



THINK GIFT  
THINK BSC



## ANNUAL REPORT 2019

I.C.C. International Public Company Limited

## Dr. Thiam Chokwatana's Philosophy



### Dr. Thiam Chokwatana

Founder & First Chairman of Saha Group

You may have rivals but not opponents.



Born : June 14, 1916 in Bangkok.

Died : June 29, 1991 in Chonburi.

#### Honors Received :

##### 1. Decorations

- 1963 : The Most Noble Order of the Crown of Thailand (Fifth Class)
- 1978 : The Most Noble Order of the Crown of Thailand (Fourth Class)
- 1979 : The Most Exalted Order of the White Elephant (Fourth Class)
- 1981 : The Most Exalted Order of the White Elephant (Third Class)
- 1982 : The Most Noble Order of the Crown of Thailand (Second Class)
- 1985 : The Third Order of the Sacred Treasure from Japan.

##### 2. Other Honors

- 1985 : An Honorary doctorate degree in Business Administration from Srinakharinwirot University.
- 1988 : A Thai Marketing Man of The Year Award (Hall of Fame)
- 1989 : An Outstanding Thai Industrialist Award.

**"Conducting business is like playing sports, where there must be contestants, winners and losers. But there must be no enemies, because enemies make business dirty, lacklustre, and futureless."**

Competition is vital to work because it makes for advancement. When the company grew and diversified, branching out into many subsidiaries, I watched all the young men work hard in competition with one another. I would tell them that in business, we must have "rivals, not opponents."

Rivals make us work hard and persevere. They keep us away from self-delusion since they are like a mirror or a gauge that best measures our ability, our intelligence or our stupidity. Competition compels us to learn. We learn our lessons from either winning or losing. Competition is useful because it makes our business grow rapidly. It is like a ladder of experience that either side can climb on top of the other and reach success at the top simultaneously.

Therefore, it is fine to have competing businesses. Conducting business is like playing sports where there must be contestants, winners and losers. But there must not be enemies, because enemies make business dirty, lacklustre and futureless.





## Message from the Chairman

### On the occasion of the New Year,

I would like to pray that the Buddhist Triple Gem will bless all shareowners, directors, executives and officers of I.C.C. International Plc. with health, happiness, prosperity and having all their wishes coming true.



In 2019, all Thai people were greatly delighted by the important and historic event of His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun's gracious Coronation Ceremony that ensures legitimacy and formally completes His Majesty's accession to the throne. On the occasion, His Majesty announced that Somdet Phra Rajini Suthida would be entitled to become a member of the royal family by bestowing on her the royal title of Her Majesty The Queen also being recognized as Somdet Phra Nang Chao Suthida Bajrasudhabimalalakshana Phra Baromma Rajini.

Hence, on behalf of all shareowners, the board of directors, executives and officers of I.C.C. International Plc., we would like to collectively join together in sending Their Royal Majesties best wishes for Their Health and Long Lives, jointly both for The King and also for The Queen.

For those esteemed I.C.C. International Plc. shareowners who frequently monitor the Thai economic situation will likely know the economy has experienced certain areas of recession, and as with other countries has had very little growth from last year. Realizing these conditions are set to continue, both the board of directors and executives have put in place plans as well as strategies to deal with the current trend of economic recession, along with the structural changes happening in the fashion market. These are designed to maintain sales turnover, and also shareowners' equity at an appropriate

rate. One significant strategy for the Company is the upgrading of its IT system to strengthen and support the ability of the management to deal with rapid changes to the structure of the fashion market.

However, notwithstanding the economic recession during 2019 the Company earned a net profit of 695.24 million Baht, decreasing 24.47% from 2018. The net profit per share is 2.39 Baht. Compared with other means of investment, based on the par value of the Company's shares in 2019 of 39.50 Baht each, the Company still provides returns from its business operations at the rate of 6.10%, which is higher than those normally received from bonds or deposits at commercial banks.

I would therefore like to thank the board of directors, the executives and all other officers, who jointly have made every endeavour to perform their duties to achieve considerable income for the Company under what is a difficult economic recession.

On the occasion of the New Year, I would like to pray that the Buddhist Triple Gem will bless all shareowners, directors, executives and officers of I.C.C. International Plc. with health, happiness, prosperity and having all their wishes coming true.

Mr. Boonkiet Chokwatana

Chairman





**Boonkiet Chokwatana**  
Chairman and Executive Chairman



**Thamarat Chokwatana**  
President and Vice Executive Chairman



**Thiraphong Vikitset Ph.D.**  
Independent Director and Audit Committee Chairman



**Amorn Asvanunt**  
Independent Director and Audit Committee Member



**Nophorn Bhongsvej**  
Independent Director and Audit Committee Member



**Duangphorn Sucharittanuwat**  
Independent Director and Audit Committee Member





**Manu Leelanuwatana**  
Director



**Somphol Chaisiroj**  
Director



**Munchusa Terapongpipat**  
Director



**Kobsuk Saengsawad**  
Director



**Surat Wongrattanapassorn Ph.D.**  
Director



**Chailada Tantivejakul**  
Director



**Boonkiet Chokwatana**  
Chairman and Executive Chairman



**Thamarat Chokwatana**  
President and Vice Executive Chairman



**Munchusa Terapongpipat**  
Vice President Company Administration Division



**Surat Wongrattanapassorn Ph.D.**  
Vice President Information Technology Division



**Pennapha Dhanasarnsilp, D.B.A.**  
Vice President Division V



**Nonglaks Techaboonanek**  
Vice President Division M, O



**Nattapat Petchratanaporn**  
Vice President Accounting and Finance Division



**Ramida Russell Maneesatiean**  
Vice President Division B



**Bussabong Mingkwanyeon**  
Vice President Division H



**Viritpol Chaithavornsathien**  
Vice President Division I





**Boonsithi Chokwatana**

Honorary Counselor

### Experience

1. Chairman of Saha Pathana Inter-Holding Plc.
2. Chairman of Thai President Foods Plc.
3. Honorary Chairman of Saha Pathanapibul Plc.
4. Member of the Advisory Committee of Thai Wacoal Plc.
5. Member of the Advisory Committee of Thanulux Plc.
6. Member of the Advisory Committee of Textile Prestige Plc.

## Company Advisor



**Samrerng Manoonpol**

Advisor

### Experience

1. Chairman of Thai Hoover Industry Co., Ltd.
2. Vice Chairman of Saha Capital Tower Co., Ltd.
3. Director and Member of the Executive Committee of Saha Pathana Inter-Holding Plc.
4. Director of American Food Co., Ltd.
5. Member of the Advisory Committee of Saha Pathanapibul Plc.

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## Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2019 ***(% )	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
*1. Boonkiet Chokwatana	73	- Honorary Doctorate Degree	DAP, DCP	2.09	- Father of		<u>Listed Companies</u> 6
Chairman and Executive		in Business Administration			Kityaporn	1993 - Present	- Chairman of S&J International Enterprises Plc. and 6
Chairman		(Management) from			Chaithavorn-		Subsidiary Companies
Year 1973		Sripratum University			sathien	1994 - Present	- Chairman of People's Garment Plc.
		- Honorary Doctorate Degree			- Uncle of	2013 - Present	- Chairman of Pan Asia Footwear Plc. and 7 Subsidiary Companies
		in Business Administration			Thamarat	2016 - Present	- Chairman and Executive Chairman of I.C.C.
		College of Commerce from			Chokwatana		International Plc. and 3 Subsidiary Companies
		Burapha University				2015 - 2016	- Executive Chairman of I.C.C. International Plc.
		- Honorary Doctorate Degree				1995 - 2014	- President and Executive Chairman of I.C.C. International Plc.
		in Business Administration				1986 - Present	- Director of Saha Pathana Inter-Holding Plc.
		from Naresuan University				2016 - Present	- Director of Sahacogen (Chonburi) Plc. and 1 Subsidiary Companies
		- B.S. Mechanical					<u>Other Non-Listed Companies</u> 59
		Engineering, Worcester					<u>Competing / Similar / Related Businesses</u>
		Polytechnic Institute,				1987 - Present	- Chairman of H & B Intertex Co., Ltd.
		Massachusetts, U.S.A.				1994 - Present	- Chairman of Tiger Distribution & Logistics Co., Ltd.
						2000 - Present	- Chairman of Better Way (Thailand) Co., Ltd. and Train Time Test Co., Ltd.
						2001 - Present	- Chairman of Make Up Technique International Co., Ltd.
						2002 - Present	- Chairman of Sukhatasana Co., Ltd.
						2011 - Present	- Chairman of Thai Itokin Co., Ltd.
						2013 - Present	- Chairman of WBLP Co., Ltd.
						2017 - Present	- Chairman of WBT Co., Ltd.
						2018 - Present	- Chairman of WBHF Co., Ltd. and Scentimental (Thailand) Co., Ltd.
						1977 - Present	- Director of Intanin Chiangmai Co., Ltd.
						1980 - Present	- Director of Intersouth Co., Ltd.
						1981 - Present	- Director of Can Co., Ltd.

Notes: \* As of Director binding to the company as in the Company's Certificate  
 \*\* As of 31 March 2020 (calendar year)  
 \*\*\* Including shares held by spouse and minor children



## Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2019 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
*1. Boonkiet Chokwatana	(cont.)						<u>Other Non-Listed Companies</u>
Chairman and Executive							<u>Competing / Similar / Related Businesses</u>
Chairman						1989 - Present	- Director of Sun and Sand Co., Ltd.
Year 1973						1991 - Present	- Director of Eastern I.C.C. Co., Ltd.
						1993 - Present	- Director of Koraj Wattana Co., Ltd.
						1995 - Present	- Director of Paknumpo Wattana Co., Ltd.
						1996 - Present	- Director of Maharachapreuk Co.,Ltd. and E F Co., Ltd.
						2009 - Present	- Director of T-Way Co., Ltd.
						2015 - Present	- Director of Sahachol Food Supplies Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
*2. Thamarat Chokwatana	51	B.A., Bachelor of Arts,	CSP, DAP, DCP	0.64	- Nephew of		<u>Listed Companies 4</u>
President		Assumption University			Boonkiet	2001 - Present	- Director of Thai Wacoal Plc. and 3 Subsidiary Companies
Vice Executive Chairman					Chokwatana	2016 - 2018	- Director of Thanulux Plc.
Vice President Division G, N, S						2019 - Present	- Vice Chairman of Thanulux Plc.
24 March 1999						2017 - Present	- Director of Saha Pathanapibul Plc.
						2007 - 2015	- Executive Vice President of I.C.C. International Plc.
						2015 - 2016	- President of I.C.C. International Plc.
						2016 - Present	- President and Vice Executive Chairman of I.C.C. International Plc.
							and 1 Subsidiary Company
							<u>Other Non-Listed Companies 43</u>
							<u>Competing / Similar / Related Businesses</u>
						1999 - Present	- Director of International Commercial Coordination Co., Ltd.
						2000 - Present	- Director of Thai Arusu Co., Ltd.
						2005 - Present	- Director of International Laboratory Co., Ltd.
							- Director of Can Co., Ltd. and Intersouth Co., Ltd.
						2006 - Present	- Director of Intanin Chiangmai Co., Ltd.
						2009 - Present	- Director of Sun 108 Co., Ltd.

## Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2019 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
*2. Thamarat Chokwatana	(cont.)						<u>Other Non-Listed Companies</u>
President							<u>Competing / Similar / Related Businesses</u>
Vice Executive Chairman						2010 – Present	- Director of Pens Marketing & Distribution Co., Ltd.
Vice President Division G, N, S						2011 – 2019	- Director of Tsuruha (Thailand) Co., Ltd.
24 March 1999						2019 – Present	- Chairman of Tsuruha (Thailand) Co., Ltd.
						2014 – Present	- Director of Canchana International Co., Ltd.
						2015 – Present	- Director of Transcosmos (Thailand) Co., Ltd.
							- Director of Sun and Sand Co., Ltd. and Koraj Wattana Co., Ltd.
						2016 – Present	- Director of Eastern I.C.C. Co., Ltd. and Chokwatana Co., Ltd.
						2017 – Present	- Director of WBT Co., Ltd.
						2019 – Present	- Director of Kabin Phatthanakij Co., Ltd. and Maharachapreuk Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
3. Thiraphong Vikitset Ph.D.	74	Ph.D. (Economics),	DAP, DCP, ACP,	- None -	- None -		<u>Listed Companies 2</u>
Independent Director and		West Virginia University, U.S.A.	FND, QFR			2016 – Present	- Independent Director and Member of Audit Committee of TPI Polene Power Plc.
Audit Committee Chairman							<u>Other Non-Listed Companies 1</u>
26 April 1999						1991 – Present	- Independent Director of Better Way (Thailand) Co., Ltd.
							<u>Administration of National Institute of Development Administration (NIDA)</u>
						1984 – 1985	- Associate Dean of School of Development Economics
						1985 – 1986	- Dean of School of Development Economics
						1986 – 1991	- Vice President for Academic Affairs
						1995 – 1997	- Director of Academic Council
						2001 – 2002	- Director of NIDA Council
						Present	- Professor of School of Development Economics, National Institute of Development Administration (NIDA)
							<u>Other notable experiences</u>
						1986 – 1991	- Member of Subcommittee on Energy Policy Formulation
						1991	- Member of Subcommittee on Energy Planning for the
							7 <sup>th</sup> Economic and Social Development Plan
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	

## Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2019 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
4. Amorn Asvanunt	72	- MBA Bowling Green State University, U.S.A.	DAP, FGP	- None -	- None -		<b>Listed Companies 5</b>
Independent Director and Audit Committee Member		- Bachelor of Accountancy, Chulalongkorn University				2002 - Present	- Member of Audit Committee of Far East Fame Line DDB Plc.
26 May 1999						2005 - Present	- Member of Audit Committee of Sahacogen (Chonburi) Plc.
							- Director, Independent Director, Director of Risk Management Committee & Chairman of Nomination and Remuneration Committee of Krungthep Sophon Plc.
						2017 - Present	- Member of Audit Committee of S&J International Enterprises Plc.
							<b>Other Non-Listed Companies 1</b>
						1992 - Present	- Independent Director of BNH Medical Center Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							- None -
5. Nophorn Bhongsvej	73	- MBA (Economics), Oregon State University, U.S.A.	DAP, DCP, ACP, ITG	- None -	- None -		<b>Listed Companies 3</b>
Independent Director and Audit Committee Member		- Bachelor of Economics, University of Oregon, U.S.A.				2010 - Present	- Audit Committee Chairman of Saha Pathana Inter-Holding Plc.
27 April 2015						2005 - Present	- Audit Committee Chairman and Director of Remuneration & Nomination Committee of Sahacogen (Chonburi) Plc.
							<b>Other Non-Listed Companies 2</b>
						2015 - Present	- Director of Saha Asia Pacific Co., Ltd.
						2018 - Present	- Chairman of Sriracha Aviation Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							- None -
6. Duangphorn Sucharittanuwat	68	- Master of Business Administration (MBA), Thammasat University	DCP, RCP, ACP, CMA8, ASMP2, TPL1, TEPCOT3, DCPU2	- None -	- None -		<b>Listed Companies 3</b>
Independent Director and Audit Committee Member		- Bachelor of Accountancy (Accounting), Chulalongkorn University, Second Class Honor				2012 - Present	- Chairman, Independent Director and Audit Committee Director of Lease IT Plc.
25 April 2011		- Certified Public Accountant (CPA) No. 5228				2014 - Present	- Independent Director and Audit Committee Director of SENA Development Plc.
							<b>Other Non-Listed Companies 1</b>
						2013 - Present	- Director of Foundation of the 50 <sup>th</sup> Anniversary Maha Vajiralongkorn Hospital
						2015 - Present	- Director of Aspiration One Co., Ltd.
						2015 - 2016	- Independent Director and Audit Committee Director of Professional West Technology (1999) Plc.
						2002 - 2012	- Senior Executive Vice President of CIMB Thai Bank Plc.
						1997 - 2014	- Councilor of Thailand Management Association
Tenure in other business or organizations in the past year which had material / significant impact on attendance.							- None -



## Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2019 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
*7. Manu Leelanuwatana	75	Bachelor of Mechanical Engineering,	DAP, DCP	0.004	- None -		<u>Listed Companies</u> 5
Director		Chiba University, Japan				1980 - Present	- Chairman of Textile Prestige Plc.
26 April 2004						1990 - Present	- Chairman of Thai Wacoal Plc.
						2019 - Present	- Chairman of thanulux Plc.
						1987 - Present	- Director of O.C.C. Plc.
						2007 - 2019	- Director of Saha Pathana Inter-Holding Plc.
						2019 - Present	- Executive Director of Saha Pathana Inter-Holding Plc.
							<u>Other Non-Listed Companies</u> 17
							<u>Competing / Similar / Related Businesses</u>
						1984 - Present	- Chairman of Raja Uchino Co., Ltd. and Thai Arusu Co., Ltd.
						1990 - Present	- Chairman of Thai Gunze Co., Ltd.
						2004 - Present	- Chairman of Pattaya Manufacturing Co., Ltd.
						2012 - Present	- Chairman and Managing Director of Bangkok Tokyo Socks Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
*8. Somphol Chaisiroy	63	Master of Arts, Ohio University, U.S.A.	DAP, DCP	0.022	- None -		<u>Listed Companies</u> 1
Director						1990 - 2016	- Vice President of Division W, I.C.C. International Plc.
29 September 2009						2009 - Present	- Director of I.C.C. International Plc.
						2018 - Present	- Advisor of Business Division, Thanulux Plc.
							<u>Other Non-Listed Companies</u> 6
							<u>Competing / Similar / Related Businesses</u>
						2000 - Present	- Chairman of Sun and Sand Co., Ltd.
						2003 - 2019	- Chairman of Can Co., Ltd.
						2019 - Present	- Director of Can Co., Ltd.
						1993 - Present	- Director of Koraj Wattana Co., Ltd.
						1995 - Present	- Director of Paknumpo Wattana Co., Ltd.
						1996 - Present	- Director of Eastern I.C.C. Co., Ltd. and Maharachapreuk Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	

## Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2019 ***(% )	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
*9. Munchusa Terapongpipat	62	Bachelor of Public Administration, Ramkhamhaeng University	ACPG, DCP	0.004	- None -		<u>Listed Companies</u> 1
Director and Vice President							<u>Other Non-Listed Companies</u> 4
Company Administration Division							<u>Competing / Similar / Related Businesses</u>
25 April 2016						2000 - Present	- Director of Train Time Test Co., Ltd.
							- Director of Sun and Sand Co., Ltd.
						2011 - Present	- Director of Eastern I.C.C. Co., Ltd.
						2015 - Present	- Director of Paknumpo Wattana Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
*10. Kobsuk Saengsawad	59	Bachelor of Law, Ramkhamhaeng University	DCP	0.0005	- None -		<u>Listed Companies</u> 1
Director							<u>Other Non-Listed Companies</u> 4
25 April 2016							<u>Competing / Similar / Related Businesses</u>
						1999 - Present	- Director of Vira Law Office Co., Ltd.
						2000 - Present	- Director of Tiger Distribution & Logistics Co., Ltd.
						2014 - Present	- Director of WBRE Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
*11. Surat Wongrattanapassorn, Ph.D.	54	- Master of Engineering (Computer), Assumption University	ITG, DCP	0.007	- None -		<u>Listed Companies</u> 2
Director and Vice President						2014 - Present	- Director, Pan Asia Footwear Plc.
Information Technology Division		- Ph.D. (Business Administration), Nova Southeastern University, U.S.A.					<u>Other Non-Listed Companies</u> 5
1 May 2013							<u>Competing / Similar / Related Businesses</u>
						2011 - Present	- Director of Thai Itokin Co., Ltd.
						2015 - Present	- Director of Eastern I.C.C. Co., Ltd.
						2016 - Present	- Director of Tiger Distribution & Logistics Co., Ltd.
						2017 - Present	- Director of WBT Co., Ltd.
						2018 - Present	- Director of WBHF Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	

## Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2019 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
*12. Chailada Tantivejkul	43	- Bachelor of Economics, Thammasat University	DAP, RCL	0.029	- Niece of Boonkiet	2014 - 2017	<u>Listed Companies</u> 3 - Managing Director of Far East Fame Line DDB Plc.
		- Master of Trade and International Policy, George Mason University, U.S.A.			Chokwatana	2017 - Present	- Vice Chairman and Chief Financial Officer of Far East Fame Line DDB Plc.
						2015 - Present	- Director of Saha Pathanapibul Plc.
							<u>Other Non-Listed Companies</u> 9
							<u>Competing / Similar / Related Businesses</u> - None -
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
13. Pennapha Dhanasarnsilp, D.B.A.	66	Doctorate of Business Administration, Nova Southeastern University, U.S.A.	DAP, DCP	0.006	- None -		<u>Listed Companies</u> 4
Vice President Division V Year 2003						2013 - Present	- Independent Director of Plan B Media Plc.
						2014 - Present	- Director of IV Global Securities Plc.
						2015 - Present	- Director of Pioneer Motor Plc.
						2018 - Present	- Independent and Audit Committee Director of Index Living Mall Plc.
							<u>Other Non-Listed Companies</u> 3
							<u>Competing / Similar / Related Businesses</u>
						2010 - Present	- Chairman of Pens Marketing and Distribution Co., Ltd.
						2019 - Present	- Chairman of Can Co., Ltd. and Maharachapreuk Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
14. Nonglaks Techaboonanek	65	- Bachelor of Communication Arts, Chulalongkorn University	DAP	- None -	- None -		<u>Listed Companies</u> - None -
Vice President Division M, O 1 September 2005		- Bachelor of Marketing, Ramkhamhaeng University					<u>Other Non-Listed Companies</u> 3
							<u>Competing / Similar / Related Businesses</u>
						2002 - Present	- Chairman of I.D.F. Co., Ltd.
						2013 - Present	- Managing Director of SRP Nanasai Co., Ltd.
						2015 - Present	- Director of Intersouth Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	



## Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2019 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
15. Nattapat Petchratanaporn	61	Bachelor of Science (Accounting),	DCP	0.003	- None -		<u>Listed Companies</u> - None -
Vice President Accounting		Bangkok University					<u>Other Non-Listed Companies</u> 13
and Finance Division							<u>Competing / Similar / Related Businesses</u>
25 May 2010						1999 - Present	- Director of Vira Law Office Co., Ltd.
						2000 - Present	- Director of Intanin Chiangmai Co., Ltd. and Sun and Sand Co., Ltd.
							- Director of Eastern I.C.C. Co., Ltd. and Paknumpo Wattana Co., Ltd.
						2001 - Present	- Director of Sukhatasana Co., Ltd.
						2011 - Present	- Director of Thai Itokin Co., Ltd.
						2014 - Present	- Managing Director of WBRE Co., Ltd.
						2017 - Present	- Director of WBT Co., Ltd.
						2018 - Present	- Director of Scentimental (Thailand) Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
16. Ramida Russell Maneesatien	51	- Master in Communication	FSD, TLP 7, DCP	0.003	- None -		<u>Listed Companies</u> - None -
Vice President Division B		Arts (Mass Communication),					<u>Other Non-Listed Companies</u> 8
25 May 2010		Chulalongkorn University					<u>Competing / Similar / Related Businesses</u>
		- Bachelor in Business				2011 - Present	- Managing Director of Thai Itokin Co., Ltd.
		Administrations BBA,				2003 - Present	- Director of Sukhatasana Co., Ltd.
		Assumption University				2013 - Present	- Director of Shop Global (Thailand) Co., Ltd.
						2015 - Present	- Director of Koraj Wattana Co., Ltd.
						2019 - Present	- Director of Paknumpo Wattana Co., Ltd. and Maharachapreuk Co., Ltd
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
17. Bussabong Mingkwanyeon	54	Bachelor Degree, Major	- None -	0.0002	- None -		<u>Listed Companies</u> - None -
Vice President Division H		Microbiology, Faculty of Science,					<u>Other Non-Listed Companies</u> 2
1 May 2015		Chulalongkorn University					<u>Competing / Similar / Related Businesses</u>
						2015 - Present	- Director of Intersouth Co., Ltd.
						2019 - Present	- Director of Sun and Sand Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	

## Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2019 ***(% )	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
18. Viritpol Chaithavornsathien	49	- M.B.A. Cleveland State	- None -	- None -	- Husband of		<u>Listed Companies</u> 1
Vice President Division I		University, U.S.A.			Kityaporn	2016 - Present	- Director of People's Garment Plc.
1 March 2014		- Bachelor of Business			Chaithavorn-		<u>Other Non-Listed Companies</u> 8
		Administration, University of			sathien		<u>Competing / Similar / Related Businesses</u>
		Kentucky, U.S.A.			- Son-in-law of	2015 - Present	- Chairman of Paknumpo Wattana Co., Ltd.
					Boonkiet	2015 - Present	- Director of Can Co., Ltd.
					Chokwatana	2016 - Present	- Director of Intersouth Co., Ltd.
						2019 - Present	- Director of Koraj Wattana Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
19. Khanisorn Suyanand	75	- Master of Arts, Economics	- None -	0.0001	- None -		<u>Listed Companies</u> - None -
Vice President Division A		(Monetary), Northeastern					<u>Other Non-Listed Companies</u> 1
1 June 2010		University, Boston Mass. U.S.A.					<u>Competing / Similar / Related Businesses</u>
		- Bachelor of Economics,				2014 - Present	- Director of WBLP Co., Ltd.
		Thammasat University				2009 - 2017	- Advisory Director of International Leather Fashion Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
20. Kityaporn Chaithavornsathien	45	Bachelor in Business	DCP	2.06	- Daughter of		<u>Listed Companies</u> - None -
Vice President Division D		Administrations (BBA),			Boonkiet		<u>Other Non-Listed Companies</u> 13
24 May 2011		Assumption University			Chokwatana		<u>Competing / Similar / Related Businesses</u>
					- Wife of Viritpol	1999 - Present	- Director of Vira Law Office Co., Ltd.
					Chaithavorn-	2003 - Present	- Director of Sukhatasana Co., Ltd.
					sathien	2015 - Present	- Director of Intanin Chiangmai Co., Ltd.
						Present	- Director of H & B Intertex Co., Ltd.
							- Director of International Laboratories Co., Ltd.
						2017 - Present	- Director of Better Way (Thailand) Co., Ltd.
						2019 - Present	- Chairman of Maharachapreuk Co., Ltd.
						2019 - Present	- Director of Intersouth Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	

## Profiles of Directors, Executives and Regulators

Name / Position / Appointment Date	Age (Year) **	Education	Training Background	*Proportion of shareowning at 31 Dec 2019 ***(%)	Relationship of Directors and Executives	Work experience in the past 5 years	
						Period	Major Experience
21. Sawat Posinsomwong	52	- MBA Assumption University	- None -	- None -	- None -		<u>Listed Companies</u> - None -
Vice President Division W		- Bachelor of Business					<u>Other Non-Listed Companies</u> - None -
1 November 2014		Administration, Assumption					<u>Competing / Similar / Related Businesses</u> - None -
		University				2010 - 2014	- Managing Director of Swarovski (Thailand) Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
22. Thitipoom Chokwatana	42	- Bachelor of Computer	- None -	0.50	- Nephew of		<u>Listed Companies</u> 1
Vice President Division X		Science, Seattle University			Boonkiet	2019 - Present	- Director of O.C.C. Plc.
1 September 2018		U.S.A.			Chokwatana		<u>Other Non-Listed Companies</u> 4
					- Brother of		<u>Competing / Similar / Related Businesses</u> - None -
					Thamarat	2018 - Present	- Director of Prink (Thailand) Co., Ltd.
					Chokwatana		
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	
23. Pairoj Hirunwongsawang	67	Bachelor of Science in Statistics,	- None -	0.002	- None -		<u>Listed Companies</u> - None -
Vice President Sales		Ramkhamhaeng University					<u>Other Non-Listed Companies</u> 8
Administration Division							<u>Competing / Similar / Related Businesses</u>
1 July 2005						2013 - Present	- Chairman of Intersouth Co., Ltd.
						2000 - Present	- Director of Can Co., Ltd.
						2005 - Present	- Director of Intanin Chiangmai Co., Ltd.
							- Director of Sun and Sand Co., Ltd.
							- Director of Koraj Wattana Co., Ltd.
							- Director of Maharachapreuk Co., Ltd.
						2006 - Present	- Director of Paknumpo Wattana Co, Ltd.
						2019 - Present	- Director of Eastern I.C.C. Co., Ltd.
Tenure in other business or organizations in the past year which had material / significant impact on attendance.						- None -	

## Detail of the director of subsidiaries

Name of Directors		Subsidiaries Company			
		WBRE	ADM	ITOKIN	CANCHANA
1. Mr.Boonkiet	Chokwatana	A		A	F
2. Mrs.Pacharabha	Bhakdeerat	F			
3. Mr.Sarote	Moolamai	F			
4. Mr.Nattaphat	Petchratanaporn	D		F	
5. Mrs.Kobsuk	Sangsawat	F			
6. Mr.Pranot	Vesaruchavit		D		
7. Mrs.Ramida Russell	Maneesatiean		D	D	
8. Mr.Yozo	Yamanishi			F	
9. Mr.Manus	Ongsaranakom			F	
10. Dr.Surat	Wongrattanapassorn			F	
11. Mrs.Suporn	Chantharatluxa			F	
12. Mr.Pimapatt	Talalak			F	
13. Mr.Tanongchai	Chongpiyawarang				A
14. Mrs.Pasook	Raksawonkse				F
15. Mr.Vathit	Chokwatana				F
16. Mr.Thamarat	Chokwatana				F

Note: WBRE = WBRE Co., Ltd. A = Chairman  
 ADM = Amis Du Monde SARL. D = Managing Director  
 ITOKIN = Thai Itokin Co., Ltd. F = Director  
 CANCHANA = Canchana International co., Ltd.



DATA	2019	2018	2017
<b>Per share data (baht)</b>			
Net profit	2.50	3.20	2.91
Book value	70.45	69.64	68.51
Market price	39.50	41.50	39.25
Dividend	*0.70	1.21	1.10
<b>Financial position analysis</b>			
<b>Liquidity ratios (times)</b>			
Current ratio	4.02	3.87	3.43
Quick ratio	1.75	1.82	1.40
<b>Leverage ratios (times)</b>			
Debt-equity ratio	0.16	0.16	0.17
Time interest earned ratio	338.50	614.47	577.61
<b>Efficiency ratios</b>			
Accounts receivable turnover (times)	7.00	6.61	7.24
Collection period (days)	51.41	54.43	49.74
Inventory turnover (times)	2.16	2.31	2.21
Inventory coverage (days)	166.85	155.77	162.90
Fixed assets turnover (times)	3.21	3.44	3.50
Total assets turnover (times)	0.52	0.57	0.62
<b>Profitability ratios</b>			
Net profit (millions baht)	719.04	934.02	846.99
Return on sales (%)	5.91	6.99	6.29
Return on equity (%)	3.56	4.64	4.54
Return on total assets (%)	3.07	3.98	3.89
Price earning ratio	15.80	12.97	13.49
<b>Growth (%)</b>			
Percentage increase (decrease) of sales	(8.42)	(0.78)	(1.33)
Percentage increase (decrease) of net profit before tax	(23.15)	8.08	(9.44)
Percentage increase (decrease) of total assets	0.40	1.16	15.25
Percentage increase of equity	1.15	1.66	14.46
Percentage increase (decrease) of numbers of employees	(21.67)	(9.94)	(3.46)

\* The Board of Directors' Meeting has resolved to pay dividend Baht 0.70 per share and to submit this agenda for approval at the Annual General Shareowners' Meeting to be held on 22 April 2020



2019 is the year which focused on developing potential and efficiency in business operation, with an emphasis on effective linkages, from upstream (manufacturers and distributors) to downstream (the customers). This requires digital technology, information technology and data technology to create agility allowing organizations to adjust their work processes, organizational direction and formulating new business models in a timely manner under the vision of modern organization management known as 'the Big Data New Business Model (BNBM)' which is a starting point toward ultimate efficiency with emphasis on developing the ability to adapt quickly to the needs of customers, thereby creating an advantage in response to the ever-changing competition.

The Company has developed an Enterprise Resource Planning (ERP) system that covers accounting management, purchasing, costing, inventory, and sales, whereby standardized connection is the basis for retrieving data and information for rapid and stable business planning.

Subsequently expanded with the use of the organization's Big Data including purchase lists, sales channels and promotion, as well as other external data for processing under Data Science in collaboration with specialists from universities in order for more accurate distribution of appropriate products to various sale channels, better understanding of customers' behavior and more effective and continuous direct-to-customer communication for the purpose of impressing the customers which will lead to continual and sustainable increase of sales. Additionally, other external data are integrated for access to updated trends in demand so that development of new products can proceed with more efficiency, precision and rapidity.

The development of application programming interface (API) with online stores and markets has resulted in convenience and speed in bringing products to sell in various online partners' platforms, enabling efficient monitoring and management of sales. This has caused sales in online channels such as Lazada, Shopee to multiply. The Company is currently in the process of developing a warehouse management system by installing the sorter system to ensure accuracy in fast sorting, including links to the delivery and tracking system, which is expected to be completed around the beginning of 2020, thereby creating an ecosystem that efficiently connects with both our external trading partners and customers.

