

# SPI

SAHA PATHANA INTER-HOLDING PLC.



# SUCCESS WITH SYNERGY AND SHARING

ANNUAL  
REPORT  
2020





## VISION

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



## TARGET

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To achieve sustainable business growth



## MISSION

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- 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 developments in terms of business expertise, moral and ethics, and social and environmental awareness

# SUCCESS WITH SYNERGY AND SHARING



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## FINANCIAL HIGHLIGHTS

	2020	2019	2018
<b>Consolidated financials (Baht million)</b>			
Total revenue*	5,206	5,326	5,684
Gross profit	2,985	2,925	3,225
EBITDA	2,765	2,689	3,018
Net profit	2,306	2,271	2,595
Total assets	54,718	41,575	38,799
Investments	43,530	35,148	33,125
Investment properties and other fixed assets	5,624	5,636	4,985
Total liabilities	15,627	11,042	9,794
Interest-bearing debt	14,101	10,182	9,017
Total shareholders' equity	39,091	30,533	29,006
Net cash flow from operating activities, including dividend received	1,222	1,436	1,311
<b>Profitability ratio (%)</b>			
Gross margin	57.3%	54.9%	56.7%
EBITDA margin	53.1%	50.5%	53.1%
Net profit margin	44.3%	42.6%	45.7%
Return on assets (ROA)	4.7%	5.6%	7.1%
Return on equity (ROE)	6.6%	7.6%	9.6%
<b>Leverage ratio (Times)</b>			
Debt to equity ratio	0.40	0.36	0.34
Interest-bearing debt to equity ratio	0.36	0.33	0.31
Interest coverage ratio	9.37	11.14	18.29
<b>Per share data (Baht per share)</b>			
Earnings per share**	4.03	3.97	4.87
Book value per share	68.35	53.39	50.75
Dividend per share***	0.70	0.70	0.70
Dividend payout ratio (%)	17.4%	17.6%	14.4%
<b>Share information as of 31 December</b>			
Par value (Baht per share)	1.00	1.00	1.00
Share price (Baht per share)	71.00	70.00	74.00
Outstanding shares (shares)	571,890,666	571,890,666	571,515,007
Market capitalisation (Baht million)	40,604	40,032	42,292

**Remark:**

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

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

\*\*\* Dividend per share for 2020 has been consented as per the Board of Directors' resolution on 11 March 2021 and will be proposed in the Annual General Meeting of Shareholders on 23 April 2021.

In 2018, there were extraordinary items, consisting of gain on change in investment classification (Baht 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)



## Report of the Board of Directors

In 2020, the global economy was affected by the outbreak of COVID-19. The pandemic resulted in a recession of the world economy, including Thailand. The Board of Directors appreciates the significance of this challenge, and in response, has drawn up a business plan with due regard to prudence, flexibility and good governance under the concept of “Success with Synergy and Sharing”. The organization’s success stems from the cooperation of all stakeholders. Importance has been given to truthful sharing, assisting and supporting society, and together forming a positive driving force in Thai society under this crisis. The Company truly believes in our resilience to survive this crisis.

The Company has made changes to operations during the previous year in line with the pandemic situation. This crisis was viewed as an opportunity to prepare for growth, explore new business investment opportunities as well as restructure and develop current business investments for greater efficiency. Innovations which increase competitiveness and environmental friendliness have been elevated, such as the promotion of clean energy through production and utilization of solar energy and the promotion of smart city developments in collaboration with a joint venture company by installing a network of fiber glass cables to support 5G technology, which would in turn support and enhance business efficiencies at a more rapid pace in the future.

Because of continued prudent business operations and investment focus on diversification of portfolio, in 2020, the Company maintained its net earnings level of Baht 2,305.6 million, showing an increase of Baht 39.6 million or 1.7 percent from the preceding year. Moreover, to support investment opportunities and provide a secure financial structure, the Company issued and offered debentures in the amount of Baht 5,000 million, receiving a satisfactory response from investors with over 5-time subscription. The Company has also received a credit rating from Tris Rating Company Limited at the level AA with a stable outlook for the 7th consecutive year, since 2014. This reflected confidence and trust in the Company’s financial position, enabling the Company to manage its financial costs at an appropriate level.

The Board of Directors also continue to adhere to business guidelines for sustainable development. In this regard, the Company was selected for listing in the ESG100 in the year 2020 and was categorized as one of Thailand Sustainability Investment (THSI) list in 2020 for the 2nd consecutive year. The Company also received an “Excellent” rating for good governance and “Excellent” assessment for quality of the annual general meeting of shareholders with the full score of 100 for the 12th consecutive year.

The year 2021 seems to be another challenging year due to the COVID-19 outbreak. Nonetheless, the Company undertakes to continue its adherence under the philosophy of “Good People, Good Products, Good Society” as a way of fostering sustainable growth for all stakeholders, and will continue to play its part in promoting the development of the country. In this regard, the Board of Directors would like to take this opportunity to thank all stakeholders, including customers, joint venture companies, trading partners, financial institutions, shareholders, debenture holders, business alliances, executive officers and employees, for their continued trust and support in the Company’s operations.



## Report of the Audit Committee

The Audit Committee of Saha Pathana Inter-Holding Public Company Limited was appointed by the Board of Directors on May 14, 2020 with 3 independent Directors and non-executive members, who possess the qualifications specified by the Securities and Exchange Commission and SET; namely: Mr. Nophorn Bhongsvej as Chairman of Audit Committee, Mrs. Punnee Worawuthichongsathit and Mr. Nipon Poapongsakorn as the Audit Committee having a term of one year.

In the year 2020, the Audit Committee held 11 meetings throughout the year as follows:

	<u>Name</u>	<u>Position</u>	<u>No. of Attendance</u>
1. Mr. Nophorn	Bhongsvej	Chairman of Audit Committee	11/11
2. Mrs. Punnee	Worawuthichongsathit	Audit Committee	11/11
3. Mr. Nipon	Poapongsakorn	Audit Committee	4/4
	(appointed since 14 August 2020)		
4. Mr. Sompong	Sungrungsan	Audit Committee	6/6
	(resigned from this position on 4 August 2020)		

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 Reports of the company for each quarterly period and for the full year 2020 as review and audit by Auditor. The financial statements are prepared in accordance with generally accepted Accounting Standards & Financial Reporting, with explaining from Auditor and Chief financial officer. In order to ensure adequately disclose the required information in an accurate manner.

Additionally, the Audit Committee met with the Auditor, without any members of the Management being present, to discuss key operational issues and Accounting Standards and Financial Reporting Standards 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, the performance results to the Board of Directors on quarterly basis in order to ensure adequacy and appropriateness of the internal control system to the current state of business.

The company has been firstly certified as a member of the Private Sector Collective Action Coalition Against Corruption (CAC) since 2016 and re-certified on November 4, 2019. It has continued to proactively and consistently followed the proper operational procedures in a transparent manner. In 2020, the company has not received any complaint of corruption via any of the channels provided.

3. Consider and review the related transactions or 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 Company, together with information disclosure in accordance with regulations of the SEC & SET.

4. Consider and review the Audit Committee Charter on a yearly basis as well as the self-evaluation of the performance for Audit Committee is "Excellent".

5. Consider the appointment and determination the remuneration of company Auditors for the year 2021. 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 Patthana Inter-Holding Public Company Limited has appointed a Nomination and Remuneration Committee comprising 3 members, as follows:

Name	Position
1. Mr. Boonsithi Chokwatana	Chairman of the Nomination and Remuneration Committee
2. Mr. Vichai Kulsomphob	Nomination and Remuneration Committee
3. Ms. Sirikul Dhanasarnsilp	Nomination and Remuneration Committee

The Nomination and Remuneration Committee performed duties tasked by the Board of Directors as prescribed by the Charter, as follows:

**Nomination** : The Committee has the duty of nominating a suitably qualified person to assume the position of Company Director. Consideration shall be made on the basis of expertise meeting the requirements of the Company, knowledge, competencies, experience, leadership, vision, morals and ethics, including qualifications as well as no characteristics prohibited prescribed by law and relevant notifications, as well as the Company Articles of Association. In order to ensure transparency in the process for nominating Company Directors, analyses of skills, experience, knowledge and expertise of the Board of Directors are undertaken Board Skill Matrix, as appropriate and consistent with the Company business operations. This matrix is reviewed annually to enable the nominate of a suitably qualified Director to replace one who is leaving at the expiration of term. Consideration is also given to the list of persons capable of being directors in listed companies from the professional directors' pool published by the Thai Directors Institute and nominations are made to the Board of Directors for approval before submission to the shareholders' meeting approval.

**Remuneration** : The Committee has the duty of considering rules for payment and forms of Remuneration for Company Directors and members of company committees. Comparisons are made to other companies in the same industry and a proposal would be made to the Board of Directors for approval before submission to the shareholders' meeting for approval. This process ensures that the Company follows a fair and transparent procedure for determining Remuneration.

In 2020, the Company extended the opportunity to minority shareholders to participate in the nomination of candidates for Company Director in advance prior to the annual general meeting of 2020. However, no nomination was made for election to Company Director position. The Nomination and Remuneration Committee held a total of 3 meetings, as follows:

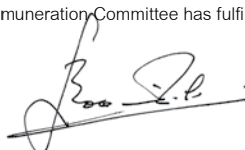
**Nomination** : Nomination was undertaken to replace Directors leaving at the expiration of term. The Nomination and Remuneration Committee, excluding interested Directors, considered qualifications of persons nominated to become Company Directors in lieu of Directors leaving at the expiration of term. A proposal was made to the Board of Directors for approval prior to submission to the 49<sup>th</sup> General Meeting of Shareholders for endorsement. Following the Nomination exercise, the Committee found that the 5 Company Directors whose terms were expiring, namely, Mr. Boonsithi Chokwatana, Mr. Samreng Manoonpol, Ms. Sirikul Dhanasarnsilp, Mr. Pipat Paniangvait and Mr. Nipon Poapongsakorn, all possessed qualifications and expertise matching the requirements of the Company. As a consequence, the Board of Directors comprised 15 members.

Moreover, in 2020, Mr. Sompong Sungrungsan, Directors and Independent Director submitted a resignation letter dated 31<sup>st</sup> July 2020, effective as of 4<sup>th</sup> August, 2020, due to personal commitments, resulting in 1 vacant position for Company Director. The Nomination and Remuneration Committee recruited Mr. Somkid Jatusripitak, to be a Company Director and Independent Director replaced in the vacant Company Director position and term.

**Remuneration**: The Committee considered rules of payment and forms of remuneration, including the remuneration limit as well as distribution of remuneration to the Company Directors for performance of functions, namely the functions of Company Director, Audit Committee, Nomination and Remuneration Committee and Good Governance and Risk Management Committee. A proposal was made to the Board of Directors prior to submission to the 49<sup>th</sup> Annual General Meeting for endorsement.

In the interest of transparency and accountability, the Company disclosed remuneration of individual Company Directors in the annual report and Form 56-1.

In addition, the Nomination and Remuneration Committee conducted annual reviews of the Nomination and Remuneration Committee Charter to facilitate efficient functioning and provide a clear scope of responsibilities. The performance of Nomination and Remuneration Committee is also assessed annually and assessment results are applied to improvements in the performance of functions. These assessment results are disclosed in the Annual Report and Form 56-1. In any event, the Nomination and Remuneration Committee has fulfilled



(Mr. Boonsithi Chokwatana)

Chairman of the Nomination and Remuneration Committee



## Report of the Corporate Governance and Risk Management Committee

The Board of the Company is committed to the high standards of governance. Effective governance will enable business integrity leading to a sustainable growth and maintaining investors' trusts in the Company, the followings have been appointed to the following members:

	<u>Name</u>	<u>Position</u>
1.	Mr. Nophorn Bhongsvej	Chairman
2.	Ms. Sirikul Dhanasarnsilp	Member
3.	Mr. Pipope Chokvathana	Member
4.	Mr. Supradit Sa-id	Member
5.	Mr. Sontaya Tabkhan	Member

The Corporate Governance and Risk Management Committee operates under a charter approved by the Board of Directors with 2 meetings held during 2020, which can be summarised as follows:

### Good Governance and Anti-Corruption

The committee works to promote the accountability of individuals and teams within the company to ensure of a positive performance and sustainable growth. The Company's culture of integrity is clearly defined and communicated to employees at all levels and to outside suppliers. Compliance to all legal and regulatory requirements are closely monitored and routinely reported to the Board of Directors.

### Risk Management

Risks, both operating and financial, are routinely reviewed to ensure that mistakes are avoided before they happen and that all stakeholders are safeguarded. Risk areas in each operating unit are identified with responsible teams working on mitigation and oversight provided by the committee on the action plan and the implementation thereof. Internationally accepted standards and norms as outlined in COSO, ERM framework are regularly consulted in formulating the action plans. The committee also reviewed the results of these plans as well as the charter of the committee to ensure of compliance to established regulations.

### Social Responsibility

Our report "SPI and Sustainable Development" was prepared under the auspices of the Global Reporting Initiatives and the U.N. "Sustainable Development Goals" (SDG's) and Eco Industrial Park to guide the operation towards our corporate value of "Good People, Good products, Good society" which we believe will be of maximum benefits to our stakeholders. Our commitment to these principles have won us the selection by the Thaipat Institute to join the list of 100 companies as having met the environmental, social and governance standards out of the 803 listed companies.

In addition, the Corporate Governance and Risk Management Committee has reviewed of the Corporate Governance and Risk Management Committee Charter and assessed the performance of the Corporate Governance and Risk Management Committee annually. In order to be able to perform their duties efficiently, in 2020 our corporate governance practice was rated as "Excellent" by the Thai Institute of Directors (IOD) while the Investor Association accorded us with full marks on our conduct of the Annual General Meeting of shareholders for twelve consecutive years. We are also proud to be selected by the Securities Exchange of Thailand (SET) as one of the 124 companies on its list of Thailand Sustainability Investment (THSI).

We are committed to the corporate governance principles of accountability, transparency and security. These are critical in the operation of our company towards the formation of solid professional relationships among all stakeholders and ultimately to our shareholders.

(Mr. Nopporn Pongvej)

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 5 April 1972, under the name of “Saha Pathana Investment Company Limited”, with a registered capital of Baht 6 million. At present, the Company has a registered capital of Baht 582,923,188 with a paid-up capital of Baht 571,890,666 (as of 31 December 2020). 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 9 May 1994.

The Company's business operation consists of 3 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**.

#### 1. Investment in Consumer Products Business

The Company invests in Consumer Products Business, including Textile and Fashion (under trademarks such as Wacoal, Arrow), Household Products (under trademarks such as PAO, Shokubutsu Monogatari), Beauty & Cosmetics (under trademarks such 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, 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 trademarks such as Mama) as well as bread and bakery production and distribution (under trademarks such 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 manufacturer and retailer of BUD's ice cream and distributor 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 4 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. In addition, the Company also has other real-estate developments e.g. J-Park Sriracha Nihon Mura, a community mall that decorated in Japanese style in Surasak sub-district, Si Racha, Chonburi, and investments in other businesses apart from the two aforementioned groups.





## VISION



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



## TARGET



To achieve sustainable business growth



## 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 developments in terms of business expertise, moral and ethics, and social and environmental awareness

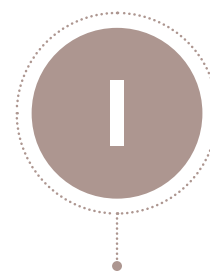
## CORPORATE VALUES



SUCCESS WITH SYNERGY  
AND SHARING



PROGRESS WITH  
PARTNERSHIP AND  
POSITIVITY



INTEGRATION OF  
INNOVATION AND INTEGRITY

## 2. Vision, Mission, Target, and Corporate Values

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 target and strategies, annually.

In 2020, The Company has reviewed and considered that its current vision, mission, targets, and corporate values were still suitable for its current business context and were in line with its operational policy.

### The Company's Vision, Mission, Target, and Corporate Values

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

#### Vision

"To be a leading investment company that serves customers with heartfelt service, dedication to ongoing developments 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 developments in terms of business expertise, moral and ethics, and social and environmental awareness

#### Target

"To achieve sustainable business growth"

For 2020, The Company's focus will lie on business innovation toward investment, industrial park development, and other real-estate developments. Therefore, to enable every employee to work towards the same goal and to promote organisational culture, the Company has reviewed and revised its corporate values as follows:

### Corporate Values

Based on the vision, mission, targets, and corporate values, the Company had formulated a corporate strategy to propel itself towards sustainability, where the Board of directors has issued the following business directions for 2020 as follows:

**1. Corporate Governance:** The Company shall stay committed to improving its corporate governance, which is an integral foundation of business development, sustainable value creation, and investor confidence. They bolster business competitiveness and ensure good operating performance. Our management shall adhere to The Securities and Exchange Commission of Thailand, the Stock Exchange of Thailand, and the Sufficiency Economy Philosophy. The Company also promotes qualities such as morale, honesty, diligence, perseverance, sharing, and intelligence, which enable them to adapt to the changing business context and foster a sustainable balance of happiness and corporate benefits.

**2. Investment:** The Company remains committed to investing and managing its portfolio to foster sustainable growth for all stakeholders. Investments are diversified in the purpose of risk management. Investment opportunities in a variety of business clusters are considered as well as joint ventures with alliances both domestically and overseas. In addition, the Company also increased investments in companies that have already invested which showed favourable and steady performance to increase higher return opportunities. In the preceding year,



The Company made new investments in several businesses, such as real estate development, international school, and fibre optics cable network infrastructure.

**3. Industrial Parks:** The Company has received Eco-Industrial Town certification for its industrial parks in Si Racha and Kabin Buri. Its J-Park Sriracha Nihon Mura Project is also eligible for government support as part of the Eastern Economic Corridor (EEC). For Tak Province, the Company operates an industrial park in Mae Sot and has plots of land in the Special Economic Zone (SEZ) that could be developed to accommodate a variety of industries such as textiles, logistics, and plastics for exports to Myanmar or domestic consumption. Meanwhile, Saha Group Industrial Park in Lamphun elevated its Pracharat project (Dr. Thiam Chokwatana's Sufficiency Agriculture Project in Lamphun) to improve community strength and the quality of life for surrounding communities by contributing to their income growth. Furthermore, to ensure the sustainable growth of its people and properties, the Company has adhered to principles of the Global Reporting Initiative (GRI) Standards 2018, ready to present the initial compliance with the United Nation's Sustainable Development Goals under its Corporate Social Responsibility Policy "Good People, Good Products, Good Society". The Board of Directors has tasked the Corporate Governance and Risk Management Committee with sustainable development efforts, adhering to the corporate culture that focuses on business profitability and sustainable co-existence with the environment and society.

### 3. Key Developments

Year	Events
2014	<ul style="list-style-type: none"> <li>Developed a community mall named J-Park Sriracha 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 Baht 15,000 million, according to AGM no.1/2016 on 20 Sep 2016 the Company issued and offered two sets of debentures with a total value of Baht 2,000 million on 9 February 2017.</li> <li>Certified by the Thailand's Private Sector Collective Coalition Against Corruption (CAC) on 14 October 2016.</li> </ul>
2017	<ul style="list-style-type: none"> <li>Acquired 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 Baht 3,505 million 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 achieve 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 Baht 494,034,300 to Baht 571,515,007 after holders of convertible debentures requested that their debentures be converted twice for a total value of Baht 3,486,635,000. These debentures were converted into 77,480,707 ordinary shares. As of 31 December 2018, there was Baht 18,813,000 remaining in the form of convertible debentures.</li> <li>Appointed Mr. Supradit Sa-id as Company Secretary, replacing Mrs. Darunee Soontorntumrong, who retired.</li> </ul>



Year	Events
2019	<ul style="list-style-type: none"> <li>The Company had Baht 582,923,188 in registered capital and Baht 571,890,666 in paid-up capital after some debentures were converted during the year. As of 31 December 2019, the Company had an outstanding convertible debentures of Baht 1,908,000.</li> <li>The Company has expanded new joint ventures, e.g. Saha Capital Tower Company Limited which operates the business of real estate development and Donki (Thailand) Company Limited (Formerly, Donki Thonglor Company Limited) which operates a retail business.</li> <li>The Company's membership to Thailand's Private Sector Collective Action against Corruption was re-certified on 4 November 2019.</li> <li>The Company was selected as one of the 98 enterprises on Thailand Sustainability Investment (THSI) list of 2019 prepared by the Stock Exchange of Thailand.</li> </ul>
2020	<ul style="list-style-type: none"> <li>The Company offered and issued debentures issue no. 1/2020 in a total of 4 tranches for a value of Baht 5,000 million to institutional and major investors on 25 June 2020. The purpose of this issue was to provide working capital for the Company and/or investments and/or repayment of Company's loans (details on Company debentures are provided in heading 1.3 Issuance of Other Securities).</li> <li>The Company continues to explore new investment opportunities with strong alliances in a variety of businesses despite the outbreak of COVID-19. Focus has been given to joint ventures that would enable synergy and promote the Saha Group businesses, e.g. XET Company Limited, which operates an international school and educational institution business, and Saha Advanced Network Company Limited, which operates a fibre optics network businesses. Investments are diversified and the Company's investment position has been strengthened.</li> <li>Selected by the Stock Exchange of Thailand (SET) as one of the Thailand Sustainability Investment (THSI) list for the Year 2020.</li> <li>Awarded with a 5-star "Excellent" corporate governance appraisal for the year 2020 by the Thai Institute of Directors (IOD).</li> <li>Achieved a full score of 100 in the quality appraisal of 2020 annual general meeting of shareholders, being the 12th consecutive year for such achievement.</li> </ul>

• International-Standard Certification

Certification	Year	Events
 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)



Certification	Year	Events
 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 TÜV NORD 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.
 มาตรฐาน. 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)
 ISO 50001:2018	2020	Received the ISO 50001:2018 certification for our energy management system from the Management System Certification Institute (Thailand). (Si Racha)

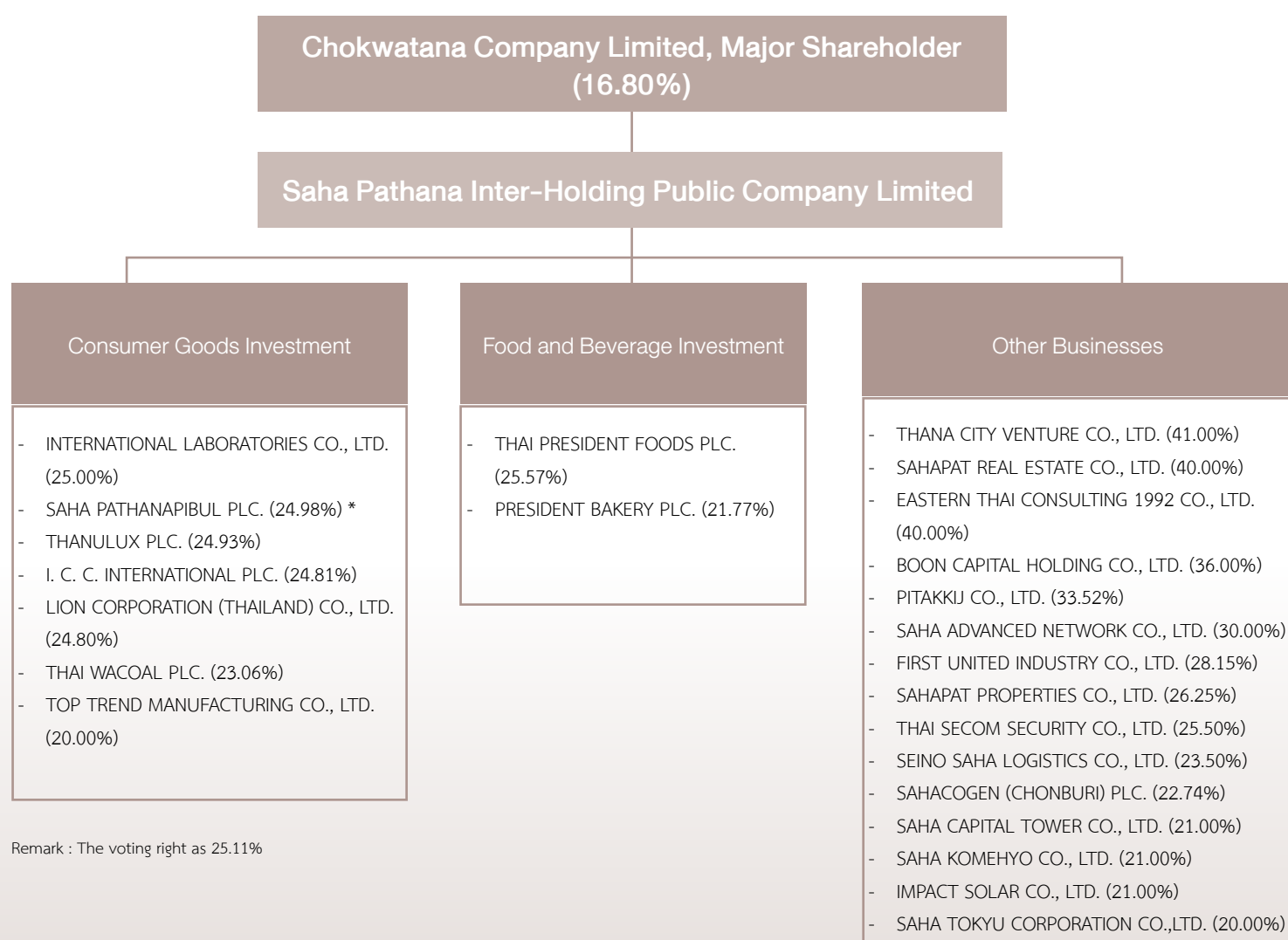
## 4. Saha Group's Shareholding Structure

### (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 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 other companies in 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 Saha Group in order to find solutions in a timely manner. However, the invested company is still independent, 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 Saha Group.

**(2) As of 31 December 2020, the Company has shareholding in 24 associate companies. Its voting rights depend on its shareholding ratios. The shareholding structure can be divided into the following business lines:**





As of 31 December 2020, the number of the Company's invested companies is 172 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	68	22,132,728
2. Food and Beverage Business	16	16,139,647
3. Other Businesses	88	5,253,042
<b>total</b>	<b>172</b>	<b>43,525,417</b>

### Shareholding Structure

1. In 2020, the Board of Directors and Executives, including their spouses and minor children collectively hold 3.29% of total shares of the Company which does not exceed 25% of the Company's issued and paid-up shares. The Company's free float shareholding is 59.08% which is greater than 15% of the Company's issued and paid-up shares.

2. The Company has a cross-shareholding structure. Nevertheless, the cross-shareholding practice is not contradictory to the criteria of Clause 14 of the Announcement of the Equity Market Committee No.ThorJor. 28/2551, 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 Cross-Shareholding Structure" section.

4. As of 2 July 2020, foreign institutional investors hold total 70,845,374 shares or 12.39% and Thai institutional investors hold total 2,550,570 shares or 0.45%. The total number of shares held by institutional investors is 73,395,944 shares or 12.83%.

5. The Company treats all shareholders equally in case that the Company repurchase the shares. However, there was no share repurchase in 2020.

6. The Company published information about the Company through the system of the Stock Exchange of Thailand and company website (www.spi.co.th). In addition, the Company held an Annual Analyst and Investors Meet Saha Group Event, giving an opportunity for shareholders, analysts, investors and the general interested public to meet executive officers, as well as to meet with other shareholders, analysts and investors to exchange opinions. This event had been held regularly every year, but was postponed this year due to the outbreak of COVID-19.

7. The Company does not have any shareholder's 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% in more than 2 companies; any other companies must not hold cross-shareholding to each other. **-none-**

#### **(2) More than 25% 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 2020, are as follows:

No.	Name	The Company holds shares in other companies	Other companies hold shares in the Company
		Proportion of % shareholding	Proportion of % shareholding
1.	THANA CITY VENTURE CO., LTD	41.00	-
2.	SAHAPAT REAL ESTATE CO., LTD.	40.00	0.14
3.	EASTERN THAI CONSULTING 1992 CO., LTD.	40.00	-
4.	BOON CAPITAL HOLDING CO., LTD.	36.00	-
5.	PITAKKIJ CO., LTD.	33.52	-
6.	SAHA ADVANCED NETWORK CO., LTD.	30.00	-
7.	FIRST UNITED INDUSTRY CO., LTD.	28.15	0.76
8.	SAHAPAT PROPERTIES CO., LTD.	26.25	0.14
9.	THAI PRESIDENT FOODS PLC.	25.57	1.23
10.	THAI SECOM SECURITY CO., LTD.	25.50	-

(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 2020, are as follows:

No.	Name	The Company holds shares in other companies	Other companies hold shares in the Company
		Proportion of % shareholding	Proportion of % shareholding
1.	INTERNATIONAL LABORATORIES CO., LTD.	25.00	0.34
2.	SAHA PATHANAPIBUL PLC.	24.98	8.64
3.	THANULUX PLC.	24.93	0.93
4.	I. C. C. INTERNATIONAL PLC.	24.81	9.97
5.	LION CORPORATION (THAILAND) CO., LTD.	24.80	0.52
6.	THAI WACOAL PLC.	23.06	0.69
7.	TEXTILE PRESTIGE PLC.	19.94	0.09
8.	S & J INTERNATIONAL ENTERPRISES PLC.	19.63	0.32
9.	NEWCITY (BANGKOK) PLC.	15.50	0.07
10.	O.C.C. PLC.	14.36	0.05
11.	FAR EAST FAME LINE DDB PLC.	13.41	0.24
12.	PEOPLE'S GARMENT PLC.	13.78	0.41



No.	Name	The Company holds shares in other companies	Other companies hold shares in the Company
		Proportion of % shareholding	Proportion of % shareholding
13	BETTER WAY (THAILAND) CO.,LTD.	11.77	1.42
14	NEW PLUS KNITTING PLC.	5.33	0.02
15	SAHA-UNION PLC.	0.87	1.56

**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 3 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	%	2020		2019		2018*	
			Shareholding	Amount	%	Amount	%	Amount
1. Investment in Consumer Products Business	The Company, associates and others	0.0011 - 25.00	742,549	14.26	1,266,264	23.77	1,346,451	23.69
2. Investment in Food and Beverage Business	The Company, associates and others	0.0045 - 25.57	1,421,062	27.30	1,372,106	25.76	1,236,024	21.75
3. Industrial Park Development and Investment in Other Businesses	The Company, associates and others	0.0003 - 41.00	3,042,007	58.44	2,687,691	50.47	3,101,032	54.56
<b>Total</b>			<b>5,205,618</b>	<b>100.00</b>	<b>5,326,061</b>	<b>100.00</b>	<b>5,683,507</b>	<b>100.00</b>

**Remarks:** \* In 2018, the Company had an extraordinary gain of Baht 423 million from an investment reclassification. As a result of an acquisition of 38.2 million shares worth Baht 176.5 million 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 20 July 2018.

**Excluding non-recurring transaction, the Company's total revenue 2018, 5,250 million and 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.



## (2) Business segments

The Company operates in 3 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 2020, the Company has invested in 68 companies under Consumer Products Business, which can be further divided into 4 categories: 1) Textile and Fashion, 2) Household, 3) Beauty and Cosmetics, and 4) Others.

In 2020, the Company earned from Investment in Consumer Products Business for the amount of Baht 742.5 million in revenue or 14.3% of total revenue (consolidated financial statements), and of Baht 442.5 million in dividend or 38.7% of total dividend income (separate financial statements).

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

- Saha Pathanapibul Public Company Limited: Distributor of consumer products, such as PAO detergent, Mama instant noodles, Systema products, Shokubutsu Monogatari liquid soap, Lipon F dish-washing, Kodomo products, Kirei Kirei, i-Heali Q10 and Sue Sat products.
- Lion Corporation (Thailand) Limited: Manufacturer of consumer products under brands such as PAO, Kodomo, Shokubutsu Monogatari, Systema, Kirei Kirei, GoodAge, and Sue Sat.
- Thai Wacoal Public Company Limited: Manufacturer of ladies' lingerie and ready-made clothing products under brands such as Wacoal, ELLE, Enfant, and BSC.
- Thanulux Public Company Limited: Manufacturer of ready-to-wear apparel and leather products under brands such as Arrow, Guy Laroche, DAKS and Erawon.
- I.C.C. International Public Company Limited: Distributor of various fashion products, such as Arrow, Lacoste, Guy Laroche, ELLE, DAKS ready-to-wear apparel, Wacoal lingerie, Enfant and Absorba children's clothing products, Mizuno Sport Shoes, Le Coq Sportif, Naturalizer, 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: Seller of products under Mistine, "MYSS Cosmetic" and "Idolo", new brand launched in early 2020.

#### 2.1.2 Marketing and Competition

The Company always monitors Thailand's economic condition as part of its investment consideration and monitoring process. The overall situation of the COVID-19 outbreak since the beginning of 2020 has caused an unavoidable slowdown of the global economy. The Bank of Thailand predicted that the Thai economy in 2020 should shrink less than earlier assessments due mainly to state measures which played a major role in sustaining consumption of the private sector from heavy declines, such as the "Rao Mai Thing Kan" Campaign, increase of allowance limits in the state welfare card, "Shop Dee Mee Keun" Campaign, "Kon La Khrueng" Campaign and "Rao Teaw Duay Kan" Campaign. In 2020, The Company continues to explore investment opportunities in existing companies by increasing shareholding in companies with good prospects, such as S & J International Enterprises Public Company Limited, so as to generate greater returns.



In 2021, the Bank of Thailand forecasts the Thai economy to rebound and grow by 3.2 percent as a consequence of the discovery of COVID-19 vaccines towards the end of 2020. It is expected that vaccines will be distributed in Thailand in the latter half of 2021, at which time Thailand will be able to open its borders and allow vaccinated tourists to enter the country without quarantine, thus aiding in the recovery of tourism and domestic consumption of the private sector.

### Textile and Fashion

In 2020, there was an overall declining trend in the production of textiles and garments compared to the previous year as a result of the COVID-19 outbreak. The pandemic affected trade and exports of many countries, including Thailand. Nevertheless, one textile business which saw high growth opportunity in 2020 was the Meditech textile group, which has shown a steady growth since 2016, in particular hygiene products, as well as preventative products, such as hygienic masks, wet wipes and personal protective equipment (PPE), which are currently in demand.

The Company invested and entered into joint ventures with companies in the entire value chain of the textile and fashion business, i.e. companies which research and develop products and raw materials, manufacturers of upstream raw materials, importers of raw materials, manufacturers of textiles, finished garments and leather products, health products such as fabric masks, hygienic masks, including distributors of goods through departmental stores, discount stores and online distribution channels. The Company invested in a variety of product categories in the textile and fashion business, such as lingerie and menswear businesses. Saha Group currently distributes lingerie under principal trademarks namely Wacoal, BSC, BSC SIGNATURE, ELLE and KULLASATRI. Wacoal continues to enjoy the largest market share and was given the No. 1 Brand Thailand 2019-2020 under Woman Underwear Award for maintaining its leadership status for 9 consecutive years. The brand has been a household name for Thais for over 50 years. The Company has also commenced production of 3 types of face masks, namely spacer fabric type, polyester perma fiber type and mixed spandex type. As for the menswear business, the Company holds a competitive in its portfolio of menswear garments which reaches target groups and the application of new innovations in products, such as ARROW FRESH SHIRT, “7 top innovations”, an innovative fibre which can effectively eliminate and prevent the accumulation of bacteria, reduce perspiration odor, prevent UV radiation, dries quickly, provides good ventilation, has durability of innovation throughout its operating life and is environmentally friendly. At present, Saha Group is a distributor of menswear under several trademarks, namely ARROW, DAKS, GUY LAROCHE, ELLE HOME, LACOSTE and HAZZYS.

### Household Products

In 2020, household goods gradually grew in line with the growth of the Thai economy. However, due to the limited purchasing powers of grassroot consumers, there is intense competition in this market and greater price sensitivity amongst consumers.

In any event, Saha Group remains committed to distributing quality goods at fair prices to consumers. Distribution channels have been increased to incorporate all channels. A key strategy has been to maintain customer relations, strategic partners, closely setting sales targets with trading partners and increasing online sales. As for marketing strategy, there was focus on targeting market share in line with the position of goods and services, incorporating household products, personal products and children’s products such as Lipon-F dishwashing detergent, Pao washing detergent, Systema and Kodomo products. Moreover, the Company attaches importance to health products and environmentally friendly goods for all genders and ages, such as healthcare products under the trademark Good Age, oral care products under the trademark Kodomo, Systema, Elis sanitary pads and Elleair wet wipes. In 2020, products which gained significant popularity were health products such as Kirei handwash foam and Kirei alcohol handwash gel. These were positive effects from the outbreak of COVID-19. In addition, Lion (Thailand) Company Limited rented a space in the Thailand Science Park to serve as a research centre for the Company, which would provide an environment to foster creativity and build upon the development of products in response to current changing lifestyles.



## Beauty and Cosmetics

In 2020, there was a declining trend in the global cosmetic market, including Thailand domestic market. During the COVID-19 outbreak situation, prevention of disease spread by wearing hygienic face masks became an unavoidable daily routine, also altering consumer behavior. There was less need to wear makeup. From this situation, the distribution of over-the-counter goods in departmental stores, which was heavily reliant on foreign tourists, was also affected. Nonetheless, this change of consumer behavior to online shopping offered an opportunity for operators to expand into E-Marketplace channels such as Lazada, Shopee and various social media which have low operating costs and enable easier access to consumers.

The Company invested in a comprehensive range of beauty and cosmetics business, including companies such as researcher, developer, and manufacturer of cosmetics formula and packaging, with product distribution through numerous channels over counter sales, discount stores, online stores, and direct sales, under brands e.g. BSC Cosmetology, Arty Professional by BSC, Pure Care, Mistine and MYSS Cosmetic. In 2020, Better Way (Thailand) Company Limited, distributor of Mistine cosmetics, launched new products under the brand “Idolo” in collaboration with leading Thai entertainment company, GMM TV Company Limited. Moreover, Mistine cosmetics received outstanding Thai brand cosmetic product awards from ELLE Thailand Beauty Awards 2020 for two awards. It is thus evident that this brand continues to enjoy the affection of Thai people. From previously focusing on direct sales, free-standing shops have been opened as well as advancements in online marketing platforms. There were also increases in retail channels apart from kiosks opened in department stores such as Rama 9 Central, Icon Siam and Central Marina Pattaya, small shops were also opened in BTS stations such as Siam Station in order to acquire urban customers with fast-paced lifestyles.

### 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 2020, the Company has invested in 16 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, POCARI SWEAT electrolyte beverage’s distribution.

In 2020, the Company earned from Investment in Food and Beverage Business for the amount of Baht 1,421.1 million in revenue or 27.3% of total revenue (consolidated financial statements), and of Baht 620.5 million in dividend or 54.2% of total dividend income (separate financial statements). More than 90% of total dividend income is contributed by investment in the following 2 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, “Madame Marco” and “Deliya” (Deliya by Farmhouse) primarily in domestic market. Its business is divided into Wholesale Bakery business, Retail Bakery Business, Fast Food and Catering / Restaurant Business and Export Business.

### 2.2.2 Marketing and Competition

The Company’s food and beverage investment highlights are still on instant noodles and semi-processed food products under Thai President Foods Public Company Limited and on bread and bakery production and distribution under President Bakery Public Company Limited. These two enterprises are able to maintain their leading positions in Thai market.

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

The global economy has recently gone through a period of severe recession as a consequence of the COVID-19 outbreak. All industrial sectors suffered a decline. On the other hand, consumer goods benefited from this situation, especially the instant noodle market which grew in line with rising domestic demands following the government lockdown. Consumers had stocked up on consumer goods, with instant noodles as one of the leading products stocked by consumers. Growth trends are promising in the midst of this crisis. Consumer behavior in the fast paced society has turned consumers to choose easy and fast meals. Furthermore, government economic packages such as the “Kon La Khrueng” campaign and “Rao Teaw Duay Kan” campaign stimulated consumption and market growth. In particular, instant noodle products under the brand “Mama” has been able to maintain its market share leadership at 49.4 percent of total market value of Baht 18,904 million.

The arrival of competitors from Korea and Japan made Thailand’s domestic market for premium instant noodles more competitive, which stimulated growth. Additionally, local competitors become more active by initiating instant noodle bowls for the first time, adding new flavors, and shifting its focus onto the premium market segment and online marketing over the past few years, Thai President Foods Public Company Limited therefore adjusted its marketing strategy by attempting to launch new products and flavors into the market continuously, especially the premium market segment, which showed promising signs of growth. Products in this segment could also be priced at premium because of the higher-quality ingredients. With excellent feedbacks for Hot Korean, Stir-Fried Tom Yum with Shrimp, and Stir-Fried Salted Egg flavors of Oriental Kitchen branded instant noodles, In 2020, goods in the rice product and high quality health clusters have been enhanced by boosting nutritional value, by mixing various vegetables for value creation and responding to market demand. Newer flavours were also launched, such as premium instant noodle “Oriental Kitchen” marinated ground pork flavor, spicy carbonara instant noodles, instant pad thai noodles, seasoned fish pot instant rice porridge, packaged spicy broth instant rice porridge, garlic shrimp flavor and seaweed egg soup flavor. These campaigns boosted sales and offered alternatives to consumers. As for marketing drives, advertisements and marketing campaigns were continually undertaken. Strategies were fully pursued with advertisements broadcast on television, radio, billboards and online media in this New Normal era. Sales volume and consumer bases were expanded on a more targeted basis. Towards the end of 2020, Thai President Foods Public Company Limited elected popular celebrities to serve as presenters in advertising media of the instant noodle “Oriental Kitchen (Mama OK) Bachor Seasoned Pork Flavour”. Moreover, during the Saha Group Online Fair for 2020, the “My Own Mama Cup” Campaign was launched. This production innovation customized Mama cups by printing the consumer’s photo on the Mama cup. With regard to production, processes were upgraded and newer and more efficient machiner were built to maintain international production standards as well as lower costs while enhancing production capacity of instant noodles to meet increasing consumer demands during the COVID-19 outbreak.



In addition, Thai President Foods Public Company Limited received the “Thailand Brand Footprint 2020” award for “Most Chosen Brand 2020” and “Highest growth” in the Fast Moving Consumer Goods (FMCG) category from Kantar, a leading global company engaged in indepth research and market consultancy. Analyses were taken of 571 brands and incorporated consumers throughout Thailand. The Mama brand instant egg noodle was the most chosen by consumers in the food category, scoring a total of 170 million votes. The Company also received the “2020 Thailand’s Most Admired Brand” for Mama’s achievements in ranking No. 1 in terms of trust and loyalty of consumers in the instant noodle category according to a survey conducted by Brand Age Magazine. This award had been granted to the Mama brand for the 20<sup>th</sup> consecutive year.

### **Bread and Bakery Products**

President Bakery Public Company Limited generates majority of revenue from wholesale bakery business. Its main customer group comprises 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 customer’s behavior toward health conscious trend, President Bakery Public Company Limited continues to focus on product development by launching new flavors and healthier options to meet new demands. In addition, all products were screened and certified by international laboratories to ensure that all Farmhouse products meet standards for cleanliness, safety and free from trans fat.

In 2020, Farmhouse brand still maintains its leading position for bread and bakery market in Thailand; however, the level of competition has been rising among existing competitors and newcomers with more competitive pricing. Farmhouse’s emphasis on product freshness, quality alongside the development of products to enhance nutritional value and quality to meet consumer demands with continued development for nationwide logistic network and low manufacturing costs are the competitive advantages of President Bakery Public Company Limited. It is also the leader of new product launch and technological advancements e.g The application of artificial intelligence technology to control production efficiency of production, including the use of software to aid improvements in the production and management systems. These upgrades improved production efficiency and eliminates overlapping procedures to ensure the most efficient use of resources. As for marketing activities, President Bakery Public Company Limited implemented sales and marketing plans which covered advertising, sales promotion and online sales in line with changing consumer behavior.

During the COVID-19 outbreak, President Bakery Public Company Limited adjusted its short-term plan in response to such situation by increasing production capacity in line with the increase in demand. As a consequence, several changes were made to marketing activities, including cooperation with strategic partners in delivering goods directly to consumers, consistent with the current New Normal way of life. Moreover, Farmhouse Vending Machines by Farmhouse were increased. These machines are situated in industrial plants, hospitals, schools and dormitories. In 2020, President Bakery Public Company Limited received the Marketeer No. 1 Brand Thailand 2020 award, as the No. 1 most popular brand in Thailand from the Marketeer magazine for the bread category, being the 3<sup>rd</sup> consecutive year.

#### **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 seeking for new opportunities with partners, such as business strategic alliances, financial institutions, trading alliances and business negotiations to foster sustainable growth for all stakeholders.

#### **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 2 categories: 1) Industrial Parks, 2) Investment in Other Businesses. Majority of revenue is derived from Industrial Park Business.

