	KABIN PHATTHANAKIJ CO., LTD.	B, E	956,359.81	865,013.39	956,359.81	865,013.39
8	PITAKKI SECURITY GUARD CO,LTD	B, E	27,641,572.67	13,932,156.62	27,641,572.67	13,932,156.62
9	ENVIRONMENTAL TECHNOLOGY CONSULTANT CO., LTD.	B, E	0.00	2,011,600.00	0.00	2,011,600.00
10	Other related parties		1,194,245.05	1,372,157.84	1,194,245.05	1,372,157.84
Total			<u>1,894,829,473.57</u>	<u>1,879,790,795.93</u>	<u>1,894,829,473.57</u>	<u>1,879,790,795.93</u>

### 39.7 Construction expenses

In 2017 the Company has construction expenses and individuals related parties from consolidated financial statements and Separate financial 5 amount of Baht 191,174,250.07 (In 2016, 3 related parties amount of Baht 81,170,611.97) as detailed following :

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
	Relationship					
1	PITAKKI CO., LTD.	A, B, E, F	103,624,583.90	77,533,276.93	103,624,583.90	77,533,276.93
2	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	85,525,389.00	3,227,929.50	85,525,389.00	3,227,929.50
3	I.D.F. CO., LTD.	B, E	1,676,265.00	0.00	1,676,265.00	0.00
4	Other related parties		348,012.17	409,405.54	348,012.17	409,405.54
Total			<u>191,174,250.07</u>	<u>81,170,611.97</u>	<u>191,174,250.07</u>	<u>81,170,611.97</u>



### 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

#### 39.8 Other expenses

In 2017 the Company has other expenses and individuals related parties from consolidated financial statements and Separate financial 104 amount of Baht 101,023,776.38 (In 2016, 26 related parties amount of Baht 74,474,441.78) as detailed following :

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
	Relationship					
1	SAHA PATHANAPIBUL PLC.	A, B, E, F	5,482,786.34	3,204,440.47	5,482,786.34	3,204,440.47
2	I.C.C. INTERNATIONAL PLC.	A, B, E, F	5,352,766.23	2,904,473.54	5,352,766.23	2,904,473.54
3	PITAKKIJ CO., LTD.	A, B, C, E, F	5,213,842.47	4,279,287.29	5,213,842.47	4,279,287.29
4	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	16,385,421.01	12,962,694.05	16,385,421.01	12,962,694.05
5	SIN PARADORN CO., LTD.	B, E, F	265,829.05	1,320,000.00	265,829.05	1,320,000.00
6	PTK MULTISERVICE CO., LTD.	B, E	45,532,549.40	42,111,952.41	45,532,549.40	42,111,952.41
7	SRIRACHA AVEATION CO., LTD.	A, B, E, F	2,568,000.00	2,568,000.00	2,568,000.00	2,568,000.00
8	KABIN PHATTHANAKIJ CO., LTD.	B, E	3,080,758.82	2,265,040.87	3,080,758.82	2,265,040.87
9	TREASURE HILLS CO., LTD.	A, B, E, F	1,221,467.00	661,971.00	1,221,467.00	661,971.00
10	SAHAPAT PROPERTIES CO., LTD.	A, B, E, F	773,042.82	585,000.00	773,042.82	585,000.00
11	SAHACOGEN (CHONBURI) PLC.	A, B, E	4,343,734.58	0.00	4,343,734.58	0.00
12	PITAKKIJ SECURITY GUARD CO.,LTD	B, E	937,450.66	125,488.72	937,450.66	125,488.72
13	CHOKWATTANA CO., LTD.	B, E, F	2,355,646.14	0.00	2,355,646.14	0.00
14	BETTER WAY (THAILAND) CO., LTD.	A, B, E, F	1,070,136.97	0.00	1,070,136.97	0.00
15	WATSADORAMAI CO., LTD.	B, E, F	750,859.75	0.00	750,859.75	0.00
16	I.D.F. CO., LTD.	B, E	505,015.37	0.00	505,015.37	0.00
17	Other related parties		5,184,469.77	1,486,093.43	5,184,469.77	1,486,093.43
	Total		<u>101,023,776.38</u>	<u>74,474,441.78</u>	<u>101,023,776.38</u>	<u>74,474,441.78</u>

#### 39.9 Assets disposal

In 2017 the Company has assets disposal and individuals related parties from consolidated and separate financial statement 2 amount of Baht 434,579.44 (In 2016, 1 related party amount of Baht 1,400,000.00) as detailed following :

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
	Relationship					
1	SAHA PATHANAPIBUL PLC.	A, B, E, F	0.00	1,400,000.00	0.00	1,400,000.00
2	Other related parties		434,579.44	0.00	434,579.44	0.00
	Total		<u>434,579.44</u>	<u>1,400,000.00</u>	<u>434,579.44</u>	<u>1,400,000.00</u>

## 39. TRANSACTION WITH RELATED PARTIES (CONTINUED)

### 39.10 Buy of securitie

In 2017 the Company has buy of securitie and individuals related parties from consolidated financial statements and Separate financial 1 amount of Baht 27,319,200.00 as detailed following :

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
Relationship						
1	I.D.F. CO., LTD.	B, E	27,319,200.00	0.00	27,319,200.00	0.00
	Total		27,319,200.00	0.00	27,319,200.00	0.00

### 39.11 Disposal of securitie

In 2017 the Company has disposal of securitie and individuals related parties from consolidated financial statements and Separate financial 5 amount of Baht 104,642,310.00 as detailed following :

(Unit : Baht)

			Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2017	2016	2017	2016
Relationship						
1	I.C.C. INTERNATIONAL PLC.	A, B, E, F	7,350,710.00	0.00	7,350,710.00	0.00
2	THANULUX PLC.	A, E, F	2,753,280.00	0.00	2,753,280.00	0.00
3	BOON CAPITAL HOLDING CO., LTD.	A, B, E	74,700,000.00	0.00	74,700,000.00	0.00
4	I.D.F. CO., LTD.	B, E	10,696,860.00	0.00	10,696,860.00	0.00
5	SIN PARADORN CO., LTD.	B, E, F	9,141,460.00	0.00	9,141,460.00	0.00
Total			104,642,310.00	0.00	104,642,310.00	0.00

## 40. FINANCIAL INSTRUMENTS DISCLOSURE

### 40.1 Accounting policies

Significant accounting policies, recognition of measurement of each items of assets and liabilities are disclosed in note No. 3.

### 40.2 Management risk

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

### 40.3 Interest rate risk

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

### 40.4 Credit risk

The Company exposed to credit risk relating to trade accounts receivable which has a policy for providing credit since most of trade accounts receivable connected with the Company for a long time. The Company's management believes that there is no risk from debt payment of trade accounts receivable.

### 40.5 Exchange rate risk

The Company may have a risk from the fluctuation in foreign currencies exchange rate in its business of royalties, purchase of goods, investments in oversea in which the Company has not made the forward exchange contracts for hedging such exchange rate risk since the risk is minimum.



#### 40. FINANCIAL INSTRUMENTS DISCLOSURE (CONTINUED)

##### 40.6 Fair value of Financial instruments

Most of financial assets are classified as short-term and loans bear the market interest rate. The book value of financial assets and liabilities are close to their fair value. The management believes that there is no material risk financial instruments.

As at December 31, 2017 and 2016, the Company has financial assets and liabilities which have interest rate risk as follows :

Unit : Million Baht

	Consolidated financial statements				Financial statements in which the equity method is applied			
	2017				2016			
	Floating rate	Fixed rate	Non-interest rate	Total	Floating rate	Fixed rate	Non-interest rate	Total
<b>Financial assets</b>								
Cash and cash equivalents	92.40	-	6.35	98.75	101.28	-	2.85	104.13
Current investments	61.04	-	-	61.04	-	-	-	-
<b>Financial liabilities</b>								
Bank overdrafts and loans from financial institutions	4,080.00	-	-	4,080.00	560.00	-	-	560.00
Current portion of long-term debts	-	-	-	-	300.00	-	-	300.00
Long-term loans	-	-	-	-	900.00	-	-	900.00
Debentures	-	2,000.00	-	2,000.00	-	-	-	-
Convertible Debentures	-	2,999.77	-	2,999.77	-	-	-	-

Interest rate and maturity of financial instruments in the statements of financial position date as at December 31, 2017 and 2016, are as follows :

Unit : Million Baht

	Consolidated financial statements				Financial statements in which the equity method is applied					
	2017				2016					
	At call	Within 12 months	Over 12 months	Total	Interest rate	At call	Within 12 months	Over 12 months	Total	Interest rate
<b>Financial assets</b>										
Cash and cash equivalents	92.40	-	-	92.40	0.375% - 1.25%	101.28	-	-	101.28	0.375% - 1.25%
Current investments	61.04	-	-	61.04	1.65% - 1.75%	-	-	-	-	-
<b>Financial liabilities</b>										
Bank overdrafts and loans from financial institutions	-	4,080.00	-	4,080.00	fixed rate promissory note and the agreement	-	560.00	-	560.00	MOR - the fixed additional rate
Current portion of long-term debts	-	-	-	-	-	-	300.00	-	300.00	BIBOR+ the fixed additional rate
Long-term loans	-	-	-	-	-	-	-	900.00	900.00	BIBOR+ the fixed additional rate
Debentures	-	-	2,000.00	2,000.00	2.39%, 3.44%	-	-	-	-	-
Convertible Debentures	-	-	2,999.77	2,999.77	0.70%	-	-	-	-	-



As at December 31, 2017 and 2016, the Company has financial assets and liabilities which have interest rate risk as follows :

Unit : Million Baht

	2017				2016			
	Floating rate	Fixed rate	Non-interest rate	Total	Floating rate	Fixed rate	Non-interest rate	Total
<b>Financial assets</b>								
Cash and cash equivalents	85.99	-	5.29	91.28	101.28	-	2.85	104.13
<b>Financial liabilities</b>								
Bank overdrafts and loans from financial institutions	4,080.00	-	-	4,080.00	560.00	-	-	560.00
Current portion of long-term debts	-	-	-	-	300.00	-	-	300.00
Long-term loans	-	-	-	-	900.00	-	-	900.00
Debentures	-	2,000.00	-	2,000.00	-	-	-	-
Convertible Debentures	-	2,999.77	-	2,999.77	-	-	-	-

Interest rate and maturity of financial instruments in the statements of financial position date as at December 31, 2017 and 2016, are as follows :

Unit : Million Baht

	2017					2016				
	At call	Within 12 months	Over 12 months	Total	Interest rate	At call	Within 12 months	Over 12 months	Total	Interest rate
<b>Financial assets</b>										
Cash and cash equivalents	91.28	-	-	91.28	0.375% - 1.25%	101.28	-	-	101.28	0.375% - 1.25%
<b>Financial liabilities</b>										
Bank overdrafts and loans from financial institutions	-	4,080.00	-	4,080.00	fixed rate promissory note and the agreement	-	560.00	-	560.00	MOR - the fixed additional rate
Current portion of long-term debts	-	-	-	-	-	-	300.00	-	300.00	BIBOR+ the fixed additional rate
Long-term loans	-	-	-	-	-	-	-	900.00	900.00	BIBOR+ the fixed additional rate
Debentures	-	-	2,000.00	2,000.00	2.39%, 3.44%	-	-	-	-	-
Convertible Debentures	-	-	2,999.77	2,999.77	0.70%	-	-	-	-	-



## 41. FAIR VALUE MEASUREMENT

The Company use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available. There is no active market or when a quoted market price is not available.

### Fair value hierarchy

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

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

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

Level 3 : unobservable inputs for assets or liabilities.

As at December 31, 2017, the Company had the following assets that were measured at fair value using different levels of inputs as follows :

	(Unit : Baht)			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Available-for-sale investments :				
Investments in related parties	2,391,588,012.50	0.00	0.00	2,391,588,012.50
Other long-term investments	126,709,873.80	0.00	0.00	126,709,873.80
During the current period, there were no transfers within the fair value hierarchy.				

## 42. EVENTS AFTER THE REPORTING PERIOD

Accord to the minute of the Board of directors meeting No.12(set 24th ) held on March 12, 2018, an approval of proposal of dividend payment to shareholders at 0.55 bath per share totaling 494,034,300 shares with a total value of 271,718,865.00 bath.



### 43. CORRECTION AN ACCOUNTING RESTATEMENT

In 2017 the Company affiliates previously restated their financial statements resulting in a change in the Company financial statements as follows :

(Unit : Baht)

	Financial statements in which the equity method is applied		
	December 31, 2016		
	Before	Restated	After
Statements of financial position			
Investment in associates - By using equity method	15,027,767,484.41	110,711,845.04	15,138,479,329.45
Retained earning	16,682,579,339.57	111,692,051.34	16,794,271,390.91
Other compenents of equity	3,793,453,634.31	(980,206.30)	3,792,473,428.01

(Unit : Baht)

	Financial statements in which the equity method is applied		
	December 31, 2016		
	Before	Restated	After
Statement of comprehensive income			
Profit for the year	1,682,271,350.22	15,384,517.32	1,697,655,867.54
Other Comprehensive income (expense)for the year, net of tax	501,088,354.36	(1,877,463.90)	499,210,890.46

(Unit : Baht)

	Financial statements in which the equity method is applied		
	December 31, 2016		
	Before	Restated	After
Statements of financial position			
Investment in associates - By using equity method	13,638,773,794.45	97,204,791.62	13,735,978,586.07
Retained earning	15,177,778,024.67	96,764,400.82	15,274,542,425.49
Other compenents of equity	3,277,926,563.63	440,390.80	3,278,366,954.43

### 44. FINANCIAL STATEMENTS APPROVAL

These financial statements were approved and authorized for issue by the Company's Board of directors on March 12, 2018.



## Corporate Profile and Other Significant Matters

### 1. Corporate Profile

#### NAME AND OFFICE LOCATION

NAME	:	SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED
HEAD OFFICE	:	530 SOI SATHUPRADIT 58, BANGPONGPANG AREA, YANNAWA DISTRICT, BANGKOK 10120
TYPE OF BUSINESS	:	OPERATES IN 3 CATEGORIES: INVESTMENT IN SHARE CAPITAL, RENTAL AND SERVICE PROVIDER, AND INDUSTRIAL PARK
REGISTRATION NO.	:	0107537001340
TEL.	:	0-2293-0030
FAX.	:	0-2293-0040
HOMEPAGE	:	<a href="http://www.spi.co.th">http://www.spi.co.th</a>
E-MAIL ADDRESS	:	COMPANY SECRETARY <a href="mailto:darunee@spi.co.th">darunee@spi.co.th</a> INTERNAL AUDIT MANAGER <a href="mailto:pleanpit@spi.co.th">pleanpit@spi.co.th</a> PERSON IN CHARGE OF INVESTOR RELATIONS <a href="mailto:rattana@spi.co.th">rattana@spi.co.th</a> PERSON IN CHARGE OF CUSTOMER RELATIONS <a href="mailto:amphol@spi.co.th">amphol@spi.co.th</a> ASST. R&D PROJECT MANAGER <a href="mailto:omsin@spi.co.th">omsin@spi.co.th</a>
REGISTERED CAPITAL	:	582,923,188 BAHT OF REGISTERED CAPITAL CONSIST OF 582,923,188 ORDINARY SHARES AT PAR VALUE 1 BAHT
ISSUED AND PAID UP CAPITAL	:	494,034,300 BAHT CONSIST OF 494,034,300 SHARES AT PAR VALUE 1 BAHT
<u>BRANCH 1</u>	:	BRANCH OFFICE 999 MOO 11, TAMBON NONG-KHAM , SRIRACHA DISTRICT, CHON BURI PROVINCE 20230
TEL.	:	(038) 480-444
FAX	:	(038) 480-505
<u>BRANCH 2</u>	:	1 MOO 5, TAMBON NONG - SI , KABINBURI DISTRICT, PRACHINBURI PROVINCE 25110
TEL.	:	(037) 205-203-7
FAX	:	(037) 205-202
<u>BRANCH 3</u>	:	189 MOO 15, TAMBON PASAK , MUEANG LAMPHUN DISTRICT, LAMPHUN PROVINCE 51000
TEL.	:	(053) 584-072-4
FAX	:	(053) 584-080
<u>BRANCH 4</u>	:	196 MOO 11, TAMBON WANG — DAAN , KABINBURI DISTRICT, PRACHINBURI PROVINCE 25110
TEL.	:	(037) 290-345
FAX	:	(037) 290-345
<u>BRANCH 5</u>	:	269 MOO 15, TAMBON MAEKASA, MAE SOT DISTRICT, TAK PROVINCE 63110
TEL.	:	(055) 546-634
FAX	:	(055) 546-634



**BRANCH 6** : 1 MOO 6, TAMBON SURASAK , SRIRACHA DISTRICT,  
CHON BURI PROVINCE 20230

**TEL.** : (038) 338-444

**FAX** : (038) 480-505

#### OTHER REFERENCES

**SHARE REGISTRAR** : THAILAND SECURITIES DEPOSITORY CO.,LTD.  
THE STOCK EXCHANGE OF THAILAND BUILDING  
93 RATCHADAPHISEK ROAD, DINDAENG AREA, DINDAENG DISTRICT,  
BANGKOK 10400  
TEL. 0-2009-9000  
FAX. 0-2009-9991