Moreover, the Company has enhanced business sustainability through the membership in 'His & Her Plus Point' membership program as the heart of services and communication with individual customers in a one-to-one marketing strategy based on statistical analysis of the customer groups (Data Science) in the Big Data database which enables each brand to group customers appropriately and communicate with individual customers more precisely. Another mechanism for linking products, services, and value directly delivered to customers is through the line business connect system, where customers can receive news, products, services at their fingertips, anytime, anywhere on their own LINE account, increasing convenience and speed for customers to receive special privileges. Participation in activities, including discounts from company products, through emphasis on building relationships and business development with partners such as Rabbit Rewards, True Digital and True Corp, making it possible to develop unmanned stores in the form of "His & Her Smart Shop", the first such apparel and fashion shop in Thailand which links His & Her Plus Point membership system with facial recognition and intelligent store management system, offering a new and exotic digital experience which is convenient and fast, whereby customers can easily choose products and make payments themselves.



Because service is at the heart of its business, I.C.C. International Public Company Limited not only distributes fashion and beauty products which consider good quality, fair prices and responsibility in every product and service, which are core principles in meeting customers' needs. We also consider maximum satisfaction in our products and services, both when products are in use and after sales. The company has thus set up a "Customer Relations Center" as a medium for communication between customers and the company in taking complaints, criticisms and suggestions about products to create long-term relationships and drive the business to sustainable success.

To be consistent with modern consumer behavior, the company has opened many channels enabling contact with the Customer Relations Center as follows:

- Telephone on 0-2294-4999 from Monday to Friday from 08.00 to 17.00 hrs.
- E-mail to [services@icc.co.th](mailto:services@icc.co.th)
- A prepaid letter at every product counter nationwide can be sent by mail without a stamp.



I.C.C. International Public Company Limited, a member company of Saha Group, is a licensed distributor of many global products, such as Wacoal, Arrow, Lacoste, BSC Cosmetology, Daks, Elle, Guy Laroche, Mizuno to name a few. It also distributes some original brand names, still highly popular in the market, for instance, BSC cosmetics and Enfant baby products, etc., all of which demonstrate premium quality and completely respond to the diverse needs of buyers. They are well known among consumers both at home and abroad.

The Company has augmented longtime experience and dedication to creating products and services of world-class standards, which have been well received by valued customers in all regions across the nation. Thus, it has placed significant emphasis on creating cordial relationships with customers, always ready to provide them with notable quality products and additional privileges. To reflect our sincerity to valued customers, His & Her Plus Point Card Project was initiated, allowing all our special customers by subscribing for membership of the His & Her Plus Point Card.

## His & Her Plus Point Card

"His & Her Plus Point Membership Card: Accumulate Points to Enhance Shopping Pleasure" is a premium card that provides ultimate privileges such as getting the discount, accumulation of reward points in exchange for gifts, participation in special activities and other additional privileges in the period coinciding with customers' special occasions. This is to respond to all lifestyles with a selection from a wide variety of products from I.C.C. International Public Company Limited. It aims primarily at ensuring satisfaction of products and services. His & Her Plus Point Card now has more than 2.8 million members nationwide.

Along with the worthwhile value of purchasing the Company's products, the more spending on purchases, the more points are accumulated which can subsequently be used to redeem free gifts as well as numerous other special privileges. Card application is also convenient and communication channels are easily accessible through multiple modern media. Moreover, His & Her Plus Point recognizes the importance of further online integration through the development of its His & Her Application as a new and much more convenient communication channel with its customers and members. This application has comprehensive functions to access members' data i.e. membership number, members' accumulated points, as well as available promotion campaigns and eligible privileges. This latest channel of communication enables faster and more direct contact with customers, combined with existing channels namely His & Her Call Center, IVR System, SMS, [www.hisherpoint.com](http://www.hisherpoint.com), [www.facebook.com/hisherpoint](https://www.facebook.com/hisherpoint) and Line: hisher, ensures continuing growth of His & Her Plus Point membership.

In addition His & Her Plus Point membership card also collaborated with various business allies such as leading department stores, His & Her Shops and other stores under the His & Her banner such as Atoms and Plus Nine of which there are currently more than 80 branches nationwide, restaurants, beauty parlors, cinemas and hotel resorts to offer exclusive special privileges to His & Her Plus Point card members.

In the future, the Company remains committed to further building up good relationships with customers nationwide as well as offering even more special exclusive privileges directly responsive to His & Her Plus Point members' requirements, making their shopping experiences more worthwhile and fulfilling.

Shop more... receive more points with His & Her Plus Point membership card for special discounts in purchasing ICC products with a wide variety of more than 60 leading brands at 4,500 counters. Customers can use accumulated points to redeem special gifts especially prepared for His & Her Plus Point membership card holders throughout the year.

In order to make it easier to select and purchase goods and redeem points for goods or premium, the Company has initiated a new shopping channel which can reach out to customers by shopping through His & Her ShopSmart. Customers can select products from catalogues and its Website: [www.hishershopsmart.com](http://www.hishershopsmart.com) that compiles more than 700 items of quality products from imported goods and local made products carefully selected to meet every type of lifestyle. From electrical appliances, kitchenware, household care products and decorations, health and beauty products with leading fashion brands such as Wacoal, BSC etc., all available for purchase by calling 0-2123-4789. Furthermore, to provide greater convenience, we deliver goods to your home nationwide and guarantee customers' satisfaction by accepting product return within 7 days. Customers will also receive accumulated His & Her Plus Point of 1 point for every 25-baht purchase.

All these are the new marketing trend, initiated and developed continuously by the Company to make your shopping easy and fun. It is a return of profit to customers in appreciation of their continuing trust in our quality products. His & Her Plus Point card will strengthen our solid tread ahead to ensure the highest satisfaction for our valued customers.

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**Apply for His & Her Plus Point card at ICC counters in department stores nationwide**

**HisHer Application**



**hisher**



**[www.facebook.com/hisherpoint](https://www.facebook.com/hisherpoint)**

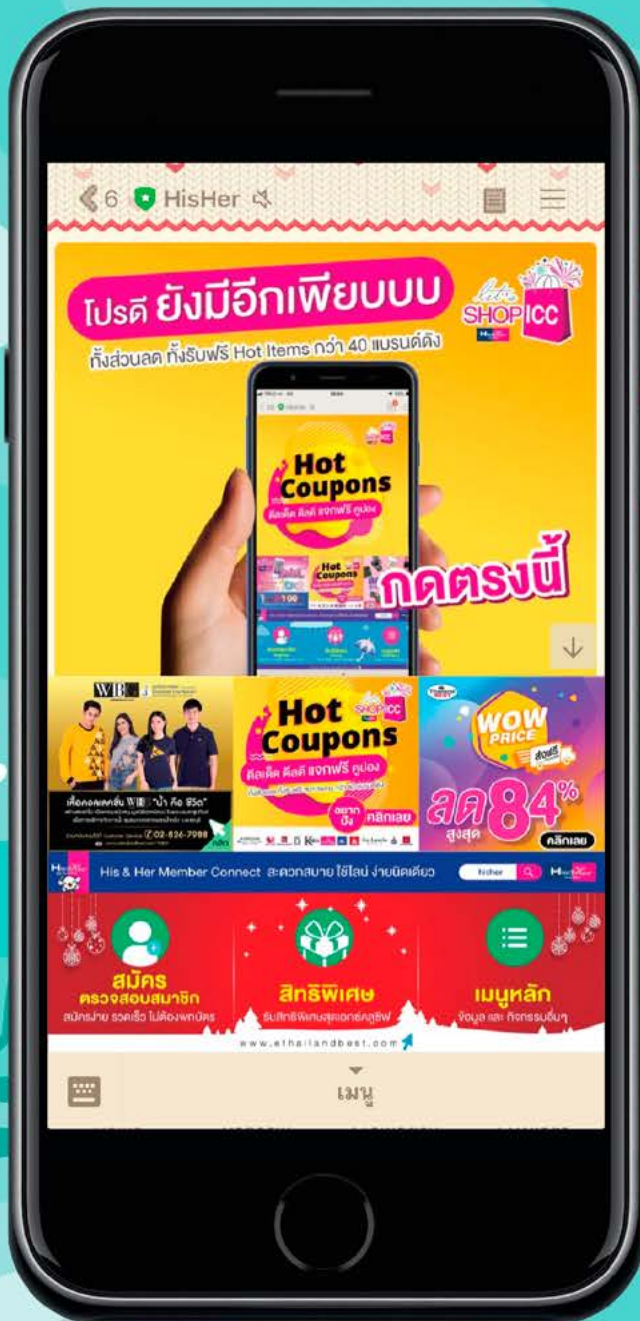
**His & Her Call Center 0-2296-9900**

**Website : [www.hisherpoint.com](http://www.hisherpoint.com)**



# "HisHer Line Member"

เพิ่มเพื่อน เชื่อมต่อ เช็กโปร



ติดตามโปรโมชั่น  
และร่วมกิจกรรม  
แคมเปญพิเศษต่างๆ  
ได้ใน **hisher Line**



เมนูกิจกรรมต่างๆ



คูปองส่วนลดซื้อสินค้า  
แบรนด์ ICC



ซื้อสินค้า ICC และ  
สินค้าในเครือสหพัฒน์  
ผ่านช่องทางออนไลน์



เมนูสมัครสมาชิกใหม่หรือ  
เชื่อมต่อการเป็นสมาชิก  
สำหรับลูกค้าเก่า



สิทธิพิเศษ  
ตามช่วงเวลาต่างๆ

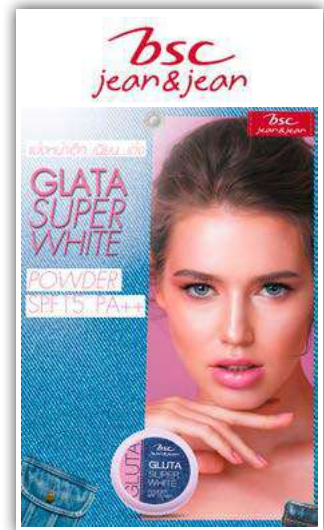


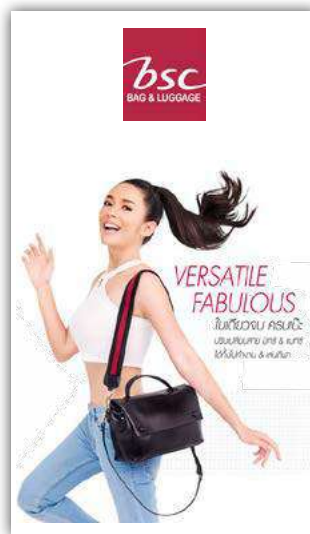
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ตรวจสอบคะแนน

เปิด App Line  
สแกนเพื่อเพิ่มเพื่อน  
กับ **hisher Line**









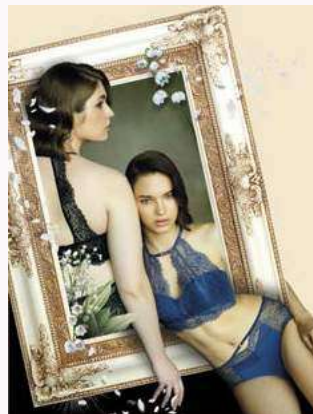




Wacoal  
สวยให้สุด...ด้วยวาโก้



CURVE  
DIVA



Glam  
High Art for Your Body



BRABERRY



Shope



Oh my  
NUDES!



Mood



MOTION



bloom



maternity



Gold



Wacoal

don't stop me  
being beautiful

**ARROW**  
USA • 1851



ARROW  
**EXCELLENCY**



ARROW  
**GETAWAY**



ARROW  
USA • 1851



ARROW  
USA • 1851











By Appointment  
To Her Majesty The Queen  
Outfitters  
DAKS Limited  
London



By Appointment  
To H.R.H. The Duke of Edinburgh  
Outfitters  
DAKS Limited  
London



By Appointment  
To H.R.H. The Prince of Wales  
Outfitters  
DAKS Limited  
London

# DAKS

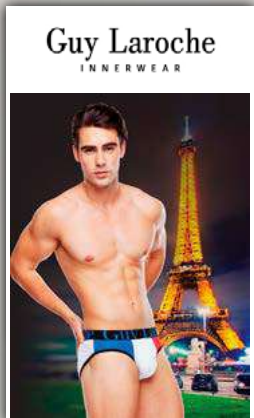
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I.C.C. INTERNATIONAL PLC. | 29

KATE WINSLET  
CELEBRATES 125 YEARS OF BRITISH EXCELLENCE



Guy Laroche  
PARIS

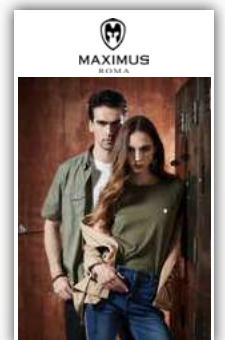




# ELLE



# Company Products



I.C.C. International Public Company Limited originated from the commitment of only 7 employees in 1964 under the name of International Cosmetics (PIAS) Limited Partnership with registered capital of 100,000 Baht as the licensed distributor of PIAS cosmetics.

In 1965, the Company changed its name to International Cosmetics (PIAS) Co., Ltd. and subsequently to International Cosmetics Co., Ltd. in 1973, with a total of 1,200 employees.

In 1994, the Company was listed as a public company with the Commercial Registration Department, Ministry of Commerce.

In 1996, it changed its name from International Cosmetics Public Company Limited to I.C.C. International Public Company Limited along with the change of its logo.

The corporate headquarters is presently a six-storey twin building near the original office site on Sathupradit Road and employs a total of 4,769 staff, with registered capital of 500 million Baht, 290.63 million Baht of which is paid up.

## Taking Special Care and facilitate customers throughout the Country

The Company has cooperated with its alliances in major provinces to facilitate and render services to its customers more closely.

1977	Chiang Mai	:	Intanin Chiang Mai Co., Ltd.
	Song Khla	:	Inter South Co., Ltd.
	Khon Kaen	:	Can Co., Ltd.
1988	Phuket	:	Sun and Sand Co., Ltd.
1991	Chonburi	:	Eastern I.C.C. Co., Ltd.
1992	Nakhon Ratchasima	:	Korawatana Co., Ltd.
1995	Nakhonsawan	:	Paknumpawatana Co., Ltd.
1996	Pitsanulok	:	Maharachapruet Co., Ltd.

## Responding to Everyone and Every Lifestyle with Quality Products

From its beginnings as the licensed distributor of PIAS cosmetics and the expansion of its business base into other products and brands, namely "WACOAL" lingerie from Japan, including "ARROW" men's wear, the Company, as a leader in its field, has created innovations, and always presented the market with modern quality goods as well as services. At present, the Company is a distributor of a variety of products more than 100 brands encompassing cosmetics, perfume, lingerie, men's and women's apparels, men's undergarments, sportswear and equipment, children's clothing, leather ware, watches, consumer products including beverages and soybean milk mixed with corn etc. All of these products have been created with innovation for both products and services continually launched into the market.

Moreover, the Company has expanded its business into service industry to meet the need of customers for example;

- His & Her Plus Point card is a project to invite our customers to join the membership with special privileges by collecting the reward points from purchase of the Company's products at participated sales counters nationwide. Members shall receive one point for every Baht 25 purchase and the collective points can be redeemed for gifts in catalogue or for other privileges especially prepared only for the members.
- His & Her Shop is the retail shop that congregates the Company's fashion products focusing on the store decoration in modern and warm atmosphere while providing best services to the customers. By the end of 2019, there are 74 His & Her shops throughout the country.
- His & Her ShopSmart, the lifestyle shopping catalogue is an alternative channel of distribution for the Company's products where customers can place their order of catalog products via telephone, website, fax and postal service. Home delivery can be made in response to the modern and comfortable lifestyle.
- ICC Line Official Account was set up in response to on-line demand for a channel of communication in the social network system to create awareness and sharing of information, news and promotions of the Company's products, under "Let's Shop ICC"
- eThailandBEST.com is the online shopping mall, with complete product line in many categories. By simple fingertip touch, you can select to purchase quality and complete line of goods conveniently throughout 24 hours at best prices directly from manufacturers and distributors within Saha Group, a conglomerate group of leading companies which has been established in Thailand for over 60 years.
- Beauty Station : a new channel to discover the integrated cosmetic products of interest to customers from both local and foreign brands in one place. This one-stop-service shop can fit customers' lifestyle and provide choices for customers, while retaining excellent counter service style. By the end of 2019, there are 18 Beauty Station throughout the country.