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

The Company operates through 4 Industrial Parks. The details are as follows;

Saha Group Industrial Park	Address	Size (rai)	Infrastructure and Facilities
Si Racha	Laem Chabang Municipality, and Chaoprayasurasak City Municipality Moo 11 of Nong Kham Sub-District and Moo 1 of Bueng Sub-District, Si Racha District, Chon Buri	1,800	<ul style="list-style-type: none"> <li>- 214 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>



Saha Group Industrial Park	Address	Size (rai)	Infrastructure and Facilities
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) Investment in Other Businesses:

**2.1 Real Estate Developments:** The Company developed properties for rent which are customised according to customer requirements. The revenue from this business include rents and utility services fee. The followings are examples of the Company's real estate development projects:

- 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 and to private jets with facilities in Kabinburi, Prachinburi and for an airport at the Saha Industrial Park Si Racha and Lamphun, used as a private airstrip.
- A 9-hole golf course under the name of Hariphunchai Golf Club in Mueang Lamphun, Lamphun together with a golf driving range.
- Recreational facilities under the name of Saha Sport Arena with a standard 71m x 50m artificial soccer field and 6 standard badminton courts in Mueang Lamphun, Lamphun
- J-Park Sriracha Nihon Mura, a community mall on the 22-1-14 rai plot of land in Surasak sub-district, Si Racha, Chonburi

The Company plans to develop areas around J-Park Sriracha Nihon Mura as the center of urbanization for Si Racha under the area of the EEC, which includes office building, residences, hospital, sports arena, and school to support the growing Japanese community.

In Bangkok, the Company has rented 654 square meters on the 29<sup>th</sup> floor of the Samyan Mitrtown Office, as the "Synergy & Sharing" Center to address the new working trend of employees with flexible and comfortable lifestyle and to support future use by companies within the Group.

**2.2 Investment in Others:** 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:

- Saha Capital Tower Company Limited is a real-estate developer of new grade A office building project, where target tenants include offices and retail stores.
- Sahacogen Chonburi Public Company Limited produces and sells electricity and steam.
- Impact Solar Limited produces and sells solar-generated electricity to private entities.
- Saha Komehyo Company Limited buys and sells second-hand brand name products, such as apparel, bags, jewelry, and watches under the brand "KOMEHYO". Currently 2 branches have been opened at Central@Central World on the 2<sup>nd</sup> floor and Central Bangna on the 1<sup>st</sup> floor.



- Donki (Thailand) Company Limited is a Japanese discount store retailer which opens 24 hours under the brand of “DON DON DONKI”. Currently 2 branches have been opened at Thonglor Soi 10 and Market Bangkok Ratchaprasong.
- 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).
- Saha Lawson Company Limited operates a convenience store chain under the trademark “Lawson 108”.
- SLV Retail Company Limited operates a business of convenience stores under the brand “Lawson 108” in mass transit facilities in Thailand.
- SUN108 Company Limited operates automatic vending machines, warehouse management, consumer goods' distribution and logistics.
- Shop Global (Thailand) Company Limited operates a real-time marketing business through different media channels.
- Thai Secom Security Company Limited is a one-stop security service provider under the brand “SECOM”, which originated in Japan.
- Innospace (Thailand) Company Limited is formed as a joint venture among public-private enterprises including financial institutions and education institutions under a Memorandum of Understanding (MoU) for collaboration with an objective to support and push Thailand's startup potentials forward internationally.

In 2020, the Company has invested in the following new businesses, which could support and strengthen Saha Group's existing businesses:

- XET Company Limited operates an international school business under the name of “King's College International School Bangkok”. This international school was founded under the collaboration of King's College School, Wimbledon, one of the leading schools in the world.
- Saha Advanced Network Company Limited is a joint venture company with Advanced Info Services Public Company Limited, operating the business of providing fiber optic network infrastructure with the provision of a network infrastructure at all 4 industrial parks under planning.

Other business e.g. consultation service on business planning and project execution, 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 fee from these transactions. In 2020, there were 13 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 fee from these transactions. In 2020, there were 3 licensees.

In 2020, the revenue from this segment was Baht 3,042.0 million, of which more than 80% derived from the Industrial Parks Business and Real-Estate Development Business under rents and utility service fees and income from land sales.



### 2.3.2 Marketing and Competition

The Company's primary sources of income are rents, public utility fees, and land sales; all of which are mainly related to the development of Saha Group Industrial Parks. According to the statistics from the Thailand Board of Investment (BOI), there were 1,717 projects being applied for investment incentives in 2020, with total investment value of Baht 481.2 billion. In the Eastern Economic Corridor (EEC), there were 506 projects being applied, with an investment value of Baht 444.9 billion or approximately 59% of total investment value; of which Rayong attracted the highest investment value, followed by Chon Buri and Chachoengsao, respectively.

Under the current severe economic recession caused by the COVID-19 outbreak, being an external factor beyond control, as well as the change in ways of lives of the global population and business adaptations for survival under the current situation, or new normal, several business sectors such as the textile industry, automobile industry, real estate industry, tourism industry, etc. have slumped.

In 2020, the Company signed a memorandum of collaboration agreement with Industrial and Commercial Bank of China Limited (ICBC), a leading Chinese Financial Institution with the largest customer base and network in China as well as other countries. Under this memorandum, ICBC would act as an intermediary for new potential Chinese customers who would like to purchase or lease land for their business operation in the Company's Saha Group Industrial Parks. There is a focus on customers in the electronics industry, food industry, electrical appliances industry and chemical products industry. In 2021, the Company plans to expand its customer base to Saha Group Industrial Park Lamphun, given the sufficient water management system for the entire year and availability of labour to meet operator's demands, while there is limited space of industrial estates in the vicinity. Moreover, the Company continues monitoring and planning for the enforcement of land and building taxes as well as the announcement of the new town plan for the greatest benefit of the Company.

#### Industrial Park Highlights

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.
Lamphun	Located on Highway 116 (Lamphun-Pa Sang Bypass Rd.)	35 km from Chiang Mai Airport	-



Saha Group Industrial Park	Transportation mode		
	Land	Air	Sea
Mae Sot	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 Mae Sot Airport	-

2. **One-stop service centre:** Full utilities infrastructure and facilities in electricity, steam, water, waste water, are ready for investors. Alternative energy sources have been used in industrial parks, such as installation of Solar rooftop/ floating solar panels. There is also a plan to install an energy storage facility within 2021. In addition, the Company plans to build an EV charger station to support electric vehicles in the future.

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

4. **Quick responses to customers' requirements:** 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.

5. **The industrial parks are located on higher grounds:** There is no risk of flooding. However, the Company designs a preventive plan for all the industrial parks in place.

### 2.3.3 Product or Service Sourcing

The Company has developed land and 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 and prepared land and land held for development both inside and outside Saha Group Industrial Park for the best use.

The Company owns and registers the domestic trademarks with the Department of Intellectual Property and is a licensee for the oversea 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 performance and reasonable returns and seeks for 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 support more the industrial park along with investment business.

### Environmental Impact

As there are many manufacturing plants in the industrial parks which could lead to environmental issues, the Company is aware of the importance of the environmental impacts and therefore develops certain environmental measures, guidelines, and protocols in the environmental impact assessment (EIA) report under Saha Group Industrial Parks

in Kabin Buri and Lamphun. The Company has also received the ISO 14001:2015 certification for their central wastewater treatment system from the Office of Certification Body of the Thailand Institute of Scientific and Technological Research (TISTR). In addition, Saha Group Industrial Parks in Si Racha and Kabin Buri 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 support and actively participate in eco-industrial town development to bring about sustainable living and happiness to the industrial parks and communities.

#### 2.3.4 Pending tasks - None -

## 6. Risk Factors

### 1. Overall Risk Factors

The Company appreciates the importance of risk management and has therefore prepared itself by laying down proactive plans to manage the Company's risks. The aim is to reach the Company's goals and manage the Risks according to the framework of **The Committee of the Sponsoring Organization of the Treadway Commission (COSO) Enterprise Risk Management Framework (COSO –ERM)**. In this regard, **the Good Governance and Risk Management Committee** undertakes the duties of determining the policies, goals, plans, risk assessments and providing a clear and continuous risk management system, as well as promote and encourage cooperation in risk management at all levels of the organization. **A Good Governance Working Group** has been appointed to support and develop a whole organization risk management system to enhance efficiency. The Good Governance and Risk Management Committee has approved the **Risk Management Policy and Risk Management Handbook**. These instruments are reviewed and revised every year and used as a tool for communicating to the Board of Directors, executives and all employees for comprehension of the meanings, principles and risk assessment processes which are connected to operations in pursuance of the visions, missions, goals and organization values. The instruments incorporate all units and provide for the roles, duties and responsibilities of various units to achieve integration of under the good governance principles, as well as the relevant laws and regulations.

### 2. Management of Various Risks

In 2020, the Company implemented a risk management process which commenced from the identification of risks or uncertainties of certain events both within and outside of the organization which could impact the company's goals (inherent risks). Those risks were prioritized to determine residual risks and managed such residual risks to maintain within risk appetite. A risk management report was submitted to the Good Governance and Risk Management Committee at least twice a year. Risks were categorized into 4 categories, as follows.

#### 2.1 Strategic Risk

- **Investments in various companies.** The Company plans to continually increase investments in existing businesses and investments in new businesses. Under the challenging and fast-moving environment, the Company prioritizes risk management measures by prescribing clear investment policies which cover all procedures of analysis, return assessments, investment selection and investment and performance monitoring, as well as assigning a regular monitoring officer and procedure.

- **Investments in industrial parks and real estate development.** These investments were made in order to meet the customer production expansion, cover leases/sales of land and buildings to interested customers, as well as to provide modern basic utilities. The Company has prioritized management of relevant risks, as follows:

- 1) **Environment :** The Company has been certified as ISO 14001:2015 compliant, and has also reported its Environmental Impact Assessment (EIA) to the Office of Natural Resources and Environmental Policy and Planning, Ministry of Natural Resources and Environment.





2) Public utilities : The Company has continually and systematically assessed the impact of its operations by taking into account basic utility demands in line with current usage and drawn up plans to meet future industrial expansions. For instance, modern technology has been applied to management of raw and tap waters, preventive maintenance plans have been implemented, rainwater drainage, wastewater treatment systems were upgraded, and energy security pursued to ensure economy and environmental friendliness. In any event, the Company has been certified as ISO 9001:2015, ISO 14001:2015 and ISO 50001:2018 compliant in its operation of various basic utilities. Furthermore, there are measures to protect damage to overall assets by way of an insurance policy.

3) Drought : Economic expansion and the Eastern Economic Corridor (EEC) policy has caused droughts in many areas. The Company has implemented risk management measures in all Saha Group Industrial Parks to secure sufficient water. Plans are prescribed for water management, continuous weather and water monitoring, procurement of reserve water sources as well as underground water drilling.

4) Flooding : The Company has assessed the physical characters of each Saha Group Industrial Park in order to install rain water drainage systems. Drainage systems are checked monthly. There is also a plan for prevention and response to emergencies. Emergency drills are conducted annually.

## 2.2 Operational Risk

- **Business Continuity Plan (BCP)** : The Company has prepared guidelines for management in the event of a situation affecting business continuity, such as operational plans during the outbreak of COVID-19. This plan has been reviewed for a timely response to situations. The BCP also include an employee preparation and an IT recovery plan.

- **Industrial park operational risks**, as follows:

1) Chemical leakage. : The Company has announced the implementation of measures to control transport of all chemicals and hazardous wastes into and out of the area. These measures are regularly reviewed. The training and drills on chemical leakage practice is held annually. The ISO 14001:2015 standard was also applied to Saha Group Industrial Parks.

2) Rapid changes of technology : These changes affect the use of land and public utilities of customers. The Company therefore plans to improve Saha Group Industrial Parks into smart cities in order to improve management efficiencies and competitiveness. Campaigns are also held continually to build the strict awareness of personnel on cyber security.

3) Environment. The Company emphasized on environment management environment and has been certified as ISO 14001:2015 compliant. Environmental Impact Assessments (EIA) reports are filed. The Company has a risk monitoring system to ensure that operators in the area are free from occupational hygiene and safety concerns. Employees are also encouraged to have conscience and responsibilities towards communities, the society and environment to foster a sustainable relationship between the Saha Group Industrial Parks and communities.

## 2.3 Financial Risk

- **Capital sources and liquidity management.** In order to promote operations and investment expansions, the Company manages risks by implementing a financing plan in line with several capital sources. The Company is prepared to respond to capital market conditions, as well as manages capital sources in line with project investments. For instance, short-term funds have been provided as working capital and long-term capital has been provided for long-term investments. In addition, a secure cash flow has all been maintained for business operations as well as monitored debt covenant required under loan agreements or debenture terms.



- **Guarantees.** In order to support joint venture companies, the Company has guaranteed the debts of those companies as necessary and appropriate. Guarantees were given proportionately to the investment stakes. The Company manages this risk by assigning an investment unit to continually analyze and monitor the performance of joint venture companies.

As of 31<sup>st</sup> December 2020, the Company has guaranteed the debts of 11 companies for a total limit of Baht 755.97 million, of which approximately Baht 610.42 million was utilized. In the past year, there was no increase in guarantee limit and no reserve of loss from guarantees.

## 2.4 Compliance Risk

Changes to the laws and regulations governing business operations are influential factors on the Company's operations. In any event, the Company has studied, assessed and managed risks which could arise from noncompliance with laws, regulations and rules in order to respond in a timely manner. The Good Governance and Risk Management Committee and relevant agencies are relevant teams who manage the compliance risks to maintain within the risk appetite have supported the management of risks to tolerable levels.

## 3. Emerging Risk

- **Outbreak or repeated outbreak of new diseases :** This is a risk which could have a wide effect on the organization's operations. Thus, the Company manages this risk by including it as a part of the Business Continuity Plan (BCP) in order to mitigate impact, oversee and create value to all stakeholders. The Company places importance to business operations in parallel with the good health of all employees.

- **Urbanization :** Communities surrounding Saha Group Industrial Parks are expanding. The Company therefore attaches importance to management of organization to ensure sustainable growth alongside communities. Focus is given to environmental, social and governance factors, or ESG. The Company strictly complies with laws, regulations and standards, and promotes relations with communities through various activities, such as campaigns for community and social development, campaigns for education and school educational activities, campaigns for religious and traditional upkeep, health campaigns and sponsorship of public benefit activities for the benefit of communities.

## 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 31 December 2020.

-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 2020 are detailed as follows:
 

Registered Share Capital	: Baht 582,923,188 comprising of 582,923,188 common shares with a par value of Baht 1.00 Issued and Paid-up
Share Capital	: Baht 571,890,666 comprising of 571,890,666 common shares with a par value of Baht 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:
  - Please refer to heading 1.3 Issuance of Other Securities
- (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 2020)

	Names	No. of Shares	%
1.	CHOKWATANA COMPANY LIMITED	96,094,066	16.80
2.	I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED	57,001,656	9.97
3.	SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED	49,433,806	8.64
4.	NOMURA SECURITIES CO., LTD - CLIENT A/C	24,234,953	4.24
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	19,368,582	3.39
9.	UNI WEALTH COMPANY LIMITED	14,380,310	2.51
10.	UNIVERSEBEAUTY COMPANY LIMITED	10,459,727	1.83
	<b>Total</b>	<b>332,471,954</b>	<b>58.14</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 2020	
	No. of Share Ownership	%
1 - 50	156	15.967
51 - 100	68	6.960
101 - 500	114	11.668
501 - 1,000	62	6.346
1,001 - 3,000	95	9.724
3,001 - 5,000	61	6.244
5,000 and more	421	43.091
<b>Total</b>	<b>977</b>	<b>100.000</b>

Share classification by type of shareholders is shown by the number of shares held as follows:

Type	Year 2020	
	No. of Share	%
Limited companies and public companies	383,568,030	67.070
Commercial banks and financial institutions	3,670	0.001
General individuals who are not employees of the Company	103,847,956	18.159
Company employees	12,485,555	2.183
Foreign investors	71,985,455	12.587
<b>Total</b>	<b>571,890,666</b>	<b>100.000</b>

(2) Shareholders' Agreement with major shareholders regarding 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 25 April 2017 approved to issue and offer of convertible debentures in an aggregate amount of not exceeding 4,000,000 units having a par value of Baht 1,000 each for the total value of up to Baht 4,000 million to its existing shareholders eligible pro rata allocation according to their respective shareholdings. On 29 June 2017, the Company issued and offered the Convertible Debentures of Saha Pathana Inter-Holding Public Company Limited No. 1/2017 Due 2024 with Mandatory Conversion Condition ("CDs") amounting 3,505,448 units at a face value of 1,000.- baht per unit totaling of 3,505,448,000.- baht to the Company eligible existing shareholders on pro rata allocation according to their respective shareholdings The CDs' exercise price was 45 baht per 1 common share of the Company and its Interests were at 0.70 percent per annum. The Company issued 88,888,888 new ordinary shares having a par value of Baht 1 each in reserve for the conversion of the Debentures. 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.



As of 31 December 2020, bondholders expressed their wish to convert the CDs to commons shares on the conversion date on a total of 5 occasions, as follows.

No.	Conversion Date	CDs Unit (Units)	Common Stock (Shares)
1	29 June 2018	3,327,161	73,936,854
2	1 October 2018	159,474	3,543,853
3	2 January 2019	14,317	318,151
4	28 March 2019	2,047	45,487
5	1 July 2019	541	12,021
<b>Total</b>		<b>3,503,540</b>	<b>77,856,366</b>

Therefore, the Company's registered capital increases to Baht 571,890,666 with Par Baht 1.- per share . Outstanding convertible debentures is 1,908 units, amounting to Baht 1,908,000.-.

(2) Securities as the Debt Securities, ,

As at 31 December 2020, outstanding 2 series of Debentures with a name registered, unsubordinated, unsecured and without representative of debenture holders, 2,000,000 units with Par Value Baht 1,000.- per units, totaling principal of Baht 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 in business 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	Baht 1,000.-	Baht 1,000.-
No. of Debenture Offering Unit	1,000,000 Units	1,000,000 Units
Issued Size	Baht 1,000 million	Baht 1,000 million
Interest Rate (Per annum)	2.39%	3.44%



Maturity date	9 February 2020	9 February 2024
Interest Payment	Every 6 months	
Repayment	Bullet Payment	
Issued Date	9 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	

As of 9 February 2020, the Company had already redeemed the Baht 1,000 million mature debentures of Debentures of Saha Pathana Inter-holding public company limited No. 1/2560 Series 1 Due B.E.2020 total 1,000,000 units with Par Baht 1,000.- per share.

2. Outstanding 4 series of Debentures with a name registered unsubordinated unsecured and has representative of debenture holders 5,000,000 units with Par value Baht 1,0000- per units, totalling principal of Baht 5,000 million, details are as follows;

Name of Debenture	“Debentures of Saha Pathana Inter-Holding Public Company Limited No. 1/2563 series 1 due B.E.2568 (Series 1)” and “Debentures of Saha Pathana Inter-Holding Public Company Limited No. 1/2563 series 2 due B.E.2570 (Series2)” and “Debentures of Saha Pathana Inter-Holding Public Company Limited No. 1/2563 series 1 due B.E.2573 (Series 3)” and “Debentures of Saha Pathana Inter-Holding Public Company Limited No. 1/2563 series 1 due B.E.2575 (Series 4)”			
Debenture Type	Debentures with a name registered, unsubordinated, unsecured and with representative of debenture holders			
Objective	The debentures will be used for the purpose of investment and/or debt repayment and/or operation in business and/or working capital			
Placement Type	Institutional Investors and/or High Net worth Investors (II&HNW)			
Series	Series 1	Series 2	Series 3	Series 4
Tenor	5 Years	7 Years	10 Years	12 Years
Par Value	1,000 Baht	1,000 Baht	1,000 Baht	1,000 Baht
No.of Debenture Offering Unit	1,000,000 Units	1,500,000 Units	1,000,000 Units	1,500,000 Units



Issued Size	Baht 1,000 million	Baht 1,500 million	Baht 1,000 million	Baht 1,500 million
Interest Rate (Per annum)	2.54%	2.74%	3.16%	3.30%
Maturity date	25 June 2025	25 June 2027	25 June 2530	25 June 2032
Interest Payment	Every 6 months			
Repayment	Bullet Payment			
Issued Date	25 June 2020			
The Company	“AA” with stable outlook by TRIS Rating Co., Ltd.			
Underwriter	Bangkok Bank Public Company Limited and Bank of Ayudhya Public Company Limited			
Debenture Registrar	Bank of Ayudhya Public Company Limited			
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, financial position and the overall economic situation.

Year	2020	2019	2018	2017**	2016
Earnings per share (Baht)	4.03	3.97	4.87	7.08	3.44
Dividend per share (Baht)	*0.70	0.70	0.70	0.65	0.45
Dividend payout ratio (%)	17.36%	17.63%	14.36%	9.18%	13.10%
Dividend payout ratio (%)	33.98%	31.82%	28.50%	18.60%	28.36%
(Separate Financial Statements)					

Remark: \* The Board of Directors Meeting No.8 (Series 27) held on 11 March 2021, passed a resolution to propose the dividend payment of Baht 0.70 per share for approval during the Annual General Shareholders Meeting which shall be held on 23 April 2021. The Board of Directors Meeting No. 4 (Series 27) held on 16 November 2020 has approved the interim dividend payment of Baht 0.20 per share, thus having the remaining dividend of Baht 0.50 baht to be paid by the Company.

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

##### - Subsidiaries

The Company has no policy to determine the dividend payment of any 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 3 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 hold on to Corporate Governance and established 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. 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 The Board of Directors must be diverse in terms of experience and field of expertise, gender, meeting corporate needs. Directors shall meet the legal requirements and be able to perform their roles efficiently. The number of directors is subject to suitability but must be no fewer than 5. In 2020, the Board comprised 15 directors: 5 were executive directors, and 10 were non-executive directors. At every annual general meeting, one-third of the board is required to retire by rotation. If the number of directors is indivisible by three, the number of retiring directors shall be the closest to one-third. Directors retiring by rotation may be re-elected.

2.2 Independent Director: At present, there are 5 directors who are independent from major shareholders or group of major shareholders and management. All of their qualifications are in compliance with the rules and regulations of the Securities and Exchange Commission, whereby the listed companies are required to have independent directors at least one third of total directors with minimum of 3 independent directors with the Company Chairman as independent director and 1 female independent director.

2.3 Audit Committee: The Board of Directors appoints 3 independent and qualified directors to serve as members of the Audit Committee in order to comply with the announcement of the Capital Market Supervisory Board and the regulations of the Stock Exchange of Thailand. Their roles and responsibilities are to ensure compliance and accuracy of the Company's financial reporting and information disclosure to be in accordance with the charters for internal control reporting standard and for internal audit process, which also comply with the regulations of the Stock Exchange of Thailand. 3 members of the Audit Committee have the expertise in economic, accounting, and finance with ability to ensure reliability of the Company's financial statements and perform other duties as a member of the Audit Committee.

2.4 Nomination and Remuneration Committee: The Board of Directors appoints 3 directors to serve as members of the Nomination and Remuneration Committee. Their roles and responsibilities are in accordance with the Company's charters, including support to the Board of Directors for selection process and consideration of each director remuneration.





2.5 Corporate Governance and Risk Management Committee: The Board of Directors appoints 3 directors, 1 executive, and 1 company secretary, totaling 5 people to serve as members of the Corporate Governance and Risk Management Committee. Their roles and responsibilities are in accordance with the Company's charters, including support to the Board of Directors for corporate governance, anti-corruption, risk management and sustainable development.

2.6 Delegation of Authority between the Board of Directors and Management: The Board of Directors has a clear practice for the delegation of authority between the Board of Directors and the management. The level of authority and duties of each committee and the President are established in writing in the charters, which are disclosed under the **Corporate Governance: sub-committee section**.

### Attendance record of Board of directors and committees

In 2020, 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 11 per annum)	Nomination and Remuneration Committee Meetings (total 3 per annum)	Corporate Governance and Risk management Committee Meetings (total 2 per annum)	49 <sup>th</sup> General Meeting (total 1 per annum)
1. Mr.Somkid Jatusripitak (He has served from the position of Chairman of the Board and Independent Director since 14 August 2020)	Chairman of the Board and Independent Director	4/4	-	-	-	-
2. Mr. Boonsithi Chokwatana	Vice Chairman	12/12	-	3/3	-	1/1
3. Mr. Vichai Kulsomphob	President	12/12	-	3/3	2/2	1/1
4. Mr. Samrerng Manoonpol	Director	12/12	-	-	-	1/1
5. Ms. Sirikul Dhanasarnsilp	Director	12/12	-	3/3	2/2	1/1
6. Mr. Pipope Chokvathana	Director	12/12	-	-	2/2	1/1
7. Mr. Sujarit Patchimnan	Director	12/12	-	-	-	1/1
8. Mr. Pipat Paniangvait	Director	11/12	-	-	-	1/1
9. Mr. Boonkiet Chokwatana	Director	12/12	-	-	-	1/1
10. Mr. Boonchai Chokwatana	Director	11/12	-	-	-	1/1
11. Mr. Piriya Khempon	Director	12/12	-	-	-	1/1
12. Mr. Nophorn Bhongsvej	Chairman of Audit Committee and Independent Director	12/12	11/11	-	2/2	1/1
13. Mrs. Punnee Worawuthichongsathit	Audit Committee and Independent Director	11/12	11/11	-	-	1/1
14. Mr. Nipon Poapongsakorn (He has served as Audit Committee since 14 August 2020)	Independent Director	12/12	4/4	-	-	1/1



Name	Position	Board of Director Meetings (total 12 per annum)	Audit Committee Meetings (total 11 per annum)	Nomination and Remuneration Committee Meetings (total 3 per annum)	Corporate Governance and Risk management Committee Meetings (total 2 per annum)	49 <sup>th</sup> General Meeting (total 1 per annum)
15. Mr. Sompong Sungrungsan (He has resigned as Director since 4 August 2020)	Audit Committee and Independent Director	7/7	6/6	-	-	1/1
16. Mr. Surachai Danaitangtrakul	Independent Director	11/12	-	-	-	1/1
17. Mr. Supradit Sa-id	Company Secretary	-	-	-	2/2	1/1
18. Mr. Sontaya Tabkhan	Corporate Governance and Risk Management Committee / Vice President Industrial Park Development	-	-	-	2/2	-

- 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 overseas travel

**Authorized directors:** Any 2 of these following 9 directors are jointly sign with the Company's seal.

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

## 2. Composition of Executive Team (Management)

**2.1 Executive Board:** The Board of Directors appoints the directors and/or other individuals, who are employees or staff and/or outsiders, to serve as members of the Executive Board. They shall have expertise and experience in operating and managing the Company's business. The Executive Board is assigned by the Board of Directors with their responsibility, carefulness, truthfulness and honesty as a reasonable person that would do under the same circumstances and **with authority to engage business negotiations without their influence as members of the Executive Board**. The Executive Board is comprised of at least 5 members as follows:



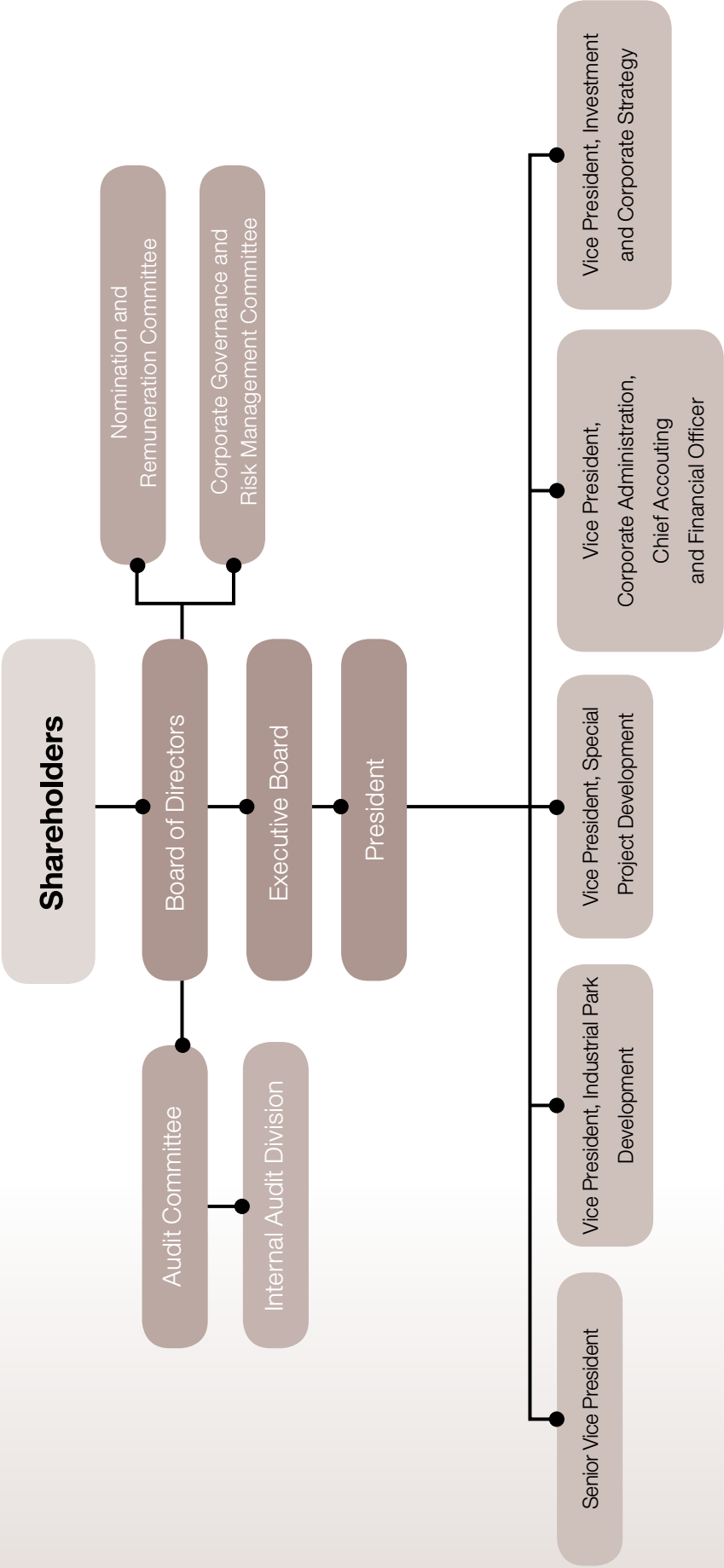
Name	Position	Term
1. Mr. Boonsithi Chokwatana	Chairman of the Executive Board	May 2020 – May 2021
2. Mr. Vichai Kulsomphob	Executive Director	May 2020 – May 2021
3. Mr. Samrerng Manoonpol	Executive Director	May 2020 – May 2021
4. Mr. Manu Leelanuwatana	Executive Director	May 2020 – May 2021
5. Ms. Sirikul Dhanasarnsilp	Executive Director	May 2020 – May 2021
6. Mr. Pipope Chokvathana	Executive Director	May 2020 – May 2021

## 2.2 Executives: consists of:

Name	Position
1. Mr. Vichai Kulsomphob	President
2. Mr. Sontaya Tabkhan	Vice President – Industrial Park Development
3. Mr. Tinakorn Bunnag	Vice President – Special Project Development
4. Ms. Kesara Sumkanjanaruk	Vice President – Corporate Administration / Chief Accounting and Financial Officer
5. 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 in Directors and Management's ownership of the Company's shares, as of 31 December 2020

	Name	Director / Management	Spouse/ Minor Child	Increase/ (Decrease) during the year	Total shares	%
1. Mr. Somkid	Jatusripitak	-	-	-	-	-
2. Mr. Boonsithi	Chokwatana	6,908,057	-	-	6,908,057	1.208
3. Mr. Vichai	Kulsomphob	50,000	370,172	-	420,172	0.073
4. Mr. Samrerng	Manoonpol	1,756,260	-	-	1,756,260	0.307
5. Ms. Sirikul	Dhanasarnsilp	3,537,075	-	-	3,537,075	0.619
6. Mr. Pipope	Chokvathana	109,081	-	-	109,081	0.019
7. Mr. Sujarit	Patchimnan	-	-	-	-	-
8. Mr. Pipat	Paniangvait	8,260	-	-	8,260	0.001
9. Mr. Boonkiet	Chokwatana	5,612,468	229,924	-	5,842,392	1.022
10. Mr. Boonchai	Chokwatana	200,000	-	-	200,000	0.035
11. Mr. Piriya	Khempon	-	-	-	-	-
12. Mr. Nophorn	Bhongsvej	-	-	-	-	-
13. Mrs. Punnee	Worawuthichongsthit	-	-	-	-	-
14. Mr. Nipon	Poapongsakorn	-	-	-	-	-
15. Mr. Surachai	Danaitangtrakul	-	-	-	-	-
16. Mr. Manu	Leelanuwatana	-	-	-	-	-
17. Mr. Sontaya	Tabkhan	-	-	-	-	-
18. Mr. Tinakorn	Bunnag	-	-	-	-	-
19. Ms. Kesara	Sumkanjanaruk	-	-	-	-	-
20. Mr. Vorayos	Thongtan	43,000	-	-	43,000	0.008
<b>Total</b>		<b>18,224,201</b>	<b>600,096</b>	<b>-</b>	<b>18,824,297</b>	<b>3.292</b>

- Benefits, Shares, and Debentures issued by the Company to the Company's Directors in 2020

-None-

**3. Company Secretary:** The Board of Directors has appointed Mr. Supradit Sa-id, to serve as the Company Secretary on 14 May 2018. 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 as the Company Secretary, Namely, Company Secretary Program (CSP), How to Develop a Risk Management Plan (HRP), Board Reporting Program (BRP), Effective Minutes Taking (EMT) by the Institute of Thai Directors (IOD). **His qualification summary has been disclosed in Forms 56-1 and 56-2 in the section related to information of 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 subject to responsibility,



carefulness, honesty, and truthfulness to perform duties according to relevant laws, objectives, article of association, resolutions of the Board of Director's Meeting and also resolutions of the General Meeting of Shareholders. The scopes of the Company Secretary's roles and responsibilities by the law are detailed as follows:

1. Prepare and keep the following documents:
  - a registration of directors;
  - a notification letter for director's meeting, minutes of meeting of the Board of Directors and annual report of the Company;
  - a notification letter for shareholders meeting and minutes of the meeting;
2. Keep a report of stakeholders reported by directors or 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 7 business days from the date of which the company has received such report.
3. Perform any other acts as specified in the notification of the Capital Market Supervisory Board.

**Additionally, the Company Secretary shall comply with the other duties 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, and report to the Board of Directors for any significant changes.
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 Director's 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's 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**

To ensure that the structure and rate for director remuneration are appropriate and able to encourage the Board of Directors to lead the Company's operation toward short-term and long-term goals, the Board of Directors appoint the Nomination and Remuneration Committee as a party to assess and determine director remuneration according to each director's roles and responsibilities. The Nomination and Remuneration Committee shall assess based on annual review of overall duties being performed by the Board of Directors, the Company's business operation, remuneration budget approved by the Annual General Meeting of Shareholders, the amount paid in the prior year with peer comparison, which shall be proposed to the Board of Directors for consideration and to the General Meeting of Shareholders for approval.



## 1. Monetary Remuneration

### (a) Remuneration for the Directors

The 49<sup>th</sup> Annual General Meeting of Shareholders, held on 3 August 2020, has approved the total annual remuneration amount for the Board of Directors not to exceed Baht 20 million. 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
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Director	10,000.-	Baht/attendance
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(A total of Baht 1,774,000.- was paid in 2020.)

- Position allowance is paid to the Chairman, who is not Company's employee or staff. The Nomination and Remuneration Committee allocate and propose the amount to the Board of Directors for approval.

(A total of Baht 1,750,000.- was paid in 2020.)

- Annual remuneration is paid to all directors. The Nomination and Remuneration Committee allocate and propose the amount to the Board of Directors for approval.

(A total of Baht 13,125,000.- was paid in 2020.)

#### 2. Audit committee

- Meeting allowance (Quarterly)

Chairman of the Audit Committee	60,000.-	Baht
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Audit Committee	30,000.-	Baht
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(A total of Baht 480,000.- was paid in 2020.)

#### 3. Nomination and Remuneration Committee

- Meeting allowance (paid to attending directors only)

Chairman	12,000.-	Baht/attendance
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Director	10,000.-	Baht/attendance
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(A total of Baht 96,000.- was paid in 2020.)

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

- Meeting allowance (paid to attending directors only)

Chairman	12,000.-	Baht/attendance
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Director	10,000.-	Baht/attendance
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(A total of Baht 64,000.- was paid in 2020.)

Other benefits -None-. The rates shall be applied after approval by the General Meeting of Shareholders until there is any further change. The paid remuneration must not exceed the budget approved by the General Meeting of Shareholders.

The grand total of Baht 17,289,000.- was therefore paid in 2020.





## Remuneration of the Board of Directors of Year 2020

Unit : Baht

Name	Meeting Allowance	Director Fee (only Chairman)	Annual Remuneration (Directors)	Audit Committee	Nomination and Remuneration Committee	Corporate Governance and Risk Management Committee	Total
1. Mr. Somkid Jatusripitak (He has served as Chairman since 14 August 2020)	48,000	1,750,000	735,000	-	-	-	2,533,000
2. Mr. Boonsithi Chokwatana (He has served as Vice Chairman since 14 August 2020)	136,000	-	2,400,000	-	36,000	-	2,572,000
3. Mr. Vichai Kulsomphob	120,000	-	1,200,000	-	30,000	-	1,350,000
4. Mr. Samrerng Manoonpol	120,000	-	930,000	-	-	-	1,050,000
5. Ms. Sirikul Dhanasarnsilp	120,000	-	930,000	-	30,000	20,000	1,100,000
6. Mr. Pipope Chokvathana	120,000	-	930,000	-	-	20,000	1,070,000
7. Mr. Sujarit Patchimnan	120,000	-	630,000	-	-	-	750,000
8. Mr. Pipat Paniangvait	110,000	-	630,000	-	-	-	740,000
9. Mr. Boonkiet Chokwatana	120,000	-	630,000	-	-	-	750,000
10. Mr. Boonchai Chokwatana	110,000	-	630,000	-	-	-	740,000
11. Mr. Piriya Khempon	120,000	-	630,000	-	-	-	750,000
12. Mr. Nophorn Bhongsvej	120,000	-	680,000	240,000	-	24,000	1,064,000
13. Mrs. Punnee Worawuthichongsathit	110,000	-	680,000	120,000	-	-	910,000
14. Mr. Nipon Poapongsakorn (He has served as Director since 14 August 2020)	120,000	-	630,000	30,000	-	-	780,000
15. Mr. Sompong Sungrungsan (He has resigned as Director since 4 August 2020)	70,000	-	230,000	90,000	-	-	390,000
16. Mr. Surachai Danaitangtrakul	110,000	-	630,000	-	-	-	740,000
<b>Total</b>	<b>1,774,000</b>	<b>1,750,000</b>	<b>13,125,000</b>	<b>480,000</b>	<b>96,000</b>	<b>64,000</b>	<b>17,289,000</b>

**(b) Remuneration for Executive Board and Executives**

For other management, the Executives shall consider and determine the amount according to Company's policy, business performance, and their individual performance. In 2020, there were 10 people of the Executive Board, the first four executives under the President, and all executives equivalent to the fourth level. The remuneration of Baht 67,082,937.- was paid in forms of salaries, meeting allowance, and bonus





## 2. Other Remuneration

### (a) Other Remuneration for the Board of Director

-None-

### (b) Other Remuneration for the Executive Board and Executives

The Company has established and registered its provident fund, as part of The Provident Fund SCB Master Fund. As of 31 December 2020, there were 6 people from the Executive Board and Executives who become members of this fund and are entitled to an extra payment 8% of their wages from the Company to top up their fund account. In 2020, the Company has paid Baht 2,346,870.- 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 fund contribution from the Company and other benefits according to terms and conditions of the fund.

## 5. Personnel

As of 31 December 2020, the Company has a total of 143 employees (exclusive of employees who are members of Executive Board and executives). Total compensation of Baht 170,215,812.50.- was paid in forms of salary, overtime wages, and bonus, while Baht 3,992,054.77.- was paid for retirement benefits.

Over the years, the Company has encouraged employees to consistently improve their knowledge and competency, spend their money and time wisely, with comfortable working environment. Accordingly, No labor disputes.



### Other Remuneration

The Company has established and registered its provident fund, as part of The Provident Fund SCB Master Fund. As of 31 December 2020, there were 123 employees who become members of this fund and are entitled to an extra payment 8% of their wages from the Company to top up their fund account. In 2020, the Company has paid Baht 8,206,662.- 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 fund contribution from the Company and other benefits according to terms and conditions of the fund.

### Human Resource Policy

Our people is always being the key to drive the organisation towards sustainable growth in the midst of competition and rapid changes in all dimensions, whether social, economic, political and technological as a result of information technology developments. The Company, in addition to focusing on strengthen of people-skill development, also included method and process of employee's performance evaluation improvement at all levels on equal and equitable basis under a strategic management which have been created a competitive advantage in business which executions are following:

- 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 also adjust new way of working in new era.

- To adjust human resource strategic plan to align with corporate strategy.
  - To manage change by focusing on fast moving, flexible working and systematic thinking.
  - To emphasize high moral and ethical standards in corporate governance and resist against corruption.
- The Company encourages its employees to develop their knowledge, abilities, skills, attitude, and behaviors that ensure sustainable corporate growth. The following were the Company's human resource developments.

### 1. Human Resource Management

- **Organizational Restructure:** The Company may adjust organization structure to increase operational efficiency in response to changes under current and future business situation. The organization restructure is expected to help drive management potential and enhance work flexibility of the Company.

- **Succession Plan:** In order to ensure uninterrupted operation and enhanced efficiency, the Company has a policy for succession plan of employees and top executives, including key functions and key positions. Position levels, directions, goals, and human resource development plans are formulated to prepare knowledgeable and capable individuals to take over when needed, ensuring business continuity. This plan must align with the Company's vision, mission, target and strategy. In case of the Company has job rotation, resigned, retired or death, the criteria for succession planning will be as follows:

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

- In the case of having multiple candidates for job promotion, the recruitment shall consider individual readiness for succession, their past performance, and level of recognition by their future colleagues.

- The candidate shall be assessed for their competencies such as area of expertise, personality, and level of recognition by their future colleagues.

- The candidate shall continue to develop new skills and knowledge by attending seminars or training
- Complying with good corporate governance principles

- **Performance Evaluation:** The Company has prescribed for annual performance evaluation of employees at the managerial/supervisory and operation levels. In order to add perspectives to criteria and standards which emphasizes that all evaluated person comprehend the evaluation method under the same or similar standard and direction, and to avoid variations in evaluations, in 2020, the evaluation forms were improved for clarity. Performance calibration was also added to the evaluation process, in which regard evaluators operating in the same line of work, job family or similar works would meet to discuss and debate on the performance of each evaluated employee. As a consequence, the evaluator must come prepared with clear evidence of the employee's performance and be able to give an explanation of the evaluations.

- **Welfare and Rules:** The Company's welfare and rules shall be reviewed and adjusted to enhance transparency and become more practical. In addition, the Company sets out rulings and compensation plan for employees over retirement ages to ensure proper benefits being provided to those who have worked with the Company for a long time. In 2020, the Company applies and to confer benefits fairly to employees, as well as provide investment plans for provident funds in the form of "Employee's Choice" policy to the provident fund, allowing its employees options to adjust their investment plan according to their own risk level and goal.

- **Satisfaction and Loyalty:** Opportunities were given to all employees to pursue a new norm way of living by setting flexible working hours, giving employees the ability to choose from a variety of workplaces, increasing convenience for employees and flexibility of work. For example, an employee may choose to work from home or work from anywhere. Mutual trust is shared between the employee and supervisor. Works may be inspected, assigned and delivered as expected with good results. This form of work has also benefited other areas, such as safety and occupational



hygiene during the COVID-19 outbreak, economies of traveling costs and fostering participation and family relationships. These arrangements have caused employees to feel that the Company truly cares for employees. In addition, in terms of financial management and savings, the Company promotes and supports all employees in becoming members of the Saha Group Savings Cooperative Limited to secure financial stability and future security.

- **Orientation:** This is one of the Company's crucial procedures and the first impression for new employees. 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, corporate governance principles including policy, business ethics, Code of Conduct, shall be communicated using animation. The policy of anti-corruption and its procedures are important and thus conveyed to all employees to ensure their understanding about the Company's culture and enhance their confidence in work operation. In 2020, the Company conducts orientation planning to promote diversity and inclusion of employees into two following ways:

- **Induction:** This is part of the first-day onboarding process. It familiarizes new hires with the corporate culture, business processes, and colleagues (cultural fit) and also communicates job expectations and responsibilities to these new faces (job fit).

- **Orientation:** Orientation is a process that allows new hires to learn and experience the Company by visiting Saha Group industrial parks, listening to lectures, and viewing video clips.

## 2. Employee Development

All employees are encouraged to develop their career paths according to their knowledge capability and obtain 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 Smart" employee. The Company's people development activities are as follows;

- **Personnel Recruitment:** The Company treats this process as the first step of doing business. Therefore, certain recruitment criteria, which are efficient, fair, transparent and auditable, are put in place to find competent people with positive attitude, proper qualifications, and adaptability to the Company's culture.

