



ALWAYS  
MOVING  
FORWARD  
TOGETHER

# UNLOCKING *INVESTMENT* POSSIBILITIES

**Annual Report 2018**

**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*

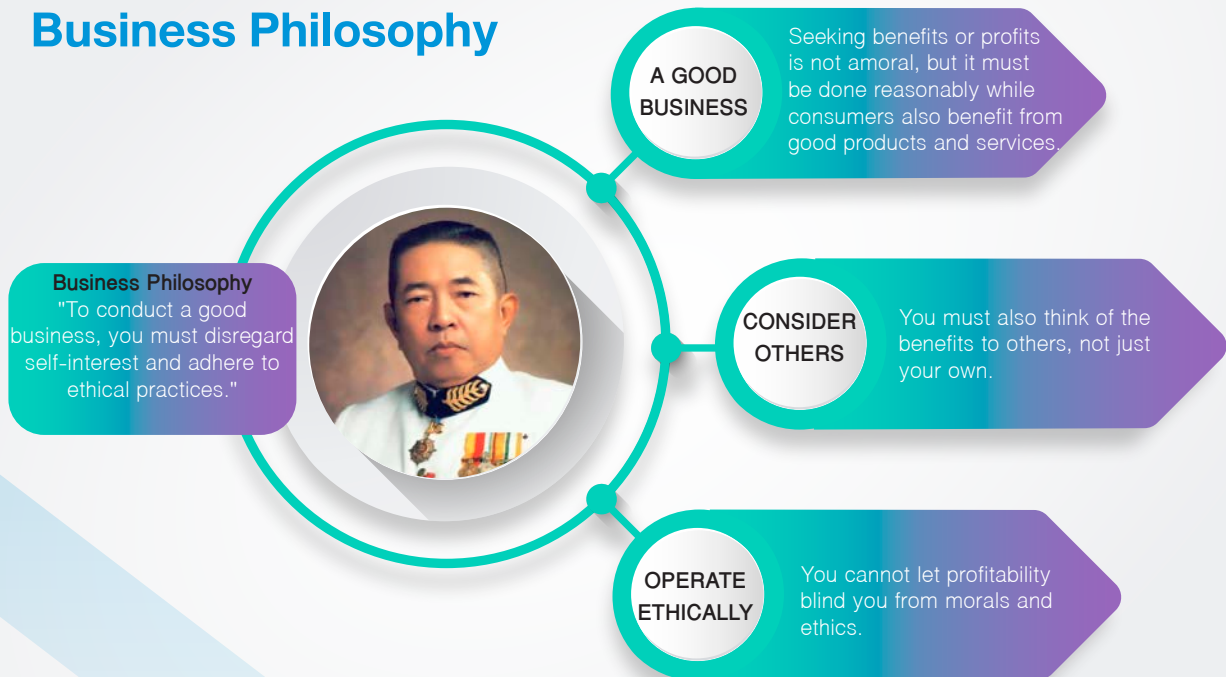
## MISSION

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

## TARGET

To achieve sustainable business growth.

## Business Philosophy

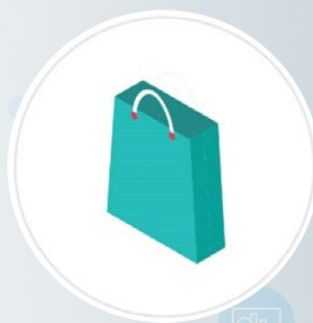


## Principles • Good People • Good Products • Good Society



### Good People

We serve with swiftness, politeness, honesty, transparency, and equality.



### Good Products

Our products are of good quality, sufficient in number, and developed per established goals.



### Good Society

We provide good occupational health, safety, and environment for our employees, as well as the surrounding communities.

# Content

Financial Highlights	4
Report of the Board of Directors	5
Report of the Audit Committee	6
Report of Nomination and Remuneration Committee	7
Report of the Corporate Governance and Risk Management Committee	8
Business Operation	9
• The Policy and Overview of the Company's Business Operation	9
• Vision, Mission, Targets, and Strategies	10
• Background and Significant Development	12
• Saha Group's Shareholding Structure	14
• Nature of the Business	17
• Risk Factors	26
• Legal Dispute	28
Management	29
• Securities and Shareholders	29
• Management Structure	32
Corporate Governance	48
• Corporate Governance	48
• Subcommittees	75
• Nomination and Appointment of Company Directors and Executives	86
• Monitoring on Subsidiaries and Associated Companies' Performance	90
• Control of Internal Data Usage	91
• Auditor's Fee	91
• Compliance with Principles of Good Corporate Governance 2017	92
• Compliance with good corporate governance principles in other matters	92



Internal Control and Risk Management	94
Related Transactions	97
Management Discussion and Analysis: MD&A	110
Report on The Board of Directors' Responsibility for Financial Statements	113
Independent Auditor's Report	114
Financial Statements	117
Corporate Profile and Other Significant Matters	184
• Investment	186
 Board of Directors	 191
• Board of Directors	192
• Executive Board	195
• Information of the Directors, Executives, Controlling Persons and Company Secretary	196
• Company Directors Who Seats in Related Companies as Follow	208
 SPI... and Sustainable Development	 212



# FINANCIAL HIGHLIGHTS

	2018	2017	2016
		(Restated)	
<b>Consolidated financials (THB million)</b>			
Total revenue*	5,684	6,643	4,440
Gross profit	3,225	4,127	2,125
EBITDA	3,018	3,794	1,932
Net profit	2,595	3,499	1,698
Total assets	38,788	34,910	25,126
Investments	33,125	29,381	19,916
Real estate and other fixed assets	4,985	4,971	4,643
Total liabilities	9,783	9,847	2,638
Interest-bearing debt	9,017	9,112	1,760
Total shareholders' equity	29,006	25,063	22,488
Net cash flow from operating activities, including dividend received	1,311	1,127	972
<b>Profitability ratio (%)</b>			
Gross margin	56.7%	62.1%	47.9%
EBITDA margin	53.1%	57.1%	43.5%
Net profit margin	45.7%	52.7%	38.2%
Return on assets (ROA)	7.1%	11.5%	7.1%
Return on equity (ROE)	9.6%	14.7%	7.9%
<b>Leverage ratio (Times)</b>			
Debt to equity ratio	0.34	0.39	0.12
Interest-bearing debt to equity ratio	0.31	0.36	0.08
Interest coverage ratio	18.29	40.43	37.71
<b>Per share data (THB per share)</b>			
Earnings per share**	4.87	7.08	3.44
Book value per share	50.75	50.73	45.52
Dividend per share***	0.70	0.65	0.45
Dividend payout ratio (%)	14.4%	9.2%	13.1%
<b>Share information as of 31 December</b>			
Par value (THB per share)	1.00	1.00	1.00
Share price (THB per share)	74.00	75.00	33.00
Outstanding shares (shares)	571,515,007	494,034,300	494,034,300
Market capitalisation (THB million)	42,292	37,053	16,303

**Remark:**

\* Including revenue from share of profit from investments in associates

\*\* Calculated using weighted average number of ordinary shares

\*\*\* Dividend per share for 2018 has been consented as per the Board of Directors' resolution on 11 March 2019 and will be proposed in the Annual General Meeting of Shareholders on 22 April 2019

In 2018, there were extraordinary items, consisting of gain on change in investment classification (THB 434.0 million) mainly as a result of additional investment in Sahacogen (Chonburi) Plc. (Shareholding increased from 16.88% to 20.88% as at 31 December 2018) and disposal of investment in Thai Hoover Industry Co., Ltd. (Shareholding decreased from 33.58% to 19.40% as at 31 December 2018)

In 2017, there were extraordinary items,, consisting of gain on change in investment classification (THB 1,015.2 million) and gain on price bargaining (THB 817.6 million), offset with non-recurring expenses (THB 94.7 million after tax) which were related to an entire business transfer ("EBT") of President Holding Co., Ltd. and issuance of convertible debentures in June 2017





## Report of the Board of Directors

The overall Thai economy in 2018 grew by 4.1 percent, the highest growth in 6 years through growth in private consumption which grew quarterly since the beginning of 2018. This is in parallel with the growth in investment in the private sector which grew by 3.9 percent compared to previous year, in the same direction the global economy which grew by 3.7 percent amidst challenges in the country together with changes in the global economy and international trade such as trends on interest rates and international trade wars. The Board of Directors has taken into account all the dimensions to account for the challenges and risks as well as taken all diligent measures by adhering to the Corporate Good Governance for the upmost benefit of the Company and all of its stakeholders.

For the fiscal year 2018, the Company continue to expand its investments from the year 2017 restructuring its food related business shareholding structure. The Company has invested in new businesses with value of more than 3,000 million baht under the concept “Unlocking Investment Possibilities” through joint investment with strategic partners to envision a creation of a sharing economy and smart city. As well as to restructured the financial structure towards long-term debt to be in line with the Company’s assets being able to maintain a healthy cost of debt which in turn will mitigate fluctuation interest rates hikes. In addition, the Company has reorganized its core business groups to provide its stakeholders with a coherent perspective into three business lines (1) investment in consumer products (2) investment in food and beverage (3) industrial park development and other businesses.

Operating results for the year 2018, the Company had revenue of 5,684 million baht, a decrease of 14.4 percent with a net profit of 2,595 million baht, a decrease of 25.8 percent. However, eliminating extraordinary items in 2017 and 2018, the Company’s revenue increased by 9.1 percent and a net profit of 22.7 percent as a result of share of profit from investment in associates and dividend income. In addition, the Company has gain confidence and support from holders of Convertible Debenture No. 1/2017, Due in 2024 (SPI246A), with a request for conversion into common shares within the first year at 99.5% issued. Moreover, the Company has received an assessment result for Corporate Good Governance for Thai listed companies at “Very good” and an assessment result for quality of the Shareholders’ General Meeting at “Excellent” with the Company resulting in a full 100 points for the 10<sup>th</sup> consecutive years.

2019 will still be a year of transformation and as a Holding Company of Saha Group the Company has construct various plans to readily support the Company and Saha Group of Companies. This is to be able to respond to customer behavior and customer needs according to the advancement in technology and new business models that may replace current business models.

Since the Company’s registration and trading on the Stock Exchange of Thailand in 1977, shareholders’ equity of the Company increase to 28,991 million baht in 2018 or a compounded annual growth rate of 17 percent per year. The Board of Directors would like to express our upmost appreciation and gratitude to all our shareholders, debenture holders, joint-venture partners, business partners, clients, executives, employees, including both domestic and international financial institutions, as well as government agencies and relevant parties for the continued support for the Company. The Company strongly adhere to our principles of “Good People, Good Products, Good Society” to ensure a sustainable growth in the years to come.





## 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 14<sup>th</sup>, 2018 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 Audit Committee, Mrs. Punnee Worawuthichongsathit and Mr. Sompong Sungrungsan as the Audit Committee having a term of one year. The Audit Committee has held 12 meetings in 2018.

<u>Name</u>	<u>Position</u>	<u>No. of Attendance</u>
1. Mr. Nophorn Bhongsvej	Chairman of Audit Committee	12/12
2. Mrs. Punnee Worawuthichongsathit	Audit Committee	12/12
3. Mr. Sompong Sungrungsan (served in this position since April 19 <sup>th</sup> , 2018)	Audit Committee	8/8
4. Ms. Narumon Saardchom (resigned from this position since April 2 <sup>nd</sup> , 2018)	Audit Committee	2/4

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

1. Review the Financial Statements of the company for each quarterly period and for the full year 2018 as review and audit by the Auditor. The financial statements are prepared in accordance with generally accepted Accounting Standards and Financial Reporting Standards, with explaining from the Auditor and Accounting division. In order to ensure adequately disclose the required information in an accurate, comprehensive, credible and timely manner, 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 and reported the performance results to the Board of Directors on a quarterly basis.

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.

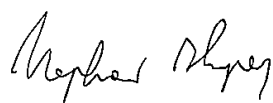
4. Consider and review the related transactions together with transactions that may involve conflict of interests. As such Audit Committee is of the opinion that various transactions have been undertaken under the normal business conditions of the company, with transparency and fairness to enhance correct transaction having 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.

5. Review of Compliance with Laws and Regulations relevant. In 2018, have not shown any litigation in the court.

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

7. Consider the appointment of company Auditors for 2019. The Audit Committee has considered the opinion that Mrs. Sarinda Hirunprasurtwutti C.P.A. License No. 4799 and/or Mrs. Saifon Inkaew C.P.A. License No. 4434 and/or Ms. Kamontip Lertwitworatep C.P.A. License No. 4377 of EY Office Limited are qualified and independent as Auditors of the company. It will be subsequently proposed to the Board of Directors to appoint and determine the remuneration and to propose to the annual general meeting of shareholders for consideration and approval.

Having completed the duties above, the Audit Committee did not find any significant defect with any possible effect on the Financial Statements of the company. The Board of Directors meeting has been notified of the performance above.



(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:

<u>Name</u>	<u>Position</u>
1. Mr. Boonsithi Chokwatana	Chairman of Nomination and Remuneration Committee
2. Mr. Vichai Kulsomphob	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” which is reviewed annually for the qualified nominating directors with the appropriate capabilities whom will be replacing the existing directors which have reached their term 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.

Remuneration : The committee is tasked with revising the criteria and types of compensation for directors on the board and sub-committee through peer comparison with companies operating in the comparable industry and proposed to the Company Directors for approval prior to proposing to the General Meeting of shareholders for approval with an aim of fostering transparency and fairness.

In 2018, The Company encourages minority shareholders to participate in nominating candidates to be appointed as the Company Directors prior to the General Meeting of shareholders of the year 2018, there was not shareholder nominated any candidates to be considered as the Company Directors. The Nomination and Remuneration Committee held a total of two meetings, a summary of which is as follows;

Nomination : Nomination of the Company Directors to replace the Company Directors who retired by rotation, the Nomination and Remuneration Committee excluding the vested interests director. Resolution of qualifications for candidates that has been nominated as Company Directors whom will be replacing the existing directors which have reached their term for approval prior to proposing to the General Meeting of shareholders No. 47 by considering the Company Directors who retired by rotation of 4 persons which were Mr. Vichai Kulsomphob, Mr. Boonchai Chokwatana, Mr. Sujarit Patchimnan, and Mr. Surachai Danaitangtrakul who has qualification and expertise meet to the Company requirement to become the Company Directors for another term and nominate and propose another 1 persons who has qualification and expertise meet to the Company requirement which was Mr. Pipope Chokvathana to become the Company Directors replacing Mr. Boonpakorn Chokvathana, the Company Director who retired by rotation and intended not to be the Company Director anymore.

Additionally, in 2018, Mr. Tanong Srichit, the Company Director passed away on March 2, 2018, and Ms. Narumon Saardchom sent a resignation letter dated April 2, 2018 due to personal reasons resulting in two vacant positions for Company Director, with the Nomination and Remuneration Committee in the process of recruiting candidates, therefore the Company will reserve the two vacant positions.

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, to propose to the Company Directors to consent prior were presented to the General Meeting of Shareholders No. 47 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 is evaluation performance of the Nomination and Remuneration Committee annually, to make available the evaluated the performance and is disclosed in the Annual Report and Form 56-1.

(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 four directors:

<u>Name</u>	<u>Position</u>
1. Mr. Nophorn Bhongsvej	Chairman of Good Governance and Risk Management Committee
2. Mr. Vichai Kulsomphob	Good Governance and Risk Management Committee
3. Mr. Chuto Chirakunakorn	Good Governance and Risk Management Committee
4. Mr. Supradit Sa-id	Good 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 2018 the Corporate Governance and Risk Management Committee held two meetings to fulfill its mandated obligations. Below is a summary;

1. Reviewed and improved the Corporate Governance and Risk Management Policy, Business Code of Ethics for Company's Board of Directors, Management and Employees in accordance with the Principles of Good Corporate Governance for 2017 listed companies.
2. Considered the Good Corporate Governance (Revised Version No. 2) through the improvement of the Good Corporate Governance to be consistent and in accordance with the principles of Good Corporate Governance for 2017 listed companies (Corporate Governance Code: CG Code) to be a guideline towards the Company's work practice. This has created a sustainable business in which matters has been approved during the Board of Directors No. 10/25 on 27 February 2019.
3. Approved the Corporate Governance and Risk Management Committee and Sustainability Report 2019.
4. Considered risk factors and risk mitigation plans including risk-management monitoring and consultation to ensure the achievement of goals.
5. Provided support for the preparation of the "SPI . . . and Sustainable Development" Report.
6. 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 2018 Annual General Meeting of Shareholders was considered "Excellent" as well, with a perfect score of 100 for the tenth consecutive year.
7. Reviewed its charter and assessed its performance.
8. Supported and provided the knowledge on risk management for executives and employees.

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.

(Mr. Nophorn Bhongsvej)

Chairman of the Corporate Governance and  
Risk Management Committee





# Business Operation

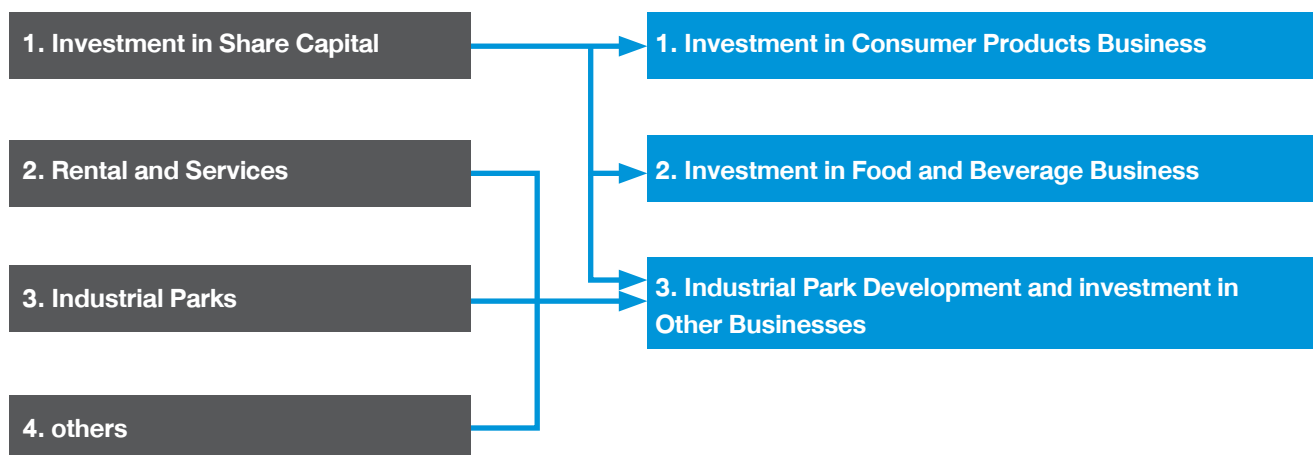
## 1. The Policy and Overview of the Company's Business Operation

Saha Pathana Inter-Holding Public Company Limited (the "Company") is a member of Saha Group. The Company was firstly incorporated on April 5, 1972, under the name of "Saha Pathana Investment Company Limited", with a registered capital of 6 million baht. At present, the Company has a registered capital of 582,923,188 baht with a paid-up capital of 571,515,007 baht (as of December 31, 2018). The purposes of the Company are to invest in other companies and to develop industrial parks for Saha Group. The Company was listed on the Stock Exchange of Thailand in 1977 under the ticker symbol "SPI", changed its name to Saha Pathana Inter-Holding Company Limited in 1984, and was transformed into a public limited company on May 9, 1994.

For better understanding of the Company's nature of business, its investment operation has been reclassified into three main business segments, which are **1. Investment in Consumer Products Business**, **2. Investment in Food and Beverage Business**, and **3. Industrial Park Development and Investment in Other Businesses** (formerly Investment in Share Capital, Rental and Services, and Industrial Parks) as described below.

### Business Segments (Former)

### Business Segments (Current)



## The Company's business consists of 3 main business segments as follows:

### 1. Investment in Consumer Products Business

The Company invests in Consumer Products Business, including Textile and Fashion under (such trademarks as Wacoal, Arrow), Household Products (under such trademarks as PAO, Shokubutsu Monogatari), Beauty & Cosmetics (under such trademarks as BSC, Mistine), as well as other consumer products. This business sector is deemed to be an essential fundamental in the daily life of every living, on which the Company emphasises with its investments covering a complete range of business, starting from upstream manufacturers to downstream distributors and retailers.

### 2. Investment in Food and Beverage Business

The Company invests in Food and Beverage Business. At present, its main investment lies in instant noodle and semi-finished food manufacturing (under such trademarks as Mama) as well as bread and bakery production and distribution (under such trademarks as Farmhouse). The Company invests in brands that have enjoyed long-standing recognition and acceptance. In addition, the Company has expanded investment into new businesses and/or joint ventures to diversify its portfolio such as manufacturing and retailing of BUD's ice cream and distributing of POCARI SWEAT electrolyte beverages.



### 3. Industrial Park Development and Investment in Other Businesses

The Company has developed land for industrial use to support the production capacity expansion of Saha Group and to support the government's policy that advocates regional industrial expansion. Currently, the Company operates four Saha Group Industrial Parks, which are located in 1. Si Racha District of Chonburi Province, 2. Kabinburi District of Prachinburi Province, 3. Mueang Lamphun District of Lamphun Province, and 4. Mae Sot District of Tak Province. Services include rental of land and building, basic utilities and infrastructure, as well as land sale to customers who may be interested in investment within Saha Group Industrial Park. The Company also has other real-estate developments (e.g. J-Park Si Racha Nihon Mura), and investments in other businesses apart from the two aforementioned groups.

## 2. Vision, Mission, Targets, and Strategies

The Board of Directors recognizes the important role that the Company's vision, mission, goals, and values play: They help directors, executive officers, and employees work towards the same end. **It is the Company's policy to review its vision and mission statements, as well as its targets and strategies, annually.**

In 2018 the Company has founded that its current vision, mission, targets, and strategies were still suitable for its current business context and were in line with its operational policy.

### The Company's Vision and Mission Statements

The Board of Directors has issued the following vision and mission statements, as well as targets, for business clarity.

#### 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 the ongoing personnel development in terms of business expertise, moral and ethics, and social and environmental awareness.

#### Target

**"To achieve sustainable business growth"**

To enable every employee to work towards the same goal and to promote organisational culture, therefore, in 2019, the Board of Directors has created the following corporate values:

### Corporate Values



**Based on the vision, mission, targets, and corporate values, the Company had formulated a corporate strategy to propel itself towards sustainability, so the Board of Directors has issued the following business directions:**

1. **Corporate Governance:** We shall stay committed to improving our corporate governance, which is integral to the foundation of business development, sustainable value creation, and investor confidence. They bolster our business competitiveness and ensure good operating results. Our management shall adhere to the Corporate Governance Code of the Stock Exchange of Thailand and the Sufficiency Economy Philosophy. Meanwhile, we shall constantly promote certain values among our directors, executive officers, and employees—namely virtue, honesty, diligence, patience, sharing, and work-related intelligence. These values enable us to adapt to the changing business context and foster a sustainable balance of happiness and corporate benefits.
2. **Investment:** The company shall remain committed to investing and managing our investment capital to build sustainable growth for all groups of stakeholders through investment diversification and national and international partnerships. To this end, we shall increase the portion of our investment in the existing businesses that have stable operating results and good returns on investment. This will give us a higher profit shares and better dividends. Furthermore, we shall continue investing in new businesses, such as alternative energy and second-hand brand name product distribution, as well as seek investment opportunities in innovations through start-ups businesses in Thailand and in nearby countries.
3. **Industrial Park:** Our industrial parks in Sri Racha and Kabinburi have received Eco-Industrial Town certifications. Additionally, our Sri Racha Industrial Park and J-Park Si Racha are eligible for support from the government due to their locations in the Eastern Economic Corridor (EEC). In Tak, we have supplied land suitable for production capacity expansion to Saha Group companies that are interested in investing in the Special Economic Zone (SEZ). As for our industrial park in Lamphun, we will scale up our Pracharat projects (Dr. Thiam Chokwatana's Sufficiency Agriculture Project in Lamphun) to cover more community bases, such as livelihood betterment, knowledge promotion, communities strengthening, income generation for the locals. The ultimate goals of the project are to improve the people's quality of life, to protect the environment, and to improve the income growth. To achieve sustainable people and environmental development, our corporate social responsibilities programs shall be managed in accordance with the Global Reporting Initiative (GRI) Standards 2018 and its initial endeavors shall be aligned with the Sustainable Development Goals (SDGs) under the corporate social responsibility policy of "Good People, Good Products, Good Society." 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 preservation and sustainable coexistence with existing communities.

### 3. Background and Significant Developments

Year	Event
2014	<ul style="list-style-type: none"> <li>Developed a community mall named J-Park Si Racha Nihon Mura, to the Company's portfolio.</li> <li>Opened KBSC Hotel in Wang Dan, Kabinburi, Prachin Buri. It's located on a golf course.</li> </ul>
2015	<ul style="list-style-type: none"> <li>Appointed the Corporate Governance and Risk Management Committee.</li> <li>Appointed the Corporate Governance and Anti- Corruption Working Group, the Risk Management Working Group, and the Social Responsibility Working Group to support its work.</li> </ul>
2016	<ul style="list-style-type: none"> <li>Issued and offered debentures with a total principal value of no more than 15 billion baht, the Company issued and began offering two sets of debentures with a total value of 2 billion baht on February 9, 2017.</li> <li>Certified by the Thailand's Private Sector Collective Coalition Against Corruption (CAC) on October 14, 2016.</li> </ul>
2017	<ul style="list-style-type: none"> <li>Acquired all of President Holding Co., Ltd. and made a tender offer to acquire all of President Rice Products Public Company Limited and President Bakery Public Company Limited. This acquisition garnered the Company the "BEST THAILAND DEAL" recognition from FinanceAsia magazine.</li> <li>Issued convertible debentures no. 1/2017 to be forcibly converted in 2024. The total value of these debentures were 3.505 billion baht with a fixed interest rate of 0.7% per annum. For this issuance, the Company received the "Most Innovative Deal" recognition from the Thai Bond Market Association.</li> </ul>
2018	<ul style="list-style-type: none"> <li>Restructured investment efforts by focusing on listed companies with stable operating results and good returns on investment to archive sustainable growth and expanding into new businesses that could be synergized with and/or businesses with growth potential for Saha Group, such as alternative energy operator; Impact Solar Limited and second-hand brand name product retailer; Saha Komehyo Co., Ltd. These efforts have diversified investment portfolio and bolstered investment process.</li> <li>Paid-up registered capital was increased from 494,034,300 baht to 571,515,007 after holders of convertible debentures requested that their debentures be converted twice for a total value of 3,486,635,000 baht. These debentures were converted into 77,480,707 ordinary shares. As of December 31, 2018, There is 18,813,000 baht remaining in the form of convertible debentures.</li> <li>Appointed Mr. Supradit Sa-id as company secretary, replacing Mrs. Darunee Soontorntrumrong, who retired.</li> </ul>



## International-Standard Certification

Standard	Year	Event
ISO 9001:2000 	2003	Received the ISO 9001:2000 certification for our quality management system from the Management System Certification Institute (Thailand).
ISO 9001:2008 	2009	ISO 9001:2000 certification was elevated to the ISO 9001:2008 certification for our quality management system by the Management System Certification Institute (Thailand).
ISO 9001: 2008 	2014	Received the ISO 9001:2008 certification for our quality management system from the Management System Certification Institute (Thailand). (Si Racha, Kabinburi, and Lamphun)
ISO 9001:2008 	2015	Received the ISO 9001:2008 certification for our quality management system from Thailand Institute of Scientific and Technological Research. (Si Racha, Kabinburi, and Lamphun)
ISO 9001 : 2015 	2018	Received the ISO 9001:2015 certification for our quality management system from Thailand Institute of Scientific and Technological Research. (Si Racha, Kabinburi, and Lamphun)
ISO 14001:2004 	2008—2011	The central wastewater treatment plant received the ISO 14001:2004 certification for its environmental management system from TUVNORD (Thailand) Ltd. (Si Racha)
ISO 14001:2004 	2009—2012	The central wastewater treatment plant received the ISO 14001:2004 certification for its environmental management system from the Management System Certification Institute (Thailand). (Lamphun)
ISO 14001:2004 	2010—2012	The central wastewater treatment plant received the ISO 14001:2004 certification for its environmental management system from Thailand Institute of Scientific and Technological Research. (Kabinburi)
ISO 14001:2004 	2012	The central wastewater treatment network received the ISO 14001:2004 certification for its environmental management system from Thailand Institute of Scientific and Technological Research.
ISO 14001:2004 	2013	Received the ISO 14001:2004 multi-site certification for our environmental management systems from Thailand Institute of Scientific and Technological Research. (Si Racha, Kabinburi, and Lamphun)
ISO 14001:2015 	2017	Received the ISO 14001:2015 certification for our environmental management system from Thailand Institute of Scientific and Technological Research.
พ.ร.บ. 8001-2546 	2009	Received the Thai Labor Standard (TSL 8001-2546) — Perfect Initial Stages from the Department of Labour Protection and Welfare, Ministry of Labour. (Si Racha)
ISO 50001:2011 	2013	Received the ISO 50001:2011 certification for our energy management system from the Management System Certification Institute (Thailand). (Si Racha)

## 4. Saha Group's Shareholding Structure

### (1) Operational Division Policy

The Company invests in consumer goods businesses, food and beverage businesses, and industrial park development and others. As for the development of industrial parks for the Saha Group, the Company is the sole operator. Its undertakings include land development for industrial use, land and/or building leasing service, and basic infrastructure and utilities inside the park.

As for its investment in share capital, the Company and others in the Saha Group consider investment potential and jointly invest by prioritizing interconnected businesses or mutually beneficial businesses. It is the group's policy to invest in companies which mostly relate to existing core businesses. An Investment Department has a duty to monitor and analyse the performance of the invested companies, as well as report any issue to the Company and shareholders of the Saha Group in order to find solutions in a timely manner. However, the invested company is still dependent, and its management authority lies with its board of directors. At present, the Company continues to expand its investment in consumer goods, food and beverage, and other sectors that may benefit the Saha Group.

**(2) As of 31 December 2018, the Company has shareholding in subsidiaries 1 company and associate company 24 companies totaling 25 companies. Its voting rights depend on its shareholding ratios. The shareholding structure can be divided into the following business lines:**



As of 31 December 2018, the number of the Company's inverted companies is 159 companies in total, which are divided according to 3 business sectors as follows:

Business Sector	No. of companies	Investment costs (Net) Unit: Thousand Baht
1. Consumer Products Business	72	14,696,858
2. Food and Beverage Business	15	13,694,657
3. Other Businesses	72	4,053,829
<b>Total</b>	<b>159</b>	<b>32,445,344</b>

### Shareholding Structure

1. In 2018, the Board of Directors and Executives, including their spouses and minor children collectively hold 3.24% 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 60.70% 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.Thor.Jor. 28/2551, 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 2018, foreign institutional investors hold total 61,492,790 shares or 12.45% and Thai institutional investors hold total 1,571,370 shares or 0.32%. The total number of shares held by institutional investors is 63,064,160 shares or 12.77%.

5. The Company treats all shareholders equally in term that the Company repurchase the shares. However, there was no share repurchase in 2018.

6. The Company published information about the Company through the system of the Stock Exchange of Thailand and company website (www.spi.co.th). The Company encourages shareholders to attend the shareholders meeting and also the 10<sup>th</sup> Saha Group's Opportunity Day in 2018, 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. **-None-**



The details of cross-shareholding, as of 31 December 2018, 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 2018, 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	0.14
2.	EASTERN THAI CONSULTING 1992 CO., LTD.	40.00	-
3.	BOON CAPITAL HOLDING CO., LTD.	36.00	-
4.	PITAKKIJ CO., LTD.	33.52	-
5.	THAI ITOKIN CO., LTD.	32.11	-
6.	GREENLIFE MANAGEMENT CO., LTD.	30.00	-
7.	FIRST UNITED INDUSTRY CO., LTD.	28.15	0.76
8.	SAHACHOL FOOD SUPPLIES CO., LTD.	26.30	-
9.	SAHAPAT PROPERTIES CO., LTD.	26.25	0.14
10.	THAI SECOM SECURITY CO., LTD.	25.50	-
11.	THAI PRESIDENT FOODS PLC.	25.22	1.23

**(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 2018, 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	0.34
2.	SAHA PATHANAPIBUL PLC.	24.98	8.65
3.	LION CORPORATION (THAILAND) CO., LTD.	24.80	0.52
4.	I. C. C. INTERNATIONAL PLC.	24.58	9.97

No.	Name	The Company holds share in other companies	Other companies hold share in the Company
		Proportion of Shareholding %	Proportion of Shareholding %
5.	THANULUX PLC.	23.52	0.93
6.	THAI WACOAL PLC.	22.87	0.69
7.	S & J INTERNATIONAL ENTERPRISES PLC.	16.05	0.32
8.	NEWCITY (BANGKOK) PLC.	15.50	0.07
9.	O.C.C. PLC.	14.36	0.06
10.	FAR EAST FAME LINE DDB PLC.	14.08	0.24
11.	PEOPLE'S GARMENT PLC.	13.78	0.41
12.	TEXTILE PRESTIGE PLC.	12.03	0.09
13.	BETTER WAY (THAILAND) CO., LTD	11.77	1.42
14.	NEW PLUS KNITTING PLC.	5.33	0.02
15.	SAHA-UNION PLC.	0.54	1.56
16.	LION CORPORATION	0.10	1.75

**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.ThorJor. 28/2551, Subject: Application and Approval of Newly Issued Shares Sales.

#### Relationship with the Major Shareholders Business Group

-None-

## 5. Nature of the Business

The Company's businesses are divided into three categories, Investment in Consumer Products Business, Investment in Food and Beverage Business, and Industrial Park Development and Investment in Other Businesses. The details of these businesses are as follows:

### (1) Revenue Structure

(Unit: Thousand Baht)

Business segment	Operated By	Ownership interest	2018*		2017**		2016	
			Amount	%	Amount	%	Amount	%
1. Investment in Consumer Products Business	The Company, associates and others	0.03 - 32.11	1,346,451	23.69	1,176,688	17.71	1,100,667	24.43
2. Investment in Food and Beverage Business	The Company, subsidiary, associates and others	0.37 - 51.00	1,236,024	21.75	1,650,018	24.84	497,099	11.04
3. Industrial Park Development and Investment in Other Businesses	The Company, associates and others	0.002 - 40.00	3,101,032	54.56	3,816,051	57.45	2,906,760	64.53
<b>Total</b>			<b>5,683,507</b>	<b>100.00</b>	<b>6,642,757</b>	<b>100.00</b>	<b>4,504,526</b>	<b>100.00</b>

**Remarks :** \* In 2018 the Company had an extraordinary gain of 423 million baht from an investment reclassification. As a result of an acquisition of 38.2 million shares worth 176.5 million baht in Sahacogen (Chonburi) Public Company Limited, the Company's stake increased from 16.88% to 20.88%, leading to a change of the investment in Sahacogen (Chonburi) Public Company Limited from an investment in available-for-sale securities to an investment in associates on July 20, 2018.

**Excluding non-recurring transaction, the Company's 2018 revenue structure is as follows:**

1. Investment in Consumer Products Business accounts for 25.5% of the total revenue.
2. Investment in Food and Beverage Business accounts for 23.5% of the total revenue.
3. Industrial Park Development and Investment in Other Businesses account for 51.0% of the total revenue.

\*\* In 2017, the Company had an extraordinary gain of 1.833 billion baht due to a change in investment classification and bargain purchase as a result of the entire business transfer ("EBT") of President Holding Co., Ltd. on June 8, 2017.

**Excluding non-recurring transaction, the Company's 2017 revenue structure is as follows:**

1. Investment in Consumer Products Business accounts for 24.5% of the total revenue.
2. Investment in Food and Beverage Business accounts for 17.3% of the total revenue.
3. Industrial Park Development and Investment in Other Businesses account for 58.2% of the total revenue.





## (2) Business segments

The Company operates in three main business segments, which are Investment in Consumer Products Business, Investment in Food and Beverage Business, and Industrial Park Development and Investment in Other Businesses. The details of these business segments are as follows:

### 2.1 Investment in Consumer Products Business

#### 2.1.1 Nature of Products or Services

The Company invests in share capital of various businesses. Its ultimate goal is to bring about sustainable wealth to all stakeholders. The Company's return will be in forms of dividends and share of profit. As of 31 December 2018, the Company has invested in 72 companies under Consumer Products Business, which can be further divided into four categories: 1) Textile and Fashion, 2) Household, 3) Beauty and Cosmetics, and 4) Others.

In 2018, the Company earned from Investment in Consumer Products Business for the amount of 1,346 million baht in revenue or 23.7% of total revenue (consolidated financial statements), and of 586.6 million baht in dividend or 50.6% of total dividend income (separate financial statements).

Examples of companies in which the Company has invested or jointly invested are as follows:

- Thanulux Public Company Limited: Manufacturer of ready-to-wear apparel and leather products under brands such as Arrow, Guy Laroche, and DAKS.
- Thai Wacoal Public Company Limited: Manufacturer of ladies' lingerie and ready-made clothing products under brands such as Wacoal, ELLE, Enfant, and BSC.
- Lion Corporation (Thailand) Limited: Manufacturer of consumer products under brands such as PAO, Kodomo, Shokubutsu Monogatari, Systema, Kirei Kirei, and Sue Sat.
- 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 various fashion products, such as Arrow, Lacoste, Guy Laroche, ELLE and DAKS ready-to-wear apparel, Wacoal lingerie, Enfant and Absorba children's clothing products, Regal and Naturalizer shoes, Sby, and other products under BSC trademark.
- S & J International Enterprises Public Company Limited: Manufacturer of cosmetics under brands such as BSC.
- Better Way (Thailand) Company Limited: Direct seller of products under Mistine and Faris by Naris trademark

#### 2.1.2 Marketing and Competition

The Company constantly monitors Thailand's economic condition as part of its investment consideration and monitoring process. Since Thailand's gradual economic growth directly affects the business segment of Investment in Consumer Products Business, in 2018, the Company focused on increasing its investment in existing enterprises with consistent level of outstanding performance and high return on investment, such as Saha Pathanapibul Public Company Limited, I.C.C. International Public Company Limited, Thai Wacoal Public Company Limited, and Lion Corporation (Thailand) Limited, which contributed to the Company's higher share of profit and dividend during the period. This performance was in line with an announcement made by the Ministry of Finance in January 2019 that Thailand's 2018 economy constantly grew at the rate of 4.1%, a slight upward trend from the previous year's figure at 3.9%, due to higher consumption, investment expansion, as well as government stimulus packages such as Thai government's welfare smart card and investment projects. Nonetheless, the growth was partly hindered by such negative factors as slow growth of trading partners, protectionist measures from the U.S., and the global trade war between the U.S. and China.

### **Textile and Fashion**

The Grassroot Economic Research Centre of Government Savings Bank concluded that the overall textile production in 2018 declined by 15% from previous year and it is expected that the shrinkage will continue at the rate of 13% in 2019 due to fabric imports from China; however, the Centre believes that textiles made from synthetic fibers will continue to grow at the rate of 4% in 2019. As for apparel, the Centre stated that 2018 production expanded by 5% from last year primarily due to export growth and a growth of 3% is foreseen for 2019 due to partner countries' market expansion and growth of online retailing.

The Company has invested and jointly invested in a comprehensive range of textile and fashion business, and therefore, played many roles - including raw material and product researcher and developer, upstream raw material producer, raw material importer, weaving operator, ready-to-wear apparel and leatherware manufacturer, and retailer through department stores, discount stores, and online stores. Furthermore, the Company has invested in an array of businesses in this sector, including women's lingerie and men's apparel. At present, Saha Group sells women's underwear through the following brands: Wacoal, BSC, BSC SIGNATURE, ELLE, and KULLASATRI, with approximately more than 60% market share via main distribution channels. The products under Wacoal brand continue to dominate Thai market even after 50 years in business. Furthermore, an extensive portfolio of gentlemen's clothes which spans all target groups is deemed as a competitive advantage for men's apparel business, where an innovative technology has also been applied such as nano-zinc fibers which are effective in stopping and eliminating bacterial growth. At present, Saha Group is the leading distributor of men's apparel under brands such as ARROW, DAKS, GUY LAROCHE, ELLE HOMME, LACOSTE, and HAZZYS.

### **Household Products**

In 2018, the household appliance sector grew gradually, parallel to Thai economic growth and limited purchasing power of grassroot consumers, leading to fierce market competition with more price-sensitive consumers. As for 2019 growth outlook, there are positive signs from recovering economy and higher level of confidence in the market due to electoral clarity.

Companies under Saha Group remain committed to the distribution of quality products at honest and fair prices and increasing distribution channels. Marketing strategy is focused on selecting the market share that corresponds to the position of the products and services. A wide range of products are offered to consumers, including household appliances, personal-care products, and baby-care products, such as Lipon F dish-washing agent, Pao detergent, Systema products and Kodomo products. Additionally, health products for all ages and genders are highly emphasized such as oral-care products under Kodomo and Systema trademarks, Elis sanitary napkins, and Elleair wet wipes. Saha Group's key strategies are to maintain good relationship with trading alliances and strategic partners, closely work with partners on sales targets, and drive more distribution through online channels.

### **Beauty and Cosmetics**

Kasikorn Research Center reveals that Thailand's cosmetics market has continuously grew with an expected market size of 276 billion baht in 2018 or approximately 10% growth from last year due to increases in both supply and demand, fierce competition among existing players, and new entrance of both domestic and overseas players. In 2019, Kasikorn Research Center believes that the cosmetics market will continue to prosper but may be subject to inadvertent effects of trade disputes and oil price that may likely have a negative impact towards consumer purchasing power.

The Company has invested in a comprehensive range of beauty and cosmetics business, and therefore, played many roles - including developing and manufacturing cosmetics, packaging production, and product distribution through numerous channels such as counter sales, discount stores, online stores, and direct sales, in response to changes in consumer behavior with proper marketing strategies. The beauty and cosmetics products are sold under brands such as BSC Cosmetology, Arty Professional by BSC, Sheene, Pure Care, and Mistine. In 2018, Mistine retained its leadership in Thailand's color cosmetics market based on Euromonitor International's survey. Mistine has also gained an international recognition with excellent feedbacks from customers in China, who trust in the brand's quality. Mistine products are expanded internationally into 14 countries across Asia.



### 2.1.3 Product or Service Sourcing

The Company continues to expand its investment portfolio in the consumer products sector by supporting its existing invested companies and seeking new investment opportunities with its strategic partners to bring about sustainable growth for all groups of stakeholders. Currently, the Company's new investment opportunities come from relationship with partners, financial institutions, suppliers, and business negotiations.

### 2.1.4 Pending Tasks - None —

## 2.2 Investment in Food and Beverage Business

### 2.2.1 Nature of Products or Services

As of 31 December 2018, the Company has invested in 15 companies under Food and Beverage Business, spanning over a wide range of products, such as instant noodles and semi-processed food manufacturing, bread and bakery production and distribution, BUD's ice cream manufacturing and distribution, fruit juice and beverage manufacturing business, and POCARI SWEAT electrolyte beverage's distribution.

In 2018, the Company earned from Investment in Food and Beverage Business for the amount of 1,236 million baht in revenue or 21.7% of total revenue (consolidated financial statements), and of 472.5 million baht in dividend or 40.8% of total dividend income (separate financial statements). More than 90% of total dividend income is contributed by investment in the following two companies:

- Thai President Foods Public Company Limited: This manufacturer of instant noodles and semi-processed food under Mama brand which has gained widespread recognition and acceptance for the past 40 years with the largest market share in Thailand. This company also provides manufacturing service of instant noodles for premium customers in Europe, the United States, and Australia.
- President Bakery Public Company Limited: This manufacturer and seller of bread and bakery products operates under Farmhouse brand, primarily in domestic market. Its business is divided into Wholesale Bakery business, Retail Bakery Business, Fast Food & Restaurant and Exporting Business.

### 2.2.2 Marketing and Competition

The Company's food and beverage investment is still focused on instant noodles and semi-processed food products under Thai President Foods Public Company Limited and on bread and bakery production and sale under President Bakery Public Company Limited. These two enterprises still maintain their dominance in Thai market.

#### Instant Noodles and Semi-Processed Food Products

Overall, Thailand's 2018 instant noodle and semi-processed food market had an estimated value of 17,713 million baht with 3.7% year-on-year growth. Competition was fierce, especially in the premium instant noodle segment from Japan and Korea, which saw rapid growth over the past two to three years. Additionally, consumers had more choices from substitute products. Consumer behavior also changed, favoring healthier products. Nonetheless, the Company's instant noodle brand Mama still maintained its domination over the Thai market in 2018 with a market share of 48.0%. (Source: Nielsen (Thailand))

The entrance of foreign competitors from Korea and Japan led to more competition within the domestic market, which stimulated growth in the premium instant noodle segment. Thai President Foods Public Company Limited adopted a new strategy in which it marketed new products and new flavors with a particular focus on the premium market segment, which was filled with growth potential. Moreover, products in this segment could also be priced higher because of their better quality ingredients. In 2018, new flavors of Oriental Kitchen instant noodles were launched, namely Hot Korean and Stir-Fry Shrimp Tom Yum. The noodles themselves look and feel quite similar to Korea's instant noodles but are sold at a cheaper price point. Furthermore, every marketing and public relations strategy was employed through channels such as television, radio, billboards, and online advertising, to stimulate sales. There are now plans in place to manufacture products for health-conscious consumers in response to market demand. There are also plans to incorporate robotic equipment into the

manufacturing process to lower labor costs, which will likely rise in the near future. Additionally, to increase production capacity, Thai President Foods Public Company Limited plans to expand into potential countries, namely Myanmar and Cambodia.

- **Bread and Bakery Products**

The main revenue of President Bakery Public Company Limited comes from wholesale of bakery. Its main customer group comprises of modern trade retailers, namely convenience stores, gas station convenience stores, supermarkets, hypermarkets, and department stores, as well as traditional trade retailers, such as mom and pop shops and shops inside schools and factories. Due to a change in customers' behavior toward health conscious trend, President Bakery Public Company Limited continues to prioritize product development, launching new flavors and healthier options to cope with new demands. President Bakery Public Company Limited guarantee that every product under the brand Farmhouse is free of trans fat.

In 2018, Farmhouse products continued to dominate the bread and bakery market in Thailand; however, competition was getting higher both from existing competitors and newcomers. It also had pricing competition in the market. Farmhouse products focused on maintaining freshness, quality and standard, developed logistic distribution to cover nationwide distribution, and kept low manufacturing costs. These factors gave President Bakery Public Company Limited competitive advantages. Moreover, President Bakery Public Company Limited is a leader in product development by continuously launching new products, with commitment to technological advancement and the incorporation of robotics into its production to solve problems of labor shortage. As for marketing efforts, President Bakery Public Company Limited focused more on an importance of online advertising due to the change in consumer behavior.

#### **2.2.3 Product or Service Sourcing**

The Company aims to expand investment opportunities in the food and beverage sector by increasing its investment into enterprises with strong performance and good returns on investment while continuing to seek new opportunities with strategic partners to bring about sustainable growth to all stakeholders. Currently, the Company's new investment opportunities come from the recommendation of its partners, financial institutions, suppliers, and business negotiations.

#### **2.2.4 Pending Tasks - None —**

### **2.3 Industrial Park Development and Investment in Other Businesses**

#### **2.3.1 Nature of Products or Services**

The Company can be divided into 3 categories: 1) Industrial Parks, 2) Real Estate Development, and 3) Investment in Other Businesses. However, the major portion of the revenue is derived from Industrial Park Business.

1) Industrial Parks: The Company is a developer of industrial areas to serve the business expansion of Saha Group. Currently, the Company operates four Saha Group Industrial Parks at four locations - 1. Si Racha, Chonburi; 2. Kabinburi, Prachinburi; 3. Mueang Lamphun, Lamphun; 4. Mae Sot, Tak. The services are land and building lease, basic utilities and infrastructure, and sales of land to potential customers who would like to invest in Saha Group Industrial Parks.

The Company operates four Saha Group Industrial Parks, including related rental and service businesses. The details are as follows:

Saha Group Industrial Park	Address	Size (Rai)	Infrastructure and Facilities
Si Racha	Laem Chabang Municipality, Mu 11 of Nong Kham Sub-District and Mu 1 of Bueng Sub-District, Si Racha District, Chon Buri	1,800	<ul style="list-style-type: none"> <li>- 215 MW power plant</li> <li>- Central wastewater treatment facilities with a capacity of 12,000 cubic meters per day</li> <li>- Runway for small planes</li> <li>- 150,000-cubic-meter reservoir</li> <li>- Water production with a capacity of 18,000 cubic meters per day</li> <li>- Green area e.g. Suan Phra Phrom, children's playground and sports field</li> <li>- Retail area for Saha Group products</li> </ul>
Kabinburi	Nonsi Sub-District and Wang Dan Sub-District, Kabinburi District, Prachin Buri	3,900	<ul style="list-style-type: none"> <li>- Central wastewater treatment facilities with a capacity of 16,000 cubic meters per day</li> <li>- Runway for small planes</li> <li>- 1,000,000-cubic-meter reservoir</li> <li>- Water production with a capacity of 6,000 cubic meters per day</li> <li>- 50x2 MW Provincial Electricity Authority sub-stations</li> <li>- Garbage incinerator with a capacity of 100 kg per hour</li> <li>- Retail area for Saha Group products</li> </ul>
Lamphun	Pa Sak Sub-District and Wiang Yong Sub-District, Mueang Lamphun District, Lamphun	2,300	<ul style="list-style-type: none"> <li>- Central wastewater treatment facilities with a capacity of 6,500 cubic meters per day</li> <li>- Runway for small planes</li> <li>- 1,100,000-cubic-meter reservoir</li> <li>- 50x2 MW Provincial Electricity Authority sub-stations</li> <li>- Garbage incinerator with a capacity of 50 kg per hour</li> <li>- Water supply from a well with a pumping capacity of 2,390 cubic meters per day</li> <li>- Water supply from a water production plant with a capacity of 4,000 cubic meters per day</li> <li>- Green area e.g. Suan Phra Phrom, Dr. Thiam Chokwatana's Sufficiency Agriculture Project, and Ku Nang Ke historic site.</li> <li>- Retail area for Saha Group products</li> </ul>
Mae Sot	Mae Kasa Sub-District, Mae Sot District, Tak	255	<ul style="list-style-type: none"> <li>- Wastewater treatment facilities with a capacity of 400 cubic meters per day</li> <li>- 55,000-cubic-meter reservoir</li> <li>- 75 MW of power from the 25 MW Mae Sot 2 Sub-Station of the Provincial Electricity Authority (off site) and the 25 MW Mae Sot 1 Sub-Station</li> <li>- Water supply from a water production plant with a capacity of 600 cubic meters per day</li> <li>- Retail area for Saha Group products</li> </ul>



2) Real Estate Development: The Company has developed properties for rent which are customised according to customers' requirements. The revenue from this business is from rents and utility services fee. The examples are as follows:

- J-Park Si Racha Nihon Mura, a community mall on the 22-rai plot of land in Surasak sub-district, Si Racha, Chonburi
- Standard 18-hole golf course and the hotel under the name of Kabin Buri Sport Club (KBSC) in Kabinburi, Prachinburi.
- Runway for rent to a civil aviation school
- A 9-hole golf course under the name of Hariphunchai Golf Club in Mueang Lamphun, Lamphun
- Recreational facilities under the name of Saha Sport Arena with a standard 71 m x 50 m artificial soccer field and six standard badminton courts in Mueang Lamphun, Lamphun

3) Investment in Other Businesses: The Company has diversified their investment to other businesses, in addition to Consumer Products Business and Food and Beverage Business, that could support the Company's or Saha Group's existing businesses. This is to reduce the impact of market fluctuation in each specific industry and increase an opportunity for a better return from growing companies in different industries which are energy, real estate, retailing and distributing, warehouse management and logistics, and other services. Below are some examples of these businesses:

- Sahacogen (Chonbur) Public Company Limited produces and sells electricity and steam to manufacturing plants and companies in the Saha Group Industrial Park, Si Racha.
- SUN108 Company Limited operates automatic vending machines, warehouse management, consumer goods distribution and logistics.
- Thai SECOM Security Company Limited is a one-stop security service provider under the brand SECOM, which originated in Japan.
- Saha Lawson Company Limited operates a convenience store chain under the trademark Lawson 108.
- Tsuruha (Thailand) Company Limited is a retailer and seller of health supplements and beauty products, including consumer goods in Thailand and ASEAN (a Japanese-style one-stop service shop with a wide range of products).

