



ANNUAL REPORT 2018

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED



SPC
SAHAPAT

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● Highlights of the year

Financial Statement	2018	2017 (Restated)	2016
Performance (Million Baht)			
Sales	32,715.37	31,497.63	32,852.28
Total Revenues	33,337.37	32,010.12	33,311.44
Net Profit	1,778.57	1,527.03	1,397.61
Total Assets	26,713.89	25,751.09	23,055.62
Total Liabilities	9,349.91	9,441.54	9,324.88
Total Shareholders' Equity	17,363.98	16,309.55	13,730.74
Per Share Data (Baht)			
Earning per Share	5.28	4.51	4.16
Dividend per Share	1.50 [*]	1.50	1.30
Book Value per Share	52.13	48.95	41.61
Par Value per Share	1.00	1.00	1.00
Market Price	51.75	52.50	44.50
Rate of Return (%)			
Gross Profit Margin	17.41	17.27	16.83
Net Profit Margin	5.34	4.91	4.25
Return on Equity	10.56	10.45	10.72

*Note : The Board of Directors Meeting No.11 (Board 25) on March 14, 2019 resolved to propose to the General Meeting of Shareholders which determines to take 1.50 Per share and The Board of directors Meeting No. 7 (Board 25) on November 13, 2018 already paid interim dividend payment Baht 0.50 per share, so remaining dividend payment at Baht 1.00 Per share

*Personal Profile of
Dr.Thiam Chokwattana
The Founder of Saha Pathanapibul
Public Company Limited*



Date of Birth : June 14th, 1916. in Bangkok

Date of Death : June 29th, 1991. in Chonburi

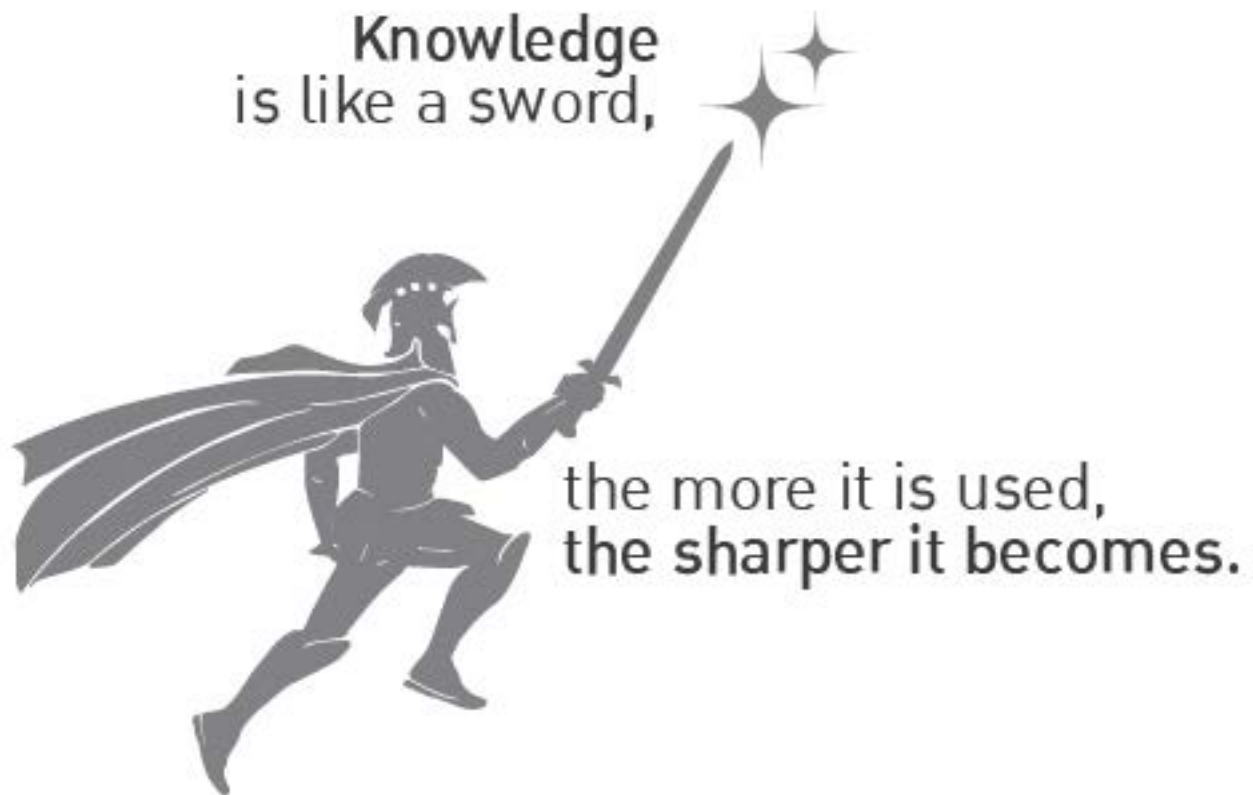
Honors :

Royal Decorations

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

Other Honors

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



If you want to get ahead, you must be flexible and modern in your outlook. You must find opportunities to learn new things. People who do not find ways to improve themselves, will always make mistakes, create shortcomings and hardly achieve anything in life. Once you have found a solution through analysis, do not keep it to yourselves, but share it with others.

If we only listen without thinking, we can reap no benefit from it. When we manage to think of something, we must pass it on to others.

“

Do not be afraid
that knowledge will be
drained from your body,
because knowledge
is like a sword,
the most it is used,
the sharper it becomes.

”

Economies around the world were on track to recovery throughout last year, particularly those of the United States and emerging markets; however, their growth had been limited due to the global trade slowdown. In addition, the trade war between the United States and China had left the rest of the world with the uncertainty of a possible trade deficit. Furthermore, their trade barriers had undermined free trade practices and inevitably hindered the global economic growth. Countries that rely on exports, such as Taiwan, South Korea and Thailand, had been especially affected.

The Thai economy was affected by the volatile nature of the global economy. The baht appreciated. Agricultural produce prices remained low. The price of oil climbed. Consumer confidence stagnated at the bottom. People were careful about their spending, and household purchasing power was weak. The Thai economy showed signs of recovery, but upon closer inspection these were concentrated on large businesses. Income was not distributed nationwide despite the government's economic stimuli.

In 2018 the Company revised its objectives, goals, strategies, plans and budgets. We made 32.755 billion baht in sales revenue, a year-on-year increase of 1.218 billion baht increase of 3.86%. Of that figure, we earned 1.643 billion baht in net profit, a year-on-year increase of 199 million baht or an equivalent of 13.78.

In addition to its collaboration with the manufacturers, we owed our operational success to the dedication and understanding of our executive officers and employees, as well as their innovative ideas and the adoption of new strategies amid the rapidly changing technology and way of life. They had their eyes on the established goals and worked dedicatedly to achieve them. Moreover, our proactive marketing strategy was able to keep up with the kingdom's social and digital trends, in which everyone was on constant alert for change.

The Company's continued success and growth would not have happened with out its executive officers and employees, who had been the constant driving force behind its development. The Board of Directors will gladly support everybody who is committed, dedicated, determined and honest. The Board will also enhance the quality of life of the Company's employees, whether in terms of benefits, education and society, for the benefit of all parties involved.

The Board of Directors would like to take this opportunity to express its gratitude towards shareholders, suppliers and customers. Their trust and support have led to the Company's good operating results, prosperity and stability, as well as its ability to build credibility and create satisfaction for all parties involved. The Company is dedicated to developing its potential in every way, creating good things for Thai society in a sustainable manner.

● Audit Committee's Report

for the year 2018

The Audit Committee has been appointed in accordance with the resolution of the Board of Directors held on May 10, 2018. The Audit Committee consists of POL.MAJ.GEN Panurat Meepien, Mr.Khachornsakdi Vanaratseath and Mr.Wasin Teyateeti appointed POL.MAJ.GEN Panurat Meepien to be the Chairman.

During the previous year, the Audit Committee held 5 meetings, the jointly with the meeting of each Audit Committee is as follow:

	Join in the meeting
POL.MAJ.GEN Panurat Meepien	5 times
Mr. Khachornsakdi Vanaratseath	5 times
Mr. Wasin Teyateeti	5 times

From the financial statements reviewing quarterly, the auditor do not found the causing to believe that the financial statements are not present fairly, in all material respect, in accordance with the generally accepted accounting principles based on the auditor's review. In the meeting of the Audit Committee for considering the reviewed financial statements in each quarter had the related persons and the auditor attended the meeting, however, in the meeting for the reviewed financial statement in 3rd quarter non-management to attended the meeting. The Audit Committee has agreed upon the auditor relating to the reviewed financial statements.

The Audit Committee aware the results of internal auditing base on the internal audit planning in the year 2018 of which could be performed as planed by the internal auditing division and also deems that the Company had adequate internal control system and suitable for the business conditions, and gave the approval with the internal audit planning for the year 2019 of internal auditing division.

The Company has complied with all related securities and exchange laws, regulations of the Stock Exchange or related business laws in connection with the Company's operation. In the case of the transactions dealt with the related persons, the Company has fully complied with the criteria of the Stock Exchange.

In the case of the Company had transactions which might affects the interests of related parties that the Audit Committee has joined to let recommendation and opinion on the meeting without the directors who got the advantages and did not vote on that agenda.

● Audit Committee's Report for the year 2018

The Audit Committee had considered the reviewed financial statements for the year 2018 which were audited by the auditor, that there is attendance with the auditor and the Company's related officers in order to ensure that the financial report have been prepared fairly, the disclosure of information is sufficient in conformity with the Accounting Standards. The auditor's opinion was stated an unqualified on those financial statements.

The Audit Committee has considered and proposed to the Board of Directors that Mrs. Suvimol Krittayakiern and/or Ms. Suphaphorn Mangjit, and/or Mr. Nopparoeek Pissanuwong of the Office of D I A International Audit Co.,Ltd be nominated the Company's auditor for the year 2019 and also considered to determined the remuneration and then eventually proposed the General Meeting of shareholders for approval the appointment and their remuneration.

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.

On behalf of the Audit Committee



(POL.MAJ.GEN Panurat Meepien)
Audit Committee Chairman
February 21, 2019

● The Business Operation

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

Vision :

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

Quality Policies :

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

Core Value :

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

Milestone

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

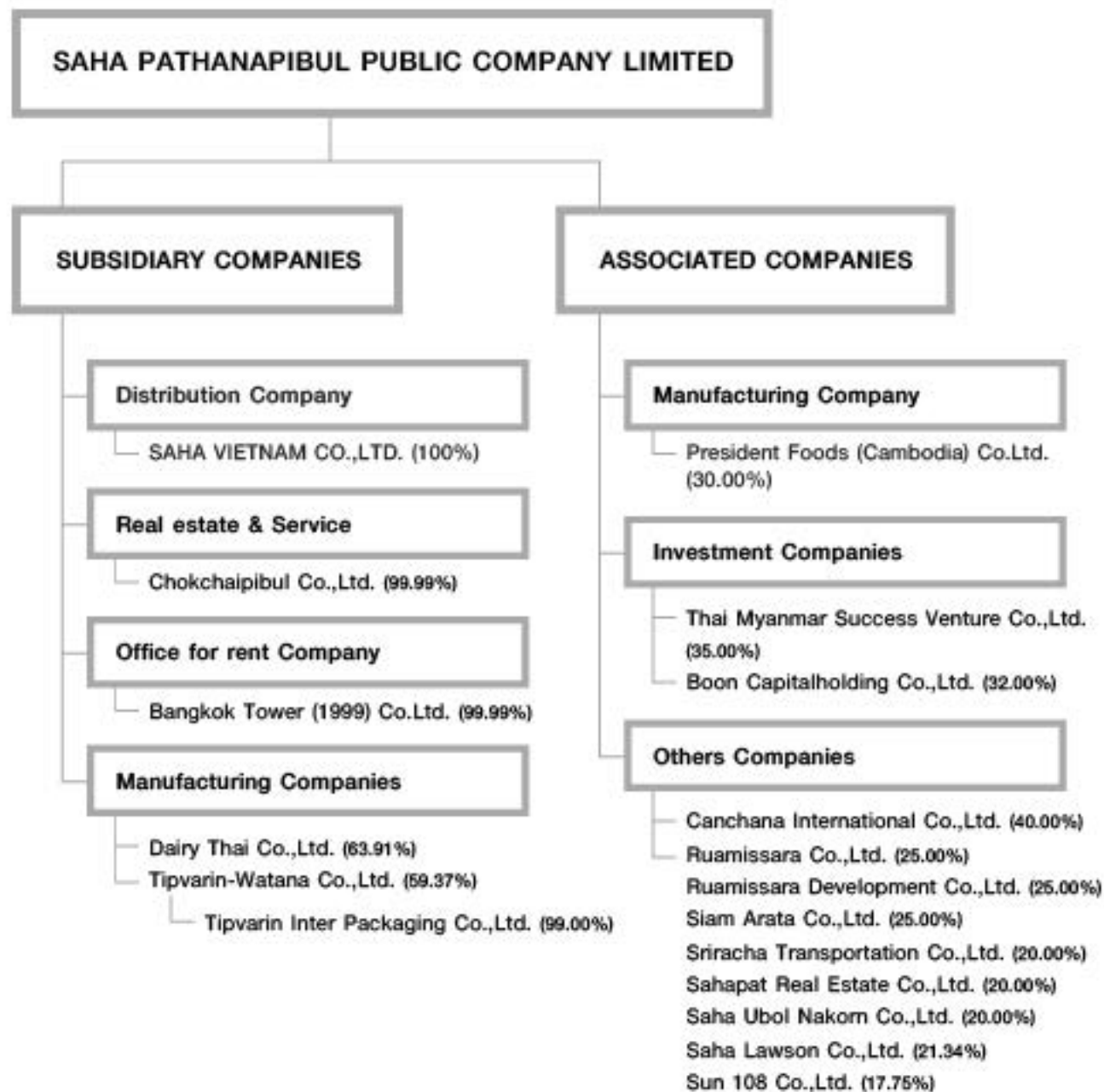
In 1978	Listed on the Stock Exchange of Thailand, with a registered capital of 30 million baht
In 1982 - 1984	Registered capital is increase to baht 48 million
In 1985	Registered capital is increase to baht 60 million
In 1987 - 1988	Registered capital is increase to baht 200 million
In 1988	Changed in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

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

● The Business Operation

Shareholding Structure

As at December 31, 2018 The company invest in 5 subsidiaries companies and invest in 12 associated companies which type of business are as follow



Cross Shareholding Structure

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

The Cross Shareholding on December 31, 2018.

Name of Company	Proportion of Shareholding	
	The Company holds Share in other Firms	Other Firms holds Share in the Company
1. Holding of shares exceeding 50% <ul style="list-style-type: none"> The Company holds shares in other firm exceeding 50%, the other firms must not cross shareholding in the Company. 		
1.Saha Vietnam Co.Ltd.	100.00	-
2.Chokchaipibul Co.,Ltd.	99.99	-
3.Bangkok Tower (1999) Co.,Ltd.	99.99	-
4.Dairy Thai Co.,Ltd.	63.91	-
5.Tipvarin-Watana Co.,Ltd.	59.37	-
2. Holding of shares exceeding 25% not exceeding 50% <ul style="list-style-type: none"> The Company holds shares in other firms exceeding 25% but not exceeding 50%, the other firms must not cross shareholding in the Company exceeding 10%. 		
1.Canchana International	40.00	-
2.Thai-Myanmar Success Venture Co.,Ltd.	35.00	-
3.Boon Capitalholding Co.,Ltd.	32.00	-
4.President Foods (Cambodia) Co.,Ltd.	30.00	-
3. Holding of shares not exceeding 25% ** <ul style="list-style-type: none"> The Company holds shares in other firms not exceeding 25%, the other firms must not cross shareholding in the Company exceeding 25%. 		
1.Saha Pathana Inter-Holding Plc.	8.65	24.98
2.I.C.C. International Plc.	8.53	10.19
3.I.D.F. Co.,Ltd.	19.60	4.19
4.International Laboratories Corporation Ltd.	9.83	1.22
5.New City (Bangkok) Plc.	0.45	0.55
6.Far East Fame Line DDB Plc.	12.30	0.33
7.Sahapat Real Estate Co.,Ltd.	20.00	0.18
8.People's Garment Plc.	8.80	0.07
9.Sahapat Properties Co.,Ltd.	6.25	0.0001

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

Income Structure

The Company engaged in consumer products distribution and property development business. A subsidiary engaged in business of investment in real estate and services and another subsidiary engaged in business of office building for rent. The Company and subsidiaries operation involve virtually a geographical segment in Thailand and some are an overseas geographical segment. as at December 31, 2018 and 2017 The company and subsidiaries have revenue from sales in an overseas geographical segment amount of 789.82 million baht and 695.15 million baht

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

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

Types of Products and Services

The diversified range of products and services offered by the Company can be divided into four major categories - Household Products, Food Products, Personal Care Products and Products for Children.

Marketing and Distribution Policy

"Good quality products at fair and reasonable prices" has been the underlying policy for marketing and distribution activities of the Company. Marketing strategies are created based on the market positioning and market share of each product or service. Emphasis is also placed on improving the quality of existing products as well as developing and introducing new ones to the market, to cater to the ever-changing demand of customers. Additionally, an integrated product distribution system has been developed to ensure customer convenience in making purchase orders, efficiency in inventory management, and, punctuality and reliability in delivery.

Moreover, the Company's logistics and information technology systems have been upgraded to ensure the following.

- Optimum customer satisfaction
- Minimum loss in sales opportunities due to products being out-of-stock
- Efficiency in creating a synergy network of customer service that makes it easier for sales representatives to share helpful information with each other.

The Company receives payments by either cash or credit, and its sales proportion is 40% Bangkok and 60% upcountry.

Competition Within the Industry

In 2018 the Company accumulated 32.755 billion baht in sales, a year-on-year increase of 3.86%. In addition, we made 1.643 billion baht in net profit, a year-on-year increase of 13.78%. Despite fierce competition in the consumer goods market, our Company was able to achieve growth due to three major marketing strategies-namely strengthening relations with strategic partners, adding new products from new and existing partners to our inventories, and selling our products online. In addition, our consumer products, which are considered basic necessities, continued to be innovated to meet consumers' various needs while product differentiation played a key role in their marketing. For instance, Oriental Kitchen's Korean-style instant noodles were launched, as an alternative for consumers, at a lower price point than instant noodles imported from Korea.

Our 2019 goal is to keep growing based on a promising economic outlook. Thailand's economy is expected to continue expanding in 2019 due to several supporting factors, such as the increase in household spending and the progress of major basic infrastructure investment projects. Nonetheless, competition in the consumer goods market will continue to be fierce, and change will be constant, posing new challenges. Despite having diverse inventories of products that consumers need and want, we are prepared to adapt to consumer demand and to align our strategy with the changing nature of the business. In this regard, we will make use of product differentiation to meet consumers' diverse needs. In terms of our marketing strategy, we will still employ "focused marketing" and conduct a localized marketing campaign for each region of Thailand to head the local competition head-on. We still believe that this marketing strategy makes optimal use of the Company's marketing budget, which will contribute to better profitability.

Anti-Corruption Committee's Report

Recognizing the importance of risk management and anti-corruption efforts, which are key to preventing negative impacts on our business, Saha Pathanapibul Public Company Limited has formed the Risk Management and Anti-Corruption Committee. The committee is tasked with monitoring risk management and overseeing the implementation of the Anti-Corruption Policy. All of this brings about effective operations and the achievement of goals.

Throughout 2018 the Risk Management and Anti-Corruption Committee held a total of 12 meetings and performed its role in accordance with our charter. The committee also had meetings with management whenever necessary. Below is a summary:

1. Risk assessment:

The Risk Management and Anti-Corruption Committee reviewed and established the risk management framework for 2018, basing it on the Company's strategic plan, target and operations. The framework covered various aspects of operations, namely sales, marketing, logistics, warehouse management, information technology, finance and accounting and corruption prevention and mitigation. Both internal and external risk factors that may affect the Company's operations were taken into account. The committee also oversaw the management of risks according to this framework.

2. Risk management:

The Risk Management and Anti-Corruption Committee met with every party involved in risk management to consider risk factors, as well as to offer suggestions on their risk management plans and to approve them. All of this allowed the Company to achieve its goals while maintaining risks within the established tolerance level.

3. Monitoring:

The Risk Management and Anti-Corruption Committee reviewed a monthly report from other Sub-Committees on the effectiveness of their risk management. In return, the committee provided them with suggestions to help further improve the efficiency of the Company's overall risk management.

The Risk Management and Anti-Corruption Committee remains committed to its risk management and anti-corruption work to ensure that the Company has sufficient risk management in accordance with good corporate governance principles.



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

Saha Pathanapibul PLC. has established a Risk Management and Anti-Corruption Committee to provide systematic and efficient management of risk factors. The duties of this Committee are determined by the Company's Board of Directors in accordance with the Charter of the Risk Management and Anti-Corruption Committee. A total of 12 meetings were held in 2018 to discuss various risk factors. These included both internal and external factors that could have an adverse effect upon Company operations. Furthermore, management and employees at all levels have been trained to increase their awareness of the importance of risk management. Appropriate risk management processes are as well provided to be consistent with the policies and mission of the Company.

1) Risks from Investment

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

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

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

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

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

Mitigation Measures

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

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

3) Risks Related to In-Store Inventory Management

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

Mitigation Measures

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

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

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

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

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

4) Risks related the distribution channels

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

Mitigation Measures

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

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

5) Service Risk

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

Mitigation Measures

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

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

6) Product shipping risks

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

Mitigation Measures

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

7) Credit Risks

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

Securities and Shareholder Information

The amount of capital and paid-up capital on December 31, 2018

- The Company has a registered capital Baht 330,000,000 paid-up capital is Baht 330,000,000
- Common shares 330,000,000 shares, Par value of Baht 1

Shareholder

List of Shareholders as at the book-closing date on December 28, 2018

Top ten Major Shareholders of Company on December 28, 2018

Name	No. of Shares	%
1. Saha Pathana Inter-Holding Public Company Limited	82,417,665	24.98
2. I.C.C. International Public Company Limited	33,630,158	10.19
3. Lion Corporation	32,188,333	9.75
4. Chokwatana Company Limited	24,687,641	7.48
5. Nissin Foods Holdings Co.,Ltd.	16,216,666	4.91
6. Mr. Weerapat Punsak-Udomsin	15,905,872	4.82
7. I.D.F. Company Limited	13,842,096	4.19
8. Lotte Company Limited	8,200,000	2.48
9. Mr. Samrerng Manoonpol	6,439,744	1.95
10. KEWPIE Corporation	5,219,737	1.58

Distribution of shares by the number of shareholders per range of shares hold :

No. of Shares	No. of Shareowner	%
1 - 50	159	10.58
51 - 100	112	7.45
101 - 500	204	13.57
501 - 1,000	177	11.78
1,001 - 3,000	194	12.91
3,001 - 5,000	88	5.85
5,001 - Upward	568	37.86
Total	1,503	100.00

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

Type	No. of Shareowner	No. of Share	%
Juristic Persons			
Thai Nationality	55	179,619,612	54.43
Foreign Nationality	10	63,758,896	19.32
Natural Persons			
Thai Nationality	1,432	86,179,682	26.12
Foreign Nationality	6	441,810	0.13
Total	1,503	330,000,000	100.00

● Dividend Payment Policy

Dividend Payment Policy

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

Details of Dividend Payment	**2018	2017	2016	2015	2014
Earning per Share	4.98 Baht	4.38 Baht	3.49 Baht	3.94 Baht	3.75 Baht
Dividend per Share	1.50 Baht	1.50 Baht	1.30 Baht	1.10 Baht	1.00 Baht
Dividend ratio per net profit	30.12 %	34.28 %	37.26 %	27.95 %	27.08%

** Note : The Board of Directors Meeting No.11 (Board 25) on March 14, 2019 resolved to propose to the General Meeting of Shareholders which determines to take place on April 22, 2019 to approve the Dividend Payment Baht 1.50 each The Board of Directors Meeting No.7 (Board 25) on November 13, 2018 resolved to approved the Interim Dividend Payment Baht 0.50 each remaining Dividend Payment Baht 1.00 each

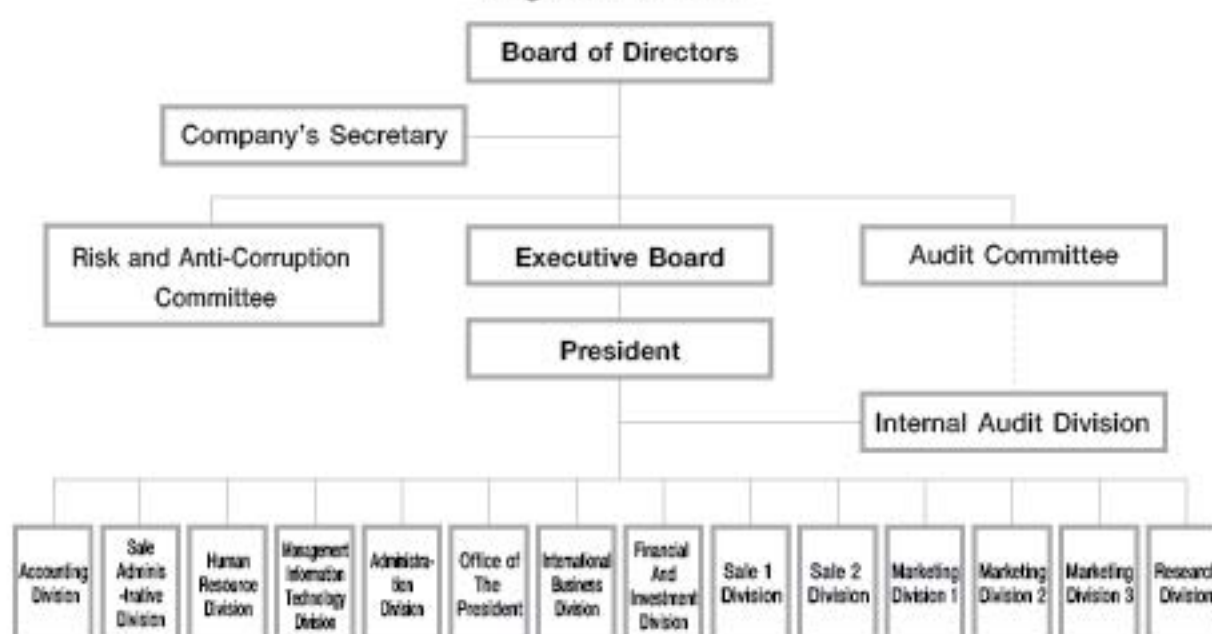
Management Structure

The Company's management structure as of December 31, 2018 consists of 4 groups; Board of Directors, Executive Board, Audit Committee and Risk Management and Anti-Corruption Committee. Authority and duties of each committee and those of the President are prescribed in documentation which was approved by the Board of Directors meeting No.8 (Board #15) on December 18, 2008 with the Company's Secretary performing the duties required by the laws and assigned by the Board of Directors.

In the year 2016 there has been review the Charter of the Audit Committee. And Charter of Risk Management Committee and the Anti-Corruption. The approval by the Board of Directors No.4 (Board #23) on August 10, 2016.

In the year 2017 there has been review the Charter of the Board of Directors, Charter of Executive Board and Authority of President. The approval by the Board of Directors No.5 (Board #24) on September 21, 2017.

Organization Chart



Authority Duties and responsibilities of each committee

1. Board of Directors

Authority

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

Duties and Responsibilities

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

2. Executive Board

Authority

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

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

Duties and Responsibilities

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

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

3. Audit Committee

Authority

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

Duties and Responsibilities

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

- (E) The opinion on transactions with possible conflict of interests; and
- (F) The number of Audit Committee meetings and attendance of each member;
- (G) The overall opinion or observation regarding the Audit Committee performance of duties under its charter; and
- (H) Other matters which the Audit Committee believes that shareholders and investors should be aware of that are within the extent of duties and responsibilities assigned by the Board of Directors.

10. In the case where the Audit Committee finds or suspects any of the following matters, which may have significant effect on the financial status and the operation of the Company, the Audit Committee must report to the Board of Directors for suitable remedy within a timeframe deemed appropriate by the Audit Committee:

- (A) Transactions with conflict of interests;
- (B) Fraud, irregularity or significant defect of the internal control system; or
- (C) Violation of the laws on securities and exchange, regulations of Stock Exchange of Thailand and laws applicable to the business of the Company.