- The partnership with Lazada, a globally renowned online marketplace, expands online distribution channels with the website [www.lazada.co.th](http://www.lazada.co.th), as we are determined to build on our strength in physical shop-based sale to online platform, in consistency with consumer behavior these days.
- We have opened the Plus Nine shop, where shoes and sports equipment of famous brands, such as Mizuno, Le coq, Lacoste and CWX, are available. Plus Nine has several outlets located at leading department stores in and outside Thailand.
- HisHer App has been developed for members to access His & Her promotional material more easily and conveniently, while being quicker for the Company to get information out. Members can also search and amend their personal data for themselves, without the expense of contacting a call center.
- His & Her Smart Shop was launched at the 23<sup>rd</sup> Saha Group Fair at BITEC Bangna, to the interest of both Thai and international media, as well as members of the public interested in Smart Retail, a large number of whom tried the experience for themselves. A range of technologies have been developed for the shop which will be rolled out to other shops in the future, such as face recognition which can remember returning members, algorithms that render understanding of shopping behaviors and increasing sales. The store caters to the lifestyles of the modern cashless society with automatic payment systems.
- Easy Order Easy Smile (bespoke shoes) "Choose the right size and the color you like": This new development in stock management enables made-to-order shoes for the customer to choose the color for any occasion and in their personal style, catering to customers' wishes for more personalization. They can try on and choose the correct size to guarantee comfort all day long. The shoes are made with genuine leather, a lining enabling the feet to breathe and an anti-slip sole. They can take any body weight, so you can take every step with confidence.
- BSC Happy Age Collagee 5 is a premium grade collagen food supplement combining 9 natural ingredients to deliver 5 important benefits: 1. Increasing bone density, 2. Anti-inflammatory action in tendons and joints, 3. Filling in wrinkles for smooth skin, 4. Promoting resilient hair and nails, and 5. Building protection against radiation hazardous to eyesight. The product emphasizes natural ingredients with no artificial flavors or preservatives and no sugar. It has been tested and analyzed by CDIP (Thailand) PCL, and is manufactured at factories certified with international GMP and HACCP standards at every stage of production, controlled by industrial pharmacologists.

## Increasing registered capital

1966	Registered capital is increased to Baht 1.5 million.
1972	Registered capital is increased to Baht 3 million.
1978	Registered capital is increased to Baht 12 million and the Company is listed on the Stock Exchange of Thailand.
1979-1987	Registered capital is increased to Baht 82.5 million.
1988	Registered capital is increased to Baht 300 million with a paid-up capital of Baht 110 million. Par value of ordinary shares convert from Baht 100 to Baht 10 per share.
1989	Registered capital is increased to Baht 500 million with a paid-up capital of Baht 120.45 million.
1993-1995	Call for more paid-up capital of Baht 26.63 million. Paid-up capital is increase to Baht 147.08 million.
1996	Paid-up capital is increased to Baht 290.63 million.
2003	Ordinary share value is split from Baht 10.- to Baht 1.- per share.

## Securitization

1987	First debentures is issued at the amount of Baht 50 million.
1989	First convertible debentures are issued at the amount of Baht 120 million.
1990	Second convertible debentures are issued at the amount of Baht 200 million.

## Company's Awards received

1988	Company receives "The 2 <sup>nd</sup> TOKYO CREATION AWARD" from Japan for outstanding Creativity in South East Asia for the promotion and development of Thai apparel.
1999	The Company is accredited with ISO 9002 for its standard of quality management system in Bangkok Metropolitan area by SGS Yarsley International Certification Services, United Kingdom
2000	The Company receives nationwide ISO 9002 certification for the standard quality management system of all its products nationwide from SGS Yarsley International Certification Services, United Kingdom.

2003	The company is accredited on January 21, 2003 with ISO 9001 : 2000 for the standard quality management system of all its products nationwide from SGS Yarsley International Certification Services, United Kingdom.
2008	The company is accredited on March 31, 2008 with new version of ISO 9001 : 2008 for the standard quality management system of all its products nationwide from SGS Yarsley International Certification Services, United Kingdom.
2012	ICC won INVESTORS' CHOICE AWARD, thanks to the top 100 score for quality assessment of Annual General Meeting arrangement for 4 consecutive years (2009-2012), by the Thai Investors Association, under the Right Protection Volunteer Project.
2016	<ul style="list-style-type: none"> <li>• Being awarded the INVESTORS' CHOICE AWARD 2016 from the Thai Investors Association under Rights Protection Volunteer Project in appreciation of the top 100 score for quality assessment of the Annual General Meeting arrangement for 8 consecutive years.</li> <li>• Being certified a Member of Private Sector Collective Action Coalition Against Corruption Council (CAC)</li> <li>• On 17 June 2016, received a Certificate for greenhouse gas reduction from Thailand Greenhouse Gas Management Organization (a public organization) and Thailand Textile Institute in appreciation of using CoolMode clothing.</li> </ul>
2019	<ul style="list-style-type: none"> <li>• BOARD OF THE YEAR AWARDS 2018 from the Thai Institute of Directors. This is awarded to the boards of companies registered in Thailand with significant performance in oversight of the business and demonstrating leadership in the efficient conduct of its duties.</li> <li>• Certification from the Certification Committee of the Private Sector Collective Action against Corruption (CAC) for continued membership of the CAC.</li> <li>• Award for outstanding exemplary company in the payment of Social Security contributions, showing responsibility in making contributions on schedule and cooperating with the program of contributions by e-payment.</li> </ul>

## Corporate Business

The Company was established in 1964 as International Cosmetics (PIAS) Part., Ltd., with registered capital of 100,000 Baht and 7 employees, to serve as the legitimate distributor of PIAS cosmetics. The Company changed its name to International Cosmetics (PIAS) Co., Ltd. in 1965, and subsequently to International Cosmetics Co., Ltd. in 1973. Since 1970, the Company has expanded its product lines to become the legitimate distributor of women's lingerie brand "Wacoal", "Arrow" Men's apparel, and many more. In 2005, the company launched a cosmetic product "BSC Cosmetology" under Saha Group brand for international marketing. The company has always continued developing innovative products, as well as introducing quality modern merchandises and services. Presently the company is the legitimate distributor of over 100 branded name products, covering cosmetics, fragrance, lingerie, women's wear, men's wear and innerwear, sportswear and equipment, children's wear, leather products, watches, home appliances, foods, soy milk mixed with corn, drinking and spring water, etc. The company has collaborated with its 8 business alliances in major provinces to facilitate and render better services to its customers as follows:

Chiang Mai	Inthanin Chiang Mai Co., Ltd.
Songkhla	Inter South Co., Ltd.
KhonKaen	Can Co., Ltd.
Phuket	Sun and Sand Co., Ltd.
Chonburi	Eastern I.C.C. Co., Ltd.
NakhonRatchasima	Koratwattana Co., Ltd.
Nakhonsawan	Paknampowattana Co., Ltd.
Phitsanulok	Maharachapruet Co., Ltd.

I.C.C. International Public Company Limited is the leader in distribution of fashion products, both imported foreign brands and also innovations of the Company and its affiliates. The corporate main industries are cosmetics and perfumeries, hair and skin care products, full line of textile and garment products including underwear, outerwear, sportswear, apparel for physical exercise, fabric care and leather goods, etc.

The Company runs a wholesaling and retailing business with both domestic and international distributors. The corporate core merchandises are mainly products related to beauty, as stated in the company's motto "We make people happy, healthy and beautiful."

Moreover, the Company has expanded its business into service industry for example,

- His & Her Plus Point: the program invites our customers to join and gives special privileges for members through accumulation of points from their purchase of the Company's products at sales counters nationwide.
- His & Her Shop: The retail shop which emphasizes modern interior decorating style has brought together the Company's wide-range of fashion products in a warm and service-minded ambience. In 2019, there were a total of 74 His & Her Shops nationwide.
- His & Her ShopSmart: is the Company's lifestyle shopping catalogue. Customers can place their order via telephone, website, fax and postal service. The goods can be delivered door to door, effectively responding to the modern and comfortable lifestyle.
- ICC Line Official Account: was our response to online customers, providing a communication channel via a social media network in order to build awareness and render access to timely information news and promotions regarding our products, under the "Let's Shop ICC" banner.
- www.eThailandBEST.com: is an online shopping mall, with complete product lines in many categories. With just a touch of your fingertip, you can select to purchase quality goods conveniently throughout 24 hours at best prices directly from manufacturers and distributors within Saha Group, a conglomerate of leading companies which has been established in Thailand for over 60 years.
- Collaboration with Lazada: Lazada is a global online marketplace service-provider with whom we are now partnered as part of the Company's expansion into online sales channel through the website [www.lazada.co.th](http://www.lazada.co.th) to strengthen our business from storefront sales to online platforms in alignment with today's consumer behavior.

## New Business and Products 2019

- Hisher App to allow member customers to have easier, much quicker and more convenient access to His & Her sales promotion information. In addition, finding and amending members' personal information can be done by the members themselves, without the expense of having to contact the call center.
- His & Her Smart Shop, an artificial intelligence store launched at the 23<sup>rd</sup> Saha Group Fair at BITEC Bangna which attracted a lot of attention from mass media, both Thai and international, as well as the general public who are interested in this concept of smart retail and tried out the experience for themselves. A range of technologies have been developed for the shop which will be expanded to other stores in future, including facial recognition which allows member identification, and other features which enable analysis of spending behavior and generation of sales growth, more effectively responding to the lifestyle of a cashless society via an automatic payment system.

- Easy Order Easy Smile (custom-made shoes) “Choose the right size and the color you like”: This new development in stock management enables made-to-order shoes for the customer to choose the color for any occasion and in their personal style, catering to customers' wishes for more personalization. They can try on and choose the correct size to guarantee comfort all day long. The shoes are made with genuine leather, a lining enabling the feet to breathe and an anti-slip sole. They can take any body weight, so you can take every step with confidence.
- BSC Happy Age Collagee 5 is a premium grade collagen food supplement combining 9 natural ingredients to deliver 5 important benefits, namely 1. Increasing bone density, 2. Anti-inflammatory action in tendons and joints, 3. Filling in wrinkles for smooth skin, 4. Promoting resilient hair and nails, and 5. Building protection against radiation hazardous to eyesight. The product emphasizes natural ingredients with no artificial flavoring or preservatives and no sugar. It has been tested and analyzed by CDIP (Thailand) Plc. and is manufactured at factories certified with international GMP and HACCP standards at every stage of production under the control of industrial pharmacologists.
- Arrow X-Dimension : Arrow has released a new collection “Arrow X-Dimension” under the slogan “Extreme Differentiation... Beyond Normality”. It is a new dimension of stylish dressing as Arrow believes a man's charm arises from his dressing style. Gone are the traditional dressing rules and replaced by a distinctive and eye-catching look, with colors and features bound to satisfy men of all age groups, with a vast array of product lines ranging from chic shirts and trousers, overcoats, oversized shirts, T-shirts, skinny trousers, etc. Arrow has Ice (nickname) - Paris Intarakomalyasut, a famous teenage star, as brand ambassador to enhance the modern image of the brand.
- Arrow Upcycling : The innovation of Arrow Upcycling is the cooperation between Arrow and PTT Global Chemical Plc. through the upcycling innovation to reduce plastic bottles in Thailand and add value to the products whereby the fiber from plastic bottles (the clear PET bottles for containing water) is mixed with cotton thread to produce apparel. 12 plastic bottles, after going through the upcycling process, will produce 1 shirt.
- Arrow Upcycling Collection : This collection has distinctive characteristics derived from the special quality of the fabric which is soft to the touch, provides cool comfort wearing and easy ironing, especially created for that chic and modern look to satisfy customers for both its all-in-one design and functionality.

## Vision / Mission / Objectives and Working Strategies

The Board of Directors is aware of the significance of the Company's performance, and therefore fully engages in setting the corporate vision/ mission based on ensuring its business operations is in line with the competitive direction of the market.

In 2019, the Board of Directors and Company executives jointly considered and reviewed the corporate vision, mission, targets and business strategies for the next 3 years 2019-2021 so that the objectives of corporate management and employees may be aligned and in the same direction. These are reviewed annually to ensure that the corporate vision and mission is consistent with the current economic situation.

In 2020, the Board of Directors' Meeting on January 10, 2020 reviewed the vision and mission of the Company and found them to remain well suited to the corporate business operation and in line with the prevailing economic situation.

### Vision

To become the leading company that is driven by innovation and creativity in Thailand and South East Asia in Fashion & Lifestyle industries.

### Mission

1. Conduct research and development for innovations, design and provide a variety of new, exciting products.
2. Collaborate with business partners to develop new brands as well as management, selling, and new marketing to strengthen reputation and leading position of our existing branded products.
3. Develop a variety of up-to-date distribution channels that can serve lifestyles and demands of each group of customers.
4. Enhance managerial performance and competence by integrating state-of-the-art technology throughout the company and our supply chain.
5. Determined to develop the company in compliance with the Good Governance principle for the continuous growth.

The Board of Directors recognizes the importance of marketing and being competitive with its business rivals in both the domestic and foreign markets and, in accordance with the corporate vision and mission, has prescribed 7 Principles of Thought for all executives and employees in the organization to adhere to as guidelines for common practice under the Company's philosophy for business operation.

- Create good people values
- Create business value
- Create social opportunities

## Principles of Thought

1. **Fight for Glory** : Enhance fighting spirit among employees which shall start from one's self and become role models for others in achieving their goal and winning in business competition by using strategic planning along with consistent follow-up and being open-minded for any improvement and adjustment.
2. **Think positive** : Place emphasis on the ideal of positive thinking among employees to instill confidence that they can surely succeed and achieve their goal by always thinking of achieving success without condition.
3. **Discipline** : Build up working discipline including in communication and operation, with honesty, integrity and loyalty to the organization as well as consistent follow up and improvement of work performance.
4. **Faith** : Promote self-motivation among employees to make them confident of their capability to achieve their goals and be good to themselves and others, as well as creating good faith towards their managers, colleagues, subordinates, the Company and the country in order that employees shall take pride, be confident and committed to their work.
5. **Readiness** : Undertake personnel development to promote awareness in providing rapid customer services, courage to be decisive and proactive based on respect for customers with full responsibility as the Company's employees.
6. **Integrity** : Cultivate values of honesty and fairness among employees so that they may apply these values to themselves, other people, the Company, society and also the nation in both open and hidden places.
7. **Unity** : Promote unity among employees by enhancing good cooperation and solidarity in striving to achieve the corporate goal.

The Company is committed to creating competitive advantages and added value to customers through a variety of brand aimed at satisfying all of customers' needs, by focusing on developing business networks with trading partners and customers in various distribution channels. Many systems and working procedures have also been improved to conform to rules, regulations, and changing customers' needs by applying information and digital technology to create good value to new customer groups with efficient and quick response to the needs of customers and trading partners for mutual and sustainable business growth. The Company has produced a business plan for 2019-2021 setting out the Company's financial and growth targets, as well as to enhance its capability to attain highest profitability. The Company is fully committed to achieving the set targets by using the following strategies:

## Business Targets

In order for the operations of the Company to achieve the organization's goals in accordance with its vision and mission, the Company has formulated a strategic plan for sustainable development as follows:

1. The strategy to create, design and provide new products which are appealing and interesting through research and development of innovation which are diverse and responsive to customers' demands both domestically and internationally.
2. The strategy to develop new products based on collaboration with business partners, as well as effective management of sales and marketing suitable to the times in order to promote and strengthen its position as a market leader.
3. The strategy to combine modernity with diversity through development of new models of sales and distribution channels which coincide with the requirements of each customer group by applying technology to facilitate convenience, rendering the highest satisfaction and impression among customers.
4. The strategy to enhance and develop management capacity of technology and supply chain in collaboration with business partners, from production to logistics, for rapid delivery and response to customers' demands.
5. The strategy of continued growth based on good corporate governance for the best interest and sustainable returns to shareowners, investors, business allies, related persons, as well as continued human resources development to enhance their potential and preparedness for change and competitiveness.

Additionally, the Board of Directors is monitoring and following-up on implemented business strategies with the Management Team reporting on operational plans and formulation of strategy implementation to the Executive Committee and the Board of Directors respectively on a monthly basis. At such platforms, the reporting is a key agenda to be acknowledged and discussed in the meetings, and a review undertaken of the quarterly strategic plan, so that the Management team may take the comments and advice from the Board of Directors and the Executive Committee to make further improvement.