**AUDITOR** : MISS SOMJINTANA PHOLHIRUNRAT, C.P.A.(THAILAND) REGISTRATION  
NO. 5599 AND/OR, MR. NOPPAROEK PISSANUWONG C.P.A. ( THAILAND)  
REGISTRATION NO. 7764 AND/OR, MISS. SUPHAPHORN MANGJIT  
ROJNUCKARIN, C.P.A. (THAILAND) REGISTRATION NO. 8125  
D I A INTERNATIONAL AUDIT CO., LTD  
16/32 SUKHUMVIT SOI 22, SUKHUMVIT ROAD, KLONGTOEY AREA,  
KLONGTOEY DISTRICT, BANGKOK 10110  
TEL.0-2259-5300  
FAX. 0-2260-1553

#### 2. Other Significant Matters

-None-



## INVESTMENT IN OTHER COMPANIES IN 2017 WHICH THE COMPANY HOLDS MORE THAN 10 % OF ISSUED SHARES

	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARES ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
<b>DISTRIBUTING COMPANIES</b>								
1	I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED	BANGKOK	CONSUMER PRODUCTS	ORDINARY	290,633,730	65,353,640	22.49	702,907,481.99
2	SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED	BANGKOK	CONSUMER PRODUCTS	ORDINARY	330,000,000	66,003,065	20.00	319,955,400.86
3	KYOSHUN CO., LTD.	JAPAN	AGENT	ORDINARY	600	110	18.33	1,997,600.00
4	BANGKOK ATHLETIC CO., LTD.	BANGKOK	SPORT WARE	ORDINARY	2,000,000	363,155	18.16	69,561,939.58
5	INTERNATIONAL COMMERCIAL CORDINATION LTD. (H.K)	HONGKONG	AGENT	ORDINARY	50,000	9,000	18.00	4,483,997.26
6	TIGER MK LOGISTICS (MY ANMAR) COMPANY LIMITED	MYANMAR	DISTRIBUTOR	ORDINARY	30,000	5,400	18.00	1,781,720.00
7	NEW CITY (BANGKOK) PUBLIC COMPANY LIMITED	BANGKOK	CONSUMER PRODUCTS	ORDINARY	14,951,000	2,317,738	15.50	43,120,478.00
8	TSURUHA (THAILAND) CO., LTD.	BANGKOK	RETAILS STORE	ORDINARY	250,000	37,500	15.00	60,000,000.00
9	WORLD SAHA FASHION CO., LTD.	BANGKOK	PRODUCTION AND DISTRIBUTION MENSWEAR	ORDINARY	50,000	7,500	15.00	7,500,000.00
10	PT. TRINITY LUXTRO	INDONESIA	AGENT	ORDINARY	120,000	18,000	15.00	5,861,700.00
11	O.C.C. PUBLIC COMPANY LIMITED	BANGKOK	CONSUMER PRODUCTS	ORDINARY	60,000,000	7,635,000	12.73	12,215,983.30
12	MORGAN DE TOI (THAILAND) CO., LTD.	BANGKOK	DISTRIBUTOR	ORDINARY	400,000	48,000	12.00	4,800,000.00
13	WIEN INTERNATIONAL CO., LTD.	BANGKOK	DIRECT SALE	ORDINARY	300,000	36,000	12.00	3,600,000.00
14	BETTER WAY (THAILAND) CO., LTD.	BANGKOK	DIRECT SALE	ORDINARY	10,000,000	1,177,362	11.77	11,773,620.00
15	SUN 108 CO., LTD.	BANGKOK	DISTRIBUTOR	ORDINARY	30,000,000	3,000,000	10.00	30,000,000.00
<b>TOTAL</b>								<b>1,279,559,920.99</b>
<b>MANUFACTURING COMPANIES</b>								
1	THAI HOOVER INDUSTRY CO., LTD.	SAMUTPRAKARN	PLASTIC PRODUCTS	ORDINARY	600,000	201,496	33.58	20,149,600.00
2	THAI ITOKIN CO., LTD.	BANGKOK	GARMENT	ORDINARY	1,400,000	449,500	32.11	58,152,029.69
3	SAHACHOL FOOD SUPPLIES CO., LTD.	CHOLBURI	AGRICULTURE PRODUCTS	ORDINARY	3,250,000	854,830	26.30	148,407,884.00
4	THAI PRESIDENT FOODS PUBLIC COMPANY LIMITED	BANGKOK	INSTANT NOODLES AND BISCUITS	ORDINARY	329,704,014	82,623,102	25.06	3,180,573,043.07
5	INTERNATIONAL LABORATORIES CORP LTD.	BANGKOK	COSMETICS	ORDINARY	12,000,000	3,000,000	25.00	165,000,000.00
6	LION CORPORATION (THAILAND) LTD.	BANGKOK	DETERGENT	ORDINARY	3,000,000	744,000	24.80	74,400,000.00
7	THANULUX PUBLIC COMPANY LIMITED	BANGKOK	GARMENT & ARTIFICIAL LEATHER	ORDINARY	120,000,000	28,220,820	23.52	28,688,920.22
8	PRESIDENT BAKERY PLC.	BANGKOK	BAKERY	ORDINARY	450,000,000	97,127,400	21.58	5,758,392,324.00
9	THAI WACOAL PUBLIC COMPANY LIMITED	BANGKOK	LINGERIES	ORDINARY	120,000,000	25,512,500	21.26	63,545,155.00
10	TOP TREND MANUFACTURING CO., LTD.	CHOLBURI	PLASTIC PRODUCTS	ORDINARY	1,200,000	240,000	20.00	47,625,000.00
11	SSDC (TIGERTEX) CO., LTD.	PRACHINBURI	SPINING	ORDINARY	32,400,000	6,385,170	19.71	76,609,202.82
12	BANGKOK TOKYO SOCKS CO., LTD.	BANGKOK	SOCKS	ORDINARY	1,432,200	280,000	19.55	26,764,312.50
13	TOTAL WAY IMAGE CO., LTD.	BANGKOK	ARTIFICIAL LEATHER	ORDINARY	200,000	38,998	19.50	6,246,583.44
14	THAI MONSTER CO., LTD.	BANGKOK	GARMENT	ORDINARY	50,000	9,750	19.50	5,906,141.75
15	G TECH MATERIAL CO.,LTD.	BANGKOK	COMPONENTS LINGERIE	ORDINARY	3,000,000	570,000	19.00	57,000,000.00
16	A TECH TEXTILE CO.,LTD.	BANGKOK	COMPONENTS LINGERIE	ORDINARY	10,000,000	1,900,000	19.00	190,000,000.00
17	H&B INTERTEX CO., LTD.	BANGKOK	TOYS	ORDINARY	400,000	76,000	19.00	7,600,000.00



	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARES ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
18	S.T. (THAILAND) CO.,LTD	CHOLBURI	RUBBER GLOVE	ORDINARY	1,420,000	266,250	18.75	26,625,000.00
19	SAHA NAM TEXTILE CO., TLD.	BANGKOK	TEXTILES	ORDINARY	360,000	64,800	18.00	7,747,488.00
20	CHAMP ACE CO., LTD.	BANGKOK	GARMENT	ORDINARY	400,000	68,000	17.00	6,800,000.00
21	SAHACOGEN (CHONBURI) PUBLIC COMPANY LIMITED	CHOLBURI	ELECTRIC CURRENT	ORDINARY	955,000,000	160,507,132	16.81	321,685,407.99
22	BNC REAL ESTATE CO., LTD.	BANGKOK	REAL ESTATE	ORDINARY	2,400,000	400,000	16.67	40,000,000.00
23	ERAWAN TEXTILES CO., LTD.	SAMUTPRAKARN	TEXTILES	ORDINARY	6,214,634	996,795	16.04	126,256,111.36
24	S&J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED	BANGKOK	COSMETICS	ORDINARY	149,930,828	24,016,071	16.02	150,691,632.29
25	PATTAYA MANUFACTURING CO., LTD.	BANGKOK	LINGERIES	ORDINARY	3,000,000	480,000	16.00	4,922,582.50
26	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	CHOLBURI	RUBBER PART FOR CAR	ORDINARY	1,200,000	187,200	15.60	18,720,000.00
27	GENERAL GLASS CO., LTD.	CHOLBURI	GLASS	ORDINARY	14,500,000	2,175,000	15.00	34,339,805.49
28	TOYO TEXTILE THAI CO., LTD.	BANGKOK	SOCKS	ORDINARY	300,000	45,000	15.00	4,500,000.00
29	THAI KOBASHI CO., LTD.	CHOLBURI	PAPER BOXES	ORDINARY	1,000,000	150,000	15.00	15,000,000.00
30	THAI SPORT GARMENT CO., LTD.	BANGKOK	GARMENT	ORDINARY	100,000	15,000	15.00	1,500,000.00
31	EASTERN RUBBER CO., LTD.	CHOLBURI	RUBBER PRODUCTS	ORDINARY	300,000	45,000	15.00	4,500,000.00
32	AMERICAN FOOD CO.,LTD.	PRATHUM THANI	BUD'S ICE CREAM	ORDINARY	14,000,000	2,100,000	15.00	21,000,000.00
33	THAI ARAI CO., LTD.	CHOLBURI	CAR ACCESSORIES	ORDINARY	1,260,000	185,850	14.75	19,202,504.36
34	KENMIN FOOD (THAILAND) CO., LTD.	BANGKOK	RICE NOODLE	ORDINARY	330,000	47,000	14.24	32,537,000.00
35	INTERNATIONAL LEATHER FASHION CO., LTD.	BANGKOK	LEATHER	ORDINARY	500,000	70,000	14.00	7,000,000.00
36	PEOPLE'S GARMENT PUBLIC COMPANY LIMITED	BANGKOK	GARMENT	ORDINARY	96,000,000	13,228,666	13.78	56,886,983.49
37	RACHA UCHINO CO., LTD.	SAMUTPRAKARN	COTTON TOWELS	ORDINARY	1,215,000	150,828	12.41	10,080,960.00
38	TEXTILE PRESTIGE PUBLIC COMPANY LIMITED	BANGKOK	LACE	ORDINARY	108,000,000	12,993,750	12.03	12,993,750.00
39	MOLTEN (THAILAND) CO., LTD.	CHOLBURI	SPORTS (BALL)	ORDINARY	1,000,000	120,000	12.00	12,000,000.00
40	THAI GUNZE CO., LTD.	PRACHINBURI	MEN'S UNDERWARE	ORDINARY	1,800,000	198,000	11.00	19,800,000.00
41	SAHA SEHWA CO., LTD.	CHOLBURI	PLASTIC PRODUCTS	ORDINARY	14,500,000	1,525,000	10.52	15,250,000.00
42	KEWPIE (THAILAND) CO., LTD.	BANGKOK	SEASONING	ORDINARY	2,600,000	260,000	10.00	26,000,000.00
43	TOYOBO SAHA SAFELY WEAVE CO.,LTD.	SAMUTPRAKARN	AIRBAG TEXTILE	ORDINARY	10,000,000	1,000,000	10.00	100,000,000.00
44	THAI SHIKIBO CO., LTD.	CHOLBURI	SPINING	ORDINARY	2,375,000	237,600	10.00	23,760,000.00
45	THAI TAKAYA CO., LTD.	BANGKOK	GARMENT	ORDINARY	300,000	30,000	10.00	3,000,000.00
46	THAI TOMADO CO., LTD.	CHOLBURI	ALUMINIUM SASH	ORDINARY	200,000	20,000	10.00	2,000,000.00
47	THAI STAFLEX CO., LTD.	BANGKOK	LINING	ORDINARY	600,000	60,000	10.00	6,000,000.00
48	U.C.C. UESHIMA COFFEE (THAILAND) CO., LTD.	BANGKOK	CANNED BEVERAGE	ORDINARY	150,000	15,000	10.00	1,500,000.00
49	THAI PRESIDENT FOODS (Hungary) Kft.	HANGARY	INSTANT NOODLES	ORDINARY			10.00	32,182,363.55
<b>TOTAL</b>								<b>11,079,541,785.52</b>





	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARES ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
<b>OTHERS COMPANIES</b>								
1	PRESIDENT INTERFOODS CO.,LTD.	BANGKOK	AGENCY	ORDINARY	300,000	153,000	51.00	12,321,654.00
2	SAHAPAT REAL ESTATE CO. LTD.	BANGKOK	REAL ESTATE DEVELOPMENT	ORDINARY	36,000,000	14,400,000	40.00	165,000,000.00
3	EASTERN THAI CONSULTING 1992 CO., LTD.	CHOLBURI	ENVIRONMENT	ORDINARY	200,000	80,000	40.00	10,000,000.00
4	BOON CAPITAL HOLDING CO., LTD.	BANGKOK	INVESTMENT	ORDINARY	34,300,000	12,347,999	36.00	123,479,990.00
5	PITAKKIJ CO., LTD.	CHOLBURI	SERVICE	ORDINARY	200,000	67,040	33.52	6,704,000.00
6	GREEN LIFE MANAGEMENT CO., LTD.	CHOLBURI	SERVICE APARTMENT	ORDINARY	100,000	30,000	30.00	11,049,900.00
7	FIRST UNITED INDUSTRY CO., LTD.	BANGKOK	RENTAL SERVICES	ORDINARY	400,000	112,582	28.15	11,258,200.00
8	SAHAPAT PROPERTIES CO., LTD.	BANGKOK	INVESTMENT	ORDINARY	200,000	52,500	26.25	5,250,000.00
9	THAI SECOM SECURITY CO.,LTD.	BANGKOK	SECURITY	ORDINARY	3,788,572	966,282	25.50	196,965,028.00
10	SEINO SAHA LOGISTICS CO., LTD.	CHOLBURI	LOGISTIC	ORDINARY	2,000,000	470,000	23.50	17,285,646.74
11	SAHA TOKYU CORPORATION COMPANY LIMITED	CHOLBURI	HOUSING SERVICE	ORDINARY	332,000	66,400	20.00	66,400,000.00
12	MBTS BROKING SERVICE CO., LTD.	BANGKOK	INSURANCE	ORDINARY	50,000	9,995	19.99	999,500.00
13	SAHA UBON NAKORN CO., LTD.	BANGKOK	INDUSTRIAL PARK	ORDINARY	1,250,000	243,750	19.50	6,998,437.50
14	PAN LAND CO., LTD.	BANGKOK	LAND DEVELOPMENT	ORDINARY	3,000,000	580,000	19.33	58,000,000.00
15	TIGER DISTRIBUTION AND LOGISTICS CO., LTD.	BANGKOK	LOGISTIC	ORDINARY	2,000,000	380,000	19.00	12,546,200.00
16	SRIRACHA TRANSPORT CO., LTD.	CHOLBURI	LOGISTIC	ORDINARY	100,000	18,000	18.00	2,518,011.50
17	RESEARCH AND DEVELOPMENT OSUKA ASIA CO., LTD.	BANGKOK	RESEARCH	ORDINARY	800,000	130,666	16.33	13,066,600.00
18	SHISEIDO PROFESSIONAL (THAILAND) CO., LTD.	BANGKOK	BEAUTY SHOP	ORDINARY	7,000,000	1,050,000	15.00	10,500,000.00
19	THAI FLYING MAINTENANCE CO., LTD.	CHOLBURI	MAINTENANCE AERO PLANE	ORDINARY	20,000	3,000	15.00	300,000.00
20	FAR EAST DDB PUBLIC COMPANY LIMITED	BANGKOK	ADVERTISING	ORDINARY	7,500,000	1,055,700	14.08	29,154,287.52
21	SIAM AUTO BACKS CO., LTD.	BANGKOK	AUTO PARTS	ORDINARY	3,990,000	500,000	12.53	5,000,000.00
22	SAHA RATTANA NAKORN CO., LTD.	CHOLBURI	INDUSTRIAL PARK	ORDINARY	1,800,000	225,000	12.50	22,500,000.00
23	K.COMMERCIAL & CONSTRUCTION CO., LTD.	BANGKOK	CONSTRUCTION	ORDINARY	500,000	50,000	10.00	5,150,406.14
24	THAI CUBIC TECHNOLOGY CO., LTD.	BANGKOK	CUBIC PRINTING	ORDINARY	400,000	40,000	10.00	4,000,000.00
25	BOONRAVEE CO., LTD.	BANGKOK	SERVICE	ORDINARY	200,000	20,000	10.00	2,000,000.00
<b>TOTAL</b>								<b>798,447,861.40</b>
<b>GRAND TOTAL</b>								<b>13,157,549,567.91</b>



The background features three large, overlapping chevrons pointing right, in various shades of blue. Scattered throughout are numerous circles of different sizes and colors, including light blue, medium blue, and dark blue. In the bottom left corner, there are several vertical bars of varying heights and widths, some in light gray and others in light blue, interspersed with small blue dots.