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

- 11. To encourage and follow up that the Company has an efficient risk management system.
- 12. To ensure that the company's comply with the principles of corporate governance
- 13. To improve and amend the Audit Committee Charter and propose it to the Board of Directors for approval.
- 14. To Implement a self-assessment at least once a year
- 15. To engage in other action as assigned by the Board of Directors with mutual agreement from the Audit Committee itself under the authority in accordance with the regulations of the Company and the laws.

4. Risk Management and Anti-Corruption Committee

Authority

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

Roles and Responsibilities

4.1 Risk Management

- 1. The committee shall establish policies, goals, plans and systems to manage the Company' major risks concretely, efficiently and continuously. All shall be reported to the Board of Directors, the Management Committee and the Audit Committee.
- 2. The committee shall provide the necessary effort for organization-wide risk-management collaboration.
- 3. The committee shall formulate measures or guidelines to prevent possible risks.

4. The committee shall list, analyze and assess risks of various aspects that may affect the Company's performance in each quarter.
5. The committee shall ensure appropriate and efficient risk management. It shall also emphasize early warning signs and irregular transactions.
6. The committee shall improve and make amendments to this charter and submit the amended charter to the Board of Directors for approval.
7. The committee shall perform other tasks assigned by the Board of Directors or the Management Committee or both.

4.2 Anti-Corruption Efforts

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

President

Authority and Responsibilities

1. To manage the business of the Company in accordance with the laws, policies, objectives and Articles of Association of the Company, as well as resolutions of the shareholders meeting, the Board of Directors meeting, and the Executive Board meeting and relevant regulations.
2. To authorize any necessary and appropriate action to accomplish the deeds under Item 1, and in the case of any significant matter, the President needs to report to and/or notify the Board of Directors and/or the Executive Board of such the matter.
3. To manage, hire, appoint, remove, transfer, evaluate, issue disciplinary measures against, or determine remuneration and welfare for employees, provided that such actions do not interfere with the authority of the Executive Board.
4. To prescribe regulations on the operation of the Company, which are not contradictory with any policy, regulation, requirement, order or resolution of the Board of Directors and/or the Executive Board.
5. To be authorized to approve, source and invest in fixed assets with the amount not exceeding the limited amount 10 million.
6. To be authorized to approve, distribution, transfer of fixed assets with the amount not exceeding the limited amount 10 million.
7. To be authorized to approve the Company's investment and to sell investment in ordinary shares and/or securities issued by other companies, provided that the amount is not exceeding the limited amount 10 million.
8. To be authorized to enter into engagement, agreement, or transaction on binding the Company whether in normal business matters or not, of which the amount is not exceeding the limited amount 10 million.
9. To report any proceeding under Items 5, 6, 7 and 8 to the Board of Directors and the Executive Board as appropriate at the next meeting.
10. To authorize and/or assign any individuals to perform certain or specific tasks on behalf of the President.
11. The above authority of the President cannot be exercised in the case where the President may have interest or has a conflict of interests in any manner with the Company.
12. In case that there is a doubt or an uncertainty regarding the exercise of any of the above authority, the matter is to be presented to the Board of Directors for consideration.
13. To perform any other action as assigned by the Board of Directors and/or the Executive Board.

**Board of Directors, Executive Board, Audit Committee
and Risk Management and Anti-Corruption Committee as follows:**

Name		Board of Directors	Executive Board	Audit Committee	Risk Management and Anti-Corruption Committee
1. Mr. Boonsithi	Chokwatana	☆			
2. Mr. Boonchai	Chokwatana	⊙	⊙		
3. Mr. Boonpakorn	Chokvathana	★			
4. Mrs. Pasook	Raksawonkse	✱	★		▲
5. Mr. Vathit	Chokwatana	✱	✱		
6. Mr. Boonyarith	Mahamontri	✱			
7. Mr. Petch	Paniangvait	✱			
8. Miss Sirilak	Dhanasarnsilp	✱			
9. Mrs. Chailada	Tantivejakul	✱			⊙
10. Mr. Thamarat	Chokwatana	✱			
11. Mr. Wasin	Teyateeti	✱		✱	
12. Mr. Khachomsakdi	Vanaratseath	✱		✱	
13. POL.MAJ.GEN.Panurat	Meepien	✱		⊙	
14. Dr. Vichai	Charoenwongse	✱			
15. Mr. Vichit	Tantianunanon	✱			
(Appointed on April 23, 2018)					
16. Mrs. Siriporn	Lekayavijitr	⊙	✱	⊙	✱
17. Mr. Pipat	Kowsuparmongkol		✱		✱
18. Mr. Vora	Punkamol		✱		✱
19. Mr. Punnavee	Sookyen		✱		✱
20. Mr. Parinya	Sithidumrong		✱		✱
21. Miss Patcharapom	Vatanasuk		✱		
22. Mrs. Siriwan	Wongariyakavee		✱		
23. Mr. Peerapol	Chanwichit		✱		✱
24. Mr. Thatri	Pornpaisalsakul				✱
25. Miss. Jamnong	Sriampomkul				✱
26. Miss. Sunanta	Mongkolkitaveepol				✱

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

The Authority of Board of Directors

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

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

The Board of Directors may designate the names of the directors who have the power to affix their signatures together with the seal of the Company to be binding on the Company.

Definitions of Independent Director

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

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

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

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

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

The business relationship as described in the above paragraph is inclusive of normal trading transactions for the conduct of business; lease or letting of immovable; transactions relating to assets or service; provision or acceptance of financial assistance through acceptance or provision of loans and guarantees, the use of assets as collateral and other such practices which result in the company or the party to the agreement being under the obligation to repay the other party for an amount from 3%

of net tangible assets of the company or from Twenty Million Baht whichever is lower. The calculation of such obligation to debt is to be in accordance with the related transaction value calculation method as per the Announcement of the Capital Market Supervisory Board on the Related Transaction Criteria with exceptions. The said obligation to debt includes that which has materialized during the period of one year prior to the day of business relationship with the same individual.

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

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

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

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

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

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

Selection criteria and procedure for Independent Directors

The Board of Directors selects independent directors in accordance with the criteria specified by the Stock Exchange of Thailand and Securities and Exchange Commission.

Number of times of the Board of Directors' Meetings

In the year 2018, the Board of Directors held twelve meetings, the Board of Audit Committee held five meetings. Attendance of each director is summarized in the table below.

Director	Position	Attendance		
		Board of Directors meeting	Audit Committee meeting	Annual shareholders meeting
1. Mr. Boonsithi Chokwatana	Honorary Chairman	12/12		1/1
2. Mr. Boonchai Chokwatana	Chairman, Chairman of the Executive Board	12/12		1/1
3. Mr. Boonpakorn Chokwatana	Vice Chairman	12/12		1/1
4. Mrs. Pasook Raksawongse	Vice Chair, Executive Board	12/12		1/1
5. Mr. Vathit Chokwatana	President	12/12		1/1
6. Mr. Boonyarith Mahamontri	Director	11/12		1/1
7. Mr. Petch Paniangvait	Director	12/12		1/1
8. Miss Sirilak Dhanasarnsilp	Director	12/12		1/1
9. Mrs. Chailada Tantivejakul	Director	12/12		1/1
10. Mr. Thamarat Chokwatana	Director	11/12		1/1
11. POLMAJ.GEN.Panurat Meepien	Independent Director and Chairman of Audit Committee	11/12	5/5	0/1
12. Mr. Wasin Teyateeti	Independent Director and Audit Committee	11/12	5/5	1/1
13. Mr. Khachornsakdi Vanaratseath	Independent Director and Audit Committee	12/12	5/5	1/1
14. Dr. Vichai Charoenwongse	Independent Director	10/12		1/1
15. Mr. Vichit Tantianunanon (Appointed on April 23, 2018)	Independent Director	8/12		-
16. Mrs. Siriporn Lekayavijitr	Company's Secretary	12/12	5/5	1/1

Name and Positions of Director, Executive Board and the Company's Secretary as defined by the Securities and Exchange Commission.

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

Securities Data Company of Directors and Executives on December 31, 2018

Name		As at 31 Dec 2017	Changes between 2018	As at 31 Dec 2018	%
1. Mr. Boonsithi	Chokwatana	2,775,585		2,775,585	0.84
2. Mr. Boonchai	Chokwatana	1,906,342		1,906,342	0.58
Spouse and Underage children		120,000		120,000	0.04
3. Mr. Boonpakorn	Chokvathana	1,478,965		1,478,965	0.45
Spouse and Underage children		204,353		204,353	0.06
4. Mrs. Pasook	Raksawonkse	55,000		55,000	0.02
5. Mr. Vathit	Chokwatana	458,333		458,333	0.14
6. Mr. Boonyarath	Mahamontri	62,218		62,218	0.02
7. Mr. Thamarat	Chokwatana	232,254		232,254	0.07
Spouse and Underage children		34,998		34,998	0.01
8. Mr. Petch	Paniangvatt	300,000		300,000	0.09
9. Miss Sililak	Dhanasamsilp	761,551		761,551	0.23
10. Mrs. Chailada	Tantivejakul	1,166,739		1,166,739	0.35
11. Dr. Vichai	Charoenwongse	-		-	-
12. Mr. Vichit	Tantianunanon	18,153		18,153	0.00
13. Mr. Khachornsakdi	Vanaratseath	-		-	-
14. Mr. Wasin	Teyateeti	-		-	-
Spouse and Underage children		15,333		15,333	0.00
15. POL.MAJ.GEN.Panurat	Meepien	-		-	-
16. Mrs. Siriporn	Lekayavijitr	221,333		221,333	0.07
17. Mr. Pipat	Kowsupamongkol	50,000	(50,000)	-	-
Spouse and Underage children		80,000	50,000	130,000	0.02
18. Mr. Vora	Punkamol	53,000		53,000	0.02
19. Mr. Punnavee	Sookyen	22,000	(22,000)	-	-
20. Mr. Parinya	Sithidumrong	4,000		4,000	0.00
21. Mr. Peerapol	Chanwichit	11,000		11,000	0.00
22. Miss. Patcharaporn	Vatanasuk	50,000		50,000	0.02
23. Mrs. Siriwan	Wongariyakavee	409,500		409,500	0.12
24. Mr. Surapong	Soponkij	-	-	-	-

Consultant of the Board of Directors

Name / Position / Assumed Position	Age	Education	Past 5 years experiences		
			Period	Position	Company Name
1. Mr. Boon-Ek Chokwatana Consultant of the Board of Directors May 14, 2009	85	Melbourne Technical College Australia Thai Institute of Directors Association - Director Accreditation Program (DAP)3/2003	2014 - Present	Listed Company None-listed Company	-None- 2 Companies
2. Mr. Samreng Manoonpol Consultant of the Board of Directors May 10, 2007	82	High School WatRajabopit School Thai Institute of Directors Association - Director Accreditation Program (DAP)3/2003	2014 - Present 2014 - Present	Listed Company Director Consultant None-listed Company	Saha Pathana Inter-Holding PLC. I.C.C. International Public Company Limited 7 Companies

Information on the Board of Director and the Executives

Name / Position Assumed Position	Age	Education	Shares hd of (%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
1. Mr. Boonsithi Chokwatana - Honorary Chairman In 1961	81	Doctor of Business Administration - Honorary D.B.A., Burapha University - Honorary Causa, Thammasat University - Honorary, NIDA - Honorary, University of The Thai Chamber of Commerce Doctor of Engineering (Honorary), Khon Kaen University The Doctor of Laws degree, Honoris Causa, Waseda University, Japan The doctor of science (Textiles and clothing) Rajabangsa University of Technology, BKK Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005	0.84	2, 3, 5, 9 and 10	2014 - July 11, 2016 July 2016 - Present 2014 - Present 2014 - Present 2014 - Present 2014 - Present Sep 2015 - Present 2014 - Present 2014 - April 2016 May - Dec 2016 Dec 2016 - Present	Listed Company Advising Director Advising Director Chairman Advising Advising Director Director Chairman Chairman of the Executive Board Vice Chairman Honorary Advisory Director Honorary Advisor Non-listed Company	Thanlux Public Company Limited Thanlux Public Company Limited Thai President Foods Public Company Limited Thai Wasco Public Company Limited Text Tile Prestige Public Company Limited Saha Cogen (Chonburi) Public Company Limited Saha Pathana Inter-Holding Public Company Limited Saha Pathana Inter-Holding Public Company Limited L.C.C International Public Company Limited L.C.C International Public Company Limited L.C.C International Public Company Limited 18 Companies

Information on the Board of Director and the Executives

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
2. Mr. Boonchai Chokwatana - Chairman - Chairman of the Executive Board In 1972	71	The Doctor Honorary degree in - Communication, Naresuan University - Business Administration, Mahasarakham University - Logistics Management, Sun Sunandha Rajabhat University Bachelor of Arts in Political Science Ramkhamhaeng University Wisconsin State University At Superior, U.S.A Thai Institute of Directors Association - Director Accreditation Program (IDAP) 3/2003 - Director Certification Program (IDCP) 68/2005	0.61	1, 3, 5, 9 and 10	2014 - Present	Listed Company Chairman	Far East Fame Line DOB Public Company Limited
					2014 - Present 2014 - Present	Director Director	Thai President Foods Public Company Limited Saha Pathana Inter-Holding Public Company Limited
3. Mr. Boonpakorn Chokwatana - Vice Chairman In 1962	83	Assumption Commercial College (1956) B.A. Economics, University of Nottingham (1962) Thai Institute of Directors Association - Director Accreditation Program (IDAP) 3/2003 - Director Certification Program (IDCP) 68/2005 - Role of Compensation Committee (RCC) 7/2008	0.51	1, 2, 5, 9 and 10	2014 - Present 2014 - April 23, 2018	Listed Company Chairman Vice Chairman	New City (Bangkok) Public Company Limited Saha Pathana Inter-Holding Public Company Limited
					2014 - April 11, 2018	Director None-listed Company	IT CITY Public Company Limited 4 Companies

Information on the Board of Director and the Executives

Name / Position Assumed Position	Age	Education	Shares held (%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
4. Mrs. Pasook Raksawongse - Vice Chair of the Executive Board - Consultant of Risk Management and Anti-Corruption Committee June 19, 2008	64	Master of Business Administration, Nida Thai Institute of Directors Association - Director Accreditation Program (DAP) 7/5/2008 - Director Certification Program (DCP) 251/2017 - Risk Management Program for Corporate Leaders (RCL) 7/2017	0.02	-	2014 - Present	Listed Company None-listed Company	-None- 6 Companies
5. Mr. Vathit Chokwatana - President - Executive Director June 19, 2008	54	Master of Business Administration, Assumption University, Bangkok, Thailand Bachelor of Electronic Engineer, San Francisco State University, California, U.S.A. Thai Institute of Directors Association - Director Accreditation Program (DAP) 7/5/2008 - Director Certification Program (DCP) 251/2017 - Risk Management Program for Corporate Leaders (RCL) 4/2016 Capital Market Academy, Program Executives 21/2015	0.14	1, 2 and 3	2014 - Present	Listed Company Director None-listed Company	Thai President Foods Public Company Limited 15 Companies
6. Mr. Boonyarath Mahamontiri - Director In 1988	73	Bachelor of Science, Chulalongkorn University Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2/003 - Director Certification Program (DCP) 68/2005	0.02	-	2014 - Present	Listed Company Director None-listed Company	Saha Cogan (Chonburi) Public Company Limited 1 Company

Information on the Board of Director and the Executives

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
7. Mr. Perch Pantiangvat - Director April 26, 2012	44	MBA International Business, University of Sydney, Australia Thai Institute of Directors Association - Director Accreditation Program (IDAP) 99/2012	0.09	-	2017 - Present	Listed Company Foreign Investment Manager None-listed Company 2 Companies	Thai President Foods Public Company Limited
8. Miss Siliak Dhanasarnsilp - Director December 17, 2015	69	Bachelor of Laws, Thammasat University Thai Institute of Directors Association - Director Accreditation Program (IDAP) 22/2004	0.23	-	2008 - Dec 16, 2015	Listed Company Consultant of the Board of Director None-listed Company 4 Companies	Saha Pathanapibul Public Company Limited
9. Mrs. Chailada Tantivejakul - Director - Executive Director - Chairman of Risk Management and Anti-Corruption Committee - Marketing Director 2 December 17, 2015	42	Master's Degree in International Commerce and Policy, George Mason University, U.S.A. Thai Institute of Directors Association - Director Accreditation Program (IDAP) 55/2006 - Risk Management Program for Corporate Leaders (RCL) 8/2017	0.35	1, 2 and 3	2014 - Nov 13, 2017 Nov 13, 2017 - Present	Listed Company Managing Director Executive Vice President and Chief Financial Officer None-listed Company 6 Companies	Far East Fame Line DDB Public Company Limited Far East Fame Line DDB Public Company Limited
10. Mr. Thamarat Chokwatana - Director May 11, 2017	49	Bachelor of Arts, Assumption University Thai Institute of Directors Association - Director Accreditation Program (IDAP) 3/2003 - Director Certification Program (DCP) 68/2005 - The Cyber Security Policy Master Class Training Course (NSTDA Academy) 31/2009	0.08	1, 2 and 3	2001 - Present 2015 - Present 2016 - Present	Listed Company Director President Director None-listed Company 40 Companies	Thai Wiscool Public Company Limited I.C.C International Public Company Limited Thanulux Public Company Limited

Information on the Board of Director and the Executives

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
11. Mr. Wasin Teyalefi - Independent Director - Audit Committee April 28, 1997	70	Bachelor of Accountancy Chulalongkorn University Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003	0.005	-	2014 - Present	Listed Company Vice Chairman None-listed Company	Far East Fame Line DOB Public Company Limited 10 Companies
12. Mr. Khachornskadi Vanaasitsoeth - Independent Director - Audit Committee April 22, 1998	71	Master Degree of M.Acc., Western Illinois University, U.S.A. Graduate Diploma in Auditing, Chulalongkorn University B.Sc. Accountancy, Chulalongkorn University Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003	-	-	2014 - April 2017 2014 - Present	Listed Company Independent Director and Chairman of Audit Committee Independent Director and Chairman of Audit Committee Independent Director and Chairman of Audit Committee	S & J International Enterprises Public Company Limited Far East Fame Line DOB Public Company Limited
13. POLMAJ GEN Panuat Meespian - Independent Director - Chairman of Audit Committee April 27, 2009	71	Master of Public Affairs, U.S.A. Bachelor of Political Science, Chiang Mai University Thai Institute of Directors Association - Director Accreditation Program (DAP) 7/2009	-	-	April 2017 - Present 2014 - Present	Independent Director and Chairman of Audit Committee None-listed Company Listed Company Independent Director and Audit Committee None-listed Company	People's Garment Public Company Limited 1 Company Pan Asia Footwear Public Company Limited -None-

Information on the Board of Director and the Executives

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
14. Dr. Vichai Charoenwongse - Independent Director April 25, 2016	72	Doctor of Medicine, Siriraj Hospital Mahidol University Thai Institute of Directors Association - Director Accreditation Program (DAP) 138/2017	-	-	2014 - Present	Listed Company None-listed Company	-None- -None-
15. Mr. Vichit Tantiananont - Independent Director April 23, 2018	72	Assumption Commercial College Joint Venture Management Course, Insead University Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003	0.01	-	2014 - Present	Listed Company Independent Director Audit Committee and Chairman of Risk Management Committee Independent Director	Far East Fame Line DOB Public Company Limited Sampo Insurance (Thailand) Public Company Limited 1 Company
16. Mrs. Siriporn Lekayavijit - The Company Secretary - Executive Director - Director of Risk Management and Anti-Corruption Committee May 10, 2005	69	Bachelor of Accountancy, Thammasat University Seminar Corporate Secretary Development Program Faculty of Accountancy Chulalongkorn University Thai Institute of Directors Association (IOD) - Seminar Board Reporting - Risk Management Program for Corporate Leaders (RCL) 7/2017 Seminar Internal Audit Thailand Management Association	0.07	-	2014 - Present	None-listed Company Listed Company None-listed Company	- None- 3 Companies

Information on the Board of Director and the Executives

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
17. Mr. Pipat Kowsupamongkol - Executive Director - Director of Risk Management and Anti-Corruption Committee May 10, 2005	65	Bachelor of Science, Kasetsart University	0.04	-	2014 - Present	Listed Company None-listed Company	-None- -None-
18. Mr.Vora Pankamol - Executive Director - Director of Risk Management and Anti-Corruption Committee - Sales Director 1 May 9, 2013	60	Mini MBA, in Economics and Management, Chulalongkorn University Bachelor of Management Science in Marketing Phranakhon Rajabhat University	0.02	-	2014 - Present	Listed Company None-listed Company	-None- -None-
19. Mr. Punmaee Sookyen - Executive Director - Director of Risk Management and Anti-Corruption Committee - Sales Director 2 May 12, 2014	51	Master of Business Administration in Marketing Thames Valley University	-	-	2014 - Present	Listed Company None-listed Company	-None- -None-
20. Mr.Painya Sithidumrong - Executive Director - Director of Risk Management and Anti-Corruption Committee - Marketing Director 1 May 1, 2008	57	Master Degree in Business Administration Srinakharinwirot University Bachelor Degree in Economics, Ramkhamhaeng University Thai Institute of Directors Association (IOD) - Risk Management Program for Corporate Leaders (RCL) 8/2017	0.001	-	2014 - Present	Listed Company None-listed Company	-None- 1 Company

Information on the Board of Director and the Executives

Name / Position Assumed Position	Age	Education	Shares hold(%)	Family Relationship between directors	Past 5 years experiences		
					Period	Position	Company Name
21. Mr. Peerapol Chamwicht - Executive Director - Director of Risk Management and Anti-Corruption Committee - Assistant Director of Marketing 1 May 12, 2017	42	Master Degree in Telecommunication Management, Assumption University Bachelor Degree in Electronics Engineering, Assumption University	0.003	-	2014 - Present	Listed Company None-listed Company	-None- -None- -None-
22. Miss. Patcharaporn Vatanasuk - Executive Director - Acting Human Resource Director May 12, 2017	60	Master Degree in Human Resource Development, Ramkhamhaeng University Bachelor Degree in Political Science, Ramkhamhaeng University	0.015	-	2014 - Present	Listed Company None-listed Company	-None- -None-
23. Mrs. Sirivan Wonganyakavee - Executive Director - Financial and Investment Director May 12, 2017	54	Master Degree in Business Administration, Dhulakij Pundit University Bachelor Degree in Science, Mahidol University	0.12	-	2014 - Present	Listed Company None-listed Company	- None- 6 Companies
24. Mr. Surapong Soponkij - Information Technology Director May 1, 2015	47	Doctor of Sustainable Energy and Environmental Technology, School of Renewable Energy Technology and Environment Master of MSCIS Assumption University Environmental Technology Thai Institute of Directors Association - Director Accreditation Program (DAP) 7/9/2009	-	-	2014 - Present	Listed Company None-listed Company	-None- -None-

Selection of the Company's Directors

The Board of Directors screens qualified individuals for nomination to fill vacant posts for subsequent proposal to the shareholders meeting, with the exception of the case where the post became regulations. In the case where the post is that of an independent director, the nominated individual must possess all qualifications required by the Equity Market Committee.

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 web site at www.sahapat.co.th

Composition and Election: according to the Articles of Association, Chapter 3 'The Board of Directors', No.18 and Charter, the shareholders meeting determine the number of desired director but not fewer than five. The individuals to be appointed as directors must not have prohibited characteristics as specified by the law or company regulations, or must not be described as inappropriate or untrustworthy to manage a business the shares of which are held by the public, as per regulations specified by the Securities and Exchange Committee. At least half of all directors must reside in the Kingdom of Thailand. The number of independent directors and Audit Committee must be in accordance with the announcement of the Capital Market Supervisory Board.

Directorial Election Procedure

According to the Article of Association Chapter 3, 'The Board of Directors' No.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 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 order shall be elected as the directors equal to the number of directors to be elected by the Shareholders' Meeting in such election. In case where the number of votes for the candidate 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.

Directorial Term of Service

(A) Term Completion Retirement

In accordance with Articles of Association Chapter 3 'The Board of Directors' No. 21 and the Company Charter, 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 Retirement

1. In accordance with Articles of Association Chapter 3 'The Board of Directors' No. 22 and Charter, directors are to be retired 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 the shareholders meeting
- 1.6 Removal by court order

Once a post of director becomes vacant due to a reason other than completion of term, and that the remaining term is longer than two months, the Board of Directors is to select a qualified individual who is free of any prohibited characteristics as a replacement at the next Board of Directors meeting. The replacement member is to serve for only the remaining term of the director whom he/she replaces.

2. According to Articles of Association Chapter 3 'The Board of Directors' No. 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 amount of director term as we believe that the ability to manage 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. Ultimately, it is the authority of shareholders to elect individuals as directors to establish policies and act on their behalf.

Remuneration for the Board of Directors

The remuneration of Directors consideration on evaluation of Board of Directors operation, Company's operation result, the amount approved by the General Meeting of Shareholders, the amount paid for past year and comparison with the level in same business group including power, duties and responsibilities. To the Board of directors meeting for consideration and to the shareholders meeting for approval.

• Monetary Remuneration in the year 2018

The 67th annual general meeting of shareholders on April 23, 2018 has determined that the total remuneration amount for directors will remain to be not exceeding 15 million baht per year as before, until further changes. This is not inclusive of remuneration or welfare to which the directors are entitled to in the capacity as a staff member or an employee of the company.

1. For Acting As Directors

- Meeting attendance fee (paid to attending directors only)

Chairman	12,000	Baht/meeting
Director	10,000	Baht/meeting
- Annual Remuneration is paid to all directors and allocate by the Board of Directors.

2. For Acting As Audit Committee

- Meeting attendance fee is paid by quarter.

Chairman of the Audit Committee	60,000	Baht/meeting
Audit Committee	30,000	Baht/meeting

3. For Acting As Risk Management and Anti-Corruption Committee

- Meeting attendance fee (paid to attending directors only)

Chairman	4,000	Baht/meeting
Committee	3,000	Baht/meeting

● Management

The rates are to be used from the General Meeting of Shareholders approval until further changes, the remuneration payment will not exceed the amount which approved by the General Meeting of Shareholders.

Grand total of 11,342,000 Baht was paid in 2018.

- The Remuneration for The Board of Directors in the year 2018 (Director Allowance and Director Compensation) are as follow :

Name		Remuneration (Baht)			Total
		Board Of Directors	Audit Committee	Risk Management and Anti-Corruption Committee	
1. Mr. Boonsithi	Chokwatana	1,144,000			1,144,000
2. Mr. Boonchai	Chokwatana	1,244,000			1,244,000
3. Mr. Boonpakorn	Chokvathana	620,000			620,000
4. Mrs. Pasook	Raksawongse	820,000		44,000	864,000
5. Mr. Vathit	Chokwatana	820,000			820,000
6. Mr. Boonyarith	Mahamontri	610,000			610,000
7. Mr. Petch	Paniangvail	620,000			620,000
8. Miss Sililak	Dhanasarnsilp	620,000			620,000
9. Mrs. Chailada	Tantivejakul	820,000		40,000	860,000
10. Mr. Thamarat	Chokwatana	610,000			610,000
11. Mr. Khachomsakdi	Vanaratseath	620,000	120,000		740,000
12. Mr. Wasin	Teyateeti	610,000	180,000		790,000
13. POL.MAJ.GEN.Panurat	Meepian	610,000	180,000		790,000
14. Mr. Surindr	Vadhanasiriphongs		30,000		30,000
(Retired on April 2018)					
15. Dr. Vichai	Charoenwongse	600,000			600,000
16. Mr. Vichit	Tantianunanon	380,000			380,000
(Appointed on April 23, 2018)					
Total		10,748,000	510,000	84,000	11,342,000

- Remuneration for Executive Board and Executives total 13 persons 60,155,040 Baht
- Provident Funds for the Executive Board and Executives total 2,743,122 Baht

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

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

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

In 2018 the Company still adhered to the Corporate Governance Code for listed companies 2012 prescribed by the Stock Exchange of Thailand.

Corporate Governance principles are comprises 5 chapters

1. Rights of Shareholders

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

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

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

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

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

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

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

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

- **The Right to be informed:** All shareholders have an equal right to be informed. Therefore, information is made available to shareholders in English and in Thai via the Stock Exchange of Thailand and our website at www.sahapat.co.th. This is to ensure that the shareholders are well informed of matters such as operational results, related transactions, significant sales and purchases of assets, names of ten major shareholders as of registration book closing date for the purpose of an annual general meeting, shareholder meeting minutes within 14 days after the meeting, and other information necessary for their decision making.