In 2018, the Company has invested in the following new businesses, which could support and strengthen the Saha Group's existing businesses:

- Impact Solar Limited produces and sells solar-generated electricity to private entities.
- Shop Global (Thailand) Company Limited operates a real-time marketing business through different media channels.
- Saha Komehyo Company Limited buys and sells second-hand brand name products, such as apparel, bags, jewelry, and watches under the brand KOMEHYO.
- Other businesses e.g. consultation service on business planning for an execution of new projects, as well as trademark services to companies in Saha Group. The trademark services can be divided into two categories:
  - Overseas trademarks: The Company has been granted rights to use well-known trademarks from overseas and sublicensed such rights to companies in Saha Group to manufacture and distribute products under these trademarks, including Guy Laroche, ELLE, and Absorba. The Company earns royalty income from these transactions. In 2018, there were 12 licensees.
  - Domestic trademarks: The Company, who is an owner of trademarks registered with the Department of Intellectual Property, Ministry of Commerce, grants rights to use those trademarks to companies in Saha Group to manufacture and distribute products under these trademarks, including Kullastri, Rain Flower, and Homecare. The Company earns royalty income from these transactions. In 2018, there were 3 licensees.

In 2018, the revenue from this segment was 3,101 million baht with more than 80% from the Industrial Parks Business and Real-Estate Development Business in the forms of rents and utility services fees.

### 2.3.2 Marketing and Competition

The revenue from the Industrial Park Development and Investment in Other Businesses mainly came from industrial-park-related activities, such as sales of land, land and building lease, and utility services fees, where the expansion of industrial parks in Thailand has a significant impact on the revenue. Colliers International's research on Thailand's industrial estates for the first half of 2018 states that the demand of land for an industrial use is growing due to upward economic trends and the government's distinct push for the Eastern Economic Corridor (EEC) in three provinces, Chonburi, Rayong, and Chachoengsao. There is also an increase in competition among industrial park developers and operators due to higher supply of land. It is expected that there will be more of 12,000 rai of land supply in 2019.

Moreover, in 2018, Thailand was an attractive destination for investors. Based on the BOI's statistics, there were 1,626 projects filed for an investment support, with total investment value of 901.77 billion baht which was 43% higher than 2017. An investment value of 694.55 billion baht is saturated in Eastern Thailand, which is 134% higher than 2017.

The Company has always acknowledged this potential economic growth and developed the area in Saha Group Industrial Parks in Si Racha, Kabinburi, Lamphun, and Maesot all along, starting from a prime location, project design and planning, sufficient utilities infrastructure, facilities and services, and nice environment. Currently, the Company has more than 7,300 rai of developed land and land held for development in Thailand ready for investors.

The Company aims to attract business operators with corporate social responsibility. As industrial parks are located close to communities, the Company encourages manufacturers to adopt advanced technology to minimise the production costs and a negative impact on environment. Moreover, customer relationship management (CRM) is highly addressed. The Company conducts a customer satisfaction survey on Industrial Parks' infrastructure, facilities, utilities, and services annually for customers to make a suggestion. This will create confidence among customers and/or investors towards business sustainability.

Furthermore, the Company has focused to minimise the cost of service by maximising the utilisation of resource. A research and development project on waste water treatment and reuse in the industrial parks has been initiated by using Membrane Batch Reactors system. With this technology, over 90% of the contaminants and COD are removed. This project is a starting point of water management in the industrial parks. The infrastructure development is integral to the distinction of an Industrial Park Business, which will lower service costs and reduce pollution released out to the society.

The industrial parks have been served as a center of production, supporting the expansion of Saha Group's companies. The competitive advantages of Saha Group Industrial Parks are their strategic locations which support fast and convenient transportation and access to the workforce from local communities and neighboring countries. The industrial parks are considered to be one-stop service centers which are in compliance with all the relevant requirements from the government and local authorities. In addition, there are also utilities and facilities to meet customer demand such as sub-stations of the Provincial Electricity Authority, natural-gas and biomass power plants, the raw water reserves, standard water treatment system, waste water treatment system in the industrial parks.

#### **Industrial park highlights**

Reasons that customers choose to operate at the industrial parks are as follows:

1. The strategic location: The parks are situated in the area with high development and economic growth potential, which could be convenient and time saving for land, air, and sea transportation.

Saha Group Industrial Park	Transportation mode		
	Land	Air	Sea
Si Racha	Located on Sukhaphiban 8 Rd. with a connection to Highway 7 (Bangkok—Pattaya—Rayong)	98 km from Suvarnabhumi Airport and 59 km from U-Tapao Airport	6 km from Laem Chabang Deep Sea Port, Thailand's largest sea port with connections to other regions
Kabinburi	Located on Highway 33 (Suwannason Rd.) with a connection to the City of Poipet in Banteay Meanchey Province, Cambodia.	155 km from Suvarnabhumi Airport and 195 km from U-Tapao Airport	150 km from Laem Chabang Deep Sea Port.

Saha Group Industrial Park	Transportation mode		
	Land	Air	Sea
Lamphun	Located on Highway 116 (the Lamphun—Pa Sang Bypass Rd.)	35 km from Chiang Mai Airport	-
Maesot	Located on Highway 105 in Mae Kasa Sub-District (Mae Sot—Mae Ramat Rd. in Tak) and 10 km away for the country border.	12 km from Maesot Airport	-

2. One-stop service centre: Full utilities infrastructure and facilities in electricity, steam, water, waste water, are ready for investors' use.

3. Sufficient supply of land and buildings: The parks have land and buildings for sale and rent to support the expansion of the customers/operators.

4. Quick responses to customers' requirement: Because the parks are privately owned, they are more flexible in terms of service improvement and development. Moreover, the management team recognises the importance of eco-industrial towns or green industry and encourages the sustainable development in all aspects, economy, society, and environment, among all sectors.

5. The industrial parks are on higher grounds, where there is no risk of flooding. In addition, there is a preventive plan for all the industrial parks in place.

### 2.3.3 Product or Service Sourcing

The Company has developed land and the infrastructure in every industrial park to support a growth in investors' demands according to economic conditions and development policies. The Company cautiously invests in plots of land with potential and close to the existing area by using the past experience and negotiating for a target price. The Company's project design and planning are in compliance with the requirements approved by the National Environment Board. The Company has continuously improved the operations in the industrial parks in order to be competitive in the industry. Furthermore, both land and land held for development both inside or outside the industrial parks are utilised by constructing buildings such as office, polyclinics, schools, and J-Park Si Racha Nihon Mura, for rent.

The Company owns and registers the domestic trademarks with the Department of Intellectual Property and is a licensee for the overseas trademarks. Moreover, the Company offers business consulting services to Saha Group companies by providing them a team of accountants, international relations experts, legal consultants, and others.

The Company focuses on continuously expanding investment to other businesses with good operating results and reasonable returns and on new investment opportunities with strategic partners to create a sustainable growth for all stakeholders. In addition, if there is a partner who would like to operate in one of its industrial parks, the Company will provide supports in term of a company establishment, location procurement, compliance with governmental regulations, which are considered to be a way to promote the industrial park with investment business.

### Environmental Impact

As there are many manufacturing plants in the industrial parks which could lead to environmental problems, the Company is aware of the importance of minimising environmental impacts and develops environmental measures, guidelines, and protocols. As a result, the Company received ISO 14001:2015 certification on Central Wastewater Treatment system from the Office of the Certification Body under Thailand's Institute of Scientific and Technological Research. The Company's industrial parks have been certified as eco-industrial towns by Department of industrial works on having a framework for the physical, social, economic, and environmental management. All stakeholders supports and actively participate in eco-industrial town development to ensure that industrial parks and communities can happily coexist in a sustainable manner.

### 2.3.4 Pending Tasks - None -

## 6. Risk Factors

**Risk factors to the Company's operations are divided into the following categories:**

### 1. Investment in Share Capital

The Company invests in shares of various businesses in many different sectors. Its revenue mainly comes from dividends or cuts of these entities' profits. The Company plans to increase its investment in existing enterprises and to continue expanding to new endeavors. There is a risk that these organizations may not live up to performance expectations, affecting their ability to pay dividends, due to numerous factors, such as economic conditions, technological changes, and the emergence of new competitors. In addition, the Company does not have a controlling stake in some of these organizations. Their operation is subject to their respective board of directors. Nonetheless, the Company has risk management measures in place, including investment diversification, which has enabled it to enjoy dividends despite some of its businesses being affected by negative factors.

Moreover, the Company has a designated department to watch over its investment, as well as to analyze and monitor the performance of these organizations. Alternatively, it may request a Saha Group company with the relevant expertise to do so on its behalf. Its Board of Directors meets regularly every month to discuss the performance of these entities.

### 2. Credit Guarantee

The Company is a guarantor for some of the business organizations in which it has invested, including new and existing enterprises, albeit only when it is necessity and only when its liability corresponds to its shareholding percentage. Nonetheless, there are risks involved in being a guarantor. If a business under its guarantee is unable to repay its debt, the Company is likely to be held liable. Furthermore, if the said business operates at a loss, the Company is required to record this loss as well, negatively impacting its own performance. The Company has tasked the Investment Department to analyze and monitor these organizations' performance continuously to keep track of their financial status and ability to repay debts, which lowers its own risks as a guarantor.

As of December 31, 2018, the Company has 807.60 million baht allocated as credit guarantee lines for 11 Saha Group companies, of which 678.96 has been used. In the past year only one entity, namely Sahachol Co., Ltd, has terminated its credit line agreement with the Company. There are no records of losses as a result of being a guarantor.

### 3. Finances

The Company invests in share capital and operates industrial parks. Because the Company plans on expanding its investment continuously, the lack of sufficient funding for its various investment needs is a major challenge. Preventively, the Company has formulated plans to obtain funding from various sources and in accordance with investment terms. For instance, short-term loans are used as working capital. Proper contracts are always drawn up when borrowing from financial institutions. Debentures offered by its various enterprises are backed by a proper paper trail. The Company also makes sure it has sufficient cash in its reserves for operation. Furthermore, the Company manages interest rate fluctuations according to the policy issued by the Board of Directors.

### 4. Utilities and Basic Infrastructure

As an operator of several industrial parks, the Company has made the necessary preparations—namely office buildings, manufacturing plants, and basic infrastructure (such as roads, rainwater drainage systems, water supply networks, sewer systems and wastewater treatment facilities, power and electrical systems, and other facilities)—to meet the operational needs of customers. If these assets were damaged, the Company's revenue would be affected. Therefore, the Company has taken out insurance policies against possible damage to these assets, effectively lowering and diversifying its risks.

The Company has systematically assessed and analyzed their effects to its operations to prevent or minimize the risks from these factors. Based on its most recent analysis, the Company's customers use about 50% of the available infrastructure, which means that the Company has sufficiently supported its customers and has room for more. In addition, the Company

has implemented ISO 9001:2015, ISO 50001:2011, and ISO 14001:2015 standards in its industrial park management. The utmost consideration has also been given to customer's satisfaction to prevent risks that may arise as a result of future industrial expansion, the following has been adopted: raw water management, cutting-edge water supply technology, preventive maintenance planning, rain water drainage and sewer improvement plan, and power supply improvement plan. All these utilities are ready to support investors who will invest in the area.

## 5. The Environment and Natural Disasters

### 5.1 Occupational Health, Safety and Environment

The Company concerns over occupational health, safety and environment; therefore, its thoroughly complies with all relevant laws and regulations. The Company regularly prepares and presents an environmental impact assessment report (EIA) to the Office of Natural Resources and Environmental Policy and Planning under the Ministry of Science and Technology. It also constantly monitors potential risks to ensure that all establishments within the premises of its industrial parks are free of occupational health, safety and environment problems. For example, the Company always monitors air and water pollution levels to make sure that the operations inside its parks do not cause any harm to the surrounding communities. This effort goes hand in hand with its management's wishes to. Furthermore, the Company expresses its corporate social responsibility through its employees, who conduct numerous activities with a network of 14 communities (its stakeholders) around its industrial parks. The Company offers jobs to the locals and heed their suggestions and complaints about manufacturing plants in its industrial parks. The Company offers consultation to plants and operators that faced with pollution problems. All of this allow the parks and the people to coexist in a sustainable manner.

The Company's industrial parks in Si Racha, Kabinburi, and Lamphun have received a multisite ISO 14001:2015 certification for their central wastewater treatment facilities from the office of the Certification Body of Thailand's Institute of Scientific and Technological Research.

Understanding that disasters may cause significant loss to operation inside the park, the Company conducts emergency drills to prepare for devastating events, such as fire and chemical leakage within a manufacturing plant and in common areas. These drills simulate real events with the help of experts from relevant authorities. Furthermore, the Company values emergency equipments that may prevent disasters, and is different from the devices in the past. As such, it has supplied a sufficient number of foam-based fire extinguishers and has procured a fire truck to prepare for an unfortunate event. Additionally, the Company has established the Saha Group Safety Center (SGSC) at the Si Racha Industrial Park with the assistance of the Occupational Safety Officers' Club. As a comprehensive safety center with EEC readiness, the SGSC is equipped with a standard safety system that applied to every business within the park. The center is also capable of using big data for training and information exchange to prevent fire and chemical hazards within the Si Racha Industrial park. The Company also encourages the cooperation between the SCSC and local authorities and others in the private sectors, as well as the creation of personnel to provide occupational safety knowledge to its employees to create a safe work environment.

### 5.2 Flood

The Company has assessed the geographic features of every Saha Group industrial park and constructed adequate rain water drainage systems according to each park's hydrology data. There are also preventive and mitigation plans in place to deal with flood. The preventive plan includes 24 hours water level surveillance within a 5 kilometers radius of each park with three risk levels: green, orange and red. At the red level, plants will be notified to enact the emergency plan. The surveillance team also monitors news from the Meteorology Department and makes regular use of weather map data in its analysis. An emergency drill is conducted annually. In the past year, no industrial parks of the Saha Group have suffered business loss due to flooding issue.

### 5.3 Unseasonal Droughts

Thailand has a designated monsoon season with heavy rain; however, it also rains throughout the year due to tropical storms coming in from Vietnam and other neighboring countries. Based on this past year's data on water levels from major dams and reservoirs in Eastern Thailand, there have been sufficient water levels in the reserves. At certain points, these

reservoirs even had to release excess water to prevent structural damage. Nonetheless, a surge in the demand for water (due to population growth and various other economic factors, such as the growth of the agricultural and industrial sectors, as well as electricity generation, due to the government's EEC policy) may soon lead to water shortage, of which there have been signs of severity in various areas. At present, the Saha Group's Si Racha Industrial Park procures water from East Water Resources Management and Development Public Company Limited, who sources raw water from major reservoirs in Eastern Thailand and supplies it to its customers in the public sector, private sector, and industrial sector. East Water and the Saha Group's Si Racha Industrial Park have received meteorological and hydrological data for use in water management. The park has also built ozone treatment facilities, which allow it to use water from low-quality sources during droughts to produce its own water supply of as much as 6,000 cubic meters for industrial use. Meanwhile, Kabinburi Industrial Park has excellent water management with access to a 1-million-cubic-meter reservoir fed by a natural source. Lamphun Industrial Park has access to a well. Mae Sot Industrial Park, however, had to stop using well water due to its poor quality and has dug a 50,000-cubic-meter reservoir fed by a natural source. This capacity is sufficient for the area. These efforts are sustainable and lower the Company's risk of unseasonal droughts. Nonetheless, the Company continues to monitor water volumes. None of its parks have ever suffered from a critical water shortage.

## 6. Chemical

Based on the Company's data, many manufacturing plants within its industrial parks rely on chemicals of various kinds in their processes. These pose various risks, such as explosion, leakage, contamination, dispersion, and other unexpected risks. Any of these risks could have a devastating impact on people, property, and business operation.

As a result, the Company has imposed regulations on the transportation of chemicals in and out of its industrial parks to minimize chemical-related risks. These regulations have been effective since December 1, 2012 and have been reviewed regularly ever since. Chemical leakage emergency drills have been conducted annually. As a result, past incidents have not had any large-scale impact.

## 7. Investment of Shareholders

The Company's shares are seldom traded through the Stock Exchange of Thailand and are considered to be of low liquidity. Shareholders may not be able to trade shares instantly at the desired price.

## 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, 2018.  
-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 2018 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 571,515,007 comprising of 571,515,007 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 of Saha Pathana Inter-Holding Public Company Limited No. 1/2560 series 1 due B.E.2563 of 1 million units totaling THB 1,000 million.
- Debentures of Saha Pathana Inter-Holding Public Company Limited No. 1/2560 series 2 due B.E.2567 of 1 million units totaling THB 1,000 million.
- Convertible debentures of Saha Pathana Inter-Holding Public Company Limited No. 1/2017 due 2024 with mandatory conversion condition. As of December 31, 2018 the convertible debentures outstanding size is THB18,813,000 or 18,813 units.

- (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) List of Major Shareholders

List of major shareholders (Recorded closure of no. of shares as of 31 December 2018)

Names	No. of Shares	%
1. CHOKWATANA COMPANY LIMITED	96,094,066	16.81
2. I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED	57,001,656	9.97
3. SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED	49,433,806	8.65
4. NOMURA SECURITIES CO LTD-CLIENT A/C	23,344,331	4.09
5. UNI CENTRAL COMPANY LIMITED	21,218,182	3.71
6. SMBC NIKKO SECURITIES INC. - CLIENT ACCOUNT	20,220,550	3.54
7. MR. WEERAPAT PUNSAK-UDOMSIN	20,060,122	3.51
8. I.D.F. COMPANY LIMITED	19,023,282	3.33
9. UNI WEALTH COMPANY LIMITED	14,380,310	2.52
10. UNIVERSEBEAUTY COMPANY LIMITED	10,459,727	1.83
<b>Total</b>	<b>331,236,032</b>	<b>57.96</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 2018	
	No. of Share Ownership	%
1 - 50	148	14.50
51 - 100	76	7.44
101 - 500	117	11.46
501 - 1,000	66	6.46
1,001 - 3,000	102	9.99
3,001 - 5,000	63	6.17
5,000 and more	449	43.98
Total	1,021	100.00

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

Type	Year 2018	
	No. of Share	%
Limited companies and public companies	378,129,653	66.16
Commercial banks and financial institutions	2,554,470	0.45
General individuals who are not employees of the company	106,386,387	18.61
Company employees	12,286,134	2.15
Foreign investors	72,158,363	12.63
Total	571,515,007	100.00

- (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 THB 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 THB 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.-. The Convertible debentures 'holders can convert debentures to common shares 4 times a year start from 29 June 2018. The conversion dates are 29 March, 29 June, 29 September and 29 December of every year.

During 2018, as a result of the first conversion date (29 June 2018) and the second conversion date (1 October 2018), the Company registered and paid-in capital increase from THB 494,034,300.- (par THB 1.00 per share) to THB 571,515,007.- (par THB 1.00 per share). Moreover, on the third conversion date (2 January 2019) the debentures' holders converted totaling THB 318,151.-. The conversion increased the Company registered and paid-in capital to THB 571,833,158.- (par THB 1.00 per share). Therefore, as of 4 January 2019 the convertible debentures outstanding principle is THB 4,496,000.-.

(2) Securities as the Debt Securities, ,

As at December 31, 2018, 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	“Debentures of Saha Pathana Inter-Holding Public Company Limited No. 1/2560 series 1 due B.E.2563 (Series 1)” and “Debentures of Saha Pathana Inter-Holding Public Company Limited No. 1/2560 series 2 due B.E.2567 (Series2)”	
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 working capital	
Placement Type	Institutional Investors and/or High Net worth Investors (II&HNW)	
Series	Series 1	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	

## 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 Par 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	2018	2017***	2016	2015	2014
Earnings per share* (Thai Baht)	4.87	7.08	3.44	2.67	2.33
Dividend per share** (Thai Baht)	0.70	0.65	0.45	0.23	0.23
Dividend payout ratio (%)	14.36%	9.18%	13.10%	8.61%	9.87%
Dividend payout against earning per share (%) (non-consolidated)	****28.50%	18.60%	28.36%	18.25%	20.00%

Remark: \* Calculated by weighted average common shares

\*\* The Board of Directors Meeting No. 12 (#25) held on 11 March 2019, passed a resolution to propose during the Annual General Shareholders Meeting held on 22 April 2019 for the approval of dividend at THB 0.70 per share. The Board of Directors Meeting No. 7 (#25) held on 14 November 2018 has approved dividend payment of THB 0.20 per share remaining balance of THB 0.50 baht per share.

\*\*\* In 2018, the company restated financial statements of 2017 due to Deferred tax liabilities and Convertible debentures which made 2017 consolidated net income and net income of the Company increased by THB 334 million (THB 0.68 per share) and THB 171 million (THB 0.35 per share).

\*\*\*\* Calculated by outstanding common shares as of 31 December 2018. If dividend payout against earning per share (non-consolidated) calculated by weighted average shares, the ratio is 26.51%

### - Subsidiaries

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

## 2. Management Structure

The Company's management structure is clearly defined and has a balanced and auditable structure. The Board of Directors has a clear practice for the granting of authorities between The Board of Directors, Sub-committees and executives. The executives structure comprises of the Board of Directors and three Sub-committees to help screen matters of significance, namely, the Audit Committee, Nomination and Remuneration Committee, and Good Governance and Risk Management Committee. The Executives (Management) have their duty to control the management of the Company, currently comprise with Executives Board, President, 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 Board of Directors meeting. The Company secretary performing certain duties is also required by law and assigned by the Board of Directors.

**1. The Board of Directors** The Board of Directors is established to oversee the business in the best interests of the Company and the shareholders and ensures to comply by law, policies, objectives, articles of association, resolutions of the Board of Directors and resolutions of the General Meeting of Shareholders with responsibility, carefulness, truthfulness and honesty as a reasonable person would do under the same circumstances under a fiduciary duty as their status. The management structure is clearly defined, balanced and auditable as follows.

1. The Board of Directors have a leadership, vision, understanding of their roles and duties. They can make a decision independently for highest benefit of The Company and shareholders.
2. Sufficient audit and balance measures are aligned with the structure of the Board of Directors and Management.

2.1 Board of Directors: consist of various directors with different qualifications in term of skills, experience and expertise which benefit the Company. The selection criteria of the Board of Directors are not limited by genders, only have qualifications as required by the law, can work effectively and have at least 5 positions. At present, there are 15 directors, and 2 available positions are reserved for recruiting the suitable person. The five directors are from the management level while the rest are from non-management side. At each annual general meeting, one-third of the directors must retire from their position. In a situation where the number of directors cannot be 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: in The Company, there are the Board of Directors who does not have a material or pecuniary relationship with major shareholders or high level management. Importantly, they passed all the qualification of Securities and Exchange Commission required. At present, there are five independent directors due to 2 April 2018, Ms.Narumon Saardchom has resigned so this position is available and currently on process of recruitment, however, our group of the Board of Directors is still consistent with the criteria on ratio of independent directors. Whereby, listed companies are required to have at least one independent director out of three directors and at least one of them is female.

2.3 Audit Committee: The Board of Directors appoints three members of company directors who are independent and qualified to serve in that position according to the announcement of the Capital Market Supervisory Board and the regulations of the Stock Exchange of Thailand. In order to ensure that a financial report and information disclosure are conform with the charters of which the same nature as those specified in the regulations of the Stock Exchange of Thailand. Three members of the Audit Committee have the expertise in Economic, Accounting and Finance and also experience in auditing the account standard of the company. Additionally, they can serve other duties as a member of the Audit Committee.

2.4 Nomination and Remuneration Committee: The Board of Directors appoints three 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 benefit and remuneration policies for each director.

2.5 Good Governance and Risk Management Committee: The Board of Directors appoints two members of company directors, one executive and one company secretary totally four people 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 operation regarding good governance, anti-corruption and risk management.

2.6 Authority Granting between the Board of Directors and Management Team: 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 charters and in the 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 2018, the attendance record of the Board of Directors and Committees are detailed as follows:

Name	Position	Board of Director Meetings (Total 12 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)	47 <sup>th</sup> General Meeting (Total 1 per annum)
1. Mr. Boonsithi Chokwatana	Chairman of the Board	12/12	-	2/2	-	1/1
2. Mr. Boonpakorn Chokvathana <i>(He has resigned from this position since 23 April 2018)</i>	Vice Chairman	4/4	-	-	-	1/1
3. Mr. Tanong Srichit <i>(He passed away since 2 March 2018)</i>	President	2/2	-	-	-	-
4. Mr. Vichai Kulsomphob <i>(He has served in the position of President since 12 March 2018)</i>	President	12/12	-	1/1	2/2	1/1
5. Mr. Samreng Manoonpol	Director	12/12	-	-	-	1/1
6. Mr. Manu Leelanuwatana	Director	12/12	-	-	-	1/1
7. Ms. Sirikul Dhanasarnsilp	Director	12/12	-	2/2	-	1/1
8. Mr. Pipat Paniangvait	Director	10/12	-	-	-	1/1
9. Mr. Kamthon Punsak-udomsin <i>(He has resigned from this position since 23 April 2018)</i>	Director	3/4	-	-	-	0/1
10. Mr. Boonkiet Chokwatana	Director	12/12	-	-	-	1/1
11. Mr. Boonchai Chokwatana	Director	12/12	-	-	-	1/1
12. Mr. Sujarit Patchimnan	Director	12/12	-	-	-	1/1
13. Mr. Pipope Chokvathana <i>(He has served in this position since 23 April 2018)</i>	Director	8/8	-	-	-	-
14. Mr. Nophorn Bhongsvej	Chairman of Audit Committee and Independent Director	12/12	12/12	-	2/2	1/1
15. Mrs. Punnee Worawuthichongsathit	Audit Committee and Independent Director	12/12	12/12	-	-	1/1
16. Ms. Narumon Saardchom <i>(She has resigned from this position since 2 April 2018)</i>	Audit Committee and Independent Director	3/3	2/3	-	-	0/1
17. Mr. Sompong Sungrungsan <i>(He has served in the position of Audit Committee since 19 April 2018)</i>	Audit Committee and Independent Director	12/12	8/8	-	-	1/1
18. Mr. Nipon Poapongsakorn	Independent Director	11/12	-	-	-	1/1
19. Mr. Surachai Danaitangtrakul	Independent Director	10/12	-	-	-	1/1
20. Mr. Chuto Chirakunakorn	Senior Vice President	-	-	-	2/2	-
21. Mrs. Darunee Soontorntrumong <i>(She has resigned from the position of Corporate Governance and Risk Management Committee since 30 April 2018)</i>	Company Secretary	-	-	-	1/1	1/1
22. Mr. Supradit Sa-id <i>(He has served the position of Corporate Governance and Risk Management Committee since 14 May 2018)</i>	Company Secretary	-	-	-	1/1	-

**Remark:**

- The qualifications of Independent Directors and Audit Committee are in accordance with the related announcement.
- The Company Directors who did not participate the Company Board Directors Meeting due to sickness, personal leave or went aboard

**Authorized Directors:** Any two of these following ten directors are jointly sign with the Company's seal.

1. Mr. Boonsithi Chokwatana	2. Mr. Samrereng Manoonpol
3. Mr. Boonkiet Chokwatana	4. Mr. Pipat Paniangvait
5. Mr. Manu Leelanuwatana	6. Mr. Boonchai Chokwatana
7. Mr. Vichai Kulsomphob	8. Ms. Sirikul Dhanasarnsilp
9. Mr. Sujarit Patchimnan	10. Mr. Pipope Chokvathana

## 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 who have sufficient knowledge and experience to manage matters of the Company well. The Executive Board discharges duties assigned by the Board of Directors with responsibility, carefulness, truthfulness and honesty manner as a reasonable person would do 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:

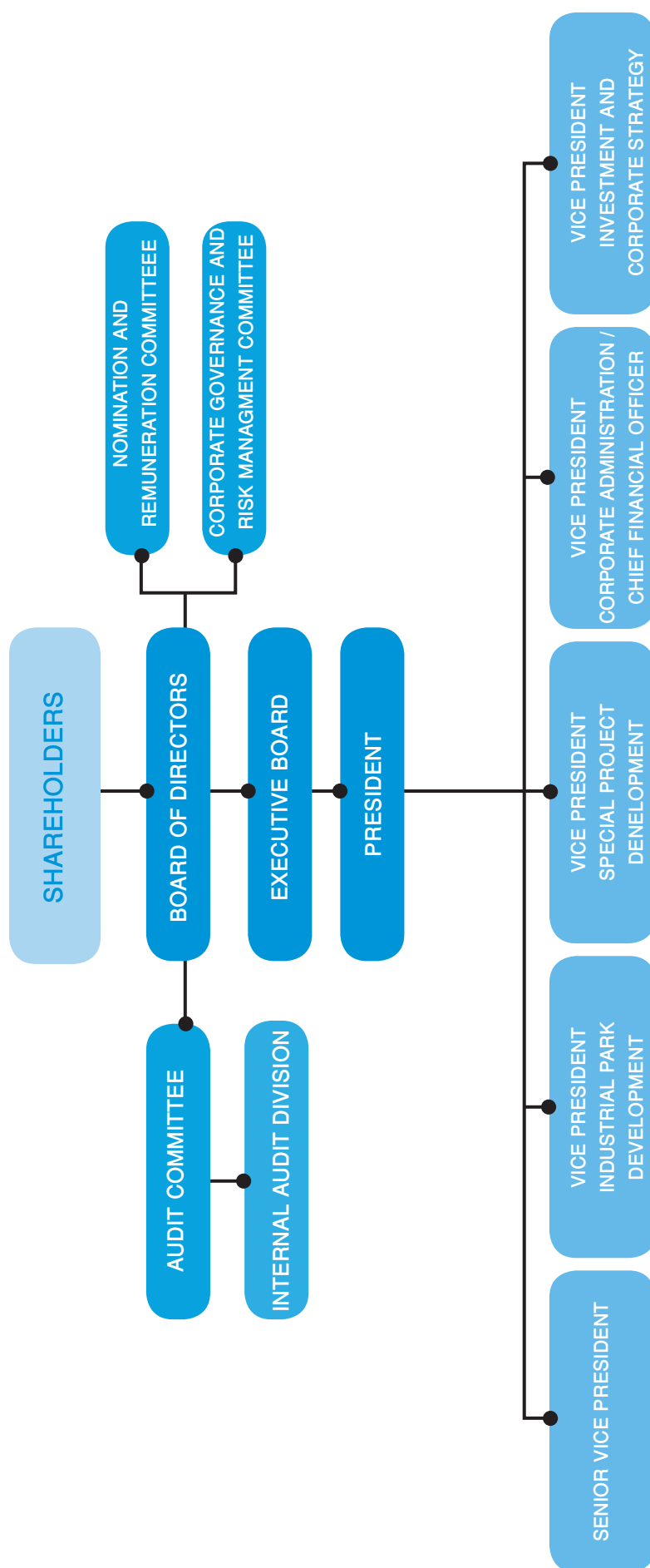
Name	Position	Term
1. Mr. Boonsithi Chokwatana	Chairman of the Executive Board	May 2018 — May 2019
2. Mr. Vichai Kulsomphob	Executive Director	May 2018 — May 2019
3. Mr. Samrereng Manoonpol	Executive Director	May 2018 — May 2019
4. Mr. Manu Leelanuwatana	Executive Director	May 2018 — May 2019
5. Ms. Sirikul Dhanasarnsilp	Executive Director	May 2018 — May 2019
6. Mr. Manus Ongsaranakom	Executive Director	May 2018 — May 2019

## 2.2 Executives: consists of:

Name	Position
Mr. Vichai Kulsomphob	President
Mr. Chuto Chirakunakorn	Senior Vice President
Mr. Sontaya Tabkhan	Vice President — Industrial Park Development
Mr. Tinakorn Bunnag	Vice President — Special Project Development
Ms. Kesara Sumkanjanaruk	Vice President — Corporate Administration / Chief Financial and Accounting Officer
Mr. Vorayos Thongtan	Vice President — Investment and Corporate Strategy

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 2018

Name		Director / Management	Spouse/ Minor Child	Increase/ (Decrease) During the Year*	Total Shares	%
1. Mr. Boonsithi	Chokwatana	5,854,680	-	1,053,377	6,908,057	1.209
2. Mr. Vichai	Kulsomphob	30,000	310,172	60,000	400,172	0.070
3. Mr. Samrerng	Manoonpol	1,488,460	-	267,800	1,756,260	0.307
4. Mr. Manu	Leelanuwatana	-	-	-	-	-
5. Ms. Sirikul	Dhanasarnsilp	2,997,720	-	539,355	3,537,075	0.619
6. Mr. Pipat	Paniangvait	8,260	-	1,555	9,815	0.002
7. Mr. Boonkiet	Chokwatana	4,723,580	194,880	923,932	5,842,392	1.022
8. Mr. Boonchai	Chokwatana	200,000	-	-	200,000	0.035
9. Mr. Sujarit	Patchimnan	-	-	-	-	-
10. Mr. Pipope	Chokvathana	109,081	-	-	109,081	0.019
11. Mr. Nophorn	Bhongsvej	-	-	-	-	-
12. Mrs. Punnee	Worawuthichongsthit	-	-	-	-	-
13. Mr. Sompong	Sangrungsan	26,470	5,280	5,800	37,550	0.007
14. Mr. Nipon	Poapongsakorn	-	-	-	-	-
15. Mr. Surachai	Danaitangtrakul	-	-	-	-	-
16. Mr. Manus	Ongsaranakom	8,220	-	3,422	11,642	0.002
17. Mr. Chuto	Chirakunakorn	-	-	-	-	-
18. Mr. Sontaya	Tabkhan	-	-	-	-	-
19. Mr. Tinakorn	Bunnag	-	-	-	-	-
20. Ms. Kesara	Sumkanjanaruk	-	-	-	-	-
21. Mr. Vorayos	Thongtan	43,000	-	-	43,000	0.008
Total		15,489,471	510,332	2,855,241	18,855,044	3.300

Remark \* Number of Shares that increase / decrease during the year is due to the conversion of the debentures of the company.

- Benefits, Shares, and Debentures issued by the Company to the Company's Directors in 2018

-None-

**3. Company Secretary:** The Board of Directors has appointed Mr. Supradit Sa-id, as the Company Secretary on 14 May 2018 to replace Mrs. Darunee Soontorntrumong. He graduated with a Bachelor of Laws, from Ramkhamhaeng University. He also completed training in all of the programs relevant to performing the duties required of the Company Secretary, **A disclosure of his qualification has been made in Forms 56-1 and 56-2 in the section covering information about the Company's Directors, Executives, Authorities 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 and perform responsibility, carefulness, honesty, and truthfulness 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 registration of directors;
  - a notification letter for directors meeting, minute of the meeting of the Board of Directors and annual report of the company;
  - a notification letter for shareholders meeting and minutes of the meeting;
2. Keeping a report of stakeholders reported by directors or an executives and submitted a copy of report on stakeholders under section 89/14 to the Chairman of the Board of Directors and the Chairman of Audit Committee within seven business days from the date of 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 assigned by the Board of Directors, such as:**

1. To encourage the corporate governance to comply with the standards of good corporate governance by providing advice to the Board of Directors and Executives in the matters, such as law, rules, and regulation and article of association. Furthermore, this includes making note of any significant changes to the Board of Directors.
2. To supervise the activities of the Board of Directors who act as a liaison between the Directors and Management Team, coordinate to ensure the adherence to relevant laws, regulations, perform any actions necessary to ensure proper compliance, monitor the Board of Directors' compliance with the resolutions the Board of Directors and report to them upon the next meeting of the Board and include monitoring compliance with the resolutions of the shareholder's meeting.
3. To organize Board of Directors meeting as well as the General Meeting of Shareholders according to relevant law, the Company's rules and other best practices.
4. To record the minutes of 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 disclosure 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. The committees also compare them 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 47<sup>th</sup> Annual General Meeting of Shareholders, held on 23 April 2018, 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 are 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 1,854,000.- Baht was actually paid in 2018.)
- 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 11,800,000.- Baht was actually paid in 2018.)

**2. Audit Committee**

- Meeting allowance (Quarterly)
 

Chairman of the Audit Committee	60,000. - Baht
Audit Committee	30,000. - Baht

 (A total of 474,607.- Baht was actually paid in 2018.)

**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 54,000.- Baht was actually paid in 2018.)

**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 2018.)

Other benefits -None-. However, the rates are to be used from time of approval by the General Meeting of Shareholders until further changes. The remuneration must not exceed the budget approved by the General Meeting of Shareholders.

The grand total of 14,226,607.- Baht was therefore paid in 2018.

### Remuneration of The Board of Directors of Year 2018

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	144,000	-	2,000,000	-	24,000	-	2,168,000
2. Mr. Boonpakorn Chokvathana (He has resigned from this position since 23 April 2018)	40,000	-	-	-	-	-	40,000
3. Mr. Tanong Srichit (He passed away since 2 March 2018)	20,000	-	-	-	-	-	20,000
4. Mr. Vichai Kulsomphob (He has served in the position of President since 12 March 2018)	120,000	-	950,000	-	10,000	20,000	1,100,000
5. Mr. Samrerng Manoonpol	120,000	-	900,000	-	-	-	1,020,000
6. Mr. Manu Leelanuwatana	120,000	-	900,000	-	-	-	1,020,000
7. Ms. Sirikul Dhanasarnsilp	120,000	-	900,000	-	20,000	-	1,040,000
8. Mr. Pipat Paniangvait	100,000	-	600,000	-	-	-	700,000
9. Mr. Kamthon Punsak-udomsin (He has resigned from this position since 23 April 2018)	30,000	-	-	-	-	-	30,000
10. Mr. Boonkiet Chokwatana	120,000	-	600,000	-	-	-	720,000
11. Mr. Boonchai Chokwatana	120,000	-	600,000	-	-	-	720,000
12. Mr. Sujarit Patchimnan	120,000	-	600,000	-	-	-	720,000
13. Mr. Pipope Chokvathana (He has served in this position since 23 April 2018)	80,000	-	600,000	-	-	-	680,000
14. Mr. Nophorn Bhongsvej	120,000	-	650,000	240,000	-	24,000	1,034,000
15. Mrs. Punnee Worawuthichongsathit	120,000	-	650,000	120,000	-	-	890,000
16. Ms. Narumon Saardchom (She has resigned from this position since 2 April 2018)	30,000	-	-	50,562	-	-	80,562
17. Mr. Sompong Sungrungsan (He has served in the position of Audit Committee since 19 April 2018)	120,000	-	650,000	64,045	-	-	834,045
18. Mr. Nipon Poapongsakorn	110,000	-	600,000	-	-	-	710,000
19. Mr. Surachai Danaitangtrakul	100,000	-	600,000	-	-	-	700,000
Total	1,854,000	-	11,800,000	474,607	54,000	44,000	14,226,607

#### (B) Remuneration (Executives Board and Executives)

For other management, The Executives will consider according to Company criteria policy and based on the Company performance and their individual performance. In 2018, 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 15 persons, comprising of salaries, meeting attendance fees, bonus and retirement benefit. The total remuneration of 65,406,629.- Baht.

## 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 2018, there were 7 Executives Board and 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 2,312,088.- Baht as the contribution to the fund, and membership can choose the rate of savings to the fund at the rate of 8% - 15%. 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 2018, the Company has a total of 126 employees (exclusive of employees in the positions of Executive Board members and executives). We have paid a total compensation of 131,403,088.25 Baht in the forms of salary, overtime wages, bonus and retirement benefits for 6,609,869.56 Baht.

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, 2018 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 6,859,932.- Baht in contributions to the fund, and membership can choose the rate of savings to the fund at the rate of 8% - 15%. 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 step 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.
- To adjust human resource strategic plan to align with corporate strategy.
- To manage Change Agent with a focus on systematic yet flexible operations.
- To emphasize high moral and ethical standards in corporate governance and resist against 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. In 2018, the company has appointed vice president by clearly dividing the responsibilities.

- **Succession plans,** in order to ensure uninterrupted operation and enhanced efficient, we have established a policy for the succession of employees, management team and important position 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, retired or death. 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.

- In the case of having multiple people to choose for an important position, the recruitment must consider them base of readiness of taking the role and their work performance.

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

- Enhancement of knowledge by participation in courses that are related to their duties.

- The candidate must be an individual of high moral and ethical standards in corporate governance.

- **Performance evaluation,** The Company has employee's performance evaluation annually on employees in manager level, operational level and specialists. The performance evaluation provides the Company with benefit of Human Resources Development to match employee's potential compensation management, promotion and relocation.

- **Updating welfare regulations,** the Company evaluated and improved operating regulations, 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. The company has explored the investment needs of employees in the provident fund therefore, the Company will have to provide the investment policy in the provident fund exactly as appropriate for the employees in terms of age, ability to take risks. and the investment goals individually.

- **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 history, 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 operations, and those who enjoy the Company's organizational culture.

The recruitment process begins with inside employees by considering their knowledge and key ability so the company has opportunity to circulate the position, if there is no inside employee to match the position then the recruitment process shall begin to look for outside people. 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. 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.

Additionally, in 2018, the Company provided human resources development in form of knowledge sharing by dividing in group and presented in the interested articles from Harvard Business Review case study or seminar to share for created understanding to build both of development of presentation and language and able to use their knowledge adapt to guideline beneficence. There are also human resources development in form of knowledge management by collecting knowledge in the Company which is scattered in the persons or documents to develop into system for all employees have access to knowledge via intranet and also good model for own development such as, training a new generation of executive SPI, EIA knowledge, etc. In 2018, The Company were divided into two main areas below;

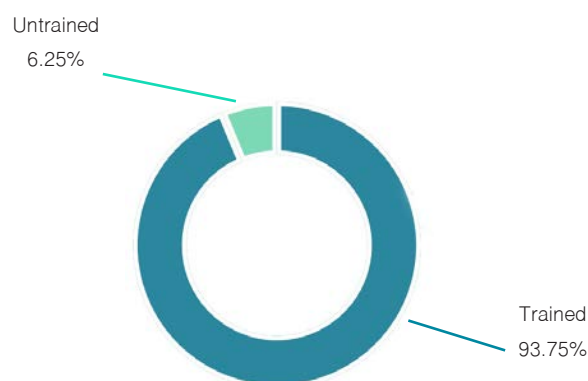
1. **Development of the Company's Employees aims to provide employees with skills and knowledge;** the Company arranged for individuals to participate in a range of public trainings held by different organizations, institutions and agencies. Subjects of the trainings included management, accounting and finance, investment, Information Technology, good corporate governance, laws, and personnel development, totaling 120 courses. A total of 118 employees (93.75% of all employees) participated in the trainings that equaled 4,556 hours in total.

For in-house trainings, the following three courses were offered; Encouraging Participation Through Good Corporate Governance Principles / Anti-Corruption Measures for Sustainability, Accelerated Finance and Accounting for Non-Finance Executive, Risk Management Guideline, Transformation ISO 9001 : 2018 New Version, Basic energy conservation techniques in factory, Basic energy management requirements, ISO 50001 : 2011 and Internal Audit comply with ISO 50001 : 2011

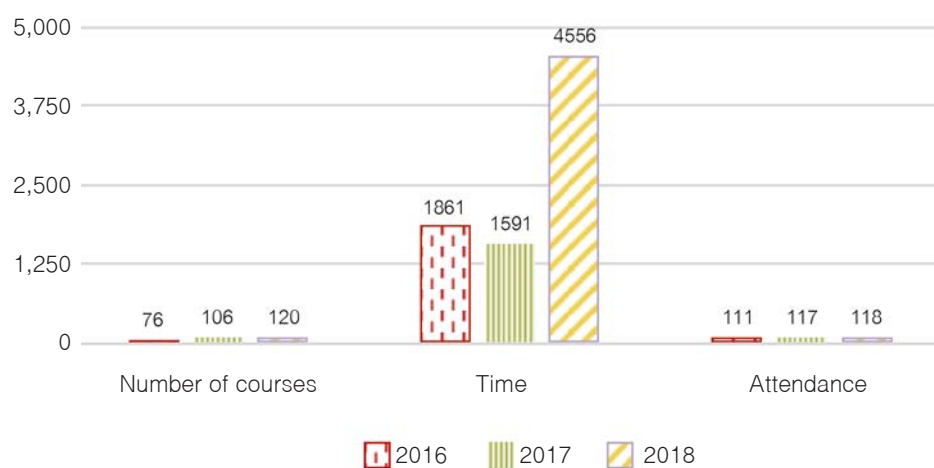


The number of employees that attended the training courses are as followings :

**Trained Participants of Year 2018**



**Training Participation of Year 2016 to 2018**



**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 (IOD) as follows;

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

Name	DAP	DCP	ACP	RCC	CSP	CDC	QFR	MIA	MIR	MFM	MFR	RE DCP	RCP	RNG	ACEP	ACPG	ELP	ITG
1. Mr. Boonsithi Chokwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Mr. Vichai Kulsomphob	-	61/2005	-	-	18/2006	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Mr. Samrerng Manoonpol	3/2003	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Mr. Manu Leelanuwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Ms. Sirikul* Dhanasarnsilp	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Mr. Pipat Panlangvatt	3/2003	39/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7. Mr. Boonkiet Chokwatana	3/2003	41/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8. Mr. Boonchai Chokwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9. Mr. Sujarit Patchimman	41/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10. Mr. Pipope Chokvathana	7/2005	264/2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Mr. Nipon Poapongsakorn	-	14/2002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12. Mr. Surachai Danaitangtrakul	11/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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. Mr. Sompong Sangrungsan	3/2003	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

The Board of Company had attended the appropriate courses and programs related to their duties over 75% of the entire Board. In 2018, Mr. Pipope Chokvathana, the Company's Director attended Director Certification Program (DCP)

In 2018, Executives and employees were offered trainings on courses involving good governance principles and anti-corruption to improve their skills, knowledge and understanding to against corruption. Such training courses are listed below.

- Encouraging Participation Through Good Corporate Governance Principles / Anti-Corruption Measures for Sustainability
- Enhancing Good Corporate Governance Base on CG Scorecard
- CG Code Workshop
- Information Disclosure comply with New CG Code
- Thai People's Awareness and Anti-Corruption Stance
- Paper making for anti-corruption measures in the organization, Class 3/2018

and also evaluated our people on their understanding of good corporate governance and anti-corruption policy to review knowledge, understanding of compliance with anti-corruption policies and Corporate Governance.

**Site Visits,** this is an effective and worthwhile activity that helps employees increased their competencies and achieve their goals. In 2018, a range of study visits were offered both locally and internationally regarding business engaged in investment, renewable energy, food and beverage, service, real estate, textile business, warehouse , 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 between executives and 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.



22<sup>nd</sup> Saha Group Fair at Bangkok International Trade & Exhibition Centre



10<sup>th</sup> Analysts and Investors Meet Saha Group Fair at Bangkok International Trade & Exhibition Centre





## Corporate Governance

The Board of Directors attaches a great deal of importance to our adherence to good corporate governance principles, which are integral to the foundation of business development, sustainable value creation, and investor confidence. They bolster our business competitiveness and ensure good operating results. Taking long-term effects into consideration, we operate ethically with due respect and responsibility towards our shareholders and stakeholders. We also strive to benefit society, adopt innovations to minimize our impact on the environment, and adapt to the ever-changing business context. Our governance code is founded on the Corporate Governance Code and the Sufficiency Economy Philosophy. The latter stipulates that we operate with moderation, within the bounds of reason, and with sufficient immunity of knowledge, prudence, and caution for our plans and their execution. Meanwhile, The Company constantly promotes certain values among its directors, executive officers, and employees namely virtue, honesty, diligence, patience, sharing, and work-related intelligence. These values enable us to adapt to the changing business context and foster a sustainable balance of happiness and corporate benefits.

The Board of Directors requested the Good Corporate Governance Principles, the Business Code of Conduct, and the Code of Conduct for Directors, Executive Officers, and Employees, as well as the Anti-Corruption Policy and related regulations, to be made in writing. To this end, the Good Corporate Governance Principles (Edition 1) was approved by the Board of Directors at Meeting 9 (Series 20) on January 14, 2017; however, following the issuance of the Corporate Governance Code (CG Code) for listed companies 2017 by the Securities and Exchange Commission, the Board of Directors assessed The Company's operations against the CG Code to ascertain whether The Company had already adopted all the provisions of the CG Code or had suitable plans in place. As a result, the Good Corporate Governance Principles (Edition 2) had been made and was approved by the Board at Meeting 10 (Series 25) on February 27, 2019. The document comprises the following:

### The Corporate Governance Policy

- The Eight Principles of Good Corporate Governance
  1. The Board of Directors shall understand the role and responsibilities it has as a governing body of The Company to bring about benefits to The Company in the long run.
  2. The Board of Directors shall establish company objectives and targets in a way that ensures sustainability.
  3. The efficiency of the Board of Directors shall be bolstered.
  4. The Board of Directors shall be responsible for the appointment and development of senior management positions, as well as for The Company's people management.
  5. The Board of Directors shall encourage the incorporation of innovations and promote responsible business practices.
  6. The Board of Directors shall afford The Company appropriate risk management and internal control.
  7. The Board of Directors shall maintain The Company's financial credibility and its information disclosure's reliability.
  8. The Board of Directors shall encourage good communication with shareholders and their participation in company affairs.
- The Business Code of Conduct
- The Code of Conduct for Directors, Executive Officers and Employees

The Good Corporate Governance Principles (Edition 2) document is available on The Company's website ([www.spi.co.th](http://www.spi.co.th)) under Corporate Governance, serving as a guiding light in The Company's operations.

## 1. Corporate Governance

The Board of Directors has confident in the good corporate governance system which ensures transparency, honesty and accountability through the balance of power and sufficient and appropriate internal audit along with the respect for the rights of others and the equality of all stakeholders. These will be the key drivers to enhance the development of the organization and build success sustainably.