# Board of Directors & Executive Board



# Board of Directors



**Mr. Boonsithi Chokwatana**

Chairman of the Board of Directors /  
Chairman of Nomination  
and Remuneration Committee



**Mr. Boonpakorn Chokvathana**

Vice Chairman



**Mr. Vichai Kulsomphob**

President /  
Nomination and Remuneration Committee /  
Corporate Governance  
and Risk Management Committee /  
Chief Financial Officer



**Mr. Samrerng Manoonpol**

Director



**Mr. Manu Leelanuwatana**

Director



## Board of Directors



**Miss. Sirikul Dhanasarnsilp**  
Director /  
Nomination and Remuneration Committee



**Mr. Sujarit Patchimnan**  
Director



**Mr. Pipat Paniangvait**  
Director



**Mr. Karmthon Punsak-Udomsin**  
Director



**Mr. Boonkiet Chokwatana**  
Director



**Mr. Boonchai Chokwatana**  
Director



## Board of Directors



**Mr. Surachai Danaitangtrakul**  
Independent Director



**Mr. Sompong Sungrungsan**  
Independent Director



**Mr. Nipon Poapongsakorn**  
Independent Director



**Mr. Nophorn Bhongsvej**  
Independent Director /  
Chairman of Audit Committee /  
Chairman of Corporate Governance  
and Risk Management Committee



**Mrs. Punnee Worawuthichongsathit**  
Independent Director /  
Audit Committee



**Ms. Nurumon Saardchom**  
Independent Director /  
Audit Committee

## Executive Board



**Mr. Boonsithi Chokwatana**  
Chairman of the Executive Board



**Mr. Vichai Kulsomphob**  
Executive Board



**Mr. Samrerng Manoonpol**  
Executive Board



**Mr. Manu Leelanuwatana**  
Executive Board



**Miss. Sirikul Dhanasarnsilp**  
Executive Board



**Mr. Manus Ongsarankorm**  
Executive Board

## Information of the Directors, Executives, Controlling Persons and Company Secretary



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
1. Mr. Boonsithi Chokwatana - Chairman of Board of Directors - Chairman of the Executive Board - Chairman of Nomination and Remuneration Committee - Director with authority to sign on behalf of the company - 20 March 1973	80	<ul style="list-style-type: none"> <li>- The Honorary Doctorate Degree in Business Administration</li> <li>Burapha University</li> <li>Thammasat University</li> <li>National Institute of Development Administration</li> <li>University of the Thai Chamber of Commerce</li> <li>- Engineering</li> <li>Khon Kaen University</li> <li>- Law</li> <li>Waseda University</li> <li>- Science (Textile and Garment)</li> <li>Rajamangala University of Technology</li> <li>Krunthep</li> <li>- Director Accreditation Program (DAP) 3/2003</li> <li>- Director Certification Program (DCP) 68/2005</li> <li>Thai Institute of Directors Association (IOD)</li> </ul>	1.185	2, 4, 11, 12	<ul style="list-style-type: none"> <li>2010 - Present</li> <li>1961 - 2010</li> <li>Jul 2016 - Present</li> <li>2010 - Jul 2016</li> <li>1975 - 2010</li> <li>2002 - Present</li> <li>Dec 2016 - Present</li> <li>May 2016 - Dec 2016</li> <li>1991 - May 2016</li> <li>1972 - Present</li> <li>2017 - Present</li> <li>2010 - Present</li> <li>1990 - 2010</li> <li>2010 - Present</li> <li>1980 - 2010</li> <li>2017 - Present</li> <li>2014 - Present</li> <li>2011 - Present</li> <li>2009 - Present</li> <li>2008 - Present</li> <li>2007 - Present</li> <li>1996 - Present</li> <li>1984 - Present</li> </ul>	<b>Other Listed Companies</b> Honorary Chairman Chairman Advisory Board Advisory Director Chairman Director Honorary Advisor Honorary Advisory Director Vice Chairman Chairman Chairman of Nomination and Remuneration Committee Advisory Advisory Director Advisory Advisory Director  <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b>  Chairman Chairman Director Director Director Director Director   Chairman Chairman United Utility Co., Ltd. BSTD 109 Co., Ltd. BSTR 408 Co., Ltd. BTN 1207 Co., Ltd. Saipin Wattana Co., Ltd. Sahamanoonpol Co., Ltd.	Saha Pathanapibul Public Company Limited Saha Pathanapibul Public Company Limited Thanlux Public Company Limited Thanlux Public Company Limited Thanlux Public Company Limited Sahacogen (Chonburi) Public Company Limited I.C.C. International Public Company Limited I.C.C. International Public Company Limited I.C.C. International Public Company Limited Thai President Foods Public Company Limited Thai President Foods Public Company Limited  Thai Wacoal Public Company Limited Thai Wacoal Public Company Limited Textile Prestige Public Company Limited Textile Prestige Public Company Limited 23 Companies  BSC So In Co., Ltd. Saha Tokyu Corporation Co., Ltd. United Utility Co., Ltd. BSTD 109 Co., Ltd. BSTR 408 Co., Ltd. BTN 1207 Co., Ltd. Saipin Wattana Co., Ltd. Sahamanoonpol Co., Ltd.



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
2. Mr. Boonpakorn Chokvathana - Vice Chairman - Director with authority to sign on behalf of the company - 23 March 1972	82	<ul style="list-style-type: none"> <li>- Assumption Commercial College</li> <li>- Bachelor's Degree in Economics, The University of Nottingham, The United Kingdom</li> <li>- Director Accreditation Program (DAP) 3/2003</li> <li>- Director Certification Program (DCP) 68/2005</li> <li>- Role of Compensation Committee (RCC)/7/2008</li> <li>- Thai Institute of Directors Association (IOD)</li> </ul>	0.324	1, 11, 12	1978 - Present 1972 - Present	Managing Director Director	Walsadoramai Co., Ltd. Chokwatana Co., Ltd.
					- None -		
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant					1992 - Present	Chairman	Dr. Thiam Chokwatana's Foundation
					2002 - Present 1994 - Present 1962 - 1993 1969 - Present 2008 - 2011	Other Listed Companies Director Vice Chairman Director Chairman and President Chairman of Nomination and Remuneration Committee	IT City Public Company Limited Saha Pathanapibul Public Company Limited Saha Pathanapibul Public Company Limited New City (Bangkok) Public Company Limited Bumrungrad Hospital Public Company Limited
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant					2003 - 2011	Audit Committee and Independent Director Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	Bumrungrad Hospital Public Company Limited 4 Companies
					2009 - Present 1996 - Present 1972 - Present	Director Director Director	United Utility Co., Ltd. Saipin Wattana Co., Ltd. Chokwatana Co., Ltd.
3. Mr. Tanong Sirichit - President - 15 December 2016 - Executive Director - Nomination and Remuneration Committee - Corporate Governance and Risk Management Committee - Director with authority to sign on behalf of the company - 14 March 1996 - Passed away on 2 March 2018	62	<ul style="list-style-type: none"> <li>- Bachelor Degree in Political Science Chulalongkorn University</li> <li>- Director Accreditation Program (DAP) 3/2003</li> <li>- Finance for Non - Finance Director (FND) 9/2004</li> <li>- Director Certification Program (DCP) 72/2006</li> <li>- Chartered Director Class (CDC) 8/2014</li> <li>- Thai Institute of Directors Association (IOD)</li> </ul>	0.023	-	2012 - Present 2006 - Present	Advisor Advisor	Provincial Police Region 2 Baan Nong Kham Community
					2002 - Present	Other Listed Companies Director Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	Sahacogen (Chonburi) Public Company Limited 26 Companies
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant					2017 - Present 2017 - Present 2017 - Present 2014 - Present 2004 - Present 2002 - Present	Chairman Chairman Director Director Director Managing Director	Sahapat Real Estate Co., Ltd. Pan Land Co., Ltd. Saha Asia Pacific Co., Ltd. Saha Tokyo Corporation Co., Ltd. Sinparadon Co., Ltd. Sahapat Properties Co., Ltd.





Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
					2000 - Present 1988 - Present	Director Managing Director	Treasure Hill Co., Ltd. First United Industry Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
4. Mr. Vichai Kulsothob - First Executive Vice President - Executive Director - Corporate Governance and Risk Management Committee - Chief Financial Officer - Director with authority to sign on behalf of the company - 23 April 2012 <b>Remark</b> - President - Nomination and Remuneration Committee - 12 March 2018	40	- Bachelor's Degree of Business Administration Chulalongkorn University - Master of Advanced Business Practice University of South Australia - Master of Marketing (English Program) Thammasat University - Master of International Business (Exchange Program) Norwegian School of Economics and Business Administration, Norway - Business and Industrial Development Program (Class 1), Institute of Business and Industrial Development - OIC Advanced Insurance Institute (Class 1), Office of Insurance Commission - Executive Leadership Program (Class 2), Wharton Business School, University of Pennsylvania, USA & NIDA, Thailand - Real Estate Management Program for Executive (RE-CU26), Chulalongkorn University - Investment Planner Certification, Chulalongkorn University - Investment Planner Certification, Association of Investment Management Companies - Bhumpalung Phandin for Top Executive (Class 4) Chulalongkorn University	0.069	1	2015 - Present 2006 - 2013  2017 - Present 2017 - Present 2017 - Present 2016 - Present 2014 - Present 2014 - Present 2014 - Present 2014 - Present 2013 - Present 2013 - Present 2013 - Present 2012 - Present	<b>Other Listed Companies</b> Director Executive Vice President  <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b> Managing Director Managing Director Managing Director Director Director Director Managing Director Director Director Director Director Managing Director	Singer Thailand Public Company Limited Bangkok First Investment & Trust Public Company Limited 28 Companies  BSC So In Co., Ltd. Pan Land Co., Ltd. Sahapat Real Estate Co., Ltd. First United Industry Co., Ltd. Saha Tokyu Corporation Co., Ltd. WBRE Co., Ltd. BNC Real Estate Co., Ltd. Sahapat Properties Co., Ltd. I. D. F. Co., Ltd. Park Capital Holding Co., Ltd. SSI Holding Co., Ltd. Boon Capital Holding Co., Ltd.

Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
		- Strategic CFO in Capital Market Program (Class 4) Thailand Securities Institute, The Stock Exchange of Thailand - Director Certification Program (DOP) 61/2005 - Company Secretary Program (CSP) 18/2006 Thai Institute of Directors Association (IOD)					
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
5. Mr. Samreng Manoonpol	81	- High School, Wat Rajabopit School - Director Accreditation Program (DAP) 3/2003 Thai Institute of Directors Association (IOD)	0.301	-	2008 - Present 1990 - Present  2015 - Present 2014 - Present 1984 - Present 1983 - Present 1978 - Present	<u>Other Listed Companies</u> Advisor Advisor <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Chairman Chairman Vice Chairman Chairman Chairman	Saha Pathanapibul Public Company Limited I.C.C. International Public Company Limited 8 Companies  First United Industry Co., Ltd. BNC Real Estate Co., Ltd. Sahamanoonpol Co., Ltd. Sahapat Properties Co., Ltd. Watsadoramai Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
6. Mr. Manu Leelanuwatana	72	- Bachelor's Degree in Mechanical Engineering, Chiba University, Japan -Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DOP) 68/2005 Thai Institute of Directors Association (IOD)	-	-	2004 - Present 1990 - Present 1974 - 1990 1989 - 1990 1987 - Present 1980 - Present 1976 - 1980 2010 - 2013 1998 - 2010 1979 - 1998	<u>Other Listed Companies</u> Director Chairman Managing Director Director Director Chairman Managing Director Director Vice Chairman Director	I.C.C. International Public Company Limited Thai Wacoal Public Company Limited Thai Wacoal Public Company Limited Thai Wacoal Public Company Limited O.C.C. Public Company Limited Textile Prestige Public Company Limited Textile Prestige Public Company Limited Thanulux Public Company Limited Thanulux Public Company Limited Thanulux Public Company Limited





Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
					2014 - Present	Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director	20 Companies  BNC Real Estate Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
7. Ms. Sirikul Dhanasarnsilp  - Director - Executive Director - Nomination and Remuneration Committee  - Director with authority to sign on behalf of the company - 16 June 2016	70	- Bachelor Degree, Faculty of Economics Thammasat University  - Master of Business Administration, Thammasat University  - Diploma, The Joint State-Private Sector Course (Class 10) The National Defence College  - Certificate, Capital Market Academy, Class 16, The Stock Exchange of Thailand  - Board and CEO Assessment 2/2003  - Director Accreditation Program (DAP) 3/2003  - Director Certification Program (DCP) 68/2005  Thai Institute of Directors Association (IOD)	0.607	-	1976 - Present	Other Listed Companies Director	Textile Prestige Public Company Limited
					2004 - Apr 2017	Vice Chairman	Thai Wacoal Public Company Limited
						Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	19 Companies
					2017 - Present	Director	SSI Holding Co., Ltd.
					2017 - Present	Director	Park Capital Holding Co., Ltd.
2016 - Present	Director	Pan Land Co., Ltd.					
2010 - Present	Director	Saha Asia Pacific Co., Ltd.					
2002 - Present	Director	Sahapat Real Estate Co., Ltd.					
1986 - Present	Chairman	Sareeraporn Co., Ltd.					
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
8. Mr. Sujarit Patchimman  - Director - 16 December 2016	72	- Bachelor of Arts in Political Science Thammasat University  - Master of Arts in Political Science Thammasat University  - Director Accreditation Program (DAP) 41/2005 Thai Institute of Directors Association (IOD)	-	-	2016 - Present	Other Listed Companies Chairman and Chairman of Nomination and Remuneration Committee	Sahacogen (Chonburi) Public Company Limited
					2008 - 2016	Director and Executive Board	Sahacogen (Chonburi) Public Company Limited
					2013 - Present	Independent Director and Audit Committee	Pan Asia Footwear Public Company Limited
					2007 - May 2017	Director	Saha Pathanapibul Public Company Limited
						Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	3 Companies - None -
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
9. Mr. Pipat Panirangvait - Director - Director with authority to sign on behalf of the company - 27 June 2003	82	- Bachelor's Degree in Education Science, Quanzhou Physical Culture Institute, People's Republic of China - Stanford Executive Program, Stanford University, California, USA - Master of Business Administration, Thammasat University - Honorary Doctor of Science Degree in Food Science and Technology, Faculty of Science and Technology, Rajamangala University of Technology Tawan-ok - Honorary Doctor of Arts Degree in Business Administration, North Chiang Mai University - Honorary Doctor of Arts Degree in Home Economics Development, Faculty of Education / Ramkhamhaeng University - Diploma, The Joint State-Private Sector Course (Class 2), The National Defence College - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 39/2004 - Thai Institute of Directors Association (IOD)	0.002	-	2013 - Present 2007 - 2013 2009 - Present 1994 - 2009 2007 - Present 2010 - Present 1972 - 2010 1995 - Present 1980 - Present 1983 - 2013 2000 - Present	Honorary Director Vice Chairman Treasurer Director Expertise <b>Other Listed Companies</b> Vice Chairman and Chief Executive Officer President Chairman Chairman Chairman <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b> Director Thai-Myanmar Success Venture Company Limited	The Thai Chamber of Commerce The Thai Chamber of Commerce Federation Internationale de Natation Federation Internationale de Natation National Olympic Committee of Thailand Thai President Foods Public Company Limited Thai President Foods Public Company Limited Thai O.P.P. Public Company Limited President Bakery Public Company Limited President Rice Products Public Company Limited 8 Companies Thai-Myanmar Success Venture Company Limited
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant					- None -		
10. Mr. Karntthon Punsak-Udomsin - Director - Director with authority to sign on behalf of the company - 26 April 1999	80	- Pei-ing High School - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 - Thai Institute of Directors Association (IOD)	0.002	-	2004 - Present 1995 - Present 2016 - Present 2016 - Present 2016 - Present	<b>Other Listed Companies</b> Director Vice Chairman <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b> Director Director Director IT City Public Company Limited Thai President Foods Public Company Limited 11 Companies Uni Central Co., Ltd. Uni Champ Co., Ltd. Uni Wealth Co., Ltd.	IT City Public Company Limited Thai President Foods Public Company Limited 11 Companies Uni Central Co., Ltd. Uni Champ Co., Ltd. Uni Wealth Co., Ltd.