- **The Right to attend the shareholder meeting:** The Company makes arrangements for the shareholders general meeting annually within four months from the last day of an accounting year. The date, time, venue and format chosen must not be an obstacle for the participation by the shareholders. This is so in order to ensure that the shareholders are able to monitor the performance of the Company. To avoid confusion, the venue for this meeting is permanently set for Montien Riverside Hotel at 372 Rama III Road, Bangkok, Bangkoklaem, Bangkok. In the year 2018, the 67th shareholder general meeting was held on Monday April 23, 2018.

Before the Shareholders' meeting day

- Minority shareholders were given the opportunity to suggest agendas and/or nominate candidates for the directorial election at the 2018 Annual General Meeting of Shareholders' from December 1 to 30, 2017. The result was that there were no suggested agendas and/or nominated candidates, propose by shareholders.

- The Company has publicized the resolution of the Board of Directors Meeting No.11 (Board # 24) on March 13, 2018 convening the 67th General Meeting of Shareholders on April 23, 2018. Meeting agendas in both Thai and English, were made available via the information system of the Stock Exchange of Thailand and via the Company's website at www.sahapat.co.th for the information of the shareholders five weeks prior to the meeting date.

- The Company provides information, date, time, venue and agenda in the notice of meeting, the facts and reasons including the Board of Directors in every rotation. The Company has provided notice of the meeting on March 15, 2018 along with all relevant documents containing the same information as that on the Company's website, in both Thai and English, 37 days before the meeting for the shareholders' perusal.

- The Company has delivered a notice of meeting, along with other relevant documents, such as the annual report, the proxy form B, profiles of director candidates, profiles of audit committee that the company nominated the name as the designed persons for the shareholders' appointing as their proxies, the meeting venue map, the explanation of documents, the list of evidence which the shareholders need to present for an attendance, the company regulations on shareholder meetings, and the meeting attendance procedure, by assigned the Thailand Securities Depository Center Co., Ltd., the share registrar of the company to deliver the documents to the shareholders 21 days before the meeting. As well, an announcement was published in a newspaper 3 days consecutive from April 9 to 11, 2018. before the meeting for 11 days.

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

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

In 2018, Two foreign shareholders have assigned persons to attend the meeting on their behalf.

On the meeting day

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

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

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

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

Realizing the significance of shareholder meetings, the Board of Directors has made it a duty of all directors to attend the meeting, with the exception of the case where they are ill or pre-occupied by other important matter. A total of thirteen directors attended the 67th annual general meeting of shareholders on April 23, 2018. Additionally, The Executives Director, Accounting Department Manager and the company auditor served as witnesses for the voting and attended the meeting to answer relevant questions of the shareholders. The names of the Board of Directors and executives attend to the shareholders meeting have shown in the Minutes of the shareholders on website at www.sahapat.co.th

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

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

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

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

Usual format of important agendas at shareholder meetings

1. Appointment of director : The Company have provided shareholders the opportunity to nominate for the directorial election at the 2018 Annual General Meeting of Shareholder, there was not any proposal. Shareholders can exercise their right to elect individual directors. Candidate profiles are provided to inform shareholders of the candidates' preliminary information, name, education, positions in other corporations and whether or not such corporations' businesses are of the same nature, or competitive to the company's business, the category of directors being nominated, In the case where the candidate is a serving director, information will be provided on his/her meeting attendance in the previous year, the number of year(s) he/she has served in a directorial capacity. The candidates are screened by the Board of Directors.

2. Directors' remuneration : Remuneration is proposed to the shareholder meeting for their approval on an annual basis. The amount is determined by the Board of Directors, as no remuneration committee has been appointed. The amount of remuneration paid in actual amount paid, method of payment and summary of amount paid to each individual on the Board of Directors, the Audit Committee are indicated in the 56-1 Form and in the annual report (56-2 Form).

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

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

After the meeting day

- Upon completion of the Annual General Meeting, The Company discloses to the public to shareholders and approved the results of the vote on each agenda. Through the website of the Stock Exchange of Thailand www.set.or.th and distributed through the company website www.sahapat.co.th on the next business day.

- Detailed of Annual general meeting of shareholder minutes would be prepared, indicating the names of present and absent directors, the reason for their absence, sub-committee, top executive of accounting and finance, auditor and representative of the auditor office, important explanations and summary of questions and responses or opinions. The particulars of each agenda are noted as they were stated at the meeting. The numbers of 'for', 'against' and 'null' votes on each agenda are also summarized. The minutes are reviewed by the Legal Department and the Chairman of the Board of Director before the latter endorses it in the capacity as the chairman of the assembly, and, subsequently submitted to the Stock Exchange of Thailand and the Securities and Exchange Commission. The minutes are also made available on our website www.sahapat.co.th in both Thai and English, within 14 days in order that shareholders may not have to wait until the next meeting to obtain the information. A copy of the minutes is submitted to the Ministry of Commerce within the timeframe specified by law.

- The Company records a video of the shareholders meeting.

2. Treating shareholders with equality and fairness

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

2.1 Every shareholder has the right and equality The same type of share has equal voting rights. Per one share, one vote and there is only being type of share which is ordinary share.

2.2 Shareholders meetings

(1) Shareholders of foreign nationalities are sent an English version of the meeting notice, supporting documents and meeting minutes, along with the Thai version. These are also available on our website in both languages 37 days before the meeting date.

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

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

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

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

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

2.3 Proposal of agendas by minor shareholders We have yet to establish procedures for minor shareholders to propose agendas, and/or to nominate candidates to be elected as directors at the General Meeting of Shareholder 2018 in advance, to propose the meeting agenda according to the principle of the company. Shareholders can send signed documents and various evidenced as supporting documents for the Board of Directors' consideration by registered mail to the Company's Secretary from December 1 - 30, 2017.

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

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

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

(1) A measure is in place to monitor how our shares are traded. Directors, executives and staff in possession of insider information are prohibited from selling or purchasing company stock within one month before disclosing the financial statements to the public. Additionally, directors and executives, as well as, their spouses and children who are not yet of juristic age are required to report their shareholding. Any transaction must be reported to the Securities and Exchange Commission, with a copy sent to the Company's Secretary for subsequent notification of the Board of Directors at the next meeting. Directors and executives are well aware that it is their duty to comply. The Company's Secretary will circulate a letter to all directors and executives of any change in this area, with relevant announcement of the Securities and Exchange Commission enclosed.

In 2018, all directors and executives have complied well with this policy. There was no transaction during the prohibited period.

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

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

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

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

In 2018, all directors and executives have complied with the established criteria.

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

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

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

3. Rights of stakeholders

The Company recognizes and respects the rights of stakeholders groups, taking into account the rights under the law or agreements with the Company. To ensure that such rights are protected and treated fairly and equally. The policy is to guide the treatment of each group of stakeholders, commitment to social and environmental as well as public sector anti-corruption, the corruption-infringement of

intellectual property including respect for human rights. We have prepared a written manual of business ethics and employee code of conduct. Copies of this annual have been distributed to all directors, executives and employees. It is also disclosed on our website at www.sahapat.co.th in Good Corporate Governance.

Responsibilities to stakeholders

Shareholder

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

In the year 2018, we have paid dividends from the operation in 2017 at the rate of 1.50 Baht per share on May 22, 2018. Total dividends paid account for 34.28% of net profit. And pay interim dividends based on the results of the first six months of 2018, effective from January 1, 2018 to June 30, 2018 at the rate of Baht 0.50 Baht per share. Total dividends paid account for 35.82% of net profit. This is greater than the specified minimum dividend of 0.15 Baht per share and contributes to the long-term financial well being of our shareholders.

Customers

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

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

Trading partners

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

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

In 2018, the Company performed to the trade agreements and any failure to abide by the contract with the customer.

Trading competitors

The company operates under the provisions of law. By following the rules of competition, fair-trade with regard to ethical business practices and competition law. Competitors and considered as part of the capacity building of the organization. The stability and strength does not damage the reputation of competitors. In the year 2018 the Company has no disputes with competitors.

Creditors

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

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

In 2018, we have made payments to our creditors in accordance with the agreed credit term without any default.

Employees

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

For the year 2018, number of employees are 1,587 persons, employees' can be divided as follow:

Line Function	Number of employees
Sales Department	795
Back-Office	792

We have paid a total compensation of Baht 719,538,826.61 in the forms of salary, subsidy and provident fund to our employees in 2018.

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

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

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

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

Retirement Annuity: Upon retirement, employees will be paid a retirement annuity to be used in their post-retirement life.

Saha Group Employee's Saving and Credit Cooperative Limited: for the promotion of savings, self reliance and mutual assistance as per the principle of co-operatives.

Employee development policy

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

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

The Company places importance on continuously developing human resources through effective training programs. A MOP (Mission Objective Policy) seminar is organized yearly in October, to give the Company's executives, employees, and factory representatives an opportunity to share ideas and suggest better ways of operating the businesses. The outcome of this systematic brainstorming and creative thinking process is used in developing strategies and establishing means for assessment based on the results. Provides resource for employees at all levels to participate in training sessions both In-house training and Public training. The following is breakdown of average training hours undertaken in 2018.

Senior Level Management	Average training of 33.46 Hours
Middle Level Management	Average training of 38.86 Hours
Lower Level Management	Average training of 38.89 Hours
Employees	Average training of 25.54 Hours

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

Community and Society

The Company try to instill social awareness and responsibility towards society among our employees. This is done consistently through various activities and campaigns that benefit the communities. Impact of our operation on natural resources and the environment is also regarded as our primary concern. Company has policy and practices in ethical business practices to treat social community. Our social contribution activities in the year 2018 which can be viewed from Social Responsibility.

Environment

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

Government

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

Non-infringement of Intellectual Property

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

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

Non-violation of Human Rights

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

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

Policy and Anti-Corruption Policy

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

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

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

In 2018, The Company did not find significant defect issues related to corruption and non-compliant operations with laws or related terms as well as violation of Code of Business Conduct in business at all.

Channels of Involvement for stakeholders

Shareholders and stakeholders with concerns regarding any financial report, internal control system, possible violation of the laws or the code of ethics, are advised to contact the Company's Secretary at 0-2318-0062 Ext. 1200, or by facsimile at 0-2318-1152 or by e-mail at invest@sahapat.co.th. The office of internal audit reports directly to the audit committee and can be reached at 0-2318-0062 Ext. 1440. Findings of the investigation will be reported to the Board of Directors while the identity of the informant will remain confidential. There was no complaint regarding this matter from shareholders and stakeholders in the year 2018.

4. Disclosure of information and transparency

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

Inquiries from shareholders and investors are welcome. Please direct all inquiries to our contact person, Mrs.Siriporn Lekayavijitr, at 0-2318-0062 Ext. 1200, or by facsimile at 0-2318-1152 or by e-mail at invest@sahapat.co.th.

All transactions with possible conflict of interests are reviewed by the audit committee. Directors with interests in such transactions are not allowed to attend the meeting or cast their vote in order to allow the Board of Directors and the executives to make just decisions for the benefit of the shareholders. Once a conclusion has been reached, it will be disclosed along with the value of transaction, the party to the transaction, and reasons and other details in accordance with the criteria of the Stock Exchange of Thailand. Summaries will be published in the annual report and the 56-1 Form.

With regard to monitoring, audit and balance mechanism, we have implemented a comprehensive internal control system covering the management, the operation and the finance of the company. An internal audit division evaluates the efficiency of internal control in accordance with the guideline established by the Board of Directors. This is a preventive measure to address problems at their root. Recommendations for improvement are given to ensure good corporate governance. Findings of the audit are reported directly to the audit committee.

The Board of Directors' report

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 Board of Director's report covers the responsibilities of the Board of Directors over the company's financial reports, and is usually presented together with the auditors' report in the annual report and the 56-1 Form. The report is signed by the Chairman of the Board of Directors.

Remuneration for company directors and executives

The remuneration for company directors and executives is detailed in terms of both form and amount. The amount paid to each director for their role as company director is disclosed in the annual report and the 56-1 Form.

Report on Conflict of Interest of Company Directors and Executives

The Company has set a number of criteria governing how Company Directors and Executives must report on any interests they have upon initially becoming the Company Directors or Executives. Furthermore, any changes of interest must be sent to the Company's Secretary, 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 7 days of initially receiving such a report.

Investor relations

The Board of Directors believed that it is important to keep all investors well informed of our operation. This involves constant update of financial information and information affecting the price of company stock, required by the investors for their timely decision. All investors and relevant parties are updated at the same time via the channels of the Stock Exchange of Thailand, and our website at www.sahapat.co.th.

In the year 2018, the Company and Listed Companies of Saha Group total 15 companies and the Stock Exchange of Thailand have jointly organized an event titled "Analysts and Investors Meet Saha Group" at Bangkok International Trade & Exhibition Centre (BITEC) on Friday June 29, 2018. The event gave investors and members of the press to meet with Company Directors and Executives. The Company Director was present to deliver an overview of businesses, operation, the economic and industrial outlook and company operation, as well as other important updates. Investors and members of the press with a most complete update on the Company and Listed Companies of Saha Group.

Although there is presently no dedicated investor relations unit, the company has appointed The Company Secretary to assist shareholders and investors in this matter. The contact details are as follows:

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

Auditor Fees

(1) Audit Fee

The Audit fee of the Company and subsidiaries paid audit fee to the office of the auditor for the fiscal year ended December 31, 2018 as follows

1. SahaPathanapibul Plc.	1,840,000	Bath
2. Bangkok Tower (1999) Co.,Ltd.	235,000	Bath
3. Chokchaipibul Co.,Ltd.	405,000	Bath
4. Tipvarin-Watana Co.,Ltd.	244,000	Bath
5. Tipvarin Inter Packaging Co.,Ltd.	274,000	Bath
6. Dairy Thai Co.,Ltd.	230,000	Bath
Total	<u>3,228,000</u>	Bath

(2) Non-audit fee of the Company and subsidiaries

- Financial statements PAEs of 4 subsidiaries	140,000	Baht
- Financial statements of Private Fund	200,000	Baht
- Information Technology system audit	220,000	Baht
- Others	149,995	Baht
Total	<u>709,995</u>	Baht

5. Responsibilities of the Board of Directors

5.1 The structure of the Board of Directors

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

Balance of authority

Presently, the Board of Directors comprises of 15 directors:

- 6 non-executive directors
- 3 Audit Committee/ independent directors
- 2 Independent Directors
- 4 Executive Directors

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

Roles, duties and responsibilities of the Board of Directors

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

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

5.2 The Board of Directors has prescribed a vision, quality policies and core value so that the executives officer and employees would strive towards the same goal, operated by the mission, goal, strategies, operational plans and the annual budget as necessary, taking into account the good corporate governance principles, in order to add value to the business and the shareholders.

The Board of Directors has required to report progress and the performance of the Management on a monthly basis at the Board of Directors meeting. In the case where any director has a transaction involving the company stock, a copy of the shareholding report filed to the Office of Securities and Exchange Commission must be submitted to the Company's Secretary for subsequent notification of the Board of Directors at the following meeting.

5.3 The Board of Directors thereby prescribed corporate governance policy, business ethics and codes of conduct for Company Directors, Executive Officers and employees to ensure a harmonized approach, and as a practice guideline for the Company Directors, Executive Officers and all employees, and disclose in Company's website www.sahapat.co.th

5.4 Combination or separation of positions

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

5.5 Directorial term

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

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

5.6 Number of companies for which the directors serve

Names of directors, their background, experience, shareholding and service as directorial position for other companies of each director are reported in the annual report and Appendix 1 of the 56-1 Form. Currently, there are no directors who hold more than 5 listed companies. They have consistently dedicated their time achieving results for the company.

5.7 Sub-committee

The Board of Directors has appointed sub-committee to help assure shareholders of transparency and good corporate governance. Sub-committee reports directly to the Board of Directors, Sub-committee of the company include the executive committee, the audit committee and the risk management committee. Their authority and responsibilities are independent of each other, for the purpose of corporate governance.

Given the lack of a selection committee, the Board of Directors selects directors from qualified, visionary and ethical individuals of different professions. Duties and responsibilities of all committees are clearly defined by the Board of Directors. The Chairman of the Executive Board in the capacity of the head of the management, is appointed by the Board of Directors to oversee the conduct of business and the operation of the company in order to achieve the goals set and in accordance with the policies established by the Board of Directors.

Company's Secretary

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

The duties of this position are as follows:

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

5.8 The Board of Directors Meetings

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

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

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

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

5.9 The performance self-assessment of the Board of Directors

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

In 2018, the average score from the assessment is in the positive range. The average score is 83.68%

5.10 The performance self-assessment of the Audit Committee

The Board of Directors has assigned an assessment of the performance of the Audit Committee in 2018. Each Audit Committee reviewed the Audit Committee's performance as a whole. In 2018, the average score from the assessment is in the positive range. The average score is 92.16 %

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

The Board of Directors has assigned an assessment of the performance of the Risk Management and Anti-Corruption Committee in 2018. Each Risk Management and Anti-Corruption Committee reviewed the Risk Management and Anti-Corruption Committee's performance as a whole. In 2018, the average score from the assessment is in the positive range. The average score is 76.20%

5.12 Remuneration of company directors and executives

• Remuneration of company directors

We do not presently have in place a remuneration sub-committee. The amount of remuneration is determined by the Board of Directors in accordance with the procedure established and proposed to shareholder meetings for their approval. This is based upon the performance of the company, the amount approved and the actual amount paid in the previous year. Remuneration is paid in the form of meeting allowance per attendance of each director and annual remuneration to all directors. Directors who are members of a sub-committee are also compensated for their duty as a member of subcommittee in the form of meeting allowance per attendance. The 67th annual shareholders general meeting on April 23, 2018 has approved a total amount of 15 Million Baht in remuneration for directors per year. The actual amount paid was 11,342,000 Baht. Remuneration for each director is detailed in the annual report and the 56-1 Form.

• Remuneration of company executives

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

- Development programs for company directors and executives

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

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

Attendance and Seminar of the Board of Directors and executives in 2018

Name of Directors	Course / Seminar
1. Mrs. Pasook Raksawonkse	- Advance Master Management Program
2. Mr. Vathit Chokwatana	- Consumer Goods Forum at Singapore
3. Mrs. Chailada Tantivejakul	- TFRS 15 Revenue from contracts with customers
4. Mrs. Siriporn Lekayavijitr	- TFRS 15 Revenue from contracts with customers
5. Mrs. Siriwan Wongariyakavee	- TFRS 15 Revenue from contracts with customers
6. Miss Patcharaporn Vatanasuk	- Competency for HR - Problem Solving and Decision Making - Effective Communication Skills
7. Mr. Peerapol Chanwichit	- TFRS 15 Revenue from contracts with customers - 7 Strategies to the Top - Leadership for manager and supervisor

● Corporate Social Responsibility

Social Responsibility

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

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

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

Good Corporate Governance

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

1. Fairness

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

- Members of the Company's Supply Chain are screened to make sure they adhere to laws and regulations related to safety, occupational health and environmental standards. All business dealings are carried out in a way to uphold the principles of fairness, equality and mutual respect.
- Improving relationships and understanding of each other, knowledge sharing, development and add value to products and services to grow together.
- The acceptance or offering of bribes is expressly forbidden whether it is in the form of gifts or in other benefits.
- Not discredit in the Trading competitors
- All intellectual property rights of trade partners will be respected. The use of intellectual property rights of others for one's benefit can only be permitted after receiving expressed permission or if compensation for use is made.

2 Anti-Corruption Efforts

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

1. The Company will not be a party to pay bribes. In case of charitable contributions, political contributions as well as offering gifts in a business manner, this must be transparent, explainable and audited.
2. Supporting enhancement of awareness and value for anti-corruption among the company directors, executives and employees to perform duties in accordance with relevant laws, notifications and regulations by preparing such manual for guidelines.

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

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

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

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

The Company has always been committed to the fight against corruption. We have communicated with all levels of employees about our Anti-Corruption Policy and guidelines. Our subsidiaries, joint ventures, business partners and customers have also been informed. In 2016, we submitted our self-evaluation to the Committee of the Collective Action Coalition against Corruption, entering the certification process. As a result, we received certification of our membership in the Collective Action Coalition against Corruption from its committee on October 14, 2016.

In 2018 The Company did not see any fault as important content about fraud and corruption and any operation which does not conform to the law or related requirement as well as no violation of ethics in the business operation.

3. Respecting Human Rights

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

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

In 2018, The Company had no dispute with non-infringement of human rights.

4. Fair Labor Practices

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

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

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

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

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

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

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

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

5. Responsibility to Consumers

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

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

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

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

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

6. Environmental Preservation and Responsibility

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

1. Operations are to be conducted according to all environmental laws, regulations, and policies. In particular, this is in regards to effects on natural resources and the environment. Reviews and assessments of these operations will be performed regularly.

2. An eco-friendly corporate culture is to be instilled in staff members at all levels to increase cooperation and responsibility in terms of environmental responsibility, with a focus on using resources in an efficient and sustainable way.

3. Knowledge sharing and training programs regarding the environment will be provided to each staff member.

4. Systematic environmental management is used to comprehensively cover a wide variety of different aspects. This includes efficient use of resources, as well as the use of environmental restoration processes, including environmental monitoring, and environmental protection methods to reduce effects on both natural resources and the environment in a sustainable manner.

5. Selection methods for members of the Company's Value Chain include environmental friendliness as a criterion.

6. Support is given to the development and release of technologies that are environmentally friendly.

7. Community and Social Development

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

1. Working practices must not adversely affect society nor infringe upon individuals and the community as a whole.

2. A sense of social responsibility is to be instilled in the minds of staff members at all levels.

3. Standards have been created which help guide the protection of both the community and society and reduce any negative effects.

4. Local cultures and traditions are to be promoted and maintained.

5. Cooperation is to be fostered with various agencies to assist each other in community development.

6. Support is to be provided for activities that create benefit for the good of the public.

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

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

8. Innovation and Proliferation of Innovations

The Company has taken into account the environmental changes that may affect itself and all of its stakeholders. Throughout 2018 the Company continued its New Thinking mission, in which every department brainstormed new ideas that gave rise to innovations. These innovations were used to improve all dimensions of work process, helping the Company cope with changes while taking into account internal and external stakeholders. The New Thinking Group Committee was presented with projects, each with its own name, principles and reasons, objectives, goals, procedures, expected outcome. These projects were also evaluated, and their progress has been reported to the Committee continuously.

Throughout 2018, we did not any negatively impact on society in any way. We had no cases of violation of the law. We were neither accused of negatively impacting society and the environment, nor disregarding any of the Eight Principles.

● Corporate Social Responsibility Activities

Corporate Social Responsibility

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

Education

- Scholarships for Staff Members' Children in 2018

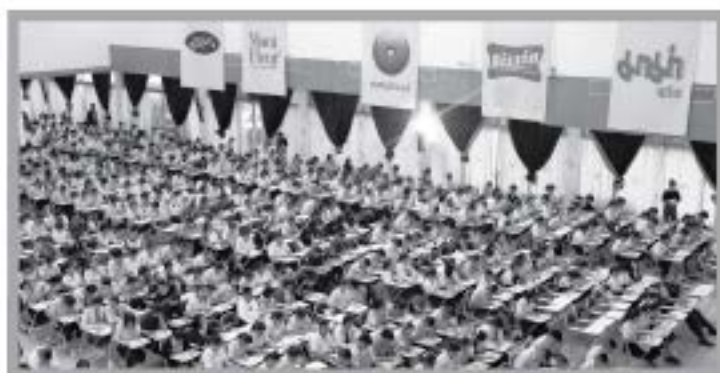
In addition to our commitment to the promotion of equal access to education among children, rooted in the belief that education is crucial to developing children into capable adults who will further contribute to the development of the country, we also hope to lessen our employees' financial burden caused by the costs of their children's education. As a result, we provide annual scholarships to our employees' children. This past year we gave a total of 220 scholarships during a ceremony held on June 28, 2018. These scholarships are divided into the following three categories:

Kindergarten-Grade 6	(5,000 baht each)	115 scholarships
Grades 7-12	(8,000 baht each)	85 scholarships
University	(10,000 baht each)	20 scholarships



- The 21st University Entrance Exam Review

Over the past 21 years, the Company has always regarded education as having a major role to play in the development of quality people. Building on past successes, this project prepares high-school students for their university entrance examination. It gives them a more leveled playing field regardless of which region they come from. This year's review sessions were conducted by well-respected teachers from many of Thailand's leading institutes of learning. They were broadcast live to over 1,000 schools nationwide on television, as well as via Facebook Live for ease of access from the accounts Sahapat Admission and Nation TV. Students who were unable to attend the live sessions could stream the recordings and download the accompanying textbook at www.sahapatadmission.com.



● Corporate Social Responsibility Activities

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

Together with the Suesat brand, we organized activities to support students with excellent comportment and grades as part of our corporate social responsibility programs. We initiated the Garbage Savings Bank as a special campaign, in which students were encouraged to sort garbage and generate income from the sorted garbage. We also created nutritious lunches for them, believing in the importance of wholesome lunches whose nutrients contribute to the physical and mental development of school-age children. We also donated sports equipment to 26 schools in Bangkok and in the provinces as a means to encourage children to exercise and promote their health and well-being. All of this contributed to the development of the country's future.



- **Sponsoring the 2018 Mother's Day Celebration**

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



● Corporate Social Responsibility Activities

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

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

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

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



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

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



- **Pracharath Community Store**

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



Opinions of the Board of Directors on Internal Control

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

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

At the meeting of the Board of Directors No.10 (Board 25) held on February 21, 2019, attended by Three members of the Audit Committee, the Board of Directors examined and assessed our system of internal control through a series of questions posed to management in conjunction with internal audit results. The board found no significant flaws in our internal control system and concluded that the current system is appropriate and sufficient for our operations. The board added that we have sufficient human resources to efficiently execute internal control, including the oversight of transactions with a possible conflict of interest and connected transactions.

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

- **Control Environment**

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

- **Risk Assessment**

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

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

- **Control Activities**

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

- **Information and Communication**

The Company provides efficient internal and external communication. We prepare our financial statements according to the Thai Financial Reporting Standards (TFRS). We keep full categorized records of our accounting in a safe environment for as long as the law requires. We also provide adequate channels of communication to support the implementation of internal control according to plan. Moreover, we have whistleblower channels, by which an informant may submit corruption allegations or clues. Information of the informants and the content of their submission remain confidential.

- **Monitoring**

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

Opinions of the Audit Committee

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

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

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

In 2018, the company performed connected transaction with the connected parties and the notification of the resolutions of the Stock Exchange of Thailand as follow:

1. Financial assistance provision based on its investment

1.1 Tsuruha (Thailand) Company Limited

The Board of Directors meeting No.10 (Board 24) held on February 22, 2018 to approved the credit guarantee to Tsuruha (Thailand) Company Limited based on shareholding proportion in the amount of Baht 30,910,000 to Sumitomo Mitsui Banking Corporation which extended credit term for another 2 year from March 1, 2018 to February 29, 2020.

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

1.2 transcosmos (Thailand) Company Limited

The Board of Directors meeting No.10 (Board 24) held on February 22, 2018 to approve the extension of the credit guarantee to transcosmos (Thailand) Company Limited in the amount of Baht 9,000,000 to transcosmos inc. with guarantee period of one year starting March 16, 2018 to March 15, 2019.

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

1.3 transcosmos (Thailand) Company Limited

The Board of Directors meeting No.12 (Board 24) held on April 19, 2018 to approve the credit guarantee to transcosmos (Thailand) Company Limited based on shareholding proportion in the amount of Baht 1,890,000 to transcosmos inc. with guarantee period of 5 years starting May 1, 2018 to March 21, 2023.

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

● Intercompany Transaction

1.4 Saha Tokyu Corporation Company Limited

The Board of Directors meeting No.2 (Board 25) held on June 21, 2018 to approve the extension of the credit guarantee to Saha Tokyu Corporation Company Limited in the short term loan of Bath 100,000,000 to TOKYU CORPORATION based on shareholding proportion which extended credit term for one year from June 22, 2018 to May 31, 2019

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

2. Investment

2.1 To purchase of land with building at Cha-am District, Petchburi Province

The Board of Directors meeting No.12 (Board 24) held on April 19, 2018. To approve on purchase of land title deed No.81012 at Cha-am District, Petchburi Province with buildings 5 bedroom, Baba Beach Club Residence Hua-Hin total area 197 square wah in total amount of Bath 69,000,000 from Ruam Issara Company Limited.

Connected person is I.C.C. International Public Company Limited as a major shareholder of the company. Mr. Boonchai Chokwatana is a Chairman of Board of Director Saha Pathanapibul Public Company Limited and Director Ruam Issara Company Limited.