The Board of Directors has approved the following principles as the Corporate Governance Policy for directors, executive officers, and employees to adhere to in their day-to-day conduct:

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 interest.

#### **Compliance with Good Corporate Governance Principles**

In 2018 the Board of Directors required The Eight Principles of Good Corporate Governance be adapted to The Company's business conduct, covering the following five aspects:

#### **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. In addition, they act fairly in the best interest of shareholders and also encourage all kinds of shareholders to exercise the fundamental rights (e.g., 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) in order to set the right direction and make decisions in the significant matters.

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 shareholder's 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 notification. The shareholder's 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 shareholder's 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 shareholder's 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 shareholder's 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 notification 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 The **Rights of Shareholders Section**, the Board of Directors appreciates the significance of shareholders and respects their rights as owners of



The Company. In addition to the right to vote at shareholder's meeting, the Good Corporate Governance Principle is designed to offer protection to shareholders 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 owners
- Right to receive profit sharing
- Right to access adequate news and information about The Company
- Right to participate in shareholder's meeting in order to express opinions and to make decisions in the meeting by

voting on matters such as the appointment or removal of directors; determination of directors's 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's 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 receive information equally, therefore, it 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)). In effect, the shareholders are well-informed and have various channels to acknowledge the matters, such as operational results, related transactions, acquisition and disposition of assets, top ten major shareholders as of the registration book closing date for the purpose of an annual general meeting, amount of shares held by minority Shareholders, Shareholder's 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's 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 must be approved by the shareholders, and a special shareholder's meeting will be convened on a case by case basis. Our shareholder's meetings follow the format described by the AGM checklist.

In 2018, we held the 47<sup>th</sup> General Meeting of Shareholders on 23 April 2018 at Montien Riverside Hotel at 372 Rama 3 Road, Bang Kloi, Bang Kolaem, Bangkok 10120, where the annual general meeting is held every year in order to avoid confusion among the shareholders. A map to the meeting location is enclosed with the shareholder's meeting notice which clearly details the various agendas, **such as the appointment of Directors and their compensation 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 2018 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 1<sup>st</sup> to 30<sup>th</sup>, 2017. 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 shareholders has come forward with any submission or nomination and no submit questions in advance.

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 12<sup>th</sup> March 2018 or 42 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)) before the meeting day more than 30 days which is on 21 March 2018 so that Thai and foreign shareholders can access information more quickly and conveniently as well as to have more time to review pertinent information



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 the 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 Shareholder’s meeting prior to meeting 21 days on 2 April 2018 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 17 — 19 April 2018.

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 the meeting of 2018, there was foreign shareholders who sent three representatives to attend on their behalf while the institutional investor has assigned seventy four people from their companies to attend on their behalf.

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)) 30 days prior to the meeting day.

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

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

For the 47<sup>th</sup> General Meeting of Shareholders on 23 April 2018, fifteen out of sixteen Directors or 93.75% from total attended at the meeting. Besides, other parties; 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 so that the meeting was held with transparency, legitimacy and rightfulness following The Company’s policy, The names of Directors, sub-committees and Executives, The Company’s auditors and also the financial advisors, legal advisors and also representatives of The Company’s auditors present were recorded in the meeting minutes which are subsequently published by the details of the 47<sup>th</sup> 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.Vichai Kulsomphob, the President to manage the meeting, he 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 47<sup>th</sup> General Meeting of Shareholders. In previous years, The Company explain the overall financial performance in each business sector and progress regarding the Anti-Corruption to shareholders leaving no questions raised. The particulars of the 47<sup>th</sup> General Meeting of Shareholders Minutes are disclosed on The Company’s website ([www.spi.co.th](http://www.spi.co.th)).

3. At the 47<sup>th</sup> General Meeting of Shareholders on 23 April 2018, the barcode system was used for the purpose of registration and voting for the convenience of the participants. Each 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. Especially, regarding the term of the appointment of the Board of Directors has voted and members registered to be verified and approved. Only the vote-against and null-vote cards are collected, 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 2018, 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	231	437,004,371	99.72	-	-	1,239,000	0.28
3	232	434,789,071	99.21	3,454,400	0.79	-	-
4	232	438,243,471	100.00	-	-	-	-
5.1.1	232	430,462,771	98.22	-	-	7,780,700	1.78
5.1.2	232	434,789,071	99.21	3,454,400	0.79	-	-
5.1.3	232	434,789,071	99.21	3,454,400	0.79	-	-
5.1.4	232	434,789,071	99.21	3,454,400	0.79	-	-
5.1.5	232	438,243,471	100.00	-	-	-	-
6	232	438,243,471	100.00	-	-	-	-
7	233	438,243,571	100.00	-	-	-	-
8	233	438,243,571	100.00	-	-	-	-

The particulars of the 47<sup>th</sup> 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 shareholder's 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 shareholders 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 0.65 Baht per shares for policy not less than 0.10 Baht per 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 shareholder's 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 shareholder's 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 47<sup>th</sup> General Meeting of Shareholders and on The Company's website (www.spi.co.th).**

**(3) Directors' Remuneration:** The Company suggests the amount and the form of remuneration to the shareholder's 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 shareholder's 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 47<sup>th</sup> General Meeting of Shareholders and on The Company's website (www.spi.co.th).**

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

The resolution of the shareholder's 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) 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, absent Directors, 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) in Thai and English within 14 days from the day on which the meeting is held. This allow 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 47<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 encourage 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 shareholders 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 shareholder's meeting notice in both Thai and English on The Company's website at least 30 days in advance of the date of the shareholder's 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 conflict of interest 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's equally and equitably. All shareholders have the equal rights as follows:

**(2.1) Exercise of the right to attend the Shareholder's Meeting**

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's meeting, 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 2017. **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 47<sup>th</sup> General Meeting of Shareholders, held on 23 April 2018, The Company has delivered a notice with supporting documents on 2 April 2018 or twentyone 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 shareholder's meeting, 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 were published on The Company's website on 21 March 2018 which more than 30 days prior to the meeting date, 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 47<sup>th</sup> General Meeting of Shareholders of Year 2018 was held on 23 April 2018.

	Shareholders	Shares	%
Total Registered Shareholders	1,105	494,034,300	100.00
Attending Shareholders	233	438,243,571	88.71
In Person Attendance	58	39,832,772	8.06
Proxy Attendance	175	398,410,799	80.65
- By Audit Committee	77	34,462,730	6.98
- Other Individual	98	363,948,069	73.67

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 rights to participate in shareholders 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 shareholders attending the meeting will be signed and collected. Sufficient personnel and technology are provided to facilitate meeting registration and voting on each agenda. A barcode 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 section **Conflict of Interest and The Code of Ethics for Directors, Executives and Employees section Responsibilities on Duties 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 The 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 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 Employees 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 **Conflict of Interest and The Code of Ethics for Directors, Executives and Employees section Responsibilities on Duties.** These have prescribed a prohibition for Directors, Executives and staff who possess the insider information from trading The 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 2018, 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 Stakeholders 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 stakeholders
3. Directors and Executives are required to submit their stakeholders 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 business days from the day in which the report is received.

The Directors and Executives have complied with the established criteria in 2018.

#### **(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. **The 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 has the respect for the rights of all interested parties both inside and outside of The Company. The responsibility towards the communities, the society and the environment through our actions 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





The Company's employees, as well as unfair treatment or an infringement of the rights of stakeholders. The employees of companies 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, executives, 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/her 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 a 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 complainant is The Company's employees there will be disciplined due to their actions 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 proceeding 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, 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. Information 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

The Company will take care and protect the complainants who comply with the Anti-corruption Policy and the Channels of Stakeholders Involvement as defined in the Good Corporate Governance Policy.

In 2018, 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's 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, 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 is disseminated via the information system of the Stock Exchange of Thailand and also disseminated the company's website ([www.spi.co.th](http://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](http://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 Position and Performance:** Analysis of financial position , performance, significant changes and including factors that affect on the financial position and the operating performance under the section on **Explanation and Analysis of Financial Statement 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 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 roles 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 (85.33%) under the section on **Duties and responsibilities of the Board of Directors**.

**(12) Dividend payment policy:** The Company has disclosed its dividend per share by not less than 0.10 baht per share or 10% of the share value. The dividend paid is determined by the Company's operating results and financial position, and economic conditions. The Company has always paid dividends, according to this policy

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

**(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 Risk Management:** The report of the audit committee, the report of an internal accounting control system of the auditor and, the evaluation of the five areas of internal control system and risk management 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, the Company must notify and propose to the Board of Directors to consider before notifying the Audit Committee and then **approve by Board of Directors** which determined that Board of Directors who are stakeholders must exit the meeting not able to vote until the meeting is ajourn. This will only be ascertain when the information in Thai and English are provided to The Stock Exchange of Thailand and on the Company's website ([www.spi.co.th](http://www.spi.co.th)) through disclosing of the names, value of transation, agreements, reason of transaction, Board of Directors opinions (if any) and in the minute of meetings of the related parties or entities. They are made available in the Annual Statement (Form 56-1) and in the Annual Report (Form 56-2).

**(18) Quarterly Performance Reporting:** The Company has prepared reports on operating results on a quarterly basis with analysis and explanation provided by MD&A Team. The Company will disclose a clarification 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 and 24 hours afterwards. 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 are independent, credible and authorized by the Securities and Exchange Commission of Thailand. In 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 qualification stipulated by the Company Articles of Association and Exchange Commission. Independency, professional standard, operation result and ability to handle more workload. The audit fees has already compared with the other listed companies in the same level. The Audit Committee had an opinion that EY Office Limited is auditing company who has ability to handle the Company's workload and audit fees is reasonable. It is agreed to propose to General Meeting of Shareholders to appoint;

1. Mrs. Sarinda Hirunprasurtwutti and/or
2. Mrs. Saifon Inkaew and/or
3. Ms. Kamontip Lertwitworatep

The auditor fee and other expense fees are 3.22 million baht and 100,000 baht respectively (In the year 2018 the change to deliver the reviewed quarterly financial statements in which previously for the four quarters amounting to 1,440,000 baht to three quarters. Therefore the quarterly financial statements fee was reduced to 1,080,000 baht with the actual remaining payable amounting to 2,860,000 baht).

In 2018, 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 has been developed specifically as a channel of communication for the dissemination of information and updates concerning the Company in, shareholders and investors **under the section About us, Corporate governance and Investor Relation** which covered in Thai and English.

**(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.Natthakan Thanawadee

Tel. : 0-2293-0030

Fax. : 0-2293-0040

E-mail : [ir@spi.co.th](mailto:ir@spi.co.th)

In 2018, the Company and Saha Group of companies in collaboration with the Stock Exchange of Thailand have conducted an event call **“Analysts and Investors Meet Saha Group”** continuing for 10th year, as a part of the 22st Saha Group Fair at Bitec Bangna Exhibition Centre. 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 innovations at the 22nd Saha Group Fair and purchase product 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 a 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 2018 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 will be able to change the strategic direction accordingly.

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

The Board of Directors emphasized on the importance of Good Corporate Governance. In 2018, the Board of Directors has established the principles of Good Corporate Governance (Revised No.2) to comply with good business practices for listed companies in 2017 by the Securities and Exchange Commission and approval by the Board of Directors Meeting No. 10 (#25) on 27 February 2019 to replace the current version at least once every year.

### **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 2018, there are 6 related party transactions** which are not required the approval from shareholders

### **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 overseas business operations and risk management. The internal audit will verify, test and evaluate various systems within the organization with recommendations for 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 and risk management are 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 2018, there was a total of 12 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, the business performance during the past month, or the 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 with 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.

Moreover, 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 2018, there were 12 Board of Directors meetings and the meeting attendance of the Board of Directors is under Section: **Management structure**. Each meeting had **the Board of Directors who attended, at least 75% of total annual number of meetings and each of them attended the meetings not less than 75% of all directors.**

## 6. Self Evaluation for the Board of Directors

The Board of Directors has scheduled an annual evaluation of the Board of Directors during 2018 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 percentage 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, roles and responsibilities of the Board of Directors
2. Independence of the Board of Directors
3. Relationship with the management and stakeholders

In 2018, the overall performance is “Good” with an average score of 85.33%.

### - Annual 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 2018 the performance appraisal are summarized as follows:

Sub-Committee	Results	Scores
Audit Committee	Average Percentage 99.61	Excellent
Nomination and Remuneration Committee	Average Percentage 71.67	Good
Corporate Governance and Risk Management Committee	Average Percentage 94.67	Excellent

## 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 2018, 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 these manual have been distributed to all Directors, Executives and Employee. 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.

According to the Company's Dividend Payment Policy, the Company pays dividends at the rate of no less than 0.10 baht per share based on its performance and financial standing. In 2018 the Company paid dividends from its 2017 performance at the rate of 0.65 baht per share or 10.15% of its net profit (20.63% of its separated net profit), which was higher than the requirement. The payment was made on May 21, 2018. The Company's consistent dividend payments are considered a form of long-term wealth empowerment for its shareholders. Every shareholder received the invitation to attend the Annual General Meeting of Shareholders 2018 have the right to vote on all agendas. The important information are available in various channels, such as through publication or on online platforms. 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](http://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, 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.**

Customers' confidence in the Saha Group's industrial parks is strengthened from their certification and accolades. In 2018 the Saha Group's industrial parks **conducted the annual customer satisfaction survey**, which takes place every June. The survey revealed a great satisfaction level among customers at all four industrial parks. This latest outcome was consistent with the previous years' conclusion. Furthermore, customers' suggestions have been heeded. Improvements made and issues rectified according to these suggestions have led to a better quality of life in the area. In addition, if customers would like to



make inquiries, express their thoughts, and submit complaints, they could do so with the **Real-Estate & Property Marketing Department** through Mr. Amphol Wattanawornpong, our Real-Estate & Property Marketing Manager, by calling (038) 480-444 or sending an email to the address [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 officer in charge will present them to the Steering Committee to find conclusions and solutions. All departments involved are required to provide pertinent explanations, a summary of which will be provided to the original submitter. In addition, the Company also pays attention and follows up on both internal and external recommendations related to the Company's operations. Meanwhile, employees are afforded several channels to voice their and recommendations, such as at meetings, online, and complaints boxes located at the Human Resource Department of every project office.

In 2018, 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 Si Racha Nihonmura. 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 fairly employs business partners, take any action following the partnership agreement and sincerely disclose information to each other. Moreover, we always keep good relationships, understand each others and exchange knowledge which will innovate and add value to our goods and services. In addition, we concerned on all stakeholders from the production line to communities and environment nearby, and will not accept any benefit which is not stated in the partnership agreement. Lastly, the Company focused on increasing the competitiveness of our partners together with the growth of ourselves.

There has been no incidence of failure to honor the contract we have with any trading partners in 2018.

### (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 position 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:

#### **Accounts Payables**

We comply with the conditions we have with our accounts payables, 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. Accounts payables are asked to submit their invoices on the 1st to the 7th of every month. Payment is then made to them on the 26th of the same month or the next business day if the 26th 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. To promote employee participation and determination of the Company's direction and development.
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. Encouraged employees of all levels 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 participate 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 ailing 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 Si Racha was certified at the level of total for the Thai Labor Standard Management (TLS 8001-2546) by the Department of Labor Protection and Welfare, the Ministry of Labor. This is a prove 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 or E-mail address : cac@spi.co.th.

#### (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 **Corporate Social Responsibility Section** and on Company's website ([www.spi.co.th](http://www.spi.co.th))

The Company has appointed Miss Chalitta Tangchanachaianan, an office staff member, as Coordinator and Facilitator of Community Relations. She can be reached at (038) 480-444 or via email at the address [chalitta@spi.co.th](mailto:chalitta@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.

#### **Promoting Efficient Use of Resources**

The Board of Director shall promote efficient use of resource as listed 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 Si Racha, 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.

In 2018 the Saha Group's Si Racha Industrial Park watered plants in its green areas with treated wastewater, which accounted for more than 45% of the water entering into the treatment facilities. This was in accordance with the increase in its green area. Meanwhile, the Saha Group's Kabinburi Industrial Park reclaimed 42% of its treated wastewater. In addition, the Saha Group's Lamphun Industrial Park installed an ozoning system to improve the quality of its treated wastewater. The system allows an additional 3,500 cubic meters of wastewater to be reused by manufacturing plants within the park, representing 99.5% of the total treated wastewater reclaimed.

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 Si Racha. 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 Si Racha, 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 Chokwatana (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 Corporate Social Responsibility Section.**

#### **Employees' Environmental Education and Training**

The Environmental Working Group has assessed the Company on the subject of good corporate governance and structure (policies, objectives, goals and vision). It found that the Company's management and employees were aware and attentive of environmental management and were afforded opportunities for human resource improvement or development on the subject of the environment. The working group gave a high score to this aspect of the Company's business context. To this end, environmental projects were initiated according to development possibilities under the assessment. Training and evaluation was conducted on the following four topics:

1. Energy conservation in the environmental management system (ISO 50001)
2. Annual environmental project for 2018
3. Investigation into new environmental technologies
4. Environmental field trips (FF/ UF system, water supply system)

In addition, an evaluation was conducted on external stakeholders, namely state agencies and customers. It was found that there was a demand for the Saha Group's industrial park emergency plans to be publicly disclosed and for the local communities to take part in. To this end, an environmental project was launched, in which stakeholders, namely local authorities, communities and operators within the parks were invited to observe the emergency drill of the central wastewater treatment facilities. This project achieved its objective. External stakeholders' wants and expectations were also assessed, resulting in an environmental project to make certain improvements to the park for field trip suitability. In this regard, loud speakers and maps with indicators were installed. Additional restrooms were also built to better suit the number of visitors. This project also achieved its objectives.

#### **(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. 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 (Form 56-1) and annual report (Form 56-2) There were six related transactions involving assets or services of financial assistance in 2018. These are detailed under the section on **Related Transactions**.

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 financial support 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 2018 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.

In addition, the Company plans to expand its anti-corruption network to include its trading partners by asking them to take part in making an official an anti-corruption commitment with the Company.

In 2018 the Company found no significant flaws about corruption and fraudulent activities or noncompliance with relevant laws and regulations or violation of business ethics.

## 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. Software Usage. The Company mandates that all software used in Company operations be properly licensed. Commitment has been made by senior management and Employees of all levels not to engage in the piracy of intellectual property. The use to follow law set forth by the computer crimes act 2007 and employee regulation in the use of computer network. As such, below is a list of guidelines set to govern employee activities on our computer network:

- 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, 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 2018, 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.
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 2018 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.

**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.



As of 2018 the Board of Directors comprises 15 members with the addition of two vacant positions under nomination consideration. One of these vacancies is reserved for a director while the other are independent directors, complying with the regulation on the number of independent directors of a listed company, which requires at least one-third of board members and no fewer than three of whom must be independent directors. At present, the Board comprises 10 non-executive directors, five of whom are also independent directors. **Of these five independent directors, three are serving on the Audit Committee and one is a independent female director.** Every director serving on the board is dedicated and committed to their role entrusted by the Board of Directors and shareholders. They are free to express their opinion and give consideration and approval to all subject matters with due regard to the utmost benefit to the Company.

**(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 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. At present, only one director serves as a director at more than five listed companies. Nonetheless, the Company is confident that his directorships elsewhere will not affect his role at the Company. The director in question has time and again demonstrated his commitment by regularly attending all board meetings and contributing to the betterment of the Company.

**(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 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 must never have been an employee or shareholder of outside financial audit companies that work with the Company.**

**(6) Among the Board of Directors, any of Independent Director must not serve as Director position of more than 5 listed companies.**

**(7) Among the Board of Directors, there are 5 of 10 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 that have the amount greater than the authority of the Executive Board to other companies that have a business relationship with the Company as shareholders, or to companies that have 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 doesn't relate to any 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 change of price and destruction of raw materials and/or remaining inventories which are deteriorated or out of date and cause the book value, 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 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.

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 of The Board of Directors**

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 follow 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 determining an amount of 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 2018 the Board of Directors held a total of 12 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 that are 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 one 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 2018 - May 2019
2. Mrs. Punnee Worawuthichongsathit - April 25th, 2016	Audit Committee with expertise in the areas of accounting and finance	May 2018 - May 2019
3. Mr. Sompong Sungrangsan - April 19th, 2018	Audit Committee with expertise in the areas of accounting and finance	May 2018 - May 2019

#### 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 of The Audit Committee

1. To review correct and sufficient financial reporting of the company with reviewing the important accounting policy of the Company and disclose according to the 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 issues with procedure of protection of secret information 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 2018, 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, representing more than 75% 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 14th, 2007	Chairman of Nomination and Remuneration Committee	May 2018 - May 2019
2. Ms. Sirikul Dhanasarnsilp - May 15th, 2016	Nomination and Remuneration Committee	May 2018 - May 2019
3. Mr. Vichai Kulsomphob - March 12th, 2018	Nomination and Remuneration Committee	May 2018 - May 2019

#### Authority of Nomination and Remuneration Committee

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 of Nomination and Remuneration Committee

##### 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 must not 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 Sub-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 2018, Nomination and Remuneration Committee was comprised of 3 individuals. A total of 2 meetings of the Nomination and Remuneration Committee were held, representing 100% attendance rate. The Nomination and Remuneration Committee has made **the Report of the Nomination and Remuneration 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 Nomination and Remuneration Committee appears under Management Structure.

**2.4 Good Governance and Risk Management Committee** The Board of Directors shall appoint the two company directors, one management and one Company Secretary 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 2018 - May 2019
2. Mr. Vichai Kulsomphob - December 15, 2016	Good Governance and Risk Management	May 2018 - May 2019
3. Mr. Chuto Chirakunakorn - August 4, 2015	Good Governance and Risk Management	May 2018 - May 2019
4. Mr. Supradit Sa-id - May 14, 2018	Good Governance and Risk Management	May 2018 - May 2019

#### **Duties and Responsibilities of Good Governance and Risk Management Committee**

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 of 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 of Good Governance and Risk Management Committee**

##### **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 and amend 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 2018 the Good Governance and Risk Management Committee was comprised of four members. They held a total of two meetings with an attendance rate of 100 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 2018 - May 2019
2. Mr. Vichai Kulsomphob	Executive Director	May 2018 - May 2019
3. Mr. Samrerng Manoonpol	Executive Director	May 2018 - May 2019
4. Mr. Manu Leelanuwatana	Executive Director	May 2018 - May 2019
5. Ms. Sirikul Dhanasarnsilp	Executive Director	May 2018 - May 2019
6. Mr. Manus Ongsaranakom	Executive Director	May 2018 - May 2019

#### **Authorities of Executive Board**

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 each transaction amount does 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 each transaction amount does not exceed 50 million baht.
6. To approve engagement in non-financial juristic actions provided that each transaction amount does not exceed 50 million baht.
7. To approve acceptance or to deny loans provided that each transaction amount does 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 each transaction amount does not exceed 50 million baht.
9. To approve sourcing and investment in fixed assets, provided that each transaction amount does 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 authority 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 executive 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 2018, the Executive Board was comprised of 6 individuals. A total of 12 meetings of the Executive Board meeting were held, representing 100% attendance rate. Executive Committee has performed duties according to the charter and consider approving according to the approval authority. For matters that are beyond the authority Executive Committee will give opinion with reasons before submitting to the Board of Directors.

#### **Meeting Attendance of the Executive Board in 2018**

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. Vichai Kulsompob	12/12
3. Mr. Samrerng Manoonpol	12/12
4. Mr. Manu Leelanuwatana	12/12
5. Ms. Sirikul Dhanasarnsilp	12/12
6. Mr. Manus Ongsarakom	12/12



**2.6 Executives** consists of:

Name	Position
1. Mr. Vichai Kulsomphob	President
2. Mr. Chuto Chirakunakorn	Senior Vice President
3. Mr. Sontaya Tabkhan	Vice President / Industrial Park Development
4. Mr. Tinakorn Bunnag	Vice President / Special Project Development
5. Ms. Kesara Sumkanjanaruk	Vice President / Corporate Administration / Chief Financial Officer
6. Mr. Vorayos Thongtan	Vice President Investment and Corporate Strategy

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, appoint, 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 invest or sale 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 authority 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 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.

In addition, supposing the Capital Market Supervisory Board has announced changes in the qualifications of independent directors Independent Director of the Company must have the qualifications as announced in all respects. 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.spi.co.th](http://www.spi.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 Subsidiaries and Associated Companies' Performance

The Company has no subsidiaries but joint venture. The Company considers the potential of the investment and will jointly invest with other companies. Saha Group has a team of senior management members which considers the Companies business, knowledge skills and expertise of directors or executives to represent the group as a joint venture or contractual joint venture. They have a responsibility to ensure the best interests of the joint venture that the Company has no control over. Administrative power is up to the board of the company.

In the event that the Company has a subsidiary company, the Company will ensure that the subsidiary company has practice and disclose important information. According to various rules In the same manner as the company practices such as connected transactions acquisition or disposition of assets or other important transactions including having to supervise



the collection of data and accounting of subsidiaries for the company can check and compiled to prepare the consolidated financial statements in a timely manner.

## 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 EY Office Limited. to be the Company's Auditor for the previous financial year and determined the remuneration of the auditor's fee as follows:

1. Audit fee for the year.	Baht	1,7800,000.-
2. Quarterly Review of the Financial Statements (3 quarters).	Baht	*1,080,000.-
<b>Grand Total</b>	<b>Baht</b>	<b>2,860,000.-</b>

Remark: \* In 2018, there was the submission changes of the Financial Statement from 4 quarters to 3 quarters which made the audit fee for quarterly of the Financial Statement decrease amounting from Baht 1,440,000.- to Baht 1,080,000.- resulting in a decrease of total audit fee from Baht 3,220,000.- to Baht 2,860,000.-

### 6.2 Non-Audit Fee

The Company paid for other services fee to the Company's Auditor, EY Office Limited during the previous financial year as follows: Review Fee (Royalty Income) 100,000.- Baht

Other service fee to be paid in advance due to the uncompleted service for the previous financial year:

-None-



## 7. Compliance with Principles of Good Corporate Governance 2017

The Board of Directors through the approval of the Corporate Governance and Risk Management Committee has considered adopting the Good Corporate Governance principles for listed companies in 2017 by the Office of Securities and Exchange Commission to access in compliance with the CG Code for listed companies in 2017. This is to ensure that there are process in place as well as a development plan suitable to the business. In 2018, the Board of Directors has established the principles of Good Corporate Governance (Revised No.2) to comply with good business practices for listed companies in 2017 by the Securities and Exchange Commission and approval by the Board of Directors Meeting No. 10 (#25) on 27 February 2019 to replace the current version and review CG Code at least once a year.

The Company is in compliance with good Principles of Good Corporate Governance for listed companies with the results as follows:

- Good Corporate Governance's assessment for 2018: the Company was rated "Very Good" by the Thai Institute of Directors Association (IOD).
- The annual general shareholders' meeting (AGM) assessment for 2018: the Company has scored 100 points as "Excellent" for the 10th year in a row.
- Environmental, Social and Governance assessment for 2018 (ESG) of listed companies covering 683 listed companies by Thaipat Institute. The Company was chosen to be one of the listed companies in ESG 100 in terms of "Environmental, Social and Governance".

## 8. Compliance with good corporate governance principles in other matters

### 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 Policies. The principles of Corporate Governance are divided into 5 categories, business ethics section and code of conduct for company directors, executives and employees.

**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 or hierarchy structure	The cross-shareholding structure has been applied with 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 determine 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 2018 only one director serves as a director at more than five listed companies. Nonetheless, the Company is confident that his directorships elsewhere will not affect his role at the Company. The director in question has time and again demonstrated his commitment by regularly attending all board meetings and contributing to the betterment of the Company and there is no independent director held on their position 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	Even though the Chairman of the Board of Directors and the Remuneration committee are 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	Even though the Chairman of the Board of Directors is not an independent their knowledge, experience and ability in the business will help business in an operates as well as operating in an independent manner. This opens an opportunity to all the Board of Directors to have a freedom of expression 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.11 (Board #25) was held on March 11<sup>th</sup>, 2019. **There were a total of 5 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 2018. 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 its duties on a regular basic 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 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 backup site of 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 Compliance Unit

The Board of Directors has established the Internal Audit Unit. The Company has appointed **Miss 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 : Internal Auditing Certificate Program (IACP) 18/2018, updated COSO enterprise risk management: integrating with strategy and performance, Financial reporting standards that will become effective in 2019, Systematic Audit, Working Paper for Anti-corruption measures in the organization ( 3/2018), Accelerated Finance and Accounting for Non-Finance Executive, CG & CAC in the subject "Promote participation with corporate



governance principles Anti-corruption measures to sustainable organization development”, Acquisition or disposition of assets and related transaction, Company Health check through the financial Statements (2/2018) and Risk Management Framework. She also has a proper understanding of the activities and businesses of the Company, **possesses adequately appropriate education, experiences, and trainings to perform as head of Internal Audit. Directly report to the Audit Committee. As such, was assigned the following responsibilities :-**

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 **appointment, transfer and dismissal of the company's head of Internal Audit, the approval from The Audit Committee.** (Please see the Head of Internal Audit profile, in 56-1 form (Attachment 3). And 56-2 form for Head of internal Audit Details.

**The Company has not yet appointed the Head of Compliance team.**

#### Head of Internal Audit Profile

<b>Name</b>	Miss. Pleanpit Boonsiri
<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>	1.6 years
<b>Training</b>	<ul style="list-style-type: none"> <li>- Internal Auditing Cert. Program (IACP) 18/2018</li> <li>- Updated COSO enterprise risk management: integrating with strategy and performance,</li> <li>- Financial reporting standards that will become effective in 2019</li> <li>- Systematic Audit</li> <li>- Working Paper for anti-corruption measures in the organization # 3/2018</li> <li>- Accelerated Finance and Accounting for Non-Finance Executive</li> <li>- CG &amp; CAC in the subject of “Promote participation with Corporate governance principles and Anti-corruption measures to sustainable organization development”</li> <li>- Acquisition or disposition of assets and Related transaction,</li> <li>- Company Health check through the financial Statements ( 2/2018 )</li> <li>- Risk Management Framework</li> </ul>

#### **Experiences**

- June 15, 2017 - Present : Manager of the Internal Audit  
: Secretary and Internal Audit  
As head of Internal Audit

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 Mr. Phongthep Rohitasun. He serves in the role of Accounting Manager. He graduated with a Bachelor Degree in Commerce and Accounting, Auditing Major from Chulalongkorn University. He is assigned to prepare the financial statements and assure the disclosure of the Company's information is accurate, with the proper accountant qualifications.





## 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 excess 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](http://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 2018, there were Related Transactions as follows;**

### 1. Shares Buying/Selling

1. According to the resolution of the Board of Directors Meeting No. 3 (Board #25) on July 19, 2018, approved to buy 6,000,000 common shares of Saha Pathanapibul Public Company Limited, @ Baht 55.64 per share, amounting of Baht 333,840,000.- and 38,200,000 common shares of Sahacogen (Chonburi) Public Company Limited, @ Baht 4.62 per share, amounting of Baht 176,484,000.-, total amount of Baht 510,324,000.- from Mr. Samrerng Manoonpol.

The related person is, Mr. Samrerng Manoonpol as the Company's Directors.

2. According to the resolution of the Board of Directors Meeting No. 8 (Board #25) on December 20, 2018 approved to buy 1,015,200 common shares of Thai Wacoal Public Company Limited, @ Baht 47.00 per share amounting of Baht 47,714,400.- and 6,035,850 common shares of I.C.C. International Public Company Limited @ Baht 41.50, amounting of Baht 250,487,775.-, total amount of Baht 298,202,175.- from Mr. Samrerng Manoonpol.

The related person is, Mr. Samrerng Manoonpol as the Company's Directors.

3. According to the resolution of the Board of Directors Meeting No. 8 (Board #25) on December 20, 2018 approved to buy 750,000 common shares of Thai Wacoal Public Company Limited, @ Baht 47.00 per share amounting of Baht 35,250,000.-, and 221,364 common shares of Janome (Thailand) Co., Ltd. @ Baht 71.20 per share, amounting of Baht 15,761,116.80, and 9,009 common shares of Erawan Textile Co., Ltd. @ Baht 103.36 per share, amounting of Baht 931,170.24, and 3,000 common shares of Fujix International Co., Ltd. @ Baht 392.49 per share, amounting of Baht 1,177,470.-, total amount of Baht 17,869,757.04 from Wien International Co., Ltd.

The related person is Mr. Boonsithi Chokwatana as the Company's Directors and major shareholders of Wien International Co., Ltd.

4. According to the resolution of the Board of Directors Meeting No. 8 (Board #25) on December 20, 2018, approved to buy increasing capital shares of Shop Global (Thailand) Co., Ltd., in the part of existing shareholders waived the right, 1,365,000 shares from I.C.C. International Public Company Limited, @ Baht 22.- per share, amounting of Baht 30,030,000.-, and 292,500 shares from OCC Public Company Limited @ Baht 22.- per share, amounting of Baht 6,435,000.- and 232,499 shares from Mr. Sorachot Ambhanwong, @ Baht 22.- per share, amounting of Baht 5,114,978.-, total of 1,889,999 shares, amounting of Baht 41,579,978.-



The related persons are Mr. Boonsithi Chokwatana, as the Company's Director and a major shareholder of I.C.C. International Public Company Limited and OCC Public Company Limited and closed relative to Mr. Sorachot Ambhanwong, and Mr. Samrerng Manoonpol as the Company's Directors and a major shareholder of OCC Public Company Limited.

## 2. Land Buying is an investment property

According to the resolution of the Board of Directors Meeting No. 11 (Board #24) on February 13, 2018, approved to buy and transfer of ownership Land Title Deed No. 38201, Land No. 5, Tambol Mae Kasa, Amphur Mae Sot, Tak Province, area about 8 Rai 10 Sqr-Va, amounting of Baht 36,112,500.- from Sareeraporn Co., Ltd., which is the commercial transactions under fair pricing and conditions business and selling price is higher than price of Independent appraiser and Land Department but lower than price that other interested parties offering.

The related person is Mr. Manus Ongsaranakorn, as the Executive Board and Managing Director of Sareeraporn Co., Ltd.

## 3. Assets Selling

According to the resolution of the Board of Directors Meeting No. 8 (Board #25) on December 20, 2018 approved to sell agriculture assets located on land rental at Amphur Wang Saphung, and Amphur Phu Luang, Loei Province, amounting of Baht 3,000,000.- to Sinparadon Co., Ltd. The book value of agriculture assets as stated above as of November 30, 2018 is Baht 2,801,887.- This transaction is considered to be a related transaction of listed company prescribed in the Notification of the Capital Market Commission as the category of assets or service transaction. This transaction has value less than or equal to 1 Million Baht or less than or equal to 0.03% of NTA (as of September 30, 2018, 0.03% of NTA = 8,708,646.-) whichever is higher that can be freely executed by the management.

The related persons are, Mr. Boonsithi Chokwatana, Mr. Boonkiet Chokwatana and, Mr. Samrerng Manoonpol as the Company's Directors and major shareholders of Sinparadon Co., Ltd

In 2018, the company had a guarantee income of Baht 2.28 million from 10 related 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	RELATIONSHIP	Consolidated and Separate financial statements
1	SAHAPAT REAL ESTATE CO., LTD.	A, B, C, E, F	2,119,287.66
2	SAHACHOL FOOD SUPPLIES CO., LTD.	A, B, C, E, F	213,232.97
3	PITAKKIJ CO., LTD.	A, B, C, E, F	159,998.08
4	SAHA TOKYU CORPORATION CO., LTD.	A, B, C, E	134,279.00
5	MOBILE LOGISTIC CO., LTD.	A, B, C, E	112,033.69
6	TRANSCOSMOS (THAILAND) CO., LTD.	A, C, E, F	75,810.84
7	A TECH TEXTILES CO., LTD.	A, C, E	143,994.89
8	THAI ITOKIN CO., LTD.	A, B, C, E	25,000.00
9	PT. DYNIC TEXTILE PRESTIGE CO.,LTD.	A, C	7,541.67
10	TOYOBO SAHA SAFETY WEAVE CO., LTD.	A, C, E	151,201.00
	TOTAL		3,142,379.80

#### 4. Electrical and Steam Income

In 2018, the company incurred the electrical and steam incomes from 44 related companies for a total amount of Baht 1,599.63 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 99.97% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	KABIN PATTHANAKIJ CO.,LTD.	A, B, E	4,516,662.17
2	CARBON MAGIC (THAILAND) CO., LTD.	A, B, E	15,795,626.27
3	KENMIN FOOD (THAILAND) CO., LTD.	A, E	32,308,555.80
4	JANOME (THAILAND) CO., LTD.	A, B, E	12,518,833.62
5	SHALDAN (THAILAND) CO., LTD.	E	2,070,365.01
6	WBLP CO., LTD.	B, E	1,807,070.38
7	TOYO TEXTILE THAI CO., LTD.	A, E	11,323,947.91
8	TOP TREND MANUFACTURING CO., LTD.	A, B, E, F	58,980,219.97
9	TEXTILE PRESTIGE PLC.	A, B, E	44,858,313.76
10	TOTAL WAY IMAGE CO., LTD.	A, E, F	693,414.21
11	THAI ASAHI KASEI SPANDEX CO., LTD.	A, E	180,431,620.42
12	THAI TAKAYA CO., LTD.	E	30,943,478.60
13	THAI KOBASHI CO., LTD.	A, E	1,610,608.66
14	THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	236,681,999.22
15	THAI SILICATE CHEMICAL CO., LTD.	E, F	31,440,334.79
16	THAI TOMADO CO., LTD.	A, E	597,620.78
17	THAI PRESIDENT FOODS PLC.	A, B, E, F	210,582,900.24
18	THAI MONSTER CO., LTD.	A, E, F	598,655.51
19	THAI STAFLEX CO., LTD.	A, B, E	4,246,010.55
20	THAI ARAI CO., LTD.	A, E	24,316,059.23
21	BANGKOK TOKYO SOCKS CO., LTD.	A, B, E	20,598,786.22
22	PITAKKI CO., LTD.	A, B, C, E, F	1,167,228.81
23	FIRST UNITED INDUSTRY CO., LTD.	A, B, E, F	6,835,703.68
24	MOLTEN (THAILAND) CO., LTD.	A, E, F	27,405,676.15
25	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	A, E, F	51,735,551.21
26	RACHA UCHINO CO., LTD.	A, B, E	34,620,467.65
27	LION COPORATION (THAILAND) CO., LTD.	A, B, E, F	151,872,634.51

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
28	WACOAL SIRACHA CO., LTD.	B, E	6,295,600.42
29	SAHACHOL FOOD SUPPLIES CO., LTD.	A, B, C, E, F	10,796,823.48
30	SAHA SEHWA CO., LTD.	A, B, E	39,682,119.42
31	SAHA PATHANAPIBUL PLC.	A, B, E, F	2,044,588.60
32	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	A, B, E	254,376,856.46
33	INTERNATIONAL LEATHER FASHION CO., LTD.	A, B, E	2,521,439.17
34	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	1,940,420.47
35	A TECH TEXTILES CO., LTD.	A, C, E	9,985,777.30
36	EXACT Q CO., LTD.	B, E	5,323,965.28
37	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	43,496,883.08
38	ST (THAILAND) CO., LTD.	A, B, C, E, F	4,885,682.37
39	OSOTH INTER LABORATORIES CO., LTD.	A, B, E	17,248,620.28
40	OTHER COMPANIES		469,354.93
	TOTAL		1,599,626,476.59

## 5. 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 2018 the company incurred the royalty income of Baht 64.02 million from 11 related companies. The transactions with value over Baht 500,000.00 equal to 99.30% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	THANULUX PLC.	A, E, F	34,363,612.97
2	BOUTIQUE NEWCITY PLC.	A, E, F	5,800,507.85
3	PATTAYA MANUFACTURING CO., LTD.	A, B, E	4,793,805.11
4	RACHA UCHINO CO., LTD.	A, B, E	1,084,518.08
5	I.C.C. INTERNATIONAL PLC.	A, B, E, F	17,526,360.86
6	OTHER COMPANIES		448,244.11
	TOTAL		64,017,048.98

## 6. Consulting Income

In 2018, the company incurred the consulting income of Baht 11.03 million from 6 related companies while the consulting income is prepared with respect to the service scope. The transactions with value over Baht 500,000.00 equal to 92.80% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	THAI ARAI CO., LTD.	A, E	9,640,520.73
2	FIRST UNITED INDUSTRY CO., LTD.	A, B, E, F	600,000.00
3	OTHER COMPANIES		795,000.00
	TOTAL		11,035,520.73

## 7. 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 2018, the company incurred the immovable rental income of Baht 127.43 million from 40 related companies. The transactions with value over Baht 500,000.00 equal to 97.22% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	KABIN PATTHANAKIJ CO.,LTD.	A, B, E	2,994,240.00
2	CARBON MAGIC (THAILAND) CO., LTD.	A, B, E	6,526,500.00
3	SHALDAN (THAILAND) CO., LTD.	E	899,000.00
4	TSURUHA (THAILAND) CO., LTD.	A, B, C, E, F	885,600.00
5	TOYO TEXTILE THAI CO., LTD.	A, E	2,549,934.00
6	TOP TREND MANUFACTURING CO., LTD.	A, B, E, F	2,570,686.56
7	THAI KOBASHI CO., LTD.	A, E	3,449,880.00
8	THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	23,260,032.80
9	THAI TOMADO CO., LTD.	A, E	851,040.00
10	THAI STAFLEX CO., LTD.	A, B, E	775,426.63
11	THAI ARAI CO., LTD.	A, E	5,746,680.00
12	THANULUX PLC.	A, E, F	549,270.00
13	BANGKOK RUBBER DEVELOPMENT CENTER CO., LTD.	E	2,228,544.00
14	BNC MAESOD CO., LTD.	A, B, E	1,474,950.00
15	FIRST UNITED INDUSTRY CO., LTD.	A, B, E, F	29,084,700.00
16	MODERN TECHNOLOGY COMPONENT CO., LTD.	B, E	6,000,000.00
17	THAI SECOM SECURITY CO., LTD.	A, B, E	2,844,000.00
18	LION COPORATION (THAILAND) CO., LTD.	A, B, E, F	5,961,600.00
19	SRIRACHA AVIATION CO., LTD.	A, B, E, F	3,000,000.00
20	SAHA SEHWA CO., LTD.	A, B, E	4,998,913.20

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
21	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	568,643.28
22	H & B INTERTEX CO., LTD.	A, B, E, F	3,610,560.00
23	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	7,524,624.00
24	ST (THAILAND) CO., LTD.	A, B, C, E, F	4,504,995.00
25	SSDC (TIGERTEX) CO., LTD.	A, B, E	1,027,584.00
26	OTHER COMPANIES		3,539,010.80
	TOTAL		127,426,414.27

## 8. Water Income

In 2018, the company incurred the water income of Baht 60.58 million from 74 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 88.42% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	KENMIN FOOD (THAILAND) CO., LTD.	A, E	1,763,208.00
2	JANOME (THAILAND) CO., LTD.	A, B, E	619,440.00
3	CHOKCHAIPBUL CO., LTD.	E, F	565,552.00
4	TOP TREND MANUFACTURING CO., LTD.	A, B, E, F	1,210,176.00
5	THAI ASAHI KASEI SPANDEX CO., LTD.	A, E	1,734,792.00
6	THAI GUNZE CO., LTD.	A, B, E	992,080.00
7	THAI SUMSUNG ELECTRONICS CO., LTD.	A, B, E	4,600,057.20
8	THAI SILICATE CHEMICAL CO., LTD.	E, F	828,144.00
9	THAI TAKEDA LACE CO., LTD.	A, B, E	1,859,200.00
10	THAI PRESIDENT FOODS PLC.	A, B, E, F	2,830,066.00
11	THAI STAFLEX CO., LTD.	A, B, E	644,944.00
12	THANULUX PLC.	A, E, F	876,317.95
13	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	A, E, F	790,536.00
14	MODERN TECHNOLOGY COMPONENT CO., LTD.	B, E	641,968.00
15	RACHA UCHINO CO., LTD.	A, B, E	8,003,816.00
16	LION COPORATION (THAILAND) CO., LTD.	A, B, E, F	1,825,944.00
17	SAHACOGEN GREEN CO., LTD.	B, E	2,954,977.00
18	SAHACHOL FOOD SUPPLIES CO., LTD.	A, B, C, E, F	1,110,432.00
19	SAHA SEHWA CO., LTD.	A, B, E	569,856.00
20	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	A, B, E	2,514,840.00



(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
21	A TECH TEXTILES CO., LTD.	A, C, E	3,788,902.00
22	EXACT Q CO., LTD.	B, E	1,110,672.00
23	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	3,387,792.00
24	ST (THAILAND) CO., LTD.	A, B, C, E, F	1,555,776.00
25	SSDC (TIGERTEX) CO., LTD.	A, B, E	5,183,504.44
26	ADVANTAGE FOOTWEAR CO., LTD.	B, E	606,944.00
27	OSOTH INTER LABORATORIES CO., LTD.	A, B, E	999,936.00
28	OTHER COMPANIES		7,012,880.05
	TOTAL		60,582,752.64

## 9. Waste Water Income

In 2018, the company incurred the waste water income of Baht 28.41 million from 62 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 76.26% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	THAI ASAHI KASEI SPANDEX CO., LTD.	A, E	678,514.80
2	THAI GUNZE CO., LTD.	A, B, E	952,396.80
3	THAI SUMSUNG ELECTRONICS CO., LTD.	A, B, E	1,773,042.70
4	THAI TAKEDA LACE CO., LTD.	A, B, E	2,146,397.20
5	THANULUX PLC.	A, E, F	658,400.00
6	RACHA UCHINO CO., LTD.	A, B, E	1,012,588.80
7	SAHACOGEN (CHONBURI) PLC.	A, B, E	3,790,548.72
8	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	A, B, E	1,005,936.00
9	A TECH TEXTILES CO., LTD.	A, C, E	1,981,007.64
10	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	1,960,016.52
11	SSDC (TIGERTEX) CO., LTD.	A, B, E	5,708,660.00
12	OTHER COMPANIES		6,745,556.94
	TOTAL		28,413,066.12

## 10. Trade Exhibition Income

In 2018, the company incurred the trade exhibition income of Baht 61.12 million from 83 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 86.74% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	KABIN PATTHANAKIJ CO.,LTD.	A, B, E	2,434,106.54
2	TEXTILE PRESTIGE PLC.	A, B, E	639,000.00
3	THAI WACOAL PLC.	A, B, E, F	3,951,000.00
4	THANULUX PLC.	A, E, F	4,046,720.00
5	NEWCITY (BANGKOK) PLC.	A, B, E, F	1,284,000.00
6	BANGKOK ATHLETIC CO., LTD.	A, E, F	1,874,880.00
7	BUNWATANACHOKE CO.,LTD.	B, E, F	672,000.00
8	BOUTIQUE NEWCITY PLC.	A, E, F	1,572,000.00
9	PEOPLE'S GARMENT PLC.	A, B, E, F	1,576,000.00
10	PENS MARKETING AND DISTRIBUTION CO., LTD.	A, E, F	1,205,000.00
11	PRESIDENT BAKERY PLC.	A, B, E, F	593,000.00
12	PATTAYA MANUFACTURING CO., LTD.	A, B, E	1,210,000.00
13	UNIVERSE BEAUTY CO.,LTD.	E	1,550,000.00
14	RACHA UCHINO CO., LTD.	A, B, E	941,000.00
15	LION COPORATION (THAILAND) CO., LTD.	A, B, E, F	920,000.00
16	WACOAL SIRACHA CO., LTD.	B, E	508,000.00
17	WIEN INTERNATIONAL CO., LTD.	A, B, E	1,242,000.00
18	SAHA PATHANAPIBUL PLC.	A, B, E, F	2,013,000.00
19	H & B INTERTEX CO., LTD.	A, B, E, F	828,000.00
20	O.C.C. PLC.	A, B, E, F	1,744,000.00
21	I.C.C. INTERNATIONAL PLC.	A, B, E, F	22,208,260.00
22	OTHER COMPANIES		8,103,611.96
	TOTAL		61,115,578.50

## 11. Service Center & Public Utility Income

In 2018, the company incurred the service center & public utility income of Baht 107.43 million from 70 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 92.64% are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	KABIN PATTHANAKIJ CO.,LTD.	A, B, E	5,475,820.00
2	SHALDAN (THAILAND) CO., LTD.	E	1,815,500.00
3	TSURUHA (THAILAND) CO.,LTD.	A, B, C, E, F	3,983,350.64
4	TOYO TEXTILE THAI CO., LTD.	A, E	2,238,165.00
5	THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	32,368,758.87
6	THAI PRESIDENT FOODS PLC.	A, B, E, F	1,747,508.40
7	THAI ARAI CO., LTD.	A, E	11,012,400.00
8	THANULUX PLC.	A, E, F	1,012,805.85
9	NIPPON TEI SATO CO., LTD.	A, E	2,009,059.66
10	BNC MAESOD CO., LTD.	A, B, E	2,118,005.00
11	PITAKKIJ CO., LTD.	A, B, C, E, F	1,251,425.16
12	PRESIDENT KOURAKUEN CO., LTD.	B, E, F	1,663,077.16
13	FIRST UNITED INDUSTRY CO., LTD.	A, B, E, F	563,344.80
14	LION CORPORATION (THAILAND) LTD.	A, B, E, F	12,141,126.28
15	Si Racha AVIATION CO., LTD.	A, B, E, F	844,722.85
16	SAHA LAWSON CO., LTD.	A, B, E, F	951,924.98
17	SAHA SEHWA CO., LTD.	A, B, E	1,602,721.35
18	H & B INTERTEX CO., LTD.	A, B, E, F	2,170,077.00
19	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	11,498,972.00
20	ST (THAILAND) CO., LTD.	A, B, C, E, F	2,129,520.49
21	I.C.C. INTERNATIONAL PLC.	A, B, E, F	927,237.75
22	OTHER COMPANIES		7,907,111.34
	TOTAL		107,432,634.58

## 12. Other Service Income

In 2018, the company had other service income of Baht 428.07 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 securities	314,635,626.00
2. Service Income	7,765,099.63
3. Financial lease interest income	26,339,778.87
4. Trademark Income	980,489.20
5. Rental Income (Movable)	5,482,120.00
6. Medical Service Income	633,746.88
7. Leasehold Income	3,343,904.65
8. Other Income	68,886,774.20
<b>TOTAL</b>	<b>428,067,539.43</b>

## 13. 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 2018, the company incurred the service cost of electricity and steam as follows

(UNIT : BAHT)

	Consolidated and Separate financial statements
1. Cost of Electricity	1,522,423,952.62
2. Cost of Steam	388,937,332.80
	<b>1,911,361,258.42</b>

## 14. Electrical and Electrical Water Filtration Expenses

In 2018, the company incurred the electrical charge paid to a related company, which has stipulated the price not over the rate charged by the Provincial Electricity Authority, for a total amount of Baht 5.55 million with details as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	SAHACOGEN (CHONBURI) PLC.	A,B,E	5,552,957.87

### 15. Security Service Expenses

In 2018, 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 CO.,LTD.	A,B,E	28,218,879.46

### 16. Waste Water Treatment Expenses

In 2018, the company paid the total water treatment charge of Baht 17.56 million to a 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.	A,B,E	17,565,173.95

### 17. Rental Fee

In 2018, the company incurred the total rental of Baht 3.69 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.	A,B,E,F	2,653,200.00
2	SAHAPAT PROPERTIES CO., LTD.	A,B,E	772,200.00
3	SINPARADORN CO., LTD.	A,B,E	240,000.00
4	PITAKKIJ SECURITY CO.,LTD.	A,B,E	27,541.80
5	PTK MULTI SERVICE CO., LTD.	A,B,E	561.75
	TOTAL		3,693,503.55

## 18. Construction Cost and purchase investment properties

In 2018, the company paid the total construction cost and investment properties of Baht 39.67 million to 3 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.	A,B,C,E,F	24,301,256.01
2	EASTERN THAI CONSULTING 1992 CO., LTD.	A,B,E	15,111,720.00
3	PTK MULTI SERVICE CO., LTD.	A,B,E	260,773.98
	TOTAL		39,673,749.99

## 19. Exhibition Expenses

In 2018, the company incurred the total exhibition expenses of Baht 3.92 million with 15 related companies. The remuneration is based on the nature of work, location, volume of work and length of service. The transaction with over Baht 500,000.00 equal to 22.08% of exhibition expenses are as follows.