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
					2016 - Present 2016 - Present 1989 - Present 1996 - Present 1990 - Present 1989 - Present	Director Director Director Director Director Director	Uni Soil Co., Ltd. Uni Funds Co., Ltd. Universe Beauty Land Co., Ltd. Borneo World Co., Ltd. Thai Ache Cosmetics Co., Ltd. Uni Field Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
1. Mr. Boonkiet Chokwatana  - Director  - Director with authority to sign on behalf of the company  - 21 April 1986	70	- B.S. Mechanical Engineering, Worcester Polytechnic Institute, Massachusetts, USA  - The Honorary Doctorate Degree in Business Administration (Management), Sripatum University  - The Honorary Doctorate Degree in Business, Graduate School of Commerce, Burapha University  - The Honorary Doctorate Degree in Business Administration, Naresuan University  - Diploma, The Joint State-Private Sector Course (Class 388), The National Defence College  - Director Accreditation Program (DAP) 3/2003  - Director Certification Program (DCP) 41/2004  Thai Institute of Directors Association (IOD)	0.996	1, 2, 12	2010 - Present	Advisor	Thai Listed Companies Association
					2007 - 2009	Vice President	Thai Listed Companies Association
					2005 - 2007	Director	Thai Listed Companies Association
					2007 - 2008	Director	Thailand Securities Depository Company Limited
					May 2016 - Present	<u>Other Listed Companies</u> Chairman and Chairman of the Executive Board	I.C.C. International Public Company Limited
					2015 - May 2016	Director and Chairman of the Executive Board	I.C.C. International Public Company Limited
					1980 - 2015	President	I.C.C. International Public Company Limited
					2012 - Present	Chairman	Pan Asia Footwear Public Company Limited
					2011 - 2012	Director and Executive Director	Pan Asia Footwear Public Company Limited
					2016 - Present	Director	Sahacogen (Chonbun) Public Company Limited
2008 - 2016	Chairman	Sahacogen (Chonbun) Public Company Limited					
1996 - 2007	Director	Sahacogen (Chonbun) Public Company Limited					
1994 - Present	Chairman	People's Garment Public Company Limited					
1993 - Present	Chairman	S&J International Enterprises Public Company Limited					
1973 - 2010	Director	O.C.C. Public Company Limited					
					<u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	61 Companies	
					2014 - Present	Chairman	WBRE Co., Ltd.
					2014 - Present	Chairman	Issara United Co., Ltd.
					2013 - Present	Chairman	Tofun Estate Co., Ltd.
					2011 - Present	Chairman	Torfun Property Co., Ltd.
					2011 - Present	Chairman	



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
					2000 - Present 1996 - Present 1989 - Present 1979 - Present 1972 - Present	Director Director Director Director Director	United Utility Co., Ltd. Treasure Hill Co., Ltd. Saipin Wattana Co., Ltd. Pan Land Co., Ltd. Challadadol Co., Ltd. Chokwatana Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
12. Mr. Boonchai Chokwatana - Director - Director with authority to sign on behalf of the company - 23 April 2012	70	- Bachelor Degree in Arts (Political Science), Ramkhamhaeng University - Bachelor Degree in Business Administration, Wisconsin State University at Superior, USA - The Honorary Doctorate Degree in Communication, Naresuan University - The Honorary Doctorate Degree in Business Administration, Mahasarakham University - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	0.040	1, 2, 11	2014 - Present	Member of the National Legislative Assembly Senator <b>Other Listed Companies</b>  Director Chairman and Chairman of the Executive Board Director Chairman Director Chairman Independent Director and Audit Committee <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b> Director Director Director Director Director Director Director	The National Legislative Assembly The Senate  Thai President Foods Public Company Limited Saha Pathanapibul Public Company Limited  Saha Pathanapibul Public Company Limited Far East DDB Public Company Limited Pan Asia Footwear Public Company Limited Pan Asia Footwear Public Company Limited MFC Asset Management Public Company Limited 21 Companies  Issara United Co., Ltd. Ek Pakorn Co., Ltd. Saipin Wattana Co., Ltd. Pan Land Co., Ltd. United Utility Co., Ltd. Challadadol Co., Ltd. Chokwatana Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
- None -							





Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
13. ** Mr. Surachai Danatitangtrakul - Independent Director - 13 March 2014	63	- Bachelor of Laws, Thammasat University - Master of Political Science, Sukhothai Thammathirat Open University - Thammasat Leadership Program (Class 1), Thammasat University - Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Certification Program (Class 4), The College of Politics and Governance, King Prajadhipok's Institute - Diploma, Private Sector and Political Sector Course (Class 3/2005), The National Defense College - Director Accreditation Program (DAP) 11/2004 - Thai Institute of Directors Association (IOD)	-	-	Dec 2017 - Present 2015 - Present 2011 - 2014 2006 2005 2004 - 2006 2000 - 2006 2016 - Present	Chairman Chairman Executive Board President of the Senate Affair President of the Senate Affairs on Monetary Affairs, Finance, Banking and Financial Institutions Senator, Roi Et Province <u>Other Listed Companies</u> Independent Director and Audit Committee <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	Thai Credit Guarantee Corporation Government Housing Bank Export-Import Bank of Thailand The Senate The Senate The Senate The Senate Sakol Energy Public Company Limited 7 Companies - None -
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
14. **Mr. Sompong Sungrungsan - Independent Director - 20 September 2016	74	- Vocational Certificate Bangkok Business College - Director Accreditation Program (DAP) 3/2003 - Thai Institute of Directors Association (IOD)	0.006	-		<u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	- None - - None - - None -
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
15. **Mr. Nipon Poapongsakorn - Independent Director - 25 April 2017	69	- Bachelor Degree of Economics (Hons), Faculty of Economics, Thammasat University - Master Degree (Economics cum laude) (Hons) Middle Tennessee State University, USA - Doctorate of Economics University of Hawaii, USA - Certificate, Capital Market Academy, Class 10 The Stock Exchange of Thailand	-	-	2014 - Present 2014 - Present 2013 - Present 2013 - Present 2013 - Present 2011 - Present 2010 - Present	Director Chairman Visiting Professor Director Member of the Commission Subcommittee Director	Rice Policy and Management Committee Economics Association of Thailand Global Business Leaders Program, School of Management, Kyoto University Asian Society of Agricultural Economists The University Council, Chiang Mai University The Public Sector Development Commission, Financial and Budgetary Improvement



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
		- Director Certification Program (DCP) 14/2002 Thai Institute Directors Association (IOD)			2010 - Present	Director	Law Development Commission, Office of the Council of State
					2010 - Present	Advisor	Thailand Productivity Institute
					2009 - Present	Director	The Thammasat Economics Association Thammasat University
					2008 - Present 1999 - Present	Executive Director Director	Foundation for Thai Rural Reconstruction Movement Under Royal Patronage Puey Ungphakorn Institute
					2016 - Present	<u>Other Listed Companies</u> Independent Director <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	Public Information Disclosure Tribunal for the Public Information on National Economy and Finance Thanulux Public Company Limited - None - - None -
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
16. **Mr. Nophorn Bhongsvej - Independent Director - Chairman of Audit Committee - Chairman of Corporate Governance and Risk Management Committee - 26 April 2010	69	- Bachelor Degree in Economics, University of Oregon, USA - Master Degree in Economics, Oregon State University, USA - Director Accreditation Program (DAP) 38/2005 - Director Certification Program (DCP) 71/2006 - Audit Committee Program (ACP)12/2006 Thai Institute of Directors Association (IOD)	-	-	2017 - Present	<u>Other Listed Companies</u> Independent Director and Chairman of Audit Committee	Kantana Group Public Company Limited
					2015 - Present	Audit Committee and Chairman of the Corporate Governance	I.C.C. International Public Company Limited
					2005 - Present	Independent Director, Chairman of Audit Committee and Nomination and Remuneration Committee	Sahacogen (Chonburi) Public Company Limited
						<u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	1 Company
					2015 - Present	Director	Saha Asia Pacific Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
17. **Mrs. Punnee Worawuthichongsathit - Independent Director - Audit Committee	65	- Bachelor Degree in Accounting - Master Degree in Accounting Faculty of Commerce and Accountancy.	-	-	2015 - Present	Audit Committee	University of the Thai Chamber of Commerce
					2017 - Present	Advisory of Accounting Profession in Tax Accounting Committee	Federation of Accounting Professions under the Royal Patronage of His Majesty the King





Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
- 25 April 2016		Chulalongkorn University			2017 - Present	Single Accounting System Development Subcommittee	Federation of Accounting Professions under the Royal Patronage of His Majesty the King
		- Certified Public Accountant (Thailand) Registration No. 2960				Executive Administration Subcommittee, Branch Office	Federation of Accounting Professions under the Royal Patronage of His Majesty the King
		- Certified Professional Internal Auditors (CPIA)			2014 - 2017	Accounting Profession in Tax Accounting Committee	Federation of Accounting Professions under the Royal Patronage of His Majesty the King
		- Qualified Internal Auditor (QIA)			2011 - Present	Audit Committee	Patronage of His Majesty the King
		Internal Auditors of Thailand			2010 - Present	Taxation Committee	Thai Investors Association
		- Certified Internal Auditors (CIA)				<u>Other Listed Companies</u>	Board of Trade of Thailand
		The Institute of Internal Auditors (IIA)			2015 - Present	Independent Director, Audit Committee and Chairman of Corporate Governance Committee	WHA Utilities & Power Public Company Limited
		- Driving Company Success with IT Governance (ITG) 4/2017			2010 - Present		
		- Ethical Leadership Program (ELP) 2/2015			2007 - Present	Independent Director and Audit Committee	Thai Wacoal Public Company Limited
		- Anti-Corruption : The Practical Guide (ACPG) 10/2014				Independent Director and Chairman of Audit Committee	Mono Technology Public Company Limited
		- Anti-Corruption for Executive Program (ACEP) 10/2014			2004 - Present	Independent Director, Audit Committee, Chairman of Nomination Committee and Chairman of Remuneration Committee	The Brooker Group Public Company Limited
		- Role of the Nomination and Governance Committee (RNG) 1/2011				Independent Director, Audit Committee, Corporate Governance Committee and Nomination and of Remuneration Committee	Hemraj Land and Development Public Company Limited
		- Role of the Chairman Program (RCP) 25/2011			2000 - 2016	<u>Other Companies (Non-Listed Companies)</u>	1 Company
		- DCP Refresher Course (RE DCP) 2/2009				<u>Competitive Business related to Company's Business</u>	- None -



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
		- Audit Committee Program (ACP) 2/2004 - Director Certification Program (DCP) 38/2003 - Director Accreditation Program (DAP) 2/2003 Thai Institute of Directors Association (IOD)					
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
18. **Ms. Narumon Saardchom	44	- Bachelor of Science, Statistics, Faculty of Commerce and Accountancy, Chulalongkorn University - Master of Actuarial Science, J. Mack Robinson College of Business, Georgia State University, Atlanta, GA, USA - Master of Applied Economics, The Wharton School, University of Pennsylvania, Philadelphia, PA, USA - Doctorate, Risk Management and Insurance (Second Major in Finance), The Wharton School, University of Pennsylvania, Philadelphia, PA, USA - Advanced Audit Committee Program (AAP) 21/2017 - Role of The Compensation Committee (RCC) 21/2016 - Director Certification Program (DCP) 224/2016 Thai Institute of Directors Association (IOD)	-	-	2015 - Present Jul 2017 - Present Aug 2017 - Present  2013 - 2017 2007 - Present  Aug 2017 - Present 2012 - Present	Chairman of Risk Management Subcommittee Independent Director Chairman of Risk Management Committee, Nomination and Remuneration Committee and IT Strategy and Policy Committee Risk Management Advisor Risk Management Advisor <u>Other Listed Companies</u> Independent Director and Audit Committee Risk Management Committee <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	Social Security Office Government Housing Bank Government Housing Bank  Government Housing Bank The Stock Exchange of Thailand  G J Steel Public Company Limited S & J International Enterprises Public Company Limited 4 Companies - None -
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
19. Mr. Manus Ongsaranakorn - Executive Board - 21 July 2016	64	- Bachelor Degree Faculty of Accounting, Majoring in Accounting University of the Thai Chamber of Commerce - Director Certification Program (DCP) 27/2003 Thai Institute of Directors Association (IOD)	0.002	-	2015 - Present	Vice Chairman	Saha Group Employees Saving and Credit Cooperative Limited
					2010 - Present	<u>Other Listed Companies</u> Risk Management Committee <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	Thai Wacoal Public Company Limited 21 Companies
					2014 - Present 2016 - Present	Managing Director Director	Sareeraporn Co., Ltd. BNC Real Estate Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
20. Mrs. Darunee Soontornumrong - Company's Secretary - 12 May 2008 - Corporate Governance and Risk Management Committee 4 August 2015	63	- Bachelor Degree in Finance and Banking (2 <sup>nd</sup> Honors), Ramkhamhaeng University - Course of Law and Practice for Company Secretary, Chulalongkorn University - Corporate Secretary Development Program, Chulalongkorn University organized by Thai Listed Companies Association - Fundamental Practice for Corporate Secretary (FPCS 19) Listed Companies Association - Effective Minute Taking 14/2009 Thai Institute of Directors Association (IOD)	0.0009	-	2016 - Present	Director	Saha Group Employees Saving and Credit Cooperative Limited
						<u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	- None - 5 Companies
					2009 - Present 1999 - Present 1996 - Present 1988 - Present	Director Managing Director Director Director	Sahapat Real Estate Co., Ltd. Sinparadon Co., Ltd. Sahapat Properties Co., Ltd. First United Industry Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
21. Mr. Chuto Chirakunakorn - Assistant to President (15 January 2015) - Corporate Governance and Risk Management Committee 4 August 2015	58	- Bachelor Degree in Architecture, Silpakorn University	-	-		<u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director Director	- None - 8 Companies Treasure Hill Company Limited Sahapat Properties Company Limited
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
- None -							



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
22. Mrs. Tasanee Intapura - Office Administration Manager - 1 March 2007 - Terminated on January 1, 2018	60	- Secretarial Diploma Vocational Education and Technology College Phra Nakhon Campus	-	-		Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	- None - 3 Companies - None -
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
23. Mr. Sontaya Tabkhan - Environment Manager - 11 January 2006	53	- Bachelor Degree in Electrical Engineering, Chiang Mai University	-	-	2004 - Present	Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director	- None - 11 Companies Treasure Hill Company Limited
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
24. Tinakorn Bumag - Land Development Manager - 1 March 2010	52	- Bachelor Degree in Architecture, Silpakorn University	-	-	2017 - Present 2014 - Present 2004 - Present	Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director Director Director	- None - 4 Companies Saha Asia Pacific Co., Ltd. Pan Land Co., Ltd. Treasure Hill Company Limited
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
25. Mr. Watchara Yaenkaew - Landscape Manager - 1 May 2010	53	- Bachelor Degree in Landscape Technology, Maejo University	-	-	2011 - Present	Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director	- None- 2 Companies Treasure Hill Company Limited
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							



Name/Position/Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
26. Mr. Amphol Wattanaworaphong - Property Marketing Manager - 7 January 2015	47	- Bachelor Degree in Electrical Engineering, NIHON University	-	-	2017 - Present	<u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director	- None - 12 Companies  Saha Asia Pacific Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							
27. Mr. Kittipong Khongpatyuen - Information Technology Manager - July 12, 2017	47	- Bachelor Degree in Information Technology, Sukhothai Thammathirat Open University	-	-		<u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	- None - 2 Companies - None -
Any position in other business or other organizations in the previous year which has an impact on the time devoted significant							

Note:

\* Including shareholding of spouse and children who have not attained legal age

\*\* Independent director does not have any transaction concerning business relationship or providing professional service with the company, the parent company, the associates, the affiliates, major shareholder or control person.



## COMPANY DIRECTORS WHO SEATS IN RELATED COMPANIES AS FOLLOW

NAME	COMPANY	RELATED COMPANIES																	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1. Mr.Boonsithi	X, //				/			/					/			/			X
2. Mr.Boonpakorn	/												/						X
3. Mr. Tanong	//	/	X	//			/						/						
4. Mr.Vichai	//		/	/															
5. Mr.Samreng	//		X		X						/			X //			X	/	
6. Mr.Manu	//																		
7. Miss.Sirikul	//																		
8. Mr.Sujarit	/							/								X			
9. Mr.Pipat	/																		
10. Mr.Karmthon	/																		
11. Mr.Boonkiet	/									X	X				X	/			
12. Mr.Boonchai	/				/			/					X				X		
13. Mr.Surachai	/																		
14. Mr.Sompong	/																		
15. Mr.Nophorn	/									/									
16. Mrs.Panee	/																		
17. Mr. Nipon	/																		
18. Miss Nurumon	/																		

X = CHAIRMAN

// = EXECUTIVE BOARD

/ = DIRECTOR

THE NAME OF RELATED COMPANIES WITH VALUE OVER THAN BAHT 0.5 MILLION ARE AS FOLLOW

- EASTERN THAI CONSULTING 1992 CO.,LTD.
- PITAKKIJ CO.,LTD.
- FIRST UNITED INDUSTRY CO.,LTD.
- SAHACHOL FOOD SUPPLIES CO.,LTD.
- SAHAPAT PROPERTIES CO., LTD.
- PITAKKIJ SECURITY GUARD CO.,LTD.
- INTERNATIONAL LABORATORIES CO.,LTD.
- LION COPORATION (THAILAND) CO.,LTD.
- THANULUX PLC.
- I.C.C. INTERNATIONAL PLC.
- TOP TREND MANUFACTURING CO.,LTD.
- SAHA PATHANAPIBUL PLC.
- BANGKOK TOKYO SOCKS CO.,LTD.
- H & B INTERTEX CO.,LTD.
- SAHACOGEN (CHONBURI) PLC.
- S & J INTERNATIONAL ENTERPRISE PLC.
- PATTAYA MANUFACTURING CO.,LTD.
- NEW CITY (BANGKOK) PLC.
- TSURUHA (THAILAND) CO.,LTD.
- PEOPLE'S GARMENT PLC.
- O.C.C. PLC.
- RACHA UCHINO CO.,LTD.
- TEXTILE PRESTIGE PLC.
- WIEN INTERNATIONAL CO.,LTD.



# COMPANY DIRECTORS WHO SEATS IN RELATED COMPANIES AS FOLLOW (CONTINUED)

NAME	COMPANY	RELATED COMPANIES																			
		25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42		
1. Mr.Boonsithi	Chokwatana	X , //																			
2. Mr.Boonpakorn	Chokwatana	/																X			
3. Mr. Tanong	Srichit	//	/	X	X						/	/									
4. Mr.Vichai	Kulsomphob	//				/															
5. Mr.Samreng	Manoonpol	//														X					
6. Mr.Manu	Leelanuwatana	//				X			X												
7. Miss.Sirikul	Dhanasamsilp	//																			
8. Mr.Sujarit	Patchimnan	/														X					
9. Mr.Pipat	Paniangvait	/																			
10. Mr.Karmthon	Punsak-Udomsin	/												X							
11. Mr.Boonkiet	Chokwatana	/	/												/	/			/		
12. Mr.Boonchai	Chokwatana	/									/										
13. Mr.Surachai	Danaitangtrakul	/																			
14. Mr.Sompong	Sangrangsang	/																			
15. Mr.Nophorn	Bhongsvej	/																			
16. Mrs.Pannee	Worawuthichongsathit	/																			
17. Mr. Nipon	Poapongsakorn	/																			
18. Miss Nurumon	Saardchom	/																			
X = CHAIRMAN		// = EXECUTIVE BOARD																		// = DIRECTOR	

THE NAME OF RELATED COMPANIES WITH VALUE OVER THAN BAHT 0.5 MILLION ARE AS FOLLOW

25. OSOTH INTER LABORATORIES CO.,LTD.	30. KABIN PHATTHANAKUJ CO.,LTD.	35. EXACT Q CO., LTD.	40. WATSADORAMAI CO.,LTD.
26. BNC MAESOT CO.,LTD.	31. I.D.F. CO.,LTD.	36. THAI AIZAWA PITAKKUJ CO.,LTD.	41. BOONWATANACHOK . CO,LTD.
27. TREASURE HILL CO.,LTD.	32. SSDC (TIGERTEX) CO.,LTD.	37. UNIVERSE BEAUTY CO.,LTD.	42. WBLP CO.,LTD.
28. SRIRACHA AVIATION CO.,LTD.	33. SIN PARADORN CO.,LTD.	38. MODERN TECHNOLOGY COMPONENT CO.,LTD.	
29. P T K MULTISERVICE CO.,LTD.	34. CHOKWATTANA CO.,LTD.	39. SAHA COGEN GREEN CO.,LTD.	