2.2 To purchase of lands with building at Lamphun Province

The Board of Directors meeting No.12 (Board 24) held on April 19, 2018. To approve on purchase land 5 plots, the title deed are include No.57994, 88208, 88980, 89073 and 89076, with a storey warehouse building size 1,440 sq.m. in total amount of Bath 44,750,000 from I.C.C. International Public Company Limited.

Connected person is Saha Pathana Inter-holding Public Company Limited as a co-major shareholder. Mr. Thamarat Chokwatana is Director for both companies.

2.3 To selling shares of President Bakery PLC. (PB)

The Board of Directors meeting No.5 (Board 25) held on September 20, 2018. To approve on selling shares of President Bakery PLC. (PB) for the amount 1,000,000 shares at the price Bath 61.16 per share amounting to Bath 61,160,000 to Thai President Foods PLC. (TFMAMA).

Connected person are Saha Pathana Inter-holding Public Company Limited as a major shareholder. Mr. Boonchai Chokwatana and Mr. Vathit Chokwatana are Directors for both companies.

2.4 To buy the ordinary shares of American Food Company Limited

The Board of Directors meeting No.7 (Board 25) held on November 13, 2018. To approve the company to buy the ordinary shares of American Food Company Limited for the amount of 420,000 shares at the price Baht 10.11 per share amounting to Bath 4,246,200 from Far East Fame Line DDB Public Company Limited.

Connected person are Saha Pathana Inter-holding Public Company Limited and I.C.C. International Public Company Limited as a co-major shareholders. Mr. Boonchai Chokwatana, Mr. Wasin Teyateeti, Mrs. Chailada Tantivejakul, Mr. Khachornsakdi Vanaratseath and Mr. Vichit Tantianunanont are Directors for both companies.

3. Connected transactions for the normal business transaction

The company has a connected transactions for the normal business transaction or supporting normal business with related parties as detailed on notes to the financial statements No.35

Connected Transactions Trends

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

Responsibilities for Financial Statements

The Board of Directors understands the importance of the obligations and responsibilities that are held by directors of publicly listed companies. This includes maintaining responsibility for the financial reporting of Saha Pathanapibul Public Company Limited and its subsidiaries. Financial statements must conform to Thai Financial Reporting Standards (TFRS). Discretion must be appropriately applied during disclosure. All reported estimates must be reasonable. Furthermore, explanations must be given to clarify any aspects of financial disclosures that might be construed as unclear. It is important to accurately communicate the Company's financial status to shareholders and investors. All financial statements must be reviewed by independent auditors, who will include their qualified and independent opinions.

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

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

The Board of Directors is of the opinion that the Company's Good Corporate Governance is in good standing, including the Company's risk management and internal control systems. The Company is confident that its financial statements as well as those of its subsidiaries, released on December 31, 2018 have been accurately disclosed and meet relevant accounting standards.



(Mr. Boonchai Chokwatana)
Chairman

February 21, 2019

Financial Statements



● Independent Auditor's Report

To the Shareholders of
SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES ("the Group") and of SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED ("the Company"), which comprise the consolidated and separate statements of financial position as at December 31, 2018, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED as at December 31, 2018 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

Key audit matters included auditing procedures are as follows:

Accrued sales promotion income – expenses

As at December 31, 2018, the Company has accrued sales promotion expenses Baht 2,288.75 million and accrued sales promotion income Baht 1,809.61 million which are derived from many marketing activities by receiving material amount of money for supporting activities in from of special discount from distributors. Sale promotion expenses vary with type of related marketing activities season. The Management will estimate sale promotion expenses and sales promotion income. I have focused in respect of the amount and recognition period of accrued sales promotion expenses and incomes estimated by the Management.

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

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

Valuation of long-term investments

As stated in notes 14, 15 and 16 to financial statements, the Group company has investments in subsidiaries, associated and other long-term investment in many companies. The Group have significant risks relating to investment valuation especially considering provision for impairment of investment. The Management has considered the expected return from investment including performance in the past, the Management has made significant judgment to consider the adequacy of provision for impairment of investment for presenting proper value.

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

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

Other Information

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

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

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

● Independent Auditor's Report

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

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

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

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

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

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

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

● Independent Auditor's Report

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern.
- If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

D I A INTERNATIONAL AUDIT CO., LTD.



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

February 21, 2019

● Statements of Financial Position

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AS AT DECEMBER 31, 2018

(Unit : Baht)

		Consolidated financial statements			Separate financial statements	
Assets	Note	December 31, 2018	December 31, 2017 (Restated)	January 1, 2017	December 31, 2018	December 31, 2017
Current assets						
Cash and cash equivalents	5	2,022,905,230.99	1,831,365,331.49	3,057,658,025.55	1,876,577,058.30	1,782,423,832.23
Current investments	6	1,880,923,239.64	2,009,223,765.96	1,589,245,482.29	1,532,355,305.15	1,721,525,269.56
Trade and other current receivables	7	4,645,873,288.02	4,600,865,388.10	4,367,239,326.50	4,663,630,251.29	4,607,297,064.84
Trade notes receivable	8	644,896,788.63	600,186,206.92	607,045,967.33	644,896,788.63	600,186,206.92
Current portion of finance lease receivable	11	2,269,071.54	2,421,759.86	1,222,360.38	0.00	0.00
Accrued sales promotion income		1,809,613,886.35	1,925,460,928.97	2,339,637,532.26	1,809,613,886.35	1,925,460,928.97
Short-term loans to related parties	35	60,000,000.00	60,000,000.00	75,000,000.00	60,000,000.00	60,000,000.00
Current portion of long-term lending		0.00	0.00	7,200,000.00	0.00	0.00
Inventories	9	939,807,249.25	820,873,797.56	768,388,047.52	870,630,017.37	761,848,763.39
Other current assets		12,437,770.40	2,098,795.69	4,089,662.39	12,437,770.40	1,988,446.72
Non-current assets held for sale	10	148,879.97	0.00	0.00	0.00	0.00
Total current assets		12,618,875,404.79	11,852,485,974.55	12,816,726,404.22	11,470,141,077.49	11,460,720,512.63
Non-current assets						
Finance lease receivable	11	10,185,395.02	13,653,966.00	9,756,880.74	0.00	0.00
Long-term loans to related party		0.00	0.00	34,700,000.00	0.00	0.00
Deposit at financial institutions with obligation		2,235,447.88	2,218,935.00	0.00	0.00	0.00
Investment in convertible debenture	12	0.00	508,965,000.00	0.00	0.00	508,965,000.00
Investments available-for-sale	13	9,055,587,686.88	8,152,764,584.57	5,340,584,704.69	9,055,587,686.88	8,152,764,584.57
Investments in associates	14	774,220,286.55	719,119,522.87	639,179,773.85	553,132,592.72	499,492,342.72
Investments in subsidiaries	15	0.00	0.00	0.00	1,413,700,847.08	1,388,200,847.08
Other long-term investments	16	1,038,534,422.57	973,937,022.57	833,733,978.57	1,038,478,422.57	973,878,322.57
Investment properties	17	2,652,543,318.99	2,401,178,796.52	2,297,497,448.46	1,595,042,172.72	1,324,190,696.48
Property, plant and equipment	18	1,029,045,949.38	994,604,888.00	967,544,881.44	742,714,120.89	697,110,900.94
Goodwill		19,223,353.94	19,223,353.94	19,223,353.94	0.00	0.00
Intangible assets	19	19,481,748.67	17,289,755.14	17,322,886.72	13,695,026.88	16,833,467.94
Deferred tax assets	21	17,079,862.64	15,300,007.13	13,848,887.26	0.00	0.00
Other non-current assets	20	76,878,364.41	80,347,141.62	65,500,502.08	69,903,437.31	69,978,512.52
Total non-current assets		14,695,015,836.93	13,896,602,973.36	10,238,893,297.77	14,482,254,307.05	13,631,414,674.82
Total assets		26,713,891,241.72	25,751,088,947.91	23,055,619,701.99	25,952,395,384.54	25,092,135,187.45

Notes to financial statements are parts of these financial statements

● Statements of Financial Position

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AS AT DECEMBER 31, 2018

(Unit : Baht)

		Consolidated financial statements			Separate financial statements	
Liabilities and shareholders' equity	Note	December 31, 2018	December 31, 2017 (Restated)	January 1, 2017	December 31, 2018	December 31, 2017
Current liabilities						
Trade and other current payables	23	5,715,841,920.45	5,488,540,837.70	5,520,446,423.15	5,703,313,277.88	5,515,715,229.46
Accrued sales promotion expenses		2,288,752,676.94	2,578,779,258.06	2,948,067,977.83	2,288,752,676.94	2,578,779,258.06
Current portion of long-term debt	25	0.00	0.00	0.00	21,768,225.38	19,445,126.30
Estimated current liabilities						
for employee benefits	26	19,215,532.00	28,226,505.00	19,426,325.00	18,579,061.00	27,667,405.00
Other short-term loans	24	22,000,000.00	15,550,000.00	8,900,000.00	22,000,000.00	15,550,000.00
Income tax payable		112,189,535.79	93,072,822.48	78,841,703.73	99,259,920.86	81,242,455.60
Total current liabilities		8,157,999,665.18	8,204,169,423.24	8,575,682,429.71	8,153,673,162.06	8,238,399,474.42
Non-current liabilities						
Employees' savings account		7,152,795.57	6,922,927.53	6,664,128.99	7,152,795.57	6,922,927.53
Financial lease liabilities	25	0.00	0.00	0.00	67,107,125.06	27,789,744.77
Deferred tax liabilities	21	960,178,505.25	1,005,799,866.69	557,725,152.16	824,783,840.92	876,023,202.36
Employee benefit obligations	26	179,332,412.12	182,138,459.56	160,542,857.47	162,219,063.00	166,430,962.00
Other non-current liabilities		45,243,599.61	42,508,966.20	35,281,926.13	29,541,628.08	25,677,675.43
Total non-current liabilities		1,191,907,902.55	1,237,370,219.98	760,214,064.75	1,090,804,452.63	1,103,024,532.09
Total liabilities		9,349,906,967.73	9,441,539,643.22	9,335,896,494.46	9,244,477,614.69	9,341,424,006.51
Shareholders' equity						
Share capital						
330,000,000 common shares						
of Baht 1 each		330,000,000.00	330,000,000.00	330,000,000.00	330,000,000.00	330,000,000.00
Issued and paid - up share capital						
330,000,000 common shares						
of Baht 1 each		330,000,000.00	330,000,000.00	330,000,000.00	330,000,000.00	330,000,000.00
Premium on share capital		1,743,441,255.39	1,743,441,255.39	1,743,441,255.39	1,743,441,255.39	1,743,441,255.39
Retained earnings						
Appropriated						
Legal reserve	28	60,000,000.00	60,000,000.00	60,000,000.00	60,000,000.00	60,000,000.00
Unappropriated		10,596,697,689.75	9,348,320,568.42	8,481,653,710.88	10,122,126,002.30	8,973,562,355.16
Other components of equity		4,472,431,797.32	4,672,626,004.65	2,985,205,095.75	4,452,350,512.16	4,643,707,570.39
Total owners of the Company		17,202,570,742.46	16,154,387,828.46	13,600,300,062.02	16,707,917,769.85	15,750,711,180.94
Non-controlling interests		161,413,531.53	155,161,476.23	119,423,145.51	0.00	0.00
Total shareholders' equity		17,363,984,273.99	16,309,549,304.69	13,719,723,207.53	16,707,917,769.85	15,750,711,180.94
Total liabilities and shareholders' equity		26,713,891,241.72	25,751,088,947.91	23,055,619,701.99	25,952,395,384.54	25,092,135,187.45

Notes to financial statements are parts of these financial statements

● Statements of Comprehensive Income

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AS AT DECEMBER 31, 2018

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017 (Restated)	2018	2017
Continuing operations					
Revenues					
Sales		32,715,370,672.95	31,497,625,001.37	32,755,041,169.90	31,537,024,008.40
Rental and service income		163,065,861.41	114,331,990.43	79,010,486.82	69,804,938.60
Dividend income		250,917,988.79	204,551,842.71	313,434,938.79	244,397,642.71
Other income		118,172,835.61	121,747,550.62	144,335,547.65	145,624,648.77
Gain on sales of assets		2,154,372.35	1,286,770.48	231,674.72	887,410.16
Gain on sales of investments		49,136,632.29	2,406,371.33	49,136,632.29	5,760,000.00
Reversed loss on impairment of investments		3,700,000.00	0.00	3,700,000.00	0.00
Reversed allowance for devaluation of goods		22,043,396.11	17,956,603.89	22,043,396.11	17,956,603.89
Allowance for doubtful accounts reversal		0.00	50,217,201.15	0.00	50,217,201.15
Reversed loss on impairment of investments property		12,807,066.50	0.00	12,807,066.50	0.00
Total revenues		33,337,368,826.01	32,010,123,331.98	33,379,740,912.78	32,071,672,453.68
Expenses					
Cost of sales		27,018,921,500.30	26,057,791,641.92	27,262,882,218.68	26,282,007,128.10
Cost of rental and service		87,360,255.81	73,521,742.81	16,797,983.50	15,468,821.80
Selling expenses		3,388,637,171.05	3,254,488,951.52	3,363,965,309.88	3,227,763,218.64
Administrative expenses		697,515,167.41	575,516,969.78	685,048,638.13	604,748,815.00
Impairment loss of intangible assets		1,421,904.82	35,355,763.69	1,421,904.82	35,355,763.69
Loss on impairment of investment		31,602,700.00	38,240,000.00	59,690,000.00	152,820,000.00
Finance costs		395,518.51	287,970.09	9,204,860.36	7,234,643.60
Total expenses		31,225,854,217.90	30,035,203,039.81	31,399,010,915.37	30,325,398,390.83
Profit before share of profit (loss) from investment in associates		2,111,514,608.11	1,974,920,292.17	1,980,729,997.41	1,746,274,062.85
Share of profit (loss) from investment in associates		41,407,621.90	(67,339,451.01)	0.00	0.00
Profit before income tax		2,152,922,230.01	1,907,580,841.16	1,980,729,997.41	1,746,274,062.85
Income tax expenses	21	371,923,971.74	376,323,307.94	337,166,350.27	302,200,096.04
Net profit for the year ended from continued operations		1,780,998,258.27	1,531,257,533.22	1,643,563,647.14	1,444,073,966.81
Discontinued operations					
Net profit (loss) for the period from discontinued operations	31	(242,657.98)	(422,483.37)	0.00	0.00
Profit for the year ended		1,778,571,685.29	1,527,032,693.85	1,643,563,647.14	1,444,073,966.81

Notes to financial statements are parts of these financial statements

● Statements of Comprehensive Income

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AS AT DECEMBER 31, 2018

(Unit : Baht)

Note	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
Other comprehensive income:- items that may be reclassified subsequently to profit or loss				
Exchange difference on translating financial statements	(326,156.17)	(3,735,568.25)	0.00	0.00
Gain (Loss) on re-measuring of investments available-for-sale	(247,707,315.72)	2,115,597,219.22	(239,196,322.79)	2,119,348,634.30
Income tax related (expenses) income to re-measuring of investments available-for-sale 21	47,839,264.56	(423,869,726.86)	47,839,264.56	(423,869,726.86)
Items that may not be reclassified in profit or loss				
Gains (losses) from actuarial	0.00	(35,912,463.50)	0.00	(30,907,054.50)
Income tax (expenses) revenues relating employee benefits	0.00	7,182,492.70	0.00	6,181,410.90
Other comprehensive income (expense) the year ended	(200,194,207.33)	1,659,261,953.31	(191,357,058.23)	1,670,753,263.84
Total comprehensive income the year ended	1,578,377,477.96	3,186,294,647.16	1,452,206,588.91	3,114,827,230.65
Profit attributable to :				
Owners of the Company	1,743,377,121.33	1,489,396,828.34	1,643,563,647.14	1,444,073,966.81
Non-controlling interests	35,194,563.96	37,635,865.51	0.00	0.00
Total comprehensive income attributable to;				
Owners of the Company	1,543,182,914.00	3,148,087,766.44	1,452,206,588.91	3,114,827,230.65
Non-controlling interests	35,194,563.96	38,206,880.72	0.00	0.00
Earnings per share				
Basic earnings per share 34	5.28	4.51	4.98	4.38

Notes to financial statements are parts of these financial statements

● Statements of Changes in Shareholder's Equity (Consolidated)

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2018

(Unit : Baht)

Consolidated financial statements

Note	Equity holders of the Company						Non-controlling interests	Total shareholders' equity
	Issued and paid - up share capital	Premium on share capital	Retained earnings	Other component of equity	Exchange differences on translating financial statements	Available-for sale investment		
29	330,000,000.00	1,740,441,255.39	60,000,000.00	Unappropriated	8,481,653,710.88	2,985,304,012.21	119,403,145.51	13,719,723,007.53
	0.00	0.00	0.00	legal reserve	(594,000,000.00)	0.00	(2,468,550.00)	(596,468,550.00)
	0.00	0.00	0.00		1,489,306,223.34	0.00	37,635,855.51	1,571,822,093.85
	0.00	0.00	0.00		(28,729,970.80)	0.00	571,015.21	1,659,261,653.31
	0.00	0.00	0.00		1,460,566,252.54	0.00	38,206,880.72	3,231,090,547.16
40	330,000,000.00	1,740,441,255.39	60,000,000.00		9,348,320,563.42	4,676,980,489.36	155,161,476.23	16,354,345,304.69
	0.00	0.00	0.00		9,353,116,563.42	4,676,980,489.36	155,161,476.23	16,354,345,304.69
	0.00	0.00	0.00		(44,796,000.00)	0.00	0.00	(44,796,000.00)
	0.00	0.00	0.00		9,348,320,563.42	4,676,980,489.36	155,161,476.23	16,354,345,304.69
	0.00	0.00	0.00		(465,000,000.00)	0.00	(3,291,400.00)	(468,291,400.00)
29	0.00	0.00	0.00		0.00	0.00	(25,651,108.66)	(25,651,108.66)
	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	0.00	0.00	0.00		1,743,377,321.33	0.00	35,154,563.96	1,778,571,885.29
	0.00	0.00	0.00		0.00	(199,868,051.16)	0.00	(200,194,207.33)
	0.00	0.00	0.00		1,743,377,321.33	(199,868,051.16)	35,154,563.96	1,578,377,477.96
	330,000,000.00	1,740,441,255.39	60,000,000.00		10,596,697,689.75	4,477,112,438.20	161,413,531.53	17,363,984,273.99
	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	0.00	0.00	0.00		0.00	0.00	0.00	0.00

Notes to financial statements are parts of these financial statements

● Statements of Changes in Shareholder's Equity

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2018
Separate financial statement
(Unit : Baht)

Note	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity Available-for-sale investment	Total shareholders' equity
			Appropriated legal reserve	Unappropriated		
28	Balance as at January 1, 2017	330,000,000.00	1,743,441,255.39	8,148,214,038.95	2,948,228,662.95	13,229,883,950.29
	Dividend paid	0.00	0.00	(594,000,000.00)	0.00	(594,000,000.00)
	Comprehensive income for the year ended					
	Net profit	0.00	0.00	1,444,073,988.81	0.00	1,444,073,988.81
	Other comprehensive income	0.00	0.00	(24,725,643.80)	1,686,478,907.44	1,670,753,263.84
	Total comprehensive income for the year ended					
	Balance as at December 31, 2017	330,000,000.00	1,743,441,255.39	8,573,562,355.16	4,643,707,570.39	15,750,711,180.94
	Balance as at January 1, 2018	330,000,000.00	1,743,441,255.39	8,573,562,355.16	4,643,707,570.39	15,750,711,180.94
	Dividend paid	0.00	0.00	(485,000,000.00)	0.00	(485,000,000.00)
	Comprehensive income for the year ended					
29	Net profit	0.00	0.00	1,643,583,847.14	0.00	1,643,583,847.14
	Other comprehensive income	0.00	0.00	0.00	(191,357,058.23)	(191,357,058.23)
	Total comprehensive income for the year ended					
	Balance as at December 31, 2018	330,000,000.00	1,743,441,255.39	10,122,126,002.30	4,452,350,512.16	16,707,917,768.85

Notes to financial statements are parts of these financial statements

● Statements of Cash Flows

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2018

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
Cash flows from operating activities				
Profit (loss) before income tax				
Continuing operations	2,152,922,230.01	1,907,580,841.16	1,980,729,997.41	1,746,274,062.85
Discontinuing operations	(2,426,572.98)	(4,224,839.37)	0.00	0.00
Profit before income tax	2,150,495,657.03	1,903,356,001.79	1,980,729,997.41	1,746,274,062.85
Adjustments to reconcile net profit (loss) to cash received (disbursement) from operation :				
Depreciation and amortization	155,854,159.35	143,947,718.75	103,866,683.50	92,760,619.71
Employee benefit expenses	16,409,484.56	14,818,281.09	14,367,142.00	12,953,009.00
Loss on damaged and obsoleted inventories	(22,043,396.11)	(17,956,603.89)	(22,043,396.11)	(17,956,603.89)
Doubtful accounts	21,857,061.27	(50,217,201.15)	18,196,071.02	(50,217,201.15)
Interest expenses	395,518.51	287,970.09	9,204,860.36	7,234,643.60
Share of (profit) loss on investments				
in associates	(41,407,621.90)	67,339,451.01	0.00	0.00
Loss on impairment of investments (reversal)	(3,700,000.00)	0.00	(3,700,000.00)	0.00
Reversal loss from loss from impairment or investment property	(12,807,066.50)	0.00	(12,807,066.50)	0.00
Gain from disposal of available-for-sale investment	(56,714,946.37)	0.00	(56,714,946.37)	0.00
(Gain) Loss on sales of investments				
- associates	0.00	(2,406,371.33)	0.00	(5,760,000.00)
Loss from disposal of long-term investment	7,578,314.08	0.00	7,578,314.08	0.00
Loss on impairment of investments	31,602,700.00	38,240,000.00	59,690,000.00	152,820,000.00
Impairment loss - intangible assets	1,421,904.82	35,355,763.69	1,421,904.82	35,355,763.69
Loss on impairment of investment property	8,550,000.00	0.00	0.00	0.00
Gain on sales of assets	(2,176,111.17)	(1,276,772.48)	(452,999.04)	(877,412.16)
Gain on sales of intangible assets	0.00	(9,998.00)	0.00	(9,998.00)
Gain on sales of investment property	21,738.82	0.00	0.00	0.00
Gain from changing investment shareholding	(151,108.66)	0.00	0.00	0.00
Dividend received	(250,917,988.79)	(204,551,842.71)	(313,434,938.79)	(244,397,642.71)

Notes to financial statements are parts of these financial statements

● Statements of Cash Flows

SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2018

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
Profit from operation before changes				
in parts of operating assets and liabilities	2,004,268,298.94	1,926,926,396.86	1,785,900,626.38	1,728,179,240.94
(Increase) Decrease in trade and other current receivables	(58,582,212.28)	(188,869,170.73)	(69,875,107.94)	(188,589,578.57)
(Increase) Decrease in trade notes receivable	(47,431,630.76)	17,435,938.99	(47,431,630.76)	17,435,938.99
(Increase) Decrease in accrued sales promotion income	115,837,042.62	414,186,603.29	115,837,042.62	414,186,603.29
(Increase) Decrease in inventories	(96,890,065.58)	(34,529,146.15)	(86,737,857.87)	(36,174,692.84)
(Increase) Decrease in other current assets	(10,452,768.81)	1,990,866.70	(10,449,323.68)	1,422,895.84
(Increase) Decrease finance lease receivable	3,621,259.30	(5,096,484.74)	0.00	0.00
(Increase) Decrease in other non-current assets	9,490,303.50	(20,691,604.87)	6,096,601.50	(20,092,587.55)
Increase (Decrease) in trade and other current payables	218,426,523.74	(31,961,097.19)	178,723,489.41	(12,362,067.06)
Increase (Decrease) in accrued sales promotion expenses	(290,026,581.12)	(369,288,719.77)	(290,026,581.12)	(369,288,719.77)
Increase (Decrease) in employee benefit obligations	(28,226,505.00)	(20,334,962.50)	(27,667,405.00)	(19,506,942.50)
Increase (Decrease) in other non-current liabilities	2,734,623.41	7,227,040.07	3,663,952.65	4,381,899.71
Cash generated (paid) from operation	1,822,768,297.96	1,696,995,659.96	1,558,033,806.19	1,519,591,990.48
Interest paid	(338,321.16)	(232,458.35)	(9,147,663.01)	(7,179,131.86)
Income tax paid	(352,369,210.82)	(332,155,828.68)	(322,548,981.89)	(303,709,518.41)
Net cash provided by (used in) operating activities	1,470,080,765.98	1,364,607,372.93	1,226,337,161.29	1,208,703,340.21
Cash flows from investing activities				
(Increase) Decrease in current investment	33,300,526.32	(419,978,283.67)	94,169,964.41	(359,084,210.36)
Restricted fixed-deposit (increase) decrease	(16,512.88)	0.00	0.00	0.00
(Increase) Decrease in short-term loans to related parties	0.00	15,000,000.00	0.00	15,000,000.00
Received payment from long-term loan to related parties	0.00	311,214.96	0.00	311,214.96
Purchasing investment in convertible debenture	0.00	(508,965,000.00)	0.00	(508,965,000.00)
Payments for investments available-for-sale	(547,987,603.46)	(693,471,245.58)	(547,987,603.46)	(693,471,245.58)
Payment for investments in associates	(81,730,250.00)	(196,992,000.00)	(81,730,250.00)	(196,992,000.00)
Purchasing investment in subsidiary	(25,500,000.00)	0.00	(25,500,000.00)	0.00
Purchase of other long-term investments	(104,106,300.00)	(179,115,044.00)	(104,106,300.00)	(179,115,044.00)
Purchase of investment properties	(273,083,368.50)	(118,585,063.25)	(272,181,882.80)	(117,896,000.00)
Acquire of assets	(163,511,592.68)	(151,831,484.26)	(130,590,589.56)	(20,322,669.83)

Notes to financial statements are parts of these financial statements

● Statements of Cash Flows

**SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED
AND SUBSIDIARIES**

FOR THE YEAR ENDED DECEMBER 31, 2018

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
Acquire of intangible assets	(6,586,776.27)	(1,451,756.05)	(1,190,881.21)	(1,451,756.05)
Cash received from converting debenture	15.00	0.00	15.00	0.00
Sales of securities available-for-sale	63,849,854.37	640,000.00	63,849,854.37	640,000.00
Cash received from sales of investment in associates	0.00	5,760,000.00	0.00	5,760,000.00
Sales of long-term investment-other companies	4,027,885.92	672,000.00	4,027,885.92	672,000.00
Cash received from sales of investment properties	20,000.00	0.00	0.00	0.00
Dividend received investment in associates	59,232,350.00	37,382,350.00	0.00	0.00
Cash received from sales of assets	4,299,534.75	2,721,143.61	2,280,565.91	842,394.30
Cash received from sales of intangible assets	0.00	10,000.00	0.00	10,000.00
Cash received from Subsidy for energy conservation project	0.00	2,001,000.00	0.00	0.00
Dividend received	250,917,988.79	204,551,842.71	313,434,938.79	244,397,642.71
Net cash provided by (used in) investing activities	(786,874,248.64)	(2,001,340,315.53)	(685,524,282.63)	(1,809,664,673.85)
Cash flows from financing activities				
Increase (Decrease) in employees' savings accounts	229,868.04	258,798.54	229,868.04	258,798.54
Financial lease liabilities	0.00	0.00	41,680,479.37	(17,797,398.37)
Increase (Decrease) in other short-term loans	6,450,000.00	6,650,000.00	6,450,000.00	6,650,000.00
Dividend paid	(498,291,400.00)	(596,468,550.00)	(495,000,000.00)	(594,000,000.00)
Net cash provided (used in) by financing activities	(491,611,531.96)	(589,559,751.46)	(446,659,652.59)	(604,888,599.83)
Net cash and cash equivalents increased	191,574,985.38	(1,226,292,694.06)	94,153,226.07	(1,205,849,933.47)
Cash and cash equivalents, beginning of the year	1,831,365,331.49	3,057,658,025.55	1,782,423,832.23	2,988,273,765.70
Increase in cash and cash equivalents	2,022,940,316.87	1,831,365,331.49	1,876,577,058.30	1,782,423,832.23
Less Cash and cash equivalent classified as non-current assets held for sale	(35,085.88)	0.00	0.00	0.00
Cash and cash equivalents, end of the year	2,022,905,230.99	1,831,365,331.49	1,876,577,058.30	1,782,423,832.23
Non-cash transaction				
1. Receiving transferred assets for long-term loan from related party payment.	0.00	3,546,977.42	0.00	3,546,977.42
2. Receiving transferred intangible assets for long-term loan from related party payment.	0.00	38,041,807.62	0.00	38,041,807.62
3. Convert investments in debenture into investments held as available-for-sale	508,964,985.00	0.00	508,964,985.00	0.00
Notes to financial statements are parts of these financial statements				

1. GENERAL INFORMATION

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

The Company engaged in business of consumer goods distribution, any subsidiary companies engaged in other business as stated in notes 3 to financial statements.