The recruitment process begins with internal job position method which is to consider and offer internal people with knowledge and capability for Internal Transfer. Otherwise, the Company shall look for new people with required qualifications, educational credentials and work experience. These elements are reviewed in combination with attitude and personality test using a behavioral analysis tool called "DISC" as well as deeply questioning to our potential candidate by "Behavioral base interview". The merit system has been integrated into this process, including the 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 age, locality, place of residence, ethnic origin, gender, religious affinity, parents or guarantor.

- **Security :** Professional and work security is provided to personnel at all levels to lift up their 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 various positions act with neutrality and fairness. Their mandate is to not engaged 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 attaches importance by focusing on training and development.

In addition to promoting knowledge and expertise, support was also provided for technology learning that could be applied to improve working efficiency. All employees shall attend at least three courses of trainings / seminars per year, consisting of 1 related to their work operation, and 2 for general knowledge.

Moreover, continuous learning was fostered through knowledge sharing in order to build a diversity of knowledge and sharing between internal work units. Employees could elect a topic of interest and make a presentation every week after studying educational materials from Harvard Business Review and participating in seminars. Each work unit was also encouraged to share the operational details within the unit or progress of projects. Employees were able to apply knowledge to practice with results. Furthermore, employee learning of operational techniques were also promoted to ensure an even smoother functioning of tasks, in particular the learning of innovations, perspectives and communication customs of Japanese, Chinese and Hong Kong people. In order to have an accessible of useful information or data, company has continuously collect information and background through internet.

There were 2 groups of trainings:

**Group 1. Employee Development:** This refers to the training provided to staff members. The Company sent out its staff to participate in public training programs conducted by external agencies, organizations, and institutions. Topics included management, finance and accounting, investment, information technology, corporate governance, legal compliance, and human resources development. In total, 132 employees attended 114 programs (covering 90.41% of all employees), accounting for a total of 4,346 training hours.

For in-house training, the Company has provided learning courses to employee such as "the sources of profit and loss" "High Impact PowerPoint Presentation (Infographic Media)" "management of industrial water and initial wastewater treatment" "World of English for Business" "Fire Fighting Techniques" "Solar Floating Project" "Excel Intermediate" and "Female Workforce Development at the Workplace"

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

## 2020 Trained Employee

### Attendance

**132**

### Number of Courses

**114 Courses**

### Time

**4,346 Hours**



**90% Trained**



**10% Untrained**

### All of training hours were dedicated to





#### From Picture “2020 Trained Employee”

90.41% of all employees underwent development training. On average, each employee received 32.09 hours of training. This can be further divided into the following competency categories:

#### From Picture “All of training hours were dedicate to”

82.30 % of all training hours (accounting for 1,795.50 hours) were dedicated to functional competency.

17.70 % of all training hours (accounting for 2,550.50 hours) were dedicated to managerial competency.

19.88 % of all training hours (accounting for 864 hours) were dedicated to knowledge sharing in In- house training and between internal work units

38.21 % of all training hours (accounting for 1,660.50 hours) were dedicated to In-house Training.

61.79 % of all training hours (accounting for 2,685.50 hours) were dedicated to Public Training.

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

Name	DAP	DCP	ACP	RCC	CSP	CDC	QFR	MIA	MIR	MFM	MFR	REDCP	RCP	RNG	ACEP	ACPG	ELP	ITG	HPR
1. Mr. Somkid Jatusripitak	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Mr. Boonsithi Chokwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Mr. Vichai Kulsomphob	-	61/2005	-	-	18/2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Mr. Samreng Manoonpol	3/2003	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Ms. Sirikul* Dhanasarnsilp	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Mr. Pipope Chokvathana	3/2003	264/2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7. Mr. Pipat Paniangvait	3/2003	39/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8. Mr. Boonkiet Chokwatana	3/2003	41/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9. Mr. Boonchai Chokwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10. Mr. Sujarit Patchimnan	41/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Mr. Piriya Khempon	-	298/2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12. Mr. Nophorn Bhongsvej	38/2005	71/2006	12/2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12/2019	-
13. 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	-
14. Mr. Nipon Poapongsakorn	-	14/2002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15. Mr. Surachai Danaifangtrakul	11/2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16. Mr. Manu Leelanuwatana	3/2003	68/2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17. Mr. Sontaya Tabkhan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20/2018
18. Mr. Vorayos Thongtan	-	272/2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20/2018

Remark :

\* Ms. Sirikul Dhabasensilp attended the Board and CEO Assessment 2/2003





More than 75 percent of Company Directors participated in courses relevant to their functions

Mr. Piriya Khempon, Director, participated in a program entitled “Director Certification Program (DCP) #298/2020”.

In 2020, the Company encouraged its management and staff members to understand corporate governance and anti-corruptions by participating in seminar or training programs follows;

- Open House CAC Checklist 4.0
- Road to certify “CAC”

In addition, the Company had its staff take a corporate governance and anti-corruption assessment to evaluate their understanding of the subject matters as well as allow the staff to review their knowledge related to Corporate Governance and Anti-Corruption.

**Site Visits,** Site visits provide the on the job training which will enhance the trainees with insightful knowledge that helps them to increase their competencies and achieve their goals. In 2020, a range of site visits at the prestige organizations were offered both locally and internationally regarding business engaged in investment, renewable energy, food and beverage, service, real estates, 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 to their operations.

**Executives and Employees’ Relationships,** the Company has variety of activities to build strong relationships between executives and staff members. Those activities also enhance company’s communication from top management to all employees such as policies, plans, operational guidelines and project updates, as well as any problems or potential impacts. 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.

## 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 14 January 2014; 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 mandated the prescription of good governance principles in line with the governance principles for listed companies in 2017 issued by the Office of the Securities and Exchange Commission. In 2017, the Company revised and issued Good Governance Principles (2<sup>nd</sup> Revision), which was approved by the Board of Directors in Meeting 10 (Series 25) on 27 February 2019. The revised principles replaced the previous edition. In 2020, the Company reviewed the good governance principles and found that they were still consistent with the Company's business operations and suitable to current situation. The document comprises the following:

### The Corporate Governance Policy

- The 8 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 confidence 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 manner 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 2020, the Board of Directors required The 8 Principles of Good Corporate Governance be adapted to The Company's business conduct, covering the following 5 categories:

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 4 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 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 2020, the COVID19- outbreak caused the Company to postpone the 49<sup>th</sup> Annual General Meeting of Shareholders from the previous scheduled date of 22 April 2020. Once the situation improved, The Company held the 49<sup>th</sup> Annual General Meeting of Shareholders on 3 August 2020 at Galaxy Hall, 10<sup>th</sup> Floor, Avani Plus Riverside Hotel, Bangkok 10600. Measures and guidelines for 2020 Annual General Meeting of Shareholders were complied with during this COVID19- outbreak. 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 2020 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 1 to 30 December 2019. 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 18 June 2020 or 46 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 30 June 2020 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, retrievable through a QR code that appeared on the AGM invitation, consisting of the annual report of the board, financial statements, and the sustainability report 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, the "B" proxy form, registration form and the advance questionnaire regarding for the Annual General Shareholder's meeting prior to meeting 24 days on 10 July 2020 in order for shareholders to consider in advance the announcement was published in a newspaper 11 days prior to the meeting and for 3 consecutive days from 20 - 22 July 2020.

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 2020, there was foreign shareholders who sent 2 representatives to attend on their behalf while there were 5 institutional investors who assigned proxies to the Chairman of Audit Committee of the Company 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.

At the 49<sup>th</sup> Annual General Meeting of Shareholders, held on 3 August 2020, all 15 out of 15 directors, accounting for 100% of the Board of Directors, were present, including the Chairman of the Board, the Chairman of the Audit Committee, the Chairman of the Nomination and Remuneration Committee, and the Chairman of the Corporate Governance and Risk Management. Top management team in attendance included the Chairman of the Executive Board, the President, the Chief Financial Officer, and members of the Executive Board. In addition, The Company's two external auditors as well as an inspector, who was a representative from the Audit Firm, were also present; they served as witnesses to the vote-counting process. Furthermore, to ensure transparency and compliance with rules, regulations, and the Articles of Association, the names of the Board of Directors, Executive Board, Management, External Auditors and representative of the Audit Firm, were recorded in **the meeting minutes of the 49<sup>th</sup> Annual General Meeting of Shareholders, which is published on The Company's website ([www.spi.co.th](http://www.spi.co.th)).**

2. It is The Company's policy to treat all shareholders equitably. At the start of the meeting, the Company Secretary announced the number and ratio of shareholders in attendance. The Chairman of the Board of Directors gave an opening remark and assigned Mr. Vichai Kulsomphob, the President, to lead the meeting. The President introduced Company Secretary. Then, assigned the Company Secretary to introduce the Directors, Executive Board, Management, Chief Financial Officer, External Auditors and representative from the Audit Firm include inform the meeting of relevant procedures, including how to vote and how the votes would be counted for each agenda, all of which were compliant with laws, regulations, and the Articles of Association. The Company afforded all shareholders an opportunity to freely pose questions, speak their mind, and offer recommendations for every agenda. Every answer was clear and to the point. A barcode system provided a summary of the votes "for," "against," and "abstain," as well as void ballots (if any). The records of these votes were **clearly and correctly included in the meeting minutes of the 49<sup>th</sup> Annual General Meeting of Shareholders.** In the past year, The Company informed the shareholders of its anti-corruption efforts and the overall performance of each business unit. A summary of this information appears in **the meeting minutes of the 49<sup>th</sup> Annual General Meeting of Shareholders, which is published on The Company's website ([www.spi.co.th](http://www.spi.co.th)).**

3. At the 49<sup>th</sup> Annual General Meeting of Shareholders on 3 August 2020, 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 an inspector as a representative from the Audit Firm 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 2020, the numbers of votes of the shareholders for each agenda are detailed as follows:

Agenda	Number of Participants	For votes		Against Votes		Null Votes		Invalid ballot	
		Nmber of share	%	Nmber of share	%	Nmber of share	%	Nmber of share	%
1	144	490,762,493	100.00	-	-	-	-	-	-
3	145	490,762,993	100.00	-	-	-	-	-	-
4	145	490,762,993	100.00	-	-	-	-	-	-
5.1.1	145	490,762,993	100.00	-	-	-	-	-	-
5.1.2	145	490,762,993	100.00	-	-	-	-	-	-
5.1.3	145	487,501,593	99.34	3,261,400	0.66	-	-	-	-
5.1.4	145	490,762,993	100.00	-	-	-	-	-	-
5.1.5	145	490,762,993	100.00	-	-	-	-	-	-
6	145	490,762,993	100.00	-	-	-	-	-	-
7	145	490,762,993	100.00	-	-	-	-	-	-
8	145	490,762,993	100.00	-	-	-	-	-	-

The particulars of the 49<sup>th</sup> Annual 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, (Proposed dividend of Baht 0.70 per share, the Dividend Policy of not less than Baht 0.10 per share) 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 49<sup>th</sup> Annual General Meeting of shareholders and on The Company's website ([www.spi.co.th](http://www.spi.co.th)).





**(3) Directors' Remuneration:** The Company suggests the amount and the form of remuneration to the 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 Registration Statement (Form 56-1) and the Annual Report (Form 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 49<sup>th</sup> Annual 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 of the Board of Directors, the Executive Board, Company Secretary, Chief Financial Officer, the External Auditors and the representative of the Audit Firm as witnesses to the vote-counting process and the number of the votes "for," "against," and "abstain," as well as void ballots (if any) are recorded for each agenda. A record of the inquiries and the responses are also provided. 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 49<sup>th</sup> Annual 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 direction, and at least one independent director will be provided as an alternative to the granting of shareholder 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 and supporting documents will be send 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 have implemented measures to prevent the exploitation of inside information for wrongful interests of oneself or of others. Company Directors, Executives and Employees who are related with inside information are prohibited from trading The Company shares for 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 **Equalization 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](http://www.spi.co.th)) as well as allowing shareholders to submit questions in advance.**

3. For the 49<sup>th</sup> Annual General Meeting of Shareholders, held on 3 August 2020, The Company has delivered a notice with supporting documents on 10 July 2020 or 24 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 for 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 30 June 2020 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 3 members of the Audit Committee are declared in the Letter of Meeting Invitation. Shareholders can view the information on the 3 members of the Audit Committee in the annual report, enclosed with the meeting notice or on The Company's website ([www.spi.co.th](http://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](http://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 49<sup>th</sup> Annual General Meeting of Shareholders of Year 2020 was held on 3 August 2020.

	Shareholders	Shares	%
<b>Total Registered Shareholders</b>	<b>994</b>	<b>571,890,666</b>	<b>100.00</b>
Attending Shareholders	145	490,762,993	85.81
In Person Attendance	30	24,862,996	4.35
Proxy Attendance	115	465,899,997	81.46
- By Audit Committee	51	123,853,461	21.65
- Other Individual	64	342,046,539	59.81

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 2 hours in advance. Shareholders can join 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 are 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 1 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. Company policy obliges directors and senior management members to inform the chairman of their intent to trade company shares at least 1 day prior to the transaction. In addition, company policy requires executives and employees 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 every Board of Directors meetings involves the holding of company shares by Directors and Executives. 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 2020, 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 Registration Statement (Form 56-1) and the Annual Report (Form 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 7 business days from the day in which the report is received.

The Directors and Executives have complied with the established criteria in 2020.

#### **(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 or indirectly, 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.

For the complaint that decided 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. There will be mitigation for the damage appropriately and 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 proceed by information protection regulation as defined in the Good Corporate Governance Policy.

In 2020, 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 give priority to corporate governance and 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 Registration Statement (Form 56-1) and Annual Report (Form 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.) 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 Registration 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 2017 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 and website at (www.spi.co.th.)

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

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

**(4) Business Structure:** The structure of business is disclosed with the fixed 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 , operation 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 (87.93%) 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 8 principles of good governance which includes contents in 5 chapters of the Good Governance Principles 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))

In the year 2020, the Company has reported the results of the Good Corporate Governance and implement the Corporate Governance policy. Listed companies in 2017, all 8 principles have been applied in accordance with the business context of the Company and has been publicly available in the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2) and 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 5 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 Registration Statement (Form 56-1) and Annual Report (Form 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 adjourn. This information will disclose 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 transaction, agreements, reason of transaction, Board of Directors opinions (if any) in the minute of meetings of the related parties or entities. They are made available in the Annual Registration 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. Company policy obliges directors and senior management members to inform the chairman of their intent to trade company shares at least one day prior to the transaction. In addition, company policy requires 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 Registration 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 2020 the shareholders voted to appoint Mrs. Sirinda Hirunprasurtwutti and/or Mrs. Saifon Inkaew, and/or Miss Kamontip Lertwitworatep of EY Office Ltd. as independent auditors of the Company. These names had been approved by the Audit Committee and the Board of Directors. The total audit fee was Baht 2,999,000. The fee for the review of financial information pursuant to the Thai Financial Reporting Standards 9 (TFRS 9), Financial Instruments, was set to a maximum of Baht 450,000. The fee for other services, namely the review of sales (license fee), was Baht 100,000.

In 2020, 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 Form 56-1 and Form 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)

The Company and companies in the Saha Group collaborated with the Stock Exchange of Thailand in holding an event **"Analysts and Investors Meet Saha Group"** in order to give analysts, investors and the media an opportunity to meet Company Directors and executive officers in close proximity. This event had been held for 11 consecutive years during the Saha Group Fair. However, due to the COVID-19 outbreak, the Company postponed the event to prevent the spread of COVID-19.

## 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 1 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 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”**, the Board of Directors operate as follows;

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

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

Pursuant to the Company’s revision of vision, mission and target every year, in 2020, the Board of Directors carried out a revision of vision, mission and targets. 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.

As per company policy, the Board of Directors conducted the annual reviews of company vision, mission, and goal in 2020 and agreed that they were still applicable to the present business context. The established goal, business plan, and annual budget steered the directors, management, and employees towards the same direction. The Company complied with relevant laws, Articles of Association, and charters. Company performance and the execution of board resolutions were reviewed at monthly board meetings, allowing for timely strategic changes whenever needed. In addition, the Corporate Values have guided the entire organization towards success by aligning employees’ practices.

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

The Board of Directors has always underlined the vitality of corporate governance. The Company began working on the second edition of the Good Corporate Governance Code (Second Edition) in 2018, aligning it with the Corporate Governance Code for Listed Companies 2017 issued by the Securities and Exchange Commission. This second edition was finalized in 2019. It received the board’s assent at Board Meeting No. 10 (Series 25) on 27 February 2019, replacing the first edition. The code is required to be reviewed once a year.

In 2020, the Company reviewed the good governance principles and found that they were consistent with the Company’s business and suitable to current situation.

#### **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 2020, there are 4 related party transactions none of which are required the approval from shareholders this can be located in related transaction**

#### **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 2020, 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 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 1 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 2020, 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 self evaluation of the Board of Directors during 2020. Each evaluation based on overall Board of Directors's performance 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 performance, problems and hurdles during the year in order to improve the overall organization efficiency.

In 2020 the company secretary delivered a board self-assessment form to every director, who independently completed and returned it. The company secretary then prepared a summary report and presented it to the directors at a board meeting.

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 2020, the overall performance is “Good” with an average score of 87.93%.



- **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 2020 the performance appraisal are summarized as follows:



**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 Registration Statement (Form 56-1)** and **Annual report (Form 56-2)**.

In 2020, 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 Baht 0.10 per share based on its performance and financial standing. In 2020 the Company paid dividends from its 2019 performance at the rate of Baht 0.70 per share or 17.63% of its net profit (31.82% of its separated net profit), which was higher than the requirement. The payment was made on 8 May 2020. 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 2020 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 2020 the Saha Group's industrial parks conducted the annual customer satisfaction survey, which takes place in June to July. 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 **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 and Project Manager 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 send their recommendations, such as at meetings, online and complaints boxes located at the Human Resource Department of every project office.

In 2020, 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 of 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.

Based on this policy and its guidelines, the Company has selected trade partners fairly and complied with all agreements and conditions made with them. The Company also provided these trade partners with accurate information and fostered good relations and understanding throughout the supply chain. Moreover, the Company has exchanged know-how and worked with trade partners to develop new products and services, including manufacturing processes that are safe for workers, communities, society and the environment. These partnerships have bolstered the Company's competitiveness. The Company, however, has never asked for or accepted other assets or benefits not explicitly stated in trade agreements. The Company has always emphasized the importance of its partners' development alongside its own growth.

There has been no incidence of failure to honor the contract we have with any trading partners in 2020.

#### **(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 consider 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 position 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 1<sup>st</sup> to the 7<sup>th</sup> of every month. Payment is then made to them on the 26<sup>th</sup> of the same month or the next business day if the 26<sup>th</sup> falls on a holiday.

##### **Loan creditors**

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

#### **(1.6) Employees**

The Board of Directors consider 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 improving the quality of life 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 how to protect themselves. These activities include influenza vaccination, breast and 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. Moreover, The company has provided air purifier to filter and reduce the amount of particles and germs that has been accumulated in the Office. In order to increase the level of oxygen at a balanced level, as well as providing ozone treatment, air quality analysis and oxygen level analysis.

From the outbreak of the Corona Disease in 2019 (COVID-19), the company has announced the epidemic prevention, surveillance guidelines, procedures and measures to prevent the spread of the Corona Disease 2019 appropriately.

- 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 80012546-) 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 4 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 Directors 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 40% and >90% of wastewater were treated and used for this purpose in our respective factory areas in 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 2020 the Saha Group Industrial Park in Si Racha was able to use more than 80% of the water that entered its wastewater treatment system to water its green areas, correlating to the increase of green spaces within the estate. Meanwhile, the Saha Group Industrial Park in Kabinburi was able to use more than 80% of its treated water. Additionally, the Saha Group Industrial Park in Lamphun installed an ozonation system, which has enabled the park to reuse 100% of its treated water.

2. The Company and the Faculty of Agriculture, Kasetsart University, have researched possible the use of the sludge from the central wastewater treatment system to make a soil amendment that would meet the standards of the Department of Agriculture to study ways of utilizing sludge accumulated from wastewater treatment. This has been another way to dispose of the sludge at the central wastewater treatment facilities at the Saha Group Industrial Park in Si Racha. The goals of this research project have been to minimize waste, create value-added to the wastewater



treatment system, and limit the park's impact on the environment. The test plots allowed the team to test the effects of various factors on changes to soil quality. From research on utilization of sludge from the central wastewater treatment system to amend soil, it was found that a soil amendment made from sludge from the central wastewater treatment facilities had no adverse effects on the soil quality and other factors, and could also be used with several plant varieties with a number of special characteristics such as heights, diameters, and leaf greenness when compared with general chemical 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 SPI...and Sustainable Development section.**

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

Recognizing the importance of the environment, The Company has encouraged its employees to equip themselves with environmental knowledge and competencies. To further hone their skills, The Company has formulated the following training schemes:

1. ISO 50001:2018 Requirements and Assessment
2. Design and Application of Technological Energy Storage System
3. Solar Power as an Alternative Source of Energy

#### **(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 immature 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.

8. Director and senior executive officers shall be required to inform the Chairman about their trading of The Company's securities at least 1 day before trading date.

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 Registration Statement (Form 56-1) and Annual Report (Form 56-2). There were 3 related transactions involving assets and 1 related transaction services of financial assistance in 2020, none of which violated the regulation of Stock Exchange of Thailand. 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 Registration 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 for greater transparency and fair.

### 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 offering 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.

Following The Company's endorsement as a member of the Collective Action Against Corruption (CAC) on 14 October 2016, such endorsement was valid for a period of 3 years, expiring on 14 October 2019. In the year 2019, The Company received certification for 3-year extension as from the date of certification. In 2020, The Company participated in the "Anti-Corruption Day 2020" fair, held online on 15 September 2020 under the concept easy detection of corruption at your fingertips, "Power of Date".

In 2020 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 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 2 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 all times.



## 2. Information Technology Security

The Company attaches importance to communications and information technologies, which are major supporting factors of The Company. The Company has informed all directors, executive officers, employees regarding this matter prevent potential problems from inappropriate uses of information technology and from threats. Information security is the duty of all directors, executive officers, employees, and other parties involved.

In 2020 at Board Meeting No. 4 (Series 26) held on 13 August 2019, the Board of Directors approved the Information Technology Security Policy and assigned the Good Governance and Risk Management committee to provide a guideline for the Information Technology Security which approved by the Good Governance and Risk Management committee meeting No.3 (series5) held on 27 February 2020 which has been disclosed on The Company website ([www.spi.co.th](http://www.spi.co.th)) under Policy and Procedures.

In 2020, 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.

Under such policy and guideline, The Company held various activities to promote safety in several areas and safeguards for employee health. For instance, emergency drills were carried out for chemical leakage and education was provided for prevention of public disasters. Explanations were also given on guidelines for compliance with the new laws on fire escape and firefighting, demonstration on efficient, proper and safe usage of fire extinguishers. Clean and safe fire extinguishers were also installed at various positions throughout The Company. Alarm sirens were regularly inspected and maintained to working condition. First aid training was also provided to employees. Following the outbreak of COVID-19, The Company implemented measures to control the outbreak situation to garner the trust of all employees in safety and good health by setting overlapping working hours, distributing appropriate operational employees to ensure social distancing and approval of work from home, publication of rules for participating in meetings of customers, trading partners and investors where a meeting with an executive officer of employee of The Company is necessary, in which case such persons are required to provide travel and essential personal history details, requesting cooperation of all meeting participants to wear face masks at all time, limiting the number of participants and implementing social distancing, increase in frequencies, areas and procedures for cleaning, as well as providing face masks, hand was gels for employees since these products were in high demand during the crisis causing a market shortage.



## **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. Director and senior executive officers shall be required to inform the Chairman about their trading of The Company's securities at least 1 day before trading date.
9. 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 2020, there is no such case that the Directors, Executives, and Employees violated the Company's Code of Conduct in their related roles and there is not any complaint from stakeholders through the channels of complaint provided by the Company.**

## 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 3 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.

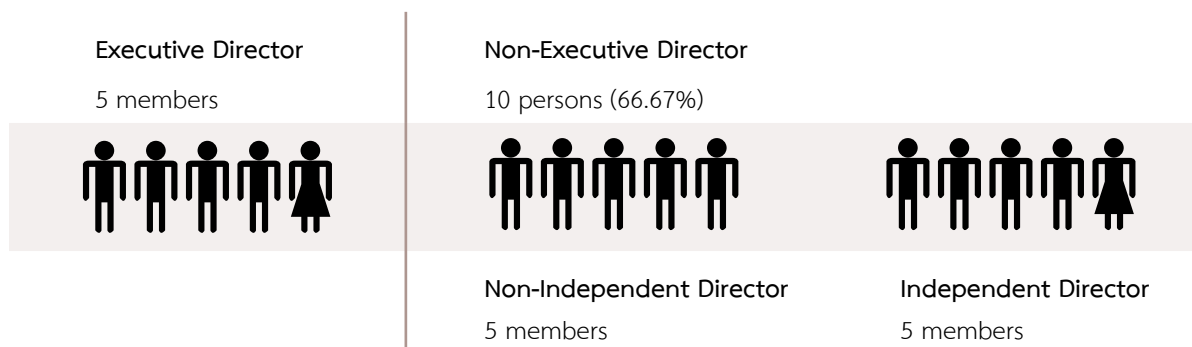
**2.1 The Board of Directors** has a high level of responsibility in overseeing and ensuring good corporate governance to maximize The Company's and its shareholders' benefits based on The Company's policies, objectives, rules, regulations, the Board of Directors' resolutions, resolutions from the shareholders' 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 5 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 2020 the Board of Directors comprises 15 members as follow;



At present, the Board comprises 10 non-executive directors, 5 of whom are also independent directors. In these 5 independent directors, 3 of which are serving on the Audit Committee, and the Chairman as independent director and 1 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.

The Company arranged Board Skill Matrix, Various areas of expertise which matched with The Company business and needs and qualified as law requirement without bias of gender, nationality and religion such as



**(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 profile, 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 Form 56-1 and Form 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 most of board meetings and contributing to the betterment of The Company.

**(4) The Aggregation or Separation of Positions:** The Chairman of the Board and Chairman of Executive Board are not the same person as President. 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 of the Board 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 important in the Annual 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, policies, functions and responsibilities of the Managing Director, as prescribed. Further more, each of the Board of Directors, Executive s and President's authority and functions and responsibilities of the Chairman 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. Stakeholders may not be involved in the decision-making process. They must follow 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 14 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 (Form 56-2) and the Annual Registration Statement (Form 56-1)
11. To follow up on documents to be submitted to relevant regulatory agencies, in order to ensure that the statements or the items are correct as per the data appearing in the 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 2020 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 audit system, risk management and compliance with anti-corruption policies and monitoring process compliance with laws and regulations. Members of the Audit Committee are as below:



Name (date of Appointment an Audit committee)	Position	Term
1. Mr. Nophorn Bhongsvej - 13 May 2011	Chairman of Audit Committee with expertise in economic and finance and accounting	May 2020 - May 2021
2. Mrs. Punnee Worawuthichongsathit - 25 April 2016	Audit Committee with expertise in finance and accounting	May 2020 - May 2021
3. Mr. Nipon Poapongsakorn - 14 August 2020	Audit Committee with expertise in economic	August 2020 - May 2021

#### **Authorities of The Audit Committee**

1. To cooperate with the Auditor, Board of Directors 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, risk management and internal audit system.
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 appraise, appoint, transfer and dismiss the chief of internal audit unit or any other unit responsible for internal audit operations, supervise to ensure that chief of internal audit has sufficient education, experiences and training for adequate to such internal audit operations.
5. To approve the Internal Audit Charter.
6. To approve Audit plan and to follow up the procedure in compliance with the internal audit unit plan.
7. 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.
8. To consider, to select, nominate, lay off and dismiss 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 meeting with auditors without the presence of members of the management at least once a year.
9. 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 Supervisory Board, in order to ascertain that such transactions are reasonable and in the best interests of the company.
10. To prepare the report of the Audit Committee for disclosure in the annual report of the company. The report must be signed by the Chairman of Audit Committee and 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, risk management, fraud and corruption 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 and the chief of internal control.
  - (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 shareholders and investors should be aware of that are within the extent of duties and responsibilities assigned by the Board of Directors.
11. In the case where the Audit Committee finds or suspects any of the following matters, which may have significant effect on the financial status and the operation of the company, the Audit Committee must report to the Board of Directors for suitable remedy within a timeframe deemed appropriate by the Audit Committee:
- (a) Transactions with conflict of interests.
  - (b) 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.
- 12. To encourage the company to have an efficient risk management system and follow up on it.
  - 13. 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 and information secret of complainants including independent investigation and appropriated follow up.
  - 14. To ensure the company has a management system with the Good Corporate Governance principles.
  - 15. To review, update and revise the Audit Committee Charter on yearly basis and propose to the Board of Directors for approval.
  - 16. To provide a self-assessment at least once a year.
  - 17. 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 2020, the Audit Committee was comprised of 3 individuals. Two of these hold a high level of expertise in regards to finance and accounting. A total of 11 meetings of the Audit Committee were held, representing 100% attendance rate. Furthermore, a **“Report of the Audit Committee”** was disclosed in Form 56-1 and Form 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) To review of all Connected Transaction Reports
- (4) Appointment of auditors, as well as a determination of their fees.
- (5) To review of financial reports.
- (6) Details of oversight to ensure adherence to all related policies, laws, rules and regulations.
- (7) The summary and opinion of Audit Committee for overall operations.

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 - 14 May 2007	Chairman of Nomination and Remuneration Committee	May 2020 - May 2021
2. Ms. Sirikul Dhanasarnsilp - 15 December 2016	Nomination and Remuneration Committee	May 2020 - May 2021
3. Mr. Vichai Kulsomphob - 12 March 2018	Nomination and Remuneration Committee	May 2020 - May 2021

#### **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 2020, Nomination and Remuneration Committee was comprised of 3 individuals. A total of 3 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 3 company directors, 1 management and 1 Company Secretary total of 5 people 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 Bhongsvej - 4 August 2015	Chairman of Good Governance and Risk Management	May 2020 - May 2021
2. Ms. Sirikul Dhanasarnsilp - 15 May 2019	Good Governance and Risk Management	May 2020 - May 2021
3. Mr. Pipope Chokvathana - 15 May 2019	Good Governance and Risk Management	May 2020 - May 2021
4. Mr. Supradit Sa-id - 14 May 2018	Good Governance and Risk Management	May 2020 - May 2021
5. Mr. Sontaya Tabkhan (appointed since 27 February 2020)	Good Governance and Risk Management	May 2020 - May 2021

#### **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 2020 the Good Governance and Risk Management Committee was comprised of 5 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 to manage business of The Company 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 5 members as follows:

Name	Position	Term
1. Mr. Boonsithi Chokwatana	Chairman of the Executive Board	May 2020 - May 2021
2. Mr. Vichai Kulsomphob	Executive Director	May 2020 - May 2021
3. Mr. Samrerng Manoonpol	Executive Director	May 2020 - May 2021
4. Mr. Manu Leelanuwatana	Executive Director	May 2020 - May 2021
5. Ms. Sirikul Dhanasarnsilp	Executive Director	May 2020 - May 2021
6. Mr. Pipope Chokvathana	Executive Director	May 2020 - May 2021

### **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 next 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 2020 the Executive Committee comprised 6 members; they held a total of 12 meetings. More than 75% of the whole Executive Committee attended these meetings. 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 2020**

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 Kulsomphob	12/12
3. Mr. Samrerng Manoonpol	12/12
4. Mr. Manu Leelanuwatana	11/12
5. Ms. Sirikul Dhanasarnsilp	12/12
6. Mr. Pipope Chokvathana	12/12

#### **2.6 Executives** consists of :

Name	Position
1. Mr. Vichai Kulsomphob	President & CEO
2. Mr. Sontaya Tabkhan	Vice President / Industrial Park Development
3. Mr. Tinakorn Bunnag	Vice President / Special Project Development
4. Ms. Kesara Sumkanjanaruk	Vice President / Corporate Administration / Chief Financial Officer
5. 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 with the value not exceeding Baht 500,000 and/or in such case of a normal business course with the value not exceeding Baht 10 million 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 1 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 2 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) None of any other quality which affects the ability to opine freely on the operation of the company.

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.

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

Throughout the previous financial year, the independent directors had no business relationship or professional service provider or a person who has been appointed as an independent director has or has had no a

business relationship or not providing professional services in excess of the guidelines stipulated in the notification of the Capital Market Supervisory Board on the approval and permission of offering of newly issued shares.

### 3.2 Nomination of Company Directors and Executives

Nomination and Remuneration Committee considers the recruitment through the considering of individual qualifications having expertise in various professions in order to elect members who are not under any of the prohibitions under the laws and regulations of the Company, as well as not having any characteristics indicating lack of appropriateness to be entrusted to the management of a publicly-owned Company as stipulated by the Securities and Exchange Commission. To propose Directors of the Company in replace of the directors who have retired and propose to the General Annual Shareholders' meeting for consideration on an individual basis, except in the case of non-retirement during the term the Nomination and Remuneration Committee consider the selection of the Directors to propose to the Board of Directors to elect to fulfill the vacant position in accordance with the Articles of Association.

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 5. 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.

**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 as 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 2 months from the day since 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 as the substituted member.

The Company has not fixed the maximum term for 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 as the substituted member.

The Company has not fixed the maximum term for 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 good governance and risk management.

#### **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 as the substituted member.

The Company has not fixed the maximum term for 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 1 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 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 jointed 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 immature 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 (2<sup>nd</sup> Revision), 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 the 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	1,868,000.-
2. Quarterly Review of the Financial Statements (3 quarters).	Baht	1,131,000.-
<b>Grand Total</b>	<b>Baht</b>	<b><u>2,999,000.-</u></b>

And review financial information according to financial instruments standard (TFRS9) not exceed than Baht 450,000.

### 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)	Baht	100,000.-
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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. The Company began working on the second edition of the Good Corporate Governance Code (Second Edition), aligning it with the Corporate Governance Code for Listed Companies 2017 issued by the Securities and Exchange Commission. This second edition was finalized in 2019. It received the board's assent at Board Meeting No. 10 (Series 25) on 27 February 2019, replacing the first edition. The code is required to be reviewed once a year.

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

1. Good Corporate Governance's assessment for 2020 : the Company was rated "Excellent" by the Thai Institute of Directors Association (IOD).
2. THSI: The Company was one of the 124 companies appearing on the 2020 Thailand Sustainability Investment (THSI) list prepared by the Stock Exchange of Thailand.
3. The Annual General Meeting of Shareholder (AGM) assessment for 2020 : the Company has scored 100 points as "Excellent" for the 12 years in a row.
4. Environmental, Social and Governance assessment for 2020 (ESG) of listed companies covering 803 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

### Director's 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 dividend 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 28/2551 regarding the approval of newly issued shares.

Sections not materialized	Reasons
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 2020 only 1 director serves as a director at more than 5 listed companies. Nonetheless, the Company is confident that his directorships elsewhere will not affect his role at the Company. The director in question has dedicated his time and again demonstrated his commitment by regularly attending board meetings and contributing to the betterment of the Company and there is 1 independent director has served for more than 9 years, but he possesses all of the needed qualifications and has used his experience, knowledge, and expertise to strategize for the benefit of the Company.
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 did not votes in agendas that they are stakeholders.
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.7 (Board#27) was held on 25 February 2021. **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 2020. The Assessment of Internal Control used an appraisal form that has been provided by the Securities and Exchange Commission, utilizing a new COSO Concept that served as the basis for a new framework. Information was provided by members of the management. The Audit Committee was the body that oversaw the assessment process. It was found that the Company's operations were conducted according to its objectives, and no major infractions or violations have occurred and follow relevant laws. The meeting summarized that internal control system of the Company assessment of **5 key components, It was determined by the Company Board of Directors that all internal control systems of the Company have been sufficient and appropriate in accordance with its current operations.** The audit department which consists of the Company personnel, has also been sufficiently provided in conducting its duties on a regular 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.

The company has been firstly certified as a member of the Private Sector Collective Action Coalition Against Corruption (CAC) since 2016 and re-certified on 4 November 2019. it has continued to proactively and consistently followed the proper operational procedures in a transparent manner.

In 2020, the Company has not received any complaint or report of any alleged or suspected acts of corruption via any of the channels provided.

## 2. Risk Assessment

The Board of Directors has assigned The Corporate Governance and Risk Management Committee to take care of risk management in a systematic and effective manner. There was risk analysis that revealed probable risks causing from internal and external factors which could affect business conduct of the organization. It has also decided clear working plan and working procedures, as well as constantly followed up on risk management result to ensure that it is at acceptable level. This included all executives to engage in risk management and communicated to all employees to comply with as a part of organizational culture.

The company 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. With this regard, the company communicated to directors, executives and all employees to understand and follow the policies and guidelines on anti-corruption. It also communicated and promoted the company's policies on anti-corruption to public and interested persons.

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; 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.

## 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. Moreover, The company has an information technology policy and cyber security. There is a disaster recovery site was set up to work as a backup site of a short period of time and to handle emergency situations.

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.





## 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 Board of Directors believes that the Company's internal control systems are sufficiently appropriated. The Audit Committee agree with the opinions from The Board of Directors. (For more details, see the Report of the Audit Committee in Attachment 5). Furthermore, The Auditor have no comment on internal control.

## 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 also received Internal Auditing Certificate Program in Chief Audit Executive Professional Leadership Certificate Program (CAE) and was provided with training relevant to internal audit operations** such as ISO 50001 : 2008 Internal Auditor, Review practice of Transfer Pricing, The revenue recognition of TFRS 15 in accordance with the Revenue Code, Compliance with TFRS16, Road to Join "CAC", Road to Certify "CAC", Open House CAC Checklist 4.0, Anti-Corruption Day under the concept of "Easily Catch a cheater, by your fingertip", "Power of Data" office 365 Business for Management, HIGH-IMPACT POWERPOINT PRESENTATION (Infographic Media), Internal Control for IPO, COSO ERM 2017, Fraud Risk and Control in the New Normal Age and Personal Data Protection Act (PDPA). 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, since the person has good quality in such work.**

**Directly report to the Audit Committee. As such, was assigned the following responsibilities :-**

1. To develop 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 corporate with related person and Auditor.

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

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

**Head of Internal Audit**

<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>Training</b>	<ul style="list-style-type: none"> <li>- Chief Audit Executive Professional Leadership Program (CAE)</li> <li>- ISO 50001 : 2018 Internal Auditor</li> <li>- Review practice of Transfer Pricing</li> <li>- The revenue recognition of TFRS 15 in accordance with the Revenue Code</li> <li>- Compliance with TFRS16</li> <li>- Internal Control for IPO</li> <li>- Road to Join “CAC”</li> <li>- Road to Certify “CAC”</li> <li>- Open House CAC Checklist 4.0</li> <li>- Fraud Risk and Control in the New Normal Age</li> <li>- COSO ERM 2017</li> <li>- Anti-Corruption Day under the concept of “Easily Catch a cheater, by your fingertip”</li> <li>- “Power of Data” office 365 Business for Management</li> <li>- HIGH-IMPACT POWERPOINT PRESENTATION (Infographic Media)</li> <li>- Personal Data Protection Act (PDPA)</li> </ul>

**Experiences**

June 15, 2017 – Present	: Manager of the Internal Audit
	: The Secretary of the Audit Committee as head of Internal Audit

Although, the Company has not yet appointed the head of Compliance 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.

Shareholders and/or investors is able to find out the related transaction information for past 3 years on the Company's website, [www.spi.co.th](http://www.spi.co.th) through "Investors Relations" on 56-1 Form under subject "Related Transaction"

**In 2020, there were related transactions which the Board of Directors Meeting approval are as follows;**

### 1. Shares Buying / Selling

1. According to the resolution of the Board of Directors Meeting No. 14 (Board #26) on 18 June 2020, the Board of Directors approved selling 237,330 common shares of Sahachol Food Supplies Co., Ltd., @ Baht 57.17 per share, amounting to Baht 13,568,156.10 and 183,500 common shares of Thai Itokin Co., Ltd., @ Baht 25.91 per share, amounting of Baht 4,754,485.00 the total amount of Baht 18,322,641.10 to Boon Capital Holding Co., Ltd.

The related person is Mr. Vichai Kulsomphob as the Company's Director and the Managing Director of Boon Capital Holding Co., Ltd.

2. According to the resolution of the Board of Directors Meeting No. 4 (Board #27) on 16 November 2020, the Board of Directors approved buying 5,280,121 common shares of S & J International Enterprises Public Company Limited, @ Baht 25.51 per share, amounting to Baht 134,695,886.71, and 1,700,000 common shares of Thanulux Public Company Limited, @ Baht 18.05 per share, amounting to Baht 30,685,000.00, and 7,168,500 common shares of Textile Prestige Public Company Limited, @ Baht 10.48 per share, amounting to Baht 75,125,880.00 the total amount of Baht 240,506,766.71 from Mr. Samrerng Manoonpol.

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



## 2. To receive financial assistance

According to the resolution of the Board of Directors Meeting No. 14 (Board #26) on 18 June 2020, the Board of Directors approved receiving financial assistance from related parties by the issuance of debentures amounting to Baht 5,000 million.

1. Vittayasith Co., Ltd., totaling interest amounting to Baht 945,000.00

The related person is Mr. Boonkiet Chokwatana as the Company's Director and Major Shareholder of Vittayasith Co., Ltd.

2. Ramasorn Thaveekarn Co., Ltd., totaling interest amounting to Baht 675,000.00

The related person is Mr. Boonsithi Chokwatana and Mr. Vichai Kulsomphob, as the Company's Directors and Major Shareholders of BSC SO IN Co., Ltd., which Ramasorn Thaveekarn Co., Ltd., as the Subsidiary Company of BSC SO IN Co., Ltd.

3. International Laboratories Co., Ltd., totaling interest amounting to Baht 1,350,000.00

The related person is Mr. Boonsithi Chokwatana and Mr. Boonkiet Chokwatana, as the Company's Director and Major Shareholders of International Laboratories Co., Ltd.

## 3. To purchase Utilities System

According to the resolution of the Board of Directors Meeting No. 2 (Board #27) on 17 September 2020, the Board of Directors approved signing the Agreement on Renovation Project of Sedimentation System by Polymer and Dewatering Sludge System for Central Wastewater Treatment Plant, amounting to Baht 14,500,000 with Eastern Thai Consulting 1992 Co., Ltd.

The related person is Mr. Sontaya Tabkhan, as the Executive of Company and Managing Director of Eastern Thai Consulting 1992 Co., Ltd.

## 4. The Guarantee Obligation/Loan

As of 31 December 2020, The Company had assisted the credit guarantee to 11 companies of Saha Group with the total credit of Baht 755.97 million, and actual assisted credit of Baht 610.42 million.