# SPI...

and Sustainable Development

2017





# Table of Contents

239	Message from the President
240	Business Philosophy SPI believes that...
241	General Information
245	Sustainable Development
247	About the Report
249	Corporate Social Responsibility Policy for Sustainable Success
249	Good People
252	Good Products (Business)
264	Good Society (Local Communities)



## Message from the President

2017 saw Thailand enter a period of economic recovery under the new government, whose plans to improve and elevate national developments began to take shape. Exports grew, and the tourism industry continued to benefit from the governments consistent stimulus measures. As for the industrial developments, the establishment of the special economic zones and the Eastern Economic Corridor (EEC) have attracted large amounts of capital investment which in return also contributed to stimulating household spending. The aforementioned economic stimulants, along with supporting the Pracharat projects, have led to higher sales growth for Saha Group.

The Company have also contributed to the government's Pracharat projects efforts. We have increased our investment in agriculture cultivation and established learning and development centers where local communities and students could partake in the sufficiency economy projects. We have also distributed products and seeds to farmers to help generate income and strengthen local communities.

As for the development of the Saha Group's Industrial Park, we have formed a working group with the Department of Industrial Works to develop an eco-industrial town under a framework that takes into account managerial, physical, social, economic and environmental development. Based on an assessment under this framework, the Company received an above-average score. All activities have received positive feedback and support from stakeholders. These stakeholders have also taken part in our activities to develop an eco-industrial town, where industries and communities may happily and sustainably co-exist.

Moreover, the Company has made improvements to environmental management of the Saha Group's Industrial Park, garnering the ISO14001:2015 certification. We have assessed risks, reduced energy consumption, ensured compliance with laws and regulations and minimized our activities' impact on the surrounding communities and the environment.

These aforementioned endeavors are but a few examples of our commitment to ensure a happy and sustainable co-existence of the Company and communities. The Company will continue to elevate our standards above the requirements because we believe that our business can only grow when communities are strong, and the environment is thriving above standard requirements. This leads to a sustainable development under the management policy of "Good People. Good Products. Good Society."

**Mr. Vichai Kulsomphob**

**President**



## Business Philosophy

### SPI believes that...



Dr. Thiam Chokwatana  
Founder

“To conduct a good business,  
you must disregard self-interest and  
adhere to ethical practices.”

#### A GOOD BUSINESS

- Seeking benefits or profits is not amoral, but it must be done reasonably while consumers also benefit from good products and services.

#### CONSIDER OTHERS

- You must also think of the benefits to others, not just your own.

#### OPERATE ETHICALLY

- You cannot let profitability blind you from morals and ethics.



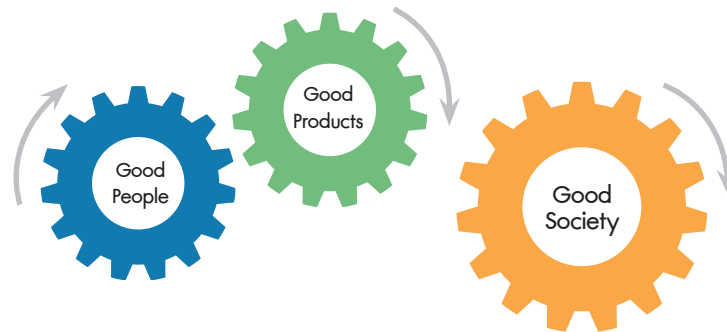
# Principles

Good People ❤️ Good Products ❤️ Good Society

We serve with swiftness,  
politeness, honesty,  
transparency, and equality.

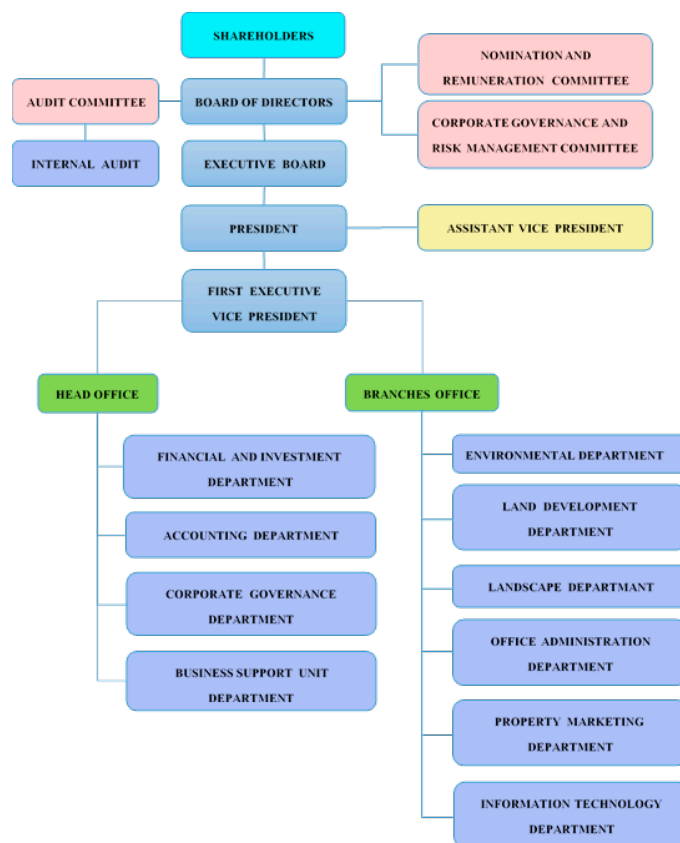
Our products are of good  
quality, sufficient in number, and  
developed per established goals.

We provide good occupational health,  
safety, and environment for our employees,  
as well as the surrounding communities.



## General Information

### Organization chart



December 31, 2017

Disclosed on company website: [www.spi.co.th](http://www.spi.co.th)



## Vision, Mission, Target and Values

By realizing the importance of the business operation, the Board of Directors has established the Company's Vision, Mission, Target and Values to guide the Company's directors, executives and employees to the same path of success by reviewing it annually.



## The 7 Values





## Significant Development

### 2017

- On February 9, 2017, the Company issued and began offering two sets of debentures worth 2 billion baht. The first set of debentures, which will mature by 2020, is worth 1 billion baht and has a fixed interest rate of 2.39% per annum. Meanwhile, the second set, which will mature by 2024, is also worth 1 billion baht and has a fixed interest rate of 2.44% per annum.
- Entire business transfer of President Holdings Co., Ltd. and a mandatory tender offer to purchase the entire securities of President Rice Product Public Company Limited and President Bakery Public Company Limited. Due to the aforementioned the company was internationally awarded with the “BEST THAILAND DEAL Saha Pathana Inter-Holding Public Company’s \$2.902 billion restructuring of four listed entities into one.” from Finance Asia Awards 2017
- Issue of convertible debenture No. 1/2017 which will reach the convertible period in the year 2024 with the condition to convertible value of 3,505 million baht (0.7% per annum). As a result, the company was awarded “Best Bond Awards 2017 — Most Innovative Deal” from The Thai Bond Market Association.
- The Company began its work to transform the Saha Group’s Industrial Park in Sriracha into an eco-industrial park in 2009. The Department of Industrial Works has led the effort to develop areas and districts heavily populated by industrial plants into eco-industrial towns. The pilot areas include Rayong, Samut Prakan, Samut Sakhon, Prachinburi, Chachoengsao, and Chonburi. The Saha Group’s Industrial Park was chosen to take part in the endeavor. We have devised plans, organized activities, and executed projects to establish ourselves as an eco-industrial park.

### 2016

- The Company garnered the Outstanding Award for its 2016 Industrial Environmental Management from the Engineering Institute of Thailand under the His Majesty the King’s Patronage.
- The Saha Group’s Industrial Park Si Racha received a CSR-DIW Continuous Award 2016 plaque from the Ministry of Industry.
- The Saha Group’s Industrial Park Si Racha was selected as a pilot industrial area for Chonburi to be developed into an eco-industrial town as part of the feasibility study of the master plan to develop eco-industrial towns in collaboration with the Chonburi Industrial Office and the Department of Industrial Works of the Ministry of Industry.
- The water treatment plant of the Saha Group’s Industrial Park Si Racha registered its water-supply production for a carbon footprint label from the Greenhouse Gas Management Organization (TGO) based on an assessment of CO<sub>2</sub> emissions from the production process.
- The Company became a certified member of Thailand’s Private Sector Collective Action Coalition against Corruption (CAC).

### 2015

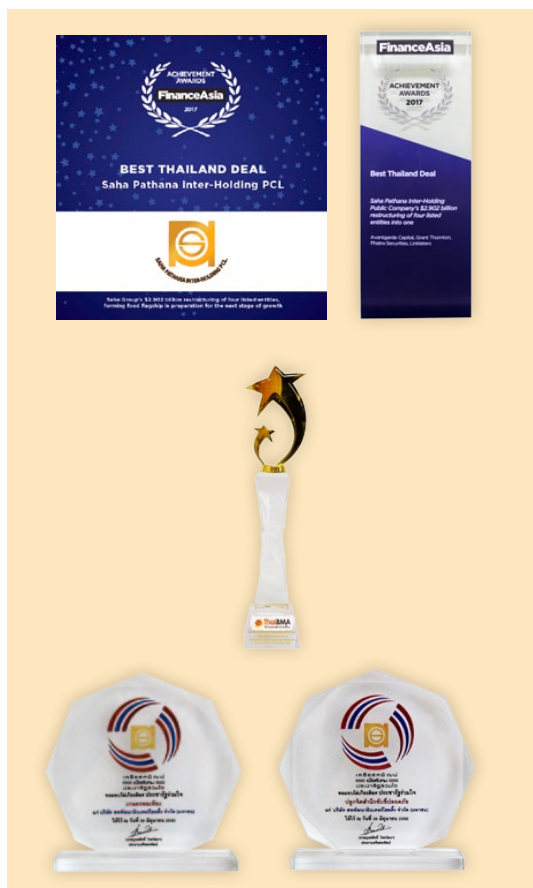
- Saha Group Industrial Park Sriracha was certified as a “Green Industry - Level 3” by the Ministry of Industry due to the focus on development together with continuous improvement and entrepreneurship with social responsibility both within and outside the industrial park throughout the supply chain to create sustainability.
- Saha Group Industrial Park Sriracha in cooperation with Kasetsart University and the Certification Institute conducted a study of the qualified waste management system in accordance with academic findings and the law in order to develop the potential for the use of sludge as a fertilizer which could be produced according to the standard required by the Department of Agriculture.
- Saha Group Industrial Park Kabinburi participated in the master plan development towards an ECO industrial town in Prachinburi. Saha Group Industrial Park Lamphun won the “CSR-DIW Continuous Award 2015” organized by the Ministry of Industry in which the award is towards company that exhibit sustainable development.



## Awards and achievements

### 2017

- The Company achieved a full score of 100 along with the “Excellent” status for quality assessment of its 2016 Shareholders Annual General Meeting for the ninth consecutive year.
- Corporate governance assessment for listed companies the company received an “Excellence” rating.



- Award an Internationally recognized achievement “BEST THAILAND DEAL” from Finance Asia 2017 on \$2.902 billion restructuring and consolidation of four listed entities
- Awarded the Best Bond Awards 2017 in the category of Most Innovative Deal from The Thai Bond Market Association.
- Awarded the Pracharat Ruam Jai Honorary Plaques through Saha Group's Pracharat Ruam Jai projects. The Company has taken part in the project through its program to elevate occupational standards, as well as the Dr. Thiam Chokwatana's Sufficiency Agriculture Project and the Road Safety Awareness campaign.

### 2016

- The Company became a certified member of Thailand's Private Sector Collective Action Coalition against Corruption (CAC).
- The Saha Group's Industrial Park Si Racha received a CSR-DIW Continuous Award 2016 plaque from the Ministry of Industry.
- The Company garnered the Outstanding Award for its 2016 Industrial Environmental Management from the Engineering Institute of Thailand under the His Majesty the King's Patronage.

### 2015

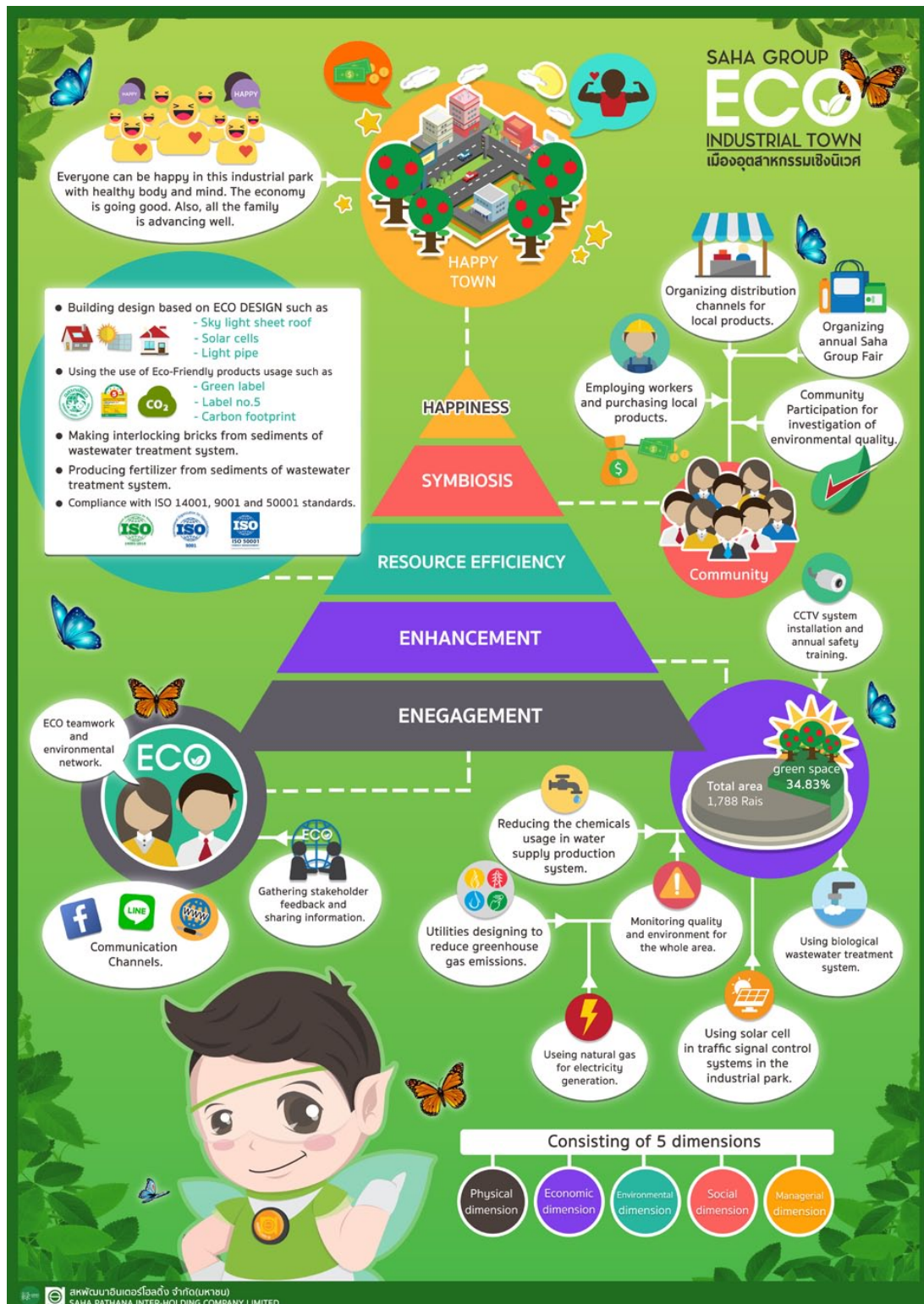
- Received a certificate for the leading industrial operator in accordance with the Principles of Good Environmental Governance which is in line with the principle of good corporate governance. Additionally, the community are able to take part on issues and voice complaints in order to work towards building a community network between operators and local government as to reflect a greater tie between the local community and industrial park operators to coexist happily and sustainably.
- Received a certified “Green Industry - Level 3” by the Ministry of Industry for the environmental management system that was assessed and praised for the continued development and sustainability.

## Sustainable Development

### Major Sustainable Development Strategies

It is the Company's vision to be a leader in investment with a strong focus on service and a commitment to social development by adhering to the code of conduct and ethics. The Company operates with honesty, transparency and equality towards all stakeholders and towards society as a whole—aiming for a future of sustainability through:

#### Eco Industrial Town



## Corporate Social Responsibility and Sustainable Development Policy

As an investment leader of the Saha Group, the Company focuses on putting its money into businesses with growth potential for optimal returns. In the meantime, the Company continues to grow its real-estate business to support increase investments while enhancing its rental and service capabilities to bring about the utmost benefits to the tenants of Saha Group's Industrial Park. This enhancement is achieved by transforming the park into an eco-industrial town with an excellent management system that boasts transparency, honesty, and accountability under the principles of good governance.