## Future Project

The Company has set a policy to establish new branded products and to expand its on - line business and Specialty Shops under the Company's own management in response to the current market situation and the changing behavior of new generation of consumers, as well as introducing other products to serve a wider and more diverse customer base.

### Conglomerate Structure

1. The Company has four subsidiary companies and acquiring seven affiliated companies. Namely:

Name of companies	Type of business	Shares held by ICC (%)	
		Subsidiary companies	Affiliated companies
1. WBRE Co., Ltd.	Properties development	99.9997	-
*2. Amis Du Monde Sarl. (France)	Trading products in France and abroad	81.92	-
	including Import and export		
3. Thai Itokin Co., Ltd.	Manufacturing and distributing women's wear	58.16	-
4. Worldclass Rent a Car Co., Ltd.	Operating car rental business	-	25.00
5. International Leather Fashion Co., Ltd.	Manufacturing genuine and artificial fashion	-	28.00
	leather goods		
6. Issara United Co., Ltd.	Properties development	-	25.00
7. Boon Capitalholding Co., Ltd.	Operating investment business	-	32.00
8. Canchana International Co., Ltd.	Distribution of products	60.00	-
(Kingdom of Cambodai)			
9. Nanan Cambo Solution Co., Ltd.	Real Estate Investment	-	49.00
(Kingdom of Cambodia)			
10. Issara United Development Co., Ltd.	Hotel	-	25.00
11. Thai Secom Security Co., Ltd.	Security	-	25.50

**Note** : Currently in liquidation process



2. Shareowning in the company that may have conflicts of interest per notes of investment in related companies on page 52-57 of this Annual Report
3. Information about related, subsidiary and affiliated companies that operate the similar or related business and cross share owning as of December 31, 2019 is as following:

Name of companies	Shares held by ICC (%)	The company's shares held in ICC (%)	Similar or related business	Cross-Shareowning	Subsidiary companies	Affiliated companies
1. Saha Pathana Inter-holding Plc.	9.97	24.69	-	√	-	-
2. Sahapathanapibul Plc.	10.19	8.53	√	√	-	-
3. Thai Wacoal Plc.	5.09	3.82	√	√	-	-
4. Thanulux Plc.	11.09	3.44	√	√	-	-
5. O.C.C. Plc.	19.73	0.55	√	√	-	-
6. S & J International Enterprises Plc.	14.61	0.35	√	√	-	-
7. Textile Prestige Plc.	10.43	0.46	√	√	-	-
8. People's Garment Plc.	5.25	0.60	√	√	-	-
9. Far East Fame Line DDB Plc.	10.29	0.29	√	√	-	-
10. First United Industry Co., Ltd.	9.12	0.35	-	√	-	-
11. I.D.F. Co., Ltd.	9.00	9.53	-	√	-	-
12. Tiger Distribution & Logistics Co., Ltd.	19.90	-	√	-	-	-
13. International Laboratories Corp., Ltd.	19.56	1.10	√	√	-	-
14. Thai Arusu Co., Ltd.	4.17	0.04	√	√	-	-
15. Pattaya Manufacturing Co., Ltd.	5.33	0.14	√	√	-	-
16. Lion Corporation (Thailand) Co., Ltd.	12.00	0.07	√	√	-	-
17. Kai I.T. Service Co., Ltd.	10.00	0.01	√	√	-	-
18. Thai Itokin Co., Ltd.	58.16	-	√	-	√	-
19. International Leather Fashion Co., Ltd.	28.00	-	√	-	-	√
20. Shop Global (Thailand) Co., Ltd.	17.42	-	√	-	-	-
21. Canchana International Co., Ltd. (Kingdom of Cambodia)	60.00	-	√	-	√	-
22. Amis Du Monde Sarl. (France)	81.92	-	√	-	√	-

Remark : The Company has adopted the cross shareowning structure or pyramid type due to the Company's original business operation characteristic before being listed in the Stock Exchange of Thailand. However, such cross shareowning structure is not contrary to the Article No.14 of the Notification of Capital Market Supervisory Board No. TorChor 28/2551 on Application for and Approval of Offer for Sale of Newly Issued Shares.

## 1. Nature of Corporate Business

I.C.C. International Public Company Limited is the leader in distribution of fashion brands, both domestically and internationally, as well as brands developed by innovation of the Company and its affiliates. The corporate main industries are cosmetics and perfumeries, hair and skin care products, full line of textile and apparel including underwear, outerwear, sportswear, apparel for physical exercise, fabric care and leather goods, etc.

The Company also conducts wholesale business through shops and department stores both in domestic and international markets. Most of our company's products are in the line of fashion and beauty as can be described in our slogan "We make people happy and beautiful".

### - Cosmetics and Perfumeries Industry

From its incorporation in 1964, the Company's core business has been in the sale of cosmetics under the Japanese brand name PIAS. Since then, the Company has expanded our cosmetic business by continuously introducing various other brands, such as BSC Pure Care, Sheene', Arty Professional, Honei V. In October 2005, the Company introduced a new cosmetic brand - BSC Cosmetology, under Saha Group brand for international marketing. Compact powder is the main product for advertising to create brand awareness within the target group. The celebrity and testimonial marketing approaches have been adopted by using celebrities as its presenter to generate trial interest. Consumer behaviors have changed considerably in line with advancement of technology, especially in the use of Social Media including Facebook, Line, IG, Twitter. The introduction of new communication system information dissemination channels has enhanced more rapid communication and access to consumers immediately, as well as providing new additional online sales channels.

### - Women's Wear Industry

The Company has been continually promoting every brand of women product groups of which we have dealership. There are 5 main brands: Wacoal, BSC, BSC Signature, Elle and Kullastri. Strategies have been adapted for each of these brands to enhance their marketing competitiveness in terms of product variety options. Through manufacturing innovation, a wide diversity of designs and fabrics are available to increase functionality of the products that enables customers to simply dress for any occasions and ensures customers of our continued product development in response to their lifestyles in the digital era.

### - Men's Wear Industry

The Company is the distributor of men's wear under such brands as Arrow, Excellency, Daks, Guy Laroche, Guy Guy Laroche, Elle Homme, Lacoste, Getaway, BSC Cool Metropolis, Hornbill, Le Coq Sportif, Maximus and Felix Buhler. The main distribution channels are department stores in Bangkok and upcountry, with regular sales personnel providing product advice and after-sales service. A new distribution channel has also been opened in discount stores, as well as in shops that have opened in shopping malls, TV channel and E-Commerce

## 2. Revenue Structure

The Company classified revenue as 3 principal segments are as follow:

(Unit: million baht)

Product Line	2019	%	2018	%	2017	%
Cosmetics, toiletries & perfumeries	1,027.27	8.35	1,142.32	8.54	1,273.62	9.44
Women's apparel	4,039.57	32.83	4,587.85	34.30	4,491.63	33.31
Men's apparel	3,021.02	24.56	3,131.27	23.41	3,211.01	23.81
Others	3,221.36	26.18	3,488.20	26.08	3,470.71	25.74
Other income						
Dividend income	531.07	4.32	528.01	3.95	469.66	3.48
Gain on disposal of property, plant and equipment and investment properties	157.24	1.28	33.62	0.25	82.48	0.61
Gain on disposal of investments held as available for sale	-	-	169.20	1.26	242.62	1.80
Share of profit investment in associates	25.04	0.20	48.55	0.36	28.73	0.21
Others	280.49	2.28	247.79	1.88	215.85	1.60
<b>Total Revenue</b>	<b>12,303.06</b>	<b>100.00</b>	<b>13,376.81</b>	<b>100.00</b>	<b>13,486.32</b>	<b>100.00</b>

## 3. Major changes and activities in 2019

### • BSC Cosmetology

Established : October 2005

BSC Cosmetology has seen the change in Thai consumers' behavior toward a preference to search for information through social media and the Internet more than previously. They spend more time each day surfing the Internet and are more confident to buy goods online or through E-Commerce than ever before as especially evident by the considerable feedback for the big campaigns 9.9, 10.10, 11.11 where our existing and prospective customers look forward to make their purchases. This led to sales increase in leaps and bounds whether in Lazada, Shopee, JD Market, Shopback, etc. Additionally, the end-of-the-year campaign "gifts on 12.12" the target growth of our sales was achieved especially in cosmetics products of BSC Cosmetology which reached the top best-sellers list of cosmetics in Thailand; inter alia there was the launch of special campaigns "Saha Day" and "Beauty Day" and the online livestream sale of BSC Cosmetology through Lazada and Facebook, that resulted in ongoing increase in our sales. This is not only achievement in building such commercial alliance but also expanding our online business to reach a wider variety of target groups and render actual sale whether via Shopee, Convey, JD Market, Seven-Eleven Online Catalogue, O-Shopping, etc., including [www.eThailandBEST.com](http://www.eThailandBEST.com), which are the main online sales channels of the Company where ThailandBEST has a very favorable response from consumers. At the same time, the Company simultaneously widened its online customer base to include new target groups of all ages and genders. In the past year, the Company's cosmetics products hit sales growth up to the Top of Best-selling Brands of ThailandBEST channel. BSC Cosmetology, consequently, shifted its marketing strategy to satisfy the requirements of target groups by proportionately increasing its marketing communication via online digital media to enhance the brand image and brand recognition to be widely known among consumers, as well as increasing focus on reviews of the products by bloggers and influencers whom consumers trust and rely on. With respect to the upgrading of product quality, BSC Cosmetology has continually developed several innovations. In 2019, BSC Cosmetology successfully maintained its consecutive sales growth in the cosmetics market. To this end, every marketing communication channel is applied aiming to maintain the Company's original customer base and reach prospective customers so as to encourage them to gain more collective experience with our brand.

- **Arty Professional by BSC : Presented the Concept "Yourself Your Style"**, the make-up technique which is the solution to every skin problem suiting all activities and features colors for every self-confident girl striving to uniquely enhance their beauty, so they will feel confident everywhere and on every occasion. With comprehensive solutions to all skin problems ensuring confidence in every activity, whether outdoor, indoor or even under water activity. This product is created by specialists who are specifically expert at skin problems that Thai women actually face.
- **'Sheene' : Presented the Concept "Sheene' All About Eyes"** under the slogan "only once applied to your eyes ensures total beauty...confirmed", with the launch of its "fake eyelash formula" mascara to satisfy any girl who requires distinction in terms of naturally long or dark and thick eyelashes which can be adjusted to the desired length and thickness. These products are waterproof, sweat-proof, and tear-proof, providing long-lasting beauty for one's eyes.
- **Pure Care : Presented "Facial Mask" Products.** It is an innovative compound of natural extract from Thai herbs and new technology creating skin nourishment products that provide solutions to all skin conditions. This is a vitamin rich facial mask product for distinctive skin nourishing, available in the form of mask cream in portable containers, convenient for use. After applying the product, your face will become smooth and retain moisture, resulting in healthier skin immediately after use.
- **Wacoal Lingerie**

From the Company's success in the launch of its marketing activities under the concept "Beauty Inside" during the previous 3-4 years, in 2019 the Company continued forward to promote the concept of beauty from within. As Wacoal believes that beauty which arises from within can make women happy and confident, their beauty then can shine outward and be perceived by all the people around them. In that connection, the campaign "Don't Stop Me Being Beautiful" was subsequently conducted in 2019 to emphasize Wacoal as a leading popular brand of lingerie in Thailand, including an active marketing plan to penetrate the wireless lingerie market by introducing Wacoal Wireless Bras under online and offline strategies aiming to maintain our existing customer base and gain prospective new generation customers of all age groups with active, modern and comfort-loving lifestyles which Wacoal Wireless Bras are certainly well suited to provide form-fitting beauty. Another product line which was launched was the "Smart Size" product line which facilitates selection for customers under the concept "Wacoal Smart Size: the new generation bra, easy to choose, beautiful to wear". In this connection, Wacoal is the first to market Smart Size products and received very positive feedback and brand recognition among the new generation target group who value beauty as well as ease

in making their choices for purchase.

In addition, the Company has continually implemented marketing promotion of products for other customer groups such as “Wacoal Bloom” for adolescents, focused on customers aged 8-14 years, “Wacoal Curve Diva” for plus size ladies, “Wacoal Mood” responsive to teenagers’ requirements through development of outstanding function and design which display the modern and cheerful character of the wearers. It fully satisfies modern day teens or Generation Z. As the leading distributor in the lingerie market, Wacoal has upgraded its products to be even more distinctive whether in terms of cloth texture, design or functionality, while at the same time continuing innovation development to be more responsive to consumers’ changing lifestyles, especially their preference to select consumer goods via the digital world thereby allowing multiple purchase options available for them in both online and offline sales channels. To this end, the Company has therefore launched proactive marketing in both such channels to directly and precisely gain access to the relevant groups of modern customers.

- **Arrow : Fabric-Design Innovation**

- **Arrow X-Dimension :** Arrow has released a new collection “Arrow X-Dimension” under the slogan “Extreme Differentiation... Beyond Normality”. It is a new dimension of stylish dressing as Arrow believes a man’s charm arises from his dressing style. Gone are the traditional dressing rules and replaced by a distinctive and eye-catching look, with colors and features bound to satisfy men of all age groups, with a vast array of product lines ranging from chic shirts and trousers, overcoats, oversized shirts, T-shirts, skinny trousers, etc. Arrow has Ice-Paris Intarakomalyasut, a famous teenage star, as brand ambassador to enhance the modern image of the brand.
- **Arrow Upcycling :** The innovation of Arrow Upcycling is the cooperation between Arrow and PTT Global Chemical Plc. through the upcycling innovation to reduce plastic bottles in Thailand and add value to the products whereby the fiber from plastic bottles (the clear PET bottles for containing water) is mixed with cotton thread to produce apparel. 12 plastic bottles will, after going through the upcycling process, will produce 1 shirt.
- **Arrow Upcycling Collection :** This collection has distinctive characteristics derived from the special quality of the fabric which is soft to the touch, provides cool comfort wearing and easy ironing, created especially for that chic and modern look to satisfy customers for both its all-in-one design and functionality.

- **Lacoste : Creative Innovation**

**Lacoste Le Club Flagship Store** has upgraded its look to fully assemble the most updated collections whether clothes, bags, shoes or accessories at Central World, 2<sup>nd</sup> floor. It is the largest flagship store in the world on 500 square meters of space at the center of Bangkok Metropolis. It was created with the aim of implementing the brand’s concept store inspired by a tennis court harmoniously integrated with other components of the store. The inner part of the store is designed by using natural wood in a cozy and modern ambience. The store additionally serves as the venue to organize events and activities of Lacoste Thailand. It is decorated with large polo bars with polo shirts in several shades of color and various designs responding to requirements of customers. With a wide variety of product lines inter alia the very classic polo shirts (L.12.12) integrating innovation with its uniqueness of modernity which emphasizes its status as the leading brand of very classic polo shirts in the hearts of people around the world. There are additionally numerous other products available including embroidery service provided for customers to have their monogram embroidered on Lacoste polo shirts; representing its status as a high-end lifestyle brand from France. Moreover, surprise delivery is another service rendered for delivering Lacoste as a gift to any customer’s special person. The brand also provides online shopping service for customers to purchase Lacoste products through its website which is quicker and more convenient. To this end, customers can select and follow up on various collections of Lacoste at [www.lacoste.co.th](http://www.lacoste.co.th), and [www.facebook.com/lacostethailand](http://www.facebook.com/lacostethailand).

## Industry Conditions and Competition

### 1. Cosmetics and Perfumeries Industry

- **State of Competition**

State of Competition can be considered according to the following distribution channels :

1. **Counter sale :** The marketing of cosmetics is highly competitive and more intense due to the increasing new brands.

Nevertheless, the cosmetics market continues to grow every year despite growing fierce competition, resulting in more competitors in the market while consumer loyalty to the brand has steadily declined. Furthermore, in spite of the prevailing economic and political problems, there is still growth potential for cosmetics business due to the fact that Thai women continue to attach great importance to taking care of themselves and looking beautiful. In 2019, BSC Cosmetology modified the form of advertising and public relations to reach the most consumer groups as most people presently tend to closely follow the news of stars and celebrities. Such behavior significantly impacts on

the sales of products. Therefore, in response to such consumer preference and behavior, and in order to ensure effective and efficient communication for optimal access to consumers, the Company has implemented the strategy of having Miss Universe Thailand 2019 “Fahsai Paweensuda Drouin” as the BSC Cosmetology brand ambassador. Based on the number of hashtags measured in Twitter, this campaign hit the No. 1 ranking of the country at the time during Fahsai Paweensuda Drouin’s participation in the beauty contests in Thailand and abroad. However, television remains a significant channel for advertising the brand to promote brand recognition to a wide audience, combined with online advertisement aimed at gaining fast access to customers. Movie theatre media, billboard media, as well as electronic media at airports, BTS sky train and MRT subway stations are also significantly taken into account because they are easily accessible to the public. The counter brands have additionally implemented further marketing strategies by organizing vigorous sales promotion activities, which stimulate sales in alignment with the change in consumer behavior aiming to attract prospective customers and promoting trial of the products. The key factor of counter sale is still the service rendered by salespersons who enhance brand impression among customers for the purpose of repeat purchases by creating a feeling of worthwhile spending on the products.