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	PITAKKIJ SECURITY CO.,LTD.	A,B,E	811,395.00
2	PTK MULTI SERVICE CO., LTD.	A,B,E	690,195.70
3	KABIN PATTHANAKIJ CO.,LTD.	A,B,E	874,958.88
4	THAI ARUSU CO.,LTD.	A,B,E	691,812.00
5	OTHER COMPANIES		849,885.34
	TOTAL		3,918,246.92

## 20. Other Expenses

In 2018, the company incurred the other expenses of Baht 264.64 million with 115 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 97.46% of the total other expenses are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	PTK MULTI SERVICE CO., LTD.	A,B,E	104,591,523.04
2	EASTERN THAI CONSULTING 1992 CO., LTD.	A,B,E	79,067,221.19
3	PITAKKIJ CO. LTD.	A,B,C,E,F	4,729,618.14
4	KABIN PATTHANAKIJ CO.,LTD.	A,B,E	4,270,879.26
5	SAHACOGEN (CHONBURI) PLC.	A,B,E	7,750,979.80



ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
6	CHOKWATTANA CO.,LTD.	B,E,F	2,304,987.14
7	I.C.C. INTERNATIONAL PLC.	A,B,E,F	2,391,077.33
8	SAHA PATHANAPIBUL PLC.	A,B,E,F	5,267,466.23
9	TREASURE HILLS CO.LTD.	A,B,E	1,999,165.00
10	PITAKKIJ SECURITY CO.,LTD.	A,B,E	737,873.42
11	WATSADORAMAI CO.,LTD.	B,E	509,757.07
12	THAI SHIKIBO CO.,LTD.	A,B,E	41,603,625.00
13	SOMPO INSURANCE (THAILAND) PLC.	B,E	509,497.62
14	M B T S BROKING SERVICE CO.,LTD.	B,E	1,126,004.92
15	BETTER WAY (THAILAND) CO.,LTD.	A,B,E	1,047,123.30
16	OTHER COMPANIES		6,732,533.33
	TOTAL		264,639,331.79

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 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



# Management Discussion and Analysis: MD&A

## 2018 Performance

In 2018, the total revenue decreased by 14% which mainly came from the extraordinary items as a result of the Entire Business Transfer ("EBT") of President Holding Co., Ltd. in 2017. However, the share of profit from investments in associates increased from prior year.

### Revenue Breakdown

Unit: THB Million

Type of Revenue	2018	2017	% Increase (Decrease)
Investment in consumer goods business	1,346	1,177	14
Investment in food and beverage business	1,236	1,650	(25)
Industrial park development and investment in other businesses	3,101	3,816	(19)
Total	5,683	6,643	(14)

Remark: During 2017, there were the extraordinary items as a result of the Entire Business Transfer ("EBT") of President Holding Co., Ltd. as follows:

- 1) Gain on change in investment classification amount of THB 1,015 million
- 2) Gain on price bargaining amount of THB 818 million

During 2018, there was an extraordinary item from the gain on change in investment reclassification amount of THB 434 million as a result of the additional investment in Sahacogen (Chonburi) Plc. which changed its status to investments in associates.

### Investment in consumer goods business

The Company's revenue from the investment in consumer goods business increased by 14% due to the expansion of production capacity of companies and ongoing product developments to meet the customers' demand. As a result, the company's performance has a consistent growth, which increased the Company's share profit from investment in associates.

### Investment in food and beverage business

The Company's revenue from the investment in food and beverage business decreased by 25% due to the extraordinary items as a result of the EBT of President Holding Co., Ltd. In 2017. However, the Saha Group companies had developed the products to meet the customers' demand. As a result, the company's performance has a consistent growth, which increased the Company's share profit from investment in associates.

### Industrial park development and investment in other businesses

The Company's revenue from the industrial park development and investment in other businesses decreased by 19% from the following reasons:

- Revenue from sales of real estate decreased by 100% because there was no sales of real estate transaction in 2018
- Facility income, rental, and services income increased by 5% due to the incremental of the consumption from the factory's in the industrial parks and the upward adjustment in rates of rental and utility services





## Net profit

In 2018, the Company's net profit decreased by 26% mainly due to the extraordinary items as a result of the EBT of President Holding Co., Ltd. in 2017.

Unit: THB Million

Item	2018	2017	% Increase (Decrease)
Net profit	2,601	3,505	(26)
Net profit margin (%)	46	53	

## Statement of Financial Position and Statement of Cash flows

During the year 2018, the Company has restated the statement of financial position as at 31 December 2017 due to the fact that the Company reviewed and discovered errors as follows:

- 1) The Company had not reversed the deferred tax liabilities in respect of available-for-sale investment
- 2) The Company had over recorded the deferred tax liabilities in respect of gain on bargain from purchase of investment
- 3) The Company did not record interest expense occurred from transactions for present value of convertible debentures

As at 31 December 2018, the Company reported the total assets amount of THB 38,788 million which increased amount of THB 3,878 million from THB 34,910 million. The main reasons are as follows:

1. THB 640 million, increase in investment in trading security from the mutual fund
2. THB 325 million, increase in available-for-sale investments because of additional investment in other businesses
3. THB 2,336 million, increase in investments in associates mainly from the incremental of share profit from investment in associates. In addition, the Company additionally invested in Sahacogen (Chonburi) Plc. which changed its status to investments in associates and additional investment in other businesses
4. THB 465 million, increase in other long-term investments mainly due to change in investment classification from investment in associates to other long-term investment according to the sales of investment during the year
5. THB 51 million, increase in investment properties attributable to the additional investment in the Industrial Park Lumphun and Maesot

As at 31 December 2018, the Company reported the total liabilities amount of THB 9,783 million which decreased amount of THB 64 million from THB 9,847 million. The main reasons are as follows:

1. THB 4,080 million, decrease in short-term loans from financial institutions from repayment during the year
2. THB 3,015 million, decrease in convertible debentures due to the exercise of convertible debentures to ordinary shares during the year
3. THB 7,000 million, increase in Long-term loans from financial institution

Total shareholders' equity increased by THB 3,943 million from THB 25,063 million in 2017 to THB 29,006 million in 2018. The increase was mainly from

1. Ordinary shares and share premium increased by THB 77 million and THB 3,475 million, respectively, due to the exercise of convertible debentures to ordinary shares during the year
2. Net profit increased by THB 2,595 million
3. Dividend payment by THB 386 million
4. Other components of shareholders' equity decreased by THB 1,825 million which mainly from unrealized loss on re-measuring of available-on-sales investment



As at 31 December 2018, the Company's cash and cash equivalents increased by THB 113 million from the prior year which consisted of:

1. Net cash flows received amount of THB 172 million from the operating activities
2. Net cash flows used in investing activities amount of THB 2,420 million mainly due to cash paid for purchase trading securities, available-for-sale investment, investment in associates and other long-term investment during the year
3. Net cash flows received from financing activities amount of THB 2,361 million mainly due to cash received from long-term loans from financial institutions amount of THB 7,000 million and repayment short-term loans from financial institutions amount of THB 4,080 million

## Financial Ratio Analysis

The Company's net profit margin decreased from 52.7% in 2017 to 45.7% in 2018, Return on equity decreased from 14.7% in 2017 to 9.6% in 2018 and return on assets decreased from 11.5% in 2017 to 7.1% in 2018. The decremental of those ratios were due to the extraordinary items as a result of the EBT of President Holding Co., Ltd. in 2017.

## Factor influencing Future Business Operation

In 2019, there are some risks and uncertainties from internal and external factors such as the exchange rate volatility, political tensions, the monetary policies of the central bank in many countries, the US protectionist policies, and the trade tension between China and US will limit Thailand Economic growth potential. The Company has evaluated those risks and uncertainties and prepare the strategic measures particularly in Big Data for information analytics for monitoring the performance and seeking the new opportunity investment with the partnership consistently, and prepare for the investment inflow into the Eastern Economic Corridor (EEC). 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 service risks, industrial park business risks have been disclosed in the risk factors section.



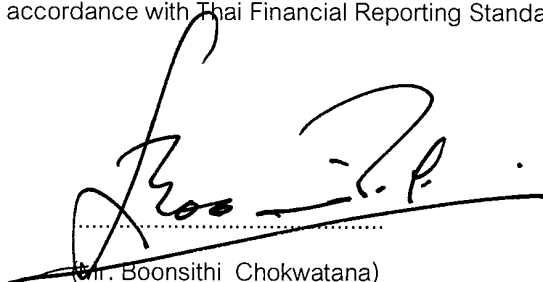
### Report on The Board of Directors' Responsibility for Financial Statements

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, 2018, 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 Kulsomphob)

President



# Independent Auditor's Report

## To the Shareholders of Saha Pathana Inter-Holding Public Company Limited

### Opinion

I have audited the accompanying consolidated financial statements of Saha Pathana Inter-Holding Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 December 2018, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Saha Pathana Inter-Holding Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saha Pathana Inter-Holding Public Company Limited and its subsidiary and of Saha Pathana Inter-Holding Public Company Limited as at 31 December 2018, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Emphasis of matters

I draw attention to the followings notes to the financial statements:-

- Note 4 to the financial statements which describes the prior year's adjustments regarding deferred tax liabilities and convertible debentures. The Company has therefore restated the consolidated and separate financial statements for the year ended 31 December 2017, presented as comparative information, to reflect those adjustments.
- Note 14 to the financial statements which describes the acquisition of investment in two companies from their former shareholders during the year 2018 as a result such companies became associates of the Company. As at 31 December 2018, the Company had completed its assessment of the fair value of identifiable assets acquired and liabilities assumed at the acquisition date.

My opinion is not qualified in respect of these matters.

### Key Audit Matter

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

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

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

### Value of investments

As at 31 December 2018, the Company has numerous investments in associates and other long-term investments whose values are significant to the financial statements (Baht 29,603 million or 76% and Baht 15,046 million or 62% of total assets



in the consolidated and the separate financial statements, respectively). Determining the allowance for impairment loss on investments as accounting policies disclosed in Note 5.5 and 6.1 to the financial statements required significant judgement of management, particularly with regard to the impairment indicators including estimate future cash in flows which will be received from associates and other investee companies.

I assessed the determination of impairment indicators, including the operating result of investee companies, equity interest of investee companies. In addition, I also assessed the method and information used in calculation of allowance for impairment loss on investments, including estimation of the cash inflows and the financial models selected by management by gaining an understanding of the management's decision-making process as to whether the decisions are consistent with the historical data and budget plans from investee companies. In addition, I tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from those investee companies in the future and a review of the accuracy of past cash flow projections in comparison to actual operating results in order to assess the reliability of the cash flow projections. I also considered the appropriateness of discount rate selected by management, tested the calculation of the realisable values of investments using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates.

### Other matter

The consolidated financial statements of Saha Pathana Inter-Holding Public Company Limited and its subsidiary and the separate financial statements of Saha Pathana Inter-Holding Public Company Limited as at 31 December 2017 (before restatement), were audited by other auditor who expressed a qualified opinion on that statements, under her report dated 12 March 2018 relating to the recording of investments in some associates under equity method in the consolidated financial statements whereby those associates' financial statements applied Thai Financial Reporting Standards for Non-Publicly Accountable Entities and did not apply the same accounting policies as the Company. In addition, an associate's financial statements had not been audited by its auditor.

### Other Information

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

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance





is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

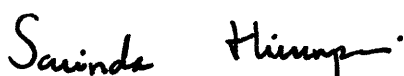
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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



Sarinda Hirunprasurtwutti

Certified Public Accountant (Thailand) No. 4799

EY Office Limited

Bangkok: 27 February 2019



# Statement of financial position

As at 31 December 2018

(Unit: Baht)

Assets	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
			(Restated)		(Restated)
Current assets					
Cash and cash equivalents	7	211,545,824	98,756,539	198,811,335	91,281,006
Investments trading securities	9	639,994,683	-	639,994,683	-
Current investments	10	40,000,000	61,042,441	-	-
Trade and other receivables	8, 11	193,958,843	245,690,036	186,823,614	239,223,108
Current portion of finance lease receivables	8, 12	39,183,554	47,530,312	39,183,554	47,530,312
Inventories		1,307,631	2,558,431	1,307,631	2,558,431
Other current assets		5,205,469	7,783,029	5,205,469	7,783,029
Total current assets		1,131,196,004	463,360,788	1,071,326,286	388,375,886
Non-current assets					
Available-for-sale investments	13	2,842,605,085	2,518,297,886	2,842,605,085	2,518,297,886
Investments in associates	14	27,525,036,517	25,188,993,972	13,406,086,282	11,039,670,855
Investment in subsidiary	15	-	-	12,321,654	12,321,654
Other long-term investments	16	2,077,702,884	1,612,731,843	1,639,851,565	1,611,192,486
Finance lease receivables - net					
of current portion	8, 12	9,008,193	47,935,697	9,008,193	47,935,697
Investment properties	17	3,700,872,112	3,650,461,948	3,700,872,112	3,650,461,948
Property, plant and equipment	18	1,284,373,763	1,320,438,805	1,282,012,460	1,318,277,482
Intangible assets	19	7,388,163	8,936,190	7,388,163	8,936,190
Deferred tax assets	31	49,721,165	3,404,779	46,814,433	-
Other non-current assets	20	160,541,842	95,743,194	159,596,623	95,741,994
Total non-current assets		37,657,249,724	34,446,944,314	23,106,556,570	20,302,836,192
Total assets		38,788,445,728	34,910,305,102	24,177,882,856	20,691,212,078

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





# Statement of financial position (continued)

As at 31 December 2018

(Unit: Baht)

Liabilities and shareholders' equity	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
			(Restated)		(Restated)
Current liabilities					
Short-term loans from financial institutions	21	-	4,080,000,000	-	4,080,000,000
Trade and other payables	8, 22	329,819,470	320,616,554	308,255,891	317,047,045
Current portion of long-term loans from financial institution	23	980,000,000	-	980,000,000	-
Income tax payable		-	1,907,430	-	-
Current portion of provision for long-term employee benefits	26	8,808,615	3,863,142	8,808,615	-
Other current liabilities		8,068,528	7,848,772	8,068,528	7,848,772
Total current liabilities		1,326,696,613	4,414,235,898	1,305,133,034	4,404,895,817
Non-current liabilities					
Long-term loans from financial institution - net of current portion	23	6,020,000,000	-	6,020,000,000	-
Debentures	24	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Convertible debentures - liability component	25	16,633,314	3,032,309,722	16,633,314	3,032,309,722
Provision for long-term employee benefits - net of current portion	26	90,025,498	91,109,474	75,491,841	77,948,720
Deferred tax liabilities	31	-	66,953,581	-	41,033,906
Other non-current liabilities	8, 27	329,403,937	242,630,904	329,403,937	242,630,904
Total non-current liabilities		8,456,062,749	5,433,003,681	8,441,529,092	5,393,923,252
Total liabilities		9,782,759,362	9,847,239,579	9,746,662,126	9,798,819,069

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





## Statement of financial position (continued)

As at 31 December 2018

(Unit: Baht)

Liabilities and shareholders' equity (continued)	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017 (Restated)	2018	2017 (Restated)
<b>Shareholders' equity</b>					
Share capital					
Registered					
582,923,188 ordinary shares of Baht 1 each		582,923,188	582,923,188	582,923,188	582,923,188
Issued and fully paid-up					
571,515,007 ordinary shares of Baht 1 each (2017: 494,034,300 ordinary shares of Baht 1 each)	28	571,515,007	494,034,300	571,515,007	494,034,300
Share premium	28	4,516,313,038	1,041,357,580	4,516,313,038	1,041,357,580
Premium on treasury stock of associates		6,151,889	6,151,889	-	-
Retained earnings					
Appropriated					
Statutory reserve	29	80,000,000	80,000,000	80,000,000	80,000,000
General reserve		280,000,000	280,000,000	280,000,000	280,000,000
Unappropriated		22,269,328,633	20,040,238,574	8,368,193,873	7,350,641,827
Other components of shareholders' equity		1,267,684,789	3,092,838,010	615,198,812	1,646,359,302
Equity attributable to owners of the Company		28,990,993,356	25,034,620,353	14,431,220,730	10,892,393,009
Non-controlling interests of the subsidiary		14,693,010	28,445,170	-	-
<b>Total shareholders' equity</b>		<b>29,005,686,366</b>	<b>25,063,065,523</b>	<b>14,431,220,730</b>	<b>10,892,393,009</b>
<b>Total liabilities and shareholders' equity</b>		<b>38,788,445,728</b>	<b>34,910,305,102</b>	<b>24,177,882,856</b>	<b>20,691,212,078</b>

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





# Statement of comprehensive income

For the year ended 31 December 2018

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017 (Restated)	2018	2017 (Restated)
<b>Profit or loss:</b>					
<b>Revenues</b>	8				
Facility income		2,127,498,918	2,060,916,019	2,127,498,918	2,060,916,019
Consulting, rental, and services income		449,256,303	403,334,650	382,072,967	367,029,270
Revenue from sales of real estate		-	209,123,750	-	209,123,750
Dividend income	14, 15	292,662,430	272,054,349	1,159,184,512	1,054,609,640
Gain on price bargaining	1.2	-	817,646,969	-	-
Gain on change in investment classification	14	433,963,074	1,015,170,600	423,085,518	1,015,170,600
Gain from sale of investments		3,070,470	-	314,116,107	75,766,710
Other income		50,154,293	54,257,970	49,409,488	53,585,474
<b>Total revenues</b>		<u>3,356,605,488</u>	<u>4,832,504,307</u>	<u>4,455,367,510</u>	<u>4,836,201,463</u>
<b>Expenses</b>	8, 30				
Cost of facility		1,930,492,581	1,875,061,582	1,930,492,581	1,875,061,582
Cost of services		466,186,415	411,183,205	433,154,869	400,553,719
Cost of sales of real estate		-	33,163,284	-	33,163,284
Administrative expenses		410,005,706	527,245,755	389,227,647	515,323,129
Loss from diminution in value of investments		61,994,813	164,326,780	61,994,813	199,832,576
Loss from sale of investments		-	31,649,697	-	-
<b>Total expenses</b>		<u>2,868,679,515</u>	<u>3,042,630,303</u>	<u>2,814,869,910</u>	<u>3,023,934,290</u>
<b>Profit before share of profit from investments</b>					
<b>in associates, finance cost and</b>					
<b>income tax</b>		487,925,973	1,789,874,004	1,640,497,600	1,812,267,173
Share of profit from investments in associates	14	2,326,901,274	1,810,253,486	-	-
<b>Profit before finance cost and income tax</b>		<u>2,814,827,247</u>	<u>3,600,127,490</u>	<u>1,640,497,600</u>	<u>1,812,267,173</u>
Finance cost		(191,693,109)	(145,116,909)	(191,693,109)	(145,116,909)
<b>Profit before income tax</b>		<u>2,623,134,138</u>	<u>3,455,010,581</u>	<u>1,448,804,491</u>	<u>1,667,150,264</u>
Income tax	31	(22,495,070)	49,555,681	(45,230,579)	59,704,337
<b>Profit for the year</b>		<u><u>2,600,639,068</u></u>	<u><u>3,504,566,262</u></u>	<u><u>1,403,573,912</u></u>	<u><u>1,726,854,601</u></u>

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





# Statement of comprehensive income (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017 (Restated)	2018	2017 (Restated)
Other comprehensive income:					
Other comprehensive income to be reclassified to profit or loss in subsequent years:					
Exchange differences on translation of financial statements in foreign currencies		(6,858,899)	(4,450,828)	-	-
Reversal of gain on changes in value of available-for-sale investments due to change in investment classification - net of income tax	14, 31	(338,468,415)	(812,136,480)	(338,468,415)	(812,136,480)
Loss on changes in value of available-for-sale investments - net of income tax	31	(746,378,109)	(384,533,198)	(193,847,260)	146,282,981
Surplus on change in percentage of shareholding in associates		-	(51,367)	-	-
		36,264,762	-	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent years - net of income tax		(1,055,440,661)	(1,201,171,873)	(532,315,675)	(665,853,499)
Other comprehensive income not to be reclassified to profit or loss in subsequent years:					
Prior year's adjustment from the errors		2,285	-	-	-
Actuarial gain (loss) - net of income tax		19,828,412	(26,018,272)	-	(19,461,635)
Other comprehensive income not to be reclassified to profit or loss in subsequent years - net of income tax		19,830,697	(26,018,272)	-	(19,461,635)
Other comprehensive income for the year		(1,035,609,964)	(1,227,190,145)	(532,315,675)	(685,315,134)
Total comprehensive income for the year		1,565,029,104	2,277,376,117	871,258,237	1,041,539,467
Profit attributable to:					
Equity holders of the Company		2,595,281,228	3,498,990,911	1,403,573,912	1,726,854,601
Non-controlling interests of the subsidiary		5,357,840	5,575,351		
		2,600,639,068	3,504,566,262		
Total comprehensive income attributable to:					
Equity holders of the Company		1,559,671,264	2,267,110,745	871,258,237	1,041,539,467
Non-controlling interests of the subsidiary		5,357,840	10,265,372		
		1,565,029,104	2,277,376,117		
Earning per share (Baht)	32				
Basic earnings per share					
Profit attributable to equity holders of the Company		4.87	7.08	2.64	3.50
Weighted average number of ordinary shares (Shares)		532,402,389	494,034,300	532,402,389	494,034,300
Diluted earnings per share					
Profit attributable to equity holders of the Company		4.87	6.57	2.63	3.24
Weighted average number of ordinary shares (Shares)		532,820,456	533,730,697	532,820,456	533,730,697

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





# Statement of changes in shareholders' equity

For the year ended 31 December 2018

(Unit: Baht)

	Consolidated financial statements												
	Equity attributable to owners of the Company												
	Other components of shareholders' equity												
	Other comprehensive income												
	Exchange												
Issued and paid-up share capital	Share premium	Premium on treasury stock of associates	Retained earnings		Surplus on change in value of investments available-for-sale	Exchange differences on translation of financial statements in foreign currencies	Convertible debentures - equity component	Share of other components of shareholders' equity from associates		Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable non-controlling interests of the subsidiary	Total shareholders' equity
			Statutory reserve	Appropriated reserve				General reserve	Unappropriated reserve				
494,034,300	1,041,357,580	6,151,889	80,000,000	280,000,000	16,794,271,391	3,765,895,639	-	20,068,166	3,792,473,428	22,488,288,588	-	22,488,288,588	22,488,288,588
-	-	-	-	-	3,498,990,911	-	-	-	-	3,498,990,911	5,575,351	5,575,351	3,504,566,262
-	-	-	-	-	(30,708,293)	(1,196,669,678)	(4,450,828)	(51,367)	(1,201,171,873)	(1,231,880,166)	4,630,021	4,630,021	(1,227,190,145)
-	-	-	-	-	3,468,282,618	(1,196,669,678)	(4,450,828)	(51,367)	(1,201,171,873)	2,267,110,745	10,265,372	2,277,376,117	2,277,376,117
-	-	-	-	-	(222,315,435)	-	-	-	(222,315,435)	-	-	-	(222,315,435)
-	-	-	-	-	-	-	-	-	-	-	18,179,798	18,179,798	18,179,798
-	-	-	-	-	-	-	-	-	-	501,536,455	501,536,455	-	501,536,455
494,034,300	1,041,357,580	6,151,889	80,000,000	280,000,000	20,040,238,574	2,569,225,961	2,058,795	20,016,799	3,092,838,010	25,034,620,353	28,445,170	25,063,065,523	25,063,065,523
494,034,300	1,041,357,580	6,151,889	80,000,000	280,000,000	19,706,204,658	2,569,225,961	2,058,795	20,016,799	3,092,838,010	24,700,586,437	28,445,170	24,729,031,607	24,729,031,607
-	-	-	-	-	334,033,916	-	-	-	-	334,033,916	-	334,033,916	334,033,916
494,034,300	1,041,357,580	6,151,889	80,000,000	280,000,000	20,040,238,574	2,569,225,961	2,058,795	501,536,455	3,092,838,010	25,034,620,353	28,445,170	25,063,065,523	25,063,065,523
-	-	-	-	-	2,595,281,228	-	-	-	-	2,595,281,228	5,357,840	2,600,639,068	2,600,639,068
-	-	-	-	-	19,830,697	(1,048,581,762)	(6,858,899)	-	(1,055,440,661)	(1,035,609,964)	-	(1,035,609,964)	(1,035,609,964)
-	-	-	-	-	2,615,111,925	(1,048,581,762)	(6,858,899)	-	(1,055,440,661)	1,559,671,264	5,357,840	1,565,029,104	1,565,029,104
-	-	-	-	-	-	-	-	-	(270,867,745)	(270,867,745)	-	-	(270,867,745)
-	-	-	-	-	(386,021,866)	-	-	-	-	(386,021,866)	(19,110,000)	(405,131,866)	(405,131,866)
77,480,707	3,474,955,458	-	-	-	-	-	-	(498,844,815)	-	3,053,591,350	-	3,053,591,350	3,053,591,350
571,515,007	4,516,313,038	6,151,889	80,000,000	280,000,000	22,269,328,633	1,520,644,199	(4,800,104)	2,691,640	1,267,684,789	28,990,993,356	14,693,010	29,005,686,366	29,005,686,366
Balance as at 31 December 2018													

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





# Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Separate financial statements							
	Retained earnings			Other components of shareholders' equity				
	Issued and paid-up share capital	Share premium	Appropriated		Surplus on change in value of available-for-sale investments	Convertible debentures - equity component	Total other components of shareholders' equity	
Statutory reserve			General reserve					
Balance as at 1 January 2017	494,034,300	1,041,357,580	80,000,000	280,000,000	5,865,564,296	-	1,810,676,346	9,571,632,522
Profit for the year (restated)	-	-	-	-	1,726,854,601	-	-	1,726,854,601
Other comprehensive income for the year	-	-	-	-	(19,461,635)	-	(665,853,499)	(685,315,134)
Total comprehensive income for the year	-	-	-	-	1,707,392,966	-	(665,853,499)	1,041,539,467
Dividend paid (Note 33)	-	-	-	-	(222,315,435)	-	-	(222,315,435)
Issuance of convertible debentures - equity component (Note 25)	-	-	-	-	-	-	501,536,455	501,536,455
Balance as at 31 December 2017	494,034,300	1,041,357,580	80,000,000	280,000,000	7,350,641,827	1,144,822,847	501,536,455	10,892,393,009
Balance as at 1 January 2018	494,034,300	1,041,357,580	80,000,000	280,000,000	7,180,150,868	1,144,822,847	501,536,455	10,721,902,050
- as previously reported	-	-	-	-	170,490,959	-	-	170,490,959
Cumulative effect of prior year's adjustments (Note 4)	-	-	-	-	-	-	-	-
Balance as at 1 January 2018 - as restated	494,034,300	1,041,357,580	80,000,000	280,000,000	7,350,641,827	1,144,822,847	501,536,455	10,892,393,009
Profit for the year	-	-	-	-	1,403,573,912	-	-	1,403,573,912
Other comprehensive income for the year	-	-	-	-	-	(532,315,675)	-	(532,315,675)
Total comprehensive income for the year	-	-	-	-	1,403,573,912	(532,315,675)	-	871,258,237
Dividend paid (Note 33)	-	-	-	-	(386,021,866)	-	-	(386,021,866)
Debtentures converted to ordinary shares (Note 25,28)	77,480,707	3,474,955,458	-	-	-	-	(498,844,815)	3,053,591,350
Balance as at 31 December 2018	571,515,007	4,516,313,038	80,000,000	280,000,000	8,368,193,873	612,507,172	2,691,640	14,431,220,730

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



# Statement of cash flows

For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017 (Restated)	2018	2017 (Restated)
Cash flows from operating activities					
Profit before tax		2,623,134,138	3,455,010,581	1,448,804,491	1,667,150,264
Adjustments to reconcile net profit before tax to net cash provided by (paid from) operating activities					
Depreciation and amortization	17, 18, 19	203,632,512	194,206,897	202,965,481	193,787,589
Gain on sales of property, plant and equipment		(1,792,484)	(2,792,190)	(1,791,483)	(2,787,002)
Loss (gain) on sales of investments		(3,070,470)	31,649,697	(314,116,107)	(75,766,710)
Unrealised loss from trading securities		5,317	-	5,317	-
Employee benefit obligation expenses		7,673,835	7,679,375	6,351,736	5,919,810
Share of profit from investments in associates		(2,326,901,274)	(1,810,253,486)	-	-
Loss from diminution in value of investment		61,994,813	164,326,780	61,994,813	199,832,576
Gain on price bargaining		-	(817,646,969)	-	-
Gain on change in investment classification		(433,963,074)	(1,015,170,600)	(423,085,518)	(1,015,170,600)
Allowance for doubtful accounts (reversal)		(963,033)	1,631,308	(963,033)	1,631,308
Loss on obligations		-	9,000,000	-	9,000,000
Dividend received from subsidiary	15	-	-	(19,890,000)	-
Dividend received from associates	14	-	-	(846,632,082)	(782,555,292)
Dividend received from other companies and other long-term investments		(292,662,430)	(177,649,446)	(292,662,430)	(177,649,446)
Interest expenses		191,693,109	145,116,909	191,693,109	145,116,909
Profit from operating activities before changes in operating assets and liabilities		28,780,959	185,108,856	12,674,294	168,509,406
Operating assets (increase) decrease					
Trade and other receivables		51,453,855	(44,625,431)	52,122,156	(43,323,737)
Finance lease receivables		48,514,633	(96,706,381)	48,514,633	(96,706,381)
Inventories		1,250,800	(129,087)	1,250,800	(129,087)
Other current assets		2,577,560	(4,965,275)	2,577,560	(4,965,275)
Other non-current assets		(39,621,858)	37,588,484	(38,677,838)	37,588,484
Operating liabilities increase (decrease)					
Trade and other payables		25,321,060	13,924,537	7,326,990	15,081,739
Other current liabilities		216,571	(3,146,081)	216,571	(3,146,081)
Other non-current liabilities		86,773,033	118,076,677	86,773,033	118,076,676
Provision for long-term employee benefits		(3,812,338)	(9,136,485)	-	(8,786,485)
Cash flows from operating activities		201,454,275	195,989,814	172,778,199	182,199,259
Cash paid for corporate income tax		(29,770,341)	(29,176,509)	(25,176,791)	(26,955,439)
Net cash flows from operating activities		171,683,934	166,813,305	147,601,408	155,243,820

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





## Statement of cash flows (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
			(Restated)		(Restated)
Cash flows from investing acativities					
Decrease (increase) in current invesments		21,042,441	(10,000,000)	-	-
Cash paid for purchase of investments in trading securities		(640,000,000)	-	(640,000,000)	-
Cash paid for purchase of available-for-sale investments		(1,323,484,406)	(86,412,944)	(1,323,484,406)	(86,412,944)
Proceed from disposal of available-for-sale investments		27,304,027	304,000	27,304,027	304,000
Cash paid for purchase of investments in associates		(1,615,829,986)	(7,858,110,871)	(1,615,829,986)	(7,858,110,871)
Proceed from disposal of investments in associates		313,207,146	102,358,985	313,207,146	102,358,985
Cash paid for purchase of investment in subsidiary		-	(6,320,702)	-	(12,321,654)
Cash paid for purchase of other long-term investments		(104,645,513)	(297,364,210)	(104,645,513)	(297,364,210)
Proceed from disposal of other long-term investments		19,345,354	8,587,735	19,345,354	8,587,735
Dividend received from subsidiary		-	-	19,890,000	-
Dividend received from associates		846,632,082	782,555,292	846,632,082	782,555,292
Dividend received from other companies and other long-term investments		292,662,430	177,649,446	292,662,430	177,649,446
Cash paid for purchase of property, plant and equipment		(139,953,887)	(169,676,748)	(139,076,876)	(169,575,302)
Proceed from disposal of property, plant and equipment		1,839,111	11,966,766	1,828,111	11,960,224
Cash paid for purchase of intangible assets		(71,357)	(26)	(71,357)	(26)
Cash paid for purchase of investment properties		(117,872,368)	(343,797,417)	(117,872,368)	(343,797,417)
Proceed from disposal of investment properties		-	1,977,891	-	1,977,891
Net cash flows used in investing activities		(2,419,824,926)	(7,686,282,803)	(2,420,111,356)	(7,682,188,851)
Cash flows from financing activities					
Cash received from short-term loans from financial institutions		14,500,000,000	9,405,000,000	14,500,000,000	9,405,000,000
Cash paid for short-term loans from financial institutions		(18,580,000,000)	(5,885,000,000)	(18,580,000,000)	(5,885,000,000)
Proceed from issuance of debentures		-	2,000,000,000	-	2,000,000,000
Proceed from issuance of convertible debentures		-	3,505,448,000	-	3,505,448,000
Cash received from long-term loans from financial institutions		7,000,000,000	-	7,000,000,000	-
Cash paid for long-term loans from financial institutions		-	(1,200,000,000)	-	(1,200,000,000)
Dividend paid		(386,021,866)	(222,315,435)	(386,021,866)	(222,315,435)
Dividend paid to non-controlling interests of subsidiary		(19,110,000)	-	-	-
Cash paid for interests		(153,937,857)	(89,042,489)	(153,937,857)	(89,042,489)
Net cash flows from financing activities		2,360,930,277	7,514,090,076	2,380,040,277	7,514,090,076
Net increase (decrease) in cash and cash equivalents		112,789,285	(5,379,422)	107,530,329	(12,854,955)
Cash and cash equivalents at beginning of the year		98,756,539	104,135,961	91,281,006	104,135,961
Cash and cash equivalents at end of the year (Note 7)		211,545,824	98,756,539	198,811,335	91,281,006

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





## Statement of cash flows (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017 (Restated)	2018	2017 (Restated)
Supplementary disclosures of cash flows information					
Non-cash items					
Accounts payable - purchase of property, plant and equipment		2,978,014	39,812,998	2,978,014	39,812,998
Accounts payable - purchase of investment properties		-	4,586,394	-	4,586,394
Accounts payable - purchase of investments		25,466,109	-	25,466,109	-
Change in investment classification from available-for-sale investments to investments in associates		924,439,610	-	924,439,610	-
Change in investment classification from investments in associates to available-for-sale investments		437,074,006	-	11,639,600	-

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



# Notes to consolidated financial statements

For the year ended 31 December 2018

## 1. General information

### 1.1 Company profile

Saha Pathana Inter-Holding Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in business of investment, rental and services and industrial park (real estate business). The registered office of the Company is at 530 Soi Sathupradit 58, Bangpongpan, Yannawa, Bangkok, with 6 branches as follows:

Branch 1	9, Moo 1, Sukhapiban 8 Road, Tambon Bueng, Amphur Sriracha, Chonburi Province
Branch 2	1, Moo 5, Suwannasorn Road, Tambon Non-si, Amphur Kabinburi, Prachinburi Province
Branch 3	189, Moo 15, By-Pass Lamphun-Pasang Road, Amphur Mueng, Lamphun Province
Branch 4	196, Moo 11, Tambon Wangdan, Amphur Kabinburi, Prachinburi Province
Branch 5	269, Moo 15, Tambon Maekasa, Amphur Maesot, Tak Province
Branch 6	1, Moo 6, Tambon Surasak, Amphur Si Racha, Chonburi Province

### 1.2 Business Transfer

During the year 2017, according to the Annual General Meeting of the shareholders No. 46 held on 25 April 2017, the meeting has passed resolution to proceed entire business transfer of President Holding Co., Ltd. including propose purchasing order total securities in President Rice Product Plc. ("PR") and President Bakery Plc. ("PB") resulting from proceeding entire business transfer of President Holding Co., Ltd.

On 8 June 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. Fair value of assets and liabilities of President Holding Co., Ltd. were as follows:

	(Unit: Thousand Baht)
Investment in Thai President Foods Plc. ("TF")	33,072
Investment in President Rice Product Plc. ("PR")	2,954,479
Investment in President Bakery Plc. ("PB")	5,404,800
Investment in S.Pack & Print Plc. ("SPACK")	7,638
Investment in President Inter Foods Co., Ltd. ("PI")	18,922
Long-term investment in Sriracha Transport Co., Ltd. ("STC")	2,295
Long-term investment in Thai Sun Foods Co., Ltd. ("TSC")	10,499
Financial lease receivable - net	165,733
Other non-current assets	170
Total assets	8,597,608
Financial lease guarantee	31,961
Total liabilities	31,961
Net assets	8,565,647
Consideration in acquisition payment	(7,748,000)
Gain on price bargaining	817,647
Cash paid in acquisition	7,748,000
Less: Cash and cash equivalents of subsidiary ("PI")	(6,001)
Cash outflow from transfer of business - net of cash and cash equivalents received	7,741,999



## 1. General information (Continued)

According to Thai Financial Reporting Standard No. 3, the Company must evaluate net fair value of identifiable assets, liabilities and contingent liabilities from business transfer of President Holding Co., Ltd. as at transfer date. The Company had completely assessed the fair value of net assets and the difference between the fair value of net assets value and total purchase price consideration was Baht 817.65 million recorded as “gain on price bargaining” in the consolidated statement of comprehensive income for the year ended 31 December 2017.

From entire business transfer of President Holding Co., Ltd., the Company received the transfer of ordinary shares from these 7 companies, resulting to the change in shareholding proportion as follow:

	Shareholding proportion		Investment value after transfer of business	
	Before transfer of business	After transfer of business	Consolidated financial statements	Separate financial statements
	(%)	(%)	(Thousand Baht)	(Thousand Baht)
Thai President Foods Plc.	21.96	22.04	3,579,551	119,256
President Rice Product Plc.	3.01	35.76	3,225,604	2,877,442
President Bakery Plc.	2.82	21.58	6,215,654	5,757,935
S.Pack & Print Plc.	0.00	0.98	7,638	8,070
President Interfoods Co., Ltd.	0.00	51.00	18,922	12,322
Sriracha Transport Co., Ltd.	18.00	38.00	5,248	5,316
Thai Sun Foods Co., Ltd.	0.00	6.00	10,499	8,960

The entire business transfer of President Holding Co., Ltd. has resulted President Interfoods Co., Ltd. as an subsidiary company, President Rice Product Plc. and President Bakery Plc. as an associate company.

On 2 August 2017, the Company disposed 20 percent of an investment in Si Racha Transport Co., Ltd. to a related party. The remaining of shareholding portion after disposal was 18 percent.

The transfer of total assets and liabilities of President Holding Co., Ltd., has made the Company a major shareholder of President Interfoods Co., Ltd. with the shareholding percentage at 51%. As a result, the Company has control over such company, and accounted it as an investment in subsidiary. Fair value of assets and liabilities in President Interfoods Co., Ltd. was as follows:

	(Unit: Thousand Baht)
Cash and cash equivalents	6,001
Current investments	51,042
Trade and other receivables	5,993
Other current assets	98
Deferred tax assets	5,516
Property, plant and equipment	2,481
Other non-current assets	1
<b>Total assets</b>	<b>71,132</b>
Trade and other payables	659
Income tax payable	799
Other current liabilities	4,994
Employee benefit obligations	27,578
<b>Total liabilities</b>	<b>34,030</b>
<b>Net assets</b>	<b>37,102</b>
Non-controlling interests in subsidiary at the acquisition date	(18,180)
<b>Net assets received</b>	<b>18,922</b>

## 1. General information (Continued)

As the Company has proceeded entire 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.. The Company must make total tender offer in President Rice Product Plc. at Baht 53.15 per share and President Bakery Plc. at Baht 58.58 per share. Under regulation of Capital market Supervisory Board No. TorJor. 12/2011. On 1 August 2017, the Company acquired securities of President Rice Product Plc. from sellers who had intention to sell of 691,150 shares or 0.46% of total shares sold of President Rice Product Plc. and President Bakery Plc. from sellers who had intention to sell of 7,800 shares or 0.00169 % of total shares sold of President Bakery Plc.

## 2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

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

### 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Saha Pathana Inter-Holding Public Company Limited ("the Company") and the following subsidiary company ("the subsidiary"):

Company's name	Nature of business	Country of incorporation	Shareholding percentage	
			2018	2017
			(%)	(%)
Held by the Company				
President Interfoods Co., Ltd.	Export of consumer goods and agent	Thailand	51	51

- b) The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiary is prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and the subsidiary company have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that is not held by the Company and is presented separately in the consolidated profit and loss and within equity in the consolidated statement of financial position.

- 2.3 The separate financial statements present investments in subsidiary under the cost method.





### 3. New financial reporting standards

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

During the year, the Company and the subsidiary have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 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 adoption of these financial reporting standards does not have any significant impact on the Company and the subsidiary's financial statements.

**(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2019**

The Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018) which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company and the subsidiary believe that most of the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied. However, the new standard involves changes to key principles, as summarised below.

**TFRS 15 Revenue from Contracts with Customers**

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

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

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



### 3. New financial reporting standards (Continued)

**(c) Financial reporting standards related to financial instruments that will become effective for fiscal years beginning on or after 1 January 2020**

During the current year, the Federation of Accounting Professions issued a set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

The management of the Company and the subsidiary is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

### 4. Prior year's adjustments

During the year 2018, the Company reviewed and discovered errors in the recording of deferred tax liabilities related to investment in associates in 2017 whereby the Company had not reversed the deferred tax liabilities in respect of available-for-sale investment that had been transferred to investments in associates of Baht 203 million, and had over recorded the deferred tax liabilities in respect of gain on bargain from purchase of investment of Baht 163.5 million. In addition, in 2017, the Company did not record interest expense occurred from transactions for present value of convertible debentures of Baht 32.5 million to the comprehensive income statement for the year ended 31 December 2017. The Company has therefore restated the statement of financial position as at 31 December 2017 and the statements of comprehensive income for the year ended 31 December 2017, presented as comparative information, to reflect the effect of the adjustments whereby such adjustments has no effect to the balance brought forward as at 1 January 2017. The cumulative effect of such adjustments had been separately presented in the statement of changes in shareholders' equity.



## 4. Prior year's adjustments (Continued)

The amounts of adjustments affecting the statement of financial position as at 31 December 2017 and statements of comprehensive income for the year ended 31 December 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	31 December 2017	31 December 2017
<b>Statements of financial position</b>		
Increase in convertible debentures - liability component	32,543	32,543
Decrease in deferred tax liabilities	(366,577)	(203,034)
Increase in retained earnings	334,034	170,491

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	For the year ended 31 December 2017	For the year ended 31 December 2017
<b>Statements of comprehensive income</b>		
Increase in finance cost	32,543	32,543
Decrease in income tax	(366,577)	(203,034)
Increase in profit for the year	334,034	170,491

## 5. Significant accounting policies

### 5.1 Revenue recognition

#### *Facility income*

Facility income is recognised when services have been rendered.

#### *Consulting and services income*

Consulting and services income are recognised when services have been rendered taking into account the stage of completion.

#### *Dividends*

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

#### *Rental income*

Rental income from land building and equipment is recognised as revenue on accrual basis, as stipulated in the agreement.

#### *Revenue from sales of real estate*

Revenue from sales of real estate is recognised when the ownership has been transferred to buyer. Revenue are the contract value which ownership is transferred to buyer.

#### *Interest income*

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

## 5. Significant accounting policies (Continued)

### 5.2 Cash and cash equivalents

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

### 5.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

### 5.4 Finance lease receivables

Finance lease receivables have been recorded based on the contractual value. The difference between the contractual value and the value equivalent to the cash price of the asset is recognised as unearned interest income. Interest income on finance leases is recognised over the term of the lease using the effective interest rate.

Unearned finance lease income are presented as a deduction from finance lease receivables.

### 5.5 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- c) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- d) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- e) Investments in subsidiary and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year as quoted on the stock exchange.

The weighted average method is used for computation of the cost of investments.

In the event of classification of investments, such investments will be revalued to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification is recorded in profit or loss or in other components of shareholders' equity, depending on investment type that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

### 5.6 Investment properties

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

Depreciation on investment properties is calculated by reference to their costs on straight-line basis over estimated useful lives of 15 - 30 years. Depreciation on investment properties is included in determining the operating result.

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

### 5.7 Property, plant and equipment and depreciation

Land is stated at cost less allowance for impairment loss (if any). Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment loss (if any).

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



## 5. Significant accounting policies (Continued)

Buildings and improvement	5 - 33 years
Vehicles	5 years
Tools	5 years
Office equipment and others	5 - 10 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in profit or loss when the asset is derecognised.

### 5.8 Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and allowance for impairment loss (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to the profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Computer software	10 years
-------------------	----------

### 5.9 Business combinations

Business combinations are accounted for using the acquisition method with the cost of the acquisition being the fair value at the acquisition date of consideration transferred.

Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and the services are received.

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in the profit or loss.

### 5.10 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

### 5.11 Long-term leases

Leases which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period.

Leases of equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.



## 5. Significant accounting policies (Continued)

### 5.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining the operating result.

### 5.13 Impairment of assets

At the end of each reporting period, the Company and the subsidiary perform impairment reviews in respect of the investments, property, plant and equipment, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and the subsidiary estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

### 5.14 Employee benefits

#### *Short-term employee benefits*

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

#### *Post-employment benefits*

##### *Defined contribution plans*

The Company, the subsidiary and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and the subsidiary. The fund's assets are held in a separate trust fund and the Company's and the subsidiary's contributions are recognised as expenses when incurred.

##### *Defined benefit plans*

The Company and the subsidiary have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and the subsidiary treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.



## 5. Significant accounting policies (Continued)

### 5.15 Provisions

Provisions are recognised when the Company and the subsidiary have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

### 5.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

#### Current income tax

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

#### Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and the subsidiary recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and the subsidiary review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and the subsidiary record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

### 5.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and the subsidiary apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and the subsidiary measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and the subsidiary determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.



## 6. Significant accounting judgements and estimates

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

### 6.1 Impairment of investments

The Company treats 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.

### 6.2 Investment property, property plant and equipment/Depreciation

In determining depreciation of investment property, 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 investment property, 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.

### 6.3 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that the Company and the subsidiary will have taxable profit that 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.

### 6.4 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.

### 6.5 Post-employment benefits under defined benefit plans

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

## 7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash	2,698	1,830	2,690	1,799
Current accounts	4,289	4,522	2,368	3,494
Saving accounts	154,559	92,405	143,753	85,988
Fixed deposits	50,000	-	50,000	-
Total	211,546	98,757	198,811	91,281

As at 31 December 2018, bank deposits in saving accounts and fixed deposits carried interests at the rate between 0.10 and 1.30 percent per annum (2017: between 0.10 and 0.63 percent per annum).



## 8. Related party transactions

### 8.1 Transactions incurred during the year

During the years, the Company and the subsidiary had significant business transactions with related parties. Such transactions, which were summarised below, were concluded on commercial terms and bases agreed upon between the Company and its related parties.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2018	2017	2018	2017	
<b>Transactions with subsidiary (eliminated from the consolidated financial statements)</b>					
Dividend income	-	-	19,890	-	At the announce rate
<b>Transactions with associates</b>					
Electricity and steam income	445,537	397,861	445,537	397,861	Contract price
Dividend income	-	-	846,632	782,555	At the announce rate
Rental income	44,872	45,554	44,872	45,554	Contract price
Facility income	15,851	15,615	15,851	15,615	Contract price
Royalty income	51,911	56,315	51,911	56,315	Contract price
Gain (loss) from sale of investments	(6,348)	(10,577)	304,697	71,877	Mutually agreed price
Other income	140,949	112,693	74,070	74,105	Contract price or mutually agreed
Cost of electricity and steam	1,064,970	-	1,064,970	-	Contract price
Construction expenses	39,413	189,150	39,413	189,150	Contract price
Maintenance expenses	15,780	13,322	15,780	13,322	Contract price or mutually agreed price
Interest expenses	3,978	3,943	3,978	3,943	Rate as stipulated in debentures
Other expenses	114,274	98,741	103,525	97,988	Contract price or mutually agreed price
Sale of real estates	-	6,825	-	6,825	Contract price
<b>Transactions with related companies</b>					
Electricity and steam income	1,154,090	1,169,623	1,154,090	1,169,623	Contract price
Dividend income	271,168	263,384	271,168	263,384	At the announce rate
Rental income	88,036	82,462	88,036	82,462	Contract price
Facility income	79,768	74,633	79,768	74,633	Contract price
Royalty income	12,106	11,939	12,106	11,939	Contract price
Gain from sale of investments	982	7,741	982	7,741	Mutually agreed price
Other income	143,096	146,561	142,791	146,411	Contract price or mutually agreed
Cost of electricity and steam	846,391	1,724,073	846,391	1,724,073	Contract price
Construction expenses	261	2,024	261	2,024	Contract price
Maintenance expenses	53,964	51,885	53,964	51,885	Contract price or mutually agreed
Interest expenses	7,949	7,949	7,949	7,949	Rate as stipulated in debentures
Other expenses	96,788	96,647	96,788	96,647	Contract price or mutually agreed price
Purchase of real estates	41,604	-	41,604	-	Contract price or mutually agreed price
Purchase of investments	862,139	27,319	862,139	27,319	Mutually agreed price
Sale of real estates	-	195,799	-	195,799	Contract price

## 8. Related party transactions (Continued)

### 8.2 Outstanding balance at end of year

As at 31 December 2018 and 2017, the outstanding balances between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Trade and other receivables - related parties (Note 11)</b>				
Associates	53,389	105,992	46,400	99,652
Related companies	115,621	113,163	115,584	113,163
<b>Total trade and other receivables - related parties</b>	<b>169,010</b>	<b>219,155</b>	<b>161,984</b>	<b>212,815</b>
Less: Allowance for doubtful accounts	-	(54)	-	(54)
<b>Trade and other receivables - related parties, net</b>	<b>169,010</b>	<b>219,101</b>	<b>161,984</b>	<b>212,761</b>
<b>Finance lease receivables - related parties (Note 12)</b>				
Associates	28,295	53,773	28,295	53,773
Related companies	21,811	37,148	21,811	37,148
<b>Total finance lease receivables - related parties</b>	<b>50,106</b>	<b>90,921</b>	<b>50,106</b>	<b>90,921</b>
Less: Deposits	(6,687)	(8,107)	(6,687)	(8,107)
Allowance for doubtful accounts	-	(909)	-	(909)
<b>Finance lease receivables - related parties, net</b>	<b>43,419</b>	<b>81,905</b>	<b>43,419</b>	<b>81,905</b>

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Trade and other payables - related parties (Note 22)</b>				
Associates	168,464	41,747	165,044	41,638
Related companies	12,192	146,898	12,192	146,898
<b>Total trade and other payables - related parties</b>	<b>180,656</b>	<b>188,645</b>	<b>177,236</b>	<b>188,536</b>
<b>Other non-current liabilities - related parties (Note 27)</b>				
Associates	20,365	20,365	20,365	20,365
Related companies	234,825	154,423	234,825	154,423
<b>Total other non-current liabilities - related parties</b>	<b>255,190</b>	<b>174,788</b>	<b>255,190</b>	<b>174,788</b>



## 8. Related party transactions (Continued)

### 8.3 Directors and management's remuneration

During the years ended 31 December 2018 and 2017, the Company and the subsidiary had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term employee benefits	80,553	78,933	79,633	76,205
Post-employment benefits and other long-term employee benefits	1,708	1,429	1,708	1,708
<b>Total</b>	<b>82,261</b>	<b>80,362</b>	<b>81,341</b>	<b>77,913</b>

### Guarantee obligations with the related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 36 to the financial statements.