The purpose of this transformation and the alignment of our Pracharat project (Dr. Thiam Chokwatana's Sufficiency Agriculture Project in Lamphun) with the government's development scheme and supporting projects—such as the development of the Eastern Economic Corridor (EEC) and the establishment of special economic zones, whose goal is to help local communities generate income—is to improve the quality of life in the surrounding communities, to create a good environment for them, and to generate continuous income growth. In terms of sustainable growth and development of human resources and locales, the Company has aligned its corporate social responsibility management with the Global Reporting Initiative (GRI) Standards 2018 under the policy of “Good People. Good Products. Good Society.” The Company has prepared a sustainable development report in which the Board of Directors has assigned the Good Governance and Risk Management Committee to oversee matters of sustainable development management with an emphasis on an organizational culture of balancing business with environmental conservation and sustainable co-existence with communities.

### “Good People”

- We provide swift service to customers.
- Our politeness ensures their utmost satisfaction.
- We serve with honesty and fairness.
- Our operations are transparent and accountable.
- We treat all customers equally.

### “Good Products”

- Our quality complies with international standards.
- We sufficiently meet customer needs.
- We develop products per established goals.

### “Good Society”

- We promote better hygiene and safety.
- We provide a good work environment.
- We take care of the surrounding communities.

## Our stakeholders

The Company identifies and prioritizes stakeholders based on its three main business areas: equity investment, rentals and services, and industrial parks. Assessment criteria that respond to stakeholders' objectives are used. Furthermore, stakeholders' demands and interests, as well as direct and indirect impacts of the Company's policies and operations, are taken into account in conjunction with the benefit shared between businesses and stakeholders. In summary, stakeholders involved in the business processes consist of shareholders, customers, business partners and employees, along with communities and societies, the media and the public sector.





## Stakeholders Involved in Business Operations

Stakeholder	Expectations	Processes Used	Practices	Results
● Shareholder	<ul style="list-style-type: none"> <li>A reasonable return on investment</li> <li>Good corporate governance</li> <li>Social and environmental responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Annual general shareholders meeting</li> <li>Annual report</li> <li>Company website</li> <li>SET news system</li> <li>Company visit</li> <li>Analyst/Investors meeting with Saha Group</li> </ul>	<ul style="list-style-type: none"> <li>Organize the annual general shareholders meeting Sustainability Report</li> <li>Organize company visits</li> <li>Organize meetings between Saha Group and Analyst/Investors</li> </ul>	<ul style="list-style-type: none"> <li>Created an environment of asking questions and discussion</li> <li>Built trust in good corporate governance</li> <li>Fostered understanding of the Company's business operations</li> <li>Dividends</li> </ul>
● Customer	<ul style="list-style-type: none"> <li>Customers' satisfaction Operate business in an environmentally friendly manner</li> </ul>	<ul style="list-style-type: none"> <li>Exchange of ideas and knowledge Provide new and innovative services</li> <li>Customer satisfaction survey Establish CSR projects</li> <li>Company website</li> <li>E-mail</li> <li>Reduce impact on the environment</li> </ul>	<ul style="list-style-type: none"> <li>Develop services to meet the needs of customers</li> <li>Create a business network which is friendly to the environment</li> <li>Evaluate customer satisfaction once a year</li> <li>Share knowledge related to factories' operations within the industrial parks</li> <li>Announce wastewater treatment fee rate with clarity and fairness</li> <li>Disclose results of wastewater analysis and measurement once a month</li> </ul>	<ul style="list-style-type: none"> <li>Obtained ISO 9001:2008 and ISO 14001:2004 certifications</li> <li>Received Rising Star Award</li> <li>Obtained knowledge and understanding related to the factories operations within the industrial parks</li> <li>Able to use recycled water within the industrial parks</li> </ul>
● Trade Partners / Contractors / Suppliers	<ul style="list-style-type: none"> <li>Fairness and transparency in business transactions</li> <li>Consult and exchange of knowledge and ideas</li> </ul>	<ul style="list-style-type: none"> <li>Set up meetings to share and exchange knowledge and ideas</li> <li>Jointly learn and development together</li> <li>Analysis of trade partners / contractors / supplier within the supply chain</li> <li>Telephone Public relations E-mail</li> </ul>	<ul style="list-style-type: none"> <li>Establish relationship policy to form business alliances Fair trade in business transactions Develop business partners able to add synergistic value to the group.</li> <li>Select trade partners / contractors / suppliers in the supply chain</li> <li>Organize trainings on relevant business knowledge</li> <li>Provide consultation and analysis on investments</li> </ul>	<ul style="list-style-type: none"> <li>Obtained ISO 9001:2008 certification</li> <li>Strengthened business networks</li> <li>Increased potential</li> <li>Created higher standards in many areas</li> </ul>
● Employees	<ul style="list-style-type: none"> <li>Remuneration and welfare</li> <li>Work security and progress</li> <li>Good quality of life</li> <li>Knowledge and skills development</li> </ul>	<ul style="list-style-type: none"> <li>Employee survey</li> <li>Meetings between Company executives and employees</li> <li>Performance appraisals</li> <li>Public relations Company website</li> <li>E-mail</li> <li>Whistleblower</li> </ul>	<ul style="list-style-type: none"> <li>Adopt principles of human rights and employees treatment Continuously develop knowledge/skills for employees</li> <li>Establish working groups to develop employees remuneration</li> <li>Build career path and establish succession planning for employees</li> <li>Protect whistleblower</li> </ul>	<ul style="list-style-type: none"> <li>Obtained Thai Labor Standard Certification (TLS 8001)</li> <li>Received appropriate, unprejudiced and fair remuneration and welfare</li> <li>Received information and understanding about career paths</li> <li>Received fair treatment</li> </ul>
● Communities and Society	<ul style="list-style-type: none"> <li>Create occupations and income Develop and care for the surrounding community Support for community activities</li> <li>Develop children and future youth community schools</li> </ul>	<ul style="list-style-type: none"> <li>Surveying and listening to community residents' points of view</li> <li>Organizing meetings: communities / schools meet the Company</li> <li>Co-organizing events with communities</li> <li>Open House</li> <li>Call Center</li> <li>Company website</li> </ul>	<ul style="list-style-type: none"> <li>Support activities relating to developing quality of life, and community's customs and traditions</li> <li>Organize annual local product fair</li> <li>Support educational funds and scholarship</li> <li>Participate in Thailand State and Environmental Governance</li> <li>Employ local workforce</li> </ul>	<ul style="list-style-type: none"> <li>Gained better quality of life for the community's residents</li> <li>Created educational opportunities</li> <li>Fostered good relationship between Company and community</li> <li>Used reasonably priced goods</li> <li>Created income for communities</li> </ul>
● Mass Communications Sector	<ul style="list-style-type: none"> <li>Communication between Company and relevant stakeholders</li> <li>Provide public relations channel to publicize Company news, information and activities</li> </ul>	<ul style="list-style-type: none"> <li>Giving interviews</li> <li>Telephone</li> <li>Community radio</li> <li>Open House</li> <li>Company website</li> </ul>	<ul style="list-style-type: none"> <li>Publicize Company's information, news, and activities via various channels: newspaper, community radio, TV, SET, and Company website</li> </ul>	<ul style="list-style-type: none"> <li>Fostered good relationships between the Company and community/mass communications sector</li> <li>Developed ability to communicate quickly and accurately</li> </ul>
● Public Sector	<ul style="list-style-type: none"> <li>Cooperation between Company and the public sector</li> <li>Follow laws and regulations from public sector</li> </ul>	<ul style="list-style-type: none"> <li>Open House</li> <li>Circular letters</li> <li>Monthly report</li> <li>Points of view discussion meetings</li> <li>Environment quality measure</li> </ul>	<ul style="list-style-type: none"> <li>Distribute knowledge and build understanding in laws, regulations and practice guidelines</li> <li>Organize meetings to exchange knowledge and ideas</li> <li>Report environmental quality measurement results to the public sector</li> </ul>	<ul style="list-style-type: none"> <li>Fostered good cooperation between Company and public sector</li> <li>Correctly operated in accordance with laws and regulations of public sector</li> <li>Obtained ISO 14001 : 2004 certification</li> </ul>

## About the Report

### Reporting Scope

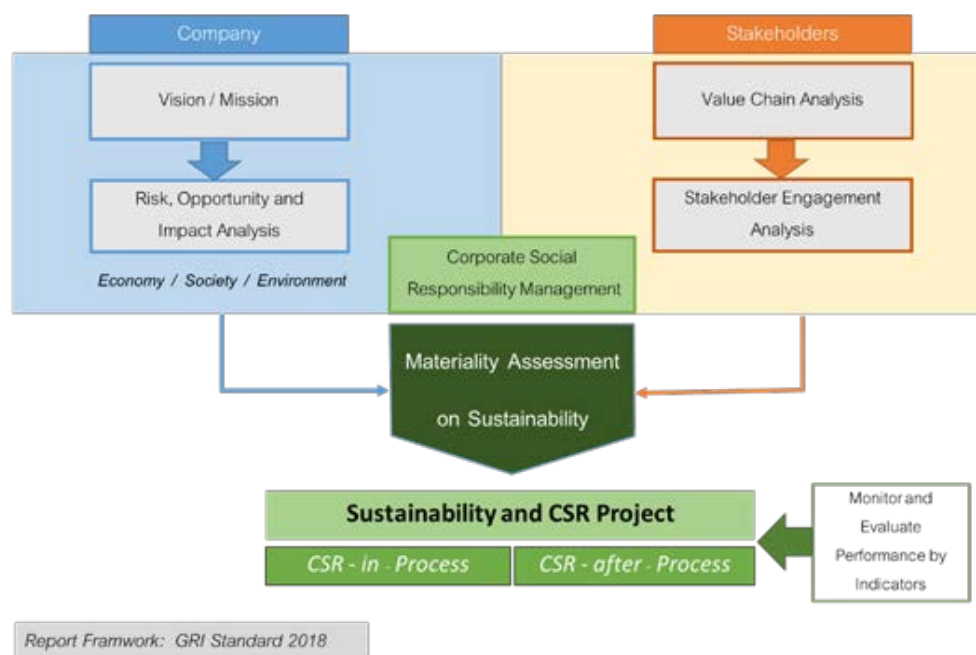
This sustainable development report has been prepared to demonstrate the Company's sustainable development performance, including its connections to economic, social, and environmental issues. The Company's guidelines for sustainable development under the corporate social responsibility policy includes the following three aspects: good people, good products, and good society. The preparation followed the GRI Standards 2018. The 2017 Sustainable Development Report focuses on the Company's operations, which are based on its business direction, vision, corporate strategies, good governance, and concrete guidelines of work ethics. It also focuses on employees' welfare, the development of employees into good people, the creation of value-added to the business, and the creation of opportunities for society and communities in the long run. These contexts are linked with international issues of sustainability, namely the economy, society, and the environment. The 2017 Sustainable Development Report covers all operations of the headquarters and branches, which are divided into the following three business groups:



Office	Type of Business	Location
Saha Pathana Inter-Holding Public Company Limited Head Office	Investment / Rental and Service	Bangkok
Saha Pathana Inter-Holding Public Company Limited Branch 1	Rental and Service / Industrial Park	Chonburi
Saha Pathana Inter-Holding Public Company Limited Branch 2	Rental and Service / Industrial Park	Prachinburi
Saha Pathana Inter-Holding Public Company Limited Branch 3	Rental and Service / Industrial Park	Lamphun
Saha Pathana Inter-Holding Public Company Limited Branch 4	Rental and Service (KBSC Golf Course)	Prachinburi
Saha Pathana Inter-Holding Public Company Limited Branch 5	Rental and Service / Industrial Park	Tak
Saha Pathana Inter-Holding Public Company Limited Branch 6	Rental and Service (J-Park)	Chonburi

## Materiality Assessment of Corporate Social Responsibility of the Company

The Company conducted materiality assessment on sustainability (Materiality Assessment) by evaluating from the impact and the viewpoint of the Company and the stakeholders of the Company. Materiality assessment process as follows.



## Significant Issues

The report is comprised of three dimensions and nine aspects. Based on the corporate social responsibility assessment, the Company has four significant issues pertinent to stakeholders.

1. The development of goods and services for the benefit of society and the environment
2. Job creation and human-resource development
3. Community participation
4. Pollution prevention



Economy	Society	Environment
<ol style="list-style-type: none"> <li>1. Governance</li> <li>2. Anti-corruption efforts</li> <li>3. Ethical business practices</li> <li>4. Innovation and dissemination</li> <li>5. Responsibility towards consumers               <ul style="list-style-type: none"> <li>• Development of goods and services for the benefit of society and the environment.</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>1. Respect for human rights</li> <li>2. Labor</li> <li>3. Development of society and communities               <ul style="list-style-type: none"> <li>• Job creation and human-resource development</li> <li>• Community participation</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>1. Environmental management               <ul style="list-style-type: none"> <li>• Pollution prevention</li> </ul> </li> </ol>

## Corporate Social Responsibility Policy for Sustainable Success

The Good Governance and Risk Management Committee has overseen the responses to and the execution of the corporate social responsibility policy under the GRI Standards 2018, as well as the scope of reporting scope. The summary of which is shown below.



### (1) Development of Good People

Understanding that people are what drives an organization towards success, the Company underlines the importance of developing and promoting good people while also honing their skills to create good and skilled people who are loyal to the organization. The Company encourages its employees to further develop their knowledge and skills, as well as to develop a specific mindset and behaviors as part of its organizational culture that contributes to its long-term growth. To this end, the Company requires every employee to record at least 10 good deeds per year in the good deed journal to measure them individually. The information obtained from their journals is used to organize group activities with a common denominator.



#### ● Good People for the Public

The Company encourages its employees to perform good deeds that benefit others, promoting a profound understanding of selflessness, giving, sharing, and seeing value in fellow human beings. This allows us to discover kind-hearted individuals with good interpersonal relations

- Training and seminars on subjects pertinent to businesses of the Saha Group



#### Good Governance Update for 2017

by Thanakrit Phoemphunsantisuk

on September 20 and October 18, 2017



- Phra Dabos's Fabric Bags

The Company and its employees purchased fabric bags from the Phra Dabos Foundation printed with "The King Shall Remain in Every Thai Heart Forever." In addition to combatting climate change, the purchase of these fabric bags also contributed to the creation of jobs and the generation of income for individuals from various communities with occupational training from the foundation. The Company donated the bags to temples nearby.

## (2) Development of Skills

The Company committedly assists its employees in their endeavor to further develop their skills and knowledge to ensure career stability and career advancement based on their potential. Having skilled human resources contributes to the Company's competitiveness. The Company requires every employee to undergo at least one training program per year related to their job function and at least two general programs per year. These training programs could be conducted internally or externally, such as by the Stock Exchange of Thailand, the Securities and Exchange Commission, the Thai Institute of Directors, the Thai Listed Companies Association, and the Federation of Accounting Professions under the Royal Patronage of His Majesty the King.

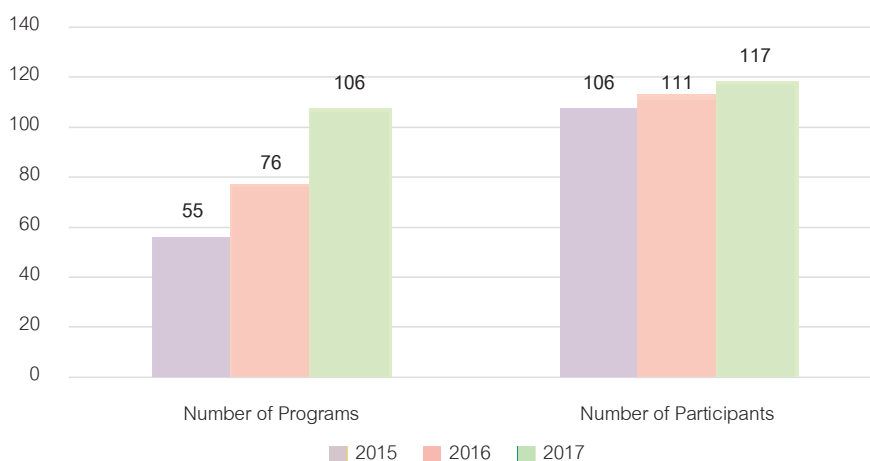


#### Annual 2017 income tax update Training Course

by Mrs. Punnee Worawuthichongsthit

on September 7, 2017

Human Resource Development Training 2015—2017



In addition to training, skilled individuals are also able to pass on their skills and knowledge to other employees, as well as communities and society.



- Disseminating wastewater treatment knowledge to students at schools near the Company's establishments

### (3) Encouraging Employees' Participation and Creation of Value to Society

The Company encourages its employees to volunteer for the benefit of society and local communities, promoting an understanding of selflessness, collaboration, unity, and a common goal of improving local communities. This also fosters good relations between the Company and local communities. Employees who regularly partake in community-oriented activities are benevolent, kind-hearted, and good at interpersonal relations. These individuals are important human resources. Below are some of the activities.

- **Installing Automated External Defibrillator**

The Company installed a Powerheart G3 automated external defibrillator (AED) in front of its office to provide access to employees and the general public. Basic life support training, including the use of the AED, has also been provided to help employees cope with cases of an emergency. So far, 10% of all employees have undergone the training and become certified. The training was conducted by SECOM. The Company hopes to have 15% of its employees undergo the training and become certified by 2019 as it would promote a better quality of living in a sustainable manner.