**2. Discount Store** Presently, discount stores implement intensive and tough strategies in terms of pricing and expanding branches into large communities whether in Bangkok or the surrounding areas or the major provinces in all regions nationwide. This widely impacts on manufacturers, original market intermediaries or traditional trade, both wholesalers and retailers as well as smaller community stores. With respect to wholesalers and retailers, the Company has modernized administration and expanded branches to rural areas outside provinces and districts serving as their wholesale and retail representatives in each community particularly aiming at real customers under the one-by-one marketing basis. BSC Cosmetology implemented said strategies to seize opportunities in advantageous geographical areas before its competitors by widely expanding branches into communities or various areas with the intention to create “Economy of Scale”, partnering with local retailers and releasing new products particularly suited to the discount stores, as well as to vet and select products in which it is confident of quality, so that the products can be rapidly sold and highly competitive compared with its rivals.

## - Product Acquisition

In terms of production, currently 90% of all of the Company’s cosmetic products are manufactured domestically, mostly by International Laboratories Corp. Ltd., and S & J International Enterprise Plc., both of which belong to the Saha Group and are under the quality management of ISO 9001. Another 10% of the Company’s products are imported.

In terms of product development, global sourcing involves the search for ingredients and packaging from all over the world.

## - Industrial Trend and Future Competition

Cosmetics remain the fifth requisite of women, especially in the make-up market. The main products promoted to enhance the growth of the make-up sector are those in regular use such as eyebrow pencils, foundation powder and lipsticks, of which such growth can be attributed to demand for emotional fulfillment because make-up helps users feel more self-confident. Therefore, there remains large growth potential for make-up products in comparison with the entire market share of the beauty sector. In addition, the market trend focuses on online sale as it is apparent that such sale channel has dramatically grown in leaps and bounds. In the future, this channel is likely to become another major distribution channel.

## 2. Women’s Wear Industry

### - State of Competition

#### 1. Competitive Situation

Competitive strategies in 2019 included the following:

#### - R&D for Women’s Lingerie

Due to rapidly changing consumer behavior, it was important that the Company focused on consumer behavior research and analysis to improve and develop products. Big Data has been developed to enhance production planning to more efficiently meet consumers’ demand, both in terms of sufficient quantity of products available as well as product development to more effectively satisfy the target groups. Additionally, the Company has taken consumers’ needs into account for the launch of new products. The factory, merchandiser and sales department have worked together as One Body, starting from brainstorming to design products to meet consumers’ needs in every age group, size, cup and lifestyle in terms of functionality and fashion based on good quality products. In the meantime, the Quick Response Management System (QRMS) was applied which resulted in more effective product management in shops as goods are sufficiently available and coincide with customers’ demand to ensure customer satisfaction, while reducing lost opportunity for sales, expediting transportation and distribution to shops, as well as promoting more efficient and effective inventory management. As a result,

the lead time for delivery and lost opportunity for sales decreased, hence product management is more effective.

## - New Consumer Expansion and Maintain existing Consumer

To systematically retain existing customer base, the Company focused on giving customers continuing satisfaction through a variety of activities that impressed its existing customers of all ages ranging from counter sales promotion activities or giving special privileges.

In addition, the Company has implemented efficient administration of existing customer base through His & Her Plus Point card, in order to build up good relationships with customers. Interesting activities are created so as to encourage participation of customers and render good impressions of the brand, as well as introduction of good service standard system in Customer Relationship Management (CRM), whereby customers are provided with several benefits either discount in purchase of products or premium items that continuously increase sales each year from the points accumulated by His & Her Plus Point card membership.

**New Customer Acquisition Strategies** have been mapped out in 3 parts :

- Maintaining existing customer groups and expanding to potential new customer groups : The Company has continually marketed products among their long-time loyal customers under the strategy of original customers recommending our good quality products to a younger generation of customers to build market share among female teenagers. The Company has undertaken re-branding of First Bra products for young women, becoming “Wacoal Bloom” via multiple advertising media, effectively achieved through fast communication with accessible and easily understood information gradually resulting in new customers. Moreover, sales promotion activities to customers’ liking were launched to stimulate purchases and favorable communication by key influencers on social media was promoted to prospective customers.
- General customers, having never used the Company’s products : The Company focused increasing efforts on more modern product design and manufacture to appeal to fashionable customers. In this connection, Wacoal Mood launched 3 new pattern design collections “Wacoal Mood x Oh Futon season 2” the beautiful shape wireless bra with very lovely patterns designed by the famous painter Oh Futon.

In addition, the company has developed the collection “Wacoal Smart Size” lingerie focusing on modern girls as the target group under the concept “the bras simply selected, beautifully fitted, wireless enhancing comfortable wear with the slogan “New Generation Bras: Easy to Choose, Beautiful to Wear”, innovatively manufactured using 3D Fit Function, 3- dimensional breast mold, wireless breast base, bending to the body contour, fitting every cup size rendering comfortable wear. There are 4 sizes available, namely S, M, L and LL, featuring adjustable bra hooks in 4 levels. Wacoal Smart Size has “Binko” Parpfa Puttaraksa or Binko Art Illustrator as collaborator in designing “Wacoal x Binko” to add variable patterns and colors that attract teenagers who prefer novel distinction of design and function, Also utilizing multiple marketing strategies in line with people’s modern lifestyles through both offline and online media such as advertisements on television, newspapers and magazines. In addition, out-of-home media, media in department stores, media in movie theatres, social media channels such as Facebook, Fan Page, IG, Line, Email have also been used, which can save more time, expenses and provide ready access to targeted customers. This also includes building up relationships with TV Shopping channels for digital and cable TV advertisements. Giving special privileges to targeted customers for brand experience through physiological expertise and good services enabling increase in sales of every product line according to the set targets. Additionally, Wacoal has expanded markets to new customers in AEC, namely Myanmar, Cambodia and Laos through the online channels, i.e. Facebook so as to communicate with prospective customers, thereby expanding its customer base in AEC.

- Consumers with Cross Product Experience : The Company has offered special prices for some recommended items for buyers in order to create brand awareness and trials of other products of the Company.

## - Omni Channel Marketing

Nowadays, fierce competition in ladies lingerie is found in various distribution channels, starting from traditional channels such as department stores, discount stores, the Company’s shops, necessitating the extension of sales to multiple online channels or TV Shopping. Growth in these new channels is expected to increase yearly due to its easy access and ability to meet customers’ demand more rapidly and completely. As such, the Company has partnered with famous online sales websites, TV shopping channels or catalogue sales as the channels are those whereby producers can communicate their product innovations more completely while allowing consumers to be familiarized about the innovation of products before connecting them to visit the points of sale at Department Stores to see the real products. Such are components of Omni Channel marketing is expected to post further growth in line with the changing consumers’ behavior in this modern age.

## 2. Number and Size of Competitors

Only integrated business can survive in the various industries. Nonetheless, women’s lingerie is a specific industry, which has many challenges in entering the market, starting from importing raw materials, local production of some raw materials, sewing technique and distribution method that requires agents such as department stores or discount stores. The Company continues to place significance on all trading partners whether old channels or new, allowing it to retain and develop its potential to expand its customer base to all



consumer groups and effectively respond to customer needs.

### 3. The Company's Competitive Status and Potential

The Company pays careful attention to new distribution channels as well as the purchase behavior of customers that is different in each channel. During the past year, the Company has adjusted its approach to proposing contents that are more appealing to the target groups, especially online customers who are likely to grow rapidly. In this connection, the Company uses integrated communication tools via 360° of online channels such as employing influencers of its business alliance media to assist in disseminating contents, adapting online communication methods to gain access to target consumers, resulting in the Company getting good feedback as evident from growing sales, both in terms of number of pieces and amount of monetary gain. To this end, the Company additionally aims at further extending its market base in the future. In the past year, the Company collaborated with Lazada, the major E-Commerce organization in South East Asia, by fully taking products to sell via this online channel in order to widen the distribution base of the Company to rapidly increasing online customers.

#### - Product Acquisition

ICC is currently carrying five lingerie brands, produced by two major manufacturers:

- 1) Thai Wacoal Plc., manufacturer of Wacoal.
- 2) Pattaya Manufacturing Co., Ltd., manufacturer of Kullastri, BSC, BSC Signature, Elle.

Suppliers of raw materials for both these companies are A Tech Textile Co. Ltd., G Tech Material Co. Ltd., Champ Kabin Co. Ltd., Thai Gunze Co. Ltd., Erawan Textile Co. Ltd., Textile Prestige Plc., Thai Naxis Co. Ltd., Thai Takeda Lace Co. Ltd., Thai Sakae Lace Co. Ltd. and Fujix International Co. Ltd., all of which belong to the Saha Group with manufacturing standard accreditation of ISO 9001. Research and development of new materials have consistently been undertaken resulting in an advantage over competitors in terms of having a wide and diverse range of raw materials and also lower production costs.

#### - Industrial Trend and Future Competition

The overview of overall trends for the textiles and garment industry shows possible growth in both production and export sectors. Most of the production is for ASEAN markets, due to the advent of the ASEAN Economic Community since the end of 2015, rendering increasing opportunity to expand production capacity, not to mention the increasing size of consumers' market from a population of 60 million to 600 million, which is a huge market with high potential.

In 2019, the Company still focused on research and development of new innovations and technology in designing women's apparel suitable for Asians and coinciding with consumers' behavior for every age group, lifestyle and fashion. This is based on creating good and quality products at worthwhile prices, using integrated product management systems to retain reasonable level of inventory to balance with sales volume--not too much nor too little, while also increasing transportation channels to distribute products to shops more rapidly instead of retaining large amounts of inventory at shops, as well as implementing strategies to create effective production to meet consumers' lifestyles in this Digital Age as much as possible.

### 3. Men's Wear Industry

#### - State of Competition

In 2019, menswear sales in department stores have decreased marginally in comparison with the previous year with continued decline in spending among consumers due to economic factors. Consumers were deliberately more selective to choose good quality products than previously, and continued taking into account the ongoing innovation of goods.

In addition, most producers emphasized pricing methods whether offering discounts, redemptions, giveaways and distribution of premium goods to stimulate sales and minimize products in their stocks, but rarely conducted new marketing campaigns. Many had to develop their production efficiency to achieve lower costs, and to ensure flexibility in management for higher competitiveness. In addition, they have to set aside budget for marketing activities for competitive advantages in the long run.

As far as the state of competition is concerned, some advantages still prevailed, namely:

1. The Company's menswear has created a wide range of product lines (portfolio) which can cover the whole target market in many various segments, resulting in wide distribution and a strong market share as well as the balance of negotiating power in distribution.
2. The Company's products are well-known and well-accepted for their reputation and high quality.
3. The Company's products have undergone development and it had successfully and consistently launched innovations into the market owing to support from major suppliers (belonging to the Saha Group). There is an expansion of factories to cater for this growth, from the thread-spinning factory, dyeing factory, cloth decoration factory to ready-made shirts manufacturing

factories, to support the Company in its potential to create a constantly growing market share.

4. The Company has strong personnel with good habits of thought and the determination to achieve corporate targets and they are consistently ready to learn and improve.
5. The Company has a Big Data policy to analyze relevant data and customer behavior (Descriptive Analysis) and to make projections into future trends of customer demand (Predictive Analysis) in order to be able to better respond to consumers' needs.

### - Product Acquisition

The Company has acquired products from 3 major suppliers, namely :

1. Thanulux Plc., manufacturer of shirts, T-shirts, suits, bags and leather goods.
2. People's Garment Plc., manufacturer of T-shirts and trousers.
3. Bangkok Tokyo Socks Co.Ltd., manufacturer of socks.

Manufacturing technology used is medium-ranged, with a fair number of workers and the modern use of automated machinery for higher production efficiency.

Moreover, the manufacturing group has established factories within a BOI-promoted Industrial area (Zone 3), resulting in a decisive advantage in production costs.

### - Industrial Trend and Future Competition

Although the market remains sluggish, the industry at large tends to remain stable and continue growing because consumers still continue to pay more attention to their dress. Meanwhile, fierce market competition is expected to rise due to foreign rivals including influx of cheap products from the People's Republic of China. Local producers will have to analyze the market and consumer behavior in each area, create innovations in various forms in terms of products, marketing channels and develop strengths of each product for each target group of buyers in order to survive in the market amid the more intense competition.

## 1. Production Risks

In terms of the potential risk factors which may impact on business operation, the Company recognizes the importance of closely monitoring and systematically formulating and implementing risk management plans to cover the following aspects:

Risks relating to production to ensure the quality of products and production timeline as set by the Company.

### - Preventive Measures

The Company selects suppliers with operation management which have attained ISO 9001 accreditation to be confident that our business partners have the required management systems, capabilities and ability to comply with the production policy set by the Company to ensure that the manufactured goods achieve all set targets. These companies were all established with the objective to mutually support one another under the umbrella of the Saha Group, thereby strengthening each other's business operations and enhancing their potential and competitiveness, as well as collaborating immediately to resolve any problems or challenges which may arise.

## 2. Product Management Risks in Stores

These are risks pertaining to the imbalance of stock management not being in line with consumer demand or not having the desired products in the store, which impacted on sales targets and market opportunity, exacerbated by the rapid change in online marketing, has required that production planning to be more flexible so as to always be prepared to meet the variant challenges both in terms of fashion and production volume.

### - Preventive Measures

1. The Company introduced the Quick Response Management System or QRMS to enhance its potential in stock management efficiency, resulting in more effective monitoring and management of stocks on a daily basis in every store and rendering effective data analysis to obtain more timely and accurate picture of market demand and product movement in order to mitigate opportunity loss and ensure availability of products in market demand, as well as modify production plans accordingly for optimum efficiency.

2. The Company has created an Auto Replenishment system, by adapting the QRMS to effectively and efficiently manage stocks at all stores to ensure that stocks can be replenished in accordance with customer demand in terms of desired products and their volume to ensure that stocks at all stores coincide with sales.

## 3. Risks Relating to Sales Channels

The Company's business is conducted through main sales channels which have limitations in terms of area size and number of branches.

### - Preventive Measures

1. The Company policy is to further accelerate expansion of sales in Discount Stores, including modification of its sales and order placement systems especially for this sales channel in accordance with the demand and purchasing power of target clients of Discount Stores. This strategy is applied to all product categories through development of products with both quality and pricing that appeal to target clients, especially for apparel with the main emphasis on fashionable design and colors.

2. The Company policy is to accelerate the increase of sales channels, especially in E-Commerce of which online customers have rapidly increased. In the past year, the Company has partnered with Lazada to provide online sales. In addition, it has expanded its outlets under ICC direct management in the Specialty Store model, to enhance sales potential in addition to the sales channel in major department stores nationwide.

## 4. Risks Relating to Changing Customer Behavior

Risks from changing customer behavior derived from such fast pace of change that products cannot keep up, necessitated the use of modern technology which responds to customer demand and facilitate consumer convenience in their online shopping via enhanced online access by utilizing social media such as Facebook, Line, Youtube, Instagram and others. This has resulted in the rapid expansion of our online customer base. Factors which support the changing trend to more online shopping among consumers are convenience, timely delivery of goods, safety, effective use of technology to meet customers' demand, as well as business development to diversify services which required the Company to develop the knowledge base and capabilities of its personnel to be more tech-savvy so as to provide timely and appropriate response to changing customer behavior.

## - Preventive Measures

1. The Company focused on developing product diversity in response to the quick pace of change in consumer demand, as well as its efforts to expand the market base to reach out to potential customers who may not have ever used certain types categories of products, and to encourage those who are regular customers to use the products more frequently.

2. The Company also focused on research into consumer behavior on a consistent and continuous basis by organizing focus groups to which customer groups are invited to attend small seminars, so that the information derived from all aspects of their views can be used for further product development and creation of new products which better respond to customer demand and are best suited to consumer behavior in all age groups and all lifestyles, both in terms of function and fashion.

3. The Company increased its communications channels to promote better understanding among customers of all ages and lifestyles by expanding its online communications in accordance with changing media consumption behavior. Furthermore, the Company also added to its online sales channels, for example, via eThailandBEST.COM and Lazada websites, in order to offer additional options for customers to purchase products.