2. PREPARATION OF FINANCIAL STATEMENTS BASIS

2.1 Preparation of Financial Statements basis

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

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

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

2.2 New Financial Reporting Standards

2.2.1 Financial report standards that became effective in the current year

During the year, the Company and subsidiaries have adopted a number of revised financial reporting standards and interpretations (revised 2017) which are effective for the financial statements for the year beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of those financial reporting standards does not have any significant impacts on the Company and subsidiaries' financial statements.

2.2.2 Financial reporting standards that will become effective in the future

- 1) Thai Financial Reporting Standards which will become effective for the financial statements for the accounting period beginning on or after January 1, 2019.

TFRS 15 Revenue from Contracts with Customers, establishes the principles that the information about the nature, amount, timing and uncertainty of revenue and cash flows from a contract with a customer, is to be reported to the users of financial statements. The entity recognizes revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The entity applies a five-step model to account for revenue and exercise judgement, taking into consideration when applying each step of the model.

TFRS 15 Revenue from Contracts with Customers supersedes the Thai Accounting Standards, Thai Standing Interpretations Committee and Thai Financial Reporting Interpretations Committee as detailed below :

Thai Accounting Standards

TAS 11 (Revised 2017)	Construction contracts
TAS 18 (Revised 2017)	Revenue

Thai Financial Reporting Standards Interpretations

TFRIC 13 (Revised 2017)	Customer Loyalty Programmes
TFRIC 15 (Revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (Revised 2017)	Transfers of Assets from Customers

Thai Standing Interpretations Committee

TSIC 31 (Revised 2017)	Revenue - Barter Transactions Involving Advertising Services
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At present, the Management of the Company and subsidiaries has assessed that there is no impact of Thai Financial Reporting Standards on the financial statements which will become effective in the future.

2) Thai Financial Reporting Standards which will become effective for the financial statements for the accounting period beginning on or after January 1, 2020.

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

Thai Financial Reporting Standards

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Thai Accounting Standards

TAS 32	Financial Instruments: Presentation
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Thai Financial Reporting Standards Interpretations

TFRIC 16	Hedges of a Net Investments in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The above set of Thai Financial Reporting Standards (TFRSs) sets out the requirements for the classification and measurement of financial instrument at the fair value or amortized cost by considering from the type of instruments, contractual cash flow characteristics and the entity's business model, including the impairment methodology by using the expected credit loss, and the general hedge accounting, as well as the presentation and disclosures of financial instrument. When this set of TFRSs are effective, as a result, some currently effective accounting standards, interpretations and guidance will be cancelled.

At present, the Management of the Company and subsidiaries is being assessed the impacts of those financial reporting standards which will be effective in the future on the financial statements.

3. PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS BASIS

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

Company's name	Type of Business	Establishment in	Percentage of shareholding or equity	
			2018	2017
Direct subsidiaries				
Chokchaipibul Co., Ltd.	Invesment in real estate, instant noodle	Thailand	99.99	99.99
Bangkok Tower (1999) Co., Ltd.	Office building for rent	Thailand	99.99	99.99
Tipwarin -Watana Co., Ltd.	Mineral water	Thailand	59.37	49.95
Saha Vietnam Co., Ltd.	Retail Distributor	Vietnam	100.00	100.00
Dairy Thai Co., Ltd.	Dairy	Thailand	63.91	63.91
Indirect subsidiary				
Tipwarin inter packaging Co., Ltd.	Plastic packaging	Thailand	59.37	49.45
(Owned by Tipwarin -Watana Co., Ltd. 99.00%)				

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

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

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

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

3.6 According to the resolution of the meeting No. 12 of the Company's Board of Director held on April 19, 2018, the meeting passed resolution to dissolve a subsidiary (Saha vietnam Co., Ltd.) and appointed a liquidator to clear out the work, dispose asset, pay debt of the subsidiary including determine remuneration to the liquidator. The subsidiary operated till June 30, 2018.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and Expenses Recognition

Revenue from sales is recognized when goods is delivered after deduction with goods return and sales discount.

Revenue from development project of real estate foreclosed are recognized when the construction work are completed and ownership have been transferred to the buyer.

Rental income is recognized on over the term of the relevant lease.

Revenue from service is recognized when the service is vended.

Dividend is recognized when the right to receive payment has been established.

Other revenue and expenditures are recognized on an accrual basis.

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues from operating lease are recognized as income in profit or loss on a straight-line basis over the period of the lease. The company derecognized income whenever the outstanding over three months other than receivables who has a good history.

4.2 Cash and cash equivalents

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

4.3 Allowance for doubtful accounts

The Company provide an allowance for doubtful accounts equal to the estimated uncollectible amount by an analytical review of aging and historical collection experiences.

The Company provides an allowance for doubtful accounts for overdue 1 year of notes receivable in whole amount.

4.4 Inventories

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

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

4.5 Intangible assets

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

4.6 Non-current assets held for sale and discontinued operations

Non-current assets held for sales are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. No depreciation has been provided on plant and equipment once classified as held for sale.

4.7 Investments in subsidiaries and affiliates

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

4.8 Other long term investments

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

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

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

4.9 Investment Properties

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

Investment properties are stated at cost less accumulated depreciation and provision for loss on impairment of assets (if any).

Depreciation for investment properties is calculated on a straight-line basis for 20 - 40 years.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.10 Property, plant and equipment

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

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

4.11 Impairment of assets

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

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

4.12 Goodwill

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

4.13 Transactions in foreign currencies

The Company records its transactions in foreign currencies converting into Thai Baht by using the exchange rates ruling on the transactions date. The outstanding balance of accounts in foreign currencies as at the statements of financial position date are converted into Thai Baht by using the exchange rates prescribed by the Bank of Thailand ruling on the same date.

Gain and loss on changes on exchange rate is included in statements of comprehensive income.

4.14 Earnings per Share

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

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

4.15 Financial lease

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.16 Employee benefits

4.16.1 Provident fund

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

4.16.2 Employee Benefits

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

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

On December 13, 2018, the National Legislative Assembly passed the resolution to approve the draft of new Labour Protection Act which determined the additional rate of severance pay in the case of termination of employment for terminated employee who has worked for 20 consecutive years or more and shall be entitled to receive payment not less than the last rate of wages for 400 days. However, new Labour Protection Act is being announced in the Government Gazette. The Company and subsidiaries, therefore, shall record the effects of new Labour Protection Act when it becomes effective.

4.17 Income Tax

Income tax comprise current income tax and deferred tax

Current tax

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

Deferred tax

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

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

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

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

4.18 Accounting estimates

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

4.19 Provisions

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.20 Measurement of fair values

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

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

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as selling prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

4.21 Significant accounting judgements and estimates

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

Allowance for diminution in value of inventory

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

Property, plant and equipment/Depreciation

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

Deferred tax assets

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

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2018 and 2017 are as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash on hand	536,211.27	814,475.83	178,516.55	410,056.24
Cash at bank - current accounts	192,845,768.36	178,012,364.88	192,040,628.96	176,753,649.85
Cash at bank - savings deposit	1,783,789,106.93	1,645,059,811.72	1,653,475,722.20	1,597,782,447.08
Cash at bank - fixed deposit 3 months	14,851,953.84	1,000.00	0.00	0.00
Cash and cash equivalents				
(In private funds)	30,882,190.59	7,477,679.06	30,882,190.59	7,477,679.06
Total	2,022,905,230.99	1,831,365,331.49	1,876,577,058.30	1,782,423,832.23

6. CURRENT INVESTMENT

Current investment as at December 31, 2018 and 2017 are as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Fixed deposit	1,859,923,239.64	1,893,223,765.96	1,511,355,305.15	1,605,525,269.58
Current investment (In private funds)	21,000,000.00	116,000,000.00	21,000,000.00	116,000,000.00
Total	1,880,923,239.64	2,009,223,765.96	1,532,355,305.15	1,721,525,269.58

As at December 31, 2018, the Company had investment in 7 - 12 months fixed deposit at interest rate 1.35 - 1.65% per annum.

As at December 31, 2017, the Company had investment in 7 - 10 months fixed deposit at interest rate 1.48 - 1.60% per annum.

7. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, 2018 and 2017 are as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade accounts receivables	4,346,543,007.35	4,372,409,077.02	4,363,177,955.50	4,384,128,206.56
Less Allowance for doubtful accounts				
trade accounts receivables	(114,849,790.60)	(89,692,252.09)	(114,505,497.61)	(89,347,959.10)
Trade accounts receivables - net	4,231,693,216.75	4,282,716,824.93	4,248,672,457.89	4,294,780,247.46
Other receivables	105,987,697.05	94,469,918.46	113,208,015.94	95,153,396.86
Prepaid expenses	103,075,730.74	55,468,735.17	99,282,244.81	50,984,628.29
Accrued income	205,116,643.48	168,209,909.54	202,467,532.65	166,378,792.23
Total other current receivables	414,180,071.27	318,148,563.17	414,957,793.40	312,516,817.38
Total trade and other current receivables	4,645,873,288.02	4,600,865,388.10	4,663,630,251.29	4,607,297,064.84

● NOTES TO FINANCIAL STATEMENTS

7. TRADE AND OTHER CURRENT RECEIVABLES (Continued)

The outstanding trade accounts receivable as at December 31, 2018 and 2017 classified by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Undue trade accounts receivable	3,778,418,217.93	3,980,168,196.18	3,778,077,803.75	3,978,746,139.05
Overdue trade accounts receivable				
- Due not over 3 months	488,210,286.04	337,702,890.13	488,268,392.21	333,926,820.64
- Over 3 months to 6 months	27,077,887.11	24,089,539.48	27,077,887.11	24,089,539.48
- Over 6 months to 12 months	24,483,980.29	9,662,024.83	24,483,980.29	10,453,032.83
- Over 12 months	28,352,635.98	20,786,426.40	45,269,892.14	36,912,674.56
Total	4,346,543,007.35	4,372,409,077.02	4,363,177,955.50	4,384,128,206.56

8. TRADE NOTES RECEIVABLE

The outstanding trade notes receivable as at December 31, 2018 and 2017 are separated on aging as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade notes receivable				
Undue up to 3 months	651,426,647.10	603,995,016.34	651,426,647.10	603,995,016.34
Less Allowance for doubtful accounts	(6,529,858.47)	(3,808,809.42)	(6,529,858.47)	(3,808,809.42)
Trade notes receivable - net	644,896,788.63	600,186,206.92	644,896,788.63	600,186,206.92

9. INVENTORIES

Inventories as at December 31, 2018 and 2017 are as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Raw materials	50,601,888.10	41,723,679.72	0.00	0.00
Finished goods	828,654,073.17	743,970,649.20	824,886,972.87	738,149,115.00
Work in process	1,775,548.88	2,524,250.16	0.00	0.00
Supply	13,235,848.22	9,132,925.76	0.00	0.00
Machinery part	1,523,604.96	1,549,402.91	0.00	0.00
Less Allowance for obsolete stock	(1,726,758.58)	(23,770,154.69)	0.00	(22,043,396.11)
Sub total	894,064,204.75	775,130,753.06	824,886,972.87	716,105,718.89
Cost of real estate development project				
Land	26,189,621.92	26,189,621.92	26,189,621.92	26,189,621.92
Work under construction	19,553,422.58	19,553,422.58	19,553,422.58	19,553,422.58
Sub total	45,743,044.50	45,743,044.50	45,743,044.50	45,743,044.50
Inventories - net	939,807,249.25	820,873,797.56	870,630,017.37	761,848,763.39

10. NON-CURRENT ASSETS HELD FOR SALE

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

Non-current assets held for sale as at December 31, 2018, is as follows:

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

11. FINANCE LEASE RECEIVABLE

Finance lease receivable as at December 31, 2018 and 2017 are as follows:

	(Unit : Baht)	
	Consolidated financial statements	Separate financial statements
	2018	2017
Finance lease receivable	12,454,466.56	16,075,725.86
Less Current portion of assets under finance lease	(2,269,071.54)	(2,421,759.86)
Finance lease receivable - net	10,185,395.02	13,653,966.00

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	Minimum amount to be paid	Present value of minimum amounts to be paid	2018	2017
	2018	2017	2018	2017
Within 1 year	2,849,888.04	3,221,551.56	2,269,071.54	2,421,759.86
Over 1 year but within 5 years	10,651,480.10	14,876,938.16	10,185,395.02	13,653,966.00
Total	13,501,368.14	18,098,489.72	12,454,466.56	16,075,725.86
Less Future interest to be paid of finance lease	(1,046,901.58)	(2,022,763.86)	0.00	0.00
Present value of assets under finance lease	12,454,466.56	16,075,725.86	12,454,466.56	16,075,725.86

12. INVESTMENT IN CONVERTIBLE DEBENTURE

Investment in convertible debenture as at December 31, 2018 and 2017 are as follows

	(Unit : Baht)	
	Consolidated financial statements	Separate financial statements
	2018	2017
Convertible debenture - Related company	0.00	508,965,000.00
Total	0.00	508,965,000.00

In the year 2017, the Company has investment in convertible debenture with the period of 7 years at the interest of 0.70 % per annum.

During the year 2018, the Company has converted investments in bonds as investment in common shares in full amount.

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

Names	Type of business	Relationship	Paid-up share capital (Thousand Baht)		Percentage of Investment		Cost method (Baht)		Dividend (Baht)	
			2018	2017	2018	2017	2018	2017	2018	2017
Investments available for sale - related parties: - Saha Pathana - Interholding Pco.	Operator of Investment Consumer	Co-shareholders and administrator	571,515	494,034	8.65	7.72	740,072,283.20	231,652,206.20	30,574,691.35	17,171,942.65
L.C.C. International Pco.	Advertising	-	290,634	290,634	8.53	8.53	224,515,372.31	224,515,372.31	27,254,810.00	28,493,665.00
Far East Fame Line DOB Pco. (Far East DOB Pco.)	Garmant	-	75,000	75,000	12.30	12.30	27,203,311.66	27,203,311.66	9,226,500.00	6,458,550.00
Boutique Newcity Pco.	Shoes	-	120,000	120,000	0.72	0.72	2,178,695.75	2,178,695.75	43,000.00	64,500.00
Pan Asia Footwear Pco.	Garmant	-	275,400	275,400	18.12	18.12	129,297,404.24	129,297,404.24	0.00	2,172,121.26
People's Garmant Pco.	Garmant	-	96,000	96,000	8.80	8.80	34,002,208.59	34,002,208.59	1,943,500.00	0.00
New City (Bangkok) Pco.	Garmant	-	149,510	149,510	0.45	0.45	2,995,668.04	2,995,668.04	20,256.00	14,854.40
Thai President Foods Pco.	Food	-	329,704	329,704	1.95	1.95	110,690,113.78	110,690,113.78	22,766,274.54	21,804,450.00
Textile Prestige Pco.	Textile	-	108,000	108,000	8.69	8.69	20,255,078.29	20,255,078.29	6,573,259.00	6,573,259.00
Thai Wacoal Pco.	Textile	-	120,000	120,000	8.03	8.03	93,007,302.76	93,007,302.76	14,461,575.00	12,533,365.00
Saha Cogen (Chonburi) Pco.*	Energy	-	955,000	955,000	7.81	7.81	145,021,753.68	145,021,753.68	11,193,709.50	10,447,462.20
O.C.C Pco.	Cosmetic	Co-shareholders	60,000	60,000	1.27	0.10	12,259,298.71	186,297.00	39,000.00	42,000.00
S&J International Enterprise Pco.	Cosmetic	-	149,931	149,931	0.16	0.16	1,861,287.69	1,861,287.69	291,362.40	291,362.40
Total investment available for sale - related parties							1,543,360,778.90	1,022,879,700.19	124,687,937.79	106,087,532.11
Add Unrealized gain on re-measuring of securities							5,351,389,384.30	5,392,483,163.10	0.00	0.00
Total investment available for sale - related parties net							6,894,750,163.20	6,415,362,863.29	124,687,937.79	106,087,532.11

13. INVESTMENTS AVAILABLE FOR SALE - CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

Names	Type of business	Relationship	Paid-up share capital (Thousand Baht)		Percentage of investment		Cost method (Baht)		Dividend (Baht)	
			2018	2017	2018	2017	2018	2017	2018	2017
Other investment available for sale :-										
Thaifon Textile Mills Plc.	Fashion	Co-shareholders	80,000	80,000	0.50	0.50	265,320.00	265,320.00	80,000.00	80,000.00
President Bakery Plc.	Food	"	450,000	450,000	1.03	1.26	28,849,804.59	35,059,804.59	8,701,000.00	9,153,000.00
Nation Multimedia Group Plc.	Media and printing	"	1,759,717	1,759,717	0.83	0.83	27,575,590.07	27,575,590.07	0.00	0.00
Singer Thailand Plc.	Electric	"	270,000	270,000	1.30	1.30	49,101,822.00	49,101,822.00	0.00	875,000.00
Amata VN Plc.	Property Investment	"	487,500	487,500	0.82	0.82	2,999,135.00	2,999,135.00	230,580.00	384,300.00
Muang Thai Insurance Co., Ltd.	Insurance	"	500,000	0.00	0.02	0.00	1,069,742.19	0.00	0.00	0.00
cham Issara Development Co., Ltd.	Property Development	"	1,068,510	0.00	1.98	0.00	30,000,000.00	0.00	0.00	0.00
Personal fund - KSAM	Fund	"	500,000	500,000	100.00	100.00	51,014,811.01	481,075,102.09	0.00	0.00
Personal fund - kassat	Fund	"	500,000	500,000	100.00	100.00	51,977,444.66	433,024,749.44	0.00	0.00
Personal fund - bcap	Fund	"	500,000	0.00	100.00	0.00	481,238,200.06	0.00	0.00	0.00
MFC Hi-Dividend Fund	Fund	"	12,000,000	12,000,000	0.14	0.14	20,000,000.00	20,000,000.00	258,215.36	1,007,760.41
Krungthai Medium Term Fixed Income Fund	Investment	"	1,000,000	1,000,000	11.19	11.19	16,000,000.00	16,000,000.00	0.00	0.00
Aberdeen Growth Fund	Investment	"	5,000,000	5,000,000	0.03	0.03	18,589,098.21	18,589,098.21	0.00	0.00
Aberdeen Small Cap Fund	Investment	"	3,000,000	3,000,000	0.15	0.15	20,000,000.00	20,000,000.00	0.00	0.00
MFC Industrial Property Leasehold fund	Investment	"	1,534,240	1,588,920	1.16	1.16	17,840,000.00	18,220,000.00	1,090,000.00	1,046,000.00
Hemasej Industrial Property and Leasehold Fund	Investment	"	4,829,500	4,829,500	0.43	0.43	19,700,000.00	19,700,000.00	719,600.00	570,000.00
MFC Patong Heritage Property Fund	Investment	"	1,050,000	1,050,000	1.90	1.90	20,000,000.00	20,000,000.00	1,422,000.00	1,410,000.00
Krungthai Medium Term Investment Trust	Investment	"	3,837,100	3,837,100	0.54	0.54	19,660,000.00	19,660,000.00	1,460,000.00	1,270,000.00
Total other investment available for sale							1,946,788,767.79	1,325,259,421.40	13,909,595.36	15,776,089.41
Add Unrealized gain on re-measuring of securities							214,048,755.89	412,151,299.88	0.00	0.00
Total other investment available for sale							2,160,837,523.68	1,737,410,721.28	13,909,595.36	15,776,089.41
Total investment available for sale - net							9,055,587,696.88	8,152,764,584.57	13,862,753.15	121,863,612.52

14. INVESTMENTS IN ASSOCIATES

Names	Type of business	Relationship	Paid-up share capital (Thousand Baht)		Percentage of Investment		Consolidated financial statements Equity method (Baht)		Separate financial statements Cost method (Baht)		Dividend (Baht)	
			2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Sun 106 Co., Ltd.	Retail Distributor	Co-shareholders and administrator	450,000	300,000	17.75	17.75	93,157,347.71	79,273,809.99	102,138,264.00	75,508,014.00	37,282,350.00	37,282,350.00
Saha Ubol Nakorn Co., Ltd.	Property development	"	7,813	7,813	20.00	20.00	1,576,406.42	1,576,406.42	5,067,500.00	5,067,500.00	0.00	0.00
Sahapat Real Estate Co., Ltd.	Property development	"	900,000	900,000	20.00	20.00	130,850,690.36	138,099,046.60	82,500,000.00	82,500,000.00	0.00	0.00
Sirachai Transportation Co., Ltd.	Transport	"	10,000	10,000	20.00	20.00	2,483,220.71	2,242,748.57	2,036,000.00	2,036,000.00	50,000.00	100,000.00
Thai - Myanmar Success Venture Co., Ltd.	Investment	"	100,000	100,000	35.00	35.00	41,282,462.77	40,456,934.60	35,039,403.72	35,039,403.72	0.00	0.00
President Foods (Cambodia) Co., Ltd.	Food	"	66,375	66,375	30.00	30.00	44,930,934.22	40,669,827.77	19,646,775.00	19,646,775.00	0.00	0.00
Ruamsara Co., Ltd.	Real estate	"	300,000	300,000	25.00	25.00	195,361,776.94	199,447,638.69	75,000,000.00	75,000,000.00	7,500,000.00	0.00
Saha Lawson Co., Ltd.	Convenience store	"	1,277,000	1,087,000	21.34	20.00	89,761,697.07	55,078,737.83	272,500,000.00	217,400,000.00	0.00	0.00
Boon Capital Holding Co., Ltd.	Investment	"	343,000	343,000	32.00	32.00	64,799,443.71	64,474,008.74	109,759,990.00	109,759,990.00	0.00	0.00
Canchana International Co., Ltd.	Retail distributor	"	KHR 2,000,000	KHR 2,000,000	40.00	40.00	16,020,013.40	15,228,463.82	6,494,660.00	6,494,660.00	0.00	0.00
Siam Amta Co., Ltd.	Distributor	"	20,000	20,000	25.00	25.00	0.00	118,984.07	5,000,000.00	5,000,000.00	0.00	0.00
Ruamsara Development Co., Ltd.	Real estate	"	360,000	360,000	25.00	25.00	93,966,293.24	82,432,915.77	90,000,000.00	90,000,000.00	14,400,000.00	0.00
Total							774,220,286.65	719,119,822.87	805,202,882.72	723,472,342.72	89,232,350.00	37,382,350.00
Less: Provisions for impairment loss							0.00	0.00	(252,070,000.00)	(223,980,000.00)	0.00	0.00
Total investments in associates - net							774,220,286.65	719,119,822.87	553,132,882.72	499,492,342.72	89,232,350.00	37,382,350.00

As at December 31, 2018 and 2017, the Company recorded investments in 9 and 8 associates respectively under equity method from their unaudited financial statements, due to the Company has no power in commanding those associates to have the financial statements which had unaudited net investments amount of Baht 537.29 million and Baht 276.64 million respectively equal to 2.01% and 1.07% of total assets, for the year ended December 31, 2018 and 2017, had equity gain from investments in 9 associates and 8 associates respectively amount of Baht 60.31 million and Baht 26.65 million equal to 3.46% and 1.70% respectively of net profit and equity loss of Baht 20.54 million and Baht 63.94 million equal to 1.18% and 4.07% respectively of net profit.

15. INVESTMENTS IN SUBSIDIARIES

Names	Type of business	Relationship	Paid-up share capital (Thousand Baht)		Percentage of investment		Consolidated Financial statements: Equity method (Baht)		Separate Financial statements Cost method (Baht)		Dividend (Baht)	
			2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Chokchaitipul Co., Ltd.	Investment	Co-shareholders and administrator	920,000	920,000	99.99	99.99	0.00	0.00	1,203,801,519.94	1,203,801,519.94	0.00	0.00
Bangkok Tower (1999) Co., Ltd.	Office for rent	-	519,000	519,000	99.99	99.99	0.00	0.00	518,994,000.00	518,994,000.00	0.00	0.00
Tipwarin Watana Co., Ltd.	Mineral water	-	15,440	15,440	59.37	49.95	0.00	0.00	42,794,100.00	17,294,100.00	3,284,500.00	2,463,450.00
Saha Vietnam Co., Ltd.	Retail Distributor	-	4,807	4,807	100.00	100.00	0.00	0.00	4,903,321.57	4,903,321.57	0.00	0.00
Dairy Thai Co., Ltd.	Dairy	-	57,125	57,125	53.91	53.91	0.00	0.00	58,111,127.14	58,111,127.14	0.00	0.00
Total							0.00	0.00	1,838,694,168.75	1,813,104,168.75	3,284,500.00	2,463,450.00
Less Provision for impairment loss							0.00	0.00	(424,903,321.57)	(424,903,321.57)	0.00	0.00
Total investments in subsidiaries - net							0.00	0.00	1,413,790,847.08	1,388,200,847.08	3,284,500.00	2,463,450.00

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

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

Names	Paid-up share capital (Thousand Baht)		Percentage of investment		Cost method (Baht)		Dividend (Baht)	
	2018	2017	2018	2017	2018	2017	2018	2017
Long-term investments in related parties >								
Raja Uchino Co., Ltd.	121,500	121,500	9.91	9.91	10,353,887.00	10,353,887.00	120,375.00	1,203,750.00
Thai Hoover Industry Co., Ltd.	60,000	60,000	2.57	2.57	1,540,000.00	1,540,000.00	1,540,000.00	1,540,000.00
Sahachol Food Supplies Co., Ltd.	325,000	325,000	9.20	9.20	50,940,000.00	50,940,000.00	0.00	0.00
Thai Takeda Lase Co., Ltd.	127,000	127,000	3.46	3.46	4,400,000.00	4,400,000.00	1,980,000.00	860,000.00
Lion Corporation (Thailand) Ltd.	500,000	300,000	14.13	12.13	138,506,689.00	38,848,589.00	68,475,063.00	44,304,825.00
Pan Land Co., Ltd.	300,000	300,000	10.00	10.00	30,000,000.00	30,000,000.00	0.00	0.00
Sahapatt Properties Co., Ltd.	20,000	20,000	6.25	6.25	1,250,000.00	1,250,000.00	100,000.00	50,000.00
Thai Cubic Technology Co., Ltd.	40,000	40,000	5.00	5.00	2,000,000.00	2,000,000.00	200,000.00	200,000.00
Kiewite (Thailand) Co., Ltd.	260,000	260,000	10.00	10.00	26,000,000.00	26,000,000.00	5,720,000.00	5,200,000.00
Selino Saha Logistics Co., Ltd.	20,000	20,000	7.75	7.75	1,550,000.00	1,550,000.00	0.00	0.00
LDJF Co., Ltd.	90,000	90,000	19.60	19.60	27,719,897.00	27,719,897.00	6,175,400.00	6,175,400.00
Srinacha Aviation Co., Ltd.	66,600	55,000	3.00	3.64	2,000,000.00	2,000,000.00	300,000.00	200,000.00
Thai Sun Foods Co., Ltd.	50,000	50,000	18.88	18.88	8,437,500.00	8,437,500.00	253,125.00	253,125.00
Orska Saha Asia Research Co., Ltd.	0	80,000	0.00	18.33	0.00	13,066,800.00	0.00	0.00
Bangkok Rubber Plc.	1,834,572	1,834,572	0.53	0.53	27,069,892.58	27,069,892.58	0.00	0.00
International Laboratories Corporation Ltd.	120,000	120,000	9.83	9.83	145,418,000.00	145,418,000.00	10,000,000.00	8,260,000.00
Rajprima Shopping Complex Co., Ltd.	350,000	350,000	2.00	2.00	7,000,000.00	7,000,000.00	0.00	0.00
The Mall Ratchasima Co., Ltd.	50,000	50,000	2.00	2.00	1,000,000.00	1,000,000.00	0.00	0.00
Wazeda Education (Thailand) Co., Ltd.	20,000	21,952	7.14	7.14	1,428,600.00	1,568,000.00	0.00	0.00
Eleair International (Thailand) Co., Ltd.	1,565,000	1,565,000	10.00	10.00	156,500,000.00	156,500,000.00	0.00	0.00
Tsuruha (Thailand) Co., Ltd.	250,000	250,000	15.00	15.00	60,000,000.00	60,000,000.00	0.00	0.00
Saha Tokyu Corporation Co., Ltd.	332,000	332,000	12.00	12.00	39,840,000.00	39,840,000.00	303,454.56	0.00
KPN Health Care P.L.C.	950,000	950,000	5.00	5.00	47,500,000.00	47,500,000.00	0.00	0.00
First United Industry Co., Ltd.	40,000	40,000	14.37	14.37	5,746,800.00	5,746,800.00	1,723,980.00	1,723,980.00
Champ Ace Co., Ltd.	40,000	40,000	4.17	4.17	1,666,800.00	1,666,800.00	0.00	0.00
Treasure Hill Co., Ltd.	200,000	200,000	4.00	4.00	5,423,600.00	5,423,600.00	0.00	0.00
Transcosmos Thailand Co., Ltd.	70,000	70,000	9.00	9.00	6,300,000.00	6,300,000.00	0.00	0.00
United Utility Co., Ltd.	350,000	350,000	3.93	3.93	22,381,700.00	22,381,700.00	0.00	687,425.00
Total other long-term investments in related parties					830,002,745.58	743,348,845.58	96,921,397.56	70,458,505.00
Less Provision for impairment loss of securities					(215,959,692.58)	(202,399,692.58)	0.00	0.00
Net other long-term investments in related parties					614,043,053.00	540,949,153.00	96,921,397.56	70,458,505.00