- **Volunteer**

To promote an understanding of selflessness, collaboration, and unity among employees, the Company encourages them to volunteer as a group for the benefit of society. Employees who volunteer regularly are benevolent, kind-hearted, and capable of good interpersonal relations; they are the Company's crucial human resources. In addition to group efforts for the benefit of the public, the Company hosts a number of internal activities to unit its employees, including religious ceremonies and anniversaries of the Company's major events. In 2017 the Company organized the following activities:



The Company co-hosted one of the prayer ceremonies for His Late Majesty on April 7, 2017.



The Company activities participation

### “Not Just Building a Dam But Giving Back to Society”

- The Company helped build a check dam in celebration of the 25th anniversary of Eastern Water Resources Development and Management PCL in collaboration with the Network of Forested Communities in 5 Eastern Provinces at Ban Nong Muang, Rayong, to better water-resource stability for the community on November 24, 2017.





## Good Products (Business)

The Company adheres to the principle that it has a responsibility towards consumers and society. To this end, it strives to develop quality products and services that meet consumer demand without impacting society and the environment or infringing intellectual property in any way. The Company also ensures that its products and services are provided to consumers sufficiently and that they are developed according to established goals.

### (1) Governance

In 2017 the Securities and Exchange Commission (SEC) issued The Corporate Governance Code (CG Code) 2017 for listed companies, which replaced The Principles of Good Corporate Governance for Listed Companies 2012 by the Stock Exchange of Thailand. The CG Code purposes include the following:

1. To elevate the standard of corporate governance from simple compliance to suitable application, which will lead to the creation of long-term value to organizations.
2. To assist the Board of Directors, as leaders of any given organization, to apply the eight principles to their organization's own corporate governance principles, covering all aspects of operations.

The Board of Directors understands its role as leaders of the organization. Through the Good Governance and Risk Management Committee, the board studied and attended in the CG Code seminar to familiarize itself with the code's benefits, guidelines, and promises of long-term benefits to the Company's day-to-day operations. After assessing the Company's compliance with each principle of the CG Code to determine existing compliance points and suitable development plans for non-existing points, the board approved an adaptation of the CG Code to the Company's business context, which is disclosed in the annual report (Form 56-2) and the annual registration statement (Form 56-1).



- The Company tested its employees' understanding of good corporate governance for the first time. Test takers must have a score of at least 80% to pass. All 100% of test takers passed the good corporate governance test.
- During the last Annual General Meeting of Shareholders, the Company communicated principles of good corporate governance to shareholders in the form of a video animation.

### (2) Anti-Corruption Efforts

The Company is committed to conducting its business with fairness, transparency, honesty and social responsibility. As the Board of Directors recognizes the importance of transparent, fair, and accountable operations, the anti-corruption policy has been disseminated throughout the Saha Group, fostering internal collaboration that will usher in a new dawn of transparency and sustainability.

Following the announcement of the anti-corruption policy in 2015, the Company has continued to fight against all forms of corruption by formulating guidelines in support of this policy. These guidelines were announced and came into effect on March 15, 2017. Furthermore, the Company became a certified member of the Thailand's Private Sector Collective Action Coalition Against Corruption on October 14, 2017. The Company has expanded its anti-corruption network over the past two years to the following 12 companies:

**In 2016 the Group's network consists of 11 companies as listed below:**

- |  |  |
|--|--|
| 1. President Bakery Public Company Limited                 | 2. Thai President Foods Public Company Limited |
| 3. President Rice Product Public Company Limited           | 4. Saha Pathanapibul Public Company Limited    |
| 5. I.C.C. International Public Company Limited             | 6. Thai Wacoal Public Company Limited          |
| 7. Thanulux Public Company Limited                         | 8. Sahacogen (Chonburi) Public Company Limited |
| 9. Textile Prestige Public Company Limited                 | 10. People's Garment Public Company Limited    |
| 11. S & J International Enterprises Public Company Limited |  |

**The year 2017, OCC Public Company Limited was awarded the Anti-Corruption member certification.**



- Anti-Corruption Day 2017
- The Company provides a complaint submission channel. No complaints were made in 2017.
- The Company encourages and supports continuous training to instill an anti-corruption awareness among people within the organization. Employees were tested and would only pass with a score of 80%. All 100% of test takers passed.



September 6, 2017

### (3) Fair Business Practices

Conducting business fairly will bring about trust and confidence among stakeholders, yielding long-term benefits. Every business should adhere to ethical practices to ensure fairness instead of taking advantage of unethical conduct. To standardize its fair business practices, the Company has issued the following guidelines:

1. The Company shall avoid transactions that may lead to a conflict of interest. In the event that a conflict of interest has arisen, the Company must deal with it prudently and reasonably.
2. The Company shall operate within the framework of fair competition with regard to the code of conduct and business competition laws of the country in which the Company invests.
3. The Company shall refrain from supporting any activity that may infringe upon intellectual property or copyright.
4. The Company shall provide an efficient and effective system of internal control and checks and balances to prevent corruption or participation in corruption.
5. The Company shall instill an awareness, value and attitude of honesty and compliance to laws and regulations among directors, executive officers and employees.

The internal audit department has evaluated the internal audit system within the company on an annual basis in accordance to the internal audit certified by the committee of the Stock Exchange of Thailand based on The Committee of Sponsoring Organizations of the Treadway Commission (COSO). The audit committee is responsible for the evaluation of the company internal audit procedures having concluded that the company internal audit is in compliance and free from any material errors, procedures or legal matters. In conclusion, the company's management view the internal audit system as sufficient and appropriate to support current business operations.

### (4) Human Rights and Treatment of Employees

The Company is dedicated to responsible operation without limitations on freedom, differences of opinions, gender, race, religion, and civil or political rights. The Company respects the human rights of all stakeholders, including the fundamental rights at work of all employees based on labor laws, human rights principles and equality to standardize its practices of human rights and treatment of employees. The Company has disclosed the policy and guideline in the Business Ethics Code of Conduct under the Human Rights section.

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

The Company has recorded no Human Rights violation.

### (5) Fair treatment of the Workforce

The Board of Directors regard Employees as a valuable resource and a key factor in the Company's success. The following policies and guidelines have been prescribed in this regard.

1. Human dignity and the fundamental rights of Employees are respected at work. Employee data or confidential information is not disclosed or transmitted to third parties or unrelated persons.
2. Employees are treated in accordance with the provisions of law, regulations and articles governing the Company's operations.



3. Employment equality is promoted. There is no discrimination on the grounds of gender, skin color, race, religion, age, disability or another status that is not directly related to the works.
4. Training and knowledge exchange are sponsored and promoted to encourage learning and skill development throughout employment; The Company seeks to strengthen career security and offer opportunities for advancements pursuant to each person's potential.
5. Employee participation in the determination of the Company's direction and development are promoted.
6. Fair compensation is offered depending upon knowledge, skill, duties, responsibilities and performance.
7. Appropriate welfare and benefits are given to Employees, e.g. medical expenses, provident fund, a cooperative and influenza vaccination



Fire drill and evacuation in 2017



Labour Relation Activities

## (6) Responsibility Towards Consumers

The Company conducts its business and follows through with its contractual obligations in a fair and transparent manner. It safeguards its consumers' information and assures their utmost satisfaction, as well as accurately discloses information. Moreover, the Company is dedicated to developing its investments, products, and services under international standards to meet consumer demand in a sustainable manner.

The Company and Saha Group's of companies has organized the annual Saha Group Fair for the past 21 years to give back to society. At the fair, products are sold directly to consumers at special prices. These fairs have also been extended to the Company's industrial estate park.



The Saha Group's goal is to promote the use of products made in Thailand by Thai people for Thai people, in which the logo appears on products of Saha Group.





One of the Company's main strategies is to transform its industrial park into an eco-industrial town that ensures the mutual growth of its business, the industrial sector, the environment, and society in a sustainable manner. To this end, the concept of industrial ecology, with a focus on eco-friendliness, has been applied to its sustainable industrial development. Components of the new industrial system mimics the symbiosis relationship that exists in a natural ecosystem, ensuring sustainability. This endeavor assures that future generations will still have access to abundant natural and energy resources. The strategy is comprised of five development dimensions, which are further divided into 20 interrelated and balanced aspects that support one another. Each dimension may be linked to create a network of activities that support any of these five dimensions—namely physical, economic, environmental, social, and managerial. The strategy falls under the eco-industrial town development provisions of the Department of Industrial works. Data has been gathered since 2017 to be used for continuous development.

The Company is committed to developing the Saha Group's Industrial Park in Si Racha into an eco-industrial town for the following economic, social, and environmental benefits:



## Economic Dimension

### Local Economies

Indicators	Results	Images
4.1.1 Promotion of and support for activities in surrounding communities	The results of promoting and supporting activities in local communities are at the intermediate level. <b>3 points</b>	  <p>Sponsoring Songkran Activities For Nearby Communities</p> <p>Donating to People with Disabilities and Opening a Store</p>
4.1.2 Percentage of manufacturing plants in which local laborers make up at least 25% of the entire labor force	At least 20% of the manufacturing plants in the eco-industrial town have a labor force that is made up of at least 25% locally hired laborers. <b>5 points</b>	 <p>Locally Hired Labor Force</p>
4.1.3 Percentage of manufacturing plants that procure products or services locally; or support activities or occupational groups of local communities; or provide support for market sustainability or development of career or skill training programs	Over 20% of manufacturing plants procure products or services locally; or support activities or occupational groups of local communities; or provide support for market sustainability or development of career or skill training programs <b>5 points</b>	  <p>Local food vendors at Central Cafeteria</p> <p>Local stalls at the Saha Group Fair</p>

### Transportation and Logistics

Indicators	Results	Images
6.1.1 Percentage of manufacturing plants with activities or measures for safety, cost reduction, or improvement of their transportation and logistics systems	The Saha Group's Industrial Park in Sriracha encourages plants to carry out activities or measures for safety, cost reduction, or improvement of their transportation and logistics systems. <b>1 point</b>	  <p>Seino Saha Logistic Co., Ltd.</p> <p>Si Racha Transport Co., Ltd.</p>  <p>Saha Pathanapibul PCL.</p>

## Social Dimension

### Employees' Quality of Life and Social Environment

Aspect	Indicators	Results
Employees' quality of life and social environment	16.1.1 Percentage of manufacturing plants with a happy workplace policy	At least 50% of the manufacturing plants execute some forms of a happy workplace policy based on the eight happiness principles. <b>5 points</b>

The Happy Workplace Policy ensures a good quality of life among employees and in the local communities. It is comprised of eight happiness principles: happy body, happy heart, happy relaxation, happy brain, happy soul, happy money, happy family, and happy society. There are 53 out of 59 establishments with happy workplace activities, an equivalent of 89.83%



In addition, the Company organizes activities to foster good relations, mutual understanding with nearby communities in hopes of happy coexistence based on assessment results of community satisfaction towards these activities and increased participation.




### Quality of Life and Social Environment of Nearby Communities

Indicators	Results	Images
17.1.2 Community satisfaction	<p>The Saha Group's Industrial Park in Sriracha surveyed the satisfaction of nearby communities towards its CSR activities and involvement in local communities and founded an increase in the level of satisfaction.</p> <p><b>4 points</b></p>	 <p>Participating in an activity of an environmental network</p>  <p>CSR Satisfaction Survey</p>

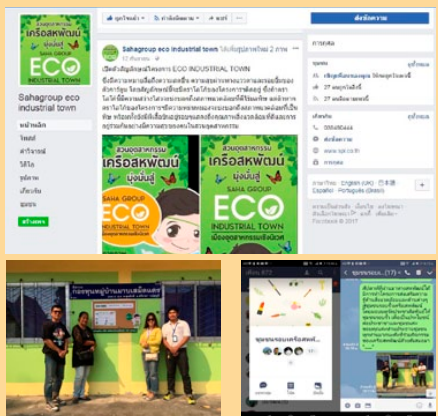
### Involvement in Area Management

Indicators	Results	Images
18.1.1 Plans and performance of the Eco-Industrial Town Working Group and/or the Eco-Industry Network	<p>The Saha Group's Industrial Park in Sriracha execute and establish plans to provide a summary of its performance at least four times a year.</p> <p><b>5 points</b></p>	 <p>Attending a seminar of the Environmental and Safety Network</p>  <p>Meetings of the Eco Industrial Town Working Team</p>

## Development and Maintenance of International-Standard Management System

Indicators	Results	Images
19.1.1 Percentage of manufacturing plants certified with ISO 14001 / ISO 50001 / TIS/OHSAS 18001/ at least level 3 of the Green Industry (GI) / an Eco Factory system or other equivalent management system	In terms of the development and maintenance of international-standard management system, at least 40% of the plants in the Eco-Industrial Town are certified with ISO 14001 / ISO 50001 / TIS/OHSAS 18001 / at least level 3 of the Green Industry (GI) / an Eco Factory system or other equivalent management system. <b>5 points</b>	

## Information and Disclosure

Indicators	Results	Images
20.1.1 Eco-Industrial Town's effective formats, channels, and frequencies of communication and information disclosure	The Saha Group's Sriracha Industrial Estate has continuous communication and information disclosure regarding its Eco-Industrial Town endeavor to the public. <b>5 points</b>	

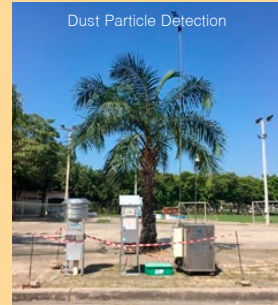

Eco-Industrial Town's Communication and Information Disclosure

## Environment Dimension


Indicators	Results	Images
7.2.1 Reduction in water use	The Saha Group's Industrial Park in Sriracha collects data on water use reduction or water use maximization activities from at least 40% (baseline) of the establishments on its premises. <b>5 points</b>	
7.2.2 Reduction in wastewater	The Saha Group's Industrial Park in Sriracha collects data on wastewater reduction or wastewater maximization activities from at least 40% (baseline) of the establishments on its premises. <b>5 points</b>	

The volume of reused treated wastewater continues to increase.

## Air Quality Management

Indicators	Results	Images
8.1.1 Air quality around industrial estate, industrial zone, industrial park, and communities are within standard range	The Saha Group's Industrial Park in Sriracha assesses air quality twice a year, the results of which have always fallen within the standard range (100%) and continue to exceed standard requirements (within a 3-year period) from 4 parameters onwards. <b>5 points</b>	
8.1.2 Percentage of manufacturing plants whose activities to reduce air pollution emissions significantly exceed standard requirements	At least 20% of the manufacturing plants perform activities to reduce air pollution emissions in a way that significantly exceed standard requirements. <b>5 points</b>	

## Management of Waste and Excess

Indicators	Results	Images
9.1.1 Percentage of industrial wastewater sludge reused	The Saha Group's Industrial Park in Sriracha collects data (baseline) on the number of establishments with industrial wastewater sludge and excess materials. <b>Insufficient information to obtain points between 1—5.</b>	



## Energy Management

Indicators	Results	Images
10.1.1 Percentage of alternative energy used	The Saha Group's Industrial Park in Sriracha encourages establishments within its premises to resort to alternative forms of energy through the dissemination of information about transforming the industrial park into an eco-industrial town. <b>Insufficient information to obtain points between 1—5.</b>	
10.2.1 Percentage of manufacturing plants with activities or measures to reduce or maximize energy consumption	At least 20% of the establishments have activities or measures to reduce or maximize energy consumption. <b>5 points</b>	

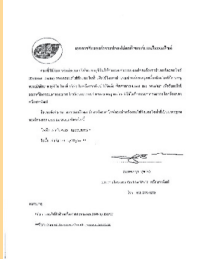

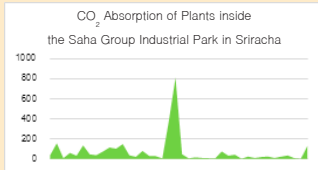
## Distress or Annoyance Complaint Management

Indicators	Results	Images
11.1.1 Response to complaints about distress or annoyances	The Saha Group's Industrial Park in Sriracha manages complaints concretely with mitigation measures. No complaints were filed about distress or annoyances. <b>5 points</b>	

## Manufacturing Process



Indicators	Results	Images
12.1.1 Percentage of manufacturing plants with an eco-process or Eco Factory certification	At least 30% of the establishments have an eco-process or an Eco Factory certification or a level 3 or higher GI certification. <b>5 points</b>	
12.2.1 Percentage of manufacturing plants with activities or measures to enhance the efficiency of feedstock usage	At least 16% of the establishments have activities or measures to enhance the efficiency of their feedstock usage. <b>5 points</b>	

## Eco-Efficiency

Indicators	Results	Images
13.1.1 Percentage of manufacturing plants with four aspects of Eco Efficiency analysis - Water - Energy - Wastewater - Industrial waste and excess	At least 25% of the establishments inside the Eco-Industrial Town analyze at least two Eco Efficiency aspects. <b>5 points</b>	
13.2.1 Percentage of manufacturing plants with activities or measures to reduce greenhouse gas emissions	At least 10% of the establishments have activities or measures to reduce greenhouse gas emissions and whose performance goal is achieved through a carbon footprint certification. <b>4 points</b>	 

Indicators	Results	Images
13.3.1 Percentage of manufacturing plants with assessment of their impact on biodiversity and mitigation plans	At least 5% of the establishments in the Eco-Industrial Town have plans to prevent further impact on biodiversity. <b>3 points</b>	 <p>The Saha Group's Industrial Park in Sri Racha Taken in August of 2017</p>