In 2020, the company had a guarantee income of Baht 2.81 million from 9 related companies through the guarantee fee charged at 0.125-1% 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. In 2020 the Company started a negotiation with foreign joint venture companies to increase the guarantee fee. 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	1,733,068.48
2	SAHA TOKYU CORPORATION CO., LTD.	A, B, C, E	104,507.00
3	MOBILE LOGISTIC CO., LTD.	A, B, C, E	97,026.31
4	TRANSCOSMOS (THAILAND) CO., LTD.	A, C, E, F	83,563.16
5	A TECH TEXTILES CO., LTD.	A, C, E	174,028.54
6	THAI ITOKIN CO., LTD.	A, B, C, E	25,068.49



(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
7	PT. DYNIC TEXTILE PRESTIGE CO.,LTD.	A, C	3,308.44
8	TOYOBO SAHA SAFETY WEAVE CO., LTD.	A, C, E	142,684.22
9	IMPACT SOLAR CO., LTD.	A, B, C, E	<u>448,759.11</u>
<b>TOTAL</b>			<b><u>2,812,013.75</u></b>

## 5. Electrical and Steam Income

In 2020, the company incurred the electrical and steam incomes from 39 related companies for a total amount of Baht 1,479.00 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 (Chonburi) Public Company Limited. The transactions with value over Baht 500,000 equal to 99.92% are as follows:

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	BEST FACTORY OUTLET CO., LTD.	B, E, F	4,069,978.62
2	CARBON MAGIC (THAILAND) CO., LTD.	A, B, E	11,086,125.02
3	KENMIN FOOD (THAILAND) CO., LTD.	A, E	31,327,538.13
4	JANOME (THAILAND) CO., LTD.	A, B, E	13,394,094.02
5	SHALDAN (THAILAND) CO., LTD.	E	1,379,498.30
6	WBLP CO., LTD.	B, E	1,896,360.21
7	TOYO TEXTILE THAI CO., LTD.	A, E	13,915,650.47
8	TOP TREND MANUFACTURING CO., LTD.	A, B, E, F	58,645,501.02
9	TEXTILE PRESTIGE PLC.	A, B, E	39,803,684.78
10	TOTAL WAY IMAGE CO., LTD.	A, E	594,530.72
11	THAI ASAHI KASEI SPANDEX CO., LTD.	A, E	150,838,898.53
12	THAI TAKAYA CO., LTD.	E	28,336,580.36
13	THAI KOBASHI CO., LTD.	A, E	1,592,951.96
14	THAI SUMSUNG ELECTRONICS CO., LTD.	A, B, E	247,903,775.63
15	THAI SILICATE CHEMICAL CO., LTD.	E, F	19,501,684.49
16	SAHAPAT REAL ESTATE CO., LTD.	A, B, C, E, F	6,497,952.33
17	THAI PRESIDENT FOODS PLC.	A, B, E, F	189,609,145.50

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
18	THAI STAFLEX CO., LTD.	A, B, E	2,784,307.72
19	THAI ARAI CO., LTD.	A, E	24,890,187.07
20	BANGKOK TOKYO SOCKS CO., LTD.	A, B, E	15,450,531.79
21	PITAKKIJ CO., LTD.	A, B, E, F	1,179,949.44
22	MOLTEN (THAILAND) CO., LTD.	A, E, F	19,500,133.39
23	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	A, E, F	38,992,838.02
24	RACHA UCHINO CO., LTD.	A, B, E	11,715,523.88
25	LION COPORATION (THAILAND) LTD.	A, B, E, F	158,288,873.48
26	WACOAL SIRACHA CO., LTD.	B, E	4,670,183.11
27	SAHACHOL FOOD SUPPLIES CO., LTD.	A, B, E, F	10,412,559.41
28	SAHA SEHWA CO., LTD.	A, B, E	37,200,514.41
29	SAHA PATHANAPIBUL PLC.	A, B, E, F	1,912,389.40
30	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	A, B, E	260,542,858.57
31	INTERNATIONAL LEATHER FASHION CO., LTD.	A, B, E	2,076,416.62
32	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	2,006,778.91
33	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	42,447,993.48
34	S.T. (THAILAND) CO., LTD.	A, B, C, E	4,662,295.87
35	OSOTH INTER LABORATORIES CO., LTD.	A, B, E	18,622,411.28
36	OTHER COMPANIES		<u>1,252,160.48</u>
<b>TOTAL</b>			<b><u>1,479,002,856.42</u></b>

## 6. 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 2020 the company incurred the royalty fee of Baht 30.64 million from 11 related companies. The transactions with value over Baht 500,000 equal to 99.61% are as follows:

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	THANULUX PLC.	A, B, E, F	15,989,512.50
2	BOUTIQUE NEWCITY PLC.	A, E, F	2,631,107.87
3	PATTAYA MANUFACTURING CO., LTD.	A, B, E, F	1,231,574.86



ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
4	RACHA UCHINO CO., LTD.	A, B, E	705,845.13
5	I.C.C. INTERNATIONAL PLC.	A, B, E, F	9,964,290.38
6	OTHER COMPANIES		<u>118,436.98</u>
<b>TOTAL</b>			<b><u>30,640,767.72</u></b>

## 7. Consulting Income

In 2020, the company incurred the consulting income of Baht 10.94 million from 7 related companies while the consulting income is prepared with respect to the service scope. The transactions with value over Baht 500,000 equal to 95.75% are as follows:

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	THAI ARAI CO., LTD.	A, E	8,041,827.71
2	FIRST UNITED INDUSTRY CO., LTD.	A, B, E, F	600,000.00
3	SAHA KOMEHYO CO., LTD.	A, B, E	1,830,000.00
4	OTHER COMPANIES		<u>465,000.00</u>
<b>TOTAL</b>			<b><u>10,936,827.71</u></b>

## 8. 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 2020, the company incurred the immovable rental income of Baht 176.39 million from 37 related companies. The transactions with value over Baht 500,000 equal to 98.44% are as follows:

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	CARBON MAGIC (THAILAND) CO., LTD.	A, B, E	6,526,500.00
2	SHALDAN (THAILAND) CO., LTD.	E	2,274,240.00
3	TSURUHA (THAILAND) CO., LTD.	A, C, E, F	875,790.00
4	TOYO TEXTILE THAI CO., LTD.	A, E	3,040,364.00
5	TOP TREND MANUFACTURING CO., LTD.	A, B, E, F	9,988,807.20
6	THAI KOBASHI CO., LTD.	A, E	3,871,080.00
7	THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	21,274,906.40



ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
8	THAI TOMADO CO., LTD.	E	928,800.00
9	THAI STAFLEX CO., LTD.	A, B, E	5,473,132.20
10	SAHAPAT REAL ESTATE CO., LTD.	A, B, C, E, F	53,902,260.00
11	RACHA UCHINO CO., LTD.	A, B, E	1,749,600.00
12	THAI ARAI CO., LTD.	A, E	5,746,680.00
13	MAESOT SAKAE LACE CO., LTD.	A, B, E	506,181.60
14	THANULUX PLC.	A, B, E, F	965,736.00
15	BANGKOK RUBBER DEVELOPMENT CENTER CO., LTD.	E	6,528,000.00
16	BNC MAESOT CO., LTD.	A, B, E	1,493,040.00
17	BEST FACTORY OUTLET CO., LTD.	B, E, F	11,100,800.00
18	MODERN TECHNOLOGY COMPONENT CO., LTD.	B, E	6,000,000.00
19	THAI SECOM SECURITY CO., LTD.	A, B, E	2,844,000.00
20	LION COPORATION (THAILAND) LTD.	A, B, E, F	6,920,100.00
21	SRIRACHA AVIATION CO., LTD.	B, E, F	1,250,000.00
22	SAHA SEHWA CO., LTD.	A, B, E	9,642,699.48
23	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	884,580.00
24	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	3,975,024.00
25	ST (THAILAND) CO., LTD.	A, B, C, E	4,847,787.00
26	SSDC (TIGERTEX) CO. ,LTD.	A, B, E	1,027,584.00
27	OTHER COMPANIES		<u>2,750,747.00</u>
<b>TOTAL</b>			<b><u>176,388,438.88</u></b>

## 9. Water Income

In 2020, the company incurred the water income of Baht 52.02 million from 71 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 equal to 87.14% are as follows



(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	KENMIN FOOD (THAILAND) CO., LTD.	A, E	1,948,752.00
2	JANOME (THAILAND) CO., LTD.	A, B, E	713,856.00
3	CHOKCHAIPIBUL CO., LTD.	E, F	615,872.00
4	TOP TREND MANUFACTURING CO., LTD.	A, B, E, F	819,552.00
5	THAI ASAHI KASEI SPANDEX CO., LTD.	A, E	1,720,152.00
6	THAI GUNZE CO., LTD.	A, B, E, F	917,945.00
7	THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	4,628,064.00
8	THAI SILICATE CHEMICAL CO., LTD.	E, F	758,448.00
9	THAI TAKEDA LACE CO., LTD.	A, B, E	1,754,161.00
10	THAI PRESIDENT FOODS PLC.	A, B, E, F	3,409,540.00
11	THANULUX PLC.	A, B, E, F	961,278.25
12	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	A, E, F	648,144.00
13	MODERN TECHNOLOGY COMPONENT CO., LTD.	B, E	521,392.00
14	RACHA UCHINO CO., LTD.	A, B, E	2,603,192.00
15	LION COPORATION (THAILAND) LTD.	A, B, E, F	1,069,890.00
16	SAHACOGEN (CHONBURI) PLC.	A, B, E	864,048.00
17	SAHACOGEN GREEN CO., LTD.	B, E	4,494,152.00
18	SAHACHOL FOOD SUPPLIES CO., LTD.	A, B, E, F	1,721,432.00
19	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	A, B, E	3,051,720.00
20	A TECH TEXTILES CO., LTD.	A, C, E	937,834.00
21	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	3,685,824.00
22	S.T. (THAILAND) CO., LTD.	A, B, C, E	1,606,176.00
23	SSDC (TIGERTEX) CO., LTD.	A, B, E	4,564,484.00
24	ADVANTAGE FOOTWEAR CO., LTD.	B, E	674,144.00
25	OSOTH INTER LABORATORIES CO., LTD.	A, B, E	642,168.00
26	OTHER COMPANIES		<u>6,687,632.14</u>
<b>TOTAL</b>			<b><u>52,019,852.39</u></b>

## 10. Waste Water Income

In 2020, the company incurred the waste water income of Baht 24.69 million from 59 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 80.97% are as follows:

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	THAI ASAHI KASEI SPANDEX CO., LTD.	A, E	655,134.80
2	THAI GUNZE CO., LTD.	A, B, E, F	881,227.20
3	THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	1,579,176.00
4	THAI TAKEDA LACE CO., LTD.	A, B, E	2,001,025.20
5	THANULUX PLC.	A, B, E, F	708,143.20
6	SAHACOGEN GREEN CO., LTD.	B, E	516,744.00
7	SAHACOGEN (CHONBURI) PLC.	A, B, E	4,303,006.48
8	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	A, B, E	1,220,688.00
9	A TECH TEXTILES CO., LTD.	A, C, E	1,006,066.40
10	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	1,627,303.68
11	SSDC (TIGERTEX) CO., LTD.	A, B, E	4,111,991.00
12	THAI PRESIDENT FOODS PLC.	A, B, E, F	714,813.84
13	LION COPORATION (THAILAND) LTD.	A, B, E, F	666,537.26
14	OTHER COMPANIES		<u>4,697,625.68</u>
<b>TOTAL</b>			<b><u>24,689,482.74</u></b>

## 11. Trade Exhibition Income

In 2020, the company incurred the trade exhibition income of Baht 15.34 million from 18 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 93.67% are as follows:

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	BEST FACTORY OUTLET CO., LTD.	B, E, F	5,043,373.83
2	THAI WACOAL PLC.	A, B, E, F	627,829.35
3	THANULUX PLC.	A, B, E, F	768,969.75
4	TEXTILE PRESTIGE PLC.	A, B, E	643,758.15





ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
5	LION COPORATION (THAILAND) LTD.	A, B, E, F	869,255.40
6	SAHA PATHANAPIBUL PLC.	A, B, E, F	3,152,664.75
7	I.C.C. INTERNATIONAL PLC.	A, B, E, F	3,260,786.95
8	OTHER COMPANIES		<u>971,442.51</u>
<b>TOTAL</b>			<b><u>15,338,080.69</u></b>

## 12. Service Center & Public Utility Income

In 2020, the company incurred the service center & public utility income of Baht 105.97 million from 68 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 93.90% are as follows;

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	BEST FACTORY OUTLET CO., LTD.	B, E, F	1,518,862.53
2	SHALDAN (THAILAND) CO., LTD.	E	4,968,520.00
3	TSURUHA (THAILAND) CO., LTD.	A, C, E, F	4,315,291.50
4	TOYO TEXTILE THAI CO., LTD.	A, E	2,868,660.00
5	THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	32,275,609.19
6	THAI PRESIDENT FOODS PLC.	A, B, E, F	1,710,960.00
7	THAI ARAI CO., LTD.	A, E	13,189,680.00
8	THANULUX PLC.	A, B, E, F	715,902.00
9	NIPPON TEI SATO CO., LTD.	A, E	1,013,577.31
10	BNC MAESOT CO., LTD.	A, B, E	2,147,880.00
11	PRESIDENT KOURAKUEN CO., LTD.	B, E, F	1,675,200.00
12	LION CORPORATION (THAILAND) LTD.	A, B, E, F	17,812,482.18
13	SRIRACHA AVIATION CO., LTD.	B, E, F	547,139.75
14	SAHA LAWSON CO., LTD.	A, B, E, F	701,820.43
15	SAHA SEHWA CO., LTD.	A, B, E	2,293,792.61
16	SAHAPAT REAL ESTATE CO., LTD.	A, B, C, E, F	563,344.80
17	ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	A, B, E	536,838.00
18	THAI SECOM SECURITY CO., LTD.	A, B, E	570,955.00

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
19	H & B INTERTEX CO., LTD.	A, B, E, F	603,600.00
20	S & J INTERNATIONAL ENTERPRISE PLC.	A, B, E, F	6,088,412.00
21	S.T. (THAILAND) CO., LTD.	A, B, C, E	2,499,358.04
22	I.C.C. INTERNATIONAL PLC.	A, B, E, F	889,773.75
23	OTHER COMPANIES		<u>6,463,182.85</u>
<b>TOTAL</b>			<b><u>105,970,841.94</u></b>

### 13. Other Service Income

In 2020, the company had other service income of Baht 592.70 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	22,807,641.10
2 Sales of Real Estate	381,096,000.00
3 Service Income	27,333,106.68
4 Financial lease interest income	4,031,345.93
5 Interest Income	2,448,646.14
6 Trademark Income	744,931.17
7 Moveable Rental Income	5,511,120.00
8 Medical Service Income	604,584.46
9 Leasehold Income	3,590,125.00
10 Other Income	<u>144,529,090.69</u>
<b>TOTAL</b>	<b><u>592,696,591.17</u></b>

### 14. Cost of Electricity, Steam and Solar

The company has entered into a sale/purchase contract, 15 years contract term, with a related company, Sahacogen (Chonburi) Public Company Limited. The payment does not exceed the price made by the Provincial Electricity Authority. In 2020, the company incurred the service cost of electricity and steam as follows:



(UNIT : BAHT)

	Consolidated and Separate financial statements
1 Cost of Electricity	1,342,063,044.75
2 Cost of Steam	265,064,133.77
<b>TOTAL</b>	<b><u>1,607,127,178.52</u></b>

### 15. Electricity and Electrical Water Filtration Expenses

In 2020, 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 6.40 million with details as follows:

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	SAHACOGEN (CHONBURI) PLC.	A, B, E	5,518,374.35

### 16. Security Service Expenses

In 2020, 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.	B, E	29,055,872.57

### 17. Waste Water Treatment Expenses

In 2020, the company paid the total water treatment charge of Baht 29.24 million to 2 related companies 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	28,461,608.50
2	SAHACOGEN (CHONBURI) PLC.	A, B, E	<u>781,300.15</u>
<b>TOTAL</b>			<b><u>29,242,908.65</u></b>

## 18. Rental Fee

In 2020, the company incurred the total rental of Baht 3.75 million to 4 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	2,785,860.00
2	SAHAPAT PROPERTIES CO., LTD.	A, B, E, F	772,200.00
3	THAI SECOM SECURITY CO., LTD.	A, B, E	67,904.34
4	FIRST UNITED INDUSTRY CO., LTD	A, B, E, F	<u>120,000.00</u>
<b>TOTAL</b>			<b><u>3,745,964.34</u></b>

## 19. Construction Cost and Purchase Investment Properties

In 2020, the company paid the total construction cost and investment properties of Baht 196.29 million to 10 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	SAHACOGEN (CHONBURI) PLC.	A, B, E	138,659,568.62
2	PITAKKIJ CO., LTD.	A, B, E, F	38,439,906.53
3	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	18,371,692.61
4	B T N 1207 CO., LTD.	B, F	396,421.62
5	KAI I.T. SERVICES CO., LTD.	F	203,502.17
6	PTK MULTI SERVICE CO., LTD.	B, E	91,533.83
7	CHOKWATANA CO., LTD.	B, F	53,500.00
8	TREASURE HILLS CO., LTD.	A, B, E, F	34,218.96
9	THAI SAMSUNG ELECTRONICS CO., LTD.	A, B, E	21,661.97
10	THAI TOMADO CO., LTD.	E	<u>21,400</u>
<b>TOTAL</b>			<b><u>196,293,406.31</u></b>

## 20. Exhibition Expenses







In 2020, the company incurred the total exhibition expenses of Baht 5.82 million with 6 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 98.55% of exhibition expenses are as follows.

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	INTEGRATED COMMUNICATION CO., LTD.	B, E	4,715,000.00
2	I.C.C. INTERNATIONAL PLC.	A, B, E, F	1,021,000.00
3	OTHER COMPANIES		<u>84,223.49</u>
<b>TOTAL</b>			<b><u>5,820,223.49</u></b>

## 21. Other Expenses

In 2020, the company incurred the other expenses of Baht 210.14 million with 39 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 99.24% of the total other expenses are as follows

(UNIT : BAHT)

ITEM	COMPANY	RELATIONSHIP	Consolidated and Separate financial statements
1	PTK MULTI SERVICE CO., LTD.	B, E	100,053,551.55
2	EASTERN THAI CONSULTING 1992 CO., LTD.	A, B, E	74,529,939.60
3	SAHACOGEN (CHONBURI) PLC.	A, B, E	15,789,420.64
4	BEST FACTORY OUTLET CO., LTD.	B, E, F	6,830,891.73
5	PITAKKIJ CO., LTD.	A, B, E, F	2,799,946.68
6	SAHA PATHANAPIBUL PLC.	A, B, E, F	2,605,110.60
7	TREASURE HILLS CO., LTD.	A, B, E, F	1,783,155.00
8	I.C.C. INTERNATIONAL PLC.	A, B, E, F	1,190,298.20
9	PITAKKIJ SECURITY CO., LTD.	B, E	1,187,629.72
10	PENSMARKETING AND DISTRIBUTION CO., LTD.	A, E, F	1,035,634.24
11	THAT WACOAL PLC.	A, B, E, F	887,918.10
12	SOMPO INSURANCE (THAILAND) PLC.	E	752,344.12
13	THANULUX PLC.	A, B, E, F	708,246.55
14	OTHER COMPANIES		<u>1,602,628.59</u>
<b>TOTAL</b>			<b><u>211,756,715.32</u></b>

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 GUARANTEE BY THE COMPANY
- D LOAN GIVEN BY THE COMPANY
- E INTER – COMPANY TRADING TRANSACTION
- F SHAREHOLDERS OR DIRECTORS ARE INTIMATE OF THE COMPANYS DIRECTORS



## Management Discussion and Analysis: MD&A

### 2020 Performance

In 2020, the total revenue decreased by 2% when compared with the prior year. The revenue breakdown presented as follows:

#### Revenue Breakdown

Unit: Million Baht

Type of Revenue	2020	2019	2018	% Increase / (Decrease)	
				2020/2019	2019/2018
Investment in consumer goods business	742	1,266	1,346	(41)	(6)
Investment in food and beverage business	1,421	1,372	1,236	4	11
Industrial park development and investment in other businesses	3,042	2,688	3,101	13	(13)
<b>Total</b>	<b>5,205</b>	<b>5,326</b>	<b>5,683</b>	<b>(2)</b>	<b>(6)</b>

#### Investment in consumer goods business

The Company's revenue from the investment in consumer goods business decreased by 41% due to the ongoing Coronavirus Disease 2019 pandemic (COVID-19) causing slowdowns in domestic and global economies, the reduction in purchasing power of consumers and cautious customer spending both domestic and overseas. As a result, the company's performance has decreased, which decreased 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 increased by 4%. Saha Group companies had strong demand during the Coronavirus Disease 2019 pandemic (COVID-19) and had developed the products to receive good responses from the customers. 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 increased by 13% from the following reasons:

- Revenue from sales of real estate increased by 100% from sales of real estate in the industrial parks
- Facility income decreased by 7% and rental and services income decreased by 11% due to the decrement of the consumption from the factory's in the industrial parks which effected from Coronavirus Disease 2019 pandemic (COVID-19).

#### Net profit

In 2020, the Company's net profit increased by 2% mainly due to the gain on sales of real estate increased while the dividend income and share profit from investment in associates decreased.

Unit: Million Baht

Item	2020	2019	2018	% Increase / (Decrease)	
				2020/2019	2019/2018
Net profit	2,306	2,271	2,595	2	(12)
Net profit margin (%)	44	43	46		

## Statement of Financial Position and Statement of Cash flows

As at 31 December 2020, the Company reported the total assets amount of Baht 54,718 million which increased amount of Baht 13,143 from Baht 41,575 million. The main reasons are as follows:

1. Baht 4,901 million, increase in cash and cash equivalents due to the debenture issued during the year
2. Increase in other non-current financial assets of Baht 9,615 million, decrease in available-for-sale investments and other investments of Baht 2,489 million and Baht 1,850 million, respectively, mainly from the additional investment and the recognition fair value reserve of financial assets at FVOCI according to the adoption of financial reporting standards related to financial instruments
3. Baht 4,636 million, increase in investments in associates mainly from the increment of share profit from investment in associates and additional investment in other businesses
4. Baht 69 million, increase in right-of-use assets attributable due to the adoption of TFRS16 Leases
5. Baht 1,530 million, decrease in investments in trading securities which disposed such trading securities during the year 2020
6. Baht 124 million, decrease in deferred tax assets due to the increment of temporary differences between the tax bases of assets and the carrying amounts according to the adoption of financial reporting standards related to financial instruments

As at 31 December 2020, the Company reported the total liabilities amount of Baht 15,627 million which increased amount of Baht 4,585 million from Baht 11,042 million. The main reasons are as follows:

1. Baht 3,992 million, increase in debenture issued during the year of Baht 5,000 million while the redemption of debenture of Baht 1,000 million
2. Baht 840 million, increase in short-term loans from financial institutions
3. Baht 842 million, increase in deferred tax liabilities due to the increment of temporary differences between the tax bases of assets and the carrying amounts according to the adoption of financial reporting standards related to financial instruments
4. Baht 980 million, decrease in long-term loans from financial institution from repayment during the year

Total shareholders' equity increased by Baht 8,558 million from Baht 30,533 million in 2019 to Baht 39,091 million in 2020. The increase was mainly from

1. Net profit increased by Baht 2,306 million
2. Dividend payment by Baht 400 million
3. Other components of shareholders' equity increased by Baht 6,422 million which mainly from the recognition fair value reserve of financial assets at FVOCI according to the adoption of financial reporting standards related to financial instruments.



As at 31 December 2020, the Company's cash and cash equivalents increased by Baht 4,901 million from the prior year which consisted of:

1. Net cash flows received amount of Baht 76 million from the operating activities
2. Net cash flows received from investing activities amount of Baht 1,662 million mainly due to cash proceed from disposal of other current financial and dividend received from associates during the year
3. Net cash flows received from financing activities amount of Baht 3,163 million mainly due to cash received from debenture amount of Baht 4,992 million. Moreover, the Company had the redemption of debenture and repayment long-term loans from financial institutions amount of Baht 1,000 million and Baht 980 million, respectively

## Financial Ratio Analysis

The Company's net profit margin increased from 42.6 % in 2019 to 45.8% in 2020, Return on equity increased from 7.6% in 2019 to 9.6% in 2020 and return on assets increased from 5.6% in 2019 to 7.1% in 2020. The increment of those ratios was due to the revenue from sales of real estate in year 2020.

## 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 unconditionally 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<sup>st</sup>, 2020, were prepared and presented in substantial context, in an accurate and reliable manner in accordance with Thai Financial Reporting Standards.

(Mr. Somkid Jatusripitak)

Chairman

(Mr. Vichai Kulsomphob)

President & CEO



## Independent Auditor's Report

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

#### Opinion

I have audited the accompanying financial statements of Saha Pathana Inter-Holding Public Company Limited ("the Company"), which comprise the statement of financial position, in which the equity method is applied, as at 31 December 2020, and the related statements of comprehensive income, changes in shareholders' equity and cash flows, in which the equity method is applied, for the year then ended, and notes to the 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 as at 31 December 2020, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### Basis for Opinion

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

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

#### *Valuation of equity investments*

As at 31 December 2020, the Company has numerous investments in equity instruments of non-listed companies whose values are significant to the financial statements (13% and 21% of total assets in the financial statements in which the equity method is applied and the separate financial statements, respectively). Determining the measurement of such equity instrument financial instrument as accounting policies disclosed in Note 5.14 and 10.2 to the financial statements, especially investments in non-listed equity instruments that are required to be measured at fair value, required significant judgement of management, with regard to selection of the method, consideration of assumption and the relevant information used in fair value measurement of the investments in equity instruments.



I assessed the method used in fair value measurement, for instance, discounted cash flow, and other appropriate method for each investee. In addition, I have also assessed the information used in calculation of fair value e.g. estimation of the cash flows and financial models selected by the management of the Company 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 appropriateness of significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from those investee companies in the future e.g. discount rate and long-term revenue growth rates 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 tested the calculation of the fair value of investments using the selected financial model.

### 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 financial statements in which the equity method is applied. 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: 25 February 2021

# Statement of Financial Position

As at 31 December 2020

(Unit: Baht)

	Notes	Financial statements in which the equity method is applied		Separate financial statements	
		2020	2019	2020	2019
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	5,152,528,604	251,444,016	5,152,528,604	251,444,016
Investments in trading securities	10	-	1,530,000,000	-	1,530,000,000
Trade and other receivables	8, 9	178,965,336	194,531,932	178,965,336	194,531,932
Current portion of finance lease receivables	8	1,718,615	7,505,387	1,718,615	7,505,387
Short-term loans to a related party	8	4,778,784	-	4,778,784	-
Inventories		1,503,651	1,362,942	1,503,651	1,362,942
Other current financial assets	10	10,000,000	-	10,000,000	-
Other current assets		44,625,353	14,259,895	44,625,353	14,259,895
<b>Total current assets</b>		<b>5,394,120,343</b>	<b>1,999,104,172</b>	<b>5,394,120,343</b>	<b>1,999,104,172</b>
<b>Non-current assets</b>					
Long-term loans to a related party	8	6,390,000	-	6,390,000	-
Available-for-sale investments	10	-	2,488,659,462	-	2,488,659,462
Other non-current financial assets	8, 10	9,614,637,662	-	9,614,637,662	-
Investments in associates	11	33,914,961,366	29,279,096,160	14,581,213,414	13,890,955,931
Other long-term investments	10	-	1,850,047,650	-	1,712,077,400
Finance lease receivables - net					-
of current portion	8	257,804	1,976,419	257,804	1,976,419
Investment properties	12	4,261,951,556	4,327,689,529	4,261,951,556	4,327,689,529
Property, plant and equipment	13	1,361,692,802	1,307,986,884	1,361,692,802	1,307,986,884
Right-of-use assets	19	68,556,196	-	68,556,196	-
Intangible assets	14	4,384,426	5,852,966	4,384,426	5,852,966
Deferred tax assets	28	-	123,580,307	-	123,580,307
Other non-current assets	8, 15	90,751,284	191,478,266	90,751,284	191,478,266
<b>Total non-current assets</b>		<b>49,323,583,096</b>	<b>39,576,367,643</b>	<b>29,989,835,144</b>	<b>24,050,257,164</b>
<b>Total assets</b>		<b>54,717,703,439</b>	<b>41,575,471,815</b>	<b>35,383,955,487</b>	<b>26,049,361,336</b>

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



## Statement of Financial Position (continued)

As at 31 December 2020

(Unit: Baht)

	Notes	Financial statements in which the equity method is applied		Separate financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	3,000,000,000	2,160,000,000	3,000,000,000	2,160,000,000
Trade and other payables	8, 17	296,230,455	296,469,666	296,230,455	296,469,666
Current portion of long-term loans from financial institution	18	980,000,000	980,000,000	980,000,000	980,000,000
Current portion of lease liabilities	19	13,599,232	-	13,599,232	-
Current portion of debentures	20	-	1,000,000,000	-	1,000,000,000
Current portion of provision for long-term employee benefits	22	-	8,808,615	-	8,808,615
Other current liabilities		7,894,821	8,020,439	7,894,821	8,020,439
Total current liabilities		4,297,724,508	4,453,298,720	4,297,724,508	4,453,298,720
Non-current liabilities					
Long-term loans from financial institution - net of current portion	18	4,060,000,000	5,040,000,000	4,060,000,000	5,040,000,000
Lease liabilities, net of current portion	19	53,232,317	-	53,232,317	-
Debentures - net of current portion	20	5,992,113,694	1,000,000,000	5,992,113,694	1,000,000,000
Convertible debentures - liability component	21	1,763,269	1,724,490	1,763,269	1,724,490
Provision for long-term employee benefits - net of current portion	22	120,095,896	82,464,921	120,095,896	82,464,921
Deferred tax liabilities	28	842,233,216	-	842,233,216	-
Other non-current financial liabilities	8	109,006,780	-	109,006,780	-
Other non-current liabilities	8, 23	150,681,752	464,501,339	150,681,752	464,501,339
Total non-current liabilities		11,329,126,924	6,588,690,750	11,329,126,924	6,588,690,750
Total liabilities		15,626,851,432	11,041,989,470	15,626,851,432	11,041,989,470

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



# Statement of Financial Position (continued)

As at 31 December 2020

(Unit: Baht)

	Notes	Financial statements in which the equity method is applied		Separate financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
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					
571,890,666 ordinary shares of Baht 1 each	24	571,890,666	571,890,666	571,890,666	571,890,666
Share premium	24	4,533,333,992	4,533,333,992	4,533,333,992	4,533,333,992
Premium on treasury stock of associates		6,151,889	6,151,889	-	-
Retained earnings					
Appropriated					
Statutory reserve	25	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		26,238,380,841	24,103,402,412	10,023,109,202	9,228,834,504
Other components of shareholders' equity		7,381,094,619	958,703,386	4,268,770,195	313,312,704
Total shareholders' equity		39,090,852,007	30,533,482,345	19,757,104,055	15,007,371,866
Total liabilities and shareholders' equity		54,717,703,439	41,575,471,815	35,383,955,487	26,049,361,336

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



# Statement of Comprehensive Income

For the year ended 31 December 2020

(Unit: Baht)

	Notes	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements	
		2020	2019	2020	2019
<b>Profit or loss:</b>					
<b>Revenues</b>	8				
Facility income		1,944,825,193	2,096,853,637	1,944,825,193	2,096,853,637
Dividend income	10, 11	167,036,724	286,433,884	1,143,912,815	1,306,891,604
Rental and services income		377,365,265	425,346,537	377,365,265	416,127,948
Revenue from sales of real estate		381,096,000	-	381,096,000	-
Gain on change in investment classification	11	18,395,542	-	-	-
Gain from fair value measurement of investments	10.1	57,493,088	-	57,493,088	-
Gain from sale of investments	11	7,163,099	93,736,949	-	390,498,607
Reversal of loss from diminution in value of land	12, 13	-	62,109,613	-	62,109,613
Other income		183,769,023	29,707,679	183,769,023	29,217,227
<b>Total revenues</b>		<b>3,137,143,934</b>	<b>2,994,188,299</b>	<b>4,088,461,384</b>	<b>4,301,698,636</b>
<b>Expenses</b>	8, 27				
Cost of facility		1,755,441,507	1,905,808,997	1,755,441,507	1,905,808,997
Cost of rental and services		375,381,181	430,879,512	375,381,181	423,173,867
Cost of sales of real estate		90,208,366	-	90,208,366	-
Administrative expenses		439,151,167	438,476,697	439,151,167	426,712,096
Loss on change in investment classification	11	-	-	4,162,014	-
Loss from sale of investments	11	-	-	6,257,275	-
Loss from diminution in value of investments	10.2	-	64,631,589	-	64,631,589
<b>Total expenses</b>		<b>2,660,182,221</b>	<b>2,839,796,795</b>	<b>2,670,601,510</b>	<b>2,820,326,549</b>
<b>Operating profit</b>		<b>476,961,713</b>	<b>154,391,504</b>	<b>1,417,859,874</b>	<b>1,481,372,087</b>
Share of profit from investments in associates	11	2,068,474,280	2,331,873,020	-	-
Finance cost	26	(267,061,451)	(222,313,011)	(267,061,451)	(222,313,011)
<b>Profit before income tax</b>		<b>2,278,374,542</b>	<b>2,263,951,513</b>	<b>1,150,798,423</b>	<b>1,259,059,076</b>
Income tax revenue	28	27,200,628	2,064,027	27,200,628	1,899,011
<b>Profit for the year</b>		<b>2,305,575,170</b>	<b>2,266,015,540</b>	<b>1,177,999,051</b>	<b>1,260,958,087</b>

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

# Statement of Comprehensive Income (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Notes	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements	
		2020	2019	2020	2019
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent years:</i>					
Exchange differences on translation of financial statements in foreign currencies		4,421,502	(12,473,023)	-	-
Gain on cash flow hedges - net of income tax		1,683,777	-	-	-
Loss on changes in value of available-for-sale investments - net of income tax	10, 28	-	(289,240,670)	-	(299,467,452)
Other comprehensive income to be reclassified to profit or loss in subsequent years - net of income tax		6,105,279	(301,713,693)	-	(299,467,452)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent years:</i>					
Gain on equity investment designated at fair value through other comprehensive income - net of income tax	10, 28	19,626,903	-	16,825,618	-
Actuarial loss - net of income tax	22, 28	(43,040,051)	(36,513,554)	(24,198,456)	-
Prior year's adjustment from the errors		-	(962,390)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent years - net of income tax		(23,413,148)	(37,475,944)	(7,372,838)	-
<b>Other comprehensive income for the year</b>		<b>(17,307,869)</b>	<b>(339,189,637)</b>	<b>(7,372,838)</b>	<b>(299,467,452)</b>
<b>Total comprehensive income for the year</b>		<b>2,288,267,301</b>	<b>1,926,825,903</b>	<b>1,170,626,213</b>	<b>961,490,635</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		2,305,575,170	2,270,717,672	1,177,999,051	1,260,958,087
Non-controlling interests of the subsidiary			(4,702,132)		
			<u>2,266,015,540</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		2,288,267,301	1,932,677,542	1,170,626,213	961,490,635
Non-controlling interests of the subsidiary			(5,851,639)		
			<u>1,926,825,903</u>		
<b>Earning per share (Baht)</b>					
29					
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the Company		4.03	3.97	2.06	2.20
Weighted average number of ordinary shares (Shares)		571,890,666	571,871,149	571,890,666	571,871,149
<b>Diluted earnings per share</b>					
Profit attributable to equity holders of the Company		4.03	3.97	2.06	2.20
Weighted average number of ordinary shares (Shares)		571,933,066	571,913,549	571,933,066	571,913,549

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



For the year ended 31 December 2020

	Financial statements in which the equity method is applied/Consolidated financial statements														(Unit: Baht)
	Equity attributable to owners of the Company														
	Other components of shareholders' equity														
	Issued and paid-up share capital	Share premium	Premium on treasury stock of associates	Retained earnings		Unappropriated	Surplus on change in value of available-for-sale investments	Fair value reserve of financial assets at FVOCI	Other comprehensive income			Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable non-controlling interests of the subsidiary	
Statutory reserve				General reserve	Exchange differences on translation of financial statements in foreign currencies				Convertible debentures - equity component	Share of other components of shareholders' equity from associates					
Balance as at 1 January 2019	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	(250,850,946)	1,267,684,789	28,990,993,356	14,693,010	29,005,686,366
Profit for the year	-	-	-	-	-	2,270,717,672	-	-	-	-	-	-	2,270,717,672	(4,702,132)	2,266,015,540
Other comprehensive income for the year	-	-	-	-	-	(36,326,437)	(289,240,670)	-	(12,473,023)	-	-	(301,713,693)	(338,040,130)	(1,149,507)	(339,189,637)
Total comprehensive income for the year	-	-	-	-	-	2,234,391,235	(289,240,670)	-	(12,473,023)	-	-	(301,713,693)	1,932,677,542	(5,851,639)	1,926,825,903
Net decrease in associate's equity from change in associate's investment	-	-	-	-	-	-	-	-	-	-	(4,849,054)	(4,849,054)	(4,849,054)	-	(4,849,054)
Dividend paid (Note 30)	-	-	-	-	-	(400,317,456)	-	-	-	-	-	(400,317,456)	(400,317,456)	-	(400,317,456)
Change in shareholding percentage in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,841,371)	(8,841,371)
Debitures converted to ordinary shares (Note 21, 24)	375,659	17,020,954	-	-	-	-	-	-	-	(2,418,656)	-	(2,418,656)	14,977,957	-	14,977,957
Balance as at 31 December 2019	571,890,666	4,533,333,992	6,151,889	80,000,000	280,000,000	24,103,402,412	1,231,403,529	-	(17,273,127)	272,984	(255,700,000)	958,703,386	30,533,482,345	-	30,533,482,345
Balance as at 1 January 2020	571,890,666	4,533,333,992	6,151,889	80,000,000	280,000,000	24,103,402,412	1,231,403,529	-	(17,273,127)	272,984	(255,700,000)	958,703,386	30,533,482,345	-	30,533,482,345
Cumulative effect of changes in accounting policy (Note 4)	-	-	-	-	-	220,479,867	(1,231,403,529)	7,680,349,489	-	-	-	6,448,945,960	6,669,025,827	-	6,669,025,827
Balance as at 1 January 2020 - as restated	571,890,666	4,533,333,992	6,151,889	80,000,000	280,000,000	24,323,882,279	-	7,680,349,489	(17,273,127)	272,984	(255,700,000)	7,407,649,346	37,202,908,172	-	37,202,908,172
Profit for the year	-	-	-	-	-	2,305,575,170	-	-	-	-	-	-	2,305,575,170	-	2,305,575,170
Other comprehensive income for the year	-	-	-	-	-	(43,040,051)	-	19,626,903	4,421,502	-	1,683,777	25,732,182	(17,307,869)	-	(17,307,869)
Total comprehensive income for the year	-	-	-	-	-	2,262,535,119	-	19,626,903	4,421,502	-	1,683,777	25,732,182	2,288,267,301	-	2,288,267,301
Dividend paid (Note 30)	-	-	-	-	-	(400,323,466)	-	-	-	-	-	-	(400,323,466)	-	(400,323,466)
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earning	-	-	-	-	-	52,286,909	-	(52,286,909)	-	-	-	(52,286,909)	-	-	-
Balance as at 31 December 2020	571,890,666	4,533,333,992	6,151,889	80,000,000	280,000,000	26,238,380,841	-	7,647,689,483	(12,851,625)	272,984	(254,016,223)	7,381,094,619	39,090,852,007	-	39,090,852,007

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







# Statement of Cash Flows

For the year ended 31 December 2020

(Unit: Baht)

	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements	
	2020	2019	2020	2019
<b>Cash flows from operating activities</b>				
Profit before tax	2,278,374,542	2,263,951,513	1,150,798,423	1,259,059,076
Adjustments to reconcile net profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortization	219,325,161	203,166,989	219,325,161	202,775,267
Amortisation of transaction costs of debenture	562,304	-	562,304	-
Loss (gain) on sales of property, plant and equipment	(3,220,047)	532,088	(3,220,047)	540,524
Gain on sales of real estate	(290,887,634)	-	(290,887,634)	-
Loss (gain) on sales of investments	(7,163,099)	(93,736,949)	6,257,275	(390,498,607)
Gain from fair value measurement of investment	(57,493,088)	-	(57,493,088)	-
Employee benefit obligation expenses	6,546,454	7,798,160	6,546,454	6,973,080
Share of profit from investments in associates	(2,068,474,280)	(2,331,873,020)	-	-
Loss from diminution in value of investment	-	64,631,589	-	64,631,589
Loss (gain) on change in investment classification	(18,395,542)	-	4,162,014	-
Reversal of loss from diminution in value of land	-	(62,109,613)	-	(62,109,613)
Reversal of allowance for doubtful accounts	-	(139,435)	-	(139,435)
Reversal of allowance for expected credit losses	(649,465)	-	(649,465)	-
Gain from transfer-in of assets	(138,659,569)	-	(138,659,569)	-
Dividend received from associates	-	-	(976,876,091)	(1,020,457,720)
Dividend received from other companies	(167,036,724)	(286,433,884)	(167,036,724)	(286,433,884)
Loss from foreign exchange rate	280,288	-	280,288	-
Interest expenses	266,499,147	222,313,011	266,499,147	222,313,011
Profit (loss) from operating activities before changes in operating assets and liabilities	19,608,448	(11,899,551)	19,608,448	(3,346,712)
Operating assets (increase) decrease				
Trade and other receivables	14,077,620	(5,405,675)	14,077,620	(5,405,675)
Finance lease receivables	7,505,387	38,709,941	7,505,387	38,709,941
Inventories	(140,709)	(55,311)	(140,709)	(55,311)
Other current assets	(30,365,458)	1,995,596	(30,365,458)	1,995,596
Other non-current financial assets	(272,763)	-	(272,763)	-
Other non-current assets	47,399,000	(7,735,908)	47,399,000	(7,735,908)
Operating liabilities increase (decrease)				
Trade and other payables	(4,351,941)	4,713,831	(4,351,941)	4,713,831
Other current liabilities	(125,618)	(48,089)	(125,618)	(48,089)
Other non-current financial liabilities	3,659,493	-	3,659,493	-
Other non-current liabilities	(22,607,300)	135,128,447	(22,607,300)	135,128,447
Provision for long-term employee benefits	(7,972,164)	-	(7,972,164)	-
Cash flows from operating activities	26,413,995	155,403,281	26,413,995	163,956,120
Cash received from tax return	73,322,927	-	73,322,927	-
Cash paid for corporate income tax	(23,904,159)	(24,145,735)	(23,904,159)	(24,145,735)
<b>Net cash flows from operating activities</b>	<b>75,832,763</b>	<b>131,257,546</b>	<b>75,832,763</b>	<b>139,810,385</b>

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

# Statement of Cash Flows (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements	
	2020	2019	2020	2019
<b>Cash flows from investing activities</b>				
Cash paid for purchase of investments in trading securities	-	(1,530,000,000)	-	(1,530,000,000)
Proceed from disposal of investments in trading securities	-	640,695,851	-	640,695,851
Cash paid for purchase of other current financial assets	(456,471,899)	-	(456,471,899)	-
Proceed from disposal of other current financial assets	2,033,964,987	-	2,033,964,987	-
Cash paid for purchase of other non-current financial assets	(851,185,179)	-	(851,185,179)	-
Proceed from disposal of other non-current financial assets	427,633,194	-	427,633,194	-
Cash paid for purchase of available-for-sale investments	-	(160,158,229)	-	(160,158,229)
Proceed from disposal of available-for-sale investments	-	207,468,913	-	207,468,913
Cash received from return of capital of investments	57,060,000	27,280,000	57,060,000	27,280,000
Cash paid for purchase of investments in associates	(766,348,548)	(507,756,718)	(766,348,548)	(507,756,718)
Proceed from disposal of investments in associates	22,807,641	-	22,807,641	-
Proceed from disposal of investment in subsidiary	-	9,180,000	-	9,180,000
Cash paid for purchase of other long-term investments	-	(151,392,912)	-	(151,392,912)
Proceed from disposal of other long-term investments	-	309,885,120	-	309,885,120
Increase in loans to related parties	(11,449,072)	(3,634,750)	(11,449,072)	(3,634,750)
Decrease in loans to a related party	-	3,634,750	-	3,634,750
Dividend received from associates	976,876,091	1,020,457,720	976,876,091	1,020,457,720
Dividend received from other companies	169,175,165	284,270,676	169,175,165	284,270,676
Cash paid for purchase of property, plant and equipment	(47,321,788)	(176,162,229)	(47,321,788)	(176,133,429)
Proceed from disposal of property, plant and equipment	3,692,804	1,388,982	3,692,804	1,364,019
Cash paid for purchase of intangible assets	(167,069)	(95,133)	(167,069)	(95,133)
Cash paid for purchase of investment properties	(91,418,085)	(618,704,832)	(91,418,085)	(618,704,832)
Proceed from disposal of investment properties	195,231,000	-	195,231,000	-
<b>Net cash flows from (used in) investing activities</b>	<b>1,662,079,242</b>	<b>(643,642,791)</b>	<b>1,662,079,242</b>	<b>(643,638,954)</b>
<b>Cash flows from financing activities</b>				
Cash received from short-term loans from financial institutions	15,270,000,000	5,805,000,000	15,270,000,000	5,805,000,000
Cash paid for short-term loans from financial institutions	(14,430,000,000)	(3,645,000,000)	(14,430,000,000)	(3,645,000,000)
Cash paid for long-term loans from financial institutions	(980,000,000)	(980,000,000)	(980,000,000)	(980,000,000)
Cash received from debenture	4,991,551,390	-	4,991,551,390	-
Redemption of debenture	(1,000,000,000)	-	(1,000,000,000)	-
Cash paid for lease liabilities	(16,446,905)	-	(16,446,905)	-
Dividend paid	(400,323,466)	(400,317,456)	(400,323,466)	(400,317,456)
Effect from disposal of investment in subsidiary	-	(4,177,813)	-	-
Cash paid for interests	(271,608,436)	(223,221,294)	(271,608,436)	(223,221,294)
<b>Net cash flows from financing activities</b>	<b>3,163,172,583</b>	<b>552,283,437</b>	<b>3,163,172,583</b>	<b>556,461,250</b>
<b>Net increase in cash and cash equivalents</b>	<b>4,901,084,588</b>	<b>39,898,192</b>	<b>4,901,084,588</b>	<b>52,632,681</b>
Cash and cash equivalents at beginning of the period	251,444,016	211,545,824	251,444,016	198,811,335
<b>Cash and cash equivalents at end of the period (Note 7)</b>	<b>5,152,528,604</b>	<b>251,444,016</b>	<b>5,152,528,604</b>	<b>251,444,016</b>

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





## Statement of Cash Flows (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements	
	2020	2019	2020	2019
<b>Supplementary disclosures of cash flows information</b>				
Non-cash items				
Accrued dividend income	24,767	2,163,208	24,767	2,163,208
Accounts payable - purchase of property, plant and equipment	6,485,513	900,971	6,485,513	900,971
Accounts payable - purchase of investment properties	1,282,115	970,490	1,282,115	970,490
Accounts payable - purchase of investments	5,043,878	-	5,043,878	-
Change in investment classification from investments in associates to other financial assets	42,864,135	-	42,864,135	-
Transfer property plant and equipment to investment properties	-	7,993,670	-	7,993,670
Increase in right-of-use assets	15,320,565	-	15,320,565	-

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

# Notes to Financial Statements

For the year ended 31 December 2020

## 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 and development for industrial park. 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 Sriracha, Chonburi Province

### 1.2 Coronavirus disease 2019 pandemic

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

## 2. Basis of preparation

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

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

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

### 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Saha 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 as at 31 December	
Held by the Company			2020 (%)	2019 (%)
President Interfoods Co., Ltd.	Export of consumer goods and agent	Thailand	-	-





## 2. Basis of preparation (Continued)

In June 2019, the Company disposed all investment in President Interfoods Co, Ltd. Therefore, the statement of financial position as at 31 December 2019 did not consolidate this subsidiary, and the consolidated statements of change in shareholder's equity, and cash flows consolidated this subsidiary until June 2019 only.