## 9. Investments in trading securities

As at 31 December 2018 and 2017, the Company had investments in trading securities as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2018	
	Cost	Fair value
Mutual fund	640,000	639,995
Less: Loss on change in value	(5)	
<b>Total investments in trading securities</b>	<b>639,995</b>	

Movements in the investments in trading securities account during the years ended 31 December 2018 and 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2018	2017
<b>Balance as at 1 January</b>	-	-
Cash paid for short-term investment in trading securities	640,000	-
Loss on change in value	(5)	-
<b>Balance as at 31 December</b>	<b>639,995</b>	<b>-</b>

## 10. Current investments

(Unit: Thousand Baht)

Consolidated financial statements		
	2018	2017
Bill of exchange	35,000	47,000
Fixed deposits	5,000	14,042
Total	40,000	61,042

As at 31 December 2018, bill of exchange and fixed deposits carried interests at the rate between 1.60 and 1.80 percent per annum (2017: between 1.65 and 1.75 percent per annum).

## 11. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Trade and other receivables - related parties</b>				
Aged on the basis of due dates				
Not yet due	163,407	209,484	157,521	204,044
Past due				
Up to 3 months	5,527	9,610	4,387	8,710
3 - 6 months	9	5	9	5
6 - 12 months	5	28	5	28
Over 12 months	62	28	62	28
Total trade and other receivables - related parties	169,010	219,155	161,984	212,815
Less: Allowance for doubtful debts	-	(54)	-	(54)
Total trade and other receivables - related parties, net (Note 8)	169,010	219,101	161,984	212,761
<b>Trade accounts receivable - unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	25,051	24,553	24,942	24,426
Past due				
Up to 3 months	836	2,165	836	2,165
3 - 6 months	520	38	520	38
6 - 12 months	150	141	150	141
Over 12 months	3,056	4,025	3,056	4,025
Total trade accounts receivable - unrelated parties	29,613	30,922	29,504	30,795
Less: Allowance for doubtful debts	(4,664)	(4,333)	(4,664)	(4,333)
Total trade accounts receivable - unrelated parties, net	24,949	26,589	24,840	26,462
Total trade and other receivables - net	193,959	245,690	186,824	239,223



## 12. Finance lease receivables

(Unit: Thousand Baht)

Consolidated and separate financial statements		
	2018	2017
Finance lease receivables - related parties (Note 8)	60,495	126,231
Finance lease receivables - unrelated parties	9,803	25,351
Less: Deferred interest	(22,106)	(54,876)
Allowance for doubtful accounts	-	(1,240)
Finance lease receivables - net of deferred interest and allowance for doubtful accounts	48,192	95,466
Less: Current portion	(39,184)	(47,530)
Finance lease receivables - net of current portion	9,008	47,936

## 13. Available-for-sale investments

(Unit: Thousand Baht)

Consolidated and separate financial statements				
	2018		2017	
	Cost	Fair value	Cost	Fair value
<b>Available-for-sale investments</b>				
Local marketable equity securities	1,995,799	2,638,427	994,613	2,301,546
Foreign marketable equity securities	81,172	204,178	92,656	216,752
	2,076,971	2,842,605	1,087,269	2,518,298
Add: Surplus on change in value of available-for-sale investments	765,634		1,431,029	
<b>Total available-for-sale investments</b>	2,842,605		2,518,298	

(Unit: Thousand Baht)

Separate financial statements		
	2018	2017
<b>Revaluation surplus in available-for-sale investments</b>		
Portion of the Company	765,634	1,431,029
Less: Deferred tax effect	(153,127)	(286,206)
<b>Total revaluation surplus in available-for-sale investments</b>	612,507	1,144,823

## 14. Investments in associates

14.1 Details of investments in associates are as follows:

(Unit: Thousand Baht)																	
No.	Company's name	Nature of business	Country of incorporation	Consolidated financial statements					Separate financial statements								
				Paid-up capital		Investment portion		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the years		Share of other comprehensive income from investments in associates during the years		Carrying amount based on cost method		Dividend received during the years	
				2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
				(%)	(%)												
1.	Thai President Foods Plc.	Manufacturer of instant noodles	Thailand	329,704	25.22	7,026,383	6,692,686	856,150	619,010	(40,867)	(510,989)	3,264,472	3,180,573	283,265	252,270		
2.	President Bakery Plc.	Manufacturer and distributor of bakery products	Thailand	450,000	21.62	6,478,699	6,314,305	309,073	164,939	(5,371)	2,216	5,768,659	5,758,392	149,577	68,960		
3.	I.O.C. International Plc.	Distributor of consumer products	Thailand	290,634	24.58	4,026,016	3,766,777	213,908	188,445	(135,201)	(533)	955,329	702,907	71,889	75,157		
4.	Saha Pathanapibul Plc.	Distributor of consumer products	Thailand	330,000	24.98	3,630,269	2,699,894	382,217	306,839	(227,611)	9,288	1,203,051	319,956	107,327	118,800		
5.	Thai Wacoal Plc.	Manufacturer of ladies' lingerie	Thailand	120,000	22.87	1,278,239	1,184,043	76,928	69,026	(35,073)	3,345	154,155	63,545	38,269	33,166		
6.	Thanulux Plc.	Manufacturer of ready-to-wear clothes and leather	Thailand	120,000	23.52	814,889	819,724	45,985	35,775	(21,187)	(27,015)	28,689	28,689	29,631	23,988		
7.	Sahacogen (Chorhuri) Plc.	Electricity and stream	Thailand	955,000	20.88	924,563	-	1,176	-	(1,305)	-	924,692	-	-	-		
8.	Len Corporation (Thailand) Co., Ltd.	Manufacturer of consumer products	Thailand	500,000	24.80	1,223,125	1,029,707	228,396	194,299	4,465	(19,955)	124,000	74,400	90,396	140,184		
9.	International Laboratories Co., Ltd.	Manufacturer of cosmetics	Thailand	120,000	25.00	940,881	936,656	59,483	50,088	(29,758)	6,448	165,000	165,000	25,500	21,000		
10.	Thai Hoover Industry Co., Ltd.	Manufacturer of cosmetic packaging	Thailand	60,000	-	-	668,316	108,463	146,122	-	-	-	20,150	20,149	22,640		
11.	Thai Secom Security Co., Ltd.	Security services	Thailand	378,934	25.50	251,963	239,921	23,152	28,602	-	(721)	196,965	196,965	11,111	18,522		
12.	Sahapat Real Estate Co., Ltd.	Property development	Thailand	412,500	40.00	198,962	213,136	959	3,289	(15,133)	(19,006)	165,000	165,000	-	-		
13.	First United Industry Co., Ltd.	Real estate for rent	Thailand	40,000	28.15	142,975	141,456	7,672	16,022	(2,775)	4,316	11,258	11,258	3,377	3,377		
14.	Top Trend Manufacturing Co., Ltd.	Manufacturer of cosmetic packaging	Thailand	120,000	20.00	131,078	122,253	11,705	8,062	-	-	47,625	47,625	2,880	1,440		
15.	Boon Capital Holding Co., Ltd.	Investment	Thailand	343,000	36.00	123,867	123,501	366	215	-	-	123,480	123,480	-	-		
16.	Saha Tokyu Corporation Co., Ltd.	Service residence	Thailand	332,000	20.00	76,315	71,695	5,126	5,058	-	-	66,400	66,400	506	-		
17.	Sahaol Food Supplies Co., Ltd.	Manufacturer and exporter of agriculture products	Thailand	325,000	26.30	48,650	55,575	(6,925)	(11,837)	-	2	148,408	148,408	-	-		
18.	Pitakjij Co., Ltd.	Construction	Thailand	20,000	33.52	58,970	54,578	(1,795)	(6,391)	6,522	681	6,704	6,704	335	335		
19.	Eastern Thai Consulting 1992 Co., Ltd.	Environmental management	Thailand	20,000	40.00	31,295	27,150	4,945	2,704	-	-	10,000	10,000	800	800		
20.	Seno Saha Logistics Co., Ltd.	Logistics	Thailand	20,000	23.50	19,471	18,660	811	(4,107)	-	-	17,286	17,286	-	-		
21.	Thai Itokin Co., Ltd.	Manufacturer of ready-to-wear clothes	Thailand	111,250	32.11	-	-	-	-	-	-	58,152	58,152	-	-		
22.	Green Life Management Co., Ltd.	Service apartment	Thailand	10,000	30.00	6,553	8,961	(1,208)	(542)	-	-	11,050	11,050	1,200	1,200		
23.	Sahapat Properties Co., Ltd.	Investment	Thailand	20,000	26.25	-	-	420	210	-	-	5,250	5,250	420	210		
24.	Impact Solar Co., Ltd.	Solar rooftop power plant	Thailand	433,000	21.00	90,844	-	(86)	-	-	-	90,930	-	-	-		
25.	Saha Komehyo Co., Ltd.	Distributor of second hand brand name products	Thailand	5,000	21.00	1,030	-	(20)	-	-	-	1,050	-	-	-		
26.	S.T. (Thailand) Co., Ltd.	Manufacturer and distributor of rubber gloves	Thailand	-	-	-	-	-	(5,794)	-	-	-	-	-	506		
27.	Canchana International Co., Ltd.	Selling merchandise	Cambodia	-	-	-	-	-	780	-	-	-	-	-	-		
28.	S. Apparel Co., Ltd.	Manufacturer of ready-to-wear clothes	Thailand	-	-	-	-	-	(646)	-	-	-	-	-	-		
29.	Champ Ace Co., Ltd.	Property development	Thailand	-	-	-	-	-	-	-	-	-	-	-	-		
		Manufacturer of rice noodle		-	-	-	-	-	85	-	130	-	-	-	-		
	Total			27,525,037	-	25,188,994	2,326,901	1,810,253	(503,294)	-	(551,793)	13,547,605	11,181,190	846,632	782,555		
	Less: Allowance for diminution in value of investments			-	-	-	-	-	-	-	-	(141,519)	(141,519)	-	-		
	Investments in associates - net			-	-	-	-	-	-	-	-	13,406,086	11,039,671	-	-		

(Unit: Thousand Baht)



## 14. Investments in associates (Continued)

14.1.1 During the year 2018, the Company had additionally invested in the following associates:

- Thai President Food Plc. of 525,000 shares at Baht 83.9 million.
- Saha Pathanapibul Plc. of 16,414,600 shares at Baht 883.1 million.
- Preseident Bakery Plc. of 169,800 shares at Baht 10.3 million.
- Lion Corporation (Thailand) Co., Ltd. for new ordinary shares and preference shares of 202,449 shares and 293,551 shares, respectively with a par value of Baht 100 each, totaling Baht 49.6 million to maintain to the current shareholding proportion, according to increase in share capital of Lion Corporation (Thailand) Co., Ltd.
- Thai Wacoal Plc. of 1,928,900 shares at Baht 90.6 million.
- I.C.C. International Plc. of 6,078,950 shares at Baht 252.4 million.

14.1.2 Investments in new associates

Following the resolution of the Board of Director's meeting, the Company had invested in the following new associated companies:

a) Sahacogen (Chonburi) Plc.

In July 2018, the Company additionally invested in 38.2 million ordinary shares of Sahacogen (Chonburi) Plc. at Baht 176.6 million. As a result of the additional investments, the shareholding percentage in Sahacogen (Chonburi) Plc. increased from 16.88 percent to 20.88 percent. Therefore, investments in Sahacogen (Chonburi) Plc. changed its status from available-for-sales investments to investments in associates.

Due to change in status of such investment, the Company reversed the surplus on change in value of available-for-sale investments and related deferred tax liabilities amounting to Baht 423 million and Baht 84.6 million, respectively in the statements of comprehensive income for the year ended 31 December 2018.

During the year 2018, the Company received dividend income from Sahacogen (Chonburi) Plc. of Baht 24.1 million (2017: Baht 20.8 million) when investment was classified as available-for-sale investments.

The fair value of the identifiable assets acquired and liabilities assumed of Sahacogen (Chonburi) Plc. at the acquisition date were summarised as below:

	(Unit: Thousand Baht)
Cash and cash equivalents	21,850
Current investments	271
Trade and other receivables	750,789
Inventories	246,686
Other current assets	99,325
Restricted bank deposits	812
Investments in associates	90,930
Available-for-sale investments	10,170
Property, plant and equipment	6,267,977
Intangible assets	1,655,987
Other non-current assets	51,869
<b>Total assets</b>	<b>9,196,666</b>
Bank overdraft and short-term loans	725,000
Trade and other payables	516,152
Other current liabilities	137,692
Liabilities under finance lease agreements	3,391
Long-term loans	3,345,844
Deferred tax liabilities	25,565
Other non-current liabilities	15,626
<b>Total liabilities</b>	<b>4,769,270</b>
Fair value of net assets at acquisition date	4,427,396
Fair value of net assets in the portion held by the Company (20.88%)	924,440
Less: Fair value of investment held by the Company before acquisition (16.88%)	(747,848)
<b>Cash paid for acquisition of investment in associate</b>	<b>176,592</b>

## 14. Investments in associates (Continued)

The intangible assets acquired from the investment in this associate is the contracts to sell electricity and steam. The Company amortises the rights over the durations of the contracts, which are approximately 6 - 21 years.

b) Impact Solar Co., Ltd.

In July 2018, the Company invested in Impact Solar Co., Ltd. for 9.1 million new ordinary shares with a par value of Baht 10 each share capital amounting to Baht 91 million. The Company holds 21 percent interest in the ordinary share capital of this company.

The fair values of the identifiable assets acquired and liabilities assumed of Impact Solar Limited at the acquisition date were as follows:

	(Unit: Thousand Baht)
Cash and cash equivalents	259,333
Trade accounts receivable	138
Inventories	32
Other current assets	17,883
Equipment	569,344
Intangible assets	28,381
Other non-current assets	371
Total assets	875,482
Trade and other payables	59,088
Short-term loans	115,000
Deferred revenue	21,657
Retention	25,640
Other current liabilities	156
Long-term loans	220,940
Total liabilities	442,481
Fair value of net assets at acquisition date	433,001
Fair value of net assets in the portion held by the Company (21%)	90,930
Cost of acquisition of investment in associate	90,930

The intangible asset acquired from the investment in this associate is the associate's rights in contracts to produce and distribute electricity generated from renewable energy sources. The Company amortises the rights over the durations of the contracts, which are approximately 20 years.

During the year 2018, the Company has completed its assessment of fair value of identifiable assets and liabilities assumed at the acquisition date of Sahacogen (Chonburi) Plc. and Impact Solar Co., Ltd., which is within the measurement period of 12 months from the acquisition date in accordance with Thai Financial Reporting Standard No. 3. During the measurement period, the Company obtained addition information on the fair value of some assets and liabilities and adjusted the financial statements at the acquisition date of Sahacogen (Chonburi) Plc. And Impact Solar Co., Ltd.

- c) In December 2018, the Company joined Komekyo Hong Kong Ltd. and its related companies in establishing a new associate, namely Saha Komehyo Co., Ltd. in which the Company has shareholding percentage of 21 percent. Saha Komehyo Co., Ltd. is principally engaged in sale of second hand products with a registered capital amounting to Baht 5 million, comprising 50,000 shares. On 4 December 2018, Saha Komehyo Co., Ltd. completed the registration of its establishment. The Company paid for such share capital of Baht 1.1 million in December 2018.



## 14. Investments in associates (Continued)

### 14.1.3 Disposal of investments in associate

- a) Following the resolution of the Board of Director's meeting in December 2018, the Company had disposed investment in Thai Hoover Industry Co., Ltd. of 85,100 ordinary shares or 14.18 percent of registered share capital of Thai Hoover Industry Co., Ltd. at Baht 313.2 million to an associate. Therefore, portion of investment in Thai Hoover Industry Co., Ltd. decrease from 33.58 percent to 19.4 percent and was changed its status from investments in associates to other long-term investments.

The Company recognised loss from sale of investments of Baht 6.3 million and gain from sale of investment of Baht 304.7 million in the consolidated and separate statements of comprehensive income for the year ended 31 December 2018, respectively.

In addition, due to change in status of such investment, the Company assessed fair value of the remaining investment from such disposal and recognised gain on change in investment classification of Baht 10.8 million in the consolidated statements of comprehensive income for the year ended 31 December 2018.

- b) During the year 2017, the Company partially disposed investment in Champ Ace Co., Ltd., and S.T. (Thailand) Co., Ltd. resulting in decrease in shareholding percentage from 22.50% to 17.00% and from 23.75% to 18.75%, respectively. After the decreased shareholding percentage, the Company had no significant influence in those companies, and had reclassified such investments from investments in associates to other long-term investments

### 14.1.4 Supplement information of associates

In 2017, from the entire business transfer of President Holding Co., Ltd., (as described in Note 1.2) the Company has received shares of President Rice Product Plc. as previous percentage of shareholding 3.01% to be 35.76% and shares of President Bakery Plc. as previous percentage of shareholding 2.82% to be 21.58%. The Company, therefore, has significant influenced in such companies. The Company has changed investment classification from available-for-sale investments to investments in associates. At the transfer date, the Company reversed unrealised gain on revaluation of fair value of available-for-sale securities amount of Baht 812.1 million (net of tax as a result, amount of Baht 203 million) in other comprehensive income and measure the value of existing investments at fair value. The gains on transfer of investment amount of Baht 1,015.2 million was included in the statement of comprehensive income for the year ended 31 December 2017.

On 16 October 2017, Thai President Foods Public company Limited and President Rice Products Public Company Limited has combined into a new company under the name of Thai President Foods Public Company Limited. After the amalgamation, 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 amalgamation, and recording investment in the new company under equity method from 16 October 2017, onwards. Both companies had investments in President Bakery Public Company Limited ("PB"), which Thai President Foods Public Company Limited classified as available-for-sales investment. As a result of the amalgamation, the holding percentage in PB has increased to 46.90% and thus been considered as a subsidiary of Thai President Foods Public Company Limited. This subsidiary is deemed to be under the same control with Thai President Foods Public Company Limited, which requires consolidation by carrying value. This resulted in a reversal of gain on remeasuring available-for-sale investments at the amalgamation date and affected the Company's equity accounting to Baht 466.59 million as included in the statements of comprehensive income for the year ended 31 December 2017.

## 14. Investments in associates (Continued)

### 14.2 Investment in associates with capital deficit

The Company recognised share of losses from these 2 associates, as listed below, until the value of the investments approached zero. Subsequent losses incurred by those associates have not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of those associates. The amount of such unrecognised share of losses is set out below.

(Unit: Million Baht)

Company's name	Unrecognised share of losses			
	Share of profit during the years		Cumulative share of losses up to 31 December	
	2018	2017	2018	2017
Thai Itokin Co., Ltd. Company Limited	1.8	1.4	(42.6)	(44.4)
Sahapat Properties Co., Ltd. Company Limited	0.4	0.6	(4.2)	(4.6)
Total	2.2	2.0	(46.8)	(49.0)

### 14.3 Fair value of investments in associates that are listed on the Stock Exchange of Thailand which were based on the closing price as quoted on the Stock Exchange of Thailand are as follows:

(Unit: Thousand Baht)

	Fair value	
	31 December 2018	31 December 2017
Thai President Foods Plc.	13,303,696	15,706,597
President Bakery Plc.	5,886,481	6,167,590
I.C.C. International Plc.	2,964,452	2,516,115
Saha Pathanapibul Plc.	4,265,114	3,453,023
Thai Wacoal Plc.	1,289,746	1,192,709
Thanulux Plc.	522,085	586,993
Sahacogen (Chonburi) Plc.	861,296	-
	29,092,870	29,623,027

### 14.4 Share of profit from investments in 3 associates accounted for under the equity method for the year ended 31 December 2018 totaling approximately Baht 28.3 million or 1.1 percent of consolidated net profit for the year (2017: 1 associate with share of profit of Baht 6.3 million or 0.20 percent) was calculated from interim financial statements which had not been audited by auditors or these associates.



## 14. Investments in associates (Continued)

14.5 Summarised financial information about material associates

Summarised information about financial position

(Unit: Million Baht)

	Thai President Foods Plc.		President Bakery Plc.		I.C.C. International Plc.		Saha Pathanapibul Plc.		Thai Wacoal Plc.		Lion Corporation (Thailand) Co., Ltd.	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Current assets	13,393	13,334	3,562	2,620	7,656	6,903	12,019	11,852	2,713	2,354	6,737	6,169
Non-current assets	17,448	16,030	5,128	5,378	15,894	16,377	14,696	13,899	4,505	4,715	3,638	3,481
Current liabilities	3,003	2,628	1,058	1,032	1,981	2,014	8,158	8,204	825	683	4,685	4,747
Non-current liabilities	1,015	1,079	211	258	1,324	1,355	1,192	1,237	582	621	553	535

Summarised information about comprehensive income

(Unit: Million Baht)

	Thai President Foods Plc.		President Bakery Plc.		I.C.C. International Plc.		Saha Pathanapibul Plc.		Thai Wacoal Plc.		Lion Corporation (Thailand) Co., Ltd.	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenue	22,884	22,006	7,575	7,519	13,328	13,458	33,337	32,010	4,780	4,547	18,078	17,142
Profit	4,343	3,805	1,431	1,336	934	847	1,779	1,527	356	325	933	793
Total comprehensive income	4,171	4,065	1,406	1,347	654	2,850	1,581	3,191	226	481	962	818

## 15. Investments in subsidiary

15.1 Details of investments in subsidiary as presented in separate financial statements is as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the years	
	2018	2017	2018 (%)	2017 (%)	2018	2017	2018	2017
President Interfoods Co, Ltd.	3,000	3,000	51.00	51.00	12,322	12,322	19,890	-
Total investments in subsidiary					12,322	12,322	19,890	-

15.2 Details of investments in subsidiary that have non-controlling interests

(Unit: Thousand Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests		Dividends paid to non-controlling interests	
	2018 (%)	2017 (%)	2018	2017	2018	2017	2018	2017
President Interfoods Co, Ltd.	49.00	49.00	14,693	28,445	5,358	5,575	19,110	-

15.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that have non-controlling

President Interfoods Co., Ltd.

Summarised information about financial position

(Unit: Million Baht)

	As at 31 December	
	2018	2017
Current assets	59.9	75.0
Non-current assets	6.2	5.6
Current liabilities	21.6	5.5
Non-current liabilities	14.5	27.0



## 15. Investments in subsidiary (Continued)

Summarised information about comprehensive income

(Unit: Million Baht)

	For the years ended 31 December	
	2018	2017
Revenue	67.9	60.6
Profit	10.9	16.4
Other comprehensive income	-	9.6
Total comprehensive income	10.9	26.0

Summarised information about cash flows

(Unit: Million Baht)

	For the years ended 31 December	
	2018	2017
Cash flows from operating activities	44.4	1.0
Cash flows from (used in) investing activities	(0.2)	0.8
Cash flows used in financing activities	(39.0)	(4.5)
Net increase (decrease) in cash and cash equivalents	5.2	(2.7)



## 16. Other long-term investments

No.	Company's name	Paid-up capital		Investment portion		Consolidated financial statements		Separate financial statements		Dividend received during the years	
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		(Thousand Baht)	(Thousand Baht)	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
1.	Bangkok Rubber Plc.	1,634,572	1,634,572	4.48	4.48	197,845	197,845	197,845	197,845	-	-
2.	A Tech Textiles Co., Ltd.	1,000,000	1,000,000	19.00	19.00	190,000	190,000	190,000	190,000	-	-
3.	Erawan Textile Co., Ltd.	621,463	621,463	16.18	16.04	127,187	126,256	127,187	126,256	-	-
4.	Asahi Kasei Spunbond (Thailand) Co., Ltd.	2,110,000	2,110,000	6.78	6.78	115,470	115,470	115,470	115,470	-	-
5.	Saha Lawson Co., Ltd.	1,277,000	1,087,000	9.00	9.00	114,930	97,830	114,930	97,830	-	-
6.	Thai Samsung Assurance Plc.	3,200,000	3,200,000	3.65	3.65	112,626	112,626	112,626	112,626	-	-
7.	Toyobo Saha Safely Weave Co., Ltd.	1,000,000	1,000,000	10.00	10.00	100,000	100,000	100,000	100,000	-	-
8.	Thai Asahi Kasei Spandex Co., Ltd.	1,350,000	1,350,000	6.00	6.00	81,000	81,000	81,000	81,000	12,375	13,980
9.	SSDC (Tigertex) Co., Ltd.	324,000	324,000	19.71	19.71	76,609	76,609	76,609	76,609	1,277	2,554
10.	Bangkok Athletic Co., Ltd.	200,000	200,000	18.16	18.16	69,562	69,562	69,562	69,562	-	-
11.	Tsuruha (Thailand) Co., Ltd.	250,000	250,000	15.00	15.00	60,000	60,000	60,000	60,000	-	-
12.	Pan Land Co., Ltd.	300,000	300,000	19.33	19.33	58,000	58,000	58,000	58,000	-	-
13.	G Tech Material Co., Ltd.	300,000	300,000	19.00	19.00	57,000	57,000	57,000	57,000	-	-
14.	Osoth Inter Laboratories Co., Ltd.	600,000	600,000	9.00	9.00	54,938	54,938	54,938	54,938	-	-
15.	Carbon Magic (Thailand) Co., Ltd.	590,000	590,000	8.33	8.33	49,167	49,167	49,167	49,167	-	-
16.	Sun 108 Co., Ltd.	450,000	300,000	10.00	10.00	45,000	30,000	45,000	30,000	21,000	21,000
17.	Shop Global (Thailand) Co., Ltd.	238,700	238,700	17.42	-	41,580	-	41,580	-	-	-
18.	BNC Real Estate Co., Ltd.	240,000	240,000	16.67	16.67	40,000	40,000	40,000	40,000	-	-
19.	United Utility Co., Ltd.	350,000	350,000	9.24	9.24	39,574	39,574	39,574	39,574	-	1,618
20.	Thai Sumsung Electronics Co., Ltd.	1,200,000	1,200,000	3.00	3.00	36,000	36,000	36,000	36,000	10,800	10,800
21.	Kenmin Food (Thailand) Co., Ltd.	33,000	33,000	14.24	14.24	32,537	32,537	32,537	32,537	893	700
22.	THAI PRESIDENT FOODS (Hungary) Kft.	HUF 2,350,000	HUF 2,350,000	10.00	10.00	32,182	32,182	32,182	32,182	2,759	-

## 16. Other long-term investments (Continued)

No.	Company's name	Paid-up capital		Investment portion		Cost of investments				Dividend received during the years	
		2018	2017	2018	2017	Consolidated financial statements	2018	2017	Separate financial statements	2018	2017
		(Thousand Baht)	(Thousand Baht)	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
23.	Janome (Thailand) Co., Ltd.	97,400	97,400	11.27	9.00	28,178	28,178	12,416	12,416	2,192	2,192
24.	Mobile Logistic Co., Ltd.	300,000	300,000	9.00	9.00	27,000	27,000	27,000	27,000	-	-
25.	Bangkok Tokyo Socks Co., Ltd.	161,780	143,220	17.31	19.55	26,764	26,764	26,764	26,764	-	1,120
26.	S.T. (Thailand) Co., Ltd.	142,000	142,000	18.75	18.75	26,625	26,625	26,625	26,625	-	-
27.	Kewpie (Thailand) Co., Ltd.	260,000	260,000	10.00	10.00	26,000	26,000	26,000	26,000	5,720	5,200
28.	Thai Shikibo Co., Ltd.	237,500	237,500	10.00	10.00	23,760	23,760	23,760	23,760	-	3,326
29.	KPN Healthcare Plc.	950,000	950,000	2.50	2.50	23,750	23,750	23,750	23,750	-	-
30.	Saha Rattana Nakorn Co., Ltd.	180,000	180,000	12.50	12.50	22,500	22,500	22,500	22,500	-	-
31.	American Food Co., Ltd.	140,000	140,000	15.00	15.00	21,000	21,000	21,000	21,000	-	-
32.	Thai Gunze Co., Ltd.	180,000	180,000	11.00	11.00	19,800	19,800	19,800	19,800	-	-
33.	Thai Arai Co., Ltd.	126,000	126,000	14.75	14.75	19,203	19,203	19,203	19,203	1,475	443
34.	Molten Asia Polymer Products Co., Ltd.	120,000	120,000	15.60	15.60	18,720	18,720	18,720	18,720	3,744	3,744
35.	Daiso Sangyo (Thailand) Co., Ltd.	280,000	280,000	6.45	6.45	18,053	18,053	18,053	18,053	1,607	1,480
36.	Dairy Thai Co., Ltd.	67,125	67,125	9.13	9.13	17,550	17,550	17,550	17,550	-	-
37.	PT. DYNIC TEXTILE PRESTIGE	USD 10,000	USD 5,000	5.00	5.00	15,371	15,371	8,151	8,151	-	-
38.	Thai Takeda Lace Co., Ltd.	127,000	127,000	8.78	8.78	15,053	15,053	15,053	15,053	5,017	1,673
39.	Thai Kobashi Co., Ltd.	100,000	100,000	15.00	15.00	15,000	15,000	15,000	15,000	-	-
40.	Tiger Distribution and Logistics Co., Ltd.	20,000	20,000	19.00	19.00	12,546	12,546	12,546	12,546	2,090	1,500
41.	Molten (Thailand) Co., Ltd.	100,000	100,000	12.00	12.00	12,000	12,000	12,000	12,000	1,200	1,200
42.	Better Way (Thailand) Co., Ltd.	100,000	100,000	11.77	11.77	11,774	11,774	11,774	11,774	105,962	82,415
43.	Thai Hoover Industry Co., Ltd.	60,000	60,000	19.40	-	447,952	-	11,640	-	-	-

## 16. Other long-term investments (Continued)

No.	Company's name	Paid-up capital		Investment portion		Cost of investments				Dividend received during the years	
		2018 (Thousand Baht)	2017 (Thousand Baht)	2018 (%)	2017 (%)	2018 (Thousand Baht)	2017 (Thousand Baht)	2018 (Thousand Baht)	2017 (Thousand Baht)	2018 (Thousand Baht)	2017 (Thousand Baht)
44.	Thai Lotte Co., Ltd.	3,013,000	3,013,000	0.37	0.37	11,000	11,000	11,000	11,000	-	-
45.	Saha Sehwa Co., Ltd.	103,000	145,000	10.52	10.52	10,833	15,250	10,833	15,250	541	-
46.	Shiseido Professional (Thailand) Co., Ltd.	70,000	70,000	15.00	15.00	10,500	10,500	10,500	10,500	735	1,289
47.	Fujix International Co., Ltd.	100,000	100,000	12.00	9.00	10,178	9,000	10,178	9,000	-	-
48.	Racha Uchino Co., Ltd.	121,500	121,500	12.41	12.41	10,080	10,080	10,080	10,080	151	1,508
49.	Treasure Hills Co., Ltd.	200,000	200,000	6.00	6.00	10,000	10,000	10,000	10,000	-	-
50.	KALLOL THAI PRESIDENT FOODS (BD) LTD.	TAKA 630,000	TAKA 630,000	3.75	3.75	9,420	9,420	9,420	9,420	-	-
51.	Thai Sun Foods Co., Ltd.	50,000	50,000	6.00	6.00	10,498	10,498	8,959	8,959	90	-
52.	OZUKA Co., Ltd.	35,000	35,000	4.00	4.00	8,400	8,400	8,400	8,400	3,194	3,277
53.	H&B Intertex Co., Ltd.	40,000	40,000	19.00	19.00	7,600	7,600	7,600	7,600	-	-
54.	World Saha Fashoin Co., Ltd	50,000	50,000	15.00	15.00	7,500	7,500	7,500	7,500	-	-
55.	OZUKA Nutraceutical (Thailand) Co., Ltd.	300,000	300,000	2.50	2.50	7,500	7,500	7,500	7,500	-	-
56.	International Leather Fashion Co., Ltd.	50,000	50,000	14.00	14.00	7,000	7,000	7,000	7,000	525	700
57.	Ratchasrima Shopping Complex Co., Ltd.	350,000	350,000	2.00	2.00	7,000	7,000	7,000	7,000	-	-
58.	Saha Ubol Nakorn Co., Ltd.	7,813	7,813	19.50	19.50	6,998	6,998	6,998	6,998	-	-
59.	Champ Ace Co., Ltd.	40,000	40,000	17.00	17.00	6,800	6,800	6,800	6,800	-	-
60.	Transcosmos (Thailand) Co., Ltd.	70,000	70,000	9.00	9.00	6,300	6,300	6,300	6,300	-	-
61.	Imperial Technical Management Service Co., Ltd.	3,549,400	3,549,400	0.18	0.18	6,250	6,250	6,250	6,250	-	-
62.	Total Way Image Co., Ltd.	20,000	20,000	19.50	19.50	6,247	6,247	6,247	6,247	468	156
63.	Thai Staflex Co., Ltd.	60,000	60,000	10.00	10.00	6,000	6,000	6,000	6,000	180	900



## 16. Other long-term investments (Continued)

No.	Company's name	Paid-up capital		Investment portion		Cost of investments				Dividend received during the years	
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		(Thousand Baht)	(Thousand Baht)	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
64.	Thai Monster Co., Ltd.	5,000	5,000	19.50	19.50	5,906	5,906	5,906	5,906	-	-
65.	Pt. Trinity Luxtro Apparel	USD 1,200	USD 1,200	15.00	15.00	5,862	5,862	5,862	5,862	-	-
66.	Amis Du Monde Sarl	EUR 1,456	EUR 1,200	9.00	9.00	5,539	4,658	5,539	4,658	-	-
67.	K.Commercial & Construction Co., Ltd.	50,000	50,000	10.00	10.00	5,150	5,150	5,150	5,150	-	500
68.	Siam Autobacs Co., Ltd.	169,900	39,900	2.94	12.53	5,000	5,000	5,000	5,000	-	-
69.	Sunlots Enterprise (Thailand) Plc.	130,000	130,000	3.85	3.85	5,000	5,000	5,000	5,000	-	-
70.	500 Tuk Tuks II, L.P.	USD 2,700	-	5.5	-	4,995	-	4,995	-	-	-
71.	Pattaya Manufacturing Co., Ltd.	30,000	30,000	16.00	16.00	4,923	4,923	4,923	4,923	1,920	1,440
72.	Morgan De Toi (Thailand) Co., Ltd.	40,000	40,000	12.00	12.00	4,800	4,800	4,800	4,800	-	-
73.	Toyo Textile Thai Co., Ltd.	30,000	30,000	15.00	15.00	4,500	4,500	4,500	4,500	450	-
74.	Eastern Rubber Co., Ltd.	30,000	30,000	15.00	15.00	4,500	4,500	4,500	4,500	-	-
75.	BNC Maesot Co., Ltd.	90,000	60,000	5.00	7.50	4,500	4,500	4,500	4,500	-	-
76.	Saha Seren Co., Ltd.	780,000	780,000	0.58	0.58	4,500	4,500	4,500	4,500	3,309	589
77.	INTERNATIONAL COMMERCIAL COORDINATION LTD. (H.K)	HKD 5,000	HKD 5,000	18.00	18.00	4,484	4,484	4,484	4,484	-	-
78.	Medical Center Plc.	200,539	200,539	0.002	0.002	4,100	4,100	4,100	4,100	2	2
79.	Thai Cubic Technology Co., Ltd.	40,000	40,000	10.00	10.00	4,000	4,000	4,000	4,000	400	400
80.	Maesot Sakae Lace Co., Ltd.	50,000	50,000	8.00	8.00	4,000	4,000	4,000	4,000	-	-
81.	Wien International Co., Ltd.	30,000	30,000	12.00	12.00	3,600	3,600	3,600	3,600	-	-
82.	Nippon Tei Sato Co., Ltd.	60,000	60,000	6.00	6.00	3,600	3,600	3,600	3,600	-	-
83.	Saha Num Textiles Co., Ltd.	36,000	36,000	18.00	18.00	3,535	3,535	3,535	3,535	-	-
84.	Pens Marketing and Distribution Co., Ltd.	100,000	100,000	3.50	3.50	3,500	3,500	3,500	3,500	-	-

## 16. Other long-term investments (Continued)

No.	Company's name	Paid-up capital		Investment portion		Cost of investments				Dividend received during the years	
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		(Thousand Baht)	(Thousand Baht)	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
85.	MCT Holding Co., Ltd.	100,000	100,000	3.50	3.50	3,500	3,500	3,500	3,500	105	105
86.	Thai Takaya Co., Ltd.	30,000	30,000	10.00	10.00	3,000	3,000	3,000	3,000	-	-
87.	Value Added Textile Co., Ltd.	16,500	16,500	6.00	6.00	3,000	3,000	3,000	3,000	-	-
88.	Bangkok Club Co., Ltd.	450,000	450,000	0.44	0.44	3,000	3,000	3,000	3,000	-	-
89.	Amata City Co., Ltd.	450,000	450,000	0.67	0.67	3,000	3,000	3,000	3,000	300	600
90.	Thai Naxis Co., Ltd.	20,000	20,000	3.38	3.38	2,700	2,700	2,700	2,700	243	189
91.	K.T.Y Industry Co., Ltd.	28,000	28,000	9.00	9.00	2,521	2,521	2,521	2,521	378	5,042
92.	Si Racha Transport Co., Ltd.	10,000	10,000	18.00	18.00	2,518	2,518	2,518	2,518	45	190
93.	Thai Tohmado Co., Ltd.	20,000	20,000	10.00	10.00	2,000	2,000	2,000	2,000	150	-
94.	Thai Bunka Fashion Co., Ltd.	25,000	25,000	8.00	8.00	2,000	2,000	2,000	2,000	-	-
95.	Boonravee Co., Ltd.	20,000	20,000	10.00	10.00	2,000	2,000	2,000	2,000	-	-
96.	Tiger Mkt Logistics (Myanmar) Co., Ltd.	USD 300	USD 300	18.00	18.00	1,782	1,782	1,782	1,782	-	-
97.	Thai Sport Garment Co., Ltd.	10,000	10,000	15.00	15.00	1,500	1,500	1,500	1,500	1,500	1,500
98.	U.C.C. Ueshima Coffee (TH) Co., Ltd.	15,000	15,000	10.00	10.00	1,500	1,500	1,500	1,500	-	-
99.	Noble Place Co., Ltd.	296,250	296,250	0.08	0.08	1,500	1,500	1,500	1,500	-	-
100.	Nuboon Co., Ltd.	35,000	35,000	3.83	3.83	1,340	1,340	1,340	1,340	335	362
101.	Herbal Products Co., Ltd.	80,000	80,000	1.50	1.50	1,200	1,200	1,200	1,200	30	43
102.	Siam I-Logistics Co., Ltd.	15,000	15,000	7.00	7.00	1,050	1,050	1,050	1,050	-	-
103.	The Mall Ratchasima Co., Ltd.	50,000	50,000	2.00	2.00	1,000	1,000	1,000	1,000	-	-
104.	Pracharat Raksamakkhee (Thailand) Co., Ltd.	100,000	100,000	1.00	1.00	1,000	1,000	1,000	1,000	-	-
105.	Khon Kaen Viithes Suksa Co., Ltd.	60,000	60,000	1.67	1.67	1,000	1,000	1,000	1,000	60	60
106.	M B T S Broking Service Co., Ltd.	5,000	5,000	19.99	19.99	1,000	1,000	1,000	1,000	2,399	3,278

## 16. Other long-term investments (Continued)

No.	Company's name	Paid-up capital		Investment portion		Cost of investments				Dividend received during the years	
		2018	2017	2018	2017	Consolidated financial statements	2018	2017	Separate financial statements	2018	2017
		(Thousand Baht)	(Thousand Baht)	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
107.	Waseda Education (Thailand) Co., Ltd.	20,000	21,952	4.91	7.14	982	1,568	982	1,568	-	-
108.	Siam City Factoring Plc.	18,000	18,000	3.78	3.78	540	540	540	540	-	-
109.	Winsor Park and Golf Club Co., Ltd.	320,325	320,325	0.02	0.02	520	520	520	520	2	3
110.	Unilease Co., Ltd.	30,000	30,000	1.67	1.67	500	500	500	500	-	-
111.	Arusu Myanmar Co., Ltd.	USD 100	USD 100	9.00	9.00	313	313	313	313	-	-
112.	Sampan Tramitr Co., Ltd.	5,000	5,000	5.42	5.42	271	271	271	271	271	271
113.	Hwator (Thailand) Co., Ltd.	3,000	12,000	4.75	4.75	142	570	142	570	-	-
114.	General Glass Co., Ltd.	-	145,000	-	15.00	-	34,340	-	34,340	-	-
115.	Si Racha Aveation Co., Ltd.	-	55,000	-	5.45	-	3,000	-	3,000	450	300
116.	Thai Flying Maintenance Co., Ltd.	-	2,000	-	15.00	-	300	-	300	-	-
117.	Siam DCM Co., Ltd.	-	82,500	-	1.52	-	5,000	-	5,000	-	-
118.	Kyoshun Co., Ltd.	-	YEN 30,000	-	18.33	-	1,998	-	1,998	-	-
119.	J&P (Thailand) Co., Ltd.	-	132,500	-	9.00	-	11,925	-	11,925	-	-
120.	Otuka Saha Asia Research Co., Ltd.	-	80,000	-	16.33	-	13,067	-	13,067	-	-
Total other long-term investments						2,888,283	2,410,745	2,450,432	2,409,206	196,344	177,649
Less: Allowance for diminution in value of investments						(810,580)	(798,013)	(810,580)	(798,013)		
Total other long-term investments - net						2,077,703	1,612,732	1,639,852	1,611,193		

The differences between cost of investment of the consolidated and separate financial statements of some investments are from business combination and change in investment classification. Cost of investments in the separate financial statements represents cost of acquisition of investments whereby cost of investments in the consolidated financial statements represents fair value of investments at date of business combination or at date of investment classification.

## 17. Investment properties

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	Land	Buildings and improvement	Assets under construction	Total
<b>Cost:</b>				
1 January 2017	2,529,354	1,274,969	3,543	3,807,866
Additions during the year	241,016	5,940	74,073	321,029
Transfer in/(transfer out)	(2,441)	60,259	(77,130)	(19,312)
Disposals during the year	(1,955)	-	(23)	(1,978)
31 December 2017	2,765,974	1,341,168	463	4,107,605
Additions during the year	89,490	23,796	-	113,286
Transfer in/(transfer out)	-	152	(152)	-
31 December 2018	2,855,464	1,365,116	311	4,220,891
<b>Accumulated depreciation:</b>				
1 January 2017	-	322,689	-	322,689
Depreciation for the year	-	60,389	-	60,389
31 December 2017	-	383,078	-	383,078
Depreciation for the year	-	62,876	-	62,876
31 December 2018	-	445,954	-	445,954
<b>Allowance for impairment loss:</b>				
1 January 2017	74,065	-	-	74,065
31 December 2017	74,065	-	-	74,065
31 December 2018	74,065	-	-	74,065
<b>Net book value:</b>				
31 December 2017	2,691,909	958,090	463	3,650,462
31 December 2018	2,781,399	919,162	311	3,700,872
<b>Depreciation</b>				
2017 (Included in cost of services)				60,389
2018 (Included in cost of services)				62,876

Based on the latest valuation performed by an independent valuer, using the market approach, the fair value of an investment properties are approximately Baht 6,637 million. The Company believed that the fair value as at the end of reporting period did not materially differ from the latest valuation.





## 18. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements							
	Land	Buildings and improvement	Tools	Office equipment and others	Motor vehicles	Assets under construction	Total
<b>Cost:</b>							
1 January 2017	297,479	1,555,353	118,381	598,307	206,575	5,735	2,781,830
Increase from investment in subsidiary	-	-	-	6,417	5,454	-	11,871
Additions during the year	-	5,833	8,196	19,435	34,524	138,395	206,383
Transfer in/(transfer out)	3,552	17,768	7,779	35,769	-	(44,445)	20,423
Disposals during the year	-	(13,907)	-	(485)	(14,035)	-	(28,427)
31 December 2017	301,031	1,565,047	134,356	659,443	232,518	99,685	2,992,080
Additions during the year	-	39,828	4,136	48,838	661	9,656	103,119
Transfer in/(transfer out)	-	46,916	-	49,899	-	(96,815)	-
Disposals during the year	-	-	(1,115)	(97)	(14,355)	-	(15,567)
31 December 2018	301,031	1,651,791	137,377	758,083	218,824	12,526	3,079,632
<b>Accumulated depreciation:</b>							
1 January 2017	-	790,939	97,507	511,236	149,970	-	1,549,652
Increase from investment in subsidiary	-	-	-	5,655	3,735	-	9,390
Depreciation for the year	-	63,242	9,426	36,472	22,711	-	131,851
Accumulated depreciation on disposals	-	(4,728)	-	(484)	(14,040)	-	(19,252)
31 December 2017	-	849,453	106,933	552,879	162,376	-	1,671,641
Depreciation for the year	-	63,322	9,767	42,658	23,390	-	139,137
Accumulated depreciation on disposals	-	-	(1,115)	(60)	(14,345)	-	(15,520)
31 December 2018	-	912,775	115,585	595,477	171,421	-	1,795,258
<b>Net book value:</b>							
31 December 2017	301,031	715,594	27,423	106,564	70,142	99,685	1,320,439
31 December 2018	301,031	739,016	21,792	162,606	47,403	12,526	1,284,374
<b>Depreciation for the year:</b>							
2017 (Baht 126.9 million included in cost of services, and the balance in administrative expenses)							131,851
2018 (Baht 133.5 million included in cost of services, and the balance in administrative expenses)							139,137

## 18. Property, plant and equipment (Continued)

(Unit: Thousand Baht)

Separate financial statements							
	Land	Buildings and improvement	Tools	Office equipment and others	Motor vehicles	Assets under construction	Total
<b>Cost:</b>							
1 January 2017	297,479	1,555,353	118,381	598,307	206,575	5,735	2,781,830
Additions during the year	-	5,833	8,196	19,334	34,524	138,395	206,282
Transfer in/(transfer out)	3,552	17,768	7,779	35,769	-	(44,445)	20,423
Disposals during the year	-	(13,907)	-	(373)	(14,035)	-	(28,315)
31 December 2017	301,031	1,565,047	134,356	653,037	227,064	99,685	2,980,220
Additions during the year	-	39,828	4,136	48,065	557	9,656	102,242
Transfer in/(transfer out)	-	46,916	-	49,899	-	(96,815)	-
Disposals during the year	-	-	(1,115)	(97)	(14,254)	-	(15,466)
31 December 2018	301,031	1,651,791	137,377	750,904	213,367	12,526	3,066,996
<b>Accumulated depreciation:</b>							
1 January 2017	-	790,938	97,507	511,237	149,970	-	1,549,652
Depreciation for the year	-	63,243	9,426	36,274	22,489	-	131,432
Accumulated depreciation on disposals	-	(4,728)	-	(373)	(14,040)	-	(19,141)
31 December 2017	-	849,453	106,933	547,138	158,419	-	1,661,943
Depreciation for the year	-	63,322	9,767	42,380	23,001	-	138,470
Accumulated depreciation on disposals	-	-	(1,115)	(60)	(14,254)	-	(15,429)
31 December 2018	-	912,775	115,585	589,458	167,166	-	1,784,984
<b>Net book value:</b>							
31 December 2017	301,031	715,594	27,423	105,899	68,645	99,685	1,318,277
31 December 2018	301,031	739,016	21,792	161,446	46,201	12,526	1,282,012
<b>Depreciation for the year:</b>							
2017 (Baht 126.9 million included in cost of facilities and services, and the balance in administrative expenses)							131,432
2018 (Baht 133.5 million included in cost of facilities and services, and the balance in administrative expenses)							138,470

As at 31 December 2018 and 2017, certain assets have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to Baht 981 million and Baht 932 million, respectively (Separate financial statements: Baht 981 million and Baht 932 million, respectively).

## 19. Intangible assets

Detail of intangible assets which are computer software are as follows.

(Unit: Thousand Baht)

	Consolidated and separate financial statements
<b>Cost</b>	
1 January 2017	31,895
Additions during the year	26
31 December 2017	31,921
Additions during the year	71
31 December 2018	31,992
<b>Accumulated amortisation</b>	
1 January 2017	21,372
Amortisation during the year	1,613
31 December 2017	22,985
Amortisation during the year	1,619
31 December 2018	24,604
<b>Net book value</b>	
31 December 2017	8,936
31 December 2018	7,388

## 20. Other non-current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Deposits	104,326	62,944	104,326	62,944
Withholding tax deducted at source	73,327	48,150	73,327	48,150
Others	1,115	2,875	170	2,874
Total	178,768	113,969	177,823	113,968
Less: Allowance for doubtful accounts - deposits	(18,226)	(18,226)	(18,226)	(18,226)
Total other non-current assets, net	160,542	95,743	159,597	95,742

## 21. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2018	2017
Short-term promissory notes	-	4,080,000
Total	-	4,080,000

As at 31 December 2017, the Company had short-term loan in respect of short-term promissory notes which were issued to the financial institutions of 12 contracts which carried interest between 1.65 percent to 1.70 percent per annum and due upon call (2018: Nil).