16. OTHER LONG-TERM INVESTMENTS - CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

Names	Paid-up share capital (Thousand Baht)		Percentage of investment		Cost method (Baht)		Dividend (Baht)	
	2018	2017	2018	2017	2018	2017	2018	2017
Other long-term investments :-								
Jenome (Thailand) Co., Ltd.	97,400	97,400	2.00	2.00	2,759,220.00	2,759,220.00	487,000.00	487,000.00
Thames Co., Ltd.	90,000	90,000	3.33	3.33	3,000,000.00	3,000,000.00	0.00	0.00
Molten (Thailand) Co., Ltd.	100,000	100,000	6.00	6.00	6,000,000.00	6,000,000.00	600,000.00	600,000.00
Thal Guaze Dyeing Co., Ltd.	180,000	180,000	4.00	4.00	7,200,000.00	7,200,000.00	0.00	0.00
Advance Agrotech Co., Ltd.	16,410	16,410	7.62	7.62	1,250,000.00	1,250,000.00	0.00	0.00
Thal Aral Co., Ltd.	126,000	126,000	4.00	4.00	5,040,000.00	5,040,000.00	399,999.60	120,000.00
Thal Samsung Electronic Co., Ltd.	1,200,000	1,200,000	0.83	0.83	10,000,000.00	10,000,000.00	3,000,000.00	3,000,000.00
Noble Place Co., Ltd.	298,250	298,250	0.08	0.08	1,500,000.00	1,500,000.00	0.00	0.00
Nuboon Co., Ltd.	35,000	35,000	5.74	5.74	2,010,000.00	2,010,000.00	502,500.00	542,700.00
Cherthaburi Country Club Co., Ltd.	500,000	75,000	0.03	0.17	2,000,000.00	2,000,000.00	0.00	0.00
Molten Asia Polymer Product Co., Ltd.	120,000	120,000	7.80	7.80	9,360,000.00	9,360,000.00	1,872,000.00	1,872,000.00
Saha Saren Co., Ltd.	780,000	780,000	0.19	0.19	1,500,000.00	1,500,000.00	1,102,941.18	196,323.53
Thal Herbal Products Co., Ltd.	80,000	80,000	2.25	2.25	1,800,000.00	1,800,000.00	45,000.00	64,800.00
Imperial Technology Management Pte.	887,350	887,350	0.70	0.70	6,250,000.00	6,250,000.00	0.00	0.00
Fairy Land Department Store Co., Ltd.	100,000	100,000	5.00	5.00	7,500,000.00	7,500,000.00	0.00	0.00
U.C.C. Ueshima Coffee (Thailand) Co., Ltd.	15,000	15,000	10.00	10.00	1,366,156.20	1,366,156.20	0.00	0.00
Kenmin Foods (Thailand) Co., Ltd.	33,000	33,000	5.00	5.00	3,196,500.00	3,196,500.00	313,500.00	525,000.00
Thal Samsung Life Insurance Co., Ltd.	3,200,000	3,200,000	3.42	3.42	105,861,544.79	105,861,544.79	0.00	0.00
Thal Osaka Pharmaceutical Co., Ltd.	35,000	35,000	3.00	3.00	6,300,000.00	6,300,000.00	2,395,155.00	2,457,420.00
Suen Co., Ltd.	6,000	6,000	0.35	0.35	58,349.97	58,349.97	1,050.00	1,050.00
Kiat Thai Knitting Factory Co., Ltd.	3,000	3,000	3.33	3.33	358,980.00	358,980.00	5,000.00	5,000.00
President Commercial Co., Ltd.	5,000	5,000	13.00	13.00	43,836.00	43,836.00	0.00	0.00
Thal Itokin Co., Ltd.	140,000	140,000	1.55	1.55	2,806,850.00	2,806,850.00	0.00	0.00
Daliso Sangyo (Thailand) Co., Ltd.	280,000	280,000	6.45	6.45	18,052,830.00	18,052,830.00	1,606,664.07	1,480,315.66
Thal Bunka Fashions Co., Ltd.	25,000	25,000	8.00	8.00	2,000,000.00	2,000,000.00	0.00	0.00
Carbon Magic (Thailand) Co., Ltd.	590,000	590,000	4.17	4.17	24,583,000.00	24,583,000.00	0.00	0.00
Erwan Textile Co., Ltd.	621,463	621,463	10.15	10.15	93,728,406.99	93,728,406.99	0.00	0.00

16. OTHER LONG-TERM INVESTMENTS - CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (Continued)

Names	Paid-up share capital (Thousand Baht)		Percentage of investment		Cost method (Baht)		Dividend (Baht)	
	2018	2017	2018	2017	2018	2017	2018	2017
Bangkok Tokyo Sock Co., Ltd.	143,220	143,220	4.89	4.89	5,755,837.50	5,755,837.50	0.00	280,000.00
Asahi Cathays Spunbond Co., Ltd.	2,110,000	2,110,000	3.39	3.39	57,730,000.00	57,730,000.00	0.00	0.00
Kailoi Thai President Foods (BD) Ltd.	333,318	333,318	3.75	3.75	9,408,030.52	9,408,030.52	0.00	0.00
J&R(Thailand) Co., Ltd.	0	132,500	0.00	7.00	0.00	9,275,000.00	0.00	0.00
BNC Maesot Co., Ltd.	90,000	60,000	5.00	7.50	4,500,000.00	4,500,000.00	0.00	0.00
President Food (Hungary) Kft.	356,025	356,025	10.00	10.00	32,182,363.55	32,182,363.55	2,738,170.23	0.00
Nippon Tei Sato Co., Ltd.	60,000	60,000	6.00	6.00	3,600,000.00	3,600,000.00	0.00	0.00
Mobile Logistics Co., Ltd.	300,000	300,000	5.00	5.00	15,000,000.00	15,000,000.00	0.00	0.00
Orsukanutaceutical (Thailand) Co.,Ltd.	300,000	300,000	2.50	2.50	7,500,000.00	7,500,000.00	0.00	0.00
American Food Company	140,000	140,000	12.00	9.00	16,846,200.00	12,800,000.00	0.00	0.00
Thai Lotte Co., Ltd.	3,013,000	3,013,000	0.58	0.58	17,800,000.00	17,800,000.00	0.00	0.00
Choksamakee Co., Ltd.	116,000	116,000	13.79	13.79	16,000,000.00	16,000,000.00	0.00	0.00
Huathor (Thailand) Co., Ltd.	3,000	12,000	2.50	2.50	75,000.00	300,000.00	0.00	0.00
BNC Real estate Co.,Ltd	240,000	240,000	16.67	16.67	40,000,000.00	40,000,000.00	0.00	0.00
S.S.D.C. Tigartext Co., Ltd.	324,000	324,000	4.62	4.62	14,969,306.25	14,969,306.25	299,058.00	598,116.00
Total other long-term investments					666,492,011.77	671,745,811.77	15,368,068.08	12,228,725.19
Less: Provision for impairment loss					(142,055,642.20)	(138,815,942.20)	0.00	0.00
Total other long-term investments - net					424,436,369.57	432,929,169.57	15,368,068.08	12,228,725.19
Total other long-term investments - separate financial statements					1,038,478,422.57	973,878,322.57	112,290,455.64	82,688,230.19
Enswan Textile Co., Ltd.	621,463	621,463	0.03	0.03	58,000.00	58,000.00	0.00	0.00
Saha Refractor Co., Ltd.	180,000	180,000	15.00	15.00	2,700.00	2,700.00	0.00	0.00
Less: Provision for impairment loss					(2,700.00)	0.00	0.00	0.00
Total other long-term investments - net					55,300.00	58,700.00	0.00	0.00
Total other long-term investments - consolidated financial statements					1,038,534,422.57	973,937,022.57	112,290,455.64	82,688,230.19

● NOTES TO FINANCIAL STATEMENTS

17. INVESTMENT PROPERTIES

Investment properties as at December 31, 2018 and 2017 as follows:

(Unit : Baht)

	Consolidated financial statements					
	Land	Building	Public utilities system	Building improvement	Assets under construction	Total
Cost						
Balance as at December 31, 2016	1,949,951,936.85	950,516,220.82	176,071,118.92	0.00	283,550.00	3,076,822,826.59
Acquisition	110,592,000.00	7,304,000.00	465,845.90	0.00	223,207.35	118,585,053.25
Disposal/Write off	0.00	0.00	(856,000.00)	0.00	0.00	(856,000.00)
Project Subsidy	0.00	0.00	(2,001,000.00)	0.00	0.00	(2,001,000.00)
Transfer in/(out)	4,681,812.81	5,155,000.00	360,236.90	0.00	(360,236.90)	9,836,812.81
Balance as at December 31, 2017	2,065,225,749.66	962,975,220.82	174,040,201.72	0.00	146,520.45	3,202,387,692.65
Acquisition	197,494,152.00	69,000,000.00	(254,135.70)	0.00	6,335,080.80	273,083,368.50
Disposal/Write off	0.00	0.00	(48,150.00)	0.00	(392,993.36)	(441,143.36)
Transfer in/(out)	0.00	3,144,553.24	647,350.00	0.00	(884,919.89)	2,906,983.35
Balance as at December 31, 2018	2,262,719,901.66	1,035,119,774.06	174,893,537.42	0.00	5,203,688.00	3,477,936,901.14
Accumulated depreciation						
Balance as at December 31, 2016	0.00	548,126,343.55	163,390,317.22	0.00	0.00	711,516,660.77
Depreciation	4,478.17	27,234,988.74	621,744.58	0.00	0.00	27,861,211.49
Disposal/Write off	0.00	0.00	(856,000.00)	0.00	0.00	(856,000.00)
Transfer in/(out)	1,285,660.61	(6,407,354.10)	0.00	0.00	0.00	(5,121,693.49)
Balance as at December 31, 2017	1,290,138.78	568,953,978.19	163,156,061.80	0.00	0.00	733,400,178.77
Depreciation	505,685.79	27,289,923.90	652,554.01	0.00	0.00	28,448,163.70
Disposal/Write off	0.00	0.00	(6,411.18)	0.00	0.00	(6,411.18)
Balance as at December 31, 2018	1,795,824.57	596,243,902.09	163,802,204.63	0.00	0.00	761,841,931.29
Provision for impairment loss						
Balance as at December 31, 2017	(60,108,717.36)	(7,700,000.00)	0.00	0.00	0.00	(67,808,717.36)
Increase	(8,550,000.00)	0.00	0.00	0.00	0.00	(8,550,000.00)
Decrease	12,807,066.50	0.00	0.00	0.00	0.00	12,807,066.50
Balance as at December 31, 2018	(55,851,650.86)	(7,700,000.00)	0.00	0.00	0.00	(63,551,650.86)
Net book value						
Balance as at December 31, 2017	2,003,826,893.52	386,321,242.63	10,884,139.92	0.00	146,520.45	2,401,178,796.52
Balance as at December 31, 2018	2,205,072,426.23	431,175,871.97	11,091,332.79	0.00	5,203,688.00	2,652,543,318.99

During the year 2018, the Company purchased land and building from the related party as selling price of project in the amount Baht 69,000,000.00. Fair value of investment property as at December 31, 2018 and 2017, had the amount of Baht 6,702,915,000.00 and Baht 5,830,885,000.00, respectively which appraised by the independent appraiser.

17. INVESTMENT PROPERTIES (Continued)

(Unit : Baht)

	Separate financial statements			Total
	Land	Buildings	Assets under construction	
Cost				
Balance as at December 31, 2016	1,016,950,418.29	427,992,437.86	0.00	1,444,942,856.15
Acquisition	110,592,000.00	7,304,000.00	0.00	117,896,000.00
Transfer in/(out)	4,681,812.81	5,155,000.00	0.00	9,836,812.81
Balance as at December 31, 2017	1,132,224,231.10	440,451,437.86	0.00	1,572,675,668.96
Acquisition	197,494,152.00	69,000,000.00	5,687,730.80	272,181,882.80
Disposal/Write off	0.00	0.00	(392,993.36)	(392,993.36)
Transfer in/(out)	0.00	3,144,553.24	(91,049.44)	3,053,503.80
Balance as at December 31, 2018	1,329,718,383.10	512,595,991.10	5,203,688.00	1,847,518,062.20
Accumulated depreciation				
Balance as at December 31, 2016	0.00	218,900,014.18	0.00	218,900,014.18
Depreciation	4,478.17	14,178,683.02	0.00	14,183,161.19
Disposal/Write off	1,285,680.61	0.00	0.00	1,285,680.61
Balance as at December 31, 2017	1,290,138.78	233,078,697.20	0.00	234,368,835.98
Depreciation	505,685.79	16,292,297.71	0.00	16,797,983.50
Balance as at December 31, 2018	1,795,824.57	249,370,994.91	0.00	251,166,819.48
Provision for impairment loss				
Balance as at December 31, 2017	(14,116,138.50)	0.00	0.00	(14,116,138.50)
Decrease	12,807,068.50	0.00	0.00	12,807,068.50
Balance as at December 31, 2018	(1,309,070.00)	0.00	0.00	(1,309,070.00)
Net book value				
Balance as at December 31, 2017	1,116,817,955.82	207,372,740.66	0.00	1,324,190,696.48
Balance as at December 31, 2018	1,326,613,488.53	263,224,996.19	5,203,688.00	1,595,042,172.72

During the year 2018, the Company purchased land and building from the related party in the amount of Baht 69,000,000.00.

The fair value of investment properties as at December 31, 2018 and 2017, appraised by an independent appraiser was Baht 5,612,025,000.00 and Baht 4,752,805,000.00, respectively.

The significant amount of investment properties recognized in statements of comprehensive income for the year ended December 31, 2018 and 2017 are as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Revenues				
Rental income	93,124,467.42	84,904,605.77	79,010,486.82	69,804,938.60
Service income	39,285,497.59	40,144,310.46	0.00	0.00
Total revenues	132,409,965.01	125,048,916.23	79,010,486.82	69,804,938.60
Direct operating expenses incurred to rental and service income				
	65,673,104.80	50,130,774.29	16,797,983.50	15,468,821.80
Total direct operating expenses	65,673,104.80	50,130,774.29	16,797,983.50	15,468,821.80

18. PROPERTY, PLANT AND EQUIPMENT

(Unit: Baht)

Consolidated financial statements

	Land	Land improvement	Building's	Building's improvement	Office equipment	Machineries	Cost of land development	Furniture and fixtures	Vehicles	Assets under construction	Total
Cost											
Balance as at December 31, 2016	391,262,046.03	1,832,015.00	432,466,611.38	84,967,201.95	398,909,051.92	243,662,052.47	103,490,614.86	74,869,237.19	600,989,550.55	36,707,001.46	2,369,155,382.81
Acquisition	0.00	0.00	66,167.00	1,018,678.75	35,952,554.26	10,850,722.76	0.00	632,363.46	63,732,864.20	43,125,091.23	155,376,461.66
Disposal/Write off	0.00	0.00	(219,105.75)	0.00	(4,400,755.89)	(7,591,218.60)	0.00	0.00	(4,798,756.14)	(2,03,000.00)	(17,212,866.41)
Transfer in/(out)	0.00	0.00	17,604,973.36	837,750.00	19,668,240.72	6,885,958.54	1,387,620.08	2,825,364.61	(1,292,276.64)	(57,744,443.48)	(9,838,612.81)
Balance as at December 31, 2017	391,262,046.03	1,832,015.00	449,918,645.96	86,823,630.70	450,119,061.01	253,807,515.17	104,878,234.94	78,326,965.26	658,631,401.97	21,884,649.21	2,497,484,165.25
Acquisition	80,117,856.54	153,400.00	3,459,228.46	0.00	19,668,983.33	2,240,207.40	0.00	191,956.16	33,298,420.89	24,381,539.90	163,511,592.68
Disposal/Write off	0.00	0.00	(33,009.11)	0.00	(1,495,812.02)	(105,224.35)	0.00	0.00	(7,084,576.53)	(2,12,815.68)	(8,931,437.69)
Transfer in/(out)	0.00	0.00	3,198,729.97	637,500.00	2,651,039.57	26,017,591.80	3,655,673.11	575,221.00	0.00	(41,842,738.80)	(2,905,983.35)
Balance as at December 31, 2018	471,379,902.57	1,985,415.00	456,543,595.28	87,461,130.70	471,143,271.89	283,960,090.02	108,533,908.05	79,094,142.42	684,845,246.33	4,210,634.63	2,649,157,336.89
Accumulated depreciation											
Balance as at December 31, 2016	0.00	965,774.26	212,560,290.77	83,123,591.98	307,683,298.95	164,079,282.53	53,199,042.91	37,004,850.20	542,974,369.76	0.00	1,401,610,501.36
Depreciation	0.00	127,256.92	16,031,942.01	407,043.59	36,394,943.20	24,344,006.62	1,235,230.61	8,412,963.65	24,759,170.90	0.00	111,712,577.70
Disposal/Write off	0.00	0.00	(105,105.22)	0.00	(4,246,132.31)	(7,535,508.50)	0.00	0.00	(3,678,749.28)	0.00	(15,565,495.31)
Transfer in/(out)	0.00	0.00	6,407,354.10	0.00	0.00	1,252,321.34	0.00	(1,265,660.61)	(1,252,321.34)	0.00	5,121,693.49
Balance as at December 31, 2017	0.00	1,093,031.18	234,914,481.66	83,530,635.57	339,832,109.84	182,140,101.99	54,434,273.52	44,132,173.44	562,802,470.04	0.00	1,502,679,277.25
Depreciation	0.00	133,572.01	16,131,659.35	551,641.98	41,903,319.07	24,273,155.01	1,482,363.67	8,560,819.99	30,790,777.41	0.00	123,827,308.69
Disposal/Write off	0.00	0.00	(20,917.11)	0.00	(1,416,336.13)	(105,224.35)	0.00	0.00	(5,052,720.84)	0.00	(6,595,198.43)
Transfer in/(out)	0.00	0.00	0.00	0.00	0.00	5,363.77	0.00	0.00	(5,363.77)	0.00	0.00
Balance as at December 31, 2018	0.00	1,226,603.19	251,025,223.90	84,082,277.55	380,319,092.78	206,313,396.42	55,916,637.39	52,692,993.43	588,535,162.84	0.00	1,600,111,367.51
Net book value											
Balance as at December 31, 2017	391,262,046.03	738,983.82	215,004,164.30	3,292,995.13	110,286,951.17	71,667,413.18	50,443,961.42	34,194,791.82	95,828,931.93	21,884,649.21	984,604,688.00
Balance as at December 31, 2018	471,379,902.57	758,811.81	205,518,371.38	3,378,853.15	90,824,179.11	77,646,693.60	52,617,270.66	26,401,148.99	96,310,083.49	4,210,634.63	1,029,046,949.38

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

(Unit: Baht)

Separate financial statements

	Land	Buildings	Buildings improvement	Office equipment	Machineries	Cost of land development	Furniture and fixtures	Vehicles	Assets under construction	Total
Cost										
Balance as at December 31, 2016	342,951,356.59	321,757,387.46	79,893,142.82	352,344,640.66	25,223,875.90	96,584,966.22	73,957,246.77	566,052,813.45	20,533,686.05	1,876,298,915.92
Acquisition	0.00	0.00	0.00	10,948,656.40	80,000.00	0.00	577,463.46	14,398,457.90	11,576,246.99	37,580,834.75
Disposal/Write off	0.00	0.00	0.00	(3,241,925.82)	0.00	0.00	0.00	(4,201,280.36)	(203,000.00)	(7,646,206.20)
Transfer in/(out)	0.00	420,000.00	0.00	18,045,684.86	0.00	0.00	2,825,364.61	0.00	(31,127,862.28)	(9,836,812.81)
Balance as at December 31, 2017	342,951,356.59	322,177,387.46	79,893,142.82	378,097,056.10	25,303,875.90	96,584,966.22	77,380,074.84	576,249,790.97	7,79,070.76	1,889,396,721.66
Acquisition	41,602,956.54	3,294,228.46	0.00	7,975,948.97	170,800.00	0.00	163,116.16	71,626,102.63	5,757,436.80	130,590,588.56
Disposal/Write off	0.00	0.00	0.00	(914,006.33)	0.00	0.00	0.00	(6,440,740.87)	(212,815.68)	(7,567,562.88)
Transfer in/(out)	0.00	90,396.00	0.00	2,254,571.08	0.00	0.00	575,221.00	0.00	(5,973,691.88)	(3,053,503.80)
Balance as at December 31, 2018	384,554,313.13	325,562,011.92	79,893,142.82	387,413,569.82	25,474,675.90	96,584,966.22	78,098,412.00	641,435,152.73	350,000.00	2,019,386,244.54
Accumulated depreciation										
Balance as at December 31, 2016	0.00	154,398,464.01	79,893,134.82	263,736,097.51	24,542,816.90	50,545,157.64	36,267,765.97	506,199,754.16	0.00	1,135,583,191.03
Depreciation	0.00	13,807,236.39	0.00	26,534,743.20	250,513.99	745,316.86	8,254,273.74	24,662,749.69	0.00	74,254,833.87
Disposal/Write off	0.00	0.00	0.00	(3,174,182.33)	0.00	0.00	0.00	(3,092,361.24)	0.00	(6,266,543.57)
Transfer in/(out)	0.00	0.00	0.00	0.00	0.00	0.00	(1,285,660.61)	0.00	0.00	(1,285,660.61)
Balance as at December 31, 2017	0.00	168,205,700.40	79,893,134.82	307,096,658.38	24,793,330.89	51,290,474.50	43,236,379.10	527,770,142.63	0.00	1,202,285,820.72
Depreciation	0.00	11,507,877.46	0.00	28,632,055.93	188,595.75	745,316.86	8,537,758.06	30,281,879.20	0.00	78,893,483.26
Disposal/Write off	0.00	0.00	0.00	(889,693.76)	0.00	0.00	0.00	(4,637,496.57)	0.00	(5,527,190.33)
Balance as at December 31, 2018	0.00	179,713,577.86	79,893,134.82	334,839,020.55	24,981,926.64	52,035,791.36	51,774,137.16	553,414,535.26	0.00	1,276,662,123.65
Net book value										
Balance as at December 31, 2017	342,951,356.59	153,971,687.06	8.00	71,000,397.72	510,545.01	45,294,491.72	34,123,695.74	48,479,648.34	7,79,070.76	697,110,900.94
Balance as at December 31, 2018	384,554,313.13	145,848,434.06	8.00	52,574,549.27	492,749.26	44,549,174.86	26,324,274.84	68,020,617.47	350,000.00	742,714,120.89

19. INTANGIBLE ASSETS

(Unit : Baht)

	Consolidated financial statements			2018
	2017	Increase	Disposal	
Cost				
Electricity surcharge	773,104.00	0.00	0.00	773,104.00
Trademark	24,799,299.25	420,114.81	0.00	25,219,414.06
Golf membership	899,065.42	0.00	0.00	899,065.42
Software	68,879,080.62	6,166,661.46	0.00	75,045,742.08
Total cost	95,350,549.29	6,586,776.27	0.00	101,937,325.56
Accumulated amortization				
Electricity surcharge	366,765.79	36,302.21	0.00	403,068.00
Trademark	18,980,051.38	1,329,351.00	0.00	20,309,402.38
Golf membership	899,062.42	0.00	0.00	899,062.42
Software	22,459,150.87	1,607,224.71	0.00	24,066,375.58
Total accumulated amortization	42,705,030.46	2,972,877.92	0.00	45,677,908.38
Provision for impairment of software	(35,355,763.69)	(1,421,904.82)	0.00	(36,777,668.51)
Intangible assets	17,289,755.14	2,191,993.53	0.00	19,481,748.67

((Unit : Baht))

	Separate financial statements			2018
	2017	Increase	Disposal	
Cost				
Trademark	24,799,299.25	420,114.81	0.00	25,219,414.06
Golf membership	899,065.42	0.00	0.00	899,065.42
Software	68,661,948.43	770,766.40	0.00	69,432,714.83
Total cost	94,360,313.10	1,190,881.21	0.00	95,551,194.31
Accumulated amortization				
Trademark	18,980,051.38	1,329,351.00	0.00	20,309,402.38
Golf membership	899,062.42	0.00	0.00	899,062.42
Software	22,291,967.67	1,578,066.45	0.00	23,870,034.12
Total accumulated amortization	42,171,081.47	2,907,417.45	0.00	45,078,498.92
Provision for impairment of software	(35,355,763.69)	(1,421,904.82)	0.00	(36,777,668.51)
Intangible assets	16,833,467.94	(3,138,441.06)	0.00	13,695,026.88

20. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, 2018 and 2017 consist of

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Deposits and retention	75,420,906.02	74,651,243.68	74,880,906.02	74,129,243.68
Unbilled cheque return over 1 year	36,038,556.99	44,928,871.28	36,038,556.99	44,928,871.28
Loans to employees	0.00	148,986.04	0.00	148,986.04
Others	19,683,358.39	23,921,797.94	13,248,431.29	14,075,168.84
Total	131,142,821.40	143,650,898.94	124,167,894.30	133,282,269.84
Less Provision for impairment of deposit and retention	(18,225,900.00)	(18,225,900.00)	(18,225,900.00)	(18,225,900.00)
Allowance for doubtful of unbilled cheque return over 1 year	(36,038,556.99)	(44,928,871.28)	(36,038,556.99)	(44,928,871.28)
Allowance for doubtful of loans to others	0.00	(148,986.04)	0.00	(148,986.04)
Total	(54,264,456.99)	(63,303,757.32)	(54,264,456.99)	(63,303,757.32)
Other non-current assets - net	76,878,364.41	80,347,141.62	69,903,437.31	69,978,512.52

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

21. INCOME TAX

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Deferred tax assets	17,079,862.64	15,300,007.13	0.00	0.00
Deferred tax (liabilities)	(960,178,505.25)	(1,005,799,866.69)	(824,783,840.92)	(876,023,202.36)
Net	(943,098,642.61)	(990,499,859.56)	(824,783,840.92)	(876,023,202.36)

21. INCOME TAX (Continued)

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Deferred tax assets (liabilities)				
Allowance for doubtful accounts - trade account receivable	26,864,318.89	21,288,601.38	26,675,991.93	21,100,274.42
Allowance for obsolete stock	345,351.72	4,754,030.94	0.00	4,408,679.22
Provisions for impairment loss - associates companies	0.00	0.00	50,414,000.00	44,796,000.00
Provisions for impairment loss - subsidiaries companies	0.00	0.00	84,980,664.33	84,980,664.33
Provisions for impairment loss - other long-term investments	71,603,806.96	68,243,266.96	71,603,266.96	68,243,266.96
Provisions for impairment loss - land	10,908,516.17	9,198,516.17	0.00	0.00
Provisions for devaluation - available for sale investment	(1,113,087,628.04)	(1,160,926,892.60)	(1,113,087,628.04)	(1,160,926,892.60)
Provisions for impairment loss - Investment properties	1,647,814.00	4,278,516.79	261,814.00	2,823,227.30
Allowance for doubtful accounts Intangible assets	7,355,533.70	7,071,152.74	7,355,533.70	7,071,152.74
Allowance for doubtful accounts other assets	10,852,891.40	12,660,751.47	10,852,891.40	12,660,751.47
Employee benefit obligations	39,709,588.82	42,072,989.31	36,159,624.80	38,819,673.80
Subsidy for energy conservation project	363,304.85	383,314.84	0.00	0.00
Carry forward of utilized tax losses	337,858.92	475,892.44	0.00	0.00
Deferred tax assets (liabilities)	(943,098,642.61)	(990,499,859.56)	(824,783,840.92)	(876,023,202.36)

Income tax expense for the year ended December 31, 2018 and 2017 are summarized as follows:

	(Unit : Baht)			
	For the year ended December 31, 2018 and 2017			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current tax :				
Income tax for the year	371,485,924.13	347,114,455.55	340,566,447.15	316,609,697.47
Deferred tax :				
Deferred tax resulted from temporary differences and reversal of temporary differences	438,047.61	29,208,852.39	(3,400,096.88)	(14,409,601.43)
Income tax expenses presented in statements of comprehensive income	371,923,971.74	376,323,307.94	337,166,350.27	302,200,096.04

21. INCOME TAX (Continued)

Amounts of income tax related to each parts of other comprehensive income (expense) for the year ended December 31, 2018 and 2017 are summarized as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Income tax (expenses) income related to gain (loss) on re-measuring of securities	47,839,264.56	(423,869,726.86)	47,839,264.56	(423,869,726.86)
gain (loss) from adjustment of employee benefit obligations	0.00	7,182,492.70	0.00	6,181,410.90
Total	47,839,264.56	(416,687,234.16)	47,839,264.56	(417,688,315.96)

Reconciliation between income tax expenses and multiplication of accounting profit and tax rate used for the year ended December 31, 2018 and 2017 can be presented below:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Profit before income tax expenses	2,155,348,802.99	1,911,805,680.53	1,980,729,997.41	1,746,274,062.85
Discontinued operations	(2,426,572.98)	(4,224,839.37)	0.00	0.00
Profit before income tax expenses	2,152,922,230.01	1,907,580,841.16	1,980,729,997.41	1,746,274,062.85
Income tax rate (Percentage)	20	20	20	20
Income tax amount	430,584,446.00	381,516,168.23	396,145,999.48	349,254,812.57
Adjust income tax increase (decrease)				
Taxable effects for:				
Adjust income tax increase (decrease)	0.00	(416,447.34)	0.00	0.00
Other income for accounting base differ from tax base	296,872.05	(6,796,981.24)	3,400,096.88	(50,041,338.64)
Prohibited taxable expenses	(58,957,346.32)	2,020,568.29	(62,379,746.09)	2,986,622.11
Income tax expenses presented in statements of comprehensive income	371,923,971.74	376,323,307.94	337,166,350.27	302,200,096.04
Effective income tax rate (Percentage)	17	20	17	17

22. BANK OVERDRAFTS AND SHORT-TERM BORROWING FROM FINANCIAL INSTITUTIONS

As at December 31, 2018 and 2017, the Company and subsidiary (Tipwarin Watana Co., Ltd.) obtained overdraft facilities from 11 commercial banks total credits line of Baht 210 million without any collaterals and obtained short-term loans from 8 and 9 commercial banks total credit lines of Baht 1,915 million and Baht 2,170 million, respectively.

23. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, 2018 and 2017 consist of

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade accounts payable	5,044,017,313.82	4,922,744,333.76	5,088,765,390.73	4,990,775,794.15
Accrued expenses and other current payables	670,697,972.13	564,740,589.56	614,547,887.15	524,939,435.31
Unearned revenue	1,126,634.50	1,055,914.38	0.00	0.00
Total trade and other current payables	5,715,841,920.45	5,488,540,837.70	5,703,313,277.88	5,515,715,229.46

24. OTHER SHORT-TERM LOANS

Other short-term loans as at December 31, 2018 and 2017 consist of :

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Other short-term loans	22,000,000.00	15,550,000.00	22,000,000.00	15,550,000.00
Total	22,000,000.00	15,550,000.00	22,000,000.00	15,550,000.00

As at December 31, 2018 and 2017, the Company had other short-term loans are documented by issuing promissory notes at the interest rates of 1.50% without collaterals.

25. FINANCIAL LEASE LIABILITIES

Details of financial lease payable as at December 31, 2018 and 2017 are as follows :

	(Unit : Baht)	
	Separate financial statements	
	2018	2017
Financial lease liabilities	88,875,350.44	47,214,871.07
Less Current portion of liabilities	(21,768,225.38)	(19,445,126.30)
Net	67,107,125.06	27,769,744.77

	(Unit : Baht)			
	Separate financial statements			
	The minimum amount to be paid		Present value of minimum amount to be paid	
	2018	2017	2018	2017
Less than 1 year	29,602,172.40	23,144,132.40	21,768,225.38	19,445,126.30
Over 1 year not over 5 years	79,322,940.60	30,686,422.60	67,107,125.06	27,769,744.77
Total	108,925,113.00	53,830,555.00	88,875,350.44	47,214,871.07
Less Future financial lease interest	(20,049,762.56)	(6,615,683.93)	0.00	0.00
Present value of financial lease liabilities	88,875,350.44	47,214,871.07	88,875,350.44	47,214,871.07

Details of financial lease assets as at December 31, 2018 and 2017 are as follows :

	(Unit : Baht)	
	2018	2017
Vehicles	153,863,522.96	88,544,158.61
Less Accumulated depreciation	(70,296,053.57)	(46,974,853.74)
Net book value	83,567,469.39	41,569,304.87

26. EMPLOYEE BENEFIT OBLIGATIONS

The Group and the Company had an employee benefit obligations based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service and long - term service awards.

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

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

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Present value of obligations	198,547,944.12	210,364,964.56	180,798,124.00	194,098,387.00

Movement in the present value of the employee benefit obligations as of December 31, 2018 and 2017.

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Employee benefit obligations at January 1	210,364,964.56	179,969,182.47	194,098,387.00	169,745,266.00
Current service costs and interest	16,409,484.56	14,818,281.09	14,367,142.00	12,953,009.00
Benefits paid	(28,226,505.00)	(20,334,962.50)	(27,667,405.00)	(19,506,942.50)
Actuarial losses (gains) in other comprehensive income	0.00	35,912,463.50	0.00	30,907,054.50
Employee benefit obligations	198,547,944.12	210,364,964.56	180,798,124.00	194,098,387.00

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

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Obligation paid within 1 year	19,215,532.00	28,226,505.00	18,579,061.00	27,667,405.00
Obligation paid more than 1 year	179,332,412.12	182,138,459.56	162,219,063.00	166,430,982.00
Total	198,547,944.12	210,364,964.56	180,798,124.00	194,098,387.00

26. EMPLOYEE BENEFIT OBLIGATION (Continued)

Expense recognised in profit or loss for the year ended December 31, 2018 and 2017 are as follows :

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current service costs	12,016,652.56	10,695,180.09	10,358,932.00	9,099,626.00
Interest on obligation	4,392,832.00	4,123,101.00	4,008,210.00	3,853,383.00
Total	16,409,484.56	14,818,281.09	14,367,142.00	12,953,009.00

The Group/Company recognised the expense in the following line items in the statement of comprehensive income for the year ended December 31 , 2018 and 2017 are as follows :

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Selling expenses	9,664,027.00	8,665,146.00	8,869,731.00	8,140,242.00
Administrative expenses	3,727,520.56	3,704,536.09	2,672,954.00	2,503,528.00
Management benefit expenses	3,017,937.00	2,448,599.00	2,824,457.00	2,309,239.00
Total	16,409,484.56	14,818,281.09	14,367,142.00	12,953,009.00

Actuarial gains (losses) recognized in other comprehensive income:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Included in retained earnings :				
As at January 1	12,816,464.36	48,728,927.86	16,418,728.50	47,325,783.00
Recognized during the year	0.00	(35,912,463.50)	0.00	(30,907,054.50)
As at December 31	12,816,464.36	12,816,464.36	16,418,728.50	16,418,728.50

Actuarial gains and (losses) recognized in other comprehensive income arising from:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Financial assumptions	0.00	8,352,342.00	0.00	8,871,954.00
Demographic assumptions	0.00	(17,919,958.00)	0.00	(16,043,761.00)
Experience adjustment	0.00	(26,344,847.50)	0.00	(23,735,247.50)
Total	0.00	(35,912,643.50)	0.00	(30,907,054.50)

26. EMPLOYEE BENEFIT OBLIGATION (Continued)

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

			(Percentage)	
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Discount rate	2.15 - 3.17	2.04 - 3.17	2.15 - 2.69	2.04 - 2.65
Future salary increases	2.50 - 8.00	2.50 - 8.00	2.50 - 5.00	2.50 - 5.00
Mortality	TMO2017	TMO2017	TMO2017	TMO2017

As stated in notes 4.3 to financial statements, the Company and subsidiaries shall record the effects of new Labour Protection Act when it is announced in the Government Gazette which may be effective in 2019. At present, the Company and subsidiaries are preparing an estimation from such effects.

Sensitivity analysis

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

Defined benefit obligation			(Unit : Baht)	
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Discount rate (Changed by increasing 0.5 %)	(7,222,998.00)	(7,544,690.00)	(6,290,253.00)	(6,602,241.00)
Discount rate (Changed by decreasing 0.5 %)	7,706,672.00	8,048,180.00	6,692,338.00	7,022,063.00
Future salary growth				
(Changed by increasing 0.5 %)	8,044,442.00	7,298,404.00	7,037,055.00	6,360,057.00
Future salary growth				
(Changed by decreasing 0.5 %)	(7,612,970.00)	(6,917,870.00)	(6,676,740.00)	(6,044,203.00)
Mortality rate (Changed by increasing 0.5 %)	(33,160.00)	(30,523.00)	(29,426.00)	(26,962.00)
Mortality rate (Changed by decreasing 0.5 %)	33,182.00	30,540.00	29,448.00	26,979.00
Employee turnover rate				
(Changed by increasing 0.5 %,10 %)	(9,830,994.00)	(8,790,465.00)	(9,007,275.00)	(8,057,623.00)
Employee turnover rate				
(Changed by decreasing 0.5 %,10 %)	10,687,017.00	9,498,402.00	9,790,536.00	8,707,122.00

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

27. PROVIDENT FUND

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

28. LEGAL RESERVE

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

29. DIVIDEND

29.1 According to the Board of Director meeting no.7 for the year 2018 held on November 13, 2018, the meeting has passed resolution to approve interim dividend payment for performance of the first six-month period from January 1, 2018 until June 30, 2018 to shareholders at Baht 0.50 each for 330,000,000 shares total amount of Baht 165,000,000.00 from retained earnings. Dividend was already paid on December 12, 2018.

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

29.2 According to the Board of Director meeting no.7/ 2017 held on November 9, 2017, the meeting has passed resolution to approve interim dividend payment for performance of the first six-month period from January 1, 2017 until June 30, 2017 to shareholders at Baht 0.50 each for 330,000,000 shares total amount of Baht 165,000,000.00 from retained earnings. Dividend was already paid on December 8, 2017.

According to the general shareholder meeting No. 66 of the year 2017 held on April 24, 2017, the Company passed resolution to pay dividend from result of operation of the year 2016 at Baht 1.30 per share for 330,000,000 shares amount of Baht 429,000,000.00 which was paid on May 23, 2017.

30. EXPENSES ANALYZED BY NATURE

The significant expenses analyzed by nature are as follows :

(Unit : Baht)

For the year ended December 31, 2018 and 2017

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Changes in inventories				
of finished goods and work in process	(108,461,091.39)	(53,711,327.15)	(108,781,253.98)	(54,131,296.73)
Purchase of goods	19,324,059,072.92	26,318,993,469.17	19,320,662,344.64	26,319,225,401.73
Raw materials and consumables used	414,430,888.09	368,419,480.26	0.00	0.00
Employee benefit expenses	877,985,511.27	951,150,606.92	779,263,143.42	824,928,025.28
Management benefit expenses	119,750,625.10	53,511,392.00	70,655,040.00	52,304,392.00
Depreciation and amortization	155,230,931.00	144,488,965.69	99,598,884.21	92,760,619.71
Sale promotion and transportation expenses	1,853,238,877.61	1,841,143,349.51	1,812,225,464.74	1,806,802,498.14

31. DISCONTINUED OPERATIONS

The transactions included in statements of comprehensive income for the year ended December 31, 2018 and 2017, of discontinued operations are presented as follows:

(Unit : Baht)

	Consolidated financial statements	
	2018	2017
Revenues		
Sales	1,784,230.80	7,519,374.27
Other income	669,831.80	43,810.11
Total revenues	2,454,062.60	7,563,184.38
Expenses		
Cost of sales	1,828,848.80	6,564,245.56
Selling expenses	275,392.51	2,729,305.57
Administrative expenses	2,774,680.30	1,406,274.41
Finance costs	1,713.97	1,088,198.21
Total expenses	4,880,635.58	11,788,023.75
Loss before income tax from discontinued operations	(2,426,572.98)	(4,224,839.37)

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

(Unit : Baht)

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

32. CAPITAL MANAGEMENT

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

33. DIRECTOR'S REMUNERATION

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

34. EARNINGS PER SHARES

Basic earnings per share

(Unit : Baht)

	For the year ended December 31, 2018 and 2017			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Net profit of ordinary shareholders (Baht)	1,743,377,121.33	1,489,396,828.34	1,643,563,647.14	1,444,073,966.81
Averaged number of ordinary shares (Share)	330,000,000	330,000,000	330,000,000	330,000,000
Basic earnings per share (Baht)	5.28	4.51	4.98	4.38

35. TRANSACTION WITH RELATED PARTIES

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

Relationship with subsidiaries and associated company are disclosed in note 3, 13 ,14 and 16 For relationship with Top Management and related persons and parties are as follows.

Name of entities	Country of incorporation nationality	Owership interest (%)	Nature of relationships
Subsidiaries			
Chokchaipibul Co., Ltd.	Thailand	99.99	Subsidiary
Bangkok Tower (1999) Co., Ltd.	Thailand	99.99	Subsidiary
Tipwarin -Watana Co., Ltd.	Thailand	59.37	Subsidiary
Saha Vietnam Co., Ltd.	Vietnam	100.00	Subsidiary
Dairy Thai Co., Ltd.	Thailand	63.91	Subsidiary

35. TRANSACTION WITH RELATED PARTIES (Continued)

Name of entities	Country of incorporation nationality	Owership interest (%)	Nature of relationships
Associates			
Sun 108 Co., Ltd.	Thailand	17.75	Associate, some common directors
Saha Ubol Nakorn Co., Ltd.	Thailand	20.00	Associate, some common directors
Sahapat Real Estate Co., Ltd.	Thailand	20.00	Associate, some common directors
Sriracha Transportation Co., Ltd.	Thailand	20.00	Associate, some common directors
Thai - Myanmar Success Venture Co., Ltd.	Thailand	35.00	Associate, some common directors
President Foods (Cambodia) Co., Ltd.	Cambodia	30.00	Associate, some common directors
Ruamissara Co., Ltd.	Thailand	25.00	Associate, some common directors
Saha Lawson Co., Ltd.	Thailand	21.34	Associate, some common directors
Boon Capital Holding Co., Ltd.	Thailand	32.00	Associate, some common directors
Canchana International Co., Ltd.	Cambodia	40.00	Associate, some common directors
Siam Arata Co.,Ltd .	Thailand	25.00	Associate, some common directors
Ruamissara Development Co., Ltd.	Thailand	25.00	Associate, some common directors
Related parties			
Saha Pathana -Interholding Plc.	Thailand	8.65	Some common directors
I.C.C. International Plc.	Thailand	8.53	Some common directors
Far East Fame Line DDB Plc. (Far East DDB Plc.)	Thailand	12.30	Some common directors
Boulique Newcity Plc.	Thailand	0.72	Some common directors
Pan Asia Footwear Plc.	Thailand	18.12	Some common directors
People's Garment Plc.	Thailand	8.80	Some common directors
New City (Bangkok) Plc.	Thailand	0.45	Some common directors
Thai President Foods Plc.	Thailand	1.95	Some common directors
Textile Prestige Plc.	Thailand	8.69	Some common directors
Thai Wacoal Plc.	Thailand	8.03	Some common directors
Saha Cogen (Chonburi) Plc.	Thailand	7.81	Some common directors
O.C.C Plc.	Thailand	1.27	Some common directors
S&J International Enterprise Plc.	Thailand	0.16	Some common directors
Raja Uchino Co., Ltd.	Thailand	9.91	Some common directors
Thai Hoover Industry Co., Ltd.	Thailand	2.57	Some common directors
Sahachol Food Supplies Co., Ltd.	Thailand	9.20	Some common directors
Thai Takeda Lase Co., Ltd.	Thailand	3.46	Some common directors
Lion Corporation (Thailand) Ltd.	Thailand	14.13	Some common directors
Pan Land Co., Ltd.	Thailand	10.00	Some common directors
Sahapat Properties Co., Ltd.	Thailand	6.25	Some common directors
Thai Cubic Technology Co., Ltd.	Thailand	5.00	Some common directors
Kewpie (Thailand) Co., Ltd.	Thailand	10.00	Some common directors
Seino Saha Logistics Co., Ltd.	Thailand	7.75	Some common directors
I.D.F. Co., Ltd.	Thailand	19.60	Some common directors
Sriracha Aviation Co., Ltd.	Thailand	3.00	Some common directors
Thai Sun Foods Co., Ltd.	Thailand	16.88	Some common directors
Bangkok Rubber Plc.	Thailand	0.53	Some common directors

35. TRANSACTION WITH RELATED PARTIES (Continued)

Name of entities	Country of incorporation nationality	Owship interest (%)	Nature of relationships
Related parties (Continued)			
International Laboratories Corporation Ltd.	Thailand	9.83	Some common directors
Rajsrirama Shopping Complex Co., Ltd.	Thailand	2.00	Some common directors
The Mall Ratchasirirama Co., Ltd.	Thailand	2.00	Some common directors
Waseda Education (Thailand) Co., Ltd.	Thailand	7.14	Some common directors
Elleair International (Thailand) Co., Ltd.	Thailand	10.00	Some common directors
Tsuruha (Thailand) Co., Ltd.	Thailand	15.00	Some common directors
Saha Tokyu Corporation Co., Ltd.	Thailand	12.00	Some common directors
KPN Health Care PLC.	Thailand	5.00	Some common directors
First United Industry Co., Ltd.	Thailand	14.37	Some common directors
Champ Ace Co., Ltd.	Thailand	4.17	Some common directors
Treasure Hill Co., Ltd.	Thailand	4.00	Some common directors
Trancosmos Thailand Co., Ltd.	Thailand	9.00	Some common directors
United Utility Co., Ltd.	Thailand	3.93	Some common directors

Pricing with related parties

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

Pricing policies

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

(Unit : Baht)

For the year ended December 31, 2018 and 2017

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Revenues				
Sale income				
Subsidiaries	0.00	0.00	15,495,418.00	15,039,332.84
Associates	199,838,410.67	178,114,871.94	199,838,410.67	178,114,871.94
Related parties	20,475,254.70	20,581,778.91	20,475,254.70	20,581,778.91
Other income				
Subsidiaries	0.00	0.00	39,583,941.83	36,389,040.52
Associates	12,909,453.98	21,097,893.49	12,909,453.98	21,097,893.49
Related parties	25,178,916.20	21,437,617.73	25,178,916.20	21,437,617.73
Expenses				
Purchase of goods				
subsidiaries	0.00	0.00	852,475,663.45	795,339,853.92
Associates	0.00	3,401.87	0.00	3,401.87
Related parties	23,607,658,118.43	21,903,983,178.06	23,607,658,118.43	21,903,983,178.06

● NOTES TO FINANCIAL STATEMENTS

35. TRANSACTION WITH RELATED PARTIES (Continued)

(Unit : Baht)

For the year ended December 31, 2018 and 2017

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Expenses				
Subsidiaries	0.00	0.00	70,113,053.60	82,664,568.68
Associates	7,881,815.55	7,209,516.83	7,881,815.55	7,209,516.83
Related parties	330,103,838.72	347,722,135.52	330,103,838.72	347,722,135.52
Interest Expenses				
Subsidiary	0.00	0.00	8,809,341.85	6,882,464.50
Dividend payment				
Associates	583,333.00	1,049,999.40	583,333.00	1,049,999.40
Related parties	214,070,727.50	279,052,036.20	214,070,727.50	279,052,036.20

The significant related assets and liabilities transaction as at December 31, 2018 and 2017 are as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Assets and liabilities				
Trade accounts receivable				
Subsidiaries	0.00	0.00	18,952,050.71	2,190,370.44
Associates	41,153,457.97	34,857,897.21	41,153,457.97	34,857,897.21
Related parties	3,894,109.84	3,921,416.04	3,894,109.84	3,921,416.04
Other receivables				
Subsidiaries	0.00	0.00	4,081,189.71	2,956,002.23
Associates	0.00	466,610.00	0.00	466,610.00
Related parties	1,907,880,627.99	1,977,632,369.60	1,907,880,627.99	1,977,632,369.60
Other short-term loans				
Related party	60,000,000.00	60,000,000.00	60,000,000.00	60,000,000.00
Accrued transport income				
Subsidiaries	0.00	0.00	3,204,378.67	2,717,148.26
Associates	0.00	228,190.00	0.00	228,190.00
Related parties	187,523.00	918,615.25	187,523.00	918,615.25
Deferred interest expenses				
Subsidiaries	0.00	0.00	6,615,683.93	11,018,171.57
Trade accounts payable				
Subsidiaries	0.00	0.00	131,533,326.75	133,030,088.98
Related parties	3,896,704,327.24	3,839,053,129.20	3,896,704,327.24	3,839,053,129.20
Other payable				
Subsidiaries	0.00	0.00	0.00	5,617.50
Associates	560,815.55	2,568,000.00	560,815.55	2,568,000.00
Related parties	108,457,114.33	97,857,883.27	108,457,114.33	97,857,883.27

36. SEGMENT INFORMATION

The Company engaged in consumer products distribution and property development business. A subsidiary engaged in business of investment in real estate and services and another subsidiary engaged in business of office building for rent. The Company and subsidiaries' operation involve virtually a geographical segment in Thailand and some are an overseas geographical segment. For the year December 31, 2018 and 2017. The company and subsidiaries have revenue from sales in an overseas geographical segment amount of Baht 789.82 million and Baht 695.15 million.

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

(Unit : Million Baht)

Consolidated financial statements for the year ended December 31, 2018 and 2017

	Sales of consumer products		Office building for rent		Others		Elimination		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenues										
External income	32,715.4	31,497.6	98.8	71.5	63.4	42.1	0.0	0.0	32,877.6	31,611.2
Inter-segment income	868.0	814.4	59.7	77.9	7.0	4.0	(934.7)	(896.3)	0.0	0.0
Total revenues	33,583.4	32,312.0	158.5	149.4	70.4	46.1	(934.7)	(896.3)	32,877.6	31,611.2
Expenses										
Cost of segment	27,882.7	26,871.5	59.6	53.7	37.5	23.4	(873.5)	(817.2)	27,106.3	26,131.4
Selling and administrative expenses	4,132.1	3,814.5	39.1	34.5	0.0	0.0	(90.4)	(103.2)	4,080.8	3,745.8
Profit from operation	1,568.6	1,626.0	59.9	61.2	32.9	22.7	29.2	24.1	1,690.5	1,734.0
Other income									511.8	372.5
Unallocated expenses									(49.0)	(198.7)
Interest expenses									(0.4)	(0.3)
Income tax									(371.9)	(376.3)
Net profit (loss) for the period from discontinued operations									(2.4)	(4.2)
Net profit									1,778.6	1,527.0
Other information										
Segment assets	8,050.6	7,992.5	2,654.6	2,403.1	63.6	68.5	0.0	0.0	10,768.8	10,464.1
Unallocated assets									15,945.1	15,287.0
Consolidated total assets									26,713.9	25,751.1
Segment liabilities	8,176.0	8,246.4	8.6	3.3	45.2	42.6	0.0	0.0	8,229.8	8,292.3
Unallocated liabilities									1,120.1	1,149.2
Consolidated total liabilities									9,349.9	9,441.5
Depreciation	107.3	101.6	33.8	30.4	14.7	11.9	0.0	0.0	155.9	143.9

37. COMMITMENT AND CONTINGENT LIABILITIES

376.1 Commitment

37.1.1 The Company has commitment and contingent liabilities as a guarantor for related companies based on the proportion of group of major shareholders with banks and financial institutions as at December 31, 2018 and 2017 as follows:

	(Unit : Baht)	
	2018	2017
Subsidiaries		
- Tipwarin Watana Co., Ltd.	5,000,000.00	5,000,000.00
Associates		
- Tsuruha (Thailand) Co., Ltd.	35,500,000.00	35,500,000.00
- Mobile Logistics Co., Ltd.	14,000,000.00	14,000,000.00
- Sahapat Real Estate Co.,Ltd.	216,000,000.00	216,000,000.00
Total	<u>270,500,000.00</u>	<u>270,500,000.00</u>

37.1.2 The Company has jointly guaranteed with Saha Patthana Interholding Public Company Limited based on the proportion of investment for their related company as at December 31, 2018 and 2017 as follows:

	(Unit : Baht)	
	2018	2017
- Trans Cosmos (Thailand) Co., Ltd.	10,890,000.00	9,000,000.00
- Saha Tokyu Corporation Co., Ltd.	82,740,000.00	82,740,000.00
Total	<u>93,630,000.00</u>	<u>91,740,000.00</u>

37.1.3 The Company has commitment from bank issuance of letter of guarantee to government agencies and private company as at December 31, 2018 and 2017 as follows:

	(Unit : Baht)	
	2018	2017
Commitment from bank issuance of letter of guarantee		
For electricity usage	3,040,100.00	3,040,100.00
For government agencies	676,445.00	676,685.00
For private company	200,000.00	1,000,000.00

37.2 Contingent liabilities

As at December 31, 2018 and 2017 the Company has commitment with bank from receiving advance deposit of collection cheques in the amount of Baht 44.81 million and Baht 44.91 million respectively. Such commitment will no longer exist, if the bank is able to collect such cheques.