- 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 Group companies 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 associate 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 has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, the new standard involves changes to key principles, which are summarised below:

#### Financial reporting standards related to financial instruments

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

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

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.

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

The impact of the adoption of these standards on the Company's financial statements is as follows.

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

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

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

#### TFRS 16 Leases

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

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

The Company recognised the cumulative effect of the adoption of this financial reporting standard as an adjustment as at 1 January 2020, and the comparative information was not restated.

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

#### Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Coronavirus disease 2019 (COVID-19) Pandemic

The Federation of Accounting Professions announced Accounting Treatment Guidance on "Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation". Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

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

During the period from the first quarter to the third quarter of 2020, the Company elected to apply the temporary relief measures on accounting alternatives relating to fair value measurement of investments in unquoted equity instruments and investment property.

In the fourth quarter of 2020, the Company has assessed financial impacts on the valuation of *assets* arising from uncertainty of the COVID-19 Pandemic and therefore discontinues to apply all temporary relief measures on accounting alternatives in the financial statements for the year ended 31 December 2020. The effects recognised as gain a part of other comprehensive income in the statement of comprehensive income for the year ended 31 December 2020 are totally Baht 476 million pertaining to an increase in the fair value of investments in unquoted equity instruments.

#### (b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.



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

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

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

As described in Note 3 to the financial statements, during the current year, the Company has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings and other comprehensive income as at 1 January 2020, and the comparative information was not restated.

The impacts on the statement of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied			
	31 December 2019	The impacts of Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
<b>Statement of financial position</b>				
<b>Assets</b>				
<b>Current assets</b>				
Investment in trading securities	1,530,000	(1,530,000)	-	-
Other current financial assets	-	1,530,000	-	1,530,000
<b>Non-current assets</b>				
Other non-current financial assets	-	9,178,932	-	9,178,932
Available-for-sale investments	2,488,659	(2,488,659)	-	-
Other long-term investments	1,850,048	(1,850,048)	-	-
Investments in associates	29,279,096	2,827,967	-	32,107,063
Right-of-use assets	-	-	66,279	66,279
Deferred tax assets	123,580	(123,580)	-	-
Other non-current assets	191,478	(3,909)	-	187,569
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Current portion of lease liabilities	-	-	11,609	11,609
<b>Non-current liabilities</b>				
Lease liabilities, net of current portion	-	-	54,670	54,670
Deferred tax liabilities	-	871,277	-	871,277
Other non-current financial liabilities	-	105,347	-	105,347
Other non-current liabilities	464,501	(105,347)	-	359,154
<b>Shareholders' equity</b>				
Retained earnings	24,103,402	220,480	-	24,323,882
Other components of shareholders' equity	958,704	6,448,946	-	7,407,650



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

(Unit: Thousand Baht)

	Separate Financial statements			
	31 December 2019	The impacts of		1 January 2020
		Financial reporting standards related to financial instruments	TFRS 16	
<b>Statement of financial position</b>				
<b>Assets</b>				
<b>Current assets</b>				
Investment in trading securities	1,530,000	(1,530,000)	-	-
Other current financial assets	-	1,530,000	-	1,530,000
<b>Non-current assets</b>				
Other non-current financial assets	-	9,178,932	-	9,178,932
Available-for-sale investments	2,488,659	(2,488,659)	-	-
Other long-term investments	1,712,077	(1,712,077)	-	-
Right-of-use assets	-	-	66,279	66,279
Deferred tax assets	123,580	(123,580)	-	-
Other non-current assets	191,478	(3,909)	-	187,569
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Current portion of lease liabilities	-	-	11,609	11,609
<b>Non-current liabilities</b>				
Lease liabilities, net of current portion	-	-	54,670	54,670
Deferred tax liabilities	-	871,277	-	871,277
Other non-current financial liabilities	-	105,347	-	105,347
Other non-current liabilities	464,501	(105,347)	-	359,154
<b>Shareholders' equity</b>				
Other components of shareholders' equity	313,313	3,979,430	-	4,292,743



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

### 4.1 Financial instruments

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

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements
	Retained earnings	Other comprehensive income	Other comprehensive income
Fair value measurement of investments in equity instruments of non-listed companies	-	4,836,316	4,974,287
Adjust effect from adoption of new financial reporting standards of associates	220,480	2,607,487	-
Less: Deferred tax liabilities	-	(994,857)	(994,857)
Impacts on the adoption of financial reporting standards related to financial instruments	<u>220,480</u>	<u>6,448,946</u>	<u>3,979,430</u>

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

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and separate financial statements				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
<b>Financial assets as at 1 January 2020</b>					
Cash and cash equivalents	251,444	-	-	251,444	251,444
Other current financial assets	1,530,000	1,530,000	-	-	1,530,000
Trade and other receivables	194,532	-	-	194,532	194,532
Finance lease receivables	9,482	-	-	9,482	9,482
Other non-current financial assets	<u>4,206,645</u>	<u>-</u>	<u>9,175,023</u>	<u>3,909</u>	<u>9,178,932</u>
<b>Total financial assets</b>	<u>6,192,103</u>	<u>1,530,000</u>	<u>9,175,023</u>	<u>459,367</u>	<u>11,164,390</u>

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

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

### 4.2 Leases

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

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and separate financial statements
Operating lease commitments as at 31 December 2019	32,656
Add: Option to extend lease term	44,739
Less: Contracts reassessed as service agreements	(5,917)
Less: Deferred interest expenses	(5,199)
Increase in lease liabilities due to TFRS 16 first time adoption	66,279
Liabilities under finance lease agreements as at 31 December 2019	-
Lease liabilities as at 1 January 2020	66,279
Weighted average incremental borrowing rate (percent per annum)	2.50
Comprise of:	
Current lease liabilities	11,609
Non-current lease liabilities	54,670
	66,279

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

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and separate financial statements
Land	12,230
Building and improvement	39,715
Office equipment and others	1,147
Vehicles	13,187
<b>Total right-of-use assets</b>	<b>66,279</b>



## 5. Significant accounting policies

### 5.1 Revenue and expenses recognition

#### *Facility income*

Facility income is recognised when services have been rendered.

#### *Dividends*

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

#### *Services income*

Services income is recognised over time when services have been rendered taking into account the stage of completion.

#### *Rental income*

Rental income from property plant and equipment is recognised as revenue on accrual basis, based on the conditions as stipulated in the agreement.

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

Revenue from sales of real estate is recognised at the point in time when control of the real estate is transferred to the customer, generally upon transfer of the legal ownership. Revenue from sales of real estate is measured at the amount of the consideration received after deducting discount and considerations payable to the customer. Considerations received before transferring control of the real estate to the customer are presented under the caption of “Advance received” in other non-current liabilities in the statement of financial position.

#### *Interest income*

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

#### *Finance cost*

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

### 5.2 Cash and cash equivalents

Cash and cash equivalents consist 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 Investments in associates

Investments in associates are accounted for in the financial statements in which the equity method is applied using the equity method.

Investments in associates are accounted for in the separate financial statements using the cost method.

### 5.4 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).

## 5. Significant accounting policies (Continued)

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

Buildings and improvement	15 - 30 years
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No depreciation is provided on land and assets under construction.

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.

### 5.5 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:

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

Depreciation is included in determining the operating result.

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.

### 5.6 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
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### 5.7 Leases

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.



## 5. Significant accounting policies (Continued)

### The Company as a lessee

#### *Accounting policies adopted since 1 January 2020*

The Company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

#### **Right-of-use assets**

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	11 years
Buildings and improvements	6 years
Office equipment and others	2 - 4 years
Vehicles	3 - 5 years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### **Lease liabilities**

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

#### **Short-term leases and leases of low-value assets**

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

#### *Accounting policies adopted before 1 January 2020*

Leases 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.

## 5. Significant accounting policies (Continued)

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.

### The Company as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

### 5.8 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.

### 5.9 Foreign currencies

The financial statements in which the equity method is applied and the separate financial statements are presented in Baht, which is also the Company's functional currency.

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.

### 5.10 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the investments, property, plant and equipment, right-of-use assets, 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. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.



## 5. Significant accounting policies (Continued)

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 estimates 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.

### 5.11 Employee benefits

#### *Short-term employee benefits*

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

#### *Post-employment benefits*

##### *Defined contribution plans*

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

##### *Defined benefit plans*

The Company has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company treats 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 defined benefits plan are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

### 5.12 Provisions

Provisions are recognised when the Company has 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.

### 5.13 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.



## 5. Significant accounting policies (Continued)

The Company recognises 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 reviews and reduces 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 records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

### 5.14 Financial instruments

#### *Accounting policies adopted since 1 January 2020*

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

#### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

#### ***Financial assets at amortised cost***

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Company can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.



## 5. Significant accounting policies (Continued)

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Company has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Impairment of financial assets**

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due, and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## 5. Significant accounting policies (Continued)

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### *Accounting policies adopted before 1 January 2020*

#### Trade accounts receivable

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

#### Investments

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

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

### 5.15 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 applies 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 measures 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:



## 5. Significant accounting policies (Continued)

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 determines 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 Leases

#### *The Company as a lessee*

##### *Determining the lease term with extension and termination options*

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company to exercise either the extension or termination option.

##### *Estimating the incremental borrowing rate - The Company as a lessee*

The Company cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

#### *The Company as lessor*

##### *Property lease classification*

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

### 6.2 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

## 6. Significant accounting judgements and estimates (Continued)

### 6.3 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.

### 6.4 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)

	2020	2019
Cash	2,332	2,201
Current accounts	5,700	5,060
Saving accounts	5,144,496	244,182
Fixed deposits	1	1
Total	5,152,529	251,444

As at 31 December 2020, bank deposits in saving accounts and fixed deposits carried interests at the rate between 0.10 and 0.50 percent per annum (2019: between 0.10 and 0.60 percent per annum).



## 8. Related party transactions

### 8.1 Transactions incurred during the year

During the year, the Company had significant business transactions with related parties. Such transactions, which were summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements		Transfer pricing policy
	2020	2019	2020	2019	
<b>Transactions with associates</b>					
Electricity and steam income	423,479	460,296	423,479	460,296	Contract price
Dividend income (Note 11)	-	-	976,876	1,020,458	At the announce rate
Rental income	77,440	74,481	77,440	74,481	Contract price
Facility income	19,347	15,210	19,347	15,210	Contract price
Royalty income	25,973	46,675	25,973	46,675	Contract price
Sales of investments	22,808	-	22,808	-	Mutually agreed price
Other income	197,340	73,311	197,340	64,361	Contract price or mutually agreed price
Cost of electricity and steam	1,607,127	1,747,377	1,607,127	1,747,377	Contract price
Construction expenses	47,356	40,482	47,356	40,842	Contract price
Maintenance expenses	14,526	16,292	14,526	16,292	Contract price or mutually agreed price
Other expenses	123,814	122,761	123,814	120,918	Contract price or mutually agreed price
Purchase of assets	148,115	970	148,115	970	Contract price or mutually agreed price
<b>Transactions with related companies</b>					
Electricity and steam income	1,055,524	1,125,651	1,055,524	1,125,651	Contract price
Dividend income	141,068	258,131	141,068	258,131	At the announce rate
Rental income	104,460	89,158	104,460	89,158	Contract price
Facility income	74,855	80,106	74,855	80,106	Contract price
Royalty income	4,668	10,199	4,668	10,199	Contract price
Sales of real estate	381,096	-	381,096	-	Contract price
Other income	103,503	144,807	103,503	144,539	Contract price or mutually agreed price
Construction expenses	67	-	67	-	Contract price
Maintenance expenses	52,559	52,158	52,559	52,158	Contract price or mutually agreed price
Interest expenses	-	4	-	4	Rate as stipulated in debentures
Other expenses	94,240	101,238	94,240	101,238	Contract price or mutually agreed price
Purchase of assets	755	166,415	755	166,415	Contract price or mutually agreed price

## 8. Related party transactions (Continued)

### 8.2 Outstanding balance at end of year

As at 31 December 2020 and 2019, the outstanding balances between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	2020	2019
<b>Trade and other receivables - related parties (Note 9)</b>		
Associates	43,606	43,563
Related companies	110,587	124,307
<b>Trade and other receivables - related parties</b>	<b>154,193</b>	<b>167,870</b>
<b>Finance lease receivables - related parties</b>		
Associates	-	3,002
Related companies	2,692	10,565
<b>Total finance lease receivables - related parties</b>	<b>2,692</b>	<b>13,567</b>
Less: Deposits	(1,000)	(5,618)
<b>Finance lease receivables - related parties, net</b>	<b>1,692</b>	<b>7,949</b>
<b>Other non-current financial assets - related parties</b>		
Associates	223	-
<b>Total other non-current financial assets - related parties</b>	<b>223</b>	<b>-</b>
<b>Other non-current assets - related parties (Note 15)</b>		
Associates	-	970
<b>Total other non-current assets - related parties</b>	<b>-</b>	<b>970</b>
<b>Trade and other payables - related parties (Note 17)</b>		
Associates	172,507	152,467
Related companies	13,393	10,728
<b>Total trade and other payables - related parties</b>	<b>185,900</b>	<b>163,195</b>
<b>Other non-current financial liabilities - related parties</b>		
Associates	32,693	-
Related companies	31,291	-
<b>Total other non-current financial liabilities - related parties</b>	<b>63,984</b>	<b>-</b>
<b>Other non-current liabilities - related parties (Note 23)</b>		
Associates	134,923	33,824
Related companies	81	365,547
<b>Total other non-current liabilities - related parties</b>	<b>135,004</b>	<b>399,371</b>



## 8. Related party transactions (Continued)

### Loans to related parties

As at 31 December 2020 and 2019, the balances of loans between the Company and those related companies and the movement in loans are as follows:

#### Short-term loans

(Unit: Thousand Baht)

Loans to related parties	Related by	Balance as at 31 December 2019	Increase during the year	Effect from exchange rate	Balance as at 31 December 2020
PT. Dynic Textile Prestige	Related company	-	5,059	(280)	4,779
Total		-	5,059	(280)	4,779

Such short-term loan of USD 160,000 carries interest rate at 3.50 percent per annum and is payable within one year.

#### Long-term loans

(Unit: Thousand Baht)

Loans to related parties	Related by	Balance as at 31 December 2019	Increase during the year	Balance as at 31 December 2020
Mobile Logistics Co., Ltd.	Related company	-	6,390	6,390
Total		-	6,390	6,390

Such long-term loans carries interest rate at 3.37 percent per annum and is payable within July 2022.

### 8.3 Directors and management's remuneration

During the years ended 31 December 2020 and 2019, the Company had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements
	2020	2019	2020
Short-term employee benefits	84,372	91,393	84,372
Post-employment benefits and other long-term employee benefits	1,599	1,799	1,599
Total	85,971	93,192	85,971

#### Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 33 to the financial statements.



## 9. Trade and other receivables

(Unit: Thousand Baht)

	2020	2019
<b>Trade and other receivables - related parties</b>		
Aged on the basis of due dates		
Not yet due	151,719	164,138
Past due		
Up to 3 months	2,473	3,661
6 - 12 months	1	-
Over 12 months	-	71
Total trade and other receivables - related parties (Note 8)	<u>154,193</u>	<u>167,870</u>
<b>Trade accounts receivable - unrelated parties</b>		
Aged on the basis of due dates		
Not yet due	23,583	26,869
Past due		
Up to 3 months	1,829	514
3 - 6 months	272	132
6 - 12 months	157	14
Over 12 months	2,807	3,658
Total trade accounts receivable - unrelated parties	<u>28,648</u>	<u>31,187</u>
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	<u>(3,876)</u>	<u>(4,525)</u>
Total trade accounts receivable - unrelated parties, net	<u>24,772</u>	<u>26,662</u>
Total trade and other receivables - net	<u>178,965</u>	<u>194,532</u>

Set out below is the movement in the allowance for expected credit losses of trade and other receivables:

(Unit: Thousand Baht)

As at 1 January 2020	4,525
Decrease in provision for expected credit losses	(649)
As at 31 December 2020	<u>3,876</u>



## 10. Other financial assets

### 10.1 Other current financial assets

(Unit: Thousand Baht)

	31 December 2020
<u>Debt instruments at amortised cost</u>	
Fixed deposits	10,000
Total debt instruments at amortised cost	10,000
Total other current financial assets	10,000

#### Equity instruments at profit or loss

Movement of equity instruments at profit or loss and investments in trading securities during the years ended 31 December 2020 and 2019, respectively, are as follows:

(Unit: Thousand Baht)

	2020	2019
Balance as at 1 January	1,530,000	639,995
Cash paid for investments acquisition	446,472	1,530,000
Proceed from sales of investments	(2,033,965)	(640,696)
Gain on change in value of investments	57,493	-
Gain from sale of investments	-	701
Balance as at 31 December	-	1,530,000

As at 31 December 2019, the Company had investments in trading securities which was classified as current assets.

#### Investments in trading securities

(Unit: Thousand Baht)

	2019	
	Cost	Fair value
Mutual fund	1,530,000	1,530,000
Less: Loss on change in value of trading securities	-	
Total investments in trading securities	1,530,000	

## 10. Other financial assets (Continued)

### 10.2 Other non-current financial assets

(Unit: Thousand Baht)

	Balance as at 31 December 2020	Dividend received during the year 2020
Equity instruments designated at FVOCI		
Listed equity instruments		
Personal Products & Pharmaceuticals sector	802,937	28,652
Textile and Fashion sector	421,712	13,375
Property Development sector	419,123	1,965
Transportation and Logistics sector	396,782	11,011
Media & Publishing sector	160,466	10,557
Finance & Securities sector	59,104	1,420
Information & Communication Technology sector	44,750	532
Commerce sector	13,007	843
Tourisms & Leisure sector	12,995	325
Foods & Beverages sector	3,909	22
Professional Services sector	3,276	49
Property Fund & Real Estate Investment Trusts sector	2,580	37
Total listed equity instruments	2,340,641	68,788
Non-listed equity instruments		
Electronic sector	3,061,075	-
Personal Products & Pharmaceuticals sector	1,207,192	35,732
Textile and Fashion sector	904,805	23,545
Food and Beverage sector	699,279	9,887
Commerce sector	401,029	6,598
Automotive sector	400,510	4,526
Property Development sector	247,828	9,800
Insurance sector	151,067	1,499
Home & Office Products sector	52,571	2,745
Transportation and Logistics sector	51,580	3,782
Professional Services sector	37,604	-
Health Care Services sector	33,759	-
Other sectors	21,516	135
Total non-listed equity instruments	7,269,815	98,249
Total equity instruments designated at FVOCI	9,610,456	167,037
Other non-financial assets at amortised cost		
Deposits	4,182	
Total other non-current financial assets	9,614,638	





## 10. Other financial assets (Continued)

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Company considers these investments to be strategic in nature.

During the year 2020, the Company sold its listed and non-listed instruments. The fair value on the date of sale was Baht 393.7 million and Baht 34.0 million, respectively and the accumulated gain recognised in other comprehensive income of Baht 47.8 million and Baht 3.2 million, respectively was transferred to retained earnings.

Movements investments in equity instruments at FVOCI during the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Fair value
Investments in equity instruments at FVOCI	
Listed equity instruments	
Balance as at 1 January 2020	2,488,659
Purchase during the year	717,731
Disposal during the year	(393,675)
Cash received from capital returned	(17,060)
Loss on change in value of investments	(455,014)
Balance as at 31 December 2020 (37 companies)	2,340,641
Non-listed equity instruments	
Balance as at 1 January 2020	6,686,364
Purchase during the year	138,498
Investment classification	42,864
Disposal during the year	(33,958)
Cash received from capital returned	(40,000)
Gain on change in value of investments	476,047
Balance as at 31 December 2020 (112 companies)	7,269,815
Total investments in equity instruments at FVOCI	9,610,456

As at 31 December 2019, the Company had Available-for-sale investments and other-long-term investments which were classified as other non-current assets as follows:

### Available-for-sale investments

(Unit: Thousand Baht)

	2019	
	Cost	Fair value
<b>Available-for-sale investments</b>		
Local marketable equity securities	2,067,037	2,458,704
Foreign marketable equity securities	30,322	29,955
	2,097,359	2,488,659
Add: Surplus on change in value of available-for-sale investments	391,300	
<b>Total available-for-sale investments</b>	2,488,659	



## 10. Other financial assets (Continued)

### Other long-term investments

(Unit: Thousand Baht)

No.	Company's name	Cost of investments		
		Financial statements in which the equity method is applied	Separate financial statements	Dividend received during the year
		2019	2019	2019
1.	Textile and Fashion sector	1,127,227	1,127,227	46,039
2.	Commerce sector	362,686	362,686	7,755
3.	Automotive sector	219,958	219,958	6,028
4.	Food and Beverage sector	194,678	193,139	11,012
5.	Property Development sector	182,523	182,523	1,961
6.	Insurance sector	113,625	113,625	1,599
7.	Personal Products & Pharmaceuticals sector	227,025	90,593	110,012
8.	Electronic sector	46,833	46,833	11,341
9.	Transportation and Logistics sector	44,896	44,896	2,397
10.	Home & Office Products sector	45,178	45,178	2,745
11.	Health Care Services sector	37,850	37,850	2
12.	Professional Services sector	7,732	7,732	50
13.	Other sectors	115,049	115,049	138
	Total other long-term investments	2,725,260	2,587,289	201,079
	Less: Allowance for diminution in value of investments	(875,212)	(875,212)	
	Total other long-term investments - net	1,850,048	1,712,077	

The differences between cost of investment of the financial statements in which the equity method is applied and separate financial statements as at 31 December 2019 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 financial statements in which the equity method is applied and consolidated financial statements represents fair value of investments at date of business combination or at date of investment classification.

During the year 2019, the Company recognised loss from diminution in value of investments of Baht 64.6 million as expenses in consolidated and separate statement of comprehensive income for the year ended 31 December 2019.

### 11.1.1 Details of investments in associates, all of which were incorporated in Thailand are as follows:

No.	Company's name	Nature of business	Paid-up capital		Investment portion		Financial statements in which the equity method is applied		Financial statements in which the equity method is applied		Financial statements in which the equity method is applied		Separate financial statements			
			2020	2019	2020 (%)	2019 (%)	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					
1.	Thai President Foods Plc.	Manufacturer of instant noodles	329,704	329,704	25.57	25.29	8,536,236	7,700,170	1,033,759	993,605	(39,913)	(4,053)	3,483,539	3,304,132	409,807	355,425
2.	President Bakery Plc.	Manufacturer and distributor of bakery products	450,000	450,000	21.77	21.69	6,919,012	6,702,648	365,362	368,649	(1,774)	(1,200)	5,811,672	5,786,968	200,746	161,809
3.	I.C.C. International Plc.	Distributor of consumer products	290,634	290,634	24.81	24.69	5,814,685	4,145,305	(12,989)	178,299	32,824	14,884	981,089	967,869	50,441	86,434
4.	Saha Pathanapibul Plc.	Distributor of consumer products	328,173	330,000	25.11	24.98	5,300,322	3,931,396	443,040	427,317	61,786	5,678	1,203,051	1,203,051	82,418	131,868
5.	Thai Wacoal Plc.	Manufacturer of ladies' lingerie	120,000	120,000	23.06	23.04	1,186,462	1,279,448	(72,487)	77,250	(53,964)	(36,660)	165,055	164,169	52,571	49,395
6.	Thanulux Plc.	Manufacturer of ready-to-wear clothes and leather	120,000	120,000	24.93	23.52	859,051	824,322	4,273	23,355	(2,762)	(2,634)	59,393	28,689	15,521	11,288
7.	Sahacogen (Chonburi) Plc.	Manufacturer and distributor of electricity and stream	955,000	955,000	22.74	22.73	939,042	972,791	(12,176)	(5,531)	1,236	814	1,001,946	1,001,569	13,246	23,932
8.	Lion Corporation (Thailand) Co., Ltd.	Manufacturer of consumer products	500,000	500,000	24.80	24.80	1,480,902	1,355,363	245,045	248,928	2,014	3,342	124,000	124,000	121,520	120,032

## 11. Investments in associates (Continued)

(Unit: Thousand Baht)

No.	Company's name	Nature of business	Paid-up capital	Investment portion		Financial statements in which the equity method is applied		Financial statements in which the equity method is applied		Financial statements in which the equity method is applied		Financial statements in which the equity method is applied		Separate financial statements		
				2020	2019	2020 (%)	2019 (%)	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				
													2020	2019	2020	2019
9.	International Laboratories Co., Ltd.	Manufacturer of cosmetics	240,000	240,000	25.00	25.00	883,948	896,809	2,367	(17,871)	(3,228)	3,799	195,000	195,000	12,000	60,000
10.	Thai Secom Security Co., Ltd.	Security services	378,934	378,934	25.50	25.50	292,222	268,445	35,372	25,759	-	-	196,965	196,965	11,595	9,277
11.	Sahapat Real Estate Co., Ltd.	Property development	412,500	412,500	40.00	40.00	185,737	183,066	3,556	373	(885)	(16,269)	165,000	165,000	-	-
12.	First United Industry Co., Ltd	Real estate for rent	40,000	40,000	28.15	28.15	135,980	140,288	2,615	3,158	(5,234)	(2,468)	11,258	11,258	1,689	3,377
13.	Top Trend Manufacturing Co., Ltd.	Manufacturer of cosmetic packaging	120,000	120,000	20.00	20.00	147,153	134,285	15,268	6,807	-	-	47,625	47,625	2,400	3,600
14.	Boon Capital Holding Co., Ltd.	Investment	700,000	700,000	36.00	36.00	267,030	256,799	10,231	4,412	-	-	252,000	252,000	-	-
15.	Saha Tokyu Corporation Co., Ltd.	Serviced residence	608,000	447,000	20.00	20.00	134,531	102,176	477	3,392	-	-	121,600	89,400	322	531
16.	Pitakkij Co., Ltd.	Construction	20,000	20,000	33.52	33.52	56,569	53,355	3,584	1,216	(35)	(6,496)	6,704	6,704	335	335
17.	Eastern Thai Consulting 1992 Co., Ltd.	Environmental management	20,000	20,000	40.00	40.00	37,410	33,127	5,083	2,792	-	-	10,000	10,000	800	960
18.	Seino Saha Logistics Co., Ltd.	Logistics	20,000	20,000	23.50	23.50	21,800	20,728	2,012	1,727	-	-	17,286	17,286	940	470
19.	Sahapat Properties Co., Ltd.	Investment	20,000	20,000	26.25	26.25	-	-	525	525	-	-	5,250	5,250	525	525
20.	Impact Solar Co., Ltd.	Solar rooftop power plant	563,000	498,000	21.00	21.00	118,254	106,801	(2,197)	2,307	-	-	118,230	104,580	-	-



## 11. Investments in associates (Continued)

(Unit: Thousand Baht)

No.	Company's name	Nature of business	Paid-up capital	Investment portion	Financial statements in which the equity method is applied		Financial statements in which the equity method is applied		Financial statements in which the equity method is applied		Share of other comprehensive income from investments in associates during the years		Carrying amount based on cost method		Dividend received during the years	
			2020	2019	2020 (%)	2019 (%)	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
21.	Saha Komehyo Co., Ltd.	Distributor of second hand brand name products	135,000	135,000	21.00	21.00	23,554	24,761	(1,207)	(3,569)	-	-	28,350	28,350	-	-
22.	Saha Capital Tower Co., Ltd.	Provide space rental	1,100,000	500,000	21.00	21.00	230,228	105,147	(919)	147	-	-	231,000	105,000	-	-
23.	Saha Advanced Network Co., Ltd.	Network Services and fiber optic	30,000	-	30.00	-	8,655	-	(345)	-	-	-	9,000	-	-	-
24.	Thana City Venture Co., Ltd.	Property development	820,000	-	41.00	-	336,178	-	(22)	-	-	-	336,200	-	-	-
25.	Sahachol Food Supplies Co., Ltd.	Manufacturer and exporter of agriculture products	-	325,000	-	26.30	-	36,840	(2,967)	(10,847)	-	(963)	-	148,408	-	-
26.	Thai Itokin Co., Ltd.	Manufacturer of ready-to-wear clothes	-	111,250	-	32.11	-	-	-	-	-	-	-	58,152	-	-
27.	Green Life Management Co., Ltd.	Serviced apartment	-	10,000	-	30.00	-	5,026	1,214	(327)	-	-	-	11,050	-	1,200
Total							33,914,961	29,279,096	2,068,474	2,331,873	(9,935)	(42,226)	14,581,213	14,032,475	976,876	1,020,458
Less: Allowance for diminution in value of investments													-	(141,519)		
Investments in associates - net													14,581,213	13,890,956		



## 11. Investments in associates (Continued)

### 11.1.1 Additional investments in investments in associates

During the year 2020, the Company had additionally invested in 9 associates amounting to Baht 421 million (2019: 10 associates amounting to Baht 380 million).

### 11.1.2 Investment in new associates

During the years 2020 and 2019, following the resolution of the Board of Director's meetings, the Company had invested in the following new associates:

- a) In September 2019, the Company joined its related companies in establishing a new associate, namely Saha Capital Tower Co., Ltd. in which the Company has shareholding percentage of 21 percent. Saha Capital Tower Co., Ltd. is principally engaged in providing of space rental with a registered capital amounting to Baht 2,000 million. On 30 September 2019, Saha Capital Tower Co., Ltd. completed the registration of its establishment. The Company paid 25 percent of the par value according to the called up amount totaling Baht 105 million in September 2019.
- b) In June 2020, the Company jointly with another company have established a new associate, namely Saha Advance Network Co., Ltd. in which the Company has shareholding percentage of 30 percent, Saha Advance Network Co., Ltd. is principally engaged in providing fibre optic network in Sahaphat Industrial estates with a registered capital amounting to Baht 30 million. On 3 July 2020, Saha Advance Network Co., Ltd. completed the registration of its establishment. The Company paid for such shares in advance totaling Baht 9 million in June 2020.
- c) In December 2020, the Company jointly with other companies have established a new associate, namely Thana City Venture Co., Ltd. in which the Company has shareholding percentage of 41 percent, Thana City Venture Co., Ltd. is principally engaged in providing property development with a registered capital amounting to Baht 1,000 million. On 18 December 2020, Thana City Venture Co., Ltd. completed the registration of its establishment. The Company paid 82 percent of the par value according to the called up amount totaling Baht 336 million in December 2020.

### 11.1.3 Disposal of investments in associates

During the year 2020, following the resolution of the Board of Director's meeting, the Company had disposed investments in the following associates:

- a) All investments in ordinary shares of Green Life Management Co., Ltd. at Baht 4.5 million to an associate.  
The Company recognised loss from sale of investments, net of reversal of allowance for diminution in value of investments, in the financial statements in which the equity method is applied and separate statements of comprehensive income for the year ended 31 December 2020 of Baht 1.8 million and Baht 6.5 million, respectively.
- b) Investments in Sahachol Food Supplies Co., Ltd. of 237,330 ordinary shares or 7.30 percent of its registered share capital at Baht 13.6 million to an associate. Therefore, portion of investment in Sahachol Food Supplies Co., Ltd. decrease from 26.30 percent to 19.00 percent and was changed its status from investments in associates to other non-current financial assets.

The Company recognised gain and loss from sale of such investments, net of reversal of allowance for diminution in value of investments in the financial statements in which the equity method is applied and separate statements of comprehensive income for the year ended 31 December 2020 of Baht 4.2 million and Baht 4.5 million, respectively.



## 11. Investments in associates (Continued)

In addition, due to change in status of such investment, the Company assessed fair value of the remaining investment from such disposal of Baht 35.3 million and recognised gain and loss on change in investment classification in the financial statements in which the equity method is applied and separate statements of comprehensive income for the year ended 31 December 2020 of Baht 10.8 million and Baht 11.7 million, respectively.

- c) Investments in Thai Itokin Co., Ltd. of 183,500 ordinary shares or 13.11 percent of its share capital at Baht 4.8 million to an associate. Therefore, portion of investment in Thai Itokin Co., Ltd. decrease from 32.11 percent to 19.00 percent and was changed its status from investments in associates to other non-current financial assets.

The Company recognised gain from sale of such investments, net of reversal of allowance for diminution in value of investments, in the financial statements in which the equity method is applied and separate statements of comprehensive income for the year ended 31 December 2020 of Baht 4.8 million and Baht 4.8 million, respectively.

In addition, due to change in status of such investment, the Company assessed fair value of the remaining investment from such disposal of 7.6 million and recognised gain on change in investment classification in the financial statements in which the equity method is applied and separate statements of comprehensive income for year ended 31 December 2020 of Baht 7.6 million and Baht 7.6 million, respectively.

### 11.2 Investment in associates with capital deficit

The Company recognised share of losses from an associate, 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	Financial statements in which the equity method is applied			
	Share of profit during the years		Cumulative share of losses up to 31 December	
	2020	2019	2020	2019
Sahapat Properties Co., Ltd.	0.7	0.2	(3.3)	(4.0)
Total	0.7	0.2	(3.3)	(4.0)

- 11.3 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 as at 31 December 2020 and 2019 are as follows:

(Unit: Thousand Baht)

	2020	2019
Thai President Foods Plc.	16,230,449	14,924,788
President Bakery Plc.	6,783,758	7,002,800
I.C.C. International Plc.	2,000,580	2,834,010
Saha Pathanapibul Plc.	5,274,731	4,429,949
Thai Wacoal Plc.	1,224,340	1,251,135
Thanulux Plc.	508,654	482,576
Sahacogen (Chonburi) Plc.	760,000	833,461
	<u>32,782,512</u>	<u>31,758,719</u>



## 11. Investments in associates (Continued)

### 11.4 Summarised financial information about material associates

(Unit: Million Baht)

	Thai President Foods Plc.		President Bakery Plc.		I.C.C. International Plc.		Saha Pathanapibul Plc.		Thai Wacoal Plc.		Thanulux Plc.		Sahacogen (Chonburi) Plc.		Lion Corporation (Thailand) Co., Ltd.	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<u>Summarised information about financial position</u>																
Current assets	16,225	14,367	5,124	3,993	7,132	7,647	12,315	10,960	2,683	3,596	1,343	1,288	934	998	5,573	6,960
Non-current assets	21,191	19,886	5,175	5,487	25,096	15,998	21,759	16,137	3,984	3,872	2,994	3,074	5,691	5,747	5,670	3,476
Current liabilities	2,938	3,103	919	1,007	1,671	1,904	8,120	7,497	777	1,007	212	231	2,282	2,034	5,048	4,803
Non-current liabilities	1,087	1,105	130	103	3,440	1,271	2,240	1,184	541	702	330	352	1,605	1,465	607	547
<u>Summarised information about comprehensive income</u>																
Revenue	23,871	24,735	7,186	7,849	8,329	12,278	32,715	33,410	3,265	5,141	1,119	1,633	3,979	4,327	18,554	18,502
Profit	5,252	5,143	1,679	1,701	(59)	719	1,744	1,745	(315)	336	11	88	117	150	988	980
Total comprehensive income	5,098	5,082	1,671	1,695	47	576	1,974	1,582	(527)	163	2	65	5	4	994	989



## 12. Investment properties

(Unit: Thousand Baht)

	Land	Buildings and improvement	Assets under construction	Total
<b>Cost:</b>				
As at 1 January 2019	2,855,464	1,365,116	311	4,220,891
Additions during the year	591,716	2,097	25,863	619,676
Transfer in/(transfer out)	7,994	19,689	(19,689)	7,994
As at 31 December 2019	3,455,174	1,386,902	6,485	4,848,561
Additions during the year	17,327	40,967	33,435	91,729
Disposals during the year	(90,208)	-	-	(90,208)
Transfer in/(transfer out)	-	37,214	(37,214)	-
As at 31 December 2020	3,382,293	1,465,083	2,706	4,850,082
<b>Accumulated depreciation:</b>				
As at 1 January 2019	-	445,954	-	445,954
Depreciation for the year	-	64,310	-	64,310
As at 31 December 2019	-	510,264	-	510,264
Depreciation for the year	-	67,259	-	67,259
As at 31 December 2020	-	577,523	-	577,523
<b>Allowance for impairment:</b>				
As at 1 January 2019	74,065	-	-	74,065
Decrease	(63,458)	-	-	(63,458)
As at 31 December 2019	10,607	-	-	10,607
As at 31 December 2020	10,607	-	-	10,607
<b>Net book value:</b>				
As at 31 December 2019	3,444,567	876,638	6,485	4,327,690
As at 31 December 2020	3,371,686	887,560	2,706	4,261,952
<b>Depreciation</b>				
2019 (Included in cost of rental and services)				64,310
2020 (Included in cost of rental and services)				67,259

Based on the latest valuation performed by an independent valuer, using the market approach, the fair value of an investment properties are approximately Baht 12,530 million (2019: Baht 12,438 million).

## 13. Property, plant and equipment

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Consolidated financial statements						
	Land	Buildings and improvement	Tools	Office equipment and others	Vehicles	Assets under construction	Total
<b>Cost:</b>							
As at 1 January 2019	301,031	1,651,791	137,377	758,083	218,824	12,526	3,079,632
Additions during the year	-	9,619	8,377	20,718	12,987	122,384	174,085
Transfer in/(transfer out)	(7,994)	15,793	-	16,893	-	(32,686)	(7,994)
Disposals during the year	-	-	(198)	(2,390)	(5,406)	(1,682)	(9,676)
Effect from disposal of investment in subsidiary	-	-	-	(5,810)	(5,457)	-	(11,267)
As at 31 December 2019	293,037	1,677,203	145,556	787,494	220,948	100,542	3,224,780
Additions during the year	-	631	4,129	153,911	6,722	26,173	191,566
Transfer in/(transfer out)	-	4,389	-	101,435	-	(105,824)	-
Disposals during the year	-	(61)	(81)	(45,170)	(21,651)	-	(66,963)
As at 31 December 2020	293,037	1,682,162	149,604	997,670	206,019	20,891	3,349,383
<b>Accumulated depreciation:</b>							
As at 1 January 2019	-	912,775	115,585	595,477	171,421	-	1,795,258
Depreciation for the year	-	66,013	8,741	40,303	22,172	-	137,229
Accumulated depreciation on disposals	-	-	(195)	(2,370)	(5,192)	-	(7,757)
Effect from disposal of investment in subsidiary	-	-	-	(4,836)	(4,449)	-	(9,285)
As at 31 December 2019	-	978,788	124,131	628,574	183,952	-	1,915,445
Depreciation for the year	-	66,331	8,398	47,707	14,951	-	137,387
Accumulated depreciation on disposals	-	(26)	(72)	(45,025)	(21,367)	-	(66,490)
As at 31 December 2020	-	1,045,093	132,457	631,256	177,536	-	1,986,342
<b>Allowance for impairment:</b>							
As at 1 January 2019	-	-	-	-	-	-	-
Increase	1,348	-	-	-	-	-	1,348
As at 31 December 2019	1,348	-	-	-	-	-	1,348
As at 31 December 2020	1,348	-	-	-	-	-	1,348
<b>Net book value:</b>							
As at 31 December 2019	293,037	698,415	21,425	158,920	36,996	100,542	1,307,987
As at 31 December 2020	293,037	637,069	17,147	366,414	28,483	20,891	1,361,693
<b>Depreciation for the year:</b>							
2019 (Baht 131.2 million included in cost of rental and services, and the balance in administrative expenses)							137,229
2020 (Baht 122.0 million included in cost of rental and services, and the balance in administrative expenses)							137,387





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

(Unit: Thousand Baht)

	Separate financial statements						
	Land	Buildings and improvement	Tools	Office equipment and others	Vehicles	Assets under construction	Total
<b>Cost:</b>							
As at 1 January 2019	301,031	1,651,791	137,377	750,904	213,367	12,526	3,066,996
Additions during the year	-	9,619	8,377	20,690	12,987	122,384	174,057
Transfer in/(transfer out)	(7,994)	15,793	-	16,893	-	(32,686)	(7,994)
Disposals during the year	-	-	(198)	(993)	(5,406)	(1,682)	(8,279)
As at 31 December 2019	293,037	1,677,203	145,556	787,494	220,948	100,542	3,224,780
Additions during the year	-	631	4,129	153,911	6,722	26,173	191,566
Transfer in/(transfer out)	-	4,389	-	101,435	-	(105,824)	-
Disposals during the year	-	(61)	(81)	(45,170)	(21,651)	-	(66,963)
As at 31 December 2020	293,037	1,682,162	149,604	997,670	206,019	20,891	3,349,383
<b>Accumulated depreciation:</b>							
As at 1 January 2019	-	912,775	115,585	589,458	167,166	-	1,784,984
Depreciation for the year	-	66,013	8,741	40,105	21,978	-	136,837
Accumulated depreciation on disposals	-	-	(195)	(989)	(5,192)	-	(6,376)
As at 31 December 2019	-	978,788	124,131	628,574	183,952	-	1,915,445
Depreciation for the year	-	66,331	8,398	47,707	14,951	-	137,387
Accumulated depreciation on disposals	-	(26)	(72)	(45,025)	(21,367)	-	(66,490)
As at 31 December 2020	-	1,045,093	132,457	631,256	177,536	-	1,986,342
<b>Allowance for impairment:</b>							
As at 1 January 2019	-	-	-	-	-	-	-
Increase	1,348	-	-	-	-	-	1,348
As at 31 December 2019	1,348	-	-	-	-	-	1,348
As at 31 December 2020	1,348	-	-	-	-	-	1,348
<b>Net book value:</b>							
As at 31 December 2019	291,689	698,415	21,425	158,920	36,996	100,542	1,307,987
As at 31 December 2020	291,689	637,069	17,147	366,414	28,483	20,891	1,361,693
<b>Depreciation for the year:</b>							
2019 (Baht 131.2 million included in cost of rental and services, and the balance in administrative expenses)							136,837
2020 (Baht 122.0 million included in cost of rental and services, and the balance in administrative expenses)							137,387

As at 31 December 2020, certain assets have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to Baht 1,268 million (2019: Baht 1,106 million).

## 14. Intangible assets

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

(Unit: Thousand Baht)

<b>Cost</b>	
As at 1 January 2019	31,992
Additions during the year	95
Write-off during the year	(5)
As at 31 December 2019	32,082
Additions during the year	167
As at 31 December 2020	32,249
<b>Accumulated amortisation</b>	
As at 1 January 2019	24,604
Amortisation during the year	1,628
Accumulated amortisation on write-off	(3)
As at 31 December 2019	26,229
Amortisation during the year	1,636
As at 31 December 2020	27,865
<b>Net book value</b>	
As at 31 December 2019	5,853
As at 31 December 2020	4,384

## 15. Other non-current assets

(Unit: Thousand Baht)

	2020	2019
Deposits - related parties (Note 8)	-	970
Deposits - unrelated parties	60,753	111,091
Withholding tax deducted at source	48,054	97,472
Others	170	171
Total	108,977	209,704
Less: Allowance for doubtful accounts - deposits	(18,226)	(18,226)
Total other non-current assets, net	90,751	191,478

## 16. Short-term loans from financial institutions

As at 31 December 2020, the Company had short-term loans in respect of short-term promissory notes which were issued to the financial institutions of 3 contracts totaling Baht 3,000 million (2019: Baht 2,160 million) which carried interest between 0.70 percent to 0.78 percent per annum and due upon call (2019: 1.27 percent to 1.45 percent per annum).



## 17. Trade and other payables

(Unit: Thousand Baht)

	2020	2019
Trade and other payables - related parties (Note 8)	185,900	163,195
Trade accounts payable - unrelated parties	3,964	4,796
Other payables - unrelated parties	22,873	19,241
Accrued expenses - unrelated parties	83,493	109,238
Total trade and other payables	<u>296,230</u>	<u>296,470</u>

## 18. Long-term loans from financial institutions

(Unit: Thousand Baht)

	2020	2019
Long-term loans from financial institutions	5,040,000	6,020,000
Less: Current portion	<u>(980,000)</u>	<u>(980,000)</u>
Long-term loans from financial institutions - net of current portion	<u>4,060,000</u>	<u>5,040,000</u>

Movement in long-term loans from financial institution during the years ended 31 December 2020 and 2019 are summarised below.

(Unit: Thousand Baht)

	2020	2019
Balances as at 1 January	6,020,000	7,000,000
Repayment during the year	<u>(980,000)</u>	<u>(980,000)</u>
Balances as at 31 December	<u>5,040,000</u>	<u>6,020,000</u>

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 per annum 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.