## 22. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade and other payables - related parties	178,053	45,181	174,633	45,072
Accrued expenses - related parties	2,603	143,464	2,603	143,464
Total trade and other payables - related parties (Note 8)	180,656	188,645	177,236	188,536
Trade accounts payable - unrelated parties	5,764	13,134	5,757	13,119
Other payables - unrelated parties	9,328	14,917	8,657	14,238
Accrued expenses - unrelated parties	134,071	103,921	116,606	101,154
Total trade and other payables	329,819	320,617	308,256	317,047

## 23. Long-term loans from financial institutions

Movement in long-term loans from financial institution during the year ended 31 December 2018 are summarised below:

(Unit: Thousand Baht)

	Consolidated and separate financial statements
Balances as at 1 January 2018	-
Additions during the year	7,000,000
Balances as at 31 December 2018	7,000,000

(Unit: Thousand Baht)

	Consolidated and separate financial statements
Long-term loans from financial institutions	7,000,000
Less: Current portion	(980,000)
Long-term loans from financial institutions - net of current portion	6,020,000



## 23. Long-term loans from financial institutions (Continued)

On 2 July 2018, the Company entered into a loan agreement with a financial institution obtaining loans facilities of Baht 7,000 million. The loans are unsecured loan and carry interest at fixed rate of 2.5 percent throughout the loan period and are repayable in 14 semi-annually installments within July 2025 as specified in the agreement from drawing date.

The loan agreement contains certain covenants with which the Company has to comply, pertaining to matters, such as maintaining of debt to shareholders' equity ratio.

## 24. Debentures

(Unit: Thousand Baht)

Debentures period						Consolidated and separate financial statements	
No	Issue Date	Maturity Date	Number of unit	Amount (Million Baht)	Coupon rate per annum (%)	2018	2017
SPI202A	9 Feb 2017	9 Feb 2020	1,000,000	1,000	2.39%	1,000,000	1,000,000
SPI242A	9 Feb 2017	9 Feb 2024	1,000,000	1,000	3.44%	1,000,000	1,000,000
						<u>2,000,000</u>	<u>2,000,000</u>

Such debentures in the form of specific name, unsubordinated, unsecured and without debenture holders' representatives. The interest is payable every six months throughout the debenture period.

The debentures contains certain covenants with which the Company has to comply, pertaining to matters such as maintaining of debt to shareholders' equity ratio.

Such debentures were issued in accordance with the resolution of the shareholders' extraordinary meeting No. 1/2016 held on 20 September 2016.

Fair value of debentures, which are the latest price as at 31 December 2018 and 2017, stated below.

Debentures no.	Fair values (Baht per unit)	
	2018	2017
SPI202A	1,001.14	1,007.78
SPI242A	1,020.71	1,035.41
	<u>2,024.85</u>	<u>2,043.19</u>

## 25. Convertible debentures

On 25 April 2017, the General Meeting of shareholders' No.46 of the Company has approved for the issue and offer the convertible debentures not exceeding 4 million units at Baht 1,000 each in the total amount not exceeding Baht 4,000 million to the existing shareholders that have rights to receive in the portion of their shareholding percentage and the Meeting has approved to increase its register capital to support the conversion of the convertible debentures.

On 29 June 2017, the Company issued such convertible debentures with the key terms and conditions as follows:

Name convertible debentures	Convertible debentures of the Company SAHA PATHANA INTER-HOLDING PUBLIC COMPANY 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 of convertible debenture ("par value")
Interest rate	At 0.70% per annum
Issuance date	29 June 2017
Maturity date of redemption	29 June 2024
Interest payment	Quarterly basis, on 29 March, 29 June, 29 September and 29 December of every year, the first payment is on 29 September 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 price is higher than THB 52, 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



## 25. Convertible debentures (Continued)

Thai Accounting Standard No. 107 “Financial Instruments: Disclosure and Presentation”, requires the issuer of convertible debentures to present the debentures’ liability and equity components separately in the statement of financial position. Therefore, upon issuing the convertible debentures, the Company separated these components, determining the liability component by discounting the stream of future payments of principal and interest at the prevailing market rate. The carrying amount of the equity component was then determined by deducting the liability component from the total carrying value of the convertible debenture.

The liability component is presented at amortised cost until the conversion or maturity of the debentures. The value of the equity component determined upon the issue of the debentures does not change in subsequent periods

During the year ended 31 December 2018, the convertible debentures holders exercised their conversion rights in accordance with the convertible debentures terms and conditions. The principal amount of Baht 3,486.6 million or 99.5% of offered convertible debentures has been converted into 77.5 million ordinary shares of the Company. The Company’s paid up capital and share premium increased from Baht 494 million to Baht 572 million and from Baht 1,041 million to Baht 4,516 million, respectively (as described in Note 28).

Movements of convertible debentures net from convertible debenture expenses during the year ended 31 December 2018 are summarised below.

(Unit:Thousand Baht)

	Consolidated and separate financial statements	
	Convertible debenture -liability component	Convertible debenture - equity component
Balance as at 1 January 2018 - as previously reported	2,999,767	501,536
Add: Adjustments (Note 3)	32,543	-
Balance as at 1 January 2018 - as restated	3,032,310	501,536
Transactions for present value of convertible debentures	33,792	-
Amortisation of debenture expenses	4,126	-
Conversion to ordinary shares	(3,053,595)	(498,844)
Balance as at 31 December 2018	16,633	2,692



## 26. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Balance as at 1 January</b>	94,973	56,488	77,949	56,488
Included in profit or loss:				
Employee benefits from investment in subsidiary	-	27,579	-	-
Current service cost	5,357	5,576	4,431	4,284
Interest cost	2,316	2,103	1,921	1,636
Included in other comprehensive income:				
Actuarial loss arising from				
Demographic assumptions changes	-	3,682	-	4,304
Financial assumptions changes	-	3,584	-	4,227
Experience adjustments	-	5,097	-	15,796
Benefits paid during the year	(3,812)	(9,136)	-	(8,786)
<b>Balance as at 31 December</b>	<b>98,834</b>	<b>94,973</b>	<b>84,301</b>	<b>77,949</b>

The Company and the subsidiary expected to pay Baht 8.8 million of long-term employee benefits during the next year (Separate financial statements: Baht 8.8 million) (2017: consolidated financial statements of Baht 3.9 million, separate financial statements: Nil).

As at 31 December 2018, the weighted average duration of the liabilities for long-term employee benefit of the Company and the subsidiary is 10.7 - 13.8 years (Separate financial statements: 13.8 years) (2017: 10.7 - 13.8 years, Separate financial statements: 13.8 years).

Key actuarial assumptions are summarised below.

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Discount rate	2.48 - 2.65	2.46 - 2.65	2.48	2.46
Salary increase rate	5.00	5.00	5.00	5.00
Turnover rate	0 - 22	0 - 22	0 - 22	0 - 22



## 26. Provision for long-term employee benefits (Continued)

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2018 and 2017 were summarised below:

Consolidated financial statements						
Impact on employee benefit obligations						
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	2018	2017	2018 (Million Baht)	2017 (Million Baht)	2018 (Million Baht)	2017 (Million Baht)
Discount rate	0.5%	0.5%	(4.1)	(4.6)	4.4	5.0
Salary increase rate	0.5%	0.5%	4.5	4.6	(4.2)	(4.3)
Turnover rate	10%	10%	(1.2)	(1.3)	1.2	1.4

Separate financial statements						
Impact on employee benefit obligations						
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	2018	2017	2018 (Million Baht)	2017 (Million Baht)	2018 (Million Baht)	2017 (Million Baht)
Discount rate	0.5%	0.5%	(4.0)	(4.0)	4.3	4.3
Salary increase rate	0.5%	0.5%	4.5	4.0	(4.2)	(3.8)
Turnover rate	10%	10%	(1.2)	(1.0)	1.2	1.1

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days. This change is considered a post-employment benefits plan amendment and the Company and the subsidiary have additional liabilities for long-term employee benefits of Baht 0.3 million whereby the subsidiary is currently evaluating the impact of such law. The Company and the subsidiary will reflect the effect of the change by recognising past services costs as expenses in the profit or loss of the period in which the law is effective.

## 27. Other non-current liabilities

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2018	2017
Advance received - related parties	197,047	118,593
Deposit - related parties	58,143	56,195
Total other non-current liabilities - related parties (Note 8)	255,190	174,788
Advance received - unrelated parties	20,873	24,111
Deposit - unrelated parties	53,341	43,732
Total other non-current liabilities	329,404	242,631

## 28. Share capital

Movement of ordinary shares, paid-up capital and share premium during the year ended 31 December 2018 are as follows:

	Number of ordinary shares	Paid-up capital	Share premium
	(Thousand shares)	(Thousand Baht)	(Thousand Baht)
<u>Issue and paid-up share capital</u>			
As at 1 January 2018	494,034	494,034	1,041,358
Increase from exercise of convertible debentures (Note 25)	77,481	77,481	3,474,955
As at 31 December 2018	571,515	571,515	4,516,313

The Company had already registered its paid-up capital with the Ministry of Commerce on 27 June 2018 and 1 October 2018.

## 29. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside as a statutory reserve at least 5 percent of its net profit for the year after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital. The statutory reserve could not be used for dividend payment.

At present, the statutory reserve has fully been set aside.



### 30. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cost of electricity	1,419,284	1,436,963	1,419,284	1,436,963
Cost of water and steam	425,665	335,017	425,665	335,017
Cost of rental	76,720	72,900	76,720	72,900
Cost of exhibition	60,811	46,756	60,811	46,756
Employees benefits expense	183,472	177,812	156,945	158,536
Depreciation and amortisation	203,633	194,207	202,965	193,788
Premises and equipment expenses	59,189	53,489	57,843	52,773
Directors and management's remuneration	82,261	80,362	81,341	77,913

### 31. Income tax

Income tax expenses for the years ended 31 December 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017 (Restated)
<b>Current income tax:</b>				
Current income tax charge	3,184	(3,329)	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	19,311	(46,227)	45,231	(59,704)
<b>Income tax (income) expense reported in the income statement</b>	<b>22,495</b>	<b>(49,556)</b>	<b>45,231</b>	<b>(59,704)</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2018 and 2017 were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Deferred tax relating to				
Reversal of gain on changes in value of available-for-sale investments due to change in investment classification (Note 14)	(84,617)	(203,034)	(84,617)	(203,034)
Loss on changes in value of available-for-sale investments	(48,462)	36,571	(48,462)	36,571
Gain on actuarial loss (gain)	-	(2,473)	-	(4,865)
<b>Total</b>	<b>(133,079)</b>	<b>(168,936)</b>	<b>(133,079)</b>	<b>(171,328)</b>

### 31. Income tax (Continued)

The reconciliation between accounting profit and income tax expenses was shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017 (Restated)
Accounting profit before tax	2,623,134	3,455,010	1,448,804	1,667,150
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	524,627	691,002	289,761	333,430
Effects of:				
Non-deductible expenses	15,144	14,262	14,780	11,375
Additional expense deductions allowed	(1,285)	(2,699)	(1,281)	(2,603)
Taxable income	14,337	-	14,337	-
Income not subject to tax	(548,142)	(748,547)	(316,100)	(398,332)
Total	(519,946)	(736,984)	(288,264)	(389,560)
Deferred tax assets not recognised	22,846	-	48,766	-
Utilised tax loss	(5,032)	(3,574)	(5,032)	(3,574)
Income tax (income) expenses reported in income statement	22,495	(49,556)	45,231	(59,704)

The components of deferred tax assets and deferred tax liabilities were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017 (Restated)
<b>Deferred tax assets</b>				
Allowance for doubtful accounts - finance lease receivables	-	248	-	248
Allowance for diminution in value of investments	162,116	162,073	162,116	187,907
Allowance for asset impairment	18,458	18,458	18,458	18,458
Provision for long-term employee benefits	19,767	18,995	16,860	15,590
Advance received	-	20,462	-	20,462
Provision for guarantees	2,715	2,715	2,715	2,715
Total	203,056	222,951	200,149	245,380
<b>Deferred tax liabilities</b>				
Unrealised gain on change in value of investments	(153,127)	(286,292)	(153,127)	(286,206)
Investment properties	(208)	(208)	(208)	(208)
Total	(153,335)	(286,500)	(153,335)	(286,414)
Deferred tax - net	49,721	(63,549)	46,814	(41,034)



## 31. Income tax (Continued)

The outstanding balances of deferred tax assets and liabilities in statement of financial position are as follows:

(Unit: Thousand Baht)

	2018	2017	2018	2017
Deferred tax assets	49,721	3,404	46,814	-
Deferred tax liabilities	-	(66,953)	-	(41,034)
	<u>49,721</u>	<u>(63,549)</u>	<u>46,814</u>	<u>(41,034)</u>

As at 31 December 2018, the Company had unused tax losses totaling Baht 309 million (2017: Baht 381 million), on which deferred tax assets have not been recognised as the Company believes that the Company's future taxable profits may not be sufficient to allow utilisation of unused tax losses.

Details of expiry date of unused tax losses are summarised as below.

(Unit: Thousand Baht)

Consolidated and separate financial statements		
	2018	2017
31 December 2017	-	72,410
31 December 2018	73,110	73,110
31 December 2019	82,366	82,366
31 December 2020	38,928	38,928
31 December 2021	<u>114,216</u>	<u>114,216</u>
	<u>308,620</u>	<u>381,030</u>

## 32. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the total sum of the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued according to the portion of warrant exercise.

## 32. Earnings per share (Continued)

The following table sets forth the computation of basic and diluted earnings per share:

Consolidated financial statements						
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2018	2017	2018	2017	2018	2017
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the parent	2,595,281	3,498,991	532,402	494,034	4.87	7.08
<b>Effect of dilutive potential ordinary shares</b>						
Convertible debentures	105	10,003	418	39,697		
<b>Diluted earnings per share</b>						
Profit attributable to ordinary shareholders assuming the conversion of convertible debentures to ordinary shares	2,595,386	3,508,994	532,820	533,731	4.87	6.57

Separate financial statements						
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2018	2017	2018	2017	2018	2017
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the parent	1,403,574	1,726,855	532,402	494,034	2.64	3.50
<b>Effect of dilutive potential ordinary shares</b>						
Convertible debentures	105	10,003	418	39,697		
<b>Diluted earnings per share</b>						
Profit attributable to ordinary shareholders assuming the conversion of convertible debentures to ordinary shares	1,403,679	1,736,858	532,820	533,731	2.63	3.24



### 33. Dividends

		Approved by	Total dividends (Million Baht)	Dividends per share (Baht)	Payment date
<b>2018</b>					
Dividends for the year 2017	Annual General Meeting of the shareholders on 23 April 2018		271.7	0.55	21 May 2018
Interim dividend for the year 2018	A meeting of Board of Directors on 14 November 2018		114.3	0.20	13 December 2018
<b>Total dividend payment for the year ended 31 December 2018</b>			<b>386.0</b>	<b>0.75</b>	
<b>2017</b>					
Dividends for the year 2016	Annual General Meeting of the shareholders on 25 April 2017		172.9	0.35	22 May 2017
Interim dividend for the year 2017	A meeting of Board of Directors on 13 November 2017		49.4	0.10	8 December 2017
<b>Total dividend payment for the year ended 31 December 2017</b>			<b>222.3</b>	<b>0.45</b>	

### 34. Provident fund

The Company, subsidiary company and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund will be paid to the employees upon termination in accordance with the fund rules. The contributions for the year 2018 amounting to approximately Baht 9.8 million (2017: Baht 9.7 million) (Separate financial statements: Baht 9.2 million (2017: Baht 9.3 million)) were recognised as expenses.

### 35. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The Chief Operating Decision Makes has been identified as Executive Committee.

For management purposes, the Company and the subsidiary are organised into business units based on their products and services and have three reportable segments as follows:

1. Investment in consumer goods business
2. Investment in food and beverage business
3. Industrial park development and investment in other businesses

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The Company and the subsidiary have applied the pricing policies described in Note 8 to set the transfer price whereby there is no inter-segment transaction between the Company and the subsidiary.

There is no assets and liabilities information in the internal reports that are submitted to chief operating decision maker.

The following table presents revenue and profit information regarding the Company and the subsidiary's operating segments for the years ended 31 December 2018 and 2017:



## 35. Segment information (Continued)

### 35.1 Operating segment information

(Unit: Thousand Baht)

	For the year ended 31 December					
	Investment in consumer goods business		Investment in food and beverage business		Industrial park development and investment in other businesses	
	2018	2017	2018	2017	2018	2017
Revenues	1,346,451	1,176,688	1,236,024	1,650,018	3,101,032	3,816,051
Costs	-	-	(33,032)	(10,629)	(2,363,647)	(2,308,779)
Segment gross profit	1,346,451	1,176,688	1,202,992	1,639,389	737,385	1,507,272
Administrative expenses						
Loss from sale of investments						
Loss from diminution in value of investments						
Finance cost						
Income tax						
Profit for the year						
Non-controlling interest of the subsidiary						
Profit for equity holders of the Company						
Total assets						
Total liabilities						

## 35. Segment information (Continued)

### 35.2 Geographic segment information

The Company and the subsidiary operate in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

### 35.3 Major customers

For the year 2018 and 2017, the Company and the subsidiary have no major customer with revenue of 10 percent or more of an entity's revenues.

## 36. Commitments and contingent liabilities

### 36.1 Operating lease and service commitments

36.1.1 The Company and its subsidiary have entered into several lease agreements in respect of the lease of building and other service agreements. The terms of the agreements are generally 1 year to 2 years.

Future minimum lease payments required under these operating leases contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Payable within:				
Less than 1 year	5.2	4.9	3.9	3.6
1 to 2 years	0.3	1.7	0.3	0.4
Total	5.5	6.6	4.2	4.0

36.1.2 The associates and their subsidiaries and joint venture have entered into several lease agreements and other service agreements. Future minimum payments required under these operating leases and other service contracts were as follows:

(Unit: Million Baht)

	2018	2017
Payable within:		
Less than 1 year	322	221
1 to 5 years	364	73
Over 5 years	10	8
Total	696	302

An Associate entered into rental area and related services agreements with various local companies. Such associate had paid monthly fees of Baht 59 - 1,050,000. The period of agreement lasts 1 - 29 years and will be expired within 2024.



## 36. Commitments and contingent liabilities (Continued)

### 36.2 Capital commitments

36.2.1 As at 31 December 2018, the Company had capital commitments in respect of construction in Sahaphat Industrial Park of Baht 16.7 million (2017: Baht 21.9 million).

36.2.2 As at 31 December 2018, the associates had capital commitments in respect of procurement agreements for production machinery and equipment of approximately Baht 25 million.

### 36.3 Guarantees

36.3.1 As at 31 December 2018, there were outstanding bank guarantee of Baht 8.7 million (2017: Baht 8.4 million) issued by the bank on behalf of the Company in respect of certain performance bonds are required in the normal course of business in respect of the electricity use and others.

36.3.2 As at 31 December 2018, there were outstanding bank guarantees of approximately Baht 433 million (2017: Baht 206 million), issued by banks on behalf of the associates and their subsidiaries in respect of certain performance bonds as required in the normal course of business of associates and subsidiaries of its associates and as required for government agency.

As at 31 December 2018, the associates and their subsidiaries had guaranteed to their related parties with financial institutions of Baht 543 million (2017: Baht 530 million)

Moreover, an associate pledged a fixed deposit of Baht 36.3 million with the Revenue Department as a guarantee for a retroactive tax assessment made against its company. Currently, the case is in the appeal process of the Court of Appeal for Specialized Cases. In addition, this associate's fixed deposit of Baht 17 million has been pledged as a guarantee during the consideration of a lawsuit brought against such associate by the Department of Empowerment of Persons with Disabilities, seeking to have such associate pay contributions to the Fund for Empowerment of Persons with Disabilities.

36.3.3 As at 31 December 2018, the Company had guaranteed credit facilities to its related parties with financial institutions and other companies as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements	
	2018	2017
Guarantee to		
Associates	568.9	631.9
Related companies	238.7	218.6
Total	807.6	850.5

## 36. Commitments and contingent liabilities (Continued)

### 36.4 Other contracts commitment

36.4.1 The Company entered into agreements with foreign companies in respect of using trademark for consumer products. The Company is committed to pay on the basis and the rate as stipulated in the agreements.

36.4.2 In 1997, the Company entered into an agreement to purchase electricity current from associated company for the period of 40 years in order to sales to its customers in Industrial Park Project-Si Racha. The Company is committed to pay electricity expense on the basis and the rate as stipulated in the agreement and its customers have to guarantee the use of electricity to the Company at the rate as stipulated in the agreements.

In 1997, the Company entered into an agreement to purchase steam from such associated company for the period of 40 years in order to sales to its customers in Industrial Park Project-Si Racha. The Company is committed to pay steam expenses on the basis and the rate as stipulated in the agreement and its customers have to guarantee the use of electricity to the Company at the rate as stipulated in the agreements.

36.4.3 Other contracts commitments - associates and their subsidiaries and joint venture

The associates and their subsidiaries and joint venue entered into license agreements to manufacture and sales of products and technical service agreements with other companies whereby the associates are committed to pay on the basis and the rate as stipulated in the agreements.

### 36.5 Long-term purchase and service commitments - associate

36.5.1 An associate has commitments under natural gas purchase agreement for periods of 3 - 7 years. Under the agreement, an associate is committed to purchase natural gas at a minimum quantity at the price stipulated in the agreement.

No.	Period (Years)	Expired date	Average minimum quantity purchase (Million BTU)
1	3	30 November 2018	72,007 per annum
2	5	31 December 2018	271 per day
3	7	30 November 2020	23,385 per annum

36.5.2 Under an agreement with the PTT Public Company Limited ("PTT"), an associate is committed to purchase natural gas from PTT in a specified quantity and at a stipulated price as defined in the agreement for a period of 21 years. The agreement will expire in March 2020, however it contains an option to renew for an additional period of 4 years.

Such associate entered into an agreement with Operational Energy Group Limited under which the affiliate will provide management and advisory services for the operation and maintenance of the power plant, which such associate is committed to pay for at prices as determined in the agreement. The agreement expires on 31 December 2023.

Under an agreement with a private entity, such associate is committed to purchase raw water in a specified quantity and at a stipulated price as defined in the agreement for a period of 25 years. The agreement will expire in March 2024.

In addition, subsidiary of such associate entered into a biomass fuel purchase agreement with Siam Forestry Company Limited to purchase specified quantities at stipulated prices defined in the agreement. The agreement is effective from 21 August 2010 until termination.

On 1 June 2017, such associate entered into long-term service agreement with a foreign company for the maintenance and repair the Company's gas turbine engines, whereby the service charges are as stipulated in the agreement. The agreement will expire on 31 December 2023.



## 36. Commitments and contingent liabilities (Continued)

### 36.6 Litigation - an associate

- a) In 2011, an associate was being sued for compensation totaling approximately Baht 30 million in connection with traffic accidents.

Currently, settlements have been negotiated for some of the cases, with compensation being paid by the associate and the insurance company and some cases are under the consideration of the Supreme Court. As at 31 December 2018, total claims had therefore decreased to Baht 3.3 million. The associate's management has performed an assessment and believes that it will not suffer any material losses from this legal case;

- b) In 2016, an associate was sued by the Department of Empowerment of Persons with Disabilities seeking to have the associate pay Baht 21.6 million to the fund for Empowerment of Persons with Disabilities. Currently, the case is being considered by the Supreme Court. As at 31 December 2018, the associate's management set aside of provision for contingent liabilities of Baht 10.8 million in the account

## 37. Fair value hierarchy

The Company and its subsidiary had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated and separate Financial Statements					
	Level 1		Level 2		Total	
	2018	2017	2018	2017	2018	2017
<b>Assets measured at fair value</b>						
Held for trade investments						
Mutual fund	640	-	-	-	640	-
Available-for-sale investments						
Local marketable equity securities	2,638	2,302	-	-	2,638	2,302
Foreign marketable equity securities	204	217	-	-	204	217
<b>Assets for which fair value are disclosed</b>						
Investment in associates	29,093	29,623	-	-	29,093	29,623
Investment properties	-	-	6,637	6,637	6,637	6,637
<b>Liabilities for which fair value are disclosed</b>						
Debentures	2,022	2,043	-	-	2,022	2,043



## 38. Financial instruments

### 38.1 Financial risk management

The Company and its subsidiary's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, investments, short-term and long-term loans and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

#### ***Credit risk***

The Company and its subsidiary are exposed to credit risk primarily with respect to trade accounts receivable and other accounts receivable. The Company and its subsidiary manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the majority of sales services of the Company and the subsidiary are supplied to creditworthy customers. In addition, they have a large customer base. The Company and its subsidiary do not anticipate material losses from their debt collection. The maximum exposure to credit risk is limited to the carrying amount of receivables and other receivables as stated in the statement of financial position.

#### ***Interest rate risk***

The Company and its subsidiary's exposure to interest rate risk related primarily to its cash at banks, short-term loans and long-term borrowings and debentures. However, since most of their financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities that are subjected to interest classified by type of interest rates are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date or the repricing date if this occurs before the maturity date.



### 38. Financial instruments (Continued)

(Unit: Million Baht)

	Fixed interest rates						Consolidated financial statements						Effective interest rate	
	Within 1 year		Over 1 - 5 years		Floating interest rate		Non-interest bearing		Total				(% p.a.)	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Financial Assets</b>														
Cash and cash equivalents	50	-	-	-	155	92	7	7	212	99	0.10 - 1.30	0.10 - 0.63		
Current investments	40	61	-	-	-	-	-	-	40	61	1.60 - 1.80	1.65 - 1.75		
Total	90	61	-	-	155	92	7	7	252	160				
<b>Financial Liabilities</b>														
Short-term loans from financial institutions	-	-	-	-	-	4,080	-	-	-	4,080	-	1.65 - 1.70		
Debentures	-	-	2,000	2,000	-	-	-	-	2,000	2,000	2.39, 3.44	2.39, 3.44		
Convertible debentures	-	-	17	3,032	-	-	-	-	17	3,032	0.70	0.70		
Long-term loans from financial institutions	980	-	6,020	-	-	-	-	-	7,000	-	2.50	-		
Total	980	-	8,037	5,032	-	4,080	-	-	9,017	9,112				

### 38. Financial instruments (Continued)

(Unit: Million Baht)

	Fixed interest rates				Separate financial statements				Effective interest rate	
	Within 1 year		Over 1 - 5 years		Floating interest rate		Non-interest bearing		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Financial Assets</b>										
Cash and cash equivalents	50	-	-	-	144	86	5	5	199	91
Total	50	-	-	-	144	86	5	5	199	91
<b>Financial Liabilities</b>										
Short-term loans from financial institution	-	-	-	-	-	4,080	-	-	-	4,080
Debentures	-	-	2,000	2,000	-	-	-	-	2,000	2,000
Convertible debentures	-	-	17	3,032	-	-	-	-	17	3,032
Long-term loans from financial institutions	980	-	6,020	-	-	-	-	-	7,000	-
Total	980	-	8,037	5,032	-	4,080	-	-	9,017	9,112



## 38. Financial instruments (Continued)

### *Foreign currency risk*

The Company and its subsidiary have no significant exposure to foreign currency risk arises from trading transactions that are denominated in foreign currencies and have no significant foreign currency assets and liabilities that were unhedged against foreign exchange risk.

### 38.2 Fair values of financial instruments

Since the majority of the Company's and its subsidiary's financial instruments bear floating interest rates or fixed interest rates close to the market rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position, except for the fair value of debentures which had been disclosed in Note 24 to the financial statements.

## 39. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2018, the Group's debt-to-equity ratio was 0.34:1 (2017: 0.39:1) and the Company's was 0.68:1 (2017: 0.90:1).

## 40. Events after the reporting period

### Associates and their subsidiaries

- 40.1 On 22 February 2019, the Board of Directors' Meeting of I.C.C. International Plc. passed a resolution to approve the payment of dividend on the profit for the year 2018 to the shareholders at Baht 1.21 per share or a total dividend payment of Baht 351.7 million and general reserve 10% of income for the year 2018, amounting to Baht 92.05 million. The dividend will be paid to the shareholders during the year 2019.
- 40.2 On 20 February 2019, a meeting of the Board of Directors of Sahagreen Forest Company Limited passed a resolution to propose that the Annual General Meeting of the Shareholders to be held in March 2019 adopt a resolution to pay a dividend of Baht 0.50 per share, or a total of Baht 9.50 million, to the shareholders in respect of the 2018 earnings. Such dividend will be paid and recorded after it is approved by the Annual General Meeting of this company's shareholders.
- 40.3 On 26 February 2019, a meeting of the Board of Directors of Sahacogen (Chonburi) Plc. passed a resolution to propose the Annual General Meeting of the Shareholders to be held in April 2019 adopt a resolution to pay a dividend of Baht 0.12 per share, or a total of Baht 114.60 million, to the shareholders in respect of the 2018 earnings. Such dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

## 41. Reclassification

The Company reclassified the following amounts in the statement of financial position as at 31 December 2017 to conform with current year's classification as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 December 2017		As at 31 December 2017	
	As reclassified	As previously reported (Restated)	As reclassified	As previously reported (Restated)
Deferred tax assets	3,405	222,951	-	245,380
Deferred tax liabilities	66,954	286,500	41,034	286,414

## 42. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised Directors on 27 February 2019.



# Corporate Profile and Other Significant Matters

## 1. Corporate Profile

### NAME AND OFFICE LOCATION

<b>NAME</b>	:	SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED
<b>HEAD OFFICE</b>	:	530 SOI SATHUPRADIT 58, BANGPONGPANG AREA, YANNAWA DISTRICT, BANGKOK 10120
<b>TYPE OF BUSINESS</b>	:	OPERATES IN 3 CATEGORIES: 1) INVESTMENT IN CONSUMER PRODUCTS BUSINESS, 2) INVESTMENT IN FOOD AND BEVERAGE BUSINESS, AND 3) INDUSTRIAL PARK DEVELOPMENT AND INVESTMENT IN OTHER BUSINESSES
<b>REGISTRATION NO.</b>	:	0107537001340
<b>TEL.</b>	:	0-2293-0030
<b>FAX.</b>	:	0-2293-0040
<b>HOMEPAGE</b>	:	<a href="http://www.spi.co.th">http://www.spi.co.th</a>
<b>E-MAIL ADDRESS</b>	:	COMPANY SECRETARY <a href="mailto:supradit@spi.co.th">supradit@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:natthakan@spi.co.th">natthakan@spi.co.th</a> PERSON IN CHARGE OF CUSTOMER RELATIONS <a href="mailto:amphol@spi.co.th">amphol@spi.co.th</a> PUBLIC RELATIONS OFFICER <a href="mailto:chalitta@spi.co.th">chalitta@spi.co.th</a>
<b>REGISTERED CAPITAL</b>	:	582,923,188 BAHT CONSISTS OF 582,923,188 ORDINARY SHARES AT PAR VALUE 1 BAHT
<b>ISSUED AND PAID UP CAPITAL</b>	:	571,515,007 BAHT CONSISTS OF 571,515,007 ORDINARY SHARES AT PAR VALUE 1 BAHT

### BRANCH OFFICE

BRANCH	ADDRESS	TEL.	FAX
BRANCH 1	9 MOO 1, TAMBON BUANG, SI RACHA DISTRICT, CHON BURI PROVINCE 20230	(038) 480-444	(038) 480-505
BRANCH 2	1 MOO 5, TAMBON NONSI, KABINBURI DISTRICT, PRACHINBURI PROVINCE 25110	(037) 205-203-7	(037) 205-202
BRANCH 3	189 MOO 15, TAMBON PASAK, MUEANG LAMPHUN DISTRICT, LAMPHUN PROVINCE 51000	(053) 584-072-4	(053) 584-080
BRANCH 4	196 MOO 11, TAMBON WANG — DAAN, KABINBURI DISTRICT, PRACHINBURI PROVINCE 25110	(037) 290-345	(037) 290-345
BRANCH 5	269 MOO 15, TAMBON MAEKASA, MAE SOT DISTRICT, TAK PROVINCE 63110	(055) 546-634	(055) 546-634
BRANCH 6	1 MOO 6, TAMBON SURASAK, SI RACHA DISTRICT, CHON BURI PROVINCE 20230	(038) 480-444	(038) 480-505





## OTHER REFERENCES

### SHARE REGISTRAR

: THAILAND SECURITIES DEPOSITORY CO.,LTD.  
93 RATCHADAPHISEK ROAD, DINDAENG, BANGKOK 10400  
TEL. 0-2009-9000  
FAX. 0-2009-9991

### AUDITOR

: MRS. SARINDA HIRUNPRASURTWUTTI C.P.A. (THAILAND)  
REGISTRATION NO.4799 AND/OR MRS. SAIFON INKAEW C.P.A.  
(THAILAND) REGISTRATION NO.4434 AND/OR MS. KAMONTIP  
LERTWITWORATEP C.P.A. (THAILAND) REGISTRATION NO.4377  
EY OFFICE LIMITED  
33<sup>rd</sup> FLOOR, LAKE RAJADA OFFICE COMPLEX 193/136-137  
RAJADAPISEK ROAD, KLONGTOEY, BANGKOK 10110  
TEL. 0-2264-9090  
FAX. 0-2262-0789-90

## 2. Other Significant Matters

-None-



## INVESTMENT IN OTHER COMPANIES IN 2018 WHICH THE COMPANY HOLDS MORE THAN 10% OF ISSUED SHARES

	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARE ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
CONSUMER PRODUCTS BUSINESS								
1	THAI ITOKIN CO., LTD.	BANGKOK	MANUFACTURER OF READY-TO-WEAR CLOTHES	ORDINARY	1,400,000	449,500	32.11	58,152,029.69
2	INTERNATIONAL LABORATORIES CO., LTD.	BANGKOK	MANUFACTURER OF COSMETICS	ORDINARY	12,000,000	3,000,000	25.00	165,000,000.00
3	SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED	BANGKOK	DISTRIBUTOR OF CONSUMER PRODUCTS	ORDINARY	330,000,000	82,417,665	24.98	1,203,051,270.59
4	LION CORPORATION (THAILAND) CO., LTD.	BANGKOK	MANUFACTURER OF CONSUMER PRODUCTS	ORDINARY, PREFERRED	5,000,000	1,240,000	24.80	124,000,000.00
5	I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED	BANGKOK	DISTRIBUTOR OF CONSUMER PRODUCTS	ORDINARY	290,633,730	71,432,590	24.58	955,328,966.18
6	THANULUK PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER OF READY-TO-WEAR CLOTHES AND LEATHER	ORDINARY	120,000,000	28,220,820	23.52	28,688,920.22
7	THAI WACOAL PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER OF LADIES' LINGERIE	ORDINARY	120,000,000	27,441,400	22.87	154,154,929.20
8	TOP TREND MANUFACTURING CO., LTD.	CHON BURI	MANUFACTURER OF COSMETIC PACKAGING	ORDINARY	1,200,000	240,000	20.00	47,625,000.00
9	SSDC (TIGERTEX) CO., LTD.	PRACHIN BURI	FABRIC DYEING	ORDINARY	32,400,000	6,385,170	19.71	76,609,202.82
10	TOTAL WAY IMAGE CO., LTD.	BANGKOK	MANUFACTURER OF LEATHER PRODUCTS	ORDINARY	200,000	38,998	19.50	6,246,583.44
11	THAI MONSTER CO., LTD.	BANGKOK	MANUFACTURER OF READY-TO-WEAR CLOTHES	ORDINARY	50,000	9,750	19.50	5,906,141.75
12	THAI HOOVER INDUSTRY CO., LTD.	SAMUT PRAKAN	MANUFACTURER OF COSMETIC PACKAGING	ORDINARY	600,000	116,396	19.40	11,639,600.00
13	G TECH MATERIAL CO., LTD.	BANGKOK	MANUFACTURER OF LINGERIE AND BRA ACCESSORIES	ORDINARY	3,000,000	570,000	19.00	57,000,000.00
14	A TECH TEXTILES CO., LTD.	BANGKOK	MANUFACTURER OF LINGERIE AND BRA ACCESSORIES	ORDINARY	10,000,000	1,900,000	19.00	190,000,000.00
15	H & B INTERTEX CO., LTD.	BANGKOK	MANUFACTURER OF FABRIC DOLLS	ORDINARY	400,000	76,000	19.00	7,600,000.00
16	S.T. (THAILAND) CO., LTD.	CHON BURI	MANUFACTURER AND DISTRIBUTOR OF RUBBER GLOVES	ORDINARY	1,420,000	266,250	18.75	26,625,000.00



	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARE ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
17	BANGKOK ATHLETIC CO., LTD.	BANGKOK	DISTRIBUTOR OF SPORT SHOES AND EQUIPMENTS	ORDINARY	2,000,000	363,155	18.16	69,561,939.58
18	SAHA NUM TEXTILE CO., LTD.	BANGKOK	MANUFACTURER OF YARN	ORDINARY	360,000	64,800	18.00	3,535,488.00
19	BANGKOK TOKYO SOCKS CO., LTD.	CHON BURI	MANUFACTURER AND EXPORTER OF SOCKS	ORDINARY	1,617,800	280,000	17.31	26,764,312.50
20	ERAWAN TEXTILE CO., LTD.	SAMUT PRAKAN	MANUFACTURER OF SPUN YARNS AND FABRICS	ORDINARY	6,214,634	1,005,804	16.18	127,187,281.36
21	S&J INTERNATIONAL ENTERPRISE PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER OF COSMETICS	ORDINARY	149,930,828	24,071,071	16.05	151,992,954.73
22	PATTAYA MANUFACTURING CO., LTD.	BANGKOK	MANUFACTURER OF LADIES' LINGERIE	ORDINARY	3,000,000	480,000	16.00	4,922,582.50
23	NEW CITY (BANGKOK) PUBLIC COMPANY LIMITED	BANGKOK	DISTRIBUTOR OF STOCKINGS	ORDINARY	14,951,000	2,317,738	15.50	43,120,478.00
24	PT. TRINITY LUXTRO APPAREL	INDONESIA	DISTRIBUTOR OF READY-TO-WEAR CLOTHES	ORDINARY	120,000	18,000	15.00	5,861,700.00
25	SHISEIDO PROFESSIONAL (THAILAND) CO., LTD.	BANGKOK	DISTRIBUTOR OF COSMETICS & BEAUTY PRODUCTS	ORDINARY	7,000,000	1,050,000	15.00	10,500,000.00
26	TOYO TEXTILE THAI CO., LTD.	BANGKOK	MANUFACTURER AND EXPORTER OF SOCKS	ORDINARY	300,000	45,000	15.00	4,500,000.00
27	THAI KOBISHI CO., LTD.	CHON BURI	MANUFACTURER OF PAPER PACKAGING	ORDINARY	1,000,000	150,000	15.00	15,000,000.00
28	THAI SPORT GARMENT CO., LTD.	BANGKOK	MANUFACTURER OF READY-TO-WEAR CLOTHES	ORDINARY	100,000	15,000	15.00	1,500,000.00
29	WORLD SAHA FASHION CO., LTD.	BANGKOK	MANUFACTURER AND DISTRIBUTORS OF MEN'S APPARELS	ORDINARY	50,000	7,500	15.00	7,500,000.00
30	EASTERN RUBBER CO., LTD.	CHON BURI	MANUFACTURER OF SHOE SOLES	ORDINARY	300,000	45,000	15.00	4,500,000.00
31	O C C PUBLIC COMPANY LIMITED	BANGKOK	DISTRIBUTOR OF COSMETICS	ORDINARY	60,000,000	8,615,400	14.36	29,086,257.78
32	INTERNATIONAL LATHER FASHION CO., LTD.	BANGKOK	MANUFACTURER OF LEATHER PRODUCTS	ORDINARY	500,000	70,000	14.00	7,000,000.00
33	PEOPLE S GARMENT PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER AND DISTRIBUTOR OF READY-TO-WEAR CLOTHES	ORDINARY	96,000,000	13,228,666	13.78	56,886,983.49
34	RACHA UCHINO CO., LTD.	BANGKOK	MANUFACTURER OF TOWEL PRODUCTS	ORDINARY	1,215,000	150,828	12.41	10,080,960.00
35	TEXTILE PRESTIGE PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER OF INDUSTRIAL TEXTILE PRODUCTS	ORDINARY	108,000,000	12,993,750	12.03	12,993,750.00

	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARE ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
36	FUJIX INTERNATIONAL CO., LTD.	BANGKOK	MANUFACTURER OF YARN	ORDINARY	100,000	12,000	12.00	10,177,500.00
37	MORGAN DE TOI (THAILAND) CO., LTD.	BANGKOK	MANUFACTURER OF FINISHED GARMENTS	ORDINARY	400,000	48,000	12.00	4,800,000.00
38	MOLTEN (THAILAND) CO., LTD.	CHON BURI	MANUFACTURER OF BALLS	ORDINARY	1,000,000	120,000	12.00	12,000,000.00
39	WIEN INTERNATIONAL CO., LTD.	BANGKOK	DISTRIBUTOR OF LINGERIE AND SEWING MACHINES	ORDINARY	300,000	36,000	12.00	3,600,000.00
40	BETTER WAY (THAILAND) CO., LTD.	BANGKOK	DIRECT SALES OF COSMETICS AND CONSUMER PRODUCTS	ORDINARY	10,000,000	1,177,362	11.77	11,773,620.00
41	JANOME (THAILAND) CO., LTD.	PRACHIN BURI	MANUFACTURER OF SEWING MACHINE	ORDINARY	9,740,000	1,097,964	11.27	28,177,607.00
42	THAI GUNZE CO., LTD.	PRACHIN BURI	MANUFACTURER OF MENS' INNER WEARS	ORDINARY	1,800,000	198,000	11.00	19,800,000.00
43	SAHA SEHWA CO., LTD.	CHON BURI	MANUFACTURER OF PLASTIC PARTS FOR ELECTRICAL APPLIANCES	ORDINARY	10,300,000	1,083,276	10.52	10,832,759.00
44	THAI SHIKIBO CO., LTD.	CHON BURI	MANUFACTURER OF YARN	ORDINARY	2,375,000	237,600	10.00	23,760,000.00
45	THAI TAKAYA CO., LTD.	BANGKOK	MANUFACTURER OF READY-TO-WEAR CLOTHES	ORDINARY	300,000	30,000	10.00	3,000,000.00
46	THAI TOMADO CO., LTD.	CHON BURI	MANUFACTURER OF METAL PRODUCTS	ORDINARY	200,000	20,000	10.00	2,000,000.00
47	THAI STAFLEX CO., LTD.	BANGKOK	MANUFACTURER OF INTERLINING	ORDINARY	600,000	60,000	10.00	6,000,000.00
<b>TOTAL CONSUMER PRODUCTS BUSINESS</b>								
<b>3,846,043,817.83</b>								
<b>FOOD AND BEVERAGE BUSINESS</b>								
48	PRESIDENT INTERFOODS CO., LTD.	BANGKOK	BROKERAGE AND EXPORT SERVICES	ORDINARY	300,000	153,000	51.00	12,321,654.00
49	SAHACHOL FOOD SUPPLIES CO., LTD.	CHON BURI	MANUFACTURER AND EXPORTER OF AGRICULTURE PRODUCTS	ORDINARY	3,250,000	854,830	26.30	148,407,884.00
50	THAI PRESIDENT FOODS PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER OF INSTANT NOODLES	ORDINARY	329,704,014	83,148,102	25.22	3,264,472,054.87
51	PRESIDENT BAKERY PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER AND DISTRIBUTOR OF BAKERY PRODUCTS	ORDINARY	450,000,000	97,297,200	21.62	5,768,658,766.87
52	AMERICAN FOOD CO., LTD.	PATHUM THANI	MANUFACTURER AND DISTRIBUTOR OF ICE CREAM	ORDINARY	14,000,000	2,100,000	15.00	21,000,000.00
53	KENMIN FOOD (THAILAND) CO., LTD.	CHON BURI	MANUFACTURER OF RICE NOODLE	ORDINARY	330,000	47,000	14.24	32,537,000.00
54	THAI PRESIDENT FOODS (Hungary) Kft.	HUNGARY	MANUFACTURER OF INSTANT NOODLES	ORDINARY			10.00	32,182,363.55

	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARE ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
55	KEWPIE (THAILAND) CO., LTD.	BANGKOK	MANUFACTURER OF FOOD PRODUCTS	ORDINARY	2,600,000	260,000	10.00	26,000,000.00
56	U C UESHIMA COFFEE (THAILAND) CO., LTD.	BANGKOK	MANUFACTURER AND DISTRIBUTOR OF COFFEE	ORDINARY	150,000	15,000	10.00	1,500,000.00
<b>TOTAL FOOD AND BEVERAGE BUSINESS</b>								
<b>9,307,079,723.29</b>								
<b>OTHER BUSINESSES</b>								
57	SAHAPAT REAL ESTATE CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	36,000,000	14,400,000	40.00	165,000,000.00
58	EASTERN THAI CONSULTING 1992 CO., LTD.	CHON BURI	ENVIRONMENTAL MANAGEMENT	ORDINARY	200,000	80,000	40.00	10,000,000.00
59	BOON CAPITAL HOLDING CO., LTD.	BANGKOK	INVESTMENT	ORDINARY	34,300,000	12,347,999	36.00	123,479,990.00
60	PITAKKIJ CO., LTD.	CHON BURI	CONSTRUCTION	ORDINARY	200,000	67,040	33.52	6,704,000.00
61	GREEN LIFE MANAGEMENT CO., LTD.	BANGKOK	SERVICED APARTMENT	ORDINARY	100,000	30,000	30.00	11,049,900.00
62	FIRST UNITED INDUSTRIES CO., LTD.	BANGKOK	REAL ESTATE FOR RENT	ORDINARY	400,000	112,582	28.15	11,258,200.00
63	SAHAPAT PROPERTIES CO., LTD.	BANGKOK	INVESTMENT	ORDINARY	200,000	52,500	26.25	5,250,000.00
64	THAI SECOM SECURITY CO., LTD.	BANGKOK	SECURITY SERVICES	ORDINARY	3,788,572	966,282	25.50	196,965,028.00
65	SEINO SAHA LOGISTICS CO., LTD.	CHON BURI	LOGISTICS	ORDINARY	2,000,000	470,000	23.50	17,285,646.74
66	SAHA KOMEHYO CO., LTD.	BANGKOK	DISTRIBUTOR OF SECOND HAND BRAND NAME PRODUCTS	ORDINARY	50,000	10,500	21.00	1,050,000.00
67	IMPACT SOLAR CO., LTD.	BANGKOK	SOLAR ROOFTOP POWER PLANT	ORDINARY	43,300,000	9,093,000	21.00	90,930,000.00
68	SAHACOGEN (CHONBURI) PUBLIC COMPANY LIMITED	CHON BURI	ELECTRICITY GENERATOR	ORDINARY	955,000,000	199,432,832	20.88	924,692,444.10
69	SAHA TOKYU CORPORATION CO., LTD.	CHON BURI	SERVICED RESIDENCE	ORDINARY	332,000	66,400	20.00	66,400,000.00
70	M B T S BROKING SERVICE CO., LTD.	BANGKOK	NON-LIFE INSURANCE BROKER	ORDINARY	50,000	9,995	19.99	999,500.00
71	SAHA UBOL NAKORN CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	1,250,000	243,750	19.50	6,998,437.50
72	PAN LAND CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	3,000,000	580,000	19.33	58,000,000.00
73	TIGER DISTRIBUTION AND LOGISTICS CO., LTD.	BANGKOK	LOGISTICS	ORDINARY	2,000,000	380,000	19.00	12,546,200.00
74	INTERNATIONAL COMMERCIAL COORDINATION (HONG KONG) LIMITED	HONG KONG	RETAIL SHOP	ORDINARY	50,000	9,000	18.00	4,483,997.26

	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARE ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
75	TIGER MK LOGISTICS (MYANMAR) CO., LTD.	MYANMAR	LOGISTICS	ORDINARY	30,000	5,400	18.00	1,781,720.00
76	Si Racha TRANSPORTATION CO., LTD.	CHON BURI	LOGISTICS	ORDINARY	100,000	18,000	18.00	2,518,011.50
77	SHOP GLOBAL (THAILAND) CO., LTD.	BANGKOK	DIRECT SALES (REAL TIME)	ORDINARY	10,850,000	1,890,000	17.42	41,580,000.00
78	CHAMP ACE CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	400,000	68,000	17.00	6,800,000.00
79	BN C REAL ESTATE CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	2,400,000	400,000	16.67	40,000,000.00
80	MOTEN ASIA POLYMER PRODUCTS CO., LTD.	CHON BURI	MANUFACTURER OF RUBBER COMPONENTS.	ORDINARY	1,200,000	187,200	15.60	18,720,000.00
81	TSURUHA (THAILAND) CO., LTD.	BANGKOK	RETAIL SHOP	ORDINARY	250,000	37,500	15.00	60,000,000.00
82	THAI ARAI CO., LTD.	CHON BURI	MANUFACTURER OF MOTORCYCLES' COMPONENTS	ORDINARY	1,260,000	185,850	14.75	19,202,504.36
83	FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED	BANGKOK	ADVERTISING SERVICES	ORDINARY	7,500,000	1,055,700	14.08	29,154,287.52
84	SAHA RATTANA NAKORN CO., LTD.	CHON BURI	INDUSTRIAL ESTATE	ORDINARY	1,800,000	225,000	12.50	22,500,000.00
85	K COMMERCIAL & CONSTRUCTION CO., LTD.	BANGKOK	CONSTRUCTION	ORDINARY	500,000	50,000	10.00	5,150,406.14
86	SUN 108 CO., LTD.	BANGKOK	DISTRIBUTOR OF VENDING MACHINES	ORDINARY	45,000,000	4,500,000	10.00	45,000,000.00
87	TOYOBO SAHA SAFETY WEAVE CO., LTD.	SAMUT PRAKAN	MANUFACTURER AND DISTRIBUTOR OF AIRBAGS	ORDINARY	10,000,000	1,000,000	10.00	100,000,000.00
88	THAI CUBIC TECHNOLOGY CO., LTD.	BANGKOK	PRINTING AND COATING SERVICES	ORDINARY	400,000	40,000	10.00	4,000,000.00
89	BOONRAVEE CO., LTD.	BANGKOK	PROGRAMMING SERVICES	ORDINARY	200,000	20,000	10.00	2,000,000.00
<b>TOTAL OTHER BUSINESSES</b>								<b>2,111,500,273.12</b>
<b>GRAND TOTAL</b>								<b>15,264,623,814.24</b>

# Board of Directors & Executive Board





## Board of Directors



**Mr. Boonsithi Chokwatana**  
Chairman of the Board of Directors /  
Chairman of Nomination  
and Remuneration Committee



**Mr. Vichai Kulsomphob**  
President /  
Nomination and Remuneration Committee /  
Corporate Governance  
and Risk Management Committee



**Mr. Samrerng Manoonpol**  
Director



**Mr. Manu Leelanuwatana**  
Director



**Ms. Sirikul Dhanasarnsilp**  
Director /  
Nomination and Remuneration Committee



## Board of Directors



Mr. Sujarit Patchimnan  
Director



Mr. Pipat Paniangvait  
Director



Mr. Boonkiet Chokwatana  
Director



Mr. Boonchai Chokwatana  
Director



Mr. Pipope Chokwatana  
Director





## Board of Directors



Mr. Surachai Danaitangtrakul  
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



Mr. Sompong Sungrungsan  
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



Ms. Sirikul Dhanasarnsilp  
Executive Board



Mr. Manus Ongsarankom  
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	81	- The Honorary Doctorate Degree in - Business Administration Burapha University Thammasat University National Institute of Development Administration (NIDA) University of the Thai Chamber of Commerce - Engineering Khon Kaen University - Law Waseda University - Science (Textile and Garment) Rajamangala University of Technology Krunthep - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	1.216	2, 7, 8, 10	2017 - Present	<b>Other Listed Companies</b> Chairman of Nomination and Remuneration Committee	Thai President Foods Public Company Limited
					1972 - Present	Chairman	Thai President Foods Public Company Limited
					Dec 2016 - Present	Honorary Advisory	I.C.C. International Public Company Limited
					May 2016 - Dec 2016	Honorary Advisory Director	I.C.C. International Public Company Limited
					1991 - May 2016	Vice Chairman	I.C.C. International Public Company Limited
					Jul 2016 - Present	Advisory Board	Thanulux Public Company Limited
					2010 - Jul 2016	Advisory Director	Thanulux Public Company Limited
					1975 - 2010	Chairman	Thanulux Public Company Limited
					2010 - Present	Advisory Director	Thai Wacoal Public Company Limited
					1990 - 2010	Advisory Director	Thai Wacoal Public Company Limited
					2010 - Present	Advisory Board	Textile Prestige Public Company Limited
					1980 - 2010	Advisory Director	Textile Prestige Public Company Limited
					2010 - Present	Honorary Chairman	Saha Pathanapibul Public Company Limited
					1961 - 2010	Chairman	Saha Pathanapibul Public Company Limited
					2002 - April 2018	Director	Sahacogen (Chonburi) Public Company Limited
							18 Companies
							<b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's</b>
							<b>Business</b>
							Chairman
							Chairman
							Director
							Director
							Director
							Director
							Director
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					
		Chairman					
		Director					

Name/Position/ Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences								
					Period	Position	Company Name						
2. Mr. Vichai Kulsumphob  - President - Executive Director - Corporate Governance and Risk Management Committee - Nomination and Remuneration Committee  - Director with authority to sign on behalf of the company  - 23 April 2012	41	- 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 - Strategic CFO in Capital Market Program (Class 4) Thailand Securities Institute, The Stock Exchange of Thailand - Director Certification Program (DCP) 61/2005 - Company Secretary Program (CSP) 18/2006 Thailand Institute of Directors Association (IOD)	0.070	1	April 2018 - Present April 2018 - Present 2015 - April 2018 2006 - 2013    2018 - Present 2018 - Present 2018 - Present 2018 - Present 2018 - Present 2018 - Present 2017 - Present 2017 - Present 2017 - Present 2014 - Present 2014 - Present 2013 - Present 2013 - Present 2013 - Present 2012 - Present	<u>Other Listed Companies</u> Director Director Director Executive Vice President  <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Chairman Managing Director Managing Director Director Director Director Managing Director Managing Director Managing Director Director Director Director Managing Director Director Director Director Director Managing Director	Sahacogen (Chonburi) Public Company Limited President Bakery Public Company Limited Singer Thailand Public Company Limited Bangkok First Investment & Trust Public Company Limited Company Limited 42 Companies  BNC Real Estate Co., Ltd. First United Industry Co., Ltd. Sahapat Properties Co., Ltd. Sinparadon Co., Ltd. Saha Asia Pacific Co., Ltd. Treasure Hill Co., Ltd. BSC So In Co., Ltd. Pan Land Co., Ltd. Sahapat Real Estate Co., Ltd. WBRE Co., Ltd. Saha Tokyu Corporation Co., Ltd. I.D.F. Co., Ltd. Park Capital Holding Co., Ltd. SSI Holding Co., Ltd. Boon Capital Holding Co., Ltd.						
						- None -							
						Any position in other business or other organizations in the previous year which has an impact 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
3. Mr. Samreng Manoonpol - Director - Executive Director - Director with authority to sign on behalf of the company - 23 March 1972	82	- High School, Wat Rajabopit School - Director Accreditation Program (DAP) 3/2003 Thai Institute of Directors Association (IOD)	0.262	-	2010 - Present 2008 - Present  2015 - 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 Vice Chairman Chairman Chairman  - None -	I.C.C. International Public Company Limited Saha Pathanapibul Public Company Limited 7 Companies  First United Industry Co., Ltd. Sahamanoonpol Co., Ltd. Sahapat Properties Co., Ltd. Watsadoramal Co., Ltd.
4. Mr. Manu Leelanuwatana - Director - Executive Director - Director with authority to sign on behalf of the company - 23 April 2007	73	- Bachelor's Degree in Mechanical Engineering, Chiba University, Japan - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	-	-	2004 - Present 1990 - Present 1974 - 1990 1973 - 1974 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 <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> - None -	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 Thanuluk Public Company Limited Thanuluk Public Company Limited Thanuluk Public Company Limited 18 Companies
5. Ms. Sirikul Dhanasarnsilp - Director - Executive Director - Nomination and Remuneration Committee - Director with authority to sign on behalf of the company - 16 June 2016	71	- 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	0.623	-	1976 - Present 2004 - Apr 2017  2018 - Present 2017 - Present	<u>Other Listed Companies</u> Director Vice Chairman <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director Director	Textile Prestige Public Company Limited Thai Wacoal Public Company Limited 20 Companies  Sinparadon Co., Ltd. SSI Holding Co., Ltd.