### Safety and Health Management

Indicators	Results	Images
14.1.1 Percentage of severe accidents and acute illnesses	The percentage of severe accidents or dangers that would affect nearby communities or acute illnesses has gone down by at least 90% (no accidents inside the park). <b>5 points</b>	
14.1.2 Chemicals and hazardous substances' leakage and accidents that affect employees, communities, or the outside environment	The percentage of chemicals or hazardous substances' leakage has gone down by at least 90% (no leaks inside the park). <b>5 points</b>	 <p>Fire Drill and Map of Fire Stations</p>

### Environmental Quality Monitoring

Indicators	Results	Images
15.1.1 Engaging environmental quality monitoring or environmental impact assessment (EIA) or equivalent programs	The Saha Group's Industrial Park in Sri Racha organizes activities that allow local communities to participate in environmental monitoring. These activities are organized at least four times a year. The outcome of each is also reported. Complaints have gone down as a result. <b>5 points</b>	

## Zoning

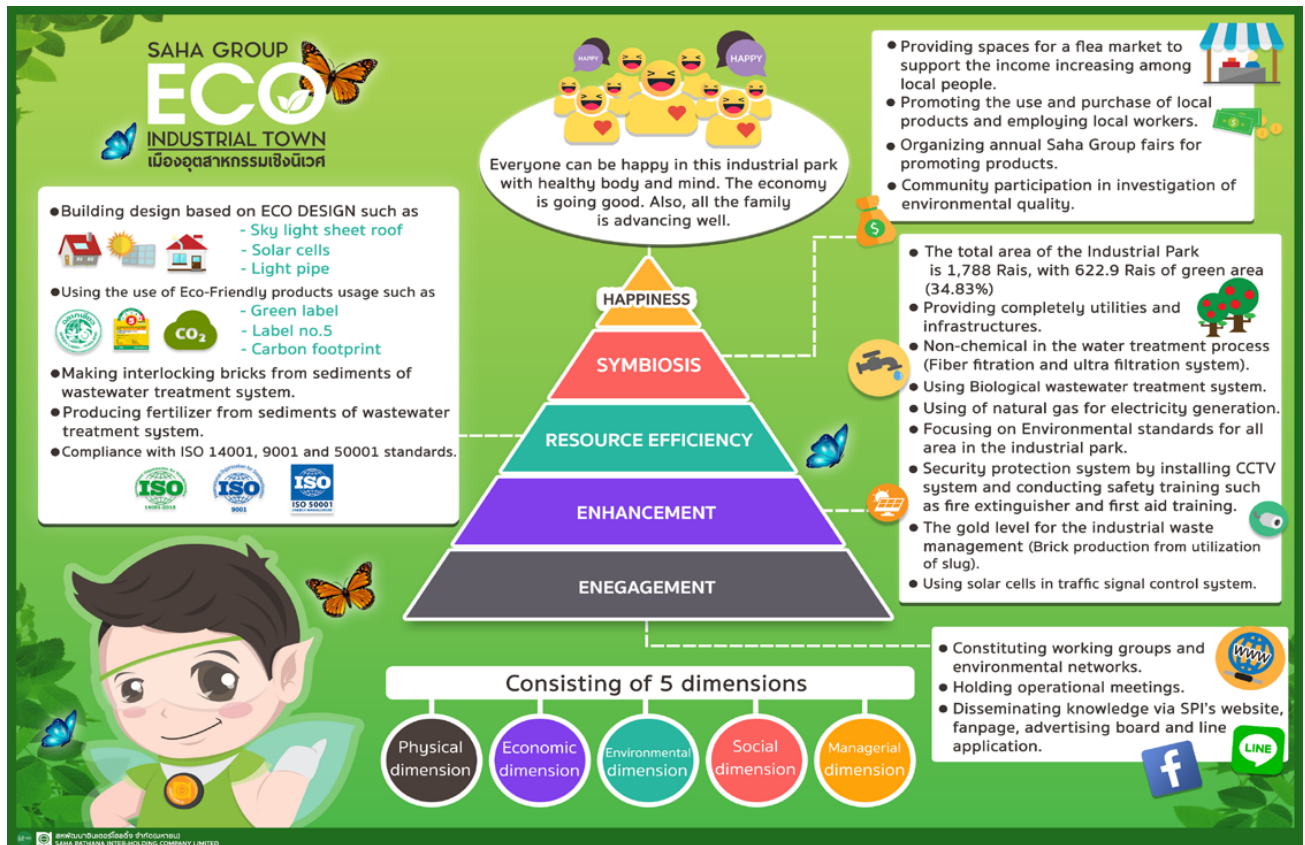
Indicators	Results	Images
1.1.1 Public facilities in the Eco-Industrial Town are developed or improved based on an eco-design (including infrastructure, e.g. roads)	The Saha Group's Industrial Park in Sriracha has developed its public utilities based on an eco-design, whose concept has been applied to at least six aspects. <b>5 points</b>	
1.2.1 The ratio of green areas to the entire land area of the Eco-Industrial Town, including protection strips and eco buffer zones (without EIA/EHIA specifications, green areas may be added outside the establishments)	Green areas at the Saha Group's Industrial Park in Sriracha account for at least 30% of the entire land area of the Eco-Industrial Town, including protection strips and eco buffer zones. <b>5 points</b>	 <p>Total Green Area: 845,814 m2 (622.90 Rai) or 34.89%</p>

## Architecture and Landscaping

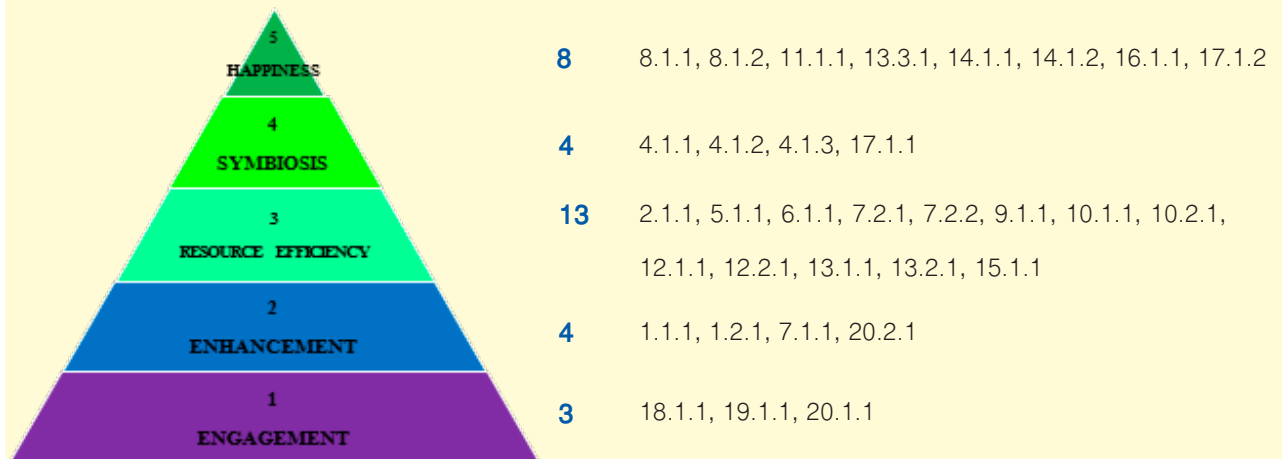
Indicators	Results	Images
2.1.1 Number of manufacturing plants whose architecture and/or internal systems are eco-friendly and/or energy-efficient	The Saha Group's Industrial Park in Sri Racha encourages at least 10% of the establishments within its premises to use eco-friendly or energy efficient architecture. <b>5 points</b>	  



## Summary of Saha Group ECO Industrial Town community linkage



## 32 Eco-Industrial Town Indicators for Industrial Park



In summary, the Company's execution of its Eco-Industrial Town transformation has achieved a higher score than the required standard as detailed below:

#### Eco-Industrial Park (EIP) Indicators and Assessment (Minimum of 80% Required)

Eco-Industrial Park Levels	Industrial Park Indicators	Points	Accumulated Points		Min Score Required (Based on Accumulated Points)	
			Standard	Company	Standard	Company
1 ENGAGEMENT	18.1.1, 19.1.1, 20.1.1 (3 indicators)	15	15	15	(50%) 7.5	100.00%
2 ENHANCEMENT	1.1.1, 1.2.1, 7.1.1, 20.2.1 (4 indicators)	20	35 (15+20)	34 (15+19)	(60%) 21	97.14%
3 RESOURCE EFFICIENCY	2.1.1, 5.1.1, 6.1.1, 7.2.1, 7.2.2, 9.1.1, 10.1.1, 10.2.1, 12.1.1, 12.2.1, 13.1.1, 13.2.1, 15.1.1 (13 indicators)	65	100 (35+65)	84 (34+50)	(70%) 70	84.00%
4 SYMBIOSIS	4.1.1, 4.1.2, 4.1.3, 17.1.1 (4 indicators)	20	120 (100+20)	102 (84+18)	(80%) 96	85.00%
5 HAPPINESS	8.1.1, 8.1.2, 11.1.1, 13.3.1, 14.1.1, 14.1.2, 16.1.1, 17.1.2 (8 indicators)	40	160 (120+40)	139 (102+37)	(>80%) >112	86.87%



### Good Society (Local Communities)

The Company encourages its employees to express their sense of responsibility towards society and the environment in all manners. It supports activities that ensure efficient use of natural resources and environmental protection, as well as undertakings that contribute to income generation of the underprivileged and community modernization. Furthermore, the Company supports the development of occupational health, the environment, safety and well-being of its employees and people in nearby communities through corporate social responsibility activities. By taking stakeholders into account, the Company hopes to lay a solid foundation for a strong society.

#### (1) Creating Educational Opportunities for Children



- Awarding Scholarships (Annual Ceremony to Pay Respects to Brahma, Sriracha) Saha Group's Pracharat Project, Collaboration among Local Communities, the Government, and the Saha Group



- Science Room Opening Ceremony, Thai Kasikorn Songkro School

## (2) Development of Local Partners



- Sufficiency Shop (more information under Dr. Thiam Chokwattana's Sufficiency Agriculture Project)



- Helping local communities create jobs and generate income to improve local economies around the Saha Group's Industrial Park, Sriacha



- Samitivej Sriracha Co., Ltd. (Samitivej Hospital Sriracha) launched Samitivej Clinic to provide healthcare services to nearby communities.



- Thai SECOM Security Pitakkit Co., Ltd. provides total security solutions to nearby communities.

### (3) Quality of Life and Environmental Development

#### Dr. Thiam Chokwatana's Sufficiency Agriculture Project in Lamphun

Dr. Thiam Chokwatana's Sufficiency Agriculture Project, Lamphun, began its land development in 2012. The project was launched on August 19, 2012 as an agricultural learning center. It demonstrates that industries, the environment, and local communities can coexist. The project has adapted the Sufficiency Economy Philosophy to simultaneous industrial and environmental development in a sustainable manner.

In 2017 the project expanded into the cultivation of kimchu guava, nam hom coconut, and Japanese melon. These are high-quality, organic fruits that are safe for consumers. From 2015 to 2017, the project has been visited by 5,349 people and 65 groups, including students, public and private officials, and the general public.

Description	2017	2016	2015
Number of Groups	21	21	23
Number of People	2,390	1,419	1,540

The accumulated sales of produce at the Sufficiency Store and from its booths at events, such as Lamphun's Longan, Northern Agriculture Fair at Chiang Mai University, the Saha Group's Pracharat Ruam JChai Fair, and the Saha Group Fair, from 2015 to 2017 is 425,087 baht.

Description	2017	2016	2015
Sales (baht)	132,374	108,601	184,112

The project is divided into the following six zones:



Rice Paddies



Fruit Farm



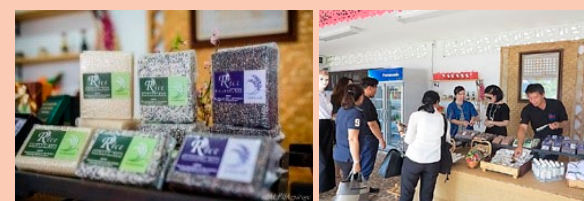
Livestock and Fisheries



Nursery



Rotary Crops



Sufficiency Store

In addition to its usual operations, the project has taken part in the Saha Group's Pracharat Ruam Jai Project by organizing the following activities with the local communities:



- The project provides 5 Rai of its land for students of Wat Nong Chiu to learn about oyster mushroom and riceberry rice farming.



- The project has supported activities of the Safe Rice Group of Pa Sak, including donating 105 jasmine rice seeds and pest control biological products.



- At the Saha Group's Pracharat Ruam Jai Event, there were exhibits from the public and private sectors, community booths selling local goods and food, and activities such as breast cancer checks, oral health promotion and prevention, and an anti-global warming bag sewing workshop by the Phra Dabos Foundation.

Dr. Thiam Chokwatana's Sufficiency Agriculture Project is dedicatedly a center of learning for sufficiency agriculture that demonstrates the possibility of a sustainable coexistence of industries, the environment, and local communities. As a result, the project was awarded a Pracharat Ruam Jai Plaque of Honor for its contribution to the elevation of occupational standards and to the agricultural sector.



### San Palang Pracharat Project

The Company has joined the E3 Working Team of the Pracharat Project to develop grass-root economy and civil state with other institutes, foundations, organizations, and private companies. The team's task is to drive three segments of Thailand's grass-root economy forward—namely the agricultural segment, the processing segment, and the local tourism segment. Having learned much information, the Company was able to formulate tangible action plans. His Majesty's concept of "understanding, accessing, and developing" was incorporated to foster a multilateral collaboration among the public sector, the private sector, civil society, the academia, and the general public. Every party has taken advantage of its own strength to bolster the country at its foundation. As a result, local communities have been able to generate enough income to sustain themselves, as well as understand the meaning of selflessness and social contribution. The Company has also invested in Pracharat Rak Samakkeei (Thailand) Co., Ltd., who is tasked with educating grass-root people, building a domestic market network, and supporting the development of packaging, branding, and standardization.

Throughout 2017 the Company focused on disseminating information about its San Phalang Pracharat project among companies within the Saha Group in order to obtain their help in pushing the project towards success, as well as its adoption under the management policy of "good people, good products, and good society" through a number of activities.

- The Company supported the "Khao Sot Sang Suk" event by Pracharat Rak Samakkeeki Social Enterprise (Thailand) Co., Ltd. in collaboration with the Thai Rice Foundation, farmers groups and commercial centers in Ratchadamri and Ratchaprasong. The event's goal was to increase farmers' income in a sustainable manner through the promotion of an awareness about the diversity of Thai rice species among the new generation of consumers, including organic rice, the farmers' ability to derive many products from, and household size rice miller.
- The Road Safety Awareness Campaign, the Saha Group signed a memorandum of understanding (MOU) on road safety collaboration with the Pracharat Working Team on Road Safety. During the annual Songkran festivities, the Saha Group President expressed his concerns for employees travelling back to their hometowns for the occasion and asked them to strictly adhere to traffic laws, exercise caution, and refrain from wild activities. There was also a campaign encouraging employees to drive their motorbikes with their headlights on, wear helmets, put on seatbelts, refrain from driving when they experienced fatigue, from drunk driving, and from using their phones while driving, as well as take their vehicles in for a checkup prior to their trip.



The Company partook in the communications aspect of the campaign through the "Road Safety Awareness," which garnered it a Pracharat Ruam JChai Plaque of Honor.

#### (4) Improving the Quality of Life of the Underprivileged

The Company supported the Pracharat Project by partnering with the Social Innovation Foundation and its network to provide concessions for people living with disabilities or their caretakers per Article 35 of the Persons with Disabilities Empowerment Act B.E. 2550 in the form of a community store, which helps them generate income for themselves and their families.

#### (5) Preservation of Local Customs and Traditions

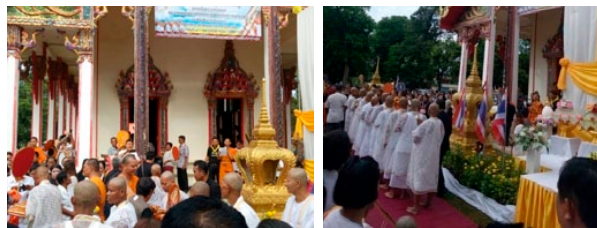
The Company operates while taking into account its responsibility towards local communities and society, as well as the preservation of local cultures, customs, and traditions through the following activities:



- The Company sponsored Pha Pa Samakki ceremonies for education at Wat Rattanachomphu (Nong Khro) School and at Wat Mai Phrom Suwan School in Wang Tan, Kabin Bburi, on August 10, 2017.



- Activities for Children's Day 2017 of Pa Sak Municipality at Wat San Pa Sak School, Lamphun, on January 14, 2017.



- The Company provided food and drink for the ordination of 24 monks to honor His Majesty the Late King on October 19, 2017.



- Loi Krathong festivities at Phrom Sathan Park of the Saha Group in Kabinb Buri with a Krathong parade and a child beauty pageant on November 3, 2017.




- Songkran blessing ceremony on April 21, 2017.

#### (6) Networking with Other Agencies

- Queen Savang Vadhana Memorial Hospital Sriracha, Cervical Cancer Tests / Blood Drive





For inquiries or suggestions, please contact  
Good Corporate Governance Working Team  
Saha Pathana Inter-Holding Public Company Limited  
530 Sathupradit 58, Bangpongpan, Yannawa, Bangkok 10120  
Tel. +66 2293 0030      Fax. +66 2293 0040





Good People Good Products Good Society

SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED

530 Soi Sathupradit 58, Bangpongpan, Bangkok 10120

Yannawa, Bangkok 10120

Tel. +66 2293 0030 Fax. +66 2293 0040

[www.spi.co.th](http://www.spi.co.th)