4. The Company is dedicated to creating quality products at appropriate pricing in more targeted response to specific consumer groups, thus building positive impressions in their hearts and minds. At the same time, the Company also continuously generated measures to stimulate the market by capturing the interest and attention of target consumer groups in its effort to maintain and expand its customer base, including adoption of a strong Customer Relationship Management system in the form of His and Her Membership.

5. The Company has focused on improvement and development of its modernization systems including its E-Commerce website [www.ethailandbest.com](http://www.ethailandbest.com) to facilitate easier access and transaction. Furthermore, its partnership with Tiger Distribution and Logistics Co., Ltd., whose long experience in warehousing and timely delivery of goods nationwide through its efficient distribution mechanism, provides consumer confidence to online customers that they will get safe and fast service.

6. Online disruption has impacted on many businesses since digital media play a major role in changing consumers' behavior of spending, well-being and lifestyles. Their way of life and spending habits differ from the past. Retail businesses need to adjust and upgrade their strategic framework to cope with the rapidly changing technology. To this end, the Company has developed its strategic structure along with adjusting new business models to be in line with change and competition, as well as focusing on creating brands in digital media and linkages with its online business partners such as Lazada, Shopee to create value for customers to connect both online and offline while developing products particularly suiting those sale channels.

## 5. Risk from the Government Sector's Free Trade Policy

The Government's free trade policy advocates 0 tariff in compliance with the ASEAN Free Trade Agreement of which cosmetics is also covered, rendering Thai companies having to ensure their preparedness, including adjustment in capital costs based on the required standard.

Such development has resulted in fierce market competition although the impact on the Company should not be much since the tariff base for the import of cosmetics is currently at 5%. Moreover, the Company is at an advantage in terms of its production technology.

## 6. Risks from reduction in the number of tourists

The products for which the Company is import and distribution agent are products in demand among Chinese, Russian and Middle Eastern tourists. The reduction in the number of tourists inevitably impacts on the sales of the Company especially in those provinces which are tourist destinations.

### - Preventive Measures

1. Adjust sales promotion plans to focus on replacement domestic customers, or other groups of tourists still entering the country.
2. Collaborate with department stores in jointly setting plans to attract higher numbers those tourists who are still traveling to the country to visit our shops or sales outlets.
3. Use various online media preferred by tourists during their travels in our country.



## 7. Outdated Products

The Company is a major distributor of fashion products, the popularity of which changes rather quickly. In 2019, the Company has inventories in the amount of THB 3,601.69 million or 47.45 percent of current assets and 15.27 percent of total assets, with a turnover rate of 166 days, which may be at risk of becoming obsolete if not sold in a timely manner, rendering an increase in management costs and requiring the setting of allowance for obsolete or impaired products which causes a decrease in net profit and liquidity. However, the Company has a management policy to prevent long-term inventories whereby slow-moving products are released through acceleration of sales promotion activities.

## 8. Investment

The Company invests in businesses of a total of 117 affiliated and other companies in the proportion of shares held of not more than 50 percent of the registered capital of such company and 4 companies of which its equity is more than 50 percent of the registered capital, which are considered subsidiaries of the Company. Investment is in the form of cross or reverse shareholding between affiliated companies, with the Company having no control over the invested company and their management is completely under the direction of the respective board of directors of each company.

The management and decision making with regard to the Company's investment is in the form of joint investment in related businesses, or in businesses which are mutually beneficial to each other, including as an investment to diversify risks.

The Company receives a return on investment in the form of dividends. If any invested company suffers a loss, the Company will record an allowance for loss on impairment of investment in the income statement of the Company. The said shareholding structure does not affect the recognition of the Company's revenue sharing and does not make any difference to the financial statements.

The Company has measures to prevent investment risks by appointing a person who is in a joint venture company or is in a company that does business related to the invested business, as focal point of the investment to monitor the financial statements and information regarding the invested company's situation to know if there are problems and report to the Company and the shareholders in the group once a year, as well as to immediately report any unusual or critical events so that solutions may be collectively found. In addition, the Board of Directors and Executive Committee meetings are regularly convened to review the operating results of the businesses in which the Company invests, with a focus on businesses which are suffering loss and finding remediation of the losing transaction for sustainable profit in that business.

## 9. Loans and guarantees

As of December 31, 2019, the Company has loans to 3 joint venture companies amounting to THB 181.50 million compared to THB 232.51 million in the year 2018, a decrease of THB 21.94 million, due to repayment of the loan.

As of December 31, 2019, the Company has obligations to guarantee loans to 11 companies in the amount of THB 334.97 million compared to THB 333.08 million in 2018, with the amount of guarantees increasing from 2018 by THB 1.89 million. Such guarantees are extended according to the joint venture agreement and are proportionate to the Company's shareholding.

# The Company's General and other Significant Information

1. Name, Head office address, Telephone, Fax, Website, E-mail, Registered No., Type of business, Number and type of total paid-up shares of the company

Name : I.C.C. International Public Company Limited  
 Head office address : 530 Soi Sathupradit 58, Bangpongpan, Yannawa, Bangkok 10120  
 Tel. (662) 293-9000, (662) 293-9300 Fax. (662) 294-3024  
 Website : <http://www.icc.co.th>  
 E-mail : [webmaster@icc.co.th](mailto:webmaster@icc.co.th)  
 Registered No. : 0107537001374  
 Type of business : Commercial  
 Number and type of total paid-up shares

Type	Number of Shares	Par value
Common Stock	290,633,730	1 Baht

Name, Head office address, Type of business, Number and type of total paid-up shares of the affiliated companies :  
 -None-

2. Name, Office address, Telephone and Fax of other reference persons :

Registrar : Thailand Securities Depository Co., Ltd.  
 93 fl.14 Ratchadaphisek Road, Dindaeng, Bangkok 10400  
 Tel. (662) 009-9000  
 Fax. (662) 009-9992  
 Certified Public : 1. Mr. Ekkasit Chuthamsatid  
 Accountant : 2. Miss Nittaya Chetchotiros  
 3. Mr. Thanit Osathalert  
 C.P.A. (THAILAND) Reg. No. 4195, 4439 and 5155  
 KPMG Phoomchai Audit Ltd.  
 Empire Tower, 50<sup>th</sup> - 51<sup>st</sup> Floors, 1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120  
 Tel. (662) 677-2000 Fax. (662) 677-2222  
 Legal Advisor : Mr. Vira Ua-Arak  
 Vira Law Office Co., Ltd.  
 548/14 -15 Soi Sathupradit 58 Yaek 18, Bangpongpan, Yannawa, Bangkok 10120  
 Tel. (662) 683-8023 Fax. (662) 683-8843

3. Other Significant Information : -None-

## The Company's General and other Significant Information

4. Name, location, type of business, issue and paid-up shares capital of companies with the company holding more than 10 % of the total paid-up shares.

No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
Distribution Companies								
1.	SAHAPATHANAPIBUL	Bangkok	Consumer Products	Common	330,000,000	33,630,158	1,807,620,992.50	10.19
				Share		(market price as of Dec 31, 2019)		
2.	O.C.C.	Bangkok	Distributor	Common	60,000,000	11,839,980	149,183,748.00	19.73
				Share		(market price as of Dec 31, 2019)		
*3.	INTERNATIONAL	Hong Kong	Distributor	Common	50,000	9,500	4,109,700.00	19.00
	COMMERCIAL			Share				
	COORDINATION (HK)							
4.	BETTER WAY	Bangkok	Direct Sale	Common	10,000,000	1,648,375	104,314,361.65	16.48
	(THAILAND)			Share				
5.	FAIRYLAND	Nakornsawan	Department Store	Common	1,000,000	106,200	15,930,000.00	10.62
	DEPARTMENT STORE			Share				
6.	U C C UESHIMA	Bangkok	UCC Coffee Shop	Common	150,000	15,000	1,500,000.00	10.00
	COFFEE (THAILAND)		and Wholesaler of	Share				
			Instant Coffee and					
			Office Coffee					
7.	E.P.F.	Bangkok	Distributor, Retailer	Common	65,000	6,500	390,000.00	10.00
				Share				
8.	KAI I.T. SERVICE	Bangkok	Assembling and Selling	Common	400,000	40,000	1,125,600.00	10.00
			Computer	Share				
9.	MORGAN DE TOI	Bangkok	Distributor of men's and	Common	400,000	48,000	4,800,000.00	12.00
	(THAILAND)		women's apparels and	Share				
			leather products under					
			the brand "MORGAN"					
10.	DAISO SANGYO	Bangkok	One-price retail business	Common	28,000,000	3,249,474	32,494,740.00	11.61
	(THAILAND)		of consumer products	Share				
11.	SHISEIDO	Bangkok	Beauty salon and spa	Common	7,000,000	1,050,000	10,500,000.00	15.00
	PROFESSIONAL		including import and	Share				
	(THAILAND)		export of cosmetic					
			products					

## The Company's General and other Significant Information

No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
12.	TSURUHA	Bangkok	Retail store, sale health	Common	250,000	37,500	60,000,000.00	15.00
	(THAILAND)		and beauty products,	Share				
			other consumer products					
13.	SHOP GLOBAL	Bangkok	TV Shopping	Common	10,850,000	1,890,000	189,000,000.00	17.42
	(THAILAND)		(sale products via	Share				
			Satellite TV)					
*14	AMIS DU MONDE	France	Trading products in	Common	145,641	119,304	48,923,857.35	81.92
			France and abroad	Share				
			including import					
			and export					
*15.	CANCHANA	Cambodia	Distribution of products	Common	1,000	600	13,825,570.00	60.00
	INTERNATIONAL			Share				
<b>Total</b>					<b>448,311,641</b>	<b>53,690,591</b>	<b>2,443,718,569.50</b>	

**Remarks :** \* Investment in other countries



## The Company's General and other Significant Information

4. Name, location, type of business, issue and paid-up shares capital of companies with the company holding more than 10 % of the total paid-up shares.

No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
Manufacturing Companies								
1.	TEXTILE PRESTIGE	Bangkok	Embroidered Lace, Sponge	Common Share	108,000,000	11,261,720 (market price as of Dec 31, 2019)	112,617,200.00	10.43
2.	S & J INTERNATIONAL ENTERPRISES	Bangkok	Cosmetics	Common Share	149,930,828	21,897,781 (market price as of Dec 31, 2019)	547,444,525.00	14.61
3.	THANULUX	Bangkok	Leather Products & Accessories	Common Share	120,000,000	13,307,040 (market price as of Dec 31, 2019)	227,550,384.00	11.09
4.	SAHACOGEN (CHONBURI)	Chonburi	Power Plant	Common Share	955,000,000	107,932,960 (market price as of Dec 31, 2019)	414,462,566.40	11.30
5.	LION CORPORATION (THAILAND)	Bangkok	Detergent	Common Share	5,000,000	600,000	60,000,000.00	12.00
6.	RAJA UCHINO	Bangkok	Towels	Common Share	1,215,000	165,150	16,322,496.00	13.59
7.	CHAMP ACE	Bangkok	Garment	Common Share	400,000	50,000	5,000,000.00	12.50
8.	H & B INTERTEX	Bangkok	Soft and Plush Toys	Common Share	400,000	76,000	7,600,000.00	19.00
9.	INTERNATIONAL LEATHER FASHION	Bangkok	Leather Shoes	Common Share	500,000	140,000	21,727,300.00	28.00
10.	TOTAL WAY IMAGE	Bangkok	Leather Goods	Common Share	200,000	20,000	2,000,000.00	10.00
11.	TOP TREND MANUFACTURING	Chonburi	Plastic Packaging	Common Share	1,200,000	216,000	43,200,000.00	18.00
12.	THAI TAKAYA	Bangkok	Jean Trousers	Common Share	300,000	30,000	3,000,000.00	10.00
13.	SSDC (TIGERTEX)	Prachinburi	Bleaching & Dyeing	Common Share	32,400,000	6,345,520	33,135,122.78	19.58
14.	THAI ARAI	Chonburi	Automobile Parts	Common Share	1,260,000	135,450	14,162,504.36	10.75
15.	THAI SPORTS GARMENT	Bangkok	Garment	Common Share	100,000	12,000	1,200,000.00	12.00
16.	THAI GUNZE	Prachinburi	Knit Wear	Common Share	1,800,000	288,000	28,800,000.00	16.00

## The Company's General and other Significant Information

No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
17.	THAI CUBIC	Chonburi	Surface Decorating	Common	400,000	76,000	7,600,000.00	19.00
	TECHNOLOGY		Service	Share				
18.	KEWPIE	Bangkok	Food	Common	2,630,000	283,231	27,596,500.00	10.77
	(THAILAND)			Share				
19.	THAI SHIKIBO	Bangkok	Textile (Spinning)	Common	2,375,000	278,900	26,539,112.00	11.74
				Share				
20.	THAI TAKEDA LACE	Bangkok	Lace	Common	1,270,000	162,000	20,482,860.00	12.76
				Share				
21.	THAI SUN FOODS	Bangkok	Producing and Trading	Common	5,000,000	950,000	9,500,000.00	19.00
			Fruit Juice "Green mate"	Share				
			and Distribution of					
			"Homey" Biscuits					
22.	INTERNATIONAL	Bangkok	Cosmetics	Common	24,000,000	4,694,400	336,561,800.00	19.56
	LABORATORIES			Share				
23.	BANGKOK TOKYO	Chonburi	Socks Manufacturing	Common	1,617,800	280,000	24,250,000.00	17.31
	SOCKS		and Export	Share				
24.	ERAWAN TEXTILE	Samutprakarn	Producing and weaving	Common	6,214,634	1,019,978	115,714,662.91	16.41
			threads from cotton and	Share				
			polyester T/C					
25.	THAI ITOKIN	Bangkok	Ladies' wear	Common	1,400,000	814,250	80,101,152.00	58.16
				Share				
Total					1,422,613,262	171,036,380	2,186,568,185.45	

## The Company's General and other Significant Information

4. Name, location, type of business, issue and paid-up shares capital of companies with the company holding more than 10 % of the total paid-up shares.

No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
Service Companies and Others								
1.	FAR EAST FAMELINE DDB	Bangkok	Advertising	Common	7,870,000	797,800	136,024,900.00	10.14
				Share		(market price as of Dec 31, 2019)		
2.	PAN ASIA	Chonburi	Investment	Common	540,000,000	102,112,778	62,288,794.58	18.91
	FOOTWEAR			Share		(market price as of Dec 31, 2019)		
3.	SAHA	Bangkok	Industrial Estate	Common	1,800,000	225,000	22,500,000.00	12.50
	RATTANANAKORN			Share				
4.	SAHA UBOLNAKORN	Bangkok	Industrial Park	Common	1,250,000	237,500	1,484,375.00	19.00
				Share				
5.	K. COMMERCIAL	Bangkok	Construction	Common	500,000	72,500	25,344,590.25	14.50
	AND CONSTRUCTION			Share				
6.	SAHAPAT REAL	Bangkok	Real Estate	Common	36,000,000	7,164,000	82,087,500.00	19.90
	ESTATE		Development	Share				
7.	WORLDCLASS RENT	Bangkok	Car Rent	Common	1,000,000	211,111	19,792,935.73	25.00
	A CAR			Share				
				Preferred	2,800,000	738,889	73,888,900.00	
				Share				
8.	D F INTER	Bangkok	Made-to-Order	Common	50,000	9,500	1,060,200.00	19.00
			Furniture	Share				
9.	THAI FLYING	Bangkok	Aircraft and Helicopter	Common	20,000	3,000	300,000.00	15.00
	MAINTENANCE		Maintenance Service	Share				
10.	UNITED UTILITIES	Bangkok	Real Estate	Common	3,500,000	649,457	72,315,002.82	18.56
				Share				
11.	TREASURE HILL	Chonburi	Golf Course	Common	2,000,000	240,000	16,178,000.00	12.00
				Share				
12.	PAN LAND	Chonburi	Land Development	Common	3,000,000	500,000	49,367,900.00	16.67
				Share				
13.	TIGER DISTRIBUTION	Bangkok	Distribution and	Common	2,000,000	398,000	6,982,399.12	19.90
	& LOGISTICS		Logistics	Share				
14.	WASEDA EDUCATION	Bangkok	Institute of Japanese	Common	200,000	21,427	2,142,700.00	10.71
	(THAILAND)		Language and	Share				
			Cultural Studies					
15.	THAI SECOM	Bangkok	Security	Common	3,788,572	966,282	196,982,375.50	25.50
	SECURITY			Share				
				Preferred	766	-	-	
				Share				

## The Company's General and other Significant Information

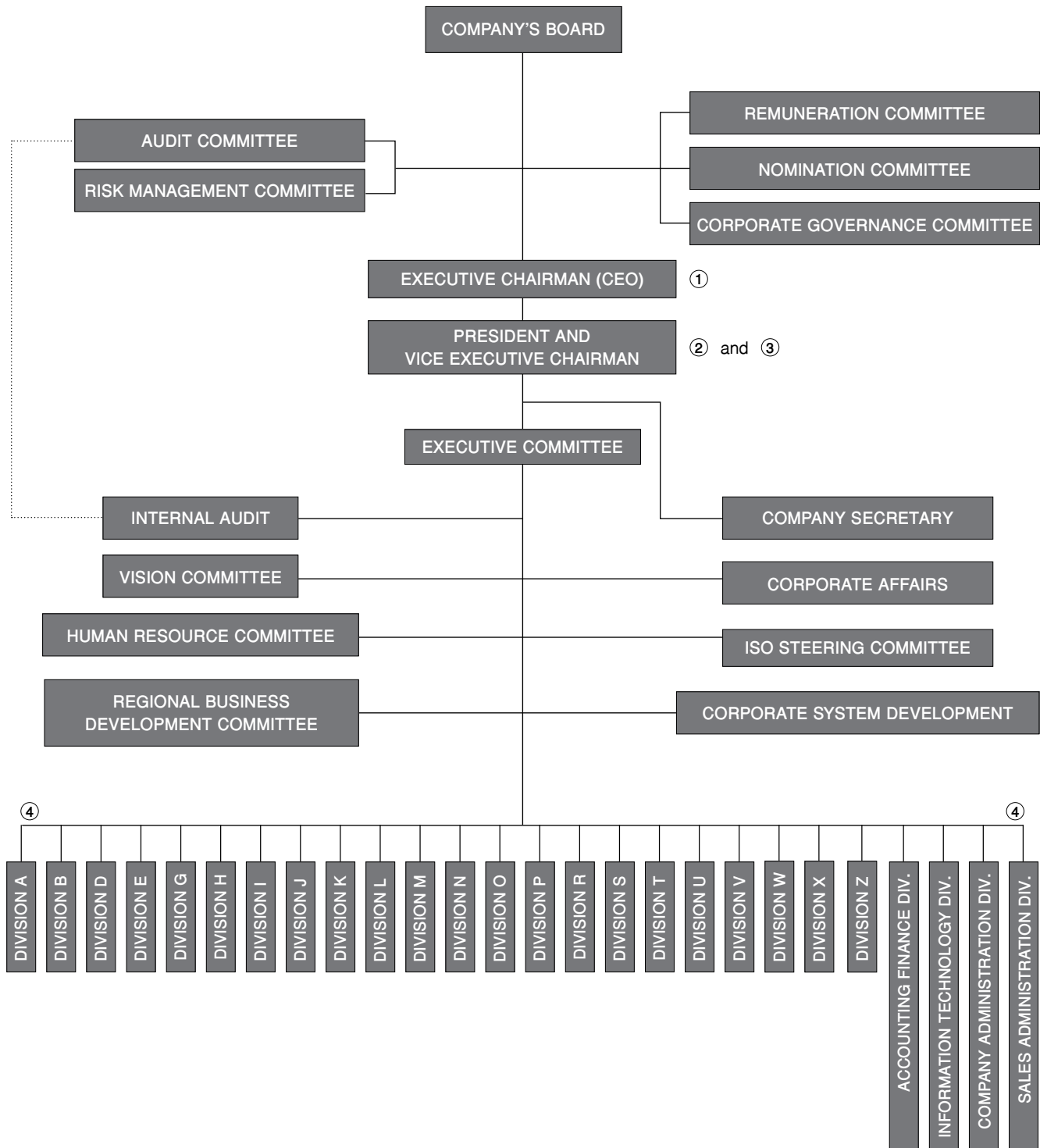
No.	Companies	Location	Type of Business	Type of Shares	No. of Total Paid-up Shares	No. of Shares Held	Investment amount (฿)	Percentage of Shares holding
16.	ISSARA UNITED	Bangkok	Property Development	Common	3,000,000	749,997	74,999,700.00	25.00
				Share				
17.	BOON	Bangkok	Investment	Common	70,000,000	22,399,999	223,999,990.00	32.00
	CAPITALHOLDING			Share				
18.	WBRE	Bangkok	Real Estate	Common	500,000	499,997	49,999,700.00	100.00
				Share				
19.	BNC REAL ESTATE	Bangkok	Real Estate	Common	2,400,000	400,000	40,000,000.00	16.67
				Share				
*20.	NANAN CAMBO	Cambodia	Real Estate Investment	Common	1,000	490	6,475,840.00	49.00
	SOLUTION			Share				
21.	SAHA TOKYU	Chonburi	Real Estate	Common	447,000	95,040	53,640,000.00	12.00
	CORPORATION			Share				
*22.	TIGER MK LOGISTICS	Myanmar	Logistics Service	Common	30,000	5,400	1,786,320.00	18.00
	(MYANMAR)			Share				
23.	ISSARA UNITED	Bangkok	Hotel	Common	3,600,000	899,997	89,999,700.00	25.00
	DEVELOPMENT			Share				
24.	WORLDBEST	Bangkok	Car Rent	Common	500,000	50,000	5,000,000.00	10.00
	CORPORATION			Share				
25.	SAHA CAPITAL	Bangkok	Real Estate	Common	20,000,000	2,000,000	50,000,000.00	10.00
	TOWER			Share				
Total					706,257,338	141,448,164	1,364,641,823.00	
Grand Total					2,577,182,241	366,175,135	5,994,928,577.95	
Less : Provision for loss from impairment of investment							509,920,020.26	
Net					2,577,182,241	366,175,135	5,485,008,557.69	

Remarks : \* Investment in other countries



## Structure of Organizational Management

The Company strives for sustainable development in all dimensions by assigning duties and responsibilities based on the corporate organizational structure of December 31, 2019 which is publicized on the company website <http://www.icc.co.th>



①-④ Company's executives as announced by The Securities and Exchange Commission (SEC)

## Board of Directors

The Company appoints no less than 5 Directors (in compliance with the Public Company Act) to be on the Board with the following qualifications:

1. Is a natural person (non-juristic person)
2. Has attained legal age
3. Not being bankrupt, incompetent or quasi-incompetent
4. Has never served any prison term by a final judgment of a court for misconduct from fraudulent acquisition
5. Has never been expelled or dismissed from the civil service or from government organizations or agencies for fraud.

The Company's Board of Directors consists of 12 members as follows:

- Non-executive Directors	4	persons
- Audit Directors (independent director)	4	persons
- Executive Directors	4	persons

The structure of Board of Directors and corporate administration has been established with an audit practice and appropriate balance of power of non - executive directors.

The Board of Directors consists of 4 independent directors, or 33.33 % of the entire Board which is the stipulated standard (one third or 33.33%) by the Capital Market Supervisory Board. Moreover, the Board also has one independent director who is female.

The Board of Directors consists of 4 independent audit directors with duties and responsibilities as stipulated by regulations of the Stock Exchange of Thailand with knowledge and experience in auditing the credibility of financial statement, including other duties as being concurrently on the Audit Committee.

Furthermore, there are 4 directors on the Board who are non-executive directors with related business experience.

Name list and position including number of meetings and attendance are shown on page 66-67 of this annual report.

Profile of directors is shown on page 8-17 of this annual report.

Tenure of the company's directors, executives and authorized persons in the related companies can be observed on page 68-71 of this annual report.

### The Authority of Board of Directors

Two out of the following seven directors shall co-sign and affix the company's common seal :

- |                 |                          |
|-----------------|--------------------------|
| 1. Mr. Boonkiet | Chokwatana               |
| 2. Mr. Thamarat | Chokwatana               |
| 3. Mr. Manu     | Leelanuwatana            |
| 4. Mr. Somphol  | Chaisiroj                |
| 5. Ms. Munchusa | Terapongpipat            |
| 6. Mrs. Kobsuk  | Saengsawad               |
| 7. Surat        | Wongrattanapassorn Ph.D. |

All directors and management have no disqualified characteristics and no criminal records.

**Company Secretary:** Mrs. Duangrudee Milintanggul

### Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors, consisting of knowledgeable, capable, and diversely-experienced individuals, with expertise that benefit the Company. The Board possesses full understanding of their role, obligations, responsibility and leadership, including in terms of defining a clear vision for the company. They have complete independence in expressing their opinions and decision-making, so as to ensure business is conducted in order to achieve company objectives which optimize benefits to the company and shareowners. The Board of Director administrates the company by defining corporate Vision / Mission, Objectives, Strategies, Execution plans including annual financial plans in order to achieve the set targets. Good corporate governance is also used as a business management tool to increase added value to the business and shareowners.

The Company's Board of Directors monitors administrative performance of the Management team through a policy that assesses progress of work and the Company's business performance, as well as the share ownership of Directors and executives, all of which is to be reported to the Board meeting on a monthly basis. At the same time, it is also incumbent on the Board of Directors to approve the following year's corporate vision/mission, targets, strategies, plans and budget.

The Board and corporate management have performed their duties in the best interests of the company and shareowners under the current well-defined, balanced and auditable administrative structure.

In the past year, there was no record stating that the Company :

- committed any gross violation;
- committed any fraudulent and unethical conduct;
- had any case that a non-executive director resigned due to any corporate governance issue;
- had any case bearing negative impact on reputation due to failure in the discharge of duties as a member of the Board of Directors.

## Executive Directors

As of 31 December 2019, the Company has 15 executives. The list of executives and their respective responsibilities, share-owning and meetings of the Board of Directors are shown on Page 66-67 in this annual report.

Their resumes are on Pages 8-17 in this annual report.

## Company's Secretary

In order to provide efficient administration in accordance with the policy on good corporate governance, the Company has appointed Mrs. Duangrudee Milintanggul, who possesses the required qualifications and appropriate experience, to be responsible as Company Secretary as of September 1, 2009.

**The Company Secretary has duties and responsibilities as follows:**

1. To provide primary advice to the Board of Directors concerning legal matters, Company's rules and regulation including monitoring its operation to ensure compliance. In addition, she would report significant changes (if any) to directors as well.
2. To coordinate between the Board of Directors and management, provide supervision and coordination on legal matters including relevant rules & regulations, as well as to monitor and ensure that appropriate actions are taken according to the Board's resolutions.
3. To hold Shareowners' and the Board of Directors' meetings in compliance with the relevant laws, Company's Articles of Association and other normal practices.
4. To record the minutes of Shareowners' and the Board of Directors' meetings and monitor the implementation of such resolutions.
5. To coordinate with responsible agencies in charge of the SEC and SET, and take charge of disclosure and reporting of information to the public, in so far as regulations of the SEC and SET are concerned and legally binding.
6. To provide and keep the following documents;
  - Directors registration
  - Invitation letter and Minutes of the Board of Directors' meeting
  - Invitation letter and Minutes of shareowners' meeting
  - Report on the trading of Company shares by Directors and Executives
  - Annual report
  - Form 56-1
7. To keep and maintain reports of interests submitted by the Directors or Executives, as well as send copies to the President and Chairman of the Audit Committee within 7 days from the day of receipt.
8. To organize orientation and provide guidance to newly-appointed board members.
9. To communicate with general shareowners to ensure that shareowners have complete and continual knowledge and understanding of their rights including access to the Company's news and information.
10. To undertake other responsibilities as regulated by SEC and assigned by the Company.

### Profile in brief

<b>Name-Surname</b>	:	Mrs. Duangrudee Milintanggul
<b>Education</b>	:	Bachelor in Business Administration & Economics, Kasetsart University
<b>Training Background</b>	:	<ol style="list-style-type: none"> <li>1. Strategic and Appreciative Business Development Program : THE MASTER 4 organized by Institute of Strategic and Appreciative Business Development</li> <li>2. Company Secretary Program (CSP 31/2009)</li> <li>3. Financial Statements for Directors (FSD 6/2009) organized by the Institute of Directors (IOD)</li> <li>4. Registered Lead Auditor (QMS, EMS, SA 8000) organized by the IRCA, UK</li> <li>5. Ethics and Corporate Sustainability organized by I.C.C. International Plc.</li> <li>6. Transfer Pricing Legislation [Amendment of the Revenue Code (Version 47) B.E. 2561] organized by the Saha Group Accounting and Finance Management Club</li> </ol>

### Work Experience

:

#### Present

1. Member of the Corporate Governance Committee
2. Member and Secretary of the Risk Management Committee
3. Corporate System Development Manager
4. Quality Management Representative (ISO 9001)
5. The Company's Secretary and Investor Relations
6. Secretary of the Company's Audit Committee
7. Secretary of the Company's Nomination Committee
8. Secretary of the Company's Remuneration Committee

#### Former

1989-1995 Sales & Marketing ; Bayer Thai Co., Ltd.

1995-2002 Registered Auditor (QMS, EMS, SA 8000); SGS (Thailand) Ltd.

2002-2003 Registered Auditor (QMS, EMS, SA 8000); RWTUV (Thailand) Ltd.

## Remuneration Directors and Executives

1. The monetary remuneration in 2019 for the operating year 2018

(a) Remuneration for directors of the board including gratuity, conference allowance. (A)

Remuneration for directors of sub-committees including conference allowance. (B)

Name	Position	Remuneration Directors * (Baht)			
		(A) Board of Directors	(B) Audit Committee/ Corporate Governance Committee	(B) Remuneration Committee/ Nomination Committee/Risk Management Committee	Total
1. Boonkiet Chokwatana	Chairman	1,310,000		40,000	1,350,000
	Executive Chairman				
	Remuneration Committee Chairman				
	Nomination Committee member				
2. Thiraphong Vikitset, Ph.D.	Audit Committee Chairman and Independent Director	546,000	110,000		656,000
3. Thamarat Chokwatana	Managing Director	1,288,000		128,000	1,416,000
	Vice Executive Chairman				
	Remuneration Committee member				
	Nomination Committee member				
	Risk Management Committee member				
4. Amorn Asvanunt	Independent Director and Audit Committee Member	496,000	96,000	80,000	672,000
	Risk Management Committee member				
5. Nophorn Bhongsvej	Independent Director and Audit Committee Member	488,000	136,000		624,000
	Corporate Governance Committee Chairman				
6. Assoc.Pro.Dr.Seri Wongmonta	Director	480,000			480,000
7. Duangphorn Sucharittanuwat	Independent Director and Audit Committee Member	496,000	96,000		592,000
8. Manu Leelanuwatana	Director	496,000		24,000	520,000
	Nomination Committee member				
9. Somphol Chaisiroj	Director	488,000			488,000
10. Munchusa Terapongpipat	Director, Nomination Committee member	496,000	40,000	128,000	664,000
	Risk Management Committee member				
	CG Committee member				
	Remuneration Committee member				
11. Kobsuk Saengsawad	Director	488,000			488,000
12. Surat Wongrattanapassorn, Ph.D.	Director	496,000			496,000
Total		7,568,000	478,000	400,000	8,446,000

Remark : \* Number of meetings attended by Directors of the Board and executives are based on their year of service since being elected during the shareholders' meeting, by taking into account of the meeting date which regularly falls in April of every year.



- (b) Remuneration for the executive directors and the first 4 directors of the executive board ranking from the Managing Director and all other executives equivalent in rank to the 4<sup>th</sup> executive, totaling 15 persons amounted to Baht 61,311,060 including salary, gratuity, allowance and conference allowance.

2. Other remuneration

- Other remuneration for directors - None -
- Other remuneration for directors and senior management

The Company and employees have jointly set up a Provident Fund according to the Provident Fund Act of 1987 on June 3, 1996 with the registration No. 41/2539. The Company has authorized a certified fund manager to manage the Fund by withholding from the employees' payroll and Company contribution. Directors and senior management will receive their eligible portions upon legitimate separation from the Company.

**Criteria in considering directors' remuneration are as follows**

1. To perform the duties of Company's director (Member, Board of Directors)

- Annual Remuneration (Gratuity) paid to every director.
- Conference Allowance paid to attending directors.
  - Chairman 10,000 baht / meeting
  - Director 8,000 baht / meeting
- Director fee (only paid to the Chairman)

2. To perform the duties of Director of the Audit Committee.

- Conference Allowance paid to attending directors.
  - Chairman 10,000 baht / meeting
  - Director 8,000 baht / meeting

3. To perform the duties of Director of the Remuneration Committee, Nomination Committee, Corporate Governance Committee and Risk Management Committee conference allowance shall be paid to attending directors at Baht 8,000 each per meeting.

**Benefits, Shares, Debentures awarded to Directors by the Company in 2019**

- None -

**Other privileges awarded