Name/Position/ Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
		<ul style="list-style-type: none"> <li>- Certificate, Capital Market Academy, Class 16, The Stock Exchange of Thailand</li> <li>- Board and CEO Assessment 2/2003</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>			2017 - Present 2010 - Present 2002 - Present 1986 - Present	Director Director Director Chairman	Park Capital Holding Co., Ltd. Saha Asia Pacific Co., Ltd. Sahapat Real Estate Co., Ltd. Sareeraporn Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
6. Mr. Pipat Panirangvatt - Director - Director with authority to sign on behalf of the company - 27 June 2003	79	<ul style="list-style-type: none"> <li>- Bachelor's Degree in Education Science, Quanzhou Physical Culture Institute, People's Republic of China</li> <li>- Stanford Executive Program, Stanford University California, USA</li> <li>- Master of Business Administration Thammasat University</li> <li>- Honorary Doctor of Science Degree in Food Science and Technology, Faculty of Science and Technology, Rajamangala University of Technology Tawan-ok</li> <li>- Honorary Doctor of Arts Degree in Business Administration, North Chiang Mai University</li> <li>- Honorary Doctor of Arts Degree in Home Economics Development, Faculty of Education / Ramkhamhaeng University</li> <li>- Diploma, The Joint State-Private Sector Course (Class 2), The National Defence College</li> <li>- Director Accreditation Program (DAP) 3/2003</li> <li>- Director Certification Program (DCP) 39/2004</li> <li>Thai Institute of Directors Association (IOD)</li> </ul>	0.002	-	2013 - Present 2007 - 2013 2009 - Present 1994 - 2009 2007 - Present 2017 - 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> Nomination and Remuneration Committee Vice Chairman and Chief Executive Officer President Chairman Chairman Chairman <b>Other Companies (Non-Listed Companies)</b> <u>Competitive Business related to Company's Business</u> Director	The Thai Chamber of Commerce The Thai Chamber of Commerce Federation Internationale de Natation (FINA) Federation Internationale de Natation (FINA) National Olympic Committee of Thailand Thai President Foods Public Company Limited 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 Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact 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
7. Mr. Boonkiet Chokwatana  - Director  - Director with authority to sign on behalf of the company  - 21 April 1986	71	- 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)	0.982	1, 8	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
					Other Listed Companies		
					May 2016 - Present	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
					2016 - Present	Director	Sahacogen (Chonburi) Public Company Limited
					2008 - 2016	Chairman	Sahacogen (Chonburi) Public Company Limited
					1996 - 2007	Director	Sahacogen (Chonburi) Public Company Limited
					2012 - Present	Chairman	Pan Asia Footwaer Public Company Limited
					2011 - 2012	Director and Executive Director	Pan Asia Footwaer Public Company Limited
					1997 - 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  57 Companies
					Other Companies (Non-Listed Companies)		
					Competitive Business related to Company's Business		
					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	United Utility Co., Ltd.
					2000 - Present	Director	Treasure Hill Co., Ltd.
					1996 - Present	Director	Sapin Wattana Co., Ltd.
					1979 - Present	Director	Chaladadol Co., Ltd.
					1979 - Present	Director	Chokwatana Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact 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
8. Mr. Boonchai Chokwatana - Director - Director with authority to sign on behalf of the company - 23 April 2012	71	- Bachelor Degree in Arts (Political Science, (Rankhamhaeng 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, Maharakham University - The Honorary Doctorate Degree in Business Administration (Logistics Management) Suan Sunandha Rajabhat University - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thailand Institute of Directors Association (IOD)	0.033	1, 7	2014 - Present 2008 - 2014  2011 - Present 2010 - Present  1972 - 2010 1970 - Present 2012 - 2014 2011 - 2012 2007 - 2014  2015 - Present 2011 - Present 1995 - Present 1979 - Present 1972 - Present	Member of the National Legislative Assembly Senator <u>Other Listed Companies</u> Director Chairman and Chairman of the Executive Board Director Chairman Director Chairman Independent Director and Audit Committee <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> 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 Public Company Limited Pan Asia Public Company Limited MFC Asset Management Public Company Limited 18 Companies  Issara United Co., Ltd. Ek Pakorn Co., Ltd. Sahapat Real Estate Co., Ltd. Salpin Wattana Co., Ltd. Chaladadol Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
9. Mr. Sujant Patchiraman - Director - Director with authority to sign on behalf of the company - 15 December 2016	73	- Bachelor of Arts in Political Science Thammasat University - Master of Arts in Political Science Thammasat University - Director Accreditation Program (DAP) 41/2005 Thailand Institute of Directors Association (IOD)	-	-	2016 - Present  2008 - 2016 2013 - Present 2007 - May 2017	<u>Other Listed Companies</u> Chairman and Chairman of Nomination and Remuneration Committee Director and Executive Board Independent Director and Audit Committee Director <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> - None -	Sahacogen (Chonburi) Public Company Limited  Sahacogen (Chonburi) Public Company Limited Pan Asia Footwear Public Company Limited Saha Pathanapibul Public Company Limited 3 Companies - None -
Any position in other business or other organizations in the previous year which has an impact 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
10. Mr. Piopoe Chokwathana - Director - Director with authority to sign on behalf of the company - 23 April 2018	42	- Bachelor of Management Information System The University of Central Florida - Director Accreditation Program (DAP) 7/2005 - Director Certification Program (DCP) 26/2018 Thai Institute of Directors Association (IOD)	0.019	1	2004 - Present  April 2018 - Present 2004 - Present  2003 - Present	Assistance Secretary <b>Other Listed Companies</b> Director Vice President and Management Director <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b> Director	Industrial Council of Thailand  IT City Public Company Limited New City (Bangkok) Public Company Limited 2 Companies  Ek Pakorn Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
11. **Mr. Nipon Poapongsakorn - Independent Director - 25 April 2017	70	- 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 - Director Certification Program (DCP) 14/2002 Thai Institute of Directors Association	-	-	2014 - Present 2014 - Present 2013 - Present  2013 - Present 2013 - Present 2012 - Present  2010 - Present  2010 - Present 2010 - Present  2009 - Present  2008 - Present 1999 - Present  2017 - Present  2016 - Present	Director Chairman Visiting Professor  Board of Director Member of the Commission Subcommittee  Director  Director Advisor  Director  Executive Director Director  <b>Other Listed Companies</b> Audit Committee and Chairman of the Governance Committee Independent Director <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b>	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, Chai Mai University The Public Sector Development Commission Financial and Budgetary Improvement Law Development Commission, Office of the Council of State Thailand Productivity Institute The Thammasat Economics Association Thammasat University Foundation for Thai Rural Reconstruction Movement Under Royal Patronage Puey Ungphaphorn Institute Public Information Disclosure Tribunal for the Public Information on National Economy and Finance  Thanulux Public Company Limited  Thanulux Public Company Limited - None - - None -





Name/Position/ Date of Appointment	Age	Education	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
12. **Mr. Surachai Danaitangtrakul - Independent Director - 13 March 2017	64	- 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 System for Executives Certification Program (Class 4), The College of Politics and overnance, 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 Director Association (IOD)			Dec 2017 - Present 2015 - Present 2011 - 2014 2006 2005 2004 - 2006 2000 - 2006	- None - 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 Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	Thai Credit Guarantee Corporation Government Housing Bank Export - Import Bank of Thailand The Senate The Senate The Senate The Senate 6 Companies - None -
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
13. **Mr. Nophorn Bhongsvej - Independent Director - Chairman of Audit Committee - Chairman of Corporate Management Committee - 26 April 2010	71	-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)	-	-	2015 - Present 2005 - Present 2560 – 2561	- None - Other Listed Companies Audit Committee and Chairman of the Corporate Governance Independent Director, Chairman of Audit Committee and Nomination and Remuneration Committee Independent Director, Chairman of Audit Committee Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	I.C.C. International Public Company Limited Sahacogen (Chonburi) Public Company Limited Kantana Group Public Company Limited 2 Companies - None -
Any position in other business or other organizations in the previous year which has an impact 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
14. **Mrs. Punnee Worawuthichongsathit - Independent Director - Audit Committee - 25 April 2016	66	<ul style="list-style-type: none"> <li>- Bachelor Degree in Accounting</li> <li>- Master Degree in Accounting</li> <li>Faculty of Commerce and Accountancy, Chulalongkorn University</li> <li>- Certified Public Accountant (Thailand)</li> <li>Registration No. 2960</li> <li>Federation of Accounting Professions Under The Royals Patronage of His Majesty The King</li> <li>- Certified Internal Auditor (CIA)</li> <li>The Institute of Internal Auditors (IIA)</li> <li>- Certified Professional Internal Auditor (CPIA)</li> <li>- Qualified Internal Auditor (QIA)</li> <li>The Institute of Internal Auditors of Thailand (IIAT)</li> <li>- Driving Company Success with IT Governance (ITG) 4/2017</li> <li>- Ethical Leadership Program (ELP) 2/2015</li> <li>- Anti-Corruption : The Practical Guide (ACPG) 10/2014</li> <li>- Anti-Corruption for Executive Program (ACEP) 10/2014</li> <li>- Role of the Nomination and Governance Committee (RNG) 1/2011</li> <li>- Role of the Chairman Program (RCP) 25/2011</li> <li>- DCP Refresher Course (RE DCP) 2/2009</li> <li>- Monitoring Fraud Risk Management (MFM) 1/2009</li> <li>- Role of the Compensation Committee (RCC) 7/2008</li> <li>- Chartered Director Class (CDC) 3/2008</li> <li>- Monitoring the System of Internal Control and Risk Management (MIR) 2/2008</li> <li>- Monitoring the Quality of Financial Reporting (MFR) 5/2007</li> <li>- Monitoring the Internal Audit Function (MIA) 1/2007</li> <li>- Improving the Quality of Financial Reporting (QFR) 1/2006</li> <li>- Audit Committee Program (ACP) 2/2004</li> </ul>	-	-	2017 - Present 2017 - Present  2014 - 2017  2017 - Present 2016 - 2017 2011 - 2016 2015 - Present 2010 - 2017  Feb 2017 - Present 2007 - Present  2016 - Present  2010 - Present 2004 - Present  2000 - 2016	Audit Committee Advisory of Accounting Profession in Tax Accounting Committee / Single Accounting System Development Subcommittee / Executive Administration Subcommittee, Branch Office / Accounting Profession in Tax Accounting Committee Audit Committee Director Advisor Audit Committee Audit Committee Taxation Committee <b>Other Listed Companies</b> Nomination and of Remuneration Committee Independent Director and Chairman of Audit Committee Independent Director, Audit Committee and Chairman of Corporate Governance Independent Director and Audit Committee Independent Director, Audit Committee and Chairman of Nomination Committee and Chairman of Remuneration Committee Independent Director, Audit Committee, Corporate Governance Committee and Nomination and of Remuneration Committee <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b>	Chulabhorn Royal Academy Federation of Accounting Professions under the Royal Patronage of His Majesty the King  Federation of Accounting Professions under the Royal Patronage of His Majesty the King Thai Investors Association Thai Investors Association Thai Investors Association University of the Thai Chamber of Commerce Board of Trade of Thailand  Mono Technology Public Company Limited Mono Technology Public Company Limited  WHA Utilities & Power Public Company Limited  Thai Wacoal Public Company Limited The Brooker Group Public Company Limited  Hemaraj Land and Development Public Company Limited  1 Company - None -



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) 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 the time devoted significant							
15. **Mr. Sompong Sungnungsan - Independent Director - 20 September 2016	75	- Vocational Certificate Bangkok Business College - Director Accreditation Program (DCP) 3/2003 Thai Institute of Directors Association (IOD)	0.007	-		- None - <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 the time devoted significant							
16. Mr. Manus Ongsaranakorn - Executive Board - 21 July 2016	65	- 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  2010 - Present  2016 - Present 2014 - Present	Vice Chairman  <u>Other Listed Companies</u> Risk Management Committee <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Managing Director Director	Saha Group Employee Saving and Credit Cooperative Limited  Thai Wacoal Public Company Limited 21 Companies  Sareeraporn Co., Ltd. BNC Real Estate Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
17. Mr. Supradit Sa-Id - Company's Secretary - Corporate Governance and Risk Management Committee - 14 May 2018	45	- Bachelor Degree in Law, Rakhamhaeng University - The Legal Practice Course 14 Lawyers Council Under the Royal Patronage - Company Secretary Program (CSP) 90/2018 - How to Develop a Risk Management Plan (HRP) 20/2018 Thai Institute of Directors Association (IOD)	-	-		- None - <u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director	- None - 6 Companies  Boon Capital Holding Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact 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
18. Mr. Chuto Chirakunakorn - Senior Vice President - 1 August 2018 - Corporate Governance and Risk Management Committee - 15 January 2015	59	- Bachelor Degree in Architecture, Silpakorn University	-	-	2004 - Present 2002 - Present	Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director Director	- None - 6 Companies  Treasure Hill Co., Ltd. Sahapat Properties Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
19. Mr. Sontaya Tabkhan - Vice President Industrial Park Development - 1 August 2018	54	- Bachelor Degree in Electrical Engineering, Chiang Mai University - How to Develop a Risk Management Plan (HRP) 20/2018 Thai Institute of Directors Association (IOD)	-	-	2004 - Present	Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director	- None - 14 Companies  Treasure Hill Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
20. Mr. Tinakorn Bumag - Vice President Special Project Development - 1 August 2018	53	- Bachelor Degree in Architecture, Silpakorn University	-	-	2018 - Present 2018 - Present 2014 - Present 2011 - Present	Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director Director Director Managing Director	- None - 5 Companies  Saha Tokyu Corporation Co., Ltd. Saha Asia Pacific Co., Ltd. Pan Land Co., Ltd. Treasure Hill Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
21. Ms. Kesara Sumkanjanaruk - Vice President Corporate Administration - Chief Financial Officer - 1 August 2018	52	- Bachelor Degree in Accounting, Srinakharinwirot University	-	-		Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	- None - 5 Companies - None -
Any position in other business or other organizations in the previous year which has an impact 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
22. Mr. Vorayos Thongtan - Vice President Investment and Corporate Strategy - 1 August 2018	37	- Bachelor of Electrical Engineering (Second Class Honor) Sirindhorn International Institute of Technology Thammasat University - Master of Engineering Graduate School of Information Science Nara Institute of Science and Technology, Japan - Master of Business Administration University of Texas at Dallas, USA - Master of Science in Finance (Distinction Honor) University of Texas at Dallas, USA - How to Development a Risk Management Plan (HRP) 20/2018 Thai Institute of Directors Association (IOD)	0.008	-		Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	- None - 4 Companies - None -
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
23. Mr. Phongthep Rohtasun - Accounting Manager - 1 November 2018	33	- Bachelor Degree in Commerce and Accounting Auditing Major from Chulalongkorn University - Certified Public Accountant (Thailand) Registration No. 10552 Federation of Accounting Professions Under The Royals Patronage of His Majesty The King	-	-		Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	- None - - None - - None -
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							

Note: \* Including shareholding of spouse and children who have not attained legal age

\*\* Indendent 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	19	20	21	22	23	24	25
1. Mr.Boonsithi	X, //						/			X	/						//		/			X				
2. Mr.Vichai	//	X	X		X, //			//	/										/	/			/			
3. Mr.Samreng	//				X			X										X								
4. Mr.Manu	//												/										X			
5. Miss.Sirikul	//	/																								
6. Mr.Sujarit	/											/								X						
7. Mr.Pipat	/									/									X							
8. Mr.Boonkiet	/			X			/						X							/	X					
9. Mr.Boonchai	/									/		X		/			X									
10. Mr.Pipope	/																									
11. Mr.Nophom	/													/					/							
12. Mr.Surachai	/																									
13. Mrs.Punnee	/																	/								
14. Mr.Sompong	/																									
15. Dr. Nipon	/														/											
		// = EXECUTIVE BOARD / = DIRECTOR																								

X = CHAIRMAN

// = EXECUTIVE BOARD

/ = DIRECTOR

THE NAME OF RELATED COMPANIES WITH VALUE OVER THAN BAHT 0.5 MILLION ARE AS FOLLOW

1. SAHAPAT REAL ESTATE CO., LTD.	7. SAHACHOL FOOD SUPPLIES CO., LTD.	13. LION CORPORATION (THAILAND) CO., LTD.	19. SAHACOGEN (CHONBURI) PLC.	25. THAI MONSTER CO., LTD.
2. EASTERN THAI CONSULTING 1992 CO., LTD.	8. SAHAPAT PROPERTIES CO., LTD.	14. I.C.C. INTERNATIONAL PLC.	20. TOP TREND MANUFACTURING CO., LTD.	
3. PITAKKIJ CO., LTD.	9. THAI SECURE SECURITY CO., LTD.	15. THANULUK PLC.	21. SAHA TOKYU CORPORATION CO., LTD.	
4. THAI ITOKIN CO., LTD.	10. THAI PRESIDENT FOODS CO., LTD.	16. SEINO SAHA LOGISTICS CO., LTD.	22. M B T S BROKING SERVICE CO., LTD.	
5. GREEN LIFE MANAGEMENT CO., LTD.	11. INTERNATIONAL LABORATORIES CO., LTD.	17. THAI WACOAL PLC.	23. SSDC (TIGERTEX) CO., LTD.	
6. FIRST UNITED INDUSTRY CO., LTD.	12. SAHA PATHANAPIBUL PLC.	18. PRESIDENT BAKERY PLC.	24. TOTAL WAY IMAGE CO., LTD.	





## Company Directors Who Seats in Related Companies as Follow

NAME	COMPANY	RELATED COMPANIES																								
		26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50
1. Mr.Boonsithi	X , //	/												X				/								
2. Mr.Vichai	//				/																					
3. Mr.Samreng	//	X																								
4. Mr.Manu	//							X							X									X		
5. Miss.Sirkul	//														//				/						X	/
6. Mr.Sujarit	/																									
7. Mr.Pipat	/																									
8. Mr.Boonkiet	/						X					X														
9. Mr.Boonchai	/																				X					
10. Mr.Pipope	/														//											
11. Mr.Nophorn	/																									
12. Mr.Surachai	/																									
13. Mrs.Punnee	/																									
14. Mr.Sompong	/																									
15. Dr. Nipon	/																									
		// = EXECUTIVE BOARD																	// = DIRECTOR							

X = CHAIRMAN

// = EXECUTIVE BOARD

/ = DIRECTOR

THE NAME OF RELATED COMPANIES WITH VALUE OVER THAN BAHT 0.5 MILLION ARE AS FOLLOW

26. THAI HOOVER INDUSTRY CO., LTD.	32. BANGKOK TOKYO SOCKS CO., LTD.	38. TSURUHA (THAILAND) CO., LTD.	44. KENMIN FOOD (THAILAND) CO., LTD.	50. MOLTEN (THAILAND) CO., LTD.
27. G TECH MATERIAL CO., LTD.	33. S&J INTERNATIONAL ENTERPRISE PLC.	39. TOYO TEXTILE THAI CO., LTD.	45. FAR EAST FAME LINE DDB PLC.	
28. TIGER DISTRIBUTION AND LOGISTICS CO., LTD.	34. PATTAYA MANUFACTURING CO., LTD.	40. THAI KOBISHI CO., LTD.	46. INTERNATIONAL LATHER FASHION CO., LTD.	
29. A TECH TEXTILES CO., LTD.	35. MOTEN ASIA POLYMER PRODUCTS CO., LTD.	41. THAI SPORT GARMENT CO., LTD.	47. PEOPLE S GARMENT PLC.	
30. S.T. (THAILAND) CO., LTD.	36. NEW CITY (BANGKOK) PLC.	42. THAI ARAI CO., LTD.	48. RACHA UCHINO CO., LTD.	
31. BANGKOK ATHLETIC CO., LTD.	37. SHISEIDO PROFESSIONAL (THAILAND) CO., LTD.	43. O C C PLC.	49. TEXTILE PRESTIGE PLC.	



## Company Directors Who Seats in Related Companies as Follow

NAME	COMPANY	RELATED COMPANIES																									
		51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	
1. Mr.Boonsithi	X, //																	/		/					X		
2. Mr.Vichai	//				/										/		/			/							
3. Mr.Samremg	//																										
4. Mr.Manu	//	X		X	X					X	/				/									X	//	/	
5. Miss.Sirkul	//	/																									
6. Mr.Sujarit	/																										
7. Mr.Pipat	/																										
8. Mr.Boonkiet	/	X							X					/						/							
9. Mr.Boonchai	/										X																
10. Mr.Pipope	/																										
11. Mr.Nophom	/																										
12. Mr.Surachai	/																										
13. Mrs.Punnee	/																										
14. Mr.Sompong	/																										
15. Dr. Nipon	/																										
		// = EXECUTIVE BOARD																								// = DIRECTOR	

X = CHAIRMAN

// = EXECUTIVE BOARD

/ = DIRECTOR

THE NAME OF RELATED COMPANIES WITH VALUE OVER THAN BAHT 0.5 MILLION ARE AS FOLLOW

51. WIEN INTERNATIONAL CO., LTD.	57. KEWPIE (THAILAND) CO., LTD.	63. OSOTH INTER LABORATORIES CO., LTD.	69. TREASURE HILLS CO., LTD.	75. PENS MARKETING AND DISTRIBUTION CO., LTD.
52. BETTER WAY (THAILAND) CO., LTD.	58. SUN '08 CO., LTD.	64. THAI TAKEDA LACE CO., LTD.	70. TAI SUN FOODS CO., LTD.	
53. JANOME (THAILAND) CO., LTD.	59. THAI TOMADO CO., LTD.	65. BOUTIQUE NEWCITY PLC.	71. THAI ASAHI KASEI SPANDEX CO., LTD.	
54. THAI GUNZE CO., LTD.	60. THAI STAFLEX CO., LTD.	66. CARBON MAGIC (THAILAND) CO., LTD.	72. NIPPON TEI SATO CO., LTD.	
55. SAHA SEHWA CO., LTD.	61. K T Y INDUSTRY CO., LTD.	67. MAESOT SAKAE LACE CO., LTD.	73. BNC MAESOT CO., LTD.	
56. THAI PRESIDENT FOODS (Hungary) Kft.	62. SAHA LAWSON CO., LTD.	68. ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	74. WASEDA EDUCATION (THAILAND) CO., LTD.	





## Company Directors Who Seats in Related Companies as Follow

NAME	COMPANY	RELATED COMPANIES																									
		76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101
1. Mr.Boonsithi	X ,//																										
2. Mr.Vichai	//	/		X										X					/				/				
3. Mr.Samreng	//																										
4. Mr.Manu	//	X																		X							
5. Miss.Sirikul	//	/																	X								
6. Mr.Sujarit	/																							X			
7. Mr.Pipat	/																										
8. Mr.Boonkiet	/							X							/									/		X	/
9. Mr.Boonchai	/																					/					
10. Mr.Pipope	/												/														
11. Mr.Nophorn	/																						X				
12. Mr.Surachai	/																										
13. Mrs.Punnee	/																										
14. Mr.Sompong	/																										
15. Dr. Nipon	/																										
		// = EXECUTIVE BOARD																				// = DIRECTOR					

X = CHAIRMAN

// = EXECUTIVE BOARD

// = DIRECTOR

THE NAME OF RELATED COMPANIES WITH VALUE OVER THAN BAHT 0.5 MILLION ARE AS FOLLOW

76. THAI NAXIS CO., LTD.	82. C.T.A. CO., LTD.	88. P T K MULTISERVICE CO., LTD.	94. WACOAL KABINBURI CO., LTD.	100. H & B INTERTEX CO., LTD.
77. THAI SAMSUNG ELECTRONICS CO., LTD.	83. WBLP CO., LTD.	89. PRESIDENT KOURAKUEN CO., LTD.	95. WACOAL SIRACHA CO., LTD.	101. ADVANTAGE FOOTWEAR CO., LTD.
78. LION CORPORATION	84. THAI KAMAYA CO., LTD.	90. MODERN TECHNOLOGY COMPONENT CO., LTD.	96. OTSUKA SAHA ASIA RESEARCH CO., LTD.	
79. KABIN PHATTANAKIJ CO., LTD.	85. THAI SILICATE CHEMICALS CO., LTD.	91. UNIVERSE BEAUTY CO., LTD.	97. SRIRACHA AVIATION CO., LTD.	
80. SHALDAN (THAILAND) CO., LTD.	86. BANGKOK RUBBER DEVELOPMENT CENTER CO., LTD.	92. UNION UNIVERSE CO., LTD.	98. SAHA COGEN GREEN CO., LTD.	
81. CHOKCHAIPIBUL CO., LTD.	87. BOONWATANACHOK CO., LTD.	93. PITAKKIJ SECURITY GUARD CO., LTD.	99. EXACT Q CO., LTD.	

# SPI...

## and Sustainable Development



## Table of Contents

**215**

Message from the President

**216**

About the Report

**216**

Corporate Social Responsibility  
and Sustainable Development  
Policy

**217**

Business Philosophy

**217**

Reporting Scope

**218**

Stakeholders Involved

**221**

Significant Issues

**221**

Corporate Social Responsibility  
Policy for Sustainable Success

**222**

Eco Industrial Town Strategic

**232**

Sustainable Development

- Good People
- Good Products (Business)
- Good Society (Community)



## Message from the President

Saha Pathana Inter-Holding Public Company Limited, places great importance on operating a business that is both stable and sustainable under the principles of “Good People, Good Products, Good Society” by integrating business context to be in line with the sustainable development goals in accordance with the United Nations’ Sustainable Development Goals (SDGs).

Understanding that we are a part of society, in 2018 our aim was to improve people’s quality of life through community engagement. In addition, we supported our public, private, and civil society allies in co-driving Pracharat Policy under the Saha Group’s Pracharat in various activities. For instance, Pracharat event @ Saha Group Ruam Jai Fair at our industrial parks in Si Racha, Kabinburi, and Lamphun helped promote the Saha Group’s Pracharat projects among its employees, state sector as well as the public, and encourages their participation in the projects. As for our industrial parks development businesses, we continued to develop and improve all aspects of our parks in conformity with the eco-industrial town requirements, namely management, physical, social, economic, and environmental aspects. These developments were also aligned with the government’s initiatives, such as the Eastern Economic Corridor (EEC) and the Special Economic Zone (SEZ), which are aimed at improving local economies and elevating the quality of life and the environment.

On behalf of Saha Pathana Inter-Holding Public Company Limited, I would like to express my gratitude for the support we have received. The Company will operate with the upmost responsibility towards the economy, society and the environment together with creating long term value towards all our stakeholders. I believe that your constant participation, will contribute to the solid and sustainable growth of our company.

(Vichai Kulsomphob)

President



## About the Report

Saha Pathana Inter-Holding Public Company Limited is committed to the disclosure of information pertinent to the economic, social, and environmental aspects of its sustainable development efforts from January 1 to December 31, 2018. The Company treated all stakeholders equitably.

## Corporate Social Responsibility and Sustainable Development

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 increasing investments while enhancing its rental and service capabilities to bring about the utmost benefits to the tenants of Saha Group's industrial parks. This enhancement is achieved by transforming the parks into eco-industrial towns 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 based on the Core Option and presented its initial endeavors, which have been aligned with the Sustainable Development Goals (SDGs) under the corporate social responsibility policy of "Good People. Good Products. Good Society." The Board of Directors has assigned the Good Governance and Risk Management Committee to oversee matters of sustainable development management and prepared a SPI ... and sustainable development report in which with an emphasis on an organizational culture of balancing business and sustainable development at the international level and creating optimal benefits to all stakeholders.



### "Good People"

- We provide swift service to customer.
- Our politeness ensures their utmost satisfaction.
- We serve with honesty and fairness.
- Our operations are transparent and accountable.
- We treat all customers equally.
- We continue the work of our predecessors in a stable manner.



### "Good Products"

- Our quality complies with international standards
- We sufficiently meet customer needs.
- We develop products and services that are safe for consumers and friendly to the environment.
- We realize the ideas of our predecessors.
- We encourage safety and occupational hygiene

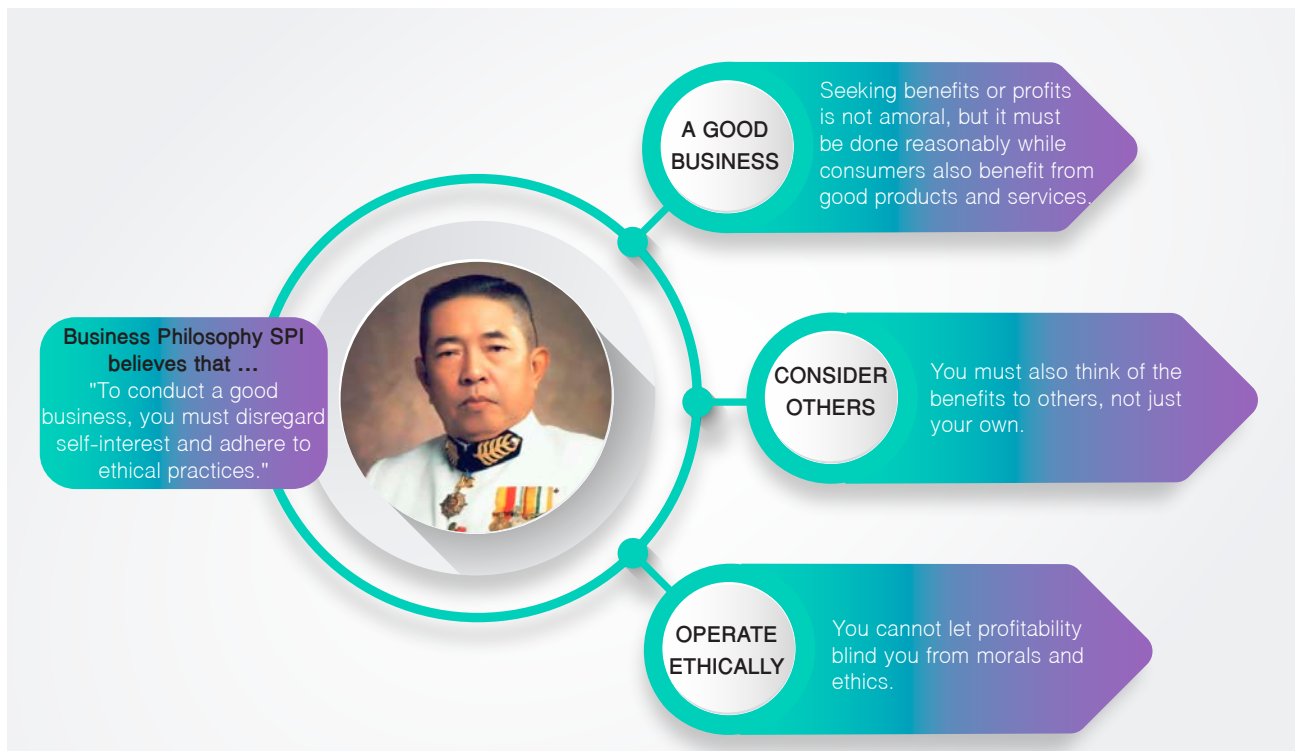


### "Good Society"

- We promote better hygiene and safety.
- We provide a good work environment.
- We take care of the surrounding communities.

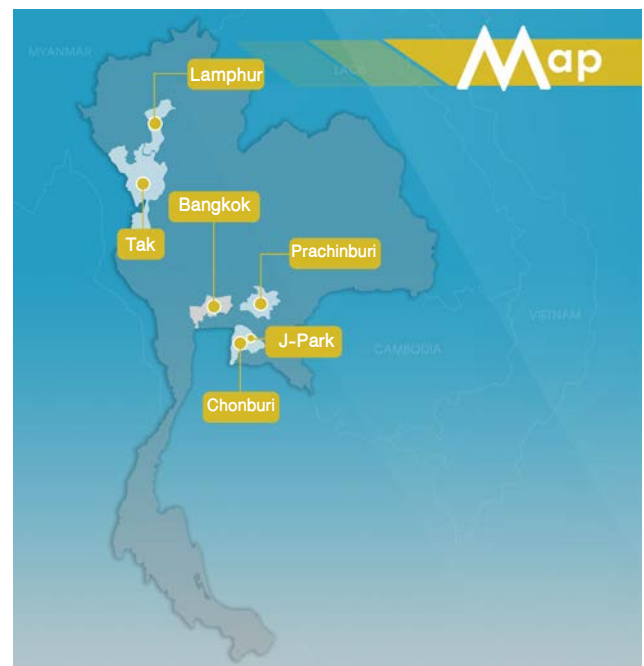


## Business Philosophy



## 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 2018 Sustainable Development Report focuses on the Company's operations, which are based on its business direction, vision, mission, corporate strategies, corporate value, 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 Company focuses on three main business areas: investment in consumer products business, investment in food and beverage business and industrial park development, and investment in other business. The Sustainable Development Report covers all operations of the headquarter and branches.





## Principles • Good People • Good Products • Good Society



### Good People

We serve with swiftness, politeness, honesty, transparency, and equality.



### Good Products

Our products are of good quality, sufficient in number, and developed per established goals.



### Good Society

We provide good occupational health, safety, and environment for our employees, as well as the surrounding communities.

## Our Stakeholders

The Company identifies and prioritizes stakeholders based on its three main business areas: investment in consumer products business, investment in food and beverage business and industrial park development, and investment in other business. 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 1) shareholders, 2) customers, 3) business partners, 4) employees, 5) communities and societies, 6) the media, 7) competitors, 8) Creditors, and 9) the state sector.







## ผู้มีส่วนได้เสียที่มีส่วนเกี่ยวข้องกับกระบวนการธุรกิจ

Stakeholder	Expectations	Processes Used / Practices
 <ul style="list-style-type: none"> <li>Shareholders</li> </ul>	<ul style="list-style-type: none"> <li>A reasonable return on investment</li> <li>Good Corporate Governance</li> <li>Business growth potential</li> <li>Social and environment responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Shareholders Meeting</li> <li>CSR Report</li> <li>Company visits</li> <li>Analyst / Investors meeting with Saha Group</li> <li>Annual Report</li> <li>Giving the rights of shareholders to propose agenda and/or to Nominate candidates to be elected as Directors at the General Meeting of Shareholders</li> <li>Suggestions through the channel to receive complaints</li> </ul>
 <ul style="list-style-type: none"> <li>Customers</li> </ul>	<ul style="list-style-type: none"> <li>Customers' satisfaction</li> <li>Business operation with environmentally friends</li> <li>Respond to customer needs</li> </ul>	<ul style="list-style-type: none"> <li>Develop goods and services to meet the customer needs</li> <li>Create a business network with environmentally friendly</li> <li>Customer satisfaction evaluation once a year</li> <li>Knowledge sharing related to factory operation in Industrial Parks</li> <li>wastewater treatment fee announcement</li> <li>Company visits</li> <li>Customer business operation visits</li> <li>Suggestions through the channel to receive complaints</li> </ul>
 <ul style="list-style-type: none"> <li>Trade Partners / Contractors / Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Business operation with fairness and transparency</li> <li>Consultant and knowledge sharing</li> <li>Added Value and sustainability cooperation</li> </ul>	<ul style="list-style-type: none"> <li>Established partnership Policy</li> <li>Trade agreement fairness</li> <li>Trade partnerships / Contractors / Suppliers development</li> <li>Selected trade partnerships / Contractors / Suppliers in supply chain with transparency</li> <li>Encouraged the business seminar</li> <li>Investment consultant and analysis</li> <li>Suggestions through the channel to receive complaints</li> </ul>
 <ul style="list-style-type: none"> <li>Competitors</li> </ul>	<ul style="list-style-type: none"> <li>Doing business under rules of fair Competitive</li> <li>Do not damage the reputation of competitors</li> </ul>	<ul style="list-style-type: none"> <li>The company website</li> <li>Suggestions through the channel to receive complaints</li> </ul>
 <ul style="list-style-type: none"> <li>Creditors</li> </ul>	<ul style="list-style-type: none"> <li>Equality and fairly</li> <li>Financial statements firmly and good debt repayment</li> <li>Financial statements disclosure correctly and timely</li> </ul>	<ul style="list-style-type: none"> <li>The company website</li> <li>Suggestions through the channel to receive complaints</li> </ul>



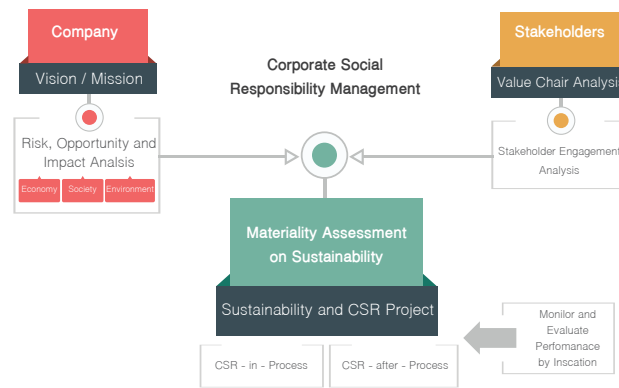


Stakeholder	Expectations	Processes Used / Practices
 <ul style="list-style-type: none"> <li>Employee / Management</li> </ul>	<ul style="list-style-type: none"> <li>Reasonable remuneration and welfare</li> <li>Stability and progress</li> <li>Good quality of life</li> <li>Knowledge and skills development</li> </ul>	<ul style="list-style-type: none"> <li>Adopt principle of human rights and employees treatment fairness</li> <li>Continuously knowledge/skills development for employees and management</li> <li>Build career path and successor plan</li> <li>Complainants protection</li> <li>Regularly communication with intranet</li> <li>Employees evaluation</li> <li>Suggestions through the channel to receive complaints</li> </ul>
 <ul style="list-style-type: none"> <li>Communities / and Societies</li> </ul>	<ul style="list-style-type: none"> <li>Create occupations and income</li> <li>Social and environment caring</li> <li>Encourage community activities</li> <li>Develop children and future youth in community's schools</li> <li>Reduce the impact of operations on the community</li> </ul>	<ul style="list-style-type: none"> <li>Encourage developing quality of life activities and community's traditions</li> <li>Annual year sales</li> <li>Education scholarship</li> <li>Participate in environmental governance project</li> <li>Hire local workers</li> <li>Continuously meet with community</li> <li>Community leaders meeting regularly</li> <li>Suggestions through the channel to receive complaints</li> </ul>
 <ul style="list-style-type: none"> <li>Mass Communication</li> </ul>	<ul style="list-style-type: none"> <li>Create communication between company and related persons</li> <li>Create information / News / events of the company disclosure channels</li> </ul>	<ul style="list-style-type: none"> <li>Disclose information / News / events of the company through various channels; newspaper, community radio, SET website and the company website</li> <li>Suggestions through the channel to receive complaints</li> </ul>
 <ul style="list-style-type: none"> <li>State Sector</li> </ul>	<ul style="list-style-type: none"> <li>Encourage the cooperation between the Company and state sector</li> <li>Follow the laws and regulation of state sector</li> </ul>	<ul style="list-style-type: none"> <li>Distribute knowledge and build understanding in laws, regulations and practice guideline</li> <li>Organize meeting to exchange knowledge and idea</li> <li>Report environment quality measurement results to state sector</li> <li>Continuously participate in activities of government agencies</li> <li>Suggestions through the channel to receive complaints</li> </ul>

## Materiality Assessment of Corporate Social Responsibility of the Company

The Company conducted a materiality assessment on sustainability with an aim to meet the expectations of internal and external stakeholders. Assessment topics were chosen based on their importance to the disclosure of sustainable-development information. Due consideration was given to their potential impact and significant opportunities they could bring to the company, whether in economic, social, or environmental terms, from the view point of the Company and its stakeholders. The materiality assessment process is as follows:





Report Framework : GRI Standard 2018 / SDGs

## Significant Issues

The Company focused on monitoring and thoroughly rectifying significant issues. Based on the assessment of significant issues in 2018, the Company was found to have successfully rectified all significant issues. Despite this success, the Company continued to monitor significant issues, which could be grouped into four categories, to ensure business continuity, corporate social responsibility, and sustainability, as follows;



The development of goods and services for the benefit of society and the environment



Job creation and human-resource development



Community participation



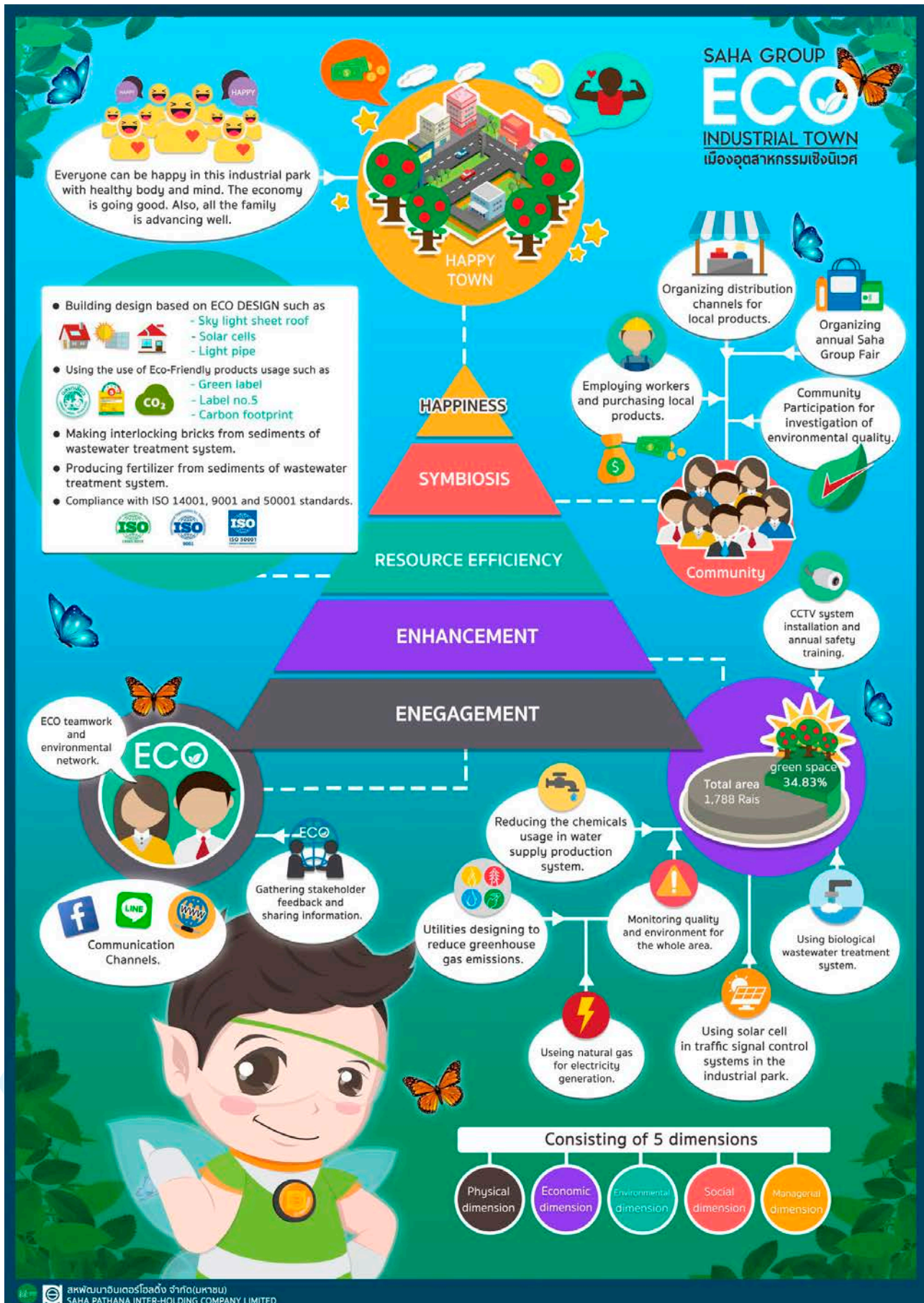
Pollution prevention

## Corporate Social Responsibility Policy for Sustainable Success

The Good Governance and Risk Management Committee has overseen the Company's responses to stakeholders' expectations and the execution of the corporate social responsibility policy "Good People Good Products Good Society" under the GRI Standards 2018 and SDGs, as well as the reporting scope, is shown below:

 <b>Good People</b>	 <b>Good Products</b>	 <b>Good Society</b>
<ul style="list-style-type: none"> <li>• Development of good people</li> <li>• Development of skills</li> <li>• Encouraging Employees' participation in and creation of value to society</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Anti-corruption efforts</li> <li>• Ethical business practices</li> <li>• Respect for human rights and Fair treatment towards laborers</li> <li>• Responsibility towards consumers</li> <li>• Community and social development</li> <li>• Environmental, energy, and resource management</li> <li>• Sustainability research and development</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of life and the environment</li> <li>• Sustainability communication and relations</li> <li>• Education and learning</li> <li>• Religions, local customs and traditions</li> <li>• Health</li> <li>• Public interest activities</li> </ul>

# Eco Industrial Town







Happiness



Symbiosis



Engagement



Resource Efficiency

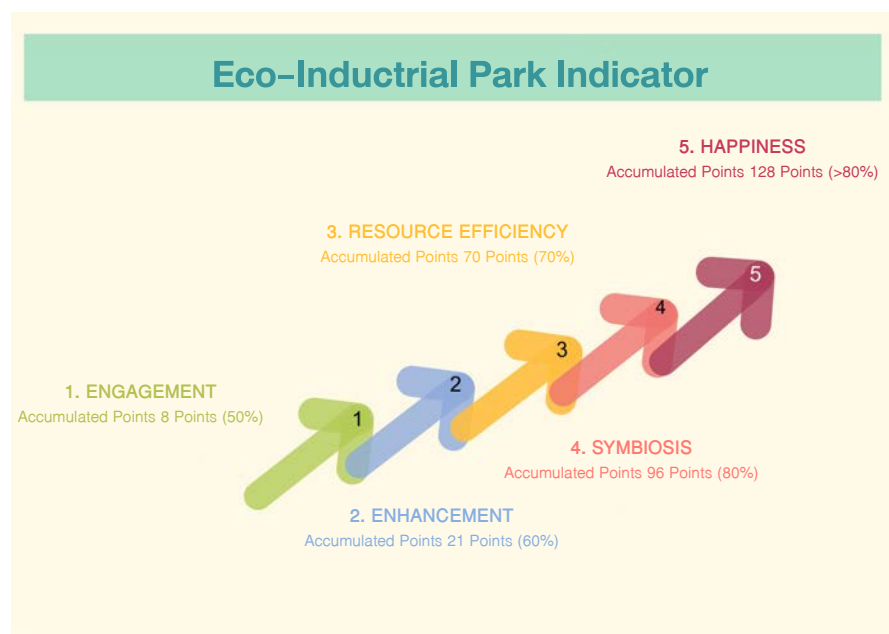


Enhancement

One of the Company's main strategies is to transform its industrial parks into **eco-industrial towns** that ensure the 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. Stakeholders' engagement is key to the development of an eco-industrial town, especially on issues of safety and environmental enhancements, as well as resource efficiency. The symbiosis relationship that exists in a natural ecosystem is mirrored by the coexistence of a town and an industry, ensuring sustainability. This endeavor assures that future generations will still have access to abundant natural resources and fuels.