## 19. Leases

### 19.1 The Company as a lessee

The Company has lease contracts for various items of property, plant, vehicles and equipment used in its operations. Leases of land and building generally have lease terms between 5 - 11 years and lease of vehicle and office equipment and others have lease terms between 1 - 5 years.



## 19. Leases (Continued)

### a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Land	Buildings and improvement	Office equipment and others	Vehicles	Total
As at 31 December 2019	-	-	-	-	-
Adjustment due to first time adoption of TFRS 16	12,230	39,715	1,147	13,187	66,279
As at 1 January 2020	12,230	39,715	1,147	13,187	66,279
Additions	-	-	-	15,320	15,320
Depreciation for the year	(1,112)	(7,113)	(345)	(4,473)	(13,043)
As at 31 December 2020	11,188	32,602	802	24,034	68,556

### b) Lease liabilities

(Unit: Thousand Baht)

	31 December 2020
Lease payments	72,677
Less: Deferred interest expenses	(5,846)
Total	66,831
Less: Portion due within one year	(13,599)
Lease liabilities - net of current portion	53,232

A maturity analysis of lease payments is disclosed in Note 35 under the liquidity risk.

### c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	For the year ended 31 December 2020
Depreciation expense of right-of-use assets	13,043
Interest expense on lease liabilities	1,679
Expense relating to short-term leases	2,786
Expense relating to leases of low-value assets	3,648
Total	21,156

### d) Others

The Company had total cash outflows for leases for the year ended 31 December 2020 of Baht 22.88 million, including the cash outflow related to short-term lease and leases of low-value assets.



## 19. Leases (Continued)

### 19.2 The Company as a lessor

The Company has entered into operating leases for its investment property portfolio consisting of land and building (see Note 12) of the lease terms are between 1 and 27 years.

The Company has future minimum rentals receivable under operating leases as at 31 December 2020 and 2019 as follows:

(Unit: Thousand Baht)

	2020	2019
Within 1 year	80,962	90,795
Over 1 and up to 5 years	180,055	157,310
Over 5 years	99,234	127,143
Total	360,251	375,248

## 20. Debentures

(Unit: Thousand Baht)

No.	Debentures period		Number of unit	Amount (Million Baht)	Coupon rate per annum (%)	2020	2019
	Issue Date	Maturity Date					
SPI202A	9 Feb 2017	9 Feb 2020	1,000,000	1,000	2.39%	-	1,000,000
SPI242A	9 Feb 2017	9 Feb 2024	1,000,000	1,000	3.44%	1,000,000	1,000,000
SPI256A	25 June 2020	25 June 2025	1,000,000	1,000	2.54%	1,000,000	-
SPI276A	25 June 2020	25 June 2027	1,500,000	1,500	2.74%	1,500,000	-
SPI306A	25 June 2020	25 June 2030	1,000,000	1,000	3.16%	1,000,000	-
SPI326A	25 June 2020	25 June 2032	1,500,000	1,500	3.30%	1,500,000	-
Total						6,000,000	2,000,000
Less: Deferred transaction costs						(7,886)	-
Total debentures						5,992,114	2,000,000
Less: Current portion						-	(1,000,000)
Debentures - net of current portion						5,992,114	1,000,000

Movement in debentures during the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

Balances as at 1 January 2020	2,000,000
Add: Net cash received from issuance of debentures during the year	4,991,552
Amortisation of transaction costs during the year	562
Less: Redemption of debentures during the year	(1,000,000)
Balances as at 31 December 2020	5,992,114

## 20. Debentures (Continued)

Debentures no. SPI202A and SPI242A were issued in accordance with the resolution of the shareholders' extraordinary meeting No. 1/2016 held on 20 September 2016.

In March 2020, the Board of Directors' meeting and the Board of Executives' meeting of the Company has approved for the issue and offer debenture not exceeding Baht 2,500 million and 6,000 million, respectively, totaling Baht 8,500 million as approved by the shareholders' extraordinary meeting No.1/2016 on 20 September 2016. In June 2020, the Company had issued debentures totaling Baht 5,000 million.

Such debentures in the form of specific name, unsubordinated and unsecured. The interest is payable every six months throughout the debentures 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.

Fair value of debentures, which are the latest price as at 31 December 2020 and 2019, stated below.

Debentures no.	Fair values per unit		Fair values	
	2020 (Baht)	2019 (Baht)	2020 (Million Baht)	2019 (Million Baht)
SPI202A	-	1,000.60	-	1,000.60
SPI242A	1,053.14	1,051.38	1,053.14	1,051.38
SPI256A	1,031.40	-	1,031.40	-
SPI276A	1,026.85	-	1,540.28	-
SPI306A	1,065.49	-	1,065.49	-
SPI326A	1,017.01	-	1,525.52	-
			<u>6,215.83</u>	<u>2,051.98</u>

## 21. 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 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")



## 21. Convertible debentures (Continued)

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

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 2019, the convertible debentures holders exercised their conversion rights in accordance with the convertible debentures terms and conditions. The principal amount of Baht 16.9 million or 0.5% of offered convertible debentures has been converted into 0.4 million ordinary shares of the Company. The Company’s paid up capital and share premium increased from Baht 571.5 million to Baht 571.9 million and from Baht 4,516 million to Baht 4,533 million (Note 24) and there was Baht 3,505 million converted debentures or 99.99% of the offered convertible debentures.

During the year ended 31 December 2020, there was no debenture converted to ordinary share.

Movements of convertible debentures during the years ended 31 December 2020 and 2019 are summarised below.

## 21. Convertible debentures (Continued)

(Unit: Thousand Baht)

	Convertible debenture - liability component	Convertible debenture - equity component
Balance as at 1 January 2019	16,633	2,692
Transactions for present value of convertible debentures	52	-
Amortisation of debenture expenses	17	-
Conversion to ordinary shares (Note 24)	(14,978)	(2,419)
Balance as at 31 December 2019	1,724	273
Transactions for present value of convertible debentures	38	-
Amortisation of debenture expenses	1	-
Balance as at 31 December 2020	1,763	273

## 22. 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)

	Financial statements in which the equity method is applied/ Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Balance as at 1 January</b>	91,274	98,834	91,274	84,301
Included in profit or loss:				
Current service cost	4,400	5,170	4,400	4,587
Interest cost	2,146	2,338	2,146	2,096
Past service cost	-	290	-	290
Included in other comprehensive income:				
Actuarial loss arising from				
Demographic assumptions changes	3,144	-	3,144	-
Financial assumptions changes	9,081	2,933	9,081	-
Experience adjustments	18,023	-	18,023	-
Benefits paid during the year	(7,972)	-	(7,972)	-
Effect from disposal of investment in subsidiary	-	(18,291)	-	-
<b>Balance as at 31 December</b>	<b>120,096</b>	<b>91,274</b>	<b>120,096</b>	<b>91,274</b>
Current	-	8,809	-	8,809
Non-current	120,096	82,465	120,096	82,465
	<b>120,096</b>	<b>91,274</b>	<b>120,096</b>	<b>91,274</b>



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

On 5 April 2019, The Labour Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change was considered a post-employment benefits plan amendment and the Company had additional liabilities for long-term employee benefits of Baht 0.3 million. The Company reflected the effect of the change by recognising past services costs as expenses in profit or loss for the year 2019.

As at 31 December 2019, the Company expected to pay Baht 8.8 million of long-term employee benefits during the next year (2020: Nil).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit of the Company is 16 years (2019: 13.8 years).

Key actuarial assumptions are summarised below.

(Unit: percent per annum)

	Financial statements in which the equity method is applied/ Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	1.60	2.50 - 2.80	1.60	2.60
Salary increase rate	5.00	5.00	5.00	5.00
Turnover rate	0.57 - 6.88	0 - 22	0.57 - 6.88	0 - 22

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 were summarised below:

(Unit: Million Baht)

	Financial statements in which the equity method is applied / Consolidated financial statements					
	Change in assumptions		Impact on employee benefit obligations			
			Increase in assumptions		Decrease in assumptions	
	2020 (%)	2019 (%)	2020	2019	2020	2019
Discount rate	0.5	0.5	(6.4)	(4.0)	7.0	4.3
Salary increase rate	1.0	1.0	13.9	9.7	(12.1)	(9.0)
Turnover rate	20	20	(2.3)	(2.6)	2.4	2.7

(Unit: Million Baht)

	Separate financial statements					
	Change in assumptions		Impact on employee benefit obligations			
			Increase in assumptions		Decrease in assumptions	
	2020 (%)	2019 (%)	2020	2019	2020	2019
Discount rate	0.5	0.5	(6.4)	(4.0)	7.0	4.3
Salary increase rate	1.0	1.0	13.9	9.7	(12.1)	(9.0)
Turnover rate	20	20	(2.3)	(2.6)	2.4	2.7

## 23. Other non-current liabilities

(Unit: Thousand Baht)

	2020	2019
Advance received - related parties	134,923	324,378
Deposit - related parties	81	74,993
Total other non-current liabilities - related parties (Note 8)	135,004	399,371
Advance received - unrelated parties	15,575	18,813
Deposit - unrelated parties	103	46,317
Total other non-current liabilities	150,682	464,501

## 24. Share capital

Movement of ordinary shares, paid-up capital and share premium during the year ended 31 December 2019 are as follows (2020: None):

	Number of ordinary shares (Thousand shares)	Paid-up capital (Thousand Baht)	Share premium (Thousand Baht)
As at 1 January 2019	571,515	571,515	4,516,313
Increase from exercise of convertible debentures (Note 21)	376	376	17,021
As at 31 December 2019	571,891	571,891	4,533,334

The Company had already registered its paid-up capital with the Ministry of Commerce on 4 January 2019, 28 March 2019 and 4 July 2019.

## 25. 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.

## 26. Finance cost

(Unit: Thousand Baht)

	2020	2019
Interest expenses on borrowings	150,756	163,926
Interest expenses on debentures	114,574	58,300
Interest expenses on lease liabilities	1,679	-
Interest expenses on convertible debentures	52	87
Total	267,061	222,313



## 27. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements	
	2020	2019	2020	2019
Cost of electricity	1,344,766	1,403,336	1,344,766	1,403,336
Cost of water and steam	326,629	412,308	326,629	412,308
Cost of maintenance	73,384	73,615	73,384	73,615
Cost of exhibition	9,575	56,048	9,575	56,048
Cost of sales of real estate	90,208	-	90,208	-
Depreciation and amortisation	219,325	203,167	219,325	202,775
Employees benefits expense	182,206	188,741	182,206	175,980
Directors and management's remuneration	85,971	93,192	85,971	92,732
Premises and equipment expenses	59,613	63,541	59,613	62,883

## 28. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements	
	2020	2019	2020	2019
<b>Current income tax:</b>				
Current income tax charge	-	-	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(27,201)	(2,064)	(27,201)	(1,899)
<b>Income tax income reported in profit or loss</b>	<u>(27,201)</u>	<u>(2,064)</u>	<u>(27,201)</u>	<u>(1,899)</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 were as follows:



## 28. Income tax (Continued)

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements	
	2020	2019	2020	2019
Deferred tax relating to				
Gain from the change in value of financial assets measured by FVOCI	4,207	-	4,207	-
Loss on changes in value of available-for-sale investments	-	(74,867)	-	(74,867)
Actuarial loss	(6,050)	(586)	(6,050)	-
Total	(1,843)	(75,453)	(1,843)	(74,867)

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

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements	
	2020	2019	2020	2019
Accounting profit before tax	2,278,375	2,263,952	1,150,798	1,259,059
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	455,675	452,790	230,160	251,812
Effects of:				
Non-deductible expenses	1,785	65,620	8,980	6,267
Additional expense deductions allowed	(44,020)	(2,602)	(44,020)	(2,602)
Taxable income	4,430	13,774	4,430	13,774
Income not subject to tax	(445,754)	(522,705)	(227,276)	(260,358)
Others	(19,980)	1,851	(20,138)	-
Total	(503,539)	(444,062)	(278,024)	(242,919)
Deferred tax assets not recognised	20,663	-	20,663	-
Utilised tax loss	-	(10,792)	-	(10,792)
Income tax income reported in profit or loss	(27,201)	(2,064)	(27,201)	(1,899)



## 28. Income tax (Continued)

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

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	2020	2019	2020	2019
<b>Deferred tax assets</b>				
Allowance for diminution in value of investments	-	175,042	-	175,042
Allowance for asset impairment	6,036	6,036	6,036	6,036
Provision for long-term employee benefits	24,019	18,255	24,019	18,255
Provision for guarantees	-	2,715	-	2,715
Total	30,055	202,048	30,055	202,048
<b>Deferred tax liabilities</b>				
Unrealised fair value gain of investments	(871,943)	(78,260)	(871,943)	(78,260)
Lease agreement	-	(208)	-	(208)
Investment properties	(345)	-	(345)	-
Total	(872,288)	(78,468)	(872,288)	(78,468)
Deferred tax assets (liabilities) - net	(842,233)	123,580	(842,233)	123,580

As at 31 December 2020, the Company had unused tax losses totaling Baht 203 million (2019: Baht 153 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)

	2020	2019
31 December 2020	-	38,928
31 December 2021	99,441	114,216
31 December 2025	103,315	-
	202,756	153,144

## 29. 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.

There was no material difference between diluted earnings per share and basic earnings per share.

### 30. Dividends

Approved by		Total dividends	Dividends per share	Payment date
		(Million Baht)	(Baht)	
<b>2020</b>				
Interim dividend for the year 2020	The Board of Directors' Meeting on 9 April 2020 and the Annual General Meeting of the Shareholders on 3 August 2020	285.9	0.50	8 May 2020
Interim dividend for the year 2020	Board of Directors' meeting on 16 November 2020	114.4	0.20	15 December 2020
<b>Total dividend for the year 2020</b>		<b>400.3</b>	<b>0.70</b>	
<b>2019</b>				
Dividends for the year 2018	Annual General Meeting of the shareholders on 22 April 2019	285.9	0.50	21 May 2019
Interim dividend for the year 2019	Board of Directors' meeting on 13 November 2019	114.4	0.20	12 December 2019
<b>Total dividend for the year 2019</b>		<b>400.3</b>	<b>0.70</b>	

### 31. Provident fund

The 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 2020 amounting to approximately Baht 10.6 million (2019: Baht 10.3 million) were recognised as expenses.

### 32. 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 is 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.

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's operating segments for the years ended 31 December 2020 and 2019:





## 32. Segment information (Continued)

### 32.1 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	
	2020	2019	2020	2019	2020	2019
Revenues	730,154	1,173,206	1,406,064	1,372,128	2,986,348	2,624,881
Costs	-	-	-	(7,705)	(2,221,031)	(2,328,983)
Segment gross profit	730,154	1,173,206	1,406,064	1,364,423	765,317	295,898
Administrative expenses						
Gain on change in investment classification						
Gain from fair value measurement of investment						
Gain from sale of investment						
Reversal of loss from diminution in value of land						
Loss from diminution in value of investments						
Finance cost						
Income tax revenue						
Profit for the year						
Non-controlling interest of the subsidiary						
Profit for equity holders of the Company						
Total assets						
Total liabilities						

## 32. Segment information (Continued)

### 32.2 Revenue from contracts with customers - Disaggregated revenue information

(Unit: Thousand Baht)

	Financial statement in which the equity method is applied	Consolidated financial statements	Separate financial statements	
	2020	2019	2020	2019
<b>Type of revenue:</b>				
Facility income	1,944,825	2,096,854	1,944,825	2,096,854
Dividend income	167,037	286,434	1,143,913	1,306,892
Rental and services income	377,365	425,346	377,365	416,128
Revenue from sale of real estate	381,096	-	381,096	-
Total revenue from contracts with customers	2,870,323	2,808,634	3,847,199	3,819,874
<b>Others</b>				
Other income	183,769	29,708	183,769	29,217
Share of profit from investments in associates	2,068,474	2,331,873	-	-
Total revenue from operating segment information	5,122,566	5,170,215	4,030,968	3,849,091
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time	2,438,475	2,401,622	3,415,351	3,412,861
Revenue recognised over time	431,848	407,012	431,848	407,013
Total revenue from contracts with customers	2,870,323	2,808,634	3,847,199	3,819,874

### 32.3 Geographic segment information

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

### 32.4 Major customers

For the years 2020 and 2019, the Company has no major customer with revenue of 10 percent or more of an entity's revenues.

## 33. Commitments and contingent liabilities

### 33.1 Lease of low-value assets and service commitments

33.1.1 The Company have entered into long-term contracts in respect of the low-value assets and other service agreements. The terms of the agreements are generally 1 - 3 years.



### 33. Commitments and contingent liabilities (Continued)

Future minimum lease payments required under these lease and service contracts were as follows:

(Unit: Million Baht)

	2020
Payable:	
Less than 1 year	2.4
1 to 3 years	0.8
Total	3.2

33.1.2 The associates and joint venture have entered into long-term contracts in respect of the low-value assets and other service agreements. Future minimum payments required under these lease and service contracts were as follows:

(Unit: Million Baht)

	2020
Payable:	
Less than 1 year	141.1
1 to 5 years	24.5
Total	165.6

#### 33.2 Capital commitments

33.2.1 As at 31 December 2020, the Company had capital commitments in respect of construction in Sahapat Industrial Park and purchase of land of Baht 6.4 million (2019: Baht 27.5 million).

33.2.2 As at 31 December 2020, the associates had capital commitments in respect of procurement agreements for production machinery and equipment of approximately Baht 70 million (2019: Baht 146 million).

#### 33.3 Guarantees

33.3.1 As at 31 December 2020, there were outstanding bank guarantee of Baht 8.2 million (2019: Baht 8.2 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.

33.3.2 As at 31 December 2020, there were outstanding bank guarantees of approximately Baht 418 million (2019: Baht 429 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 2020, the associates and their subsidiaries had guaranteed to their related parties with financial institutions of Baht 1,050 million (2019: Baht 913 million)

Moreover, an associate already released of fixed deposit of Baht 36.3 million that the Company pledged with Revenue Department as a guarantee for a retroactive tax assessment, after the Supreme Court dismissed the petition made and refused to hear the appeal. The associate therefore has to pay tax in the amount assessed, which was Baht 36.3 million.

33.3.3 As at 31 December 2020 and 2019, the Company had guaranteed credit facilities to its related parties with financial institutions and other companies as follows:

### 33. Commitments and contingent liabilities (Continued)

(Unit: Million Baht)

	2020	2019
Guarantee to		
Associates	496.3	551.3
Related companies	259.7	252.4
Total	756.0	803.7

#### 33.4 Other contracts commitments

33.4.1 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.

33.4.2 The Company entered into agreements with an associate to purchase electricity and steam in a specified quantity and at a stipulated price as defined in the agreements. The agreement is for a period of 15 years, starting from April 1999, and renewed for an additional period of 25 years.

In May 2019, the Company entered into an amendment of the agreement with such associate to purchase electricity and steam, which the Company can renew the agreements after the end of the 15 year-term of the contract from April 1999 for an additional period of 37 years.

In addition, in March 2020, the Company entered into an agreement with such associate to purchase electricity from solar energy at a stipulated price as defined in the agreement. The agreement is for a period of 17 years and can be renewed after the end of 17 year-term for one year each time.

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

The associates and their subsidiaries and joint venture 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.

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

33.5.1 An associate has commitments under natural gas purchase agreement for period of 1 - 5 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	1	30 November 2021	47,986 per annum
2	1	30 November 2021	26,256 per annum
3	5	31 December 2023	296 per day

33.5.2 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 25 years. The agreement will expire in March 2024.

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.





### 33. Commitments and contingent liabilities (Continued)

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 June 2020, such associate entered into an amendment of the agreement with that private entity, which modified the price and terms of the agreement. This amended the term of the agreement to 10 years, ending in June 2030, with automatic renewal every 5 years throughout the term of the electricity sales agreements with the Electricity Generating Authority of Thailand (EGAT).

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.

- 33.5.3 As of 31 December 2020, An associate has commitment relating to store lease and service agreement, for 3 years, which is currently in the process of opening the store whereby the associate must pay the monthly rentals and other service fees as follows:-

(Unit: Baht)

	Store lease and service agreement	Common area service agreement
First year	4 - 6 % of total sales	42,372
Second year	4 - 6 % of total sales	44,491
Third year	4 - 6 % of total sales	46,715

#### 33.6 Litigation - an associate

In March 2020, an associate was sued by the Department of Empowerment of Persons with Disabilities seeking to have the Company pay to the fund for Empowerment of Persons with Disabilities, including interest in total amount of Baht 7.7 million. Currently, the case is in the process of consideration by the court.

### 34. Fair value hierarchy

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

(Unit: Million Baht)

	Level 1		Level 2		Level 3		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>Assets measured at fair value</b>								
Financial assets measured at FVOCI								
Equity investments	2,340	-	-	-	7,270	-	9,610	-
Investments in trading securities								
Mutual fund	-	-	-	1,530	-	-	-	1,530
Available-for-sale investments								
Local marketable equity securities	-	2,459	-	-	-	-	-	2,459
Foreign marketable equity securities	-	30	-	-	-	-	-	30



## 34. Fair value hierarchy (Continued)

(Unit: Million Baht)

	Level 1		Level 2		Level 3		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>Assets for which fair value are disclosed</b>								
Investment in associates	32,783	31,759	-	-	-	-	32,783	31,759
Investment properties	-	-	12,530	12,438	-	-	12,530	12,438
<b>Liabilities for which fair value are disclosed</b>								
Debentures	-	-	6,216	2,052	-	-	6,216	2,052

## 35. Financial instruments

### 35.1 Financial risk management objectives and policies

The Company's financial instruments-principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, and short-term borrowing, long-term borrowing and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

#### Credit risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions. Except for derivative financial instruments, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### Trade receivables

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. The majority of services of the Company is supplied to creditworthy customers. In addition, the Company does not have high concentrations of credit risk since it has a large customer base in various industries.

#### Financial instruments and cash deposits

The Company manages the credit risk from balances with banks and financial institutions by making investments with counterparties within only approved credit limits assigned to each counterparty. Counterparty credit limits are reviewed and may be updated throughout the year with approval by the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

#### Market risk

##### Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks short-term borrowing, long-term borrowing and debentures. Most of the Company's financial assets and liabilities bear fixed interest rates which are close to the market rate. The risk is therefore low.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.





### 35. Financial instruments (Continued)

(Unit: Million Baht)

Financial statements in which the equity method is applied and Separate financial statements												
Fixed interest rates			Floating interest rate			Non-interest bearing			Total			Effective interest rate (% p.a.)
Within 1 year	1 - 5 years	Over 5 years	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2019
<b>Financial Assets</b>												
Cash and cash equivalents	-	-	-	-	5,145	244	8	7	5,153	251	0.10 - 0.50	0.10 - 0.60
Trade and other receivables	-	-	-	-	-	-	179	195	179	195	-	-
Short-term loans to related parties	5	-	-	-	-	-	-	-	5	-	3.50	-
Long-term loans to related parties	-	6	-	-	-	-	-	-	6	-	3.37	-
Other financial assets	10	-	-	-	-	-	9,615	-	9,625	-	0.50	-
Total	15	6	-	-	5,145	244	9,802	202	14,968	446		
<b>Financial Liabilities</b>												
Trade and other payables	-	-	-	-	-	-	296	296	296	296	-	-
Short-term loans from financial institutions	3,000	2,160	-	-	-	-	-	-	3,000	2,160	0.70 - 0.78	1.27 - 1.45
Lease liabilities	14	47	-	6	-	-	-	-	67	-	2.50	-
Other financial liabilities	-	-	-	-	-	-	109	-	109	-	-	-
Debentures	-	1,000	1,000	3,994	-	-	-	-	5,992	2,000	2.54 - 3.44	2.39, 3.44
Convertible debentures	-	2	2	-	-	-	-	-	2	2	0.70	0.70
Long-term loans from financial institutions	980	4,060	5,040	-	-	-	-	-	5,040	6,020	2.50	2.50
Total	3,994	4,140	6,107	4,000	-	-	405	296	14,506	10,478		

## 35. Financial instruments (Continued)

### Liquidity risk

The Company monitors the risk of a shortage of liquidity through the use of bank loans, lease contracts and debentures. As at 31 December 2020, approximately 28% of the Company's debt will mature in less than one year, based on the carrying value of borrowing reflected in the financial statements. The Company has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low and the Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	Less than 1 year	1 to 5 years	Over 5 years	Total
Short-term loans from financial institutions	3,000	-	-	3,000
Trade and other payables	296	-	-	296
Lease liabilities	15	51	7	73
Long-term loans	1,114	5,341	-	6,455
Debentures	-	2,234	5,135	7,369
Other financial liabilities	2	17	90	109
<b>Total financial liabilities</b>	<b>4,427</b>	<b>7,643</b>	<b>5,232</b>	<b>17,302</b>

### 35.2 Fair values of financial instruments

The estimated fair value of financial instruments, in comparison with the related amounts carried in the statement of financial position, is as follows:

(Unit: Million Baht)

	2020		2019			
	Financial statements in which the equity method is applied and Separate financial statements		Financial statements in which the equity method is applied		Separate financial statements	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>						
Cash and cash equivalents	5,153	5,153	251	251	251	251
Trade and other receivables	179	179	195	195	195	195
Short-term loans to related party	5	5	-	-	-	-
Long-term loans to related party	6	6	-	-	-	-
Quoted Debt investments	-	-	1,530	1,530	1,530	1,530
Non-listed equity investments	7,270	7,270	1,850	6,686	1,712	6,686
Listed equity investments	2,340	2,340	2,489	2,489	2,489	2,489
<b>Total</b>	<b>14,953</b>	<b>14,953</b>	<b>6,315</b>	<b>11,151</b>	<b>6,177</b>	<b>11,151</b>





### 35. Financial instruments (Continued)

(Unit: Million Baht)

	2020		2019			
	Financial statements in which the equity method is applied and Separate financial statements		Financial statements in which the equity method is applied		Separate financial statements	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>						
Trade and other payables	296	296	296	296	296	296
Loans from financial institutions	8,040	8,040	8,180	8,180	8,180	8,180
Lease liabilities	67	67	-	-	-	-
Debentures	5,992	6,216	2,000	2,052	2,000	2,052
<b>Total</b>	<b>14,395</b>	<b>14,619</b>	<b>10,476</b>	<b>10,528</b>	<b>10,476</b>	<b>10,528</b>

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and short-term loans to related party, accounts payable and short-term loans from financial institution, the carrying amounts in the statement of financial position approximate their fair value.
- The fair value of debt securities is generally derived from quoted market prices or by using the yield curve announced by the Thai Bond Market Association or by other relevant bodies.
- The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- The fair value of long-term loans is estimated by discounting expected future cash flows by the current market interest rate of loans with similar terms and conditions.
- The fair value of fixed rate debentures and long-term loans is estimated by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions.
- The carrying amounts of debentures and long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

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

#### 35.3 Reconciliation of recurring fair value measurements, of assets and liabilities, categorised within Level 3 of the fair value hierarchy.

(Unit: Thousand Baht)

	Equity instruments designated at FVOCI
Balance as of 1 January 2020	6,686,364
Acquired during the year	138,498
Disposed during the year	(73,958)
Net gain recognised into other comprehensive income	476,047
Investment classification	42,864
<b>Balance as of 31 December 2020</b>	<b>7,269,815</b>



## 35. Financial instruments (Continued)

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Investment in equity instruments	Discounted future cash flows, discounted dividend and other methods	Discount rate	5.15% - 12.61%	0.05% increase (decrease) in the discount rate would result in Baht 22.58 (27.19) million decrease (increase) in fair value

## 36. 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 2020, the Company's debt-to-equity ratio of financial statements in which the equity method is applied was 0.40:1 (Separate financial statements was 0.79:1) (2019: financial statements in which the equity method is applied was 0.36:1, Separate financial statements was 0.74:1).

## 37. Events after the reporting period

### Dividends - Associates and their subsidiaries

- On 19 February 2021, the Board of Directors' Meeting of I.C.C. International Plc. passed a resolution to approve the payment of dividend to the shareholders at Baht 0.25 per share or a total dividend payment of Baht 72.7 million. The dividend will be paid to the shareholders during the year 2021.
- On 16 February 2021, 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 2021 adopt a resolution to pay a dividend of Baht 1.2 per share, or a total of Baht 22.8 million, to the shareholders in respect of the 2020 earnings.
- On 23 February 2021, 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 2021 adopt a resolution to pay a dividend of Baht 0.061 per share, or a total of Baht 58 million, to the shareholders in respect of the 2020 retained earnings.
- On 23 February 2021, a meeting of the Board of Directors' Meeting of Thanulux Plc. passed a resolution to propose the 2021 Annual General Meeting of the shareholders adopt a resolution to pay a dividend payment form the result of its operation for the year 2020 at Baht 0.07 per share for 120 million shares, totaling Baht 8.4 million.

The Company will receive the above dividend based on shareholding percentage of the Company. The dividend will be paid and recorded after they are approved by the Annual General Meeting of such companies' shareholders.

## 38. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 25 February 2021.



# Corporate Profile and Other Significant Matters

## 1. Corporate Profile

### 1.1 NAME AND OFFICE LOCATION

NAME	: SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED
HEAD OFFICE	: 530 SOI SATHUPRADIT 58, BANGPONGPANG, YANNAWA, BANGKOK 10120
TYPE OF BUSINESS	: OPERATES IN 3 CATEGORIES: INVESTMENT IN CONSUMER PRODUCTS BUSINESS, INVESTMENT IN FOOD AND BEVERAGE BUSINESS, AND INDUSTRIAL PARK DEVELOPMENT AND INVESTMENT IN OTHER BUSINESSES
REGISTRATION NO.	: 0107537001340
TEL	: 0-2293-0030
FAX	: 0-2293-0040
HOMEPAGE	: <a href="http://www.spi.co.th">HTTP://WWW.SPI.CO.TH</a>
E-MAIL ADDRESS	: COMPANY SECRETARY SUPRADIT@SPI.CO.TH INTERNAL AUDIT MANAGER PLEANPIT@SPI.CO.TH PERSON IN CHARGE OF INVESTOR RELATIONS IR@SPI.CO.TH PERSON IN CHARGE OF CUSTOMER RELATIONS AMPHOL@SPI.CO.TH PUBLIC RELATIONS OFFICER CHALITTA@SPI.CO.TH
REGISTERED CAPITAL	: BAHT 582,923,188 OF REGISTERED CAPITAL CONSISTS OF 582,923,188 ORDINARY SHARES AT PAR VALUE OF BAHT 1 PER SHARE
ISSUED AND PAID UP CAPITAL	: BAHT 571,890,666 CONSISTS OF 571,890,666 ORDINARY SHARES AT PAR VALUE OF BAHT 1 PER SHARE

### 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 NONG - SI, KABINBURI DISTRICT, PRACHIN BURI 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, PRACHIN BURI 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) 333-444	(038) 480-505



## 1.2 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 RATCHADAPHISEK ROAD, KLONGTOEI, BANGKOK 10110 TEL : 0-2264-9090 FAX : 0-2262-0789-90
REGISTRAR	: BANGKOK BANK PUBLIC COMPANY LIMITED SECURITIES REGISTRAR, SECURITIES SERVICES HEAD OFFICE : 333 SILOM ROAD, SILOM, BANG RAK, BANGKOK 10500 TEL : 0-2626-4525 FAX : 0-2230-1893 E-MAIL : REGISTRA.GRP@BANGKOK.COM : BANK OF AYUDHYA PUBLIC COMPANY LIMITED AA FLOOR, 1222 RAMA III ROAD, BANG PHONGPHANG YAN NAWA, BANGKOK 10120 TEL : 0-2296-3582 FAX : 0-2683-1298
DEBENTURE HOLDER'S REPRESENTATIVE	: BANGKOK BANK PUBLIC COMPANY LIMITED SECURITIES REGISTRAR, SECURITIES SERVICES HEAD OFFICE : 333 SILOM ROAD, SILOM, BANG RAK, BANGKOK 10500 TEL : 0-2626-4531 FAX : 0-2230-4545 E-MAIL : REGISTRA.GRP@BANGKOK.COM

## 2. Other Significant Matters

-None-



# INVESTMENT IN OTHER COMPANIES IN 2020 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)
<b>CONSUMER PRODUCTS BUSINESS</b>								
1	INTERNATIONAL LABORATORIES CO., LTD.	BANGKOK	MANUFACTURER OF COSMETICS	ORDINARY	24,000,000	6,000,000	25.00	195,000,000.00
2	SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED	BANGKOK	DISTRIBUTOR OF CONSUMER PRODUCTS	ORDINARY	330,000,000	82,417,665	24.98	1,203,051,270.59
3	THANULUX PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER OF READY-TO-WEAR CLOTHES AND LEATHER	ORDINARY	120,000,000	29,920,820	24.93	59,392,635.00
4	I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED	BANGKOK	DISTRIBUTOR OF CONSUMER PRODUCTS	ORDINARY	290,633,730	72,092,990	24.81	981,089,602.83
5	LION CORPORATION (THAILAND) CO., LTD.	BANGKOK	MANUFACTURER OF CONSUMER PRODUCTS	ORDINARY, PREFERRED	5,000,000	1,240,000	24.80	124,000,000.00
6	THAI WACOAL PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER OF LADIES' LINGERIE	ORDINARY	120,000,000	27,668,700	23.06	165,054,872.36
7	TOP TREND MANUFACTURING CO., LTD.	CHON BURI	MANUFACTURER OF COSMETIC PACKAGING	ORDINARY	1,200,000	240,000	20.00	47,625,000.00
8	TEXTILE PRESTIGE PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER OF INDUSTRIAL TEXTILE PRODUCTS	ORDINARY	108,000,000	21,532,850	19.94	102,434,448.51
9	SSDC (TIGERTEX) CO., LTD.	PRACHIN BURI	FABRIC DYEING	ORDINARY	3,240,000	638,517	19.71	76,609,202.82
10	S&J INTERNATIONAL ENTERPRISE PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER OF COSMETICS	ORDINARY	149,930,828	29,435,192	19.63	288,953,874.39
11	TOTAL WAY IMAGE CO., LTD.	BANGKOK	MANUFACTURER OF LEATHER PRODUCTS	ORDINARY	200,000	38,998	19.50	6,246,583.44
12	THAI MONSTER CO., LTD.	BANGKOK	MANUFACTURER OF READY-TO-WEAR CLOTHES	ORDINARY	50,000	9,750	19.50	5,906,141.75



	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARE ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
13	THAI ITOKIN CO., LTD.	BANGKOK	MANUFACTURER OF READY-TO-WEAR CLOTHES	ORDINARY	1,400,000	266,000	19.00	44,389,529.69
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	G TECH MATERIAL CO., LTD.	BANGKOK	MANUFACTURER OF LINGERIE AND BRA ACCESSORIES	ORDINARY	3,000,000	570,000	19.00	57,000,000.00
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	SHOP GLOBAL (THAILAND) CO., LTD.	BANGKOK	DIRECT SALES (REAL TIME)	ORDINARY	10,850,000	1,890,000	17.42	41,580,000.00
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	PATTAYA MANUFACTURING CO., LTD.	BANGKOK	MANUFACTURER OF LADIES' LINGERIE	ORDINARY	3,000,000	480,000	16.00	4,922,582.50
22	NEW CITY (BANGKOK) PUBLIC COMPANY LIMITED	BANGKOK	DISTRIBUTOR OF STOCKINGS	ORDINARY	14,951,000	2,317,738	15.50	43,120,478.00
23	TOYO TEXTILE THAI CO., LTD.	BANGKOK	MANUFACTURER AND EXPORTER OF SOCKS	ORDINARY	300,000	45,000	15.00	4,500,000.00
24	SHISEIDO PROFESSIONAL (THAILAND) CO., LTD.	BANGKOK	DISTRIBUTOR OF COSMETICS & BEAUTY PRODUCTS	ORDINARY	7,000,000	1,050,000	15.00	10,500,000.00
25	EASTERN RUBBER CO., LTD.	CHON BURI	MANUFACTURER OF SHOE SOLES	ORDINARY	300,000	45,000	15.00	4,500,000.00
26	THAI SPORT GARMENT CO., LTD.	BANGKOK	MANUFACTURER OF READY-TO-WEAR CLOTHES	ORDINARY	100,000	15,000	15.00	1,500,000.00
27	WORLD SAHA FASHION CO., LTD.	BANGKOK	MANUFACTURER AND DISTRIBUTORS OF MEN'S APPARELS	ORDINARY	50,000	7,500	15.00	7,500,000.00



COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARE ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
28 THAI KOBASHI CO., LTD.	CHON BURI	MANUFACTURER OF PAPER PACKAGING	ORDINARY	1,000,000	150,000	15.00	15,000,000.00
29 PT. TRINITY LUXTRO APPAREL	INDONESIA	DISTRIBUTOR OF READY-TO-WEAR CLOTHES	ORDINARY	120,000	18,000	15.00	5,861,700.00
30 O C C PUBLIC COMPANY LIMITED	BANGKOK	DISTRIBUTOR OF COSMETICS	ORDINARY	60,000,000	8,615,400	14.36	29,086,257.78
31 INTERNATIONAL LATHER FASHION CO., LTD.	BANGKOK	MANUFACTURER OF LEATHER PRODUCTS	ORDINARY	500,000	70,000	14.00	7,000,000.00
32 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
33 S.T. (THAILAND) CO., LTD.	CHON BURI	MANUFACTURER AND DISTRIBUTOR OF RUBBER GLOVES	ORDINARY	2,020,000	266,250	13.18	26,625,000.00
34 RACHA UCHINO CO., LTD.	BANGKOK	MANUFACTURER OF TOWEL PRODUCTS	ORDINARY	1,215,000	150,828	12.41	10,080,960.00
35 MOLTEN (THAILAND) CO., LTD.	CHON BURI	MANUFACTURER OF BALLS	ORDINARY	1,000,000	120,000	12.00	12,000,000.00
36 WIEN INTERNATIONAL CO., LTD.	BANGKOK	DISTRIBUTOR OF LINGERIE AND SEWING MACHINES	ORDINARY	300,000	36,000	12.00	3,600,000.00
37 MORGAN DE TOI (THAILAND) CO., LTD.	BANGKOK	MANUFACTURER OF FINISHED GARMENTS	ORDINARY	400,000	48,000	12.00	4,800,000.00
38 FUJIX INTERNATIONAL CO., LTD.	BANGKOK	MANUFACTURER OF YARN	ORDINARY	100,000	12,000	12.00	10,177,500.00
39 BTTER 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
40 JANOME (THAILAND) CO., LTD.	PRACHIN BURI	MANUFACTURER OF SEWING MACHINE	ORDINARY	9,740,000	1,097,964	11.27	28,177,607.00
41 THAI GUNZE CO., LTD.	PRACHIN BURI	MANUFACTURER OF MENS' INNER WEARS	ORDINARY	1,800,000	198,000	11.00	19,800,000.00
42 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

	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARE ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
43	THAI TAKAYA CO., LTD.	BANGKOK	MANUFACTURER OF READY-TO-WEAR CLOTHES	ORDINARY	300,000	30,000	10.00	3,000,000.00
44	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>FOOD AND BEVERAGE BUSINESS</b>								
45	THAI PRESIDENT FOODS PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER OF INSTANT NOODLES	ORDINARY	329,704,014	84,314,021	25.57	3,483,539,016.26
46	PRESIDENT BAKERY PUBLIC COMPANY LIMITED	BANGKOK	MANUFACTURER AND DISTRIBUTOR OF BAKERY PRODUCTS	ORDINARY	450,000,000	97,960,400	21.77	5,811,672,313.56
47	SAHACHOL FOOD SUPPLIES CO., LTD.	CHON BURI	MANUFACTURER AND EXPORTER OF AGRICULTURE PRODUCTS	ORDINARY	3,250,000	617,500	19.00	107,204,787.35
48	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
49	KENMIN FOOD (THAILAND) CO., LTD.	CHON BURI	MANUFACTURER OF RICE NOODLE	ORDINARY	330,000	47,000	14.24	32,537,000.00
50	UCC UESHIMA COFFEE (THAILAND) CO., LTD.	BANGKOK	MANUFACTURER AND DISTRIBUTOR OF COFFEE	ORDINARY	150,000	15,000	10.00	1,500,000.00
51	KEWPIE (THAILAND) CO., LTD.	BANGKOK	MANUFACTURER OF FOOD PRODUCTS	ORDINARY	2,630,000	263,000	10.00	26,300,000.00
52	THAI PRESIDENT FOODS (Hungary) Kft.	HUNGARY	MANUFACTURER OF INSTANT NOODLES	ORDINARY			10.00	32,182,363.55
<b>TOTAL FOOD AND BEVERAGE BUSINESS</b>								
<b>OTHER BUSINESSES</b>								
53	THANA CITY VENTURE CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	10,000,000	4,100,000	41.00	336,200,000.00
54	EASTERN THAI CONSULTING 1992 CO., LTD.	CHON BURI	ENVIRONMENTAL MANAGEMENT	ORDINARY	200,000	80,000	40.00	10,000,000.00
55	SAHAPAT REAL ESTATE CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	36,000,000	14,400,000	40.00	165,000,000.00
56	BOON CAPITAL HOLDING CO., LTD.	BANGKOK	INVESTMENT	ORDINARY	70,000,000	25,199,999	36.00	251,999,990.00



	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARE ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
57	PITAKKU CO., LTD.	CHON BURI	CONSTRUCTION	ORDINARY	200,000	67,040	33.52	6,704,000.00
58	SAHA ADVANCED NETWORK CO., LTD.	BANGKOK	NETWORK SERVICES AND FIBER OPTIC	ORDINARY	300,000	89,999	30.00	8,999,900.00
59	FIRST UNITED INDUSTRY CO., LTD.	BANGKOK	REAL ESTATE FOR RENT	ORDINARY	400,000	112,582	28.15	11,258,200.00
60	SAHAPAT PROPERTIES CO., LTD.	BANGKOK	INVESTMENT	ORDINARY	200,000	52,500	26.25	5,250,000.00
61	THAI SECOM SECURITY CO., LTD.	BANGKOK	SECURITY SERVICES	ORDINARY	3,789,338	966,282	25.50	196,965,028.00
62	SEINO SAHA LOGISTICS CO., LTD.	CHON BURI	LOGISTICS	ORDINARY	2,000,000	470,000	23.50	17,285,646.74
63	SAHACOGEN (CHONBURI) PUBLIC COMPANY LIMITED	CHON BURI	ELECTRICITY GENERATOR	ORDINARY	955,000,000	217,142,832	22.74	1,001,945,838.60
64	SAHA KOMEHYO CO., LTD.	BANGKOK	DISTRIBUTOR OF SECOND HAND BRAND NAME PRODUCTS	ORDINARY	1,350,000	283,500	21.00	28,350,000.00
65	IMPACT SOLAR CO., LTD.	BANGKOK	SOLAR ROOFTOP POWER PLANT	ORDINARY	56,300,000	11,823,000	21.00	118,230,000.00
66	SAHA CAPITAL TOWER CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	20,000,000	4,200,000	21.00	231,000,000.00
67	SAHA TOKYU CORPORATION CO., LTD.	CHON BURI	SERVICED RESIDENCE	ORDINARY	792,000	158,400	20.00	121,600,100.00
68	MBTS BROKING SERVICES CO., LTD.	BANGKOK	NON-LIFE INSURANCE BROKER	ORDINARY	50,000	9,995	19.99	999,500.00
69	SAHA UBOL NAKORN CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	1,250,000	243,750	19.50	6,998,437.50
70	PAN LAND CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	3,000,000	580,000	19.33	58,000,000.00
71	TIGER DISTRIBUTION AND LOGISTICS CO., LTD.	BANGKOK	LOGISTICS	ORDINARY	2,000,000	380,000	19.00	12,546,200.00
72	TIGER MK LOGISTICS (MYANMAR) CO., LTD.	MYANMAR	LOGISTICS	ORDINARY	30,000	5,400	18.00	1,781,720.00
73	SRIRACHA TRANSPORTATION CO., LTD.	CHON BURI	LOGISTICS	ORDINARY	100,000	18,000	18.00	2,518,011.50
74	INTERNATIONAL COMMERCIAL COORDINATION (HONG KONG) LTD.	HONGKONG	RETAIL SHOP	ORDINARY	50,000	9,000	18.00	4,483,997.26
75	THAI BUNKA FASHION CO., LTD.	BANGKOK	SCHOOL OF CLOTHING	ORDINARY	250,000	42,500	17.00	5,750,100.00
76	CHAMP ACE CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	400,000	68,000	17.00	6,800,000.00

	COMPANY NAME	LOCATION	TYPE OF BUSINESS	TYPE OF SHARE	SHARE ISSUED	SHARE HOLD	%	AMOUNT (BAHT)
77	BNC REAL ESTATE CO., LTD.	BANGKOK	PROPERTY DEVELOPMENT	ORDINARY	2,400,000	400,000	16.67	40,000,000.00
78	MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	CHON BURI	MANUFACTURER OF RUBBER COMPONENTS.	ORDINARY	1,200,000	187,200	15.60	18,720,000.00
79	TSURUHA (THAILAND) CO., LTD.	BANGKOK	RETAIL SHOP	ORDINARY	250,000	37,500	15.00	60,000,000.00
80	THAI ARAI CO., LTD.	CHON BURI	MANUFACTURER OF MOTORCYCLES' COMPONENTS	ORDINARY	1,260,000	185,850	14.75	19,202,504.36
81	FAR EAST FAME LINE DDB PUBLIC COMPANY LIMITED	BANGKOK	ADVERTISING SERVICES	ORDINARY	7,870,000	1,055,700	13.41	29,154,287.52
82	SAHA RATTANA NAKORN CO., LTD.	CHON BURI	INDUSTRIAL ESTATE	ORDINARY	1,800,000	225,000	12.50	22,500,000.00
83	SLV RETAIL CO., LTD.	BANGKOK	RETAIL SHOP	ORDINARY	200,000	20,000	10.00	2,000,000.00
84	THAI CUBIC TECHNOLOGY CO., LTD.	BANGKOK	PRINTING AND COATING SERVICES	ORDINARY	400,000	40,000	10.00	4,000,000.00
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
TOTAL OTHER BUSINESSES								2,956,393,867.62
GRAND TOTAL								16,629,021,490.93

# Board of Directors Executive Board

## Board of Directors



**Mr. Somkid Jatusripitak**  
Chairman of the Board of Directors /  
Independent Director



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



**Mr. Vichai Kulsomphob**  
President & CEO /  
Nomination and Remuneration Committee



**Mr. Samrerng Manoonpol**  
Director



**Ms. Sirikul Dhanasarnsilp**  
Director /  
Nomination and Remuneration Committee /  
Corporate Governance and  
Risk Management Committee



**Mr. Pipope Chokvathana**  
Director /  
Corporate Governance and  
Risk Management Committee





## Board of Directors



**Mr. Boonchai Chokwatana**  
Director



**Mr. Pipat Paniangvait**  
Director



**Mr. Boonkiet Chokwatana**  
Director



**Mr. Sujarit Patchimnan**  
Director



**Mr. Piriya Khempon**  
Director



**Mr. Surachai Danaitangtrakul**  
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. Nipon Poapongsakorn**  
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. Pipope Chokvathana**  
Executive Board



## Information of the Directors, Executives, Controlling Persons and Company Secretary

Name / Position / Date of Appointment	Age (years)	Education and Training Course	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
1. Mr. Somkid Jatusripitak - Chairman of Board of Directors - Independent Director - 14 August 2020	67	- Ph.D. in Business Administration, J.L. Kellogg Graduate School of Management, Northwestern University, USA - MBA (Finance), National Institute of Development Administration (NIDA) - Bachelor's degree from the Faculty of Economics, Thammasat University	-	-	2007 - Present  Aug 2015 - Jul 2020	Distinguished Professor  Deputy Prime Minister <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b>	National Institute of Development Administration (NIDA)  - None - - None -
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
2. Mr. Boonsithi Chokwatana - Vice Chairman - Chairman of the Executive Board - Chairman of Nomination and Remuneration Committee - Director with authority to sign on behalf of the company - 20 March 1973	83	- The Honorary Doctorate Degree in - Business Administration Burapha University Thammasat University National Institute of Development Administration (NIDA) University of the Thai Chamber of Commerce Chiang Mai Rajabhat University - Engineering Khon Kaen University - Law Waseda University - Science (Textile and Garment) Rajamangala University of Technology Krungthep - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	1,208	3, 8, 9	2017 - Present May 2016- Dec 2016 1991 - May 2016 Oct 2017 - Present  2017 - Oct 2017  Jul 2016 - Present 2010 - Jul 2016 1975 - 2010 2010 - Present 1990 - 2010 2010 - Present 1980 - 2010 2010 - Present 1961 - 2010 2002 - Apr 2018  2019 - Present 2017 - Present	<b>Other Listed Companies</b> Honorary Advisory Honorary Advisory Director Vice Chairman Chairman  Chairman of Nomination and Remuneration Committee Advisory Board Advisory Director Chairman Advisory Advisory Director Advisory Board Advisory Director Honorary Chairman Chairman Director <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b> Chairman Chairman	I.C.C. International Public Company Limited I.C.C. International Public Company Limited I.C.C. International Public Company Limited Thai President Foods Public Company Limited (TFMAMA) Thai President Foods Public Company Limited (TF) Thanulux Public Company Limited Thanulux Public Company Limited Thanulux Public Company Limited Thai Wacoal Public Company Limited Thai Wacoal Public Company Limited Textile Prestige Public Company Limited Textile Prestige Public Company Limited Saha Pathanapibul Public Company Limited Saha Pathanapibul Public Company Limited Sahacogen (Chonburi) Public Company Limited 11 Companies  Saha Capital Tower Co., Ltd. BSC SO IN Co., Ltd.

Name / Position / Date of Appointment	Age (years)	Education and Training Course	**Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
					2009 - Present 2008 - Present 2007 - Present 1996 - Present 1984 - Present 1972 – Present	Director Director Director Director Chairman Director	BSTD 109 Co., Ltd. BSTR 408 Co., Ltd. BTN 1207 Co., Ltd. Saipin Wattana Co., Ltd. Sahamanoonpol Co., Ltd. Chokwatana Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
3. Mr. Vichai Kulsomphob - President & CEO - Executive Director - Nomination and Remuneration Committee - Director with authority to sign on behalf of the company - 23 April 2012	43	- 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 - Bachelor’s Degree of Business Administration Chulalongkorn University - Business and Industrial Development Program (Class 1), Institute of Business and Industrial Development - OIC Advanced Insurance Institute (Class 1), Office of Insurance Commission - Executive Leadership Program (Class 2), Wharton Business School, University of Pennsylvania, USA & NIDA, Thailand - Real Estate Management Program for Executive (RE-CU26), Chulalongkorn University - Investment Planner Certification, Chulalongkorn University - Investment Planner Certification, Association of Investment Management Companies - Bhumpalung Phandin for Top Executive (Class 4) Chulalongkorn University	0.073	2	2013 - Present  Jan 2021 - Present Apr 2018 - Dec 2020 Apr 2018 - Present 2015 - Apr 2018	Director <b>Other Listed Companies</b> Chief Executive Officer Director Director Director <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company’s Business</b> Director Managing Director Managing Director Managing Director Director Director Director Managing Director Managing Director Managing Director Director Director Director Managing Director Managing Director Managing Director Director Director Director Director Managing Director	Thai Samsung Life Insurance Pol.  Sahacogen (Chonburi) Public Company Limited Sahacogen (Chonburi) Public Company Limited President Bakery Public Company Limited Singer Thailand Public Company Limited 49 Companies  Thana city venture Co., Ltd. Saha Capital Tower 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. Saha Tokyu Corporation Co., Ltd. I.D.F. Co., Ltd. Park Capital Holding Co., Ltd. SSI Holding Co., Ltd. Boon Capital Holding Co., Ltd.



Name / Position / Date of Appointment	Age (years)	Education and Training Course	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
		<ul style="list-style-type: none"> <li>- Strategic CFO in Capital Market Program (Class 4) Thailand Securities Institute, The Stock Exchange of Thailand</li> <li>- Director Certification Program (DCP) 6/1/2005</li> <li>- Company Secretary Program (CSP) 18/2006</li> <li>Thai Institute of Directors Association (IOD)</li> </ul>					
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
4. Mr. Samrerng Manoonpol	84	<ul style="list-style-type: none"> <li>- High School, Wat Rajabopit School</li> <li>- Director Accreditation Program (DAP) 3/2003</li> <li>Thai Institute of Directors Association (IOD)</li> </ul>	0.307	-	2010 - Present 2008 - Present  2020 - Present 2019 - Present 2016 - Present 1984 - Present 1983 - Present 1978 - Present	<b>Other Listed Companies</b> Advisor Advisor <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b> Director Vice Chairman Chairman Vice Chairman Chairman Chairman	I.C.C. International Public Company Limited Saha Pathanapibul Public Company Limited 7 Companies  Thana city Venture Co., Ltd. Saha Capital Tower Co., Ltd. First United Industry Co., Ltd. Sahamanoonpol Co., Ltd. Sahapat Properties Co., Ltd. Walsadoramai Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
5. Ms. Sirikul Dhanasarnsilp	73	<ul style="list-style-type: none"> <li>- Master of Business Administration, Thammasat University</li> <li>- Bachelor Degree, Faculty of Economics, Thammasat University</li> <li>- Diploma, The Joint State-Private Sector Course (Class 10)</li> <li>The National Defence College</li> <li>- Certificate, Capital Market Academy, Class 16, The Stock Exchange of Thailand</li> <li>- Board and CEO Assessment 2/2003</li> </ul>	0.619	-	Apr 2019 - Present  1976 - Present 2004 - Apr 2017  2019 - Present 2018 - Present	<b>Other Listed Companies</b> Director Vice Chairman <b>Other Companies (Non-Listed Companies)</b> <b>Competitive Business related to Company's Business</b> Director Director	Saha Group Employee's Saving and Credit Cooperative Limited (SGSC)  Textile Prestige Public Company Limited Thai Wacool Public Company Limited 20 Companies  Saha Capital Tower Co., Ltd. Sinparadon Co., Ltd.



Name / Position / Date of Appointment	Age (years)	Education and Training Course	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
6. Mr. Pipope Chokvathana - Director - Executive Director - Corporate Governance and Risk Management Committee - Director with authority to sign on behalf of the company - 23 April 2018	44	- Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	0.019	2	2017 - Present	Director	SSI Holding Co., Ltd.
					2017 - Present	Director	Park Capital Holding Co., Ltd.
					2010 - Present	Director	Saha Asia Pacific Co., Ltd.
					2002 - Present	Director	Sahapat Real Estate Co., Ltd.
					1986 - Present	Chairman	Sareeraporn Co., Ltd.
					- None -	- None -	- None -
					2008 - Present	Assistance Secretary	Industrial Council of Thailand
					Mar 2019 - Present	<u>Other Listed Companies</u> Chief Executive Officer	New City (Bangkok) Public Company Limited
					2004 - Present	Managing Director	New City (Bangkok) Public Company Limited
					2004 - 2019	Vice Chairman	New City (Bangkok) Public Company Limited
7. Mr. Pipat Paniangvait - Director - Director with authority to sign on behalf of the company - 27 June 2003	81	- Honorary Doctor of Science Degree in Food Science and Technology, Faculty of Science and Technology, Rajamangala University of Technology Tawan-ok - Honorary Doctor of Arts Degree in Business Administration, North Chiang Mai University - Honorary Doctor of Arts Degree in Home Economics Development, Faculty of Education / Ramkhamhaeng University - Master of Business Administration Thammasat University - Stanford Executive Program, Stanford University California, USA	0.001	-	Apr 2018 - Present	Director	IT City Public Company Limited
					- None -	<u>Other Companies (Non-Listed Companies)</u> Competitive Business related to Company's Business	6 Companies
					2020 - Present	Director	Chokwatana Co., Ltd.
					2020 - Present	Director	Sahapat Real Estate Co., Ltd.
					2019 - Present	Director	Saha Capital Tower Co., Ltd.
					2003 - Present	Director	Ek Pakorn Co., Ltd.
					2013 - Present	Honorary Director	The Thai Chamber of Commerce
					2007 - 2013	Vice Chairman	The Thai Chamber of Commerce
					2009 - Present	Treasurer	Federation Internationale de Natation (FINA)
					1984 - 2009	Director	Federation Internationale de Natation (FINA)
7. Mr. Pipat Paniangvait - Director - Director with authority to sign on behalf of the company - 27 June 2003	81	- Honorary Doctor of Science Degree in Food Science and Technology, Faculty of Science and Technology, Rajamangala University of Technology Tawan-ok - Honorary Doctor of Arts Degree in Business Administration, North Chiang Mai University - Honorary Doctor of Arts Degree in Home Economics Development, Faculty of Education / Ramkhamhaeng University - Master of Business Administration Thammasat University - Stanford Executive Program, Stanford University California, USA	0.001	-	2007 - Present	Expertise	National Olympic Committee of Thailand
					Oct 2017 - Present	<u>Other Listed Companies</u> Vice Chairman and Chief Executive Officer	Thai President Foods Public Company Limited (TFMAMA)
					2010 - Oct 2017	Nomination and Remuneration Committee	Thai President Foods Public Company Limited (TF)
					1972 - 2010	President	Thai President Foods Public Company Limited (TF)
					1980 - Present	Chairman	President Bakery Public Company Limited
					1995 - 2018	Chairman	Thai O.P.P. Public Company Limited





Name / Position / Date of Appointment	Age (years)	Education and Training Course	*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		<ul style="list-style-type: none"> <li>- Bachelor's Degree in Education Science, Quanzhou Physical Culture Institute, People's Republic of China</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>			2000 - Present	Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director	4 Companies  Thai-Myanmar Success Venture Co., Ltd.
					- None -		
8. Mr. Boonkiet Chokwatana - Director - Director with authority to sign on behalf of the company - 21 April 1986	73	<ul style="list-style-type: none"> <li>- The Honorary Doctorate Degree in Business Administration (Management), Sripatum University</li> <li>- The Honorary Doctorate Degree in Business, Graduate School of Commerce Burapha University</li> <li>- The Honorary Doctorate Degree in Management and Information Science Naresuan University</li> <li>- B.S. Mechanical Engineering, Worcester Polytechnic Institute, Massachusetts, USA</li> <li>- Diploma, The Joint State-Private Sector Course (Class 388), The National Defence College</li> <li>- Director Accreditation Program (DAP) 3/2003</li> <li>- Director Certification Program (DCP) 41/2004</li> <li>Thai Institute of Directors Association (IOD)</li> </ul>	0.981	2, 9	2010 - Present 2007 - 2009 2005 - 2007 2007 - 2008 May 2016 - Present 2015 - May 2016 1980 - 2015 2012 - Present 2011 - 2012 2016 - Present 2008 - 2016 1996 - 2007 1994 - Present 1993 - Present 1973 - 2010 2019 - Present 2014 - Present 2014 - Present 2013 - Present	Advisor Vice President Director Director Other Listed Companies Chairman and Chairman of the Executive Board Director and Chairman of the Executive Board President Chairman Director and Executive Director Chairman Director Chairman Chairman Director Director Director Chairman Chairman Chairman Chairman	Thai Listed Companies Association Thai Listed Companies Association Thai Listed Companies Association Thailand Securities Depository Company Limited I.C.C. International Public Company Limited I.C.C. International Public Company Limited I.C.C. International Public Company Limited Pan Asia Footwear Public Company Limited Pan Asia Footwear Public Company Limited Sahacogen (Chonburi) Public Company Limited Sahacogen (Chonburi) Public Company Limited Sahacogen (Chonburi) Public Company Limited People's Garment Public Company Limited S & J International Enterprises Public Company Limited Limited O.C.C. Public Company Limited 57 Companies Traikha Co., Ltd. WBRE Co., Ltd. Issara United Co., Ltd. Tofun Estate Co., Ltd.
						Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Chairman Chairman Chairman Chairman	



Name / Position / Date of Appointment	Age (years)	Education and Training Course	**Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
					2011 - Present 2011 - Present 2000 - Present 1996 - Present 1972 - Present	Chairman Chairman Director Director Director	Torfun Property Co., Ltd. United Utility Co., Ltd. Treasure Hill Co., Ltd. Saipin Wattana Co., Ltd. Chokwatana Co., Ltd.
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
9. Mr. Boonchai Chokwatana  - Director  - Director with authority to sign on behalf of the company  - 23 April 2012	73	- The Honorary Doctorate Degree in Communication , Naresuan University  - The Honorary Doctorate Degree in Business Administration, Mahasarakham University  - The Honorary Doctorate Degree in Business Administration (Logistics Management) Suan Sunandha Rajabhat University  - The Honorary Doctorate Degree of Arts Rajamangala University of Technology Phra Nakhon  - Bachelor Degree in Arts (Political Science), Ramkhamhaeng University  - Director Accreditation Program (DAP) 3/2003  - Director Certification Program (DCP) 68/2005  Thai Institute of Directors Association (IOD)	0.035	2, 8	2019 - Present	Other Listed Companies Independent and Director of Nomination and Remuneration Committee	Muang Thai Insurance Public Company Limited
					Oct 2017 - Present	Director	Thai President Foods Public Company Limited (TFMAMA)
					2011 - Oct 2017	Director	Thai President Foods Public Company Limited (TF)
					2019 - Present	Chairman of Nomination and Remuneration Committee	Saha Pathanapibul Public Company Limited
					2010 - Present	Chairman and Chairman of the Executive Board	Saha Pathanapibul Public Company Limited
					1972 - 2010	Director	Saha Pathanapibul Public Company Limited
Any position in other business or other organizations in the previous year which has an impact the time devoted significant					1970 - Present	Chairman  Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	Far East DDB Public Company Limited  16 Companies
					2015 - Present	Director	Issara United Development Co., Ltd.
					2011 - Present	Director	Ek Pakorn Co., Ltd.
					1992 - Present	Director	Saipin Wattana Co., Ltd.
					1979 - Present	Director	Chailadadol Co., Ltd.
					1972 - 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							
10. Mr. Sujarit Patchimnan  - Director  - Director with authority to sign on behalf of the company  - 15 December 2016	75	- Master of Arts in Political Science Thammasat University  - Bachelor of Arts in Political Science Thammasat University  - Director Accreditation Program (DAP) 41/2005  Thai Institute of Directors Association (IOD)	-	-	2016 - Present	Other Listed Companies Chairman and Chairman of Nomination and Remuneration Committee	Sahacogen (Chonburi) Public Company Limited
					2008 - 2016	Director and Executive Board	Sahacogen (Chonburi) Public Company Limited
					2013 - Present	Independent Director and Audit Committee	Pan Asia Footwear Public Company Limited
					2007 - May 2017	Director	Saha Pathanapibul Public Company Limited



Name / Position / Date of Appointment	Age (years)	Education and Training Course	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences			
					Period	Position	Company Name	
					2019 - Present	Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Chairman	4 Companies  Saha Tokyo Corporation Co., Ltd.	
Any position in other business or other organizations in the previous year which has an impact the time devoted significant								
11. Mr. Piriya Khempon  - Director  - 19 December 2019	61	- Master Degree of Science (International Relations), London School of Economics, University of London  - Bachelor Degree of Arts (Political Science), Faculty of Political Science and Public Administration Chiang Mai University  - Director Certification 2020 Program (DCP) 298/2020  Thai Institute of Directors (IOD)	-	-	2017 - 2019	Ambassador (Retired in 2019)	Royal Thai Embassy, Beijing	
					Sep 2019 - Present	Advisor (Deputy Prime Minister)	The Federation of Thai Industries	
					Sep 2019 - Present	Advisor	Export - Import Bank of Thailand (EXIM)	
					2020 - Present	Executive Director and Member of the Risk Oversight Committee Other Listed Companies		
					Apr 2020 - Present	Independent Director and Corporate Governance and Nomination Committee Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	Banpu Public Company Limited  - None - - None -	
Any position in other business or other organizations in the previous year which has an impact the time devoted significant								
12. **Mr. Nophorn Bhongsvej  - Independent Director  - Chairman of Audit Committee  - Chairman of Corporate Governance and Risk Management Committee  - 26 April 2010	73	- Master Degree in Economics, Oregon State University, USA  - Bachelor Degree in Economics, University of Oregon, USA  - Director Accreditation Program (DAP) 38/2005 - Director Certification Program (DCP) 71/2006 - Audit Committee Program (ACP) 12/2006 - Driving Company Success with IT Governance (ITG) 12/2019  Thai Institute of Directors Association (IOD)	-	-	2015 - Present	Other Listed Companies Audit Committee and Chairman of the Corporate Governance	I.C.C. International Public Company Limited	
					2005 - Present	Independent Director and Chairman of Audit Committee and Nomination and Remuneration Committee Other Companies (Non-Listed Companies) Competitive Business related to Company's Business	Sahacogen (Chonburi) 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								





Name / Position / Date of Appointment	Age (years)	Education and Training Course	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
13. **Mrs. Punnee Worawuthichongsathit - Independent Director - Audit Committee - 25 April 2016	68	<ul style="list-style-type: none"> <li>- Master Degree in Accounting</li> <li>- Bachelor 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> </ul>	-	-	2017 - Present 2017 - Present  2014 - 2017  2017 - Present 2016 - 2017 2011 - 2016 2015 - Present  2019 - Present Feb 2017 - 2019 2007 - 2019  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  <b>Other Listed Companies</b> Chairman and Independent Director 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  Mono Next Public Company Limited Mono Next Public Company Limited Mono Next Public Company Limited  WHA Utilities & Power Public Company Limited  Thai Wacoal Public Company Limited The Broker Group Public Company Limited  Hemaraj Land and Development Public Company Limited  1 Company - None -



Name / Position / Date of Appointment	Age (years)	Education and Training Course	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
		<ul style="list-style-type: none"> <li>- Audit Committee Program (ACP) 2/2004</li> <li>- Director Certification Program (DCP) 38/2003</li> <li>- Director Accreditation Program (DAP) 2/2003</li> </ul> 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							
14. **Mr. Nipon Poapongsakorn	72	<ul style="list-style-type: none"> <li>- Doctorate of Economics University of Hawaii, USA</li> <li>- Master Degree (Economics cum laude) (Hons) Middle Tennessee State University, USA</li> <li>- Bachelor Degree of Economics (Hons), Faculty of Economics, Thammasat University</li> <li>- Certificate, Capital Market Academy, Class 10 The Stock Exchange of Thailand</li> <li>- Director Certification Program (DCP) 14/2002</li> </ul> Thai Institute of Directors Association (IOD)	-	-	2020 - Present 2014 - Present 2014 - Present 2013 - Present  2013 - Present 2010 - Present 2009 - Present 2008 - Present 2013 - 2019 2011 - 2019  2010 - 2019  2017 - Present  2016 - Present	Director Director Chairman Visiting Professor  Board of Director Director Director Executive Director Honorary Director Subcommittee  Advisor  <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>	Thailand Science Research and Innovation (TSRI) Rice Policy and Management Committee Economics Association of Thailand Global Business Leaders Program, School of Management, Kyoto University Asian Society of Agricultural Economists Thailand Productivity Institute Foundation for Thai Rural Reconstruction Movement Puey Ungphakorn Institute The University Council, Chaing Mai University The Public Sector Development Commission Financial and Budgetary Improvement The Thammasat Economics Association Thammasat University  Thanulux Public Company Limited  Thanulux Public Company Limited 1 Company - 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 (years)	Education and Training Course	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
15. **Mr. Surachai Danaitangtrakul - Independent Director - 13 March 2014	66	- Master Degree of Political Science, Sukhothai Thammathirat Open University - Bachelor Degree of Laws, Thammasat 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 Governance, King Prajadhipok's Institute - Diploma, Private Sector and Political Sector Course (Class 3/2005), The National Defense College - Director Accreditation Program (DAP) 11/2004 Thai Institute of Director Association (IOD)	-	-	2019 - Present 2013 - Present Dec 2017 - 2019 2015 - 2019	Senator Director Chairman Chairman <u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> Competitive Business related to Company's Business	The Senate Thai Samsung Life Insurance Pcl. Thai Credit Guarantee Corporation (TCG) Government Housing Bank - 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. Manu Leelanuwatana - Executive Director - 11 May 2016	75	- 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)	-	-	2019 - Present 2004 - Present 1990 - Present 1987 - Present 1980 - Present	- None - <u>Other Listed Companies</u> Chairman and Chairman of the Remuneration Committee Director Chairman Director Chairman <u>Other Companies (Non-Listed Companies)</u> Competitive Business related to Company's Business Director - None -	Thanlux Public Company Limited I.C.C. International Public Company Limited Thai Wacoal Public Company Limited O.C.C. Public Company Limited Textile Prestige Public Company Limited 17 Companies Saha Capital Tower Co., Ltd.
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 (years)	Education and Training Course	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
17. Mr. Supradit Sa-id - Company's Secretary - Corporate Governance and Risk Management Committee - 14 May 2018	47	- Bachelor Degree in Law, Ramkhamhaeng University - The Legal Practice Course 14 Lawyers Council Under the Royal Patronage - Strategic and Appreciative Business Development Program (The Master 5) Institute of Strategic and Appreciative Business (ISAB) - Company Secretary Program (CSP) 90/2018 - How to Develop a Risk Management Plan (HRP) 20/2018 - Board Reporting Program (BRP) 28/2019 - Effective Minutes Taking (EMT) 44/2019 Thai Institute of Directors Association (IOD) - Smart Disclosure Program (SDP) - CGR Workshop 1/2020 - The Greenhouse Gas Reduction Policy The Securities and Exchange Commission, Thailand (SEC)	-	-	2012 - Present	Other Listed Companies Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director Boon Capital Holding Co., Ltd.	- None - 5 Companies
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
18. Mr. Sontaya Tabkhan - Vice President Industrial Park Development - Corporate Governance and Risk Management Committee - 1 August 2018	56	- Bachelor Degree in Electrical Engineering, Chiang Mai University - How to Develop a Risk Management Plan (HRP) 20/2018 Thai Institute of Directors Association (IOD)	-	-	2018 - Present	Other Listed Companies Director Other Companies (Non-Listed Companies) Competitive Business related to Company's Business Director	Sahacogen (Chonburi) Public Company Limited 10 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							



Name / Position / Date of Appointment	Age (years)	Education and Training Course	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
19. Mr. Tinakorn Bunnag - Vice President Special Project Development - 1 August 2018	55	- Bachelor Degree in Achitecture, Silpakorn University	-	-	2018 - Present 2018 - Present 2014 - Present 2011 - Present	<u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u> Director Director Director Managing Director	- None - 6 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							
20. Ms. Kesara Sunkanjanaruk - Vice President Corporate Administration - Chief Financial Officer - 1 August 2018	54	- Bachelor Degree in Accounting, Simakharinwrot University - TLCA CFO Professional Development Program (TLCA CFO CPD) 4/2019 Thai Listed Companies Association - Special Training Project Tax Management Strategies 40 Dhamniti Seminar and Training Co., Ltd. - Insight Financial Management : Empowering the Business through Financial Management The Stock Exchange of Thailand	-	-		<u>Other Listed Companies</u> <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	- None - 4 Companies - None -
Any position in other business or other organizations in the previous year which has an impact the time devoted significant							
21. Mr. Vorayos Thonglan - Vice President Investment and Corporate Strategy - 1 August 2018	39	- 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 - Bachelor of Electrical Engineering (Second Class Honor) Sirindhorn International Institute of Technology Thammasat University	0.008	-	Jan 2021 - Present May 2020 - Present	<u>Other Listed Companies</u> Managing Director Director <u>Other Companies (Non-Listed Companies)</u> <u>Competitive Business related to Company's Business</u>	Sahacogen (Chonburi) Public Company Limited Singer Thailand Public Company Limited 6 Companies - None -



Name / Position / Date of Appointment	Age (years)	Education and Training Course	*Shares Hold (%)	Family Relationship between Executives	Past 5 Years Experiences		
					Period	Position	Company Name
		- How to Development a Risk Management Plan (HRP) 20/2018 - Director Certification Program (DCP) 27/2/2019 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							
22. Mr. Phongthep Rohitasun - Accounting Manager - 1 November 2018	35	- 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	-	-		- None - 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

\*\* Independent director does not have any transaction concerning business relationship or providing professional service with the company, the parent company, the associates, the affiliates, major shareholder or control person.

# COMPANY DIRECTORS WHO SEAT IN RELATED COMPANIES

COMPANY DIRECTORS WHO SEAT IN RELATED COMPANIES AS FOLLOWS

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
1. Mr. Somkid	X																X								
2. Mr.Boonsithi	/, //					X															X				
3. Mr.Vichai	/, //	X	//		X	//	/		//	/			/					/	/		//				
4. Mr.Samreng	/, //							X	X												/				
5. Miss Sirikul	/, //		/																		/		/		
6. Mr.Pipope	/, //		/																		/				
7. Mr.Pipat	/																/	X							
8. Mr.Sujarit	/											/							X						
9. Mr.Boonchai	/					X					X	/					/								
10. Mr.Boonkiet	/												X						/			X			
11. Mr.Piriya	/																								
12. Mr.Nophorn	/												/						/						
13. Mrs.Punnee	/															/									
14. Dr. Nipon	/			/																					
15. Mr.Surachai	/																								

== CHAIRMAN

// = 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. EASTERN THAI CONSULTING 1992 CO., LTD. | 7. TOP TREND MANUFACTURING CO., LTD. | 13. INTERNATIONAL LABORATORIES CO., LTD.  | 19. IMPACT SOLAR CO., LTD.                 |
| 2. SAHAPAT REAL ESTATE CO., LTD.          | 8. FIRST UNITED INDUSTRIES CO., LTD. | 14. LION CORPORATION (THAILAND) CO., LTD. | 20. SAHA CAPITAL TOWER CO., LTD.           |
| 3. THANULUX PLC.                          | 9. SAHAPAT PROPERTIES CO., LTD.      | 15. THAI WACOAL PLC.                      | 21. S & J INTERNATIONAL ENTERPRISE PLC.    |
| 4. PITAKKI CO., LTD.                      | 10. THAI SECOM SECURITY CO., LTD.    | 16. THAI PRESIDENT FOODS PLC.             | 22. INTERNATIONAL LATHER FASHION CO., LTD. |
| 5. SEINO SAHA LOGISTICS CO., LTD.         | 11. SAHA PATHANAPIBUL PLC.           | 17. PRESIDENT BAKERY PLC.                 | 23. TOTAL WAY IMAGE CO., LTD.              |
| 6. SAHA KOMEHYO CO., LTD.                 | 12. I.C.C. INTERNATIONAL PLC.        | 18. SAHACOGEN (CHONBURI) PLC.             | 24. THAI ASAHI KASEI SPANDEX CO., LTD.     |



## COMPANY DIRECTORS WHO SEAT IN RELATED COMPANIES AS FOLLOWS

NAME	COMPANY	RELATED COMPANIES																							
		25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48
1. Mr. Somkid	X																								
2. Mr.Boonsithi	/, //																								
3. Mr.Vichai	/, //	/						/											X	/					
4. Mr.Samreng	/, //															//					/				
5. Miss Sirikul	/, //																								
6. Mr.Pipope	/, //																								
7. Mr.Pipat	/																								
8. Mr.Sujarit	/																								
9. Mr.Boonchai	/								X																
10. Mr.Boonkiet	/				X		X	/										X							X
11. Mr.Piriya	/																								
12. Mr.Nophorn	/																								
13. Mrs.Punnee	/																								
14. Dr. Nipon	/																								
15. Mr.Surachai	/																								

== CHAIRMAN

// = EXECUTIVE BOARD

= DIRECTOR

X = CHAIRMAN

// = EXECUTIVE BOARD

/ = DIRECTOR

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

25. ASAHI KASEI SPUNBOND (THAILAND) CO., LTD.	31. SAHACHOL FOOD SUPPLIES CO., LTD.	37. MOLTEN (THAILAND) CO., LTD.	43. BNC REAL ESTATE CO., LTD.
26. CARBON MAGIC (THAILAND) CO., LTD.	32. SUN 108 CO., LTD.	38. TOYO TEXTILE THAI CO., LTD.	44. TAISUN FOODS CO., LTD.
27. SSDC (TIGERTEX) CO., LTD.	33. KENMIN FOOD (THAILAND) CO., LTD.	39. PATTAYA MANUFACTURING CO., LTD.	45. TEXTILE PRESTIGE PLC.
28. TIGER DISTRIBUTION AND LOGISTICS CO., LTD.	34. BANGKOK TOKYO SOCKS CO., LTD.	40. SHISEIDO PROFESSIONAL (THAILAND) CO., LTD.	46. FAR EAST FAME LINE DDB PLC.
29. A TECH TEXTILES CO., LTD.	35. MOLTEN ASIA POLYMER PRODUCTS CO., LTD.	41. PEOPLE'S GARMENT PLC.	47. RACHA UCHINO CO., LTD.
30. H & B INTERTEX CO., LTD.	36. THAI ARAI CO., LTD.	42. O C C PLC.	48. BETTER WAY (THAILAND) CO., LTD.





## COMPANY DIRECTORS WHO SEAT IN RELATED COMPANIES AS FOLLOWS

NAME	COMPANY	RELATED COMPANIES																							
		49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72
1. Mr. Somkid	X																								
2. Mr.Boonsithi	/, //																								
3. Mr. Vichai	/, //	/							/							/		/	/		X			/	
4. Mr.Samreng	/, //																		/		/				
5. Miss Sirikul	/, //																								
6. Mr.Pipope	/, //																								
7. Mr.Pipat	/																								
8. Mr.Sujarit	/																								
9. Mr.Boonchai	/																X								
10. Mr.Boonkiet	/							X										/		X					
11. Mr.Piriya	/										/														
12. Mr.Nophorn	/																								
13. Mrs.Punnee	/																								
14. Dr. Nipon	/																								
15. Mr.Surachai	/																								
		// = EXECUTIVE BOARD																							
		= CHAIRMAN																							
		= DIRECTOR																							

X = CHAIRMAN

// = EXECUTIVE BOARD

/ = DIRECTOR

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

49. THAI TAKEDA LACE CO., LTD.	55. THAI ITOKIN CO., LTD.	61. TSURUHA (THAILAND) CO., LTD.	67. THAI SPORT GARMENT CO., LTD.
50. S.T. (THAILAND) CO., LTD.	56. THAI GUNZE CO., LTD.	62. BNC MAESOT CO., LTD.	68. MBTS BROKING SERVICES CO., LTD.
51. JANOME (THAILAND) CO., LTD.	57. THAI SAMSUNG ELECTRONICS CO., LTD.	63. SAHA SEHWA CO., LTD.	69. THAI HOOVER INDUSTRY CO., LTD.
52. THAI STAFLEX CO., LTD.	58. OSOTH INTER LABORATORIES CO., LTD.	64. SAHA LAWSON CO., LTD.	70. MCT HOLDING CO., LTD.
53. THAI PRESIDENT FOODS (Hungary) Kft.	59. PENS MARKETING AND DISTRIBUTION CO., LTD.	65. TREASURE HILLS CO., LTD.	71. MAESOT SAKAE LACE CO., LTD.
54. NIPPON TEI SATO CO., LTD.	60. BOUTIQUE NEWCITY PLC.	66. KEWPIE (THAILAND) CO., LTD.	72. THAI KOBASHI CO., LTD.



## COMPANY DIRECTORS WHO SEAT IN RELATED COMPANIES AS FOLLOWS

NAME	COMPANY	RELATED COMPANIES													
		73	74	75	76	77	78	79	80	81	82	83	84	85	86
1. Mr. Somkid	X														
2. Mr. Boonsithi	/, //													/	
3. Mr. Vichai	/, //	X	X	/											/
4. Mr. Samremg	/, //														
5. Miss Sirikul	/, //									X					
6. Mr. Pipope	/, //														
7. Mr. Pipat	/														
8. Mr. Sujarit	/								X						
9. Mr. Boonchai	/											X			
10. Mr. Boonkiet	/							/					X		/
11. Mr. Piriya	/														
12. Mr. Nophom	/														
13. Mrs. Punnee	/														X
14. Dr. Nipon	/														
15. Mr. Surachai	/														
X = CHAIRMAN		// = EXECUTIVE BOARD													
		// = DIRECTOR													

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

73. P.T.K. MULTISERVICE CO., LTD.	78. SHALDAN (THAILAND) CO., LTD.	83. INTEGRATED COMMUNICATION CO., LTD.	88. CHOKCHAIPIBUL CO., LTD.
74. BEST FACTORY OUTLET CO., LTD.	79. BANGKOK RUBBER DEVELOPMENT CENTER CO., LTD.	84. WBLP CO., LTD.	89. UNIVERSE BEAUTY CO., LTD.
75. PITAKKIJ SECURITY GUARD CO., LTD.	80. MODERN TECHNOLOGY COMPONENT CO., LTD.	85. PRESIDENT KOURAKUEN CO., LTD.	90. SOMPO JAPAN NIPPONKOA INSURANCE (THAILAND) PLC.
76. THAI KAMAYA CO., LTD.	81. SAHA COGEN GREEN CO., LTD.	86. SRIRACHA AVIATION CO., LTD.	91. ADVANTAGE FOOTWEAR CO., LTD.
77. THAI SILICATE CHEMICALS CO., LTD.	82. WACOAL SIRACHA CO., LTD.	87. THAI TOMADO CO., LTD.	92. SINGER THAILAND PLC.









# SPI...

and Sustainable Development

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## Message from the President & CEO

This sustainability report has been prepared as a tool for communicating to various stakeholders interested in the Company's business operations and performance under **the social responsibility policy, "Good People, Good Products, Good Society"**. The policy represents an integral approach to business in line with **the Sustainable Development Goals (SDGs) of the United Nations, Eco Industrial Park Indicators and Smart City Indicators**. The report reflects on the Company's ability to create value to the organization and stakeholders in a sustainable manner.

In 2020, various countries throughout the world, including Thailand, faced the COVID-19 pandemic crisis. This situation caused a slowdown in several industries. The Company realizes such challenge and has been able to continually adapt and improve efficiency of Company operations under the value **"commitment to achieve through synergy and proper sharing in order to sustainably improve businesses"**. In the past year, the Company carried out various activities to achieve its objectives, as follows.

The core business has been strengthened by making additional investment in profitable businesses which support the growth of business bases in Saha Group and new industries, including investments in personnel development to create next-generation leaders who have business understanding, solutions, and business ethics in parallel during a crisis.

In any event, so as to foster confidence that the Company's operations will not affect society and the environment and enjoy the acceptance of communities under the **Eco Industrial Park goal** of sustainable co-living, the Company **undertook various environmental drives** in several areas, such as water management, use of alternative sources of energy obtained from rooftop solar energy on buildings, factories and floating solar, reducing the emission of greenhouse gases and management of air quality, management of waste remains and scrap materials, including **social responsibility in 6 activities** relating to community and social development, communications and sustainable relation building, education and student learning activities, religion support and tradition preservation, health and various other social activities. These activities adhere to good governance principles.

With the cooperation of executive officers and all levels of employees in the operation of businesses incorporating economic, social and environmental dimensions, the Company strives towards the development of a sustainable organization. As a consequence, the Company was selected for listing as a Thailand Sustainability Investment for 2020, for the second consecutive year. In addition, the Company was rated "Excellent" with regard to good governance, and was awarded the full 100 score for AGM Checklist for the 12<sup>th</sup> year. The Company was also selected for listing in the ESG100 for 2020, which reflected the governance of the organization.

On behalf of Saha Pathana Inter-Holding Public Company Limited, I would like to thank all stakeholders for their cooperation and support, which have enabled the Company to continue as a sustainable business. I have great confidence that the executives and all levels of employees will remain committed to driving the business forward with regard to benefits to the environment, society and economy with true determination.



(Mr. Vichai Kulsomphob)  
President & CEO

# SPI Supply Chain

<b>Headquarter</b>	<b>Registered Capital in SET</b>	<b>Company established date</b>
Bangkok	582,923,188 baht	5 April 1972

## Investment



### Investment

in Consumer Products Businesses

Saha Pathanapibul Public Company Limited  
Lion Corporation (Thailand) Limited  
Thai Wacoal Public Company Limited  
Thanulux Public Company Limited  
I.C.C. International Public Company Limited  
S & J International Enterprises Public Company Limited  
Better Way (Thailand) Company Limited  
etc.



### Investment

in Food and Beverage Businesses

Thai President Foods Public Company Limited  
President Bakery Public Company Limited  
Kenmin Foods Company Limited  
Kewpie Thailand Company Limited  
American Food Company Limited  
etc.



### Investment

in Other Businesses

J-Park Sriracha Nihon Mura  
Thai Secom Security Company Limited  
Saha Lawson Company Limited  
Tsuruha (Thailand) Company Limited  
Saha Komehyo Company Limited  
DONKI (Thailand) Company Limited  
XET Company Limited  
Saha Advanced Network Company Limited  
etc.

Industrial Park /  
Estate development

Sells and services  
Land / Buildings



Water



Electricity



Environmental  
Landscape



Security





## About this Report

Saha Pathana Inter-Holding Public Company Limited attaches importance and is committed to disclosing information on sustainable development to all stakeholders on an equal, accurate and transparent basis. This disclosure is carried out continually and incorporates economic social and environmental operations in the period of 1<sup>st</sup> January – 31<sup>st</sup> December 2020.

## Report Methodology

SPI... and sustainable development in 2020, the Company adheres to social responsibility principles by selecting key issues related to sustainability pursuant to materiality assessment. Disclosure of information is consistent with the **Global Reporting Initiative: GRI Standard in Core Option**, and **Eco Industrial Park Index**. Studies have been undertaken to upgrade business management by integrating good governance with the drive towards business sustainability in accordance with the **Corporate Sustainability Guide for Listed Companies**. There is also a preliminary comparison of the operations with the **United Nations Sustainable Development Goals (SDGs)**.

## Business Philosophy





## Policy

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.

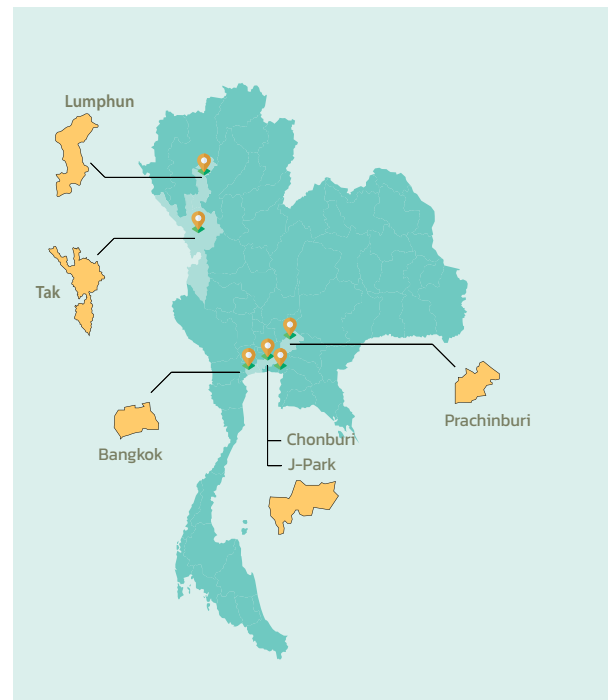


### Good Society

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

## Scope of Report

SPI... sustainable development in 2020 has been published to report the Company's performance relating to sustainable management and connectivity to economic, social and environmental issues undertaken under the sustainable development plan which implements the policy "Good People, Good Products, Good Society". There is an emphasis on operations in line with the vision, mission, target and organization values by complying with good governance principles. Consideration has been given to business relevance, availability of data and impact on Company operations under **the core businesses investments in consumer goods, investments in food and beverages, development of industrial parks and other investments**. This is in line with **the Sustainable Development Goals (SDGs) and Eco Industrial Park Index**, which focuses on 3 dimensions, namely economy, society and the environment.



## Key Sustainability Issues and Stakeholders



### ▲ Shareholders

- A reasonable return on investment
- Good Corporate Governance
- Business growth potential
- Social and environment responsibility

### ▲ Competitors

- Doing business under rules of fair Competitive
- Do not damage the reputation of competitors

### ▲ Communities

- Create occupations and income
- Social and environment caring
- Encourage community activities
- Develop children and future youth
- Reduce the impact of operations

### ▲ Customers

- Customers' satisfaction
- Business operation with
- Respond to customer needs environmentally friends

### ▲ Creditors

- Equality and fairly
- Financial statements firmly and good debt repayment
- Financial statements disclosure correctly and timely

### ▲ Environmental

- Management for good environment
- Create communication between company and related persons
- Create information / News / events of the company disclosure channels

### ▲ Business partners

- Business operation with fairness and transparency
- Consultant and knowledge sharing
- Added Value and sustainability cooperation

### ▲ Employee/ Management

- Reasonable remuneration and welfare
- Stability and progress
- Good quality of life
- Knowledge and skills development

### ▲ State Sector

- Encourage the cooperation between the Company and state sector
- Follow the laws and regulation of state sector



## Stakeholders

Good relationship with stakeholders is an important factor to create business value. The Company places great emphasis on continuous engagement with stakeholders for the expectations acknowledgement of the the company's stakeholders. The company has identified the stakeholders of the company by analyzing their relevance with assessing the impact and influence that arise between each other. It was found that the Company's stakeholders consist of 9 groups, shareholders, customer, business partners, employee/management, communities, environment, competitors, creditors, and state sector. The engagement guidelines for all stakeholders as shown in the table;

## Stakeholder Engagement

Frequency	Engagement Approach	Shareholders	Customers	Trade Partners/ Contractors/ Suppliers	Employee/ Management	Communities/ and Societies	Environment	Competitors	Creditors	State Sector
Annually	Annual general Shareholders meeting	●								
	Giving the rights of shareholders to propose agenda and/ or to Nominate candidates to be elected as Directors at the General Meeting of Shareholders	●								
	Annual reporting	●	●	●	●	●	●	●	●	●
	Analyst / Investors meeting with Saha Group	●								
	Pay respect Braham (Saha Group Industrial Parks)	●	●	●	●	●	●	●	●	●
	CEO Update				●					
	Customer satisfaction evaluation		●							
	Employees evaluation				●					
Quarterly	Welfare committee meeting				●					
	Corporate performance announcement through SET website and Company website	●	●	●	●	●		●	●	●
Monthly	Environment assessment announcement		●				●			
	CEO Talk				●					
Always Accessible	Community Activities		●			●	●			●
	Suggestions through the channel to receive complaints	●	●	●	●	●	●	●	●	●
	Annual report/ SD report	●	●	●	●	●	●	●	●	●
	Company Visit	●	●	●	●	●	●		●	●
	Communication channels Property Marketing Manager Administrative Officer (Community Relations)		●			●	●			●
	E-mail : ir@spi.co.th	●	●	●	●	●	●	●	●	●

## Procedures for Assessment of Key Sustainability Issues

The Company has identified key sustainability issues after studying trends and directions of changes in global situation, **Sustainable Development Goals (SDGs)** and **Eco Industrial Park Index**, demands, expectations and impact on stakeholders, organisation risk management, vision and report on key sustainability issues relevant to the organisation and stakeholders. In any event, the Company adheres to **Global Reporting Initiative Standards (GRI Standard)**.

## Sustainable Development Goals : SDGs

All 17 goals reflect 3 sustainability dimensions, namely **society, economy and environment**, along with 2 other dimensions, namely **peace and institution and development partnership**. These 5 dimensions are interwoven. The United Nations has divided 17 goals into 5 groups (5 Ps), consisting of **People** (society), **Prosperity** (economy), **Planet** (environment), **Peace** (peace and institution) and **Partnership** (development partnership), which are consistent with the Eco Industrial Park Index.



## Eco Industrial Park

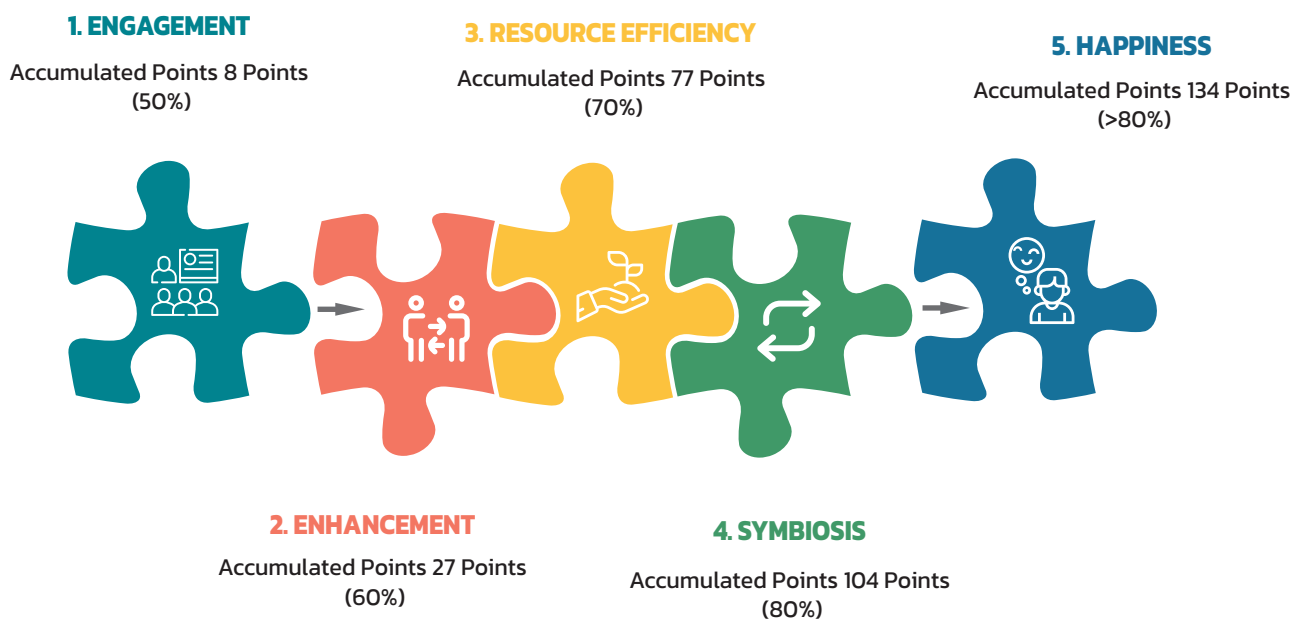
At present, the development of an eco industrial park in Thailand has gained wide interest as a mechanism for increasing economic value. Lessons learnt from the past have taught the industrial sector to appreciate and attach importance to operations which has the least impact on the environment and society, or that has no impact on the environment and society. The aim is to minimize the impact of the industrial sector on the environment. This includes dimensions on industrial, environmental and community development under **the measures to prevent pollution at its source. Pollutants are treated during the manufacturing process.** This measure creates job in parallel with the improvement of environmental quality whilst stressing **the engagement of all stakeholders in the enhancement** of eco industrial park as regards the environment and safety. **Resources are used efficiently** on the basis of **symbiosis** by development and design of a new industrial system similar to the natural ecosystem to achieve **happiness alongside industry**. There would be a balance between the economy, society and the environment, with sustainable coexistence as an important factor. The abundance of natural resources and energy for future generations should be preserved. In short, efficiency is increased whereas impact on the environment and emission of waste from the manufacturing process is minimized. Costs are lowered while profits increased, as well as business competitiveness. Moreover, there are cooperation with communities in the raising of living standards and local economies to achieve better living and sustainable growth alongside the industrial plants.



## Eco Industrial Park Index

The Department of Industrial Works, Ministry of Industry determines **attributes of eco-industrial town** of Thailand are cover in **5 dimensions, namely physical, economic, environmental, social, and managerial** with **20 interrelated**. The Company implement to develop eco-industrial town in 2 areas, Saha Group Industrial Park – Si Racha and Saha Group Industrial Park – Kabinburi which are comply with the United Nation Sustainable Development Goals base on framework of **dimensions of economy, social and environment** which aim to **17 sustainability development goals** in order to connect as a network that is compatability, balance, symbiosis for all part of social to create happiness social, reduced inequalities, end poverty, promote a green economy gathered environmentally friendly productions and consumption.

### Eco-Industrial Park Indicator



## Step in the Assessment of Key Sustainability Issues

### Step 1 : Identifying the Key Issues

The Company considered key business issues in 2020 by taking into account domestic factors, namely reviews of key issues identified after a SWOT analysis of the organisation, corporate risk profile and external factors, namely the Eco Industrial Park Indicator, Thailand Sustainability Investment Index (THSI), United Nations Sustainable Development Goals (SDGs) and global mega trends.

### Step 2 : Prioritizing Issues

The Company prioritized sustainability issues for 2020 after taking into consideration the changing business context regarding each key issue identified through the analysis in step 1. The key issues concerning the organisation and stakeholders represented in 2 dimensions obtaining a score between 1-5 were:

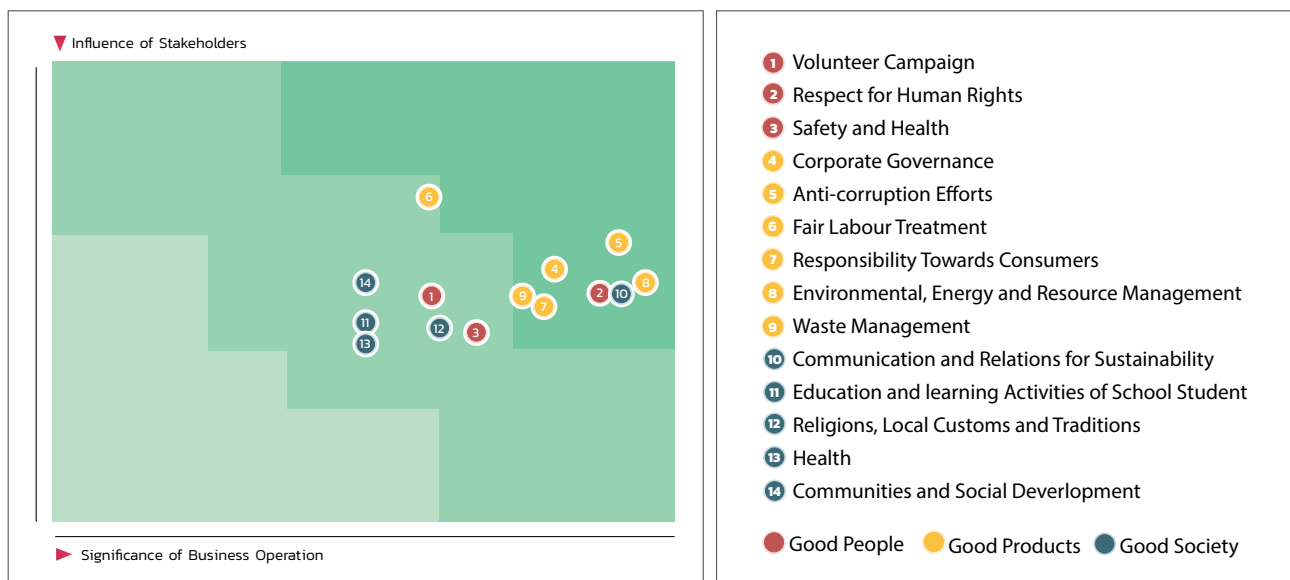
1. Impact on the economy, society and environment, including good governance and notable opportunities for the Company's business operations.
2. Issues of interest for stakeholders and the level of influence on decisions taken by the relevant stakeholders.

### Step 3 : Review of Key Issues

The Company reviews the comprehensiveness of key issues. In this regard, the Corporate Governance Working Group submits to the Corporate Governance and Risk Management Committee for approval of key sustainability issues under the scope of internal and external impacts of the Company.

## The Assessment of Key Sustainability Issues Result 2020

Upon an assessment of key issues in 2020, it was found that there were contextual changes in both internal and external factors which affected stakeholder expectations. Nonetheless, the majority of expectations of stakeholders remained the same, being the expectation that the Company could continue to create value. In any event, the sustainability issues approved by Corporate Governance and Risk Management Committee Meeting No. 2 (Board # 6), on 4 March 2021 could be divided into 3 chapters covering 14 issues. After analysis, the Company determined strategies in response to those issues by grouping the issues into the following 3 groups according to the social responsibility policy of “Good People, Good Products, Good Society”.







## Good People

### Sustainable Development Goals (SDGs)



## Enhancing and Developing Personnel into Good People

“Good People” wherever they are, will advance an organization. Such was the philosophy of Dr. Thiam Chokwatana relating to personnel resources. Thus, the Company attaches importance to the recruitment and selection of good people to become a part of the Company. There is focus on the promotion, support and development of personnel to become good people in parallel with the development of knowledge, skills and competencies. This involves the development **of good and competent people who are devoted to the organization**. Employees are encouraged to create value for society in various areas which would be an important driving force for sustainable development and provide a competitive edge in the age of innovation driven economy and cross border competition. This is consistent with the sustainable development goals of the United Nations and eco industrial park index which aims to create jobs, create income, and eliminate poverty, good living and happiness.

- **Recording Good Deeds of Employees Campaign**

Following the employee good deeds recording project on various areas, such as sharing and making religious merits, in 2020, employees cooperated in creating value to society by performing good deeds towards others. This involved giving and sharing via various agencies, such as schools, hospitals, orphanages and shelters. Also, due to the outbreak of COVID-19, employees acquired information from various sources on the lack of personal protection equipment (PPE), especially face masks and protective clothing. In this regard, executive officers and employees jointly donated monies for the purchase of face masks and **granted such sums to 5 hospitals at the border in Mae Sot District, Tak Province, namely**

Tha Song Yang Hospital, Mae Ramard Hospital, Phob Phra Hospital, Oom Phang Hospital and Mae Sot Hospital which were situated in the same area as Saha Group Industrial Park Mae Sot, Tak Province.



- **Basic Life Support Training : BLS and Automated External Defibrillator : AED Practice**

The Company continues to attach importance to the prevention and assistance of victims of sudden cardiac failure and regularly provided **training on basic life support (BLS) and the use of automated external defibrillator (AED)** every year. In 2020, 19 more persons were trained, adding to a total of 78 trained persons, or 53.42% of all employees.



### **AED Training**

Year	Number of participants	Percentage
2018	45	31.91
2019	59	42.45
2020	78	53.42





## Respect of Human Rights

The Company appreciates the fundamental rights and liberties of a person. Business operations are undertaken responsibly without restriction to freedom and differences in opinions, sex, race, religion, civil rights and political rights. The Company respects the human rights of all stakeholders by adhering to labour laws, humanitarian principles and quality. This includes trading partners of the Company. In order to provide a guideline for human rights activities and uniform treatment of employees, the Company has prescribed policies and guidelines in the Business Ethics Code under the heading on **non-violation of human rights**, as follows:

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.



### Human Rights and Treatment of Employees

#### Case

**The Company has recorded no Human Rights Violation**

## Promotion of Hiring Persons with Disabilities

The Company complies with human rights principles by having regard to equality of persons in society and not discriminating persons in all areas. The Company continually promotes work of persons with disabilities pursuant to section 35 of the Promotion and Development of Persons with Disabilities Act until the present. In 2020, the Company assisted persons with disabilities through the **“Work for Increased Incomes for Army Personnel Discharged with Disabilities and Families”** under the supervision of the Royal Thai Army. Sponsorship was provided for retail shops for the family of personnel having disabilities at Chana District, Narathiwat Province. This provided an opportunity to engage in work and increase the income of disabled persons, as well as the caretakers thereof, to enable self-sustenance and therefore a better quality of life, honor and dignity equal to other persons. This also provided motivation, social work, connected society to the happiness of disabled persons and their families to grow sustainably.



## Safety and Occupational Hygiene

### • Prevention of the Spread of Coronavirus (COVID-19)



Due to the COVID-19 outbreak situation, the Company has implemented measures for the prevention of COVID-19 spread including the support of social distancing measures recommended by the government, such as by applying flexible working hours, work from home, face masks requirements at all times, regular timeline records, provision of alcohol hand wash gels, social distancing seating, regular cleaning of surfaces and work areas, taking temperatures of employees and visitors prior to entry to the office and requiring all visitors to complete questionnaires prior to entering the office area.

### • Campaign for Promotion and Building of Awareness Relating to Storage of Chemicals in Factory Areas

It is found that various operators (factories) in Saha Group Industrial Park Si Racha are currently undertaking a variety of businesses and may find it necessary to bring chemicals and hazardous substances into the factories as raw materials or use in the manufacturing process. Therefore, it is necessary to prescribe proper storage procedures in accordance with the properties of such chemicals and hazardous substances in order to prevent harm, as well as impact on the workers and the environment.

In 2020, the Environmental Working Group reviewed issues having a significant impact on the environment and found that certain factories in the Saha Group Industrial Park Si Racha leaked chemicals. Therefore, in order to foster the conscience of factories and operators in the area on proper storage of chemicals and hazardous substances in accordance with the laws as well as the prevention of chemical leakage, the Company and operators in the area have collaborated in the implementation of proactive measures. In this regard, the Company launched the “Campaign for Promotion and Building of Awareness Relating to Storage of Chemicals in Factory Areas”.

A total of 47 factories in the Saha Group Industrial Park - Si Racha participated in this campaign. In addition to the aforesaid proactive measure, the Company remains committed to **tackling emergency situations caused by chemical leakage by organising emergency and fire drills for chemical leakage events** in all 4 Saha Group Industrial Parks. These drills ensured understanding and the ability to face these emergency situations in the most expeditious and safest manner.





## Good Products

### Sustainable Development Goals (SDGs)



## Good Governance

The Board of Directors and Executives attaches a great deal of importance to our adherence to good corporate governance principles compliance with the Company's mission are provided the Company has gotten **good governance, human resources development of knowledge, moral, ethic and social and environment responsibility** under management and good corporate governance responsibilities. The Board of Directors has appointed 3 subcommittees, consists of Audit Committee, Remuneration and Nomination Committee, Good Governance and Risk Management Committee for screen various aspect of works according to assigned scope of each subcommittee and provide a report on the performance of duties to the Board of Directors Meeting for regularly acknowledgement. The Qualification of Subcommittees are complied with the law and regulations. The Company has determined qualification, period term, responsibilities, Subcommittee reporting and performance evaluation.

The Company has prepared and disseminated good governance principles for good business operation principle of Directors, Executive and all employees to hold and practice. The Company aim to stakeholders equality and fairly, consider and respect to all stakeholders including cultivating a consciousness to be honest and responsible. The Board of Directors and Executive should be a leader in ethics and representative of performing duties with integrity, fairness, transparency and accountability.

## Anti-Corruption

The Company adheres to good governance principles, fairly, honestly, transparency, in securing the confidence of investors and all stakeholders, as well as enhance competitiveness and promote sustainable growth. The Board of Directors and Executives recognize the importance of corporate governance and anti-corruption. Therefore, anti-corruption policy, roles, duties, responsibilities, practices and measures have been established. It has been announced throughout the organization and clearly stated in written to show our commitment to anti-corruption in accordance with the anti-corruption policy and encourage treatment of all stakeholders in the Company's business operations on the basis of fairness and equality as well as complaints and whistleblowing measures, continuous monitoring and investigation.





The Company's certification in the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) has been extended. As a consequence, the Company is able to develop and improve operations to achieve transparency and upgrade governance standards, which also serve as an affirmation of the Company's intent to combat all forms of corruption. In this regard, the Company has regularly participated in anti-corruption day events. In 2020, the Company did not receive any complaints on its operations and did not find any incidents of corruption.

#### The Channels of Complaint, Practices are as follows;



Direct verbal complaints or complaints in writing.

- Internal Audit Manager
- Human Resources Manager
- Company Secretary
- Accounting Manager



PO Box:  
3, Sathupradit Post Office, Bangkok 10124



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



Tel. 662-293-0030



Feedback Box

Moreover, the Company continually provides training on knowledge and conscience for members of the organization through internal communication means, such as the Company's website, video recordings, information posters and assessments of knowledge and understanding relating to good governance and combatting corruption. In the past, whilst the assessment pass mark is 80 percent, all 100 percent passed this assessment.

#### Employees Evaluated

# 100%



Employees have passed Corporate Governance (CG) and Thai Private Sector Collective Action Against Corruption (CAC) evaluation.

## Complaints in 2020

### 0 complaint

A whistleblower channel has been made available, but there were no submissions at all in 2020.

inform them of our Gift Policy, in which our management and employees are prohibited from receiving new year's gifts.

The Company has communicated its "No Gift Policy" to all employees, which was done through the Company website as well as "letters of cooperation to refrain from presenting gifts to executive officers and employees of the Company" sent to those related to the business. These undertakings were carried out to avoid and prevent causes which could lead to acts that would be contrary to anti-corruption policies and to promote treatment to all stakeholders on the basis of fairness and equality.

Send notification letters requesting the cooperation, to inform on important information regarding employees misconduct and inappropriate behavior towards partner companies.



## CAC Online Training



- Road to Join CAC
- Road to Certify CAC
- Open House CAC Checklist 4.0

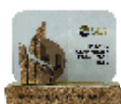


## Online Anti-Corruption Day 2020

Under the concept "Power of Data"

September 15, 2020

## Good Governance Achievement Awards



An "Excellent" overall rating under the Corporate Governance Report of Thai Listed Company 2020 compiled by the Thai Institute of Directors (IOD).

The Company has been listed in the Thailand Sustainability Investment (THSI) by the Stock Exchange of Thailand.



The Company was awarded the full 100 score for shareholders annual general meeting of 2020 (AGM Checklist) by the Thai Investors Association.



The Company has been selected as 1 of 100 listed companies that have been exemplary with respect to the environment, society and governance.



The Company is accredited by the Governing Committee as member of the Thailand's Private Sector Collective Action Coalition against Corruption.





## Fair Labour Treatment

The Company has a personnel policy which attaches importance to all levels of personnel on a fair and equitable basis and with a view to achieving its key business goals on a sustainable basis. That is, key personnel are retained in the Company under a strategic management which is capable of creating a competitive edge in the Company's business operations and supporting various changes occurring in the present and in the future. In all events, the Company encourages and supports the development of knowledge, abilities and skills to increase expertise, as well as develop attitudes and manners which would promote the Company's growth and sustainable advancement. The Company also



provides appropriate welfare and benefits for employees so as to provide employees motivation and appreciation of work, e.g. medical expenses, provident fund, and annual health checks. The Company also provides care for safety and occupational hygiene by providing a creative working environment. Labour treatment is in accordance with Thai Labour Standards. Moreover, the Company has held elections for a Welfare Committee to deliberate on ways for resolving any problems arising between the employer and employees, **including giving employees the opportunity to have roles and participate in expressing opinions to create a work-life balance.** Employees are able to express their opinions or suggestions via various channels, which would then be considered for appropriate improvements to the working system.

## Responsibility Towards Consumers

The Company appreciates that satisfaction and confidence of customers is a significant key to sustainable success of the Company. Therefore, the Company has undertaken **an assessment of customer satisfaction every year** through various activities to foster customer confidence, as follows:

**The Company provide communication channels to serve any information, express opinions and complaints :**

**Property Marketing Manager**  
Email : amphol@spi.co.th

**Administrative Officer (Community Relations)**  
Email : chalita@spi.co.th

Tel : 038-480-444  
Website : www.spi.co.th



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 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'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 provide communication channels by which customers are able to file complaints to the Company. Complaints shall be processed with care and dealt with fairly.



- **Smart City**

“Smart City” means a city which employs the use of modern and intelligent technology and innovation to enhance efficiency in providing services and administration of a city with lower costs and targeted use of city resources and population. There is a focus on good design and participation of business and public sectors in the development of cities under the concept of development of a hospitable city, and a modern city for the people to have a good quality and sustainable happy life. Criteria has been set



for the components of development plan, comprising of 5 principal components, namely the prescription of area and target, development of infrastructure, safety information system, 7 areas of smart city services (smart environment, smart economy, smart employee, smart public administration, smart living, smart travel and transport and smart citizens, administration and public participation.

Saha Group Industrial Park - Si Racha, Chonburi Province is a target province for developing an intelligent city by the Smart City Office, Thailand. At present, **Saha Group Industrial Park - is in the process of submission to become an smart city to the Executive Committee of the Smart City Office, Thailand** under the project SAHA GROUP SMART CITY Under this project, there will be developments of smart city services, activities or projects in line with the type and characteristics of smart city development in various areas, such as monitoring of air quality, monitoring of water quality, development of sales reporting system through Line Application, inventory management system, including development of personnel technological capabilities to support the industrial sector. In the improvement of smart city potential for the future, the Company collaborated with joint venture companies in laying down a fibre optics network to support **5G technology**, which not only meets the demands of mobile telephone users, but also **meets the demand of the industrial sector**.

- **Measures to Prevent the Spread of COVID-19**

In response to the COVID-19 outbreak, in order to promote the health of operators in all 4 Saha Group Industrial Park and J-Park Nihon Mura Si Racha and the vicinity of J-Park Nihon Mura Si Racha, the Company has implemented several measures to prevent the spread of COVID-19, such as the care of Company employees including dissemination of various information to seek the cooperation of operators in complying with state measures and to provide alcohol gels to state agencies. Apart from such actions, the Company also took additional measures to prevent the spread on a wide scale by refraining certain activities in central areas, such as recreational areas, exercise areas and airport areas.





## Environment, Energy and Resource Management

### • Water Management

Water source resources is a fundamental resource for the development of the country and is essential for the sustenance of life. Due to the expansion of agriculture, industry, tourism and services, as well as population growth and uncertainties surrounding climate change, there is a trend for water resource problems to exacerbate. In any event, the Company implements an integrated. Water management system This is an efficient water management process which governs procurement and development and use for various purposes, conservation and restoration of water sources as well as the resolving of problems pertaining to water resources in regard to both quantity and quality.

#### Green Zone in Saha Group Industrial Parks

Saha Group Industrial Park in Lamphun  
369 rais

Saha Group Industrial Park in Kabinburi  
188 rais



### Use of wastewater data 2018 - 2020 of Saha Group Industrial Parks

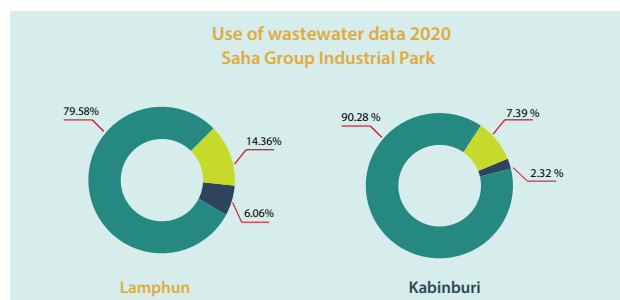
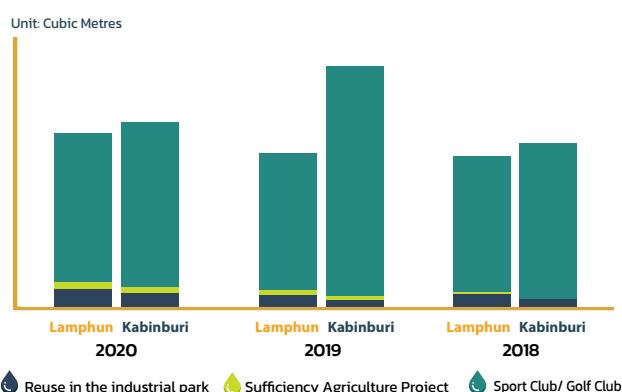
Area	2020		2019		2018	
	Lamphun	Kabinburi	Lamphun	Kabinburi	Lamphun	Kabinburi
Reuse in the industrial park	183,285	103,091	113,822	63,333	137,005	85,675
Sufficiency Agriculture Project	77,409	32,400	44,418	32,400	12,096	-
Sport Club * / **	1,015,950	1,259,023	968,686	1,645,521	962,441	1,105,037
<b>Total</b>	<b>1,276,644</b>	<b>1,394,514</b>	<b>1,126,926</b>	<b>1,741,254</b>	<b>1,111,542</b>	<b>1,190,712</b>

\* Haripunchai Golf Club, Lamphun

\*\* Kabin Buri Sport Club, Kabinburi

Unit: Cubic Metres

#### Use of wastewater data 2018 - 2020



The Company has an integrated water management system which employs the 3 Rs strategy. This approach minimizes the use of water at source. As a consequence, the Company has been able to reduce wastewater from various activities. In addition, there is control, monitoring, inspection of wastewater treatment system and the quality of treated water. These undertakings ensure confidence that water quality after treatment meets the required standards. wastewater treated from the central wastewater treatment facility of Saha Group Industrial Parks in Kabinburi and Lamphun are used for watering trees in the green area in order to reduce the emission of wastewater to reduce the emission of wastewater to public water sources (Reduce).



- **Installation of Sludge System through the Use of Polymers and Sludge Removal System in the Central Wastewater Treatment Facility**

The Company operates the industrial park business and provides public utility services to Companies situated in the Saha Group Industrial Park - Si Racha. Wastewater from factories are collected and treated in an Aerated Lagoon before release in to a public water source. In 2020, the Company was in the process of installing a sludge collection system through the use of polymers. Polymers will assist in the sedimentation of floating solids. Furthermore, there was an installation of a sludge removal system in the central wastewater treatment facility. This system will quickly remove accumulation of sludge in the central wastewater treatment facility by the use of a Dewatering System, Screw Sludge Press type. The amount of sludge accumulation in the wastewater treatment system will be reduced and new daily sludge will be pressed efficiently. Overall, the systems will promote the sustainable removal of sludge form the Saha Group Industrial Park - Si Racha central wastewater treatment facility.

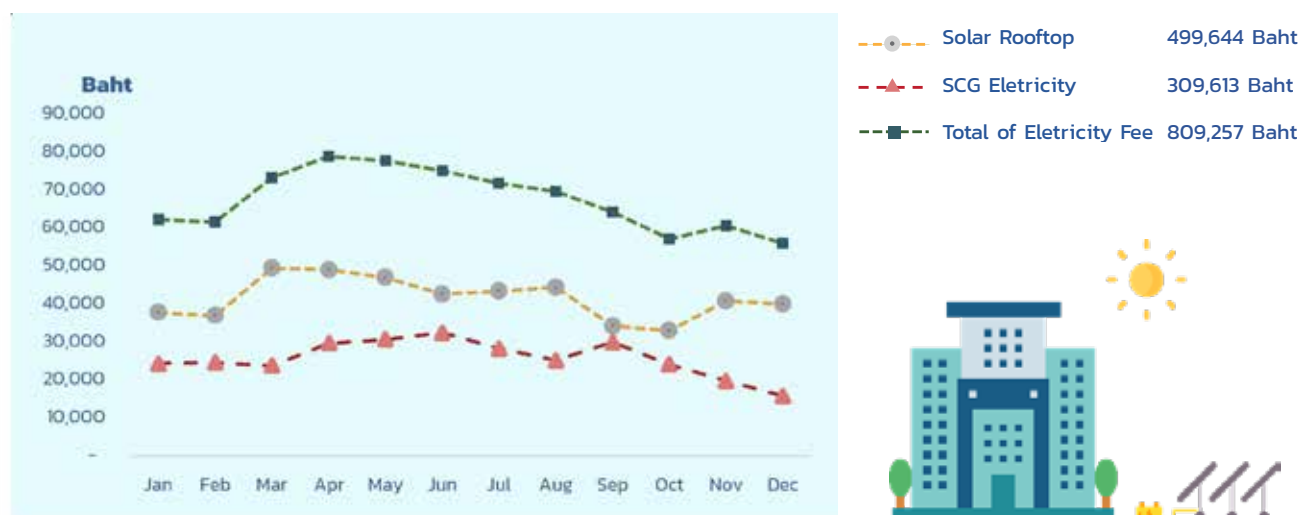


- **Energy Management**

The Company has efficiently managed energy and promoted the use of alternative energy sources in Saha Group Industrial Park - Si Racha. In this regard, the Company has received an accreditation for ISO 50001 energy management standard, which was an integration with ISO 9001 and ISO 14001 currently operated by the Company. These efforts lower energy costs, emission of greenhouse gases and other factors that would affect the environment.

- **Use of Alternative Energy (Solar Rooftop)**

The Company generates electricity from solar power through the installation of solar panels on rooftops of the Company office buildings (Solar Rooftop) within the Saha Group Industrial Park - Si Racha. To date, Solar Rooftop having a capacity of 96.39 kilowatts has been installed. In 2020, the Company has saved electricity bills by 499,644 baht. The use of solar cells enabled savings from electricity bills by 62 percent.





Moreover, the Company promoted the use of alternative energy sources by operators in the Saha Group Industrial Park - Si Racha through the use of solar energy. In the initial state, **there are 9 operators** that have shown interest and **installed solar rooftops with a total capacity of 8,287.20 kilowatts**. At present, the Company and operators in the Saha Group Industrial Park - Si Racha have **installed solar rooftops and floating solar with a total capacity of 15,271.91 kilowatts**, which have enabled **reduction in carbon dioxide emissions up to 13,788.70 tons per year**.



**Solar Rooftop and Floating Solar Project  
Saha Group Industrial Parks - Si Racha**

No.	Location	Capacity (kWdc)	CO <sub>2</sub> Emissions Reduction
1	SPI office building	96.39	74.70
2	Factory Outlet	229.16	206.00
3	Warehouse 1-5	4,145.80	3,700.00
4	SPI SME building	2,034.56	1,831.00
5	Solar Floating	478.80	430.00
6	Operators	8,287.20	7,547.00
<b>Total</b>		<b>15,271.91</b>	<b>13,788.70</b>

- **Carbon Dioxide (CO<sub>2</sub>) Emissions and Management of Air Quality**

- **Green Area**

The Company manages air quality to avoid impact on the environment and communities. Good air quality must contain pollutants within the standard limits. The Company has a system for continually monitoring air quality within the Saha Group Industrial Parks Si Racha. In addition, there are green zones within all Saha Group Industrial Park which are capable of absorbing and reducing carbon dioxide emissions, being a principal cause for global warming.

Saha Group Industrial Parks	Green Area (Rai)	CO <sub>2</sub> Emissions Reduction
<b>Si Racha</b>	<b>540</b>	<b>3,023.84</b>
<b>Kabinburi</b>	<b>188</b>	<b>2,710.40</b>
<b>Lamphun</b>	<b>369</b>	<b>18,431.16</b>






- **Low Emission Support Scheme**, or LESS, embodies the concept of developing activities to **restore** and maintain a balanced eco system and environment. In order to create awareness for oneself, the organization, agencies and communities by participating in the reduction of greenhouse gas emissions and partake in environmentally friendly activities.

In connection with activities involving the reutilization of used materials from the office under the 3 Rs principle in 2019 till 2020, the Company undertook a total of 3 activities, namely **separating trash activity (plastic bottles)** donation to Wat Chak Daeng, Samut Prakan Province for process of deformation in high quality Nano Fabric for sewing Tri-robe or yellow robe. staples and aluminum ring donation, and **old desk calendar donation** to the Bangkok School for the Blind. In order to obtain the greatest benefits from the scheme, in 2021, the Social Responsibility Working Group conducted a study on measurements of greenhouse gas emissions from the above activities in accordance with procedures and calculation tables under LESS. In the preliminary, the Company will implement activities to reduce greenhouse gas emissions in 2 approaches, namely:



## CO<sub>2</sub> Emissions Reduction

 1 Kg CO <sub>2</sub> Emissions Reduction <b>0.90 kgCO<sub>2</sub>e</b>	 1 Kg CO <sub>2</sub> Emissions Reduction <b>3.4 kgCO<sub>2</sub>e</b>	 1 Kg CO <sub>2</sub> Emissions Reduction <b>0.5 kgCO<sub>2</sub>e</b>
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Source : Thailand Greenhouse Gas Management Organization (Public Organization)

1) Reduced use of plastic bottles, and 2) recycling of used plastic bottles and/or upcycling. Further studies will be conducted on the recycling and/or upcycling of plastic bottles.

## ◦ Biological Diversity or Biodiversity

Biological diversity refers to the diversity of living organisms on earth and the natural phenomena arising from such diversity. Such diversity is a product of the continual evolution of living organisms over billions of years with natural processes as the controlling factor. Over recent times, human has influenced this process. Biological diversity creates a network of lives with human beings a part of this network. Living organisms are interdependent. The ecosystem therefore includes many living organisms (humans included) coexisting as a society and interacting between themselves and interacting with non-living factors in the environment such as air, water and soil. The value of maintaining the ecosystem for survival and overseeing the durability of the ecosystem will confer important benefits, which also extends to recreation and tourism of humans. Within the Saha Group Industrial Parks, efforts have been made to promote and care for the environment in all aspects in order to maintain continued balance of nature and biological diversity.



Wastewater Treatment Center – Saha Group Industrial Park





## Research and Development for Sustainability

- **Research and Development for Sustainability**

Saha Group Industrial Park-Lamphun applied waste and residue materials to other use under the 3Rs principle, e.g. use of wastewater sludge, water hyacinth from wastewater treatment facility and tree branches as well as other vegetation. These materials are developed into soil amendment products and used in the Saha Group Industrial Park-Lamphun area to minimize impact on water quality released from the treatment facilities. The costs of transporting sludge for elimination are lowered along with lowering of costs for purchasing organic fertilizers for overseeing the green zone on a regular basis. These activities have been continually undertaken since 2019 through various activities, such as the application of soil amendments obtained from decomposition of sludge by earthworm process, production of soil amendments from water hyacinth from wastewater treatment facility and production of soil amendments from vegetation.





### Community and Social Development

Urbanization is a social phenomenon which is accelerating. Urbanization increases opportunities, challenges and affects the vulnerability of residents in sub-urban areas triggering developments in many dimensions, e.g. transport, education and economy. Saha Group Industrial Park appreciates the potential impact of this increased urbanization. Therefore in order to manage this problem as well as to promote the sustainable growth of neighboring communities, development has focused on environmental, social and governance aspects, or ESG. This approach comprises environmental management to achieve efficient management of resources and minimize environmental impact from business operations. This would assist in the fostering of confidence of communities and stakeholders. The Company complies with laws, guidelines and standards on health, safety, hygiene and environment, and the promotion of connection with communities through various activities in 6 areas, namely communities and society, communications and relations for sustainability, education and learning activities of students, religious upkeep and passing tradition, health and socially beneficial activities, as follows:

- **Community Quality of Life**
  - **Distribution of face masks and hydrogen peroxide disinfecting sprayer**

Due to the COVID-19 outbreak and in order to promote the good health of communities in the vicinity of Saha Group, as well as to mitigate the shortage of face masks and COVID-19 outbreak, the Company has distributed face masks for protection and sponsored hydrogen peroxide sprayers to eliminate COVID-19 viruses in communities surrounding Saha Group Industrial Park.



- **Communities were provided with areas for selling community products**



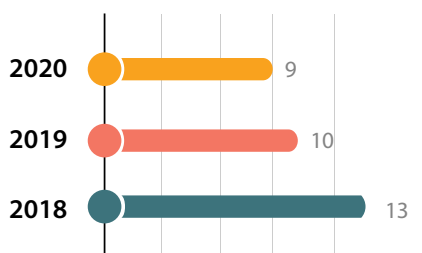


### ◦ Dr. Thiam Chokwatana Sufficiency Agriculture Project

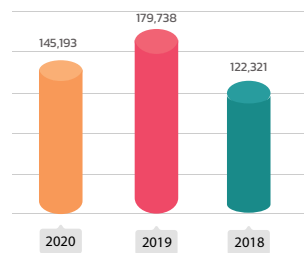
The Company has a policy of not releasing wastewater treated by the central wastewater treatment facility to public water sources. Wastewater that has been treated was therefore applied to new beneficial use. At present, Saha Group Industrial Parks in Lamphun and Kabinburi, launched the **Dr. Thiam Chokwatana Sufficiency Agriculture Project** as a learning center for agriculture. Treated wastewater is used in the project, which adopts the sufficiency economy philosophy as a guide to developing the industry alongside sustainable environmental management and coexistence with communities. **This shows that industrial operations are capable of existing alongside the environment and communities.** Apart from serving as a learning center, Dr. Thiam Chokwatana Sufficiency Agriculture Project, Lamphun Province, also **generates income** for the communities through hiring community members to work in the project. Dr. Thiam Chokwatana Sufficiency Agriculture Project in Prachinburi Province made certain areas in the project available for agricultural activities by the surrounding communities.



### Local Worker (Persons)



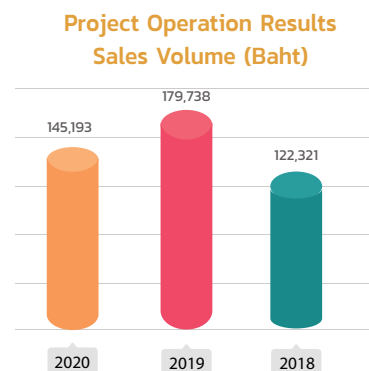
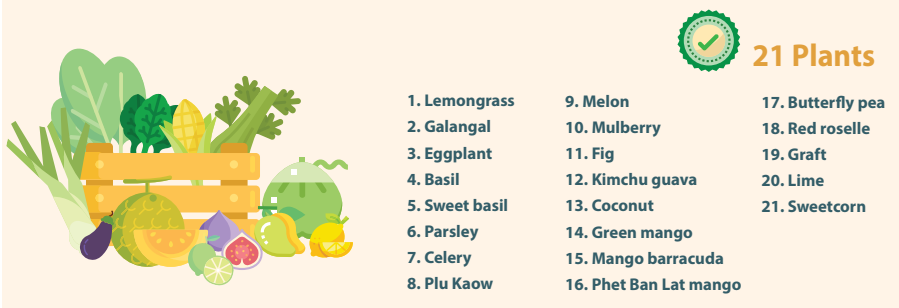
### Project Operation Results Sales Volume (Baht)



In 2020, a total of 9 local workers were hired for a total wage of Baht 2,208,000.- and a total of sales of agricultural products in the amount of Baht 145,193.-

At present, Dr. Thiam Chokwatana Sufficiency Agriculture Project has produced a total of **21 agricultural products** that have approved under **Good Agricultural Practices (GAP)**. This shows that the high quality of products in line with the prescribed standards, high productivity, good value for investment and safe production process for agriculturalists and consumers. The project also leads to the most beneficial use of resources, sustainable agriculture and free from environmental pollution.

### Agricultural Products have been certificate "Good Agriculture Practices (GAP)" Saha Group Industrial Park - Lumphun





### Agricultural Products of Dr. Thiam Chokwatana Project Saha Group Industrial Park - Kabinburi



Rice	Guava	Mahachanok Mango	Coconut
Pepper	Avocado	Nam Dok Mai Mango	Sour tamarind
Sweet Corn	Papaya	Green Mango	Sweet tamarind

As for the Dr. Thiam Chokwatana Sufficiency Economy Project at Kabinburi, Prachinburi Province at present, **there are a total of 12 different agricultural products** and a total sales of Baht 26,514.50 in 2020 and Baht 14,610.50 in 2019.

## Communications and Relations for Sustainability



Giving knowledge and understanding on Environment and Hazardous Substances at Ban Rai Nueng School Si Racha District, Chonburi Province



“Saha Group Public Private Collaboration Meeting, Network for Labour Relations, Environment and Safety” in collaboration with Municipality Agencies/Communities/Subsidiaries



Meeting with the public sector to resolve community problems, such as meeting to prevent and mitigate drought problems

Meeting to monitor water quality in Khlong Yang in collaboration with the Tripartite party, Wangdan Sub-District, Kabinburi District, Prachinburi Province



## Education and Learning Activities of School Students



Promotion of safety knowledge and understanding at Wat Kao Tabaek School in collaboration with Saha Group, Chonburi Province



Rice growing demonstration to foster sustainable rice farming tradition at the Sufficiency Economy Learning Center at Laem Chabang Municipality, Ban Nong Khla Kao Community, Chonburi Province



Workshop on “Growing and Producing King’s Plants”, Sufficiency Agriculture Project in conjunction with Wat Nong Sew School, Lamphun Province



## Religion and Tradition



Joint host in a merit making festival in community temples, Wat Juk Kachor, Wat Benyaram and Wat Prathanporn, Chonburi Province



Merit making festival 2020 Wat Nong Pla Kor, Wat Nam Bor Luang, Wat San Luang, Lamphun Province



Merit making for education at Wat Pak Praek Schook, Kabinburi District, Prachinburi Province.



New rice and rice harvest festival in collaboration with communities and municipalities, Chonburi Province



Loy Krathong Festival “Yi Peng” Lamphun Province



Rice season commencement ceremony at Nonsri Subdistrict, Kabinburi District, Prachinburi Province

## Health



Sponsorship of mobile health units in communities in Laem Chabang Municipality- Chao Phraya Surasak Municipality, Chonburi Province



Blood Donation



## Other activities and sponsorship of public benefit activities undertaken with communities/government



Saha Group products donations to the communities surrounding Saha Group who got COVID-19 impact



Growing vetiver grass on the banks of Ditch Muang Rong Har, Wang Hai Village, Weang Yong Subdistrict, Lamphun Province



2020 National Tree Day

Participation in a tree planting in Saha Group Industrial Park



Dog housing project and month grants of dog food to the dogs and cats shelter, Si Racha District, Chonburi Province



Sponsorship of Football Competition of the Companies of Saha Group



Good People



Good Products



Good Society



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GRI Standard				
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GRI Standard				
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GRI Standard				
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GRI 304	Biodiversity	304-2	Significant impacts of activities, products, and services on biodiversity	249
GRI 304	Biodiversity	304-3	Habitats protected or restored	252 - 253
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GRI 305	Emissions	305-1	Direct (Scope 1) GHG emissions	N/A
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GRI 306	Effluents and Waste	306-1	Water discharge by quality and destination	246
GRI 306	Effluents and Waste	306-2	Waste by type and disposal method	246
GRI 306	Effluents and Waste	306-3	Significant spills	247, 250
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GRI 301	Materials	301-3	Reclaimed products and their packaging materials	N/A
GRI 307	Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	N/A
GRI 308	Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	73 - 74
GRI 308	Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	N/A
GRI 103	Management Approach	103-2	The management approach and its components	N/A
GRI 401	Employment	401-1	New employee hires and employee turnover	46



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GRI 414	Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	N/A
GRI 103	Management Approach	103-2	The management approach and its components	N/A
GRI 412	Human Rights Assessment	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	80 - 81, 239
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GRI 406	Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	244

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GRI 407	Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	N/A
GRI 408	Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	N/A
GRI 409	Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	N/A
GRI 410	Security Practices	410-1	Security personnel trained in human rights policies or procedures	N/A
GRI 411	Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	N/A
GRI 412	Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	N/A
GRI 414	Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	N/A
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GRI 103	Management Approach	103-2	The management approach and its components	N/A
GRI 413	Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	235 - 236
GRI 413	Local Communities	413-2	Operations with significant actual and potential negative impacts on local communities	252 - 253
GRI 205	Anti-corruption	205-1	Operations assessed for risks related to corruption	241 -243
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			<a href="https://www.spi.co.th/storage/corporate-governance/anti-corruption/20190604-spi-anti-corruption-policy-th.pdf">https://www.spi.co.th/storage/corporate-governance/anti-corruption/20190604-spi-anti-corruption-policy-th.pdf</a>	
GRI 206	Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	80
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GRI 416	Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	81, 240
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GRI 417	Marketing and Labeling	417-1	Requirements for product and service information and labeling	N/A
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GRI 102	General Disclosures	102-43	Approach to stakeholder engagement	234
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**Good People  
Good Products  
Good Society**

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