38. FINANCIAL INSTRUMENTS DISCLOSURE

38.1 Accounting policies

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

38.2 Management Risk

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

38.3 Interest Rate Risk

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

38.4 Credit Risk

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

38.5 Fair value of financial instrument.

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

As at December 31, 2018 and 2017, the Company has financial assets and liabilities which have interest rate risk as follows:

Unit : Million Baht

	Consolidated financial statements							
	2018				2017			
	Floating rate	Fixed rate	Non-interest rate	Total	Floating rate	Fixed rate	Non-interest rate	Total
Financial assets								
Cash and cash equivalents	1,830.06	0.00	192.85	2,022.91	1,853.35	0.00	178.01	1,831.36
Current investments	1,880.92	0.00	0.00	1,880.92	2,009.22	0.00	0.00	2,009.22
Short-term loans to related party	0.00	60.00	0.00	60.00	0.00	60.00	0.00	60.00
Current portion of finance lease receivable	0.00	2.27	0.00	2.27	0.00	2.42	0.00	2.42
Finance lease receivable	0.00	10.19	0.00	10.19	0.00	13.65	0.00	13.65
Investment in convertible debenture	0.00	0.00	0.00	0.00	0.00	508.97	0.00	508.97
Financial liabilities								
Other short-term loans	0.00	22.00	0.00	22.00	0.00	15.55	0.00	15.55
Employees' savings account	0.00	7.15	0.00	7.15	0.00	6.92	0.00	6.92

38.5 FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Interest rate and maturity of financial instruments in the statements of financial position date as at December 31, 2018 and 2017 are as follows:

Unit : Million Baht

	Consolidated financial statements									
	2018			2017						
	At call	Within 12 months	Over 12 months	Total	Interest rate	At call	Within 12 months	Over 12 months	Total	Interest rate
Financial assets										
Cash and cash equivalents	2,022.91	0.00	0.00	2,022.91	0.300 - 1.250	1,831.36	0.00	0.00	1,831.36	0.300 - 1.250
Current investments	0.00	1,880.92	0.00	1,880.92	1.450-1.725	0.00	2,009.22	0.00	2,009.22	1.250 - 1.600
Short-term loans to related party	60.00	0.00	0.00	60.00	6.025	60.00	0.00	0.00	60.00	6.025
Current portion of finance lease receivable	0.00	2.27	0.00	2.27	5.400 - 6.600	0.00	2.42	0.00	2.42	5.400 - 6.600
Finance lease receivable	0.00	0.00	10.19	10.19	5.400 - 6.600	0.00	0.00	13.65	13.65	5.400 - 6.600
Investment in convertible debenture	0.00	0.00	0.00	0.00	-	0.00	0.00	508.97	508.97	0.700
Financial liabilities										
Other short-term loans	22.00	0.00	0.00	22.00	1.500	15.55	0.00	0.00	15.55	1.500
Employees' savings account	7.15	0.00	0.00	7.15	1.500	6.92	0.00	0.00	6.92	1.500

38.5 FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

As at December 31, 2018 and 2017, the Company has financial assets and liabilities which have interest rate risk as follows:

Unit : Million Baht

	Separate financial statements							
	2018				2017			
	Floating rate	Fixed rate	Non-interest rate	Total	Floating rate	Fixed rate	Non-interest rate	Total
Financial assets								
Cash and cash equivalents	1,684.54	0.00	192.04	1,876.58	1,605.67	0.00	178.75	1,782.42
Current investments	1,532.36	0.00	0.00	1,532.36	1,721.53	0.00	0.00	1,721.53
Short-term loans to related party	0.00	60.00	0.00	60.00	0.00	60.00	0.00	60.00
Investment in convertible debenture	0.00	0.00	0.00	0.00	0.00	508.97	0.00	508.97
Financial liabilities								
Current portion of long-term debt	0.00	21.77	0.00	21.77	0.00	19.45	0.00	19.45
Other short-term loans	0.00	22.00	0.00	22.00	0.00	15.55	0.00	15.55
Employees' savings account	0.00	7.15	0.00	7.15	0.00	6.92	0.00	6.92
Financial lease liabilities	0.00	67.11	0.00	67.11	0.00	27.77	0.00	27.77

38.5 FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Interest rate and maturity of financial instruments in the statements of financial position as at December 31, 2018 and 2017 are as follows:

	Separate financial statements						Unit : Million Baht		
	2018			2017					
	At call	Within 12 months	Over 12 months	Total	Interest rate	At call	Within 12 months	Over 12 months	Total
Financial assets									
Cash and cash equivalents	1,876.58	0.00	0.00	1,876.58	0.300 - 1.250	1,782.42	0.00	0.00	1,782.42
Current investments	0.00	1,532.36	0.00	1,532.36	1.475 - 1.500	0.00	1,721.53	0.00	1,721.53
Short-term loans to related party	60.00	0.00	0.00	60.00	6.025	60.00	0.00	0.00	60.00
Investment in convertible debenture	0.00	0.00	0.00	0.00	-	0.00	0.00	508.97	508.97
Financial liabilities									
Current portion of long-term debt	0.00	21.77	0.00	21.77	1.780 - 10.840	0.00	19.45	0.00	19.45
Other short-term loans	22.00	0.00	0.00	22.00	1.500	15.55	0.00	0.00	15.55
Employees' savings account	7.15	0.00	0.00	7.15	1.500	6.92	0.00	0.00	6.92
Financial lease liabilities	0.00	0.00	67.11	67.11	1.780 - 10.840	0.00	0.00	27.77	27.77
									1.780 - 10.840

39. FAIR VALUE MEASUREMENT

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

Fair value hierarchy

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

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

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

Level 3 : unobservable inputs for assets or liabilities.

As at December 31, 2018, the Company had the following assets that were measured at fair value using different levels of inputs in Consolidated and Separate financial statements as follows:

				(Unit : Baht)
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Available-for-sale investments :				
Investments in related parties	6,894,750,163.20	0.00	0.00	6,894,750,163.20
Investments in other companies	370,568,469.60	1,790,269,054.08	0.00	2,160,837,523.68

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

40. CUMULATIVE EFFECT FROM ACCOUNTING ERROR CORRECTION

In the year 2018, The Company makes retroactive adjustment in financial statements of the year 2017. The effects in income tax are as follows.

				(Unit : Baht)
	Consolidated financial statements			
	December 31, 2017			
	Previously reported	Adjusted	After adjusted	
Statements of financial position.				
Deffer tax liabilities	961,003,866.69	44,796,000.00	1,005,799,866.69	
Retained earnings	9,393,116,568.42	(44,796,000.00)	9,348,320,568.42	

● NOTES TO FINANCIAL STATEMENTS

41. RECLASSIFICATION

The Company has reclassified certain accounts in the statement of financial position as at December 31, 2017 and statement of comprehensive income for the year ended December 31, 2017 in accordance with presentation of the financial statements of the year 2018.

(Unit : Baht)

	Consolidated financial statements		
	Before reclassified	Reclassified	After reclassified
Statements of financial position			
Cash and cash equivalents	1,823,887,652.43	7,477,679.06	1,831,365,331.49
Current investments	1,893,223,765.96	116,000,000.00	2,009,223,765.96
Trade and other current receivables	4,598,250,376.10	2,615,012.00	4,600,865,388.10
Deposit at financial institutions with obligation	0.00	2,218,935.00	2,218,935.00
Investments available-for-sale	8,278,631,508.68	(125,866,924.11)	8,152,764,584.57
Other non-current assets	82,566,076.62	(2,218,935.00)	80,347,141.62
Trade and other current payables	5,488,315,070.75	225,766.95	5,488,540,837.70

(Unit : Baht)

	Separate financial statements		
	Before reclassified	Reclassified	After reclassified
Statements of financial position			
Cash and cash equivalents	1,774,946,153.17	7,477,679.06	1,782,423,832.23
Current investments	1,605,525,269.56	116,000,000.00	1,721,525,269.56
Trade and other current receivables	4,604,682,052.84	2,615,012.00	4,607,297,064.84
Investments available-for-sale	8,278,631,508.68	(125,866,924.11)	8,152,764,584.57
Trade and other current payables	5,515,489,462.51	225,766.95	5,515,715,229.46
Statements of comprehensive income			
Sales	31,505,144,375.64	(7,519,374.27)	31,497,625,001.37
Other income	121,791,360.73	(43,810.11)	121,747,550.62
Cost of sales	26,064,355,887.48	(6,564,245.56)	26,057,791,641.92
Selling expenses	3,257,218,257.09	(2,729,305.57)	3,254,488,951.52
Administrative expenses	576,923,244.19	(1,406,274.41)	575,516,969.78
Finance costs	1,376,168.30	(1,088,198.21)	287,970.09
Net profit (loss) for the year from discontinued operations	0.00	(4,224,839.37)	(4,224,839.37)

42. FINANCIAL STATEMENTS APPROVAL

These financial statements were approved and authorized for issue by the Company's Board of directors on February 21, 2019.

Other Investments

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

NO	NAME	LOCATION	TELEPHONE	FAX	TYPE OF BUSINESS	SHARE ISSUED	NO. OF SHARE	PERCENTAGE	VALUE OF INVESTMENT (BAHT)
1	PAN ASIA FOOTWEAR PLC.	177/20 MU 5 THAMONHONGHAM, SRIRACHA, CHONBURI	038-480713-4	038-480187	SHOES	540,000,000	87,843,300	16.12	129,287,404.24
2	FAR EAST FAME LINE DOB PLC.	455/1-467 SRI AYUDHAYA RD., RATCHATHHEW, BKK. 10400	02-2480888	02-2460055-6	ADVERTISING	7,500,000	922,690	12.30	27,203,311.66
3	SAHA VIETNAM CO.,LTD.	NO.2, BINH PHU RESIDENTIAL, STREET 4, WARD 11, DISTRICT 6, HO CHI MINH CITY, VIET NAM	-	-	DISTRIBUTOR	SHARE CAPITAL 3,100,000,000 DONG		100.00	-
4	CHOKCHAPIBUL CO.,LTD.	2156 NEWPETCHBURI RD., BANGKAPI, HUAJYKANG, BKK. 10310	02-3180062	02-3181676	PROPERTIES	9,200,000	8,195,994	99.99	803,801,619.94
5	BANGKOK TOWER (1999) CO.,LTD.	2170 NEWPETCHBURI RD., BANGKAPI, HUAJYKANG, BKK. 10310	02-3981000	02-3981008	OFFICE FOR RENT	5,190,000	5,188,940	99.99	518,994,000.00
6	DAIRY THAI CO.,LTD.	132 MOO3 KHAONGDOO-BREGRAI KUNGPHAYOM BANPONG RATCHABURI	032-373461-2	032-373463	MANUFACTURER OF MILK PRODUCTS	507,000	340,180	63.81	48,111,127.14
7	TIPWARI-WATANA CO.,LTD.	2170 NEWPETCHBURI RD., BANGKAPI, HUAJYKANG, BKK. 10310	02-3181147	02-7167107	MANUFACTURER OF CONSUMER PRODUCT	164,400	97,597	59.37	42,794,100.00
8	CANCHANA INTERNATIONAL CO.,LTD.	77 A, SOTHEAROS BLVD.,SANGKAT TONLE BASAC, KHAN CHAMARMON, PHNOM PENH CAPITAL, KINGDOM OF CAMBODIA	-	-	DISTRIBUTOR	1,000	400	40.00	6,464,960
9	THAI-MYANMAR SUCCESS VENTURE CO.,LTD	278 SRINAKHIN RD., HUAMARK, BANGKAPI, BKK. 10240	02-3744730	02-3753185	OPERATOR OF INVESTMENT	1,000,000	346,997	35.00	35,039,403.72
10	BOON CAPITAL HOLDING CO.,LTD.	500 SATHUPRADIT 58 BANPONGPANG YANNAWA BKK. 10120	02-2930030	02-2930040	OPERATOR OF INVESTMENT	34,300,000	10,975,999	32.00	64,359,990.00
11	PRESIDENT FOODS (CAMBODIA) CO.,LTD.	PHUM MOR, CHAMKARDOUNG ROAD, PHNOM PENH CAMBODIA	-	-	MANUFACTURER OF FOOD PRODUCTS	1,500,000	450,000	30.00	19,646,775.00
12	ISSARA UNITED CO.,LTD.	282/196 10TH FL., CHARN ISSARA TOWER 2 NEW PETCHBURI RD., HUAJYKANG , BKK.	02-3682888	02-3682577	PROPERTIES	3,000,000	750,000	25.00	75,000,000.00
13	SIAM ARATA CO.,LTD.	54 8TH FL., B.B.BUILDING, ROOM 3623 SUKHUMWIT RD., WATTANA, BKK.	02-2620671	02-2620672	DISTRIBUTOR	200,000	50,000	25.00	-

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

NO	NAME	LOCATION	TELEPHONE	FAX	TYPE OF BUSINESS	SHARE ISSUED	NO. OF SHARE	PERCENTAGE	VALUE OF INVESTMENT (BAHT)
14	ISSARA UNITED DEVELOPMENT CO.,LTD.	2922/196 10TH FL., CHARN IS-SARA TOWER 2 NEW PERCHBURI RD., HUAYKWANG BKK.	02-3082888	02-3082577	HOTEL	3,600,000	900,000	25.00	77,310,000.00
15	SRIHALANSON CO.,LTD.	2170 NEWPETCHBURI RD., BANGKAPI, HUAYKWANG, BKK. 10310	02-3080708	02-3080702	CONVENIENCE STORE	12,770,000	2,725,000	21.34	87,820,000.00
16	SRIKACHA TRANSPORT CO.,LTD.	661/11 MHU 11 TAMBONNHONGKHAM, AMPHURSRURACHA, CHONBURI 20260	038-480444	038-480638	TRANSPORT	100,000	20,000	20.00	2,036,000.00
17	SAHAPAT REAL ESTATE CO.,LTD.	757/10 SOPRADU 1 SATHUPRADIT RD. BANGPONGPANG, YANNAWA, BKK.	02-2930030	02-2930040	OPERATOR OF REAL ESTATE DEVELOPER	36,000,000	7,200,000	20.00	82,500,000.00
18	SAHA USOL NAKORN CO.,LTD.	611/40 SOI WATCHANNAL, BANGKOK, BANGKOKLHAM, BKK. 10120	02-2930030	02-2930040	INDUSTRIAL ESTATE	1,250,000	250,000	20.00	1,067,500.00
19	L.D.F. CO.,LTD.	747/163-164 SOPRADU 1 SATHUPRADIT RD. BANGPONGPANG, YANNAWA, BKK.	02-2944034	02-2945000	OPERATOR OF INVESTMENT	90,000	17,644	19.60	27,719,867.00
20	SUN 108 CO.,LTD.	729/2-3 WATCHANNAL, BANGPONGPANG, YANNAWA, BKK.	02-2851230-55	02-2851256	DISTRIBUTOR	45,000,000	7,869,075	17.75	102,138,264.00
21	THAI SUN FOODS CO.,LTD.	278 TF BLDG, SRINAKARIN RD., HUAMARK, BANGKAPI BANGKOK	02-7317250-5	02-7317256	FRUIT JUICE	5,000,000	843,750	16.88	8,437,500.00
22	BNC REAL ESTATE CO.,LTD.	530 SATHUPRADIT 88 BANGPONGPANG YANNAWA BKK. 10120	02-2930030	02-2930040	PROPERTIES	2,400,000	400,000	16.67	36,970,000.00
23	TSURUHA (THAILAND) CO.,LTD.	889 THAI CC TOWER, ROOM 124, 12ND FL., SATHORN RD., SATHORN BKK.	02-6786366	02-6736899	HEALTH PRODUCT	260,000	37,500	15.00	20,850,000.00
24	FIRST UNITED INDUSTRY CO.,LTD.	11 SATHUPRADIT RD., YANNAWA, BKK. 10120	02-2930030	02-2930040	OPERATOR OF INVESTMENT	480,000	57,488	14.37	5,746,860.00
25	THE LION CORPORATION (THAILAND) CO.,LTD	696 RAMA 3 RD., BANGPONGPANG YANNAWA, BKK. 10120	02-2940191	02-2944365	MANUFACTURER OF CONSUMER PRODUCT	5,000,000	706,501	14.13	136,506,869.00
26	CHOKSAMAKEE CO.,LTD.	188 SOI LADPHRAO 73, LADPHRAO RD., WANGTHONGLANG, BANGKAPI, BKK.10900	02-6303479	02-6331431	OPERATOR OF INVESTMENT	11,600,000	1,600,000	13.79	16,000,000.00
27	PRESIDENT COMMERCIAL CO.,LTD.	90/4 PATTANAKARN RD., SUANLUANG, BKK. 10250	02-3143777 02-3145848	02-7194684	DISTRIBUTOR	5,000	650	13.00	-

● Other Investments

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

NO	NAME	LOCATION	TELEPHONE	FAX	TYPE OF BUSINESS	SHARE ISSUED	NO. OF SHARE	PERCENTAGE	VALUE OF INVESTMENT (BAHT)
28	AMERICAN FOOD COMPANY	16 SOI LADPRAO 115, LADPRAO RD., KLONGCHIAN, BANGKOK, BKK	02-5500725	02-5500725	ICE-CREAM	14,000,000	1,080,000	12.00	16,846,200.00
29	SAHA TOKYU CORPORATION CO.,LTD.	999 MHU 11 TAMBONHONGKHAM, AMPHURSRIRACHA, CHONBURI 20280	038-480444	038-480505	PROPERTIES	332,000	30,840	12.00	30,840,000.00
30	ERAWAN TEXTILE CO.,LTD.	49 MHU 3 POOCHASAMINGPRAI RD., SAMRONGTAI PRAPIADANG SAMUTPRAKARN 10130	02-7543504-5	02-1633916	TEXTILE	6,214,634	630,463	10.15	60,526,406.99
31	KEMPIE CO.,LTD.	612 RATCHADAPSEK RD, BUKHLO, THONBURI, BKK. 10600	02-4769545-6	02-4769547	MANUFACTURER OF CONSUMER PRODUCT	2,600,000	280,000	10.00	26,000,000.00
32	PANLAND CO.,LTD.	222 MHU 7 TAMBON KLONGKEW, BANBEUNG, CHONBURI 20220	038-480444	038-480505	OPERATOR OF REAL ESTATE DEVELOPER	3,000,000	300,000	10.00	20,440,000.00
33	U.C. UESHIMA COFFEE (THAILAND) CO.,LTD.	183 REGENT HOUSE 5TH FLOOR, RAJDAWRI RD. LUMPINI, PATHUMWAN, BKK.10330	02-6505400-2	02-6505403	DISTRIBUTOR OF CONSUMER PRODUCT	150,000	15,000	10.00	-
34	ELLEAIR INTERNATIONAL (THAILAND) CO.,LTD.	7/320 MHU 6 TAMBON MARIBYANGPORN PLUAGDANG RAYONG	02-3021447	02-2621400	MANUFACTURER OF SANITARY PRODUCTS	1,555,000	155,500	10.00	55,500,000.00
35	THAI PRESIDENT FOODS (HUNGARY) KFT.	2500 ESZTERGOM, (PARI PARK) RUBEK EMOUTCA 203779	-	-	MANUFACTURER OF FOOD PRODUCTS	2,350,000,000	235,000,000	10.00	32,162,363.55
	TOTAL								2,632,131,792.44

● Explanation and Analytical of Financial Position and the Results of Operations

1.) The results of operation of the Company and Subsidiary companies

In 2018 and 2017, the company and subsidiaries generated total revenues of 33,337.37 million Baht and 32,010.12 million Baht, an increase to 1,327.25 million Baht or 4.15 % from the year 2017, total expenses amount of 31,225.85 million Baht, an increase of 1,190.65 million Baht or 3.96 %, Net profit amount of 1,778.57 million Baht, an increase of 251.54 million Baht or 16.47 % over the year 2017.

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

Revenues

The total revenues of the company and subsidiaries in 2018, had amount of 32,715.37 million Baht, an increase to 1,217.75 million Baht or 3.87% over the year 2017, from the growth of selling.

Due to, in the year 2018 had the fierce competition in the consumer goods market, our Company was able to achieve growth due to three major marketing strategies-namely strengthening relations with strategic partners, adding new products from new and existing partners to our inventories, and selling our products online. In addition, our consumer products, which are considered basic necessities, continued to be innovated to meet consumers' various needs while product differentiation played a key role in their marketing. For instance, Oriental Kitchen's Korean-style instant noodles were launched, as an alternative for consumers, at a lower price point than instant noodles imported from Korea.

Other Revenues

Other Incomes of the company and subsidiaries consist of rental and service income amount of 163.07 million Baht, dividends income amount of 250.92 million Baht, other incomes amount of 118.17 million Baht, increase by an amount of 109.50 million Baht or 21.37 % from the year 2017.

Cost of Sales and Selling and Administrative Expenses

The cost of sales and total expenses in 2018, increased from the year 2017 amount of 1,190.65 million baht or 3.96%, which is in proportion to an increase in sales, selling and administrative expenses increased of 256.15 million baht was advertising and promotion expenses which also increase in proportion to an increase in sales.

Furthermore, the Company had loss on impairment of investment amount of 31.60 million baht by considering the last year operation result of the associate.

Net Profit

The Company and subsidiaries had gross profit in the year 2018 amount of 5,696.45 million Baht equal to 17.41% of selling, when deducting selling and administrative expenses, and finance cost, net profit before tax was 2,152.92 million Baht. Net profit after tax was 1,778.57 million Baht, increased by 251.54 million Baht or 16.47 % from the year 2017.

2.) Financial Position

Asset

The Company and subsidiaries had total assets in 2018 amount of Baht 26,713.89 million. This represented an increase of 962.80 million Baht or 3.74% over the year 2017, current assets increased by 166.39 million Baht, and non current assets increased by 796.41 million Baht.

Current assets consist of cash and cash equivalents, decrease by 2,022.91 million Baht, Current investments increase by 1,880.92 million Baht which representing of saving and fix deposits cash at bank with financial institutions. Accounts receivable and other current accounts receivable increased by 45.01 million Baht. Total amount of accounts receivable in 2018 had amount of 4,231.69 million baht or equal to 15.84 % of total assets. Average collection period to the account receivable was 55 days, an addition the total amount of accounts receivables was the account receivable which not due decreased by amount of 202 million Baht from the year 2017.

Non current assets increased by 796.41 million Baht from marketable security which consist of investments available for sale increased by 902.82 million Baht, from investments converting in bonds as investment in investments available for sale amount of 508.97 million Baht and investment properties increased by 251.36 million Baht which had reversed loss on impairment from new appraised amount of 12.81 million Baht.

● Explanation and Analytical of Financial Position and the Results of Operations

Liabilities

Total Liabilities of the company and subsidiaries at the end of 2018 totaled 9,349.91 million Baht, the decrease of 91.63 million Baht or 0.97 % from 2017. Account payable and other current account payable increased by 227.30 million Baht, accrued sale promotion expenses decreased by 290.03 million Baht arose from the decline of sales. The key liabilities was account payable equal to 53.95 % of total liabilities, which the Company had always payment on time.

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

Shareholders' equity

At the end of 2018, the shareholders' equity of the Company and subsidiaries totaled 17,363.98 million Baht increased from the year 2017 amount of 1,054.43 million Baht which from net profit of the year 2018 amount of 1,778.57 million Baht, increased by 251.54 million Baht from the year 2017. The Company recorded gains on re-measuring of investments available for sale amount of 200.19 million Baht.

The Company had pay for dividend amount of 495 million Baht or 32.42 % of net profit of the year 2017 and interim dividend payment for performance of the first six-month period of the year 2018 to shareholders amount of Baht 0.50 per share.

3.) Liquidity Status

Cash Flows

In 2018, the Company and subsidiaries' net cash increased to 191.57 million Baht derived from net cash flows provided by operating activities amount of 1,470.06 million Baht, an increase of 105.45 million Baht from the year 2017, which resulted in an increase of trade account receivable and other current trade account receivable amount of 58.58 million baht and accrued sale promotion expenses decrease of 290.03 million baht which result from expenses decreasing.

Net cash flow used by investing activities amount of 786.87 million Baht by investment in investments available for sale which consist of personal fund by Bangkok capital asset management Company limited, amount of 500 million Baht, investment in subsidiaries and associates, other long term investment amount of 211.33 million Baht, and invested in investment properties amount of 273.08 million Baht.

Appropriateness of Capital Structure

The debt to equity ratio in 2018 equal to 0.54 times which was low level but the interest payment ability was high level at 4,658.14 times, shown that the Company and subsidiaries had ability to pay for interest and reflected the stability of the Company and subsidiaries 's capital structure and ability to make debt settlement.

Important Liquidity

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

The current ratio of the Company and subsidiaries equity to 1.47 times increased to 0.03 times from the year 2017. The quick liquidity ratio was 0.85 times , the current cash flow ratio was 0.18 times, average collection period to the accounts receivable was 55 days, average turnover period was 10 days, these ratio reflected a high of liquidity and the amount of working capital is seen as sufficient.

● Summary in Financial Information of

The Company and Subsidiaries 2018 - 2016

TRANSACTIONS	2018	%	2017 (Restated)	%	2016	%
OPERATING RESULTS						
from sales	32,715,371	100.00	31,497,625	100.00	32,852,279	100.00
from other sources	621,998	1.90	512,498	1.63	459,160	1.40
Revenue	33,337,369	101.90	32,010,123	101.63	33,311,439	101.40
Expenses	31,225,854	95.45	30,035,203	95.36	31,716,268	96.54
Gross profit	5,696,449	17.41	5,439,833	17.27	5,530,508	16.83
Earnings before income tax and interest	2,153,318	6.58	1,907,869	6.06	1,647,458	5.01
Earnings before income tax and Extraordinary item	2,152,922	6.58	1,907,581	6.06	1,647,209	5.01
Net earnings (Loss)	1,778,572	5.44	1,527,033	4.85	1,386,595	4.22
FINANCIAL POSITION						
Current assets	12,018,875	44.99	11,852,486	46.03	12,816,726	55.59
Investments in other companies	10,868,342	40.68	10,354,786	40.21	6,813,498	29.55
Investment properties	2,652,543	9.93	2,401,179	9.32	2,297,497	9.97
Land, building and equipment	1,029,046	3.85	994,605	3.86	967,545	4.20
Other assets	145,085	0.54	148,033	0.57	160,354	0.70
Total assets = Total liabilities and Shareholders' equity	26,713,891	100.00	25,751,089	100.00	23,055,620	100.00
Current liabilities	8,158,000	30.54	8,204,169	31.86	8,575,682	37.20
Other liabilities	1,191,907	4.46	1,237,370	4.81	760,214	3.30
Total liabilities	9,349,907	35.00	9,441,539	36.66	9,335,896	40.49
Shareholders' equity	17,363,984	65.00	16,309,549	63.34	13,719,723	59.51
* Number of shares	330,000,000		330,000,000		330,000,000	
* Gross Profit Ratio (%)	17.41		17.27		16.83	
* Return on Equity (%)	10.56		10.17		10.72	
* Return on Asset (%)	6.78		6.26		6.42	
* Current ratio (times)	1.47		1.44		1.50	
* Debt - equity ratio (times)	0.54		0.58		0.68	
* Inventory turnover (days)	10		10		10	
* Collection period (days)	55		56		52	
* Net Profit per share (Baht)	5.28		4.51		4.13	
* Dividend per share (Baht)	1.50		1.30		1.10	
* Book Value per share (Baht)	52.62		49.42		41.57	

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



Products

Household Products



Food and Beverage Products



Personal Care Products



Baby Products



New Products





- **Mama targets the health-conscious.**

Mama launched Mama Signature Leng Sap Sen Lek instant cup noodles, featuring Thai-style small and flat white rice noodles with a spicy, sour, and zesty soup. This new product targets consumers who are more mindful of their health by being low-fat, having no cholesterol, and containing only 200 Calories.



- **Mama Oriental Kitchen**

made a move to penetrate the premium market with two new stir-fry style noodle flavors under the line "Mama OK." The "Hot Korean" flavor features thick yet soft noodles with just the right level of heat and nutritional values. Meanwhile, the "Stir-Fry Shrimp Tom Yum" flavor is much spicier in that typically Thai tom yum soup style. Both of these new flavors are priced at 15 baht per package.

● Marketing Activities



- **Mont Fleur Mineral Water's new presenter**

Mont Fleur Mineral Water revealed its new presenter, Madam Pang Nualphan Lamsam. She is known for her ageless beauty and excellent health, the secret of which is her consumption of Mont Fleur Mineral Water over the course of the past 10 years. After Mont Fleur learned about this secret, the brand quickly asked Madam Pang to be its new presenter.



- **New formula of 108 Shop laundry detergent with double the cleaning power**

The new formula of 108 Shop laundry detergent called 3 Jaew+Jam caters to modern-day house keepers with twice the cleaning power. It cleanses stains, whitens the fabric, and adds a clean scent to your laundry. The detergent has been formulated for handwashing and for top-loading washing machines. The 3,200 g pack is priced at 130 baht; the 900 g pack at 40 baht; and the 320 g pack at 25 baht. It's available at Lawson, CJ Supermarkets, and other leading stores nationwide.



- SALZ features Ayurvedic herb "Triphala", becoming the first salt herbal toothpaste
SALZ become the first salt herbal toothpaste brand with the launch of SALZ Triphala toothpaste. It combines the properties of the three legendary herbs, namely Terminalia bellirica, Terminalia chebula and Phyllanthus emblica, for teeth's and gum's benefits. The new toothpaste comes in 90 g and 160 g sizes or a dual pack.



- Richeesse's new look and first presenter
Richeesse's packaging for both its regular and drinkable yogurt has been redesigned to look even more appealing. It also revealed its presenter, Bella Ranee, who will communicate the products' deliciousness and health benefits to the young health conscious of her generation.

● The Company's General Information

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

Name Saha Pathanapibul Pulic Company Limited

Registered No. 0107537001421

Office Address 2156 New Petchburi Rd. Bangkapi,
Huaeykwang, Bangkok 10310
Tel. 0-2318-0062
Fax: 0-2319-1678

Type of business Distributor of consumer products

Number and type of Share Issued Common Share 330,000,000 shares
Par Value 1 Baht

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

Registrar Securities Thailand Securities Depository Co.,Ltd.
93 The Stock Exchange of Thailand Building
Rachadapisek Road, Dindaeng, Dindaeng,
Bangkok 10400
Tel. 0-2009-9000
Fax: 0-2009-9991

Auditor Mrs. Suvimol Krittayakiern
Authorized Auditor Registration No.2982
And / or Ms. Suphaphorn Mangjit
Authorized Auditor Registration No.8125
And / or Mr. Nopparoeck Pissanuwong
Authorized Auditor Registration No.7764
Office Of D I A International Audit Co.,Ltd.
316/32 Sukhumvit 22, Klongtoey
Bangkok 10110 Tel. 0-2259-5300-2
Fax: 0-2260-1563, 0-2259-8956

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