The strategy comprises 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, Ministry of Industry. Data has been gathered since 2017 to be used for continuous development.

The Company is committed to developing the Saha Group's industrial parks in Si Racha and Kabinburi into eco-industrial towns for economic, social, and environmental benefits. Having passed eco-industrial town assessments, the Saha Group's industrial parks in Si Racha and Kabinburi will continue to maintain and elevate the level of their eco-industrial town compliance. The Saha Group's eco-industrial town developments are summarized below:



## Eco-Industrial Park (EIP) Indicators and Assessment (Minimum of 80% Required)

Eco-Industrial Park Levels	Industrial Park Indicators	Points	Accumulated Points 2017			Min Score Required (Based on Accumulated Points 2017)			Accumulated Points 2018			Min Score Required (Based on Accumulated Points 2018)			
			Standard	Sriracha	Kabinburi	Standard	Sriracha	Kabinburi	Standard	Sriracha	Kabinburi	Standard	Sriracha	Kabinburi	
1 ENGAGEMENT	18.1.1, 19.1.1, 20.1.1 (3 Indicators)	15	15	14	14	(50%) 7.5 Points	93.33%	93.33%	93.33%	15	15	15	(50%) 7.5 Points	100.00%	100.00%
2 ENHANCEMENT	1.1.1, 1.2.1, 7.1.1, 20.2.1 (4 Indicators)	20	35 (15+20)	33 (14+19)	32 (14+18)	(60%) 21 Points	94.28%	91.42%	91.42%	35 (15+20)	35 (15+20)	33 (15+18)	(60%) 21 Points	100.00%	94.28%
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)	93 (33+60)	86 (32+54)	(70%) 70 Points	93.00%	86.00%	86.00%	100 (35+65)	95 (35+60)	88 (33+55)	(70%) 70 Points	95.00%	88.00%
4 SYMBIOSIS	4.1.1, 4.1.2, 4.1.3, 17.1.1 (4 Indicators)	20	120 (100+20)	111 (93+18)	103 (86+17)	(80%) 96 Points	92.49%	85.83%	85.83%	120 (100+20)	114 (95+19)	105 (88+17)	(80%) 96 Points	94.99%	87.50%
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)	148 (111+37)	139 (103+36)	(>80%) >112 Points	92.50%	86.87%	86.87%	160 (120+40)	151 (114+37)	144 (105+39)	(>80%) >112 Points	94.38%	90.00%



## Economic Dimension

### Objectives

In addition to our own return on investment, we also ensure that the local economy, operators and communities grow in a stable manner. The following are examples of economic developments that took place at the Saha Group's industrial parks in Si Racha and Kabinburi in 2018:



Support for community activities





Creating jobs for the locals



Procurement of local products and services

Based on the review of eco-industrial town developments at the Saha Group's industrial parks in Si Racha and Kabinburi, it was found that, under the Economic Dimension, Aspect 4. Local Economy, Criterion 4.1. Creation of Jobs for the Locals, Indicator 4.1.1. Supporting Activities of Surrounding Communities, Saha Group's Si Racha Industrial Park had plans to support activities of surrounding communities and had supported activities of the surrounding communities for three consecutive years. As a result, the score for this particular **performance indicator was elevated from 3 points to 4 points in 2018.**

Performance Indicator	Execution	
4.1.1. Supporting activities of surrounding communities	Si Racha	
	2017	2018
	<p>There were medium-term (3-year) plans or projects for the manufacturing plant or estate or zone or park i to support activities of the surrounding communities.</p> <p><b>3 points</b></p>	<p>Manufacturing plants had supported activities of the surrounding communities for three consecutive years.</p> <p><b>Elevated from 3 points to 4 points.</b></p>
Activities in 2018		
	 <p>Supporting local careers</p>	 <p>Local folk dance between the communities, the municipality and the private sector</p>



## Economic Dimension

### Objectives

We strive to improve the quality of life in surrounding communities. In this regard, we provide a happy workplace, partake in development efforts of the local communities and survey the locals' satisfaction towards us. The following are examples of social developments that took place at the Saha Group's industrial parks in Si Racha and Kabinburi in 2018:



Happy Body  
Saha Group's Sports Club  
Si Racha



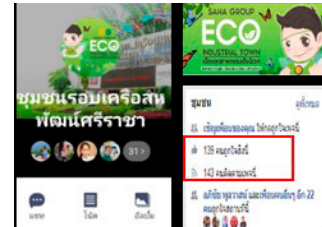
Happy Brain  
AED training



Happy Soul  
Religious rites




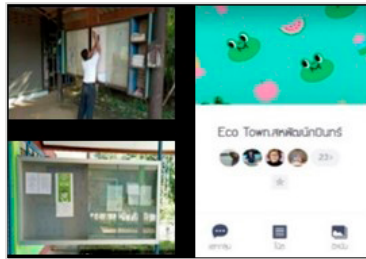
Participation in environmental preservation activities



ECO communication and  
information disclosure

Based on the review of eco-industrial town developments at the Saha Group's industrial parks in Si Racha and Kabinburi, it was found that, under the Social Dimension, Aspect 20. Communication and Reporting, Criterion 20.1. Information Disclosure and Report Preparation, Indicator 20.1.1. Communication and Information Disclosure of the Eco-Industrial Town Through Various Channels and the Effective Frequency of Communication, surrounding communities had increasingly learned more about the eco-industrial town through its effective and continuous communication. As a result, **our score of 4 points was elevated to 5 points** in 2018. As for Criterion 20.2. Good Governance, Transparency, Information Disclosure and Responsibility Towards Surrounding Communities, Performance Indicator 20.2.1. Communication and Information Disclosure about the Plant's Environmental and Chemical Management, the community satisfaction score towards the Saha Group's Si Racha Industrial Park had increased for the past three consecutive years. As a result, our **score was elevated from 4 points to 5 points in 2018.**

Performance Indicator	Execution	
20.1.1 Communication and Information Disclosure of the Eco-Industrial Town through various channels and the effective frequency of communication	Si Racha	
	2017	2018
	Survey results were used to improve communication channel and frequency. <b>4 points.</b>	The Saha Group's Si Racha Industrial Park continued to communicate and disclose information about its eco-industrial town status. <b>Elevated from 4 points to 5 points.</b>
	<p>Activities in 2018</p> 	

Performance Indicator	Execution	
20.1.1 Communication and Information Disclosure of the Eco-Industrial Town through various channels and the effective frequency of communication	Kabinburi	
	2017	2018
	Survey results were used to improve communication channel and frequency. <b>4 points.</b>	The Saha Group's Kabinburi Industrial Park continued to communicate and disclose information about its eco-industrial town status. <b>Elevated from 4 points to 5 points.</b>
	<p>Activities in 2018</p> 	

Performance Indicator	Execution												
20.2.1 Communication and information disclosure about the plant's environmental and chemical management	Si Racha												
	2017	2018											
	At least 80% of the surrounding communities were satisfied with the information received. <b>3 points</b>	Surrounding communities' satisfaction score had increased for three consecutive years. <b>Elevated from 4 points to 5 points.</b>											
	<b>Activities in 2018</b>  <b>Average Community Satisfaction Score Towards Information Received (Based on the Survey of 14 Communities)</b> <table> <tr> <th></th><th>Satisfaction Score (Out of 5)</th><th>Percentage (%)</th></tr> <tr> <td>2016</td><td>1.97</td><td>39.40</td></tr> <tr> <td>2017</td><td>4.13</td><td>82.60</td></tr> <tr> <td>2018</td><td>4.15</td><td>83.00</td></tr> </table>			Satisfaction Score (Out of 5)	Percentage (%)	2016	1.97	39.40	2017	4.13	82.60	2018	4.15
	Satisfaction Score (Out of 5)	Percentage (%)											
2016	1.97	39.40											
2017	4.13	82.60											
2018	4.15	83.00											

Based on the review of eco-industrial town developments at the Saha Group's Kabinburi Industrial Park, it was found that, under the Social Dimension, Aspect 17. Quality of Life and Community, Criterion 17.1. Happy Community, Indicator 17.1.2. Communities' Satisfaction, the Saha Group's Kabinburi Industrial Park had had plans to survey the surrounding communities' satisfaction towards its eco-industrial town development and had enjoyed an average satisfaction score of at least 80%. As such its score in 2018 was elevated from 1 point to 4 points.

Performance Indicator	Execution									
17.1.2 Community satisfaction	Kabinburi									
	2017	2018								
	There were plans to survey communities' satisfaction. <b>1 point.</b>	The Saha Group's Kabinburi Industrial Park surveyed communities' satisfaction and received a score of at least 80%. <b>Elevated from 4 points to 5 points.</b>								
	<b>Activities in 2018</b>  <b>Average Communities' Satisfaction Score (Based on the Survey of 18 Communities)</b> <table> <tr> <th></th><th>Satisfaction Score (Out of 5)</th><th>Percentage (%)</th></tr> <tr> <td>2017</td><td>3.28</td><td>65.6</td></tr> <tr> <td>2018</td><td>4.39</td><td>87.8</td></tr> </table>			Satisfaction Score (Out of 5)	Percentage (%)	2017	3.28	65.6	2018	4.39
	Satisfaction Score (Out of 5)	Percentage (%)								
2017	3.28	65.6								
2018	4.39	87.8								

## Environmental Dimension

### Objectives

Our environmental management includes water, air, waste, energy, complaints, manufacturing processes, ecoefficiency, safety, health, environmental quality monitoring, location planning and management, designing building and the surrounding areas. The following are examples of environmental developments that took place at the Saha Group's industrial parks in Si Racha and Kabinburi in 2018:



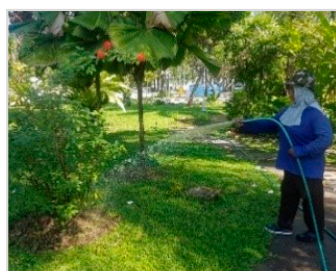
Air quality monitoring



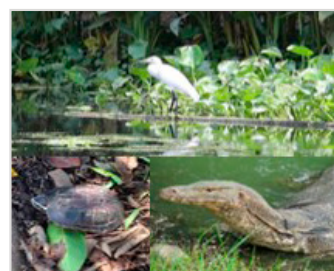
Making soil conditioner from sludge



Solar cell installation


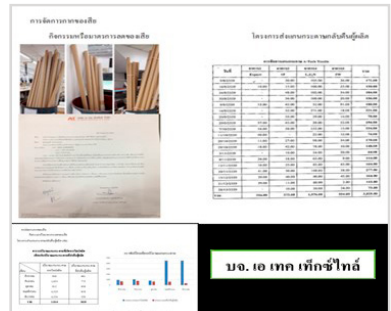


Reusing treated wastewater



Biodiversity

Based on the review of eco-industrial town developments at the Saha Group's Kabinburi Industrial Park, it was found that, under the Economic Dimension, Aspect 9. Waste Management, Criterion 9.1. Industrial Waste Management, Indicator 9.1.1. Percentage of Industrial Waste Reused, the Saha Group's Kabinburi Industrial Park had at least 10% of their plants with 2 points (at least 50% of manufacturing plants in the area with plans and standards or activities that were aimed at reducing waste, using the 3 Rs) achieve their waste reduction goal. As such, its score in 2018 **was elevated from 2 point to 3 points.**

Performance Indicator	Execution	
9.1.1 Percentage of industrial wastewater sludge reused	Kabinburi	
	2017	2018
	<p>At least 50% of manufacturing plants in the area had plans and standards or activities that were aimed at reducing waste, using the 3 Rs.</p> <p><b>2 points.</b></p>	<p>The Saha Group's Kabinburi Industrial Park had at least 10% of its manufacturing plants with 2 points achieve their waste reduction goal.</p> <p><b>Elevated from 2 points to 3 points.</b></p>
Activities in 2018		
 		

## Sustainable Development

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 under corporate social responsibility policy.



### Good People

Agile. Polite. Honesty. Frank. Fair. Continue to Build Good and Capable People.



### Good Products

Quality. Sufficient. Development. Enhancement. Build on Existing Ideas, generation to generation.



### Good Society

Care. Promotion. Creativity.





## Good People

### Sustainable Development Goals (SDGs)



#### (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.

##### 1.1 Employees' Good Deed Records Project

The Company initiated the "Employees' Good Deed Records" project, requiring employees to record at least 10 good deeds per person per year to assess their good behavior individually. The data obtained was used to determine company activities for public interest in a way that would also foster a shared interest among employees.

There are eight categories of good deeds. Based on the employee survey data, we found 1,240 good deeds performed by our employees. We also found that employees were interested "sharing" and "religious contribution" as a form of good deeds with a score of 21.64% and 12.64%, respectively.

The Company has taken employees' interest into account and extended the "Employees' Good Deed Records" project into 2018. This past year, the Company led an organization-wide campaign entitled **"Good People for Public Interest"** to encourage employees to perform good deeds for other people. We hope to help our employees understand sacrifice, giving, sharing, and value in fellow human beings. All of this culminates in good people, which will bring about good society.



ชื่อพนักงาน (Employee Name)	วันที่ (Date)	การทำความดี (Good Deed)
นางสาว...	...	...
นาย...	...	...
นาง...	...	...
นาย...	...	...
นาง...	...	...
นาย...	...	...
นาง...	...	...
นาย...	...	...
นาง...	...	...
นาย...	...	...



Employees' Good Deed Records' Table

##### 1.2 Volunteer Programs

Our employees have collectively volunteered for the betterment of the public. Their efforts have enabled them to understand the power of collaboration and the spirit of volunteerism. The Company strives to foster this collaborative spirit through participation in important corporate events and hosting a number of religious ceremonies and charities.



### 1.3 Development of Skills

In addition to skill development, the Company also puts an emphasis on fostering an organizational culture of justice, fairness, ethics, and transparency.



A training session on “Encouraging Participation Through Good Corporate Governance Principles / Anti-Corruption Measures for Sustainability” was conducted by Mr.

Thanakrit Phoemphunsantisuk on September 10, 2018.

A video recording of the said training was also made available at every branch.

### 1.4 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. In 2018, the encouraging employees’ participation and creation of value of society are some of the activities below,

#### Installing Automated External Defibrillator (AED)



To promote healthcare and the safety of lives and assets, the Company has installed a Powerheart AED G3 automatic external defibrillator (AED) at four of its industrial parks in Lamphun, Tak, Chon Buri, and Prachin Buri, respectively in addition to its headquarters in Bangkok. This provides access to an AED for its employees and the general public. Basic life support training in the event of an emergency, including how to use the AED, has been provided.

Training was conducted by Thai SECOM Security Co., Ltd. Only 10% of all employees were certified in 2017 but the figure has jumped to 32% in 2018.

To prevent losses of life, whether of employees or stakeholders, the Company plans on communicating to all employees working at the industrial parks and people in the surrounding communities in 2019 that the Company has an AED available.



## (2) Development of Skills

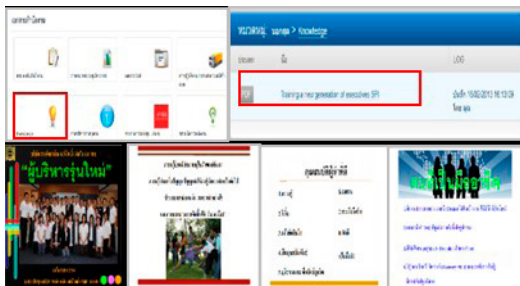
The Company committedly assists its employees in their endeavor to further develop their skills and knowledge to ensure career stability and career advancement based on their potential. Having skilled human resources contributes to the Company's competitiveness.

### 2.1 Training / Seminar

The Company requires every employee to undergo at least one training / seminar program per year related to their job function and at least two general programs per year. These training / seminar 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. Details of training / seminar attendance is disclosed under People Development

### 2.2 Knowledge Sharing for Sustainability

In addition to training, another definition of good people is people with experience. Employees who have been in their respective job function for a long time are able to transfer their knowledge, skills, hands-on know-how to others. There are also human resources development in form of knowledge management by collecting knowledge in the Company which is scattered in the persons or documents to develop into system for all employees have access to knowledge via intranet and also good model for own development such as, training a new generation of executive SPI, EIA knowledge, etc.



Dissemination of knowledge on the ISO energy



Dissemination of knowledge on how to operate GIS equipment.



## Good Products

### Sustainable Development Goals (SDGs)



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.

## Corporate Governance

The Company has always recognized the value in complying with good corporate governance principles. It has operated with honesty, transparency and justice. All groups of stakeholders have always been considered equitably. Its operations demonstrate a responsibility towards society and the environment. All of this makes up the foundation upon which the Company may increase its competitiveness and ensure robust growth in a sustainable manner and in line with its organizational culture.

At its 10th meeting (series 25) on February 27, 2019, the Board of Directors voted to approve the Good Corporate Governance Principles (Second Edition) as guidelines for the Company's business operations.

In 2017 the Company led the following activities to promote a better understanding and recognition of good corporate governance principles among management and employees.







We educated new employees about good corporate governance principles during their orientation, ensured their thorough understanding and encouraged them to apply the principles appropriately to their work life.

We conducted training on the subject "Encouraging Participation Through Good Corporate Governance Principles / Anti-Corruption Measures for Sustainability".

We evaluated our people on their understanding of good corporate governance and anti-corruption policy. To pass, they had to score at least 80%. All 100% of our employees received a passing score on their evaluation.

We disclosed the Good Corporate Governance Principles on our website.

We educated our shareholders about good corporate governance through an animated video clip at the General Meeting of Shareholders.

In 2019, we will distribute Good Corporate Governance Principles (Second Edition) manuals to all of our directors, executive officers, employees and suppliers. We will also make it available on the company website. In addition, the video animation will be on display in front of the office.



## Anti-Corruption Efforts



Complaints in 2018

**0** complaint

A whistleblower channel has been made available, but there were no submissions at all in 2018.



Employees Evaluated

**100%**

We provided continuous anti-corruption training to our employees, who are required to score at least 80% to pass the evaluation process. All 100% of our employees received a passing score on their evaluation.



inform them of our Gift Policy, in which our management and employees are prohibited from receiving New Year's gifts.

The Board of Directors understands that transparency, fairness and accountability play a major role in garnering trust from all groups of stakeholders and fostering sustainable growth. We have passed on our Anti-Corruption Policy to companies within the Saha Group. With their cooperation, our future will be bright and sustainable.



As for 2019, the Company will communicate its Anti-Corruption Policy to its stakeholders through a number of channels, such as screensavers and public relations posters about the whistleblower channel. Furthermore, to strengthen the business with honesty per good corporate governance, we plan on extending our anti-corruption network to our partners by asking them to express their commitment to the fight against corruption with us. We will also apply for re-certification by Thailand's Private Sector Collective Coalition Against Corruption.



#### Anti-Corruption Day 2018

Our employees took part in the Anti-Corruption Day 2018 with the Anti-Corruption Organization of Thailand. Also present were representatives from the public and private sectors. The concept of the event was **"Thai People's Awareness and Anti-Corruption Stance."** The event took place on September 6, 2018, at BITEC Bangna.

### Ethical 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.

## Human Rights and Fair treatment towards laborers

### Human Rights and Treatment of Employees

#### 0 Case

#### The Company has recorded no Human Rights Violation

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.

- There shall be no activities or support of activities which violate human rights.
- Employees are provided with the knowledge and understanding of human rights which are applied to their work operations.
- 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.
- 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.



## Fair treatment of the Workforce



Fire drill and evacuation annually

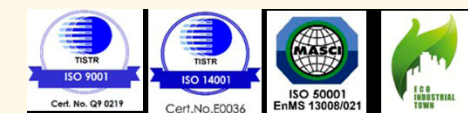
The Board of Directors regard Employees as a valuable resource and a key factor in the Company's success. The following policies and guidelines have been prescribed in this regard.

- 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.
- Employees are treated in accordance with the provisions of law, regulations and articles governing the Company's operations.
- 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.
- 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.
- Employee participation in the determination of the Company's direction and development are promoted.
- Fair compensation is offered depending upon knowledge, skill, duties, responsibilities and performance.
- Appropriate welfare and benefits are given to Employees, e g medical expenses, provident fund, a cooperative and influenza vaccination.

## Responsibility Towards Consumers

Understanding that customer satisfaction and confidence are critical factors that contribute to the Company's sustainable success, the Board of Directors shall adopt the following policies and guidelines:

- The Company shall manufacture and distribute products and services that are environmentally friendly and safe for consumers.
- The Company's businesses shall be operated with commitment to developing goods and services, introducing innovations, and adding value to goods and services in order to continuously meet customer demand, along with the disclosure of critical information needed for decision-making without concealment or distortion of facts.
- The Company's businesses shall be operated in an honest, earnest, and just manner. No action shall be taken to violate customers' rights. Moreover, consumer data shall be treated with confidentiality and shall not be wrongfully exploited for personal gain or the benefit of a related person.
- The Company shall never demand, receive, or consent to the direct or indirect receipt of any property or other dishonest benefit from a customer.
- The Company shall adhere to trade agreements. Whenever adherence is not possible, customers shall promptly be notified in order to jointly find a remedial measure and to prevent losses.
- The Company shall provide communication channels by which customers are able to file complaints to the Company. Complaints shall be processed with care and dealt with fairly.



The Company and Saha Group's companies has organized the annual Saha Group Fair continuously to give back to society. At the fair, products are sold directly to consumers at special prices. These fairs have also been extended to Saha Goup industrial 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

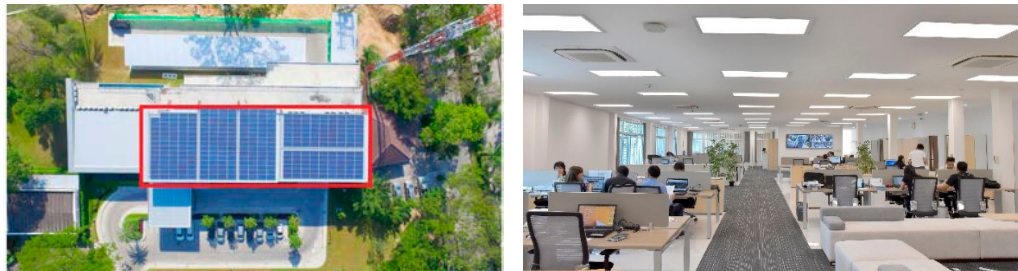
The Company provide communication channels to serve any information, express opinions and complaints :

**Property Marketing Manager**  
**Administrative Officer (Community Relations)**  
**Tel. 038-480-444**  
**e-mail address : amphol@spi.co.th**  
**chalita@spi.co.th**  
**Company's Website : www.spi.co.th**

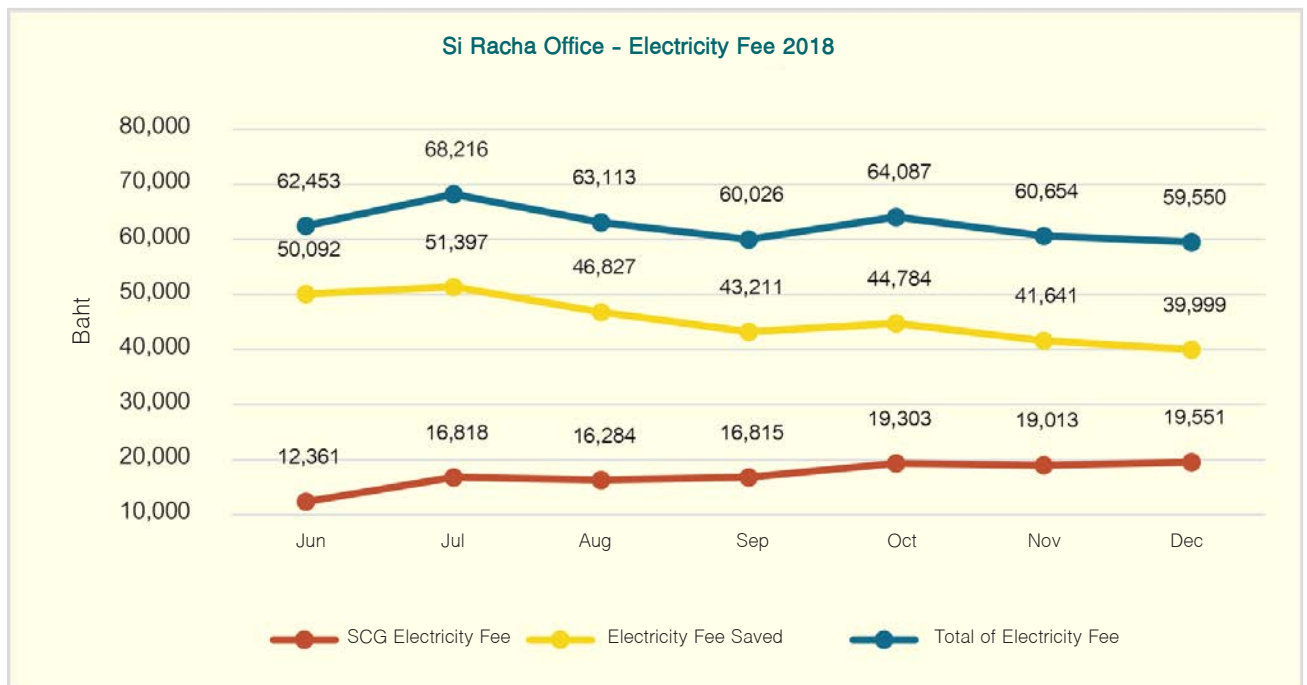
## Society and Community Development

The Company encourages its employees to take action for the greater good of society. It is a responsibility of every individual to contribute to societal development and to support each other, allowing all to coexist happily while bringing about the utmost benefit to society. The company announced the appointment of the Environment and Safety Network Working Group to facilitate the Company's society and community development works. The Company's social development roles and responsibilities, as well as the guidelines for its participation, have been defined. The team have also laid down preventive measures against environmental impacts, as well as monitored their effectiveness, rectified complaints and implemented suggestions on the progress of the project according to the environmental action plan of the Saha Group Industrial Park Si Racha.

## Environmental, Energy, and Resource Management



The new Si Racha office saves energy by using solar power



Cost Saving at the New Si Racha Office by Solar Cell

## Sustainability Research and Development

The Company is committed to continuous research and development of innovations that enhance its business operations, as well as increase its short-term and long-term competitiveness. These innovations could generate profits, reduce costs, or minimize risks to the business or reputation of the Company. All of this would ensure sustainable growth. The Company prioritizes innovation and commercial application of an innovation that creates results in a concrete manner and generates value-added to the business. All groups of stakeholders are always taken into consideration.

The Company has initiated a project to transform sludge from its central wastewater treatment system into a soil conditioner per the standards of the Department of Agriculture. With assistance from Kasetsart University, the project directly reduces costs associated with sludge management and lowers the costs of purchasing fertilizers. The soil conditioner from this project is also environmentally friendly.



**Comparison Table for Sludge Removal Processing and Compost Fertilizer Processing  
(Sludge 110 Tons)**

Sludge Removal Processing		Compost Fertilizer Processing	
Total Cost	258,500 Baht	Total Cost	189,000 Baht
Calculated	2,350 Baht/Ton	Calculated	1,718 Baht/Ton
<b>Compost Fertilizer Processing Sumarized</b>		Cost Saving	$2,350 - 1,718 = 632 \text{ Baht/Ton}$
Sludge 110 Tons	Cost Saving	$635 \times 110 =$	69,520 Baht
Sludge 14,036 Tons	Cost Saving	$632 \times 14,036 =$	8,870,752 Baht





## Good Society

### Sustainable Development Goals (SDGs)



With adherence to its corporate social responsibility, the Company understands that every business process must be socially responsible and contribute to continuous social development. To this end, the Company places a great deal of importance on key developments that respond to the needs of stakeholders and, by extension, elevate the quality of life of people in the communities by means of self-reliance. The Company promotes efficient use of resources, environmental preservation, income generation for the underprivileged, and community development. In addition, the Company promotes health, safety and environmental development among its employees and the surrounding communities through a number of activities in accordance with the eco-industrial town requirements. The Company has successfully executed these activities in conformity with its policy. The activities can be divided into the following six categories

#### (1) Quality of Life and the Environment

To improve the quality of life in surrounding communities and to ensure a sustainable and happy society, the Company conducted the following activities:

##### • New Investment on the Company's land

The Company invested into its existing premises to create jobs and generate income for local communities, improving economic conditions around its Si Racha Industrial Park.



Hua Chiew Traditional Chinese Medicine



Amazon Coffee Shop

##### • Dr. Thiam Chokwatana's Sufficiency Agriculture, Lamphun

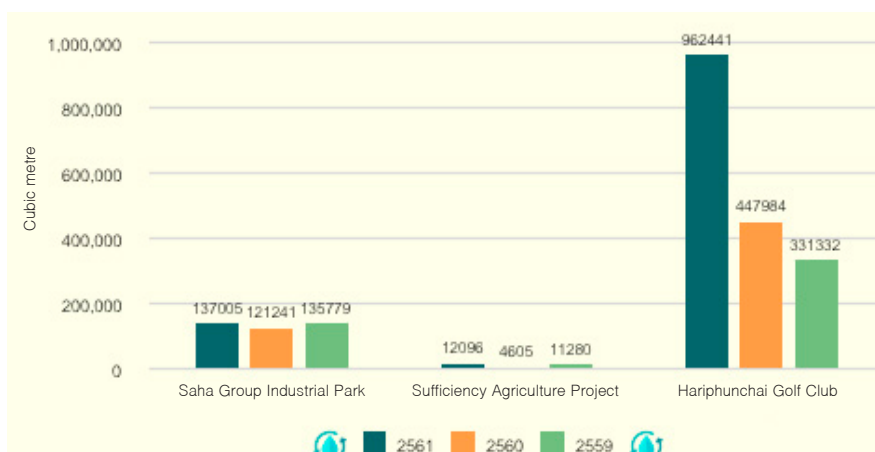
Located within the premises of the Saha Group's Industrial Park Lamphun, Dr. Thiam Chokwatana's Sufficiency Agriculture, Lamphun project was initiated in 2012 with an aim to become a learning center with a focus on using treated wastewater for agricultural purposes. The project demonstrates that an industry, nature and a community can all coexist within the same space. His Late Majesty's Sufficiency Economy Philosophy has been used to find ways to sustainably develop the business without compromising the needs of nature and of the communities.

It is the park's policy to never release wastewater to the outside but to reuse treated wastewater. The treated water was used for the following three activities; use in Saha Group Industrial Park, Lamphun, Sufficiency Agriculture and Hariphunchai Golf Club. In 2018, the Company made use all of the 1,111,542 cubic meters of water from the central wastewater treatment plant and it's able to reuse all treated wastewater within the Industriail Park.

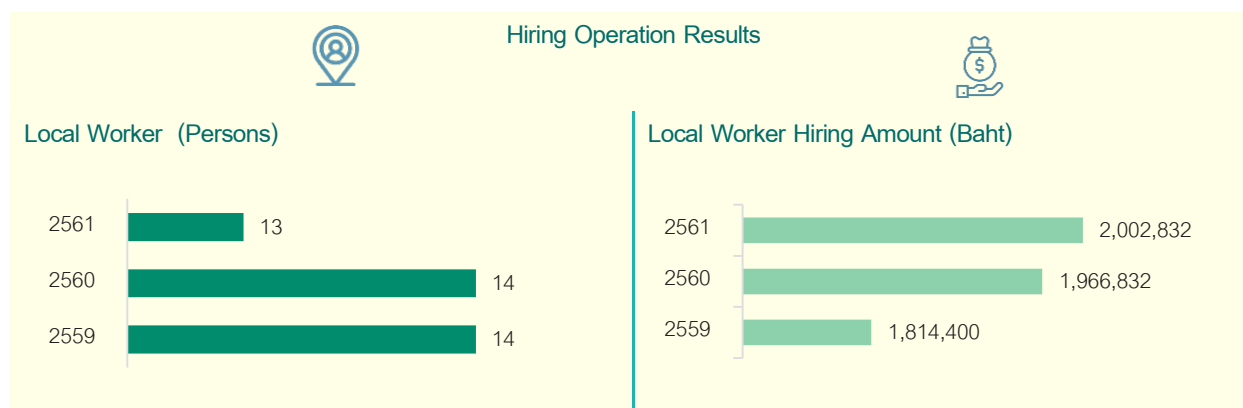




## Wastewater Data 2016 - 2018



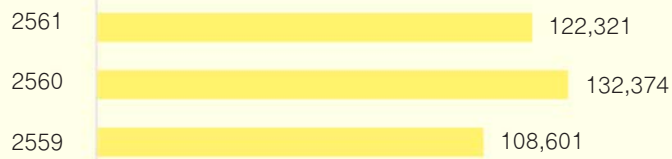
In addition to using treated wastewater in the previously mentioned ways, Dr. Thiam Chokwatana's Sufficiency Agriculture, Lamphun, also creates jobs and generates income for the local communities by hiring the locals to look after its premises. Individuals hired are locals who cannot work in the industrial plants but would still like to earn money and have a passion for agriculture is began in 2012 and is still on-going.



In addition to using treated wastewater in the previously mentioned ways, Dr. Thiam Chokwatana's Sufficiency Agriculture, Lamphun, also creates jobs and generates income for the local communities by hiring the locals to look after its premises. Hiring began in 2012 and is still on-going. Individuals hired are locals who cannot work in the industrial plants but would still like to earn money and have a passion for agriculture. To prove that the treated wastewater is truly safe for agricultural use, the project requested to be GAP-certified in 2018. GAP stands for good agricultural practices. GAP compliance means that good quality produce meets the required standards; that the farm yields a high quantity of produce and is worth the investment value; that the production is safe for farmers while the produce is safe for consumers; that resources are optimized to ensure sustainability; and that the environment remains unharmed. GAP criteria have been established and maintained by the Food and Agriculture Organization (FAO). Eleven of our crops were certified, namely lemongrass, butterfly pea, chameleon plant, coconut, Kimchu guava, fig, mulberry, Khiao Sawoei mango, Nam Dokmai mango, Phet Ban Lat mango and lime.



### Project Operation Results Sales Volume (Baht)



Produce from Dr. Thiam Chokwatana's Sufficiency Agriculture is sold through the Sufficiency Store and booths at various events, such as the 2018 Longan, Safe Agriculture and Proeucts of Lamphun, the TCC Fair 2018, the No-Foam Lamphun Fair, and the Saha Group Fair Lamphun. Between 2016 and 2018, the project has sold 363,296 baht worth of produce.

In addition to the aforementioned activities, Dr. Thiam Chokwatana's Sufficiency Agriculture, Lamphun, also serves as a farming learning center. Between 2016 and 2018, there have been 65 groups of visitors to the project or 5,852 visitors. These have been students, government agents and private employees.

### Project Operation Results Visitors



### • Support for Activities That Promote Professional Development and Improve the Quality of Life in Surrounding Communities



We supported the housewives of Wang Dan in their broom manufacturing business by providing space for the sale of their products.



We supported cage fish farming by donating rare species and economic species to 20 freshwater fish farms in Wang Dan and te surrounding areas.



We provided space for farmers to sell their pineapples during the oversupply period.



We supported activities that promoted career development for the elderly and encouraged them to spend their free time for their own benefits at Ban Rai 1 School for the Elderly.



We donated an automated external defibrillator (AED) to a sub-district health-promoting hospital for the benefit of the locals.



## (2) Sustainability Communication and Relations

Meetings were held between the Saha Group's industrial parks, governmental agencies and surrounding communities to organize activities for mutual benefits according to **the Eco-Industrial Town and Sustainable Coexistence policies**. Efforts of this nature were made under the name "Pracharat Program of the Saha Group and the Environment and Safety Network.



## (3) Education and Learning

The Company supported and encouraged activities that promote education and learning among students and teachers to ensure sustainable educational development. The following were activities conducted:



Awarding Scholarship



Library equipments supporting,  
Wat Nong Khla School and Wat Nong Kham School.

## (4) Religions, Local Customs and Traditions

Operating on the foundation of corporate social responsibility, the Company attaches much importance to the preservation of local culture and customs. In this regard, the Company has conducted a number of activities, such as the Saha Group's Phapa Samakki Ruam Chai merit making ceremony, offering non-perishable foods to monks on the Wan Wai Phra Phrom Day, the Songkran Phrom Sathan Suep San Watthanatham Un Ai Rak fair and the Su Khwan Khao ceremony at Nonsi District.



## (5) Health



The Company places a great deal of importance on mental and physical well-being. To this end, the Company led numerous activities, such as a mobile clinic for breast and cervical cancer checkups and the "Kabinburi Mini Marathon RUN 4 LIFE 2018".



## (6) Public Interest Activities

### • The Saha Group's San Palang Pracharat Project

The Saha Group's Pracharat Project is a collaborative effort among the Saha Group, the public sector and civil society. It advocates for communities to do business based on the foundation of knowledge, creativity, innovation and cultural identity. At present 11 projects have been realized under the Saha Group's Pracharat Project by 12 companies within the group. Each project has its own objectives, formats and target groups. These projects are as follows:

- Excellent Model School, ICC International Public Company Limited
- Thai Performing Arts for Thai Youth, ICC International Public Company Limited, Saha Pathana Inter-Holding Public Company Limited, Thai President Foods Public Company Limited and President Bakery Company Limited
- Sahapat Admission, Saha Pathanapibul Public Company Limited
- Science on Mobile, S&J International Enterprises Public Company Limited
- OCC's Career Development, OCC Public Company Limited
- Dressmaking Career, Thanulux Public Company Limited
- Dr. Thiam Chokwatana's Sufficiency Agriculture, Lamphun, Saha Pathana Inter-Holding Public Company Limited
- Bamboo Reforestation and Job Creation, Sahacogen (Chonburi) Public Company Limited and its subsidiary
- Pracharat Against Breast Cancer, Thai Wacoal Public Company Limited
- LION Oral Health Promotion and Prevention, Lion (Thailand) Co., Ltd.
- ILC Greenheart for the Environment, International Laboratories Co., Ltd.

In 2018 the Company, as the center of public relations for the Saha Group's 11 Pracharat projects, urged the public sector and the people to take part in the projects, the Pracharat @ Saha Group Fair took place in activity of pay respects Braham at three of our industrial parks, namely in Si Racha, Lamphun and Kabinburi. Our works were put on display for anyone who might be interested to learn about their concepts and processes, which they could build upon within their own communities and create additional projects that will benefit the country.

Furthermore, there were special activities that the public could take part in without any charges, such as professional training, field-specific training, medical services, sale of products whose proceeds would go towards social betterment at government complexes and within communities, sale of OTOP food items and products, sale of local products, career development activities and local performing arts events.





The Company has taken part in the **Saha Group's Pracharat Project under Dr. Thiam Chokwatana's Sufficiency Agriculture, Lamphun**, by contributing to the working team for the development of grassroots economies (E3). In conjunction with institutes, foundations, organizations and other private companies, we have begun propelling the grassroots economy forward across three segments, namely agriculture, food processing and community-based tourism. Our participation has kept us informed and led to concrete execution of plans. His Majesty's concept of "Understanding, Access and Development" has been employed to foster collaboration among the public sector, the private sector, civil society, the academia and the people. Every one of these sectors have been empowered to use their potential to strengthen the nation from its roots. Our efforts encourage communities to generate sufficient income to sustain themselves and to know the value of sacrifice and helping one another. The Company continues to promote a better understanding of the Pracharat Project among companies within the Saha Group and to garner their participation, which will bring about success. Under the corporate social responsibility policy of **"Good People, Good Products, Good Society,"** the Saha Group has organized several activities as follows:

#### Eco-Friendly Thai Agriculture:

We organized learning bases about agriculture and environmental management, such as compost, plant propagation, animal husbandry, rice processing, water-soluble substances, waste sorting and the acidity of different products.



#### Pracharat Rice Farming:

Together with students from the Third Educational Development Network of Mueang Lamphun, Saha Group employees, the public sector and surrounding communities planted rice. There are three model paddies, namely parachute, sowing and transplantation.



#### Local Education Supported

- We offered 3 rai of our project to students at Wat Nong Siu School to use as an outdoor classroom, where they learn about Riceberry rice cultivation, as well as rice processing and sale.
- We provided the equipments for mushroom farming to Wat Nong Siu School, Ban Huai Som School and Ban Pan Sub-District School.
- We donated an oven to Ban Si Bun Yuen-Wang Thong School to help the students process figs.



#### We supported several activities of the Pa Sak Safe Rice Group

- Donating Dok Mali Rice 105 grains and Riceberry grains and biopesticide to the group. We also bought their produce. In 2017 there were 30 members, while in 2018 there were 61 members.



- We provided safe-rice production equipment to four farms.



**We encouraged the cultivation of Kimchu guava** by providing saplings, biofertilizer and planting containers



**We donated 1,600 kg of rice** to the Lamphun Peace and Order Maintaining Force, which would go towards disaster relief and their mobile units.



**We donated rice** to 48 Anniversary Commemoration School and Metheewudthikorn School to support underprivileged students.



**The 2<sup>nd</sup> Saha Group Pracharat Ruamchai**, there were exhibits from state sector, the private sector and local communities, as well as activities such as herbal soap making, breast cancer screening and cloth bag sowing by the Phra Dabos Foundation.



**Good People   Good Products   Good Society**

## GRI Context Index

GRI Standard			
GRI Standard Number	GRI Standard Title	Disclosure Number	Page
GRI 102	General Disclosures	102-14	215 - 216
GRI 102	General Disclosures	102-15	215 - 216, 219 - 220
GRI 102	General Disclosures	102-1	10 - 11
GRI 102	General Disclosures	102-2	17 - 25
GRI 102	General Disclosures	102-3	184
GRI 102	General Disclosures	102-4	184
GRI 102	General Disclosures	102-5	14
GRI 102	General Disclosures	102-6	17 - 25
GRI 102	General Disclosures	102-7	36
GRI 102	General Disclosures	102-8	N/A
GRI 102	General Disclosures	102-41	N/A
GRI 102	General Disclosures	102-9	17 - 25
GRI 102	General Disclosures	102-10	9 - 10, 17 - 25
GRI 102	General Disclosures	102-11	26 - 28
GRI 102	General Disclosures	102-12	241 - 247
GRI 102	General Disclosures	102-13	N/A
GRI 102	General Disclosures	102-45	N/A
GRI 102	General Disclosures	102-46	217
GRI 102	General Disclosures	102-47	220 - 221
GRI 103	Management Approach	103-1	N/A
GRI 103	Management Approach	103-2	48 - 75
GRI 102	General Disclosures	102-48	N/A
GRI 102	General Disclosures	102-49	N/A
GRI 102	General Disclosures	102-40	64 - 70, 218 - 220
GRI 102	General Disclosures	102-42	64 - 70, 218 - 220
GRI 102	General Disclosures	102-43	218 - 220
GRI 102	General Disclosures	102-44	218 - 220
GRI 102	General Disclosures	102-50	216
GRI 102	General Disclosures	102-51	216
GRI 102	General Disclosures	102-52	216
GRI 102	General Disclosures	102-53	252





GRI Standard			
GRI Standard Number	GRI Standard Title	Disclosure Number	Page
GRI 102	General Disclosures	102-54	216, 220 - 221
GRI 102	General Disclosures	102-55	248 - 252
GRI 102	General Disclosures	102-56	216, 220 - 221
GRI 102	General Disclosures	102-56	N/A
GRI 102	General Disclosures	102-18	32 - 38
GRI 102	General Disclosures	102-19	75 - 87
GRI 102	General Disclosures	102-20	215
GRI 102	General Disclosures	102-21	219 - 220
GRI 102	General Disclosures	102-22	32 - 38, 75 - 87
GRI 102	General Disclosures	102-23	75 - 87
GRI 102	General Disclosures	102-24	80 - 81
GRI 102	General Disclosures	102-25	97 - 109
GRI 102	General Disclosures	102-26	82 - 83
GRI 102	General Disclosures	102-27	44 - 46
GRI 102	General Disclosures	102-28	64
GRI 102	General Disclosures	102-29	215
GRI 102	General Disclosures	102-30	26 - 28
GRI 102	General Disclosures	102-31	220 - 221
GRI 102	General Disclosures	102-32	215
GRI 102	General Disclosures	102-33	221
GRI 102	General Disclosures	102-34	221
GRI 102	General Disclosures	102-35	38 - 41
GRI 102	General Disclosures	102-36	38 - 41
GRI 102	General Disclosures	102-37	38
GRI 102	General Disclosures	102-38	38 - 41
GRI 102	General Disclosures	102-39	N/A
GRI 102	General Disclosures	102-16	64 - 75
GRI 102	General Disclosures	102-17	64 - 75
GRI 103	Management Approach	103-1	48 - 64
GRI 103	Management Approach	103-2	48 - 64
GRI 103	Management Approach	103-3	48 - 64
GRI 201	Economic Performance	201-1	N/A
GRI 201	Economic Performance	201-2	N/A



GRI Standard			
GRI Standard Number	GRI Standard Title	Disclosure Number	Page
GRI 201	Economic Performance	201-3	67 - 68
GRI 201	Economic Performance	201-4	N/A
GRI 202	Market Presence	202-1	N/A
GRI 202	Market Presence	202-2	N/A
GRI 203	Indirect Economic Impacts	203-1	17 - 25
GRI 203	Indirect Economic Impacts	203-2	241 - 247
GRI 204	Procurement Practices	204-1	226
GRI 301	Materials	301-1	N/A
GRI 301	Materials	301-2	230 - 231, 240 - 241
GRI 302	Energy	302-1	239
GRI 302	Energy	302-2	230, 239
GRI 302	Energy	302-3	230, 239
GRI 302	Energy	302-4	230, 239
GRI 302	Energy	302-5	230, 239
GRI 303	Water	303-1	28
GRI 303	Water	303-2	28
GRI 303	Water	303-3	241 - 243
GRI 304	Biodiversity	304-1	230
GRI 304	Biodiversity	304-2	241 - 243
GRI 304	Biodiversity	304-3	241 - 243
GRI 304	Biodiversity	304-4	N/A
GRI 305	Emissions	305-1	N/A
GRI 305	Emissions	305-2	N/A
GRI 305	Emissions	305-3	N/A
GRI 305	Emissions	305-4	N/A
GRI 305	Emissions	305-5	N/A
GRI 305	Emissions	305-6	N/A
GRI 305	Emissions	305-7	N/A
GRI 306	Effluents and Waste	306-1	240 - 242
GRI 306	Effluents and Waste	306-2	240
GRI 306	Effluents and Waste	306-3	N/A
GRI 306	Effluents and Waste	306-4	28, 73
GRI 306	Effluents and Waste	306-5	241





GRI Standard			
GRI Standard Number	GRI Standard Title	Disclosure Number	Page
GRI 301	Materials	301-3	N/A
GRI 307	Environmental Compliance	307-1	N/A
GRI 308	Supplier Environmental Assessment	308-1	N/A
GRI 308	Supplier Environmental Assessment	308-2	N/A
GRI 103	Management Approach	103-2	N/A
GRI 401	Employment	401-1	N/A
GRI 401	Employment	401-2	67 - 68
GRI 401	Employment	401-3	N/A
GRI 402	Labor/Management Relations	402-1	73, 237 - 238
GRI 403	Occupational Health and Safety	403-1	N/A
GRI 403	Occupational Health and Safety	403-2	N/A
GRI 403	Occupational Health and Safety	403-3	N/A
GRI 403	Occupational Health and Safety	403-4	28, 73
GRI 404	Training and Education	404-1	43 - 46
GRI 404	Training and Education	404-2	43 - 46
GRI 404	Training and Education	404-3	N/A
GRI 405	Diversity and Equal Opportunity	405-1	76, 78, 196 - 207
GRI 405	Diversity and Equal Opportunity	405-2	N/A
GRI 414	Supplier Social Assessment	414-1	66
GRI 414	Supplier Social Assessment	414-2	N/A
GRI 103	Management Approach	103-2	N/A
GRI 412	Human Rights Assessment	412-3	73, 237 - 238
GRI 412	Human Rights Assessment	412-2	238
GRI 406	Non-discrimination	406-1	237 - 238
GRI 407	Freedom of Association and Collective Bargaining	407-1	237 - 238
GRI 408	Child Labor	408-1	N/A
GRI 409	Forced or Compulsory Labor	409-1	N/A
GRI 410	Security Practices	410-1	237
GRI 411	Rights of Indigenous Peoples	411-1	N/A
GRI 412	Human Rights Assessment	412-1	N/A



GRI Standard			
GRI Standard Number	GRI Standard Title	Disclosure Number	Page
GRI 414	Supplier Social Assessment	414-1	N/A
GRI 414	Supplier Social Assessment	414-2	N/A
GRI 103	Management Approach	103-2	N/A
GRI 413	Local Communities	413-1	224 - 229, 242
GRI 413	Local Communities	413-2	N/A
GRI 205	Anti-corruption	205-1	235 - 236
GRI 205	Anti-corruption	205-2	235 - 236
GRI 205	Anti-corruption	205-3	235 - 236
GRI 415	Public Policy	415-1	<a href="http://www.spi.co.th/download/corruption_policy/PRACTICE_CORRUPTION_POLICY-TH.pdf">http://www.spi.co.th/download/corruption_policy/PRACTICE_CORRUPTION_POLICY-TH.pdf</a>
GRI 206	Anti-competitive Behavior	206-1	66
GRI 419	Socioeconomic Compliance	419-1	N/A
GRI 414	Supplier Social Assessment	414-1	N/A
GRI 414	Supplier Social Assessment	414-2	N/A
GRI 103	Management Approach	103-2	N/A
GRI 416	Customer Health and Safety	416-1	28, 73
GRI 416	Customer Health and Safety	416-2	N/A
GRI 417	Marketing and Labeling	417-1	N/A
GRI 417	Marketing and Labeling	417-2	N/A
GRI 102	General Disclosures	102-43 102-44	219
GRI 102	General Disclosures	102-2	21 - 25
GRI 417	Marketing and Labeling	417-3	60, 238
GRI 418	Customer Privacy	418-1	65, 238
GRI 419	Socioeconomic Compliance	419-1	N/A

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,  
Yannawa, Bangkok 10120  
Tel. +66 2293 0030 Fax. +66 2293 0040  
[www.spi.co.th](http://www.spi.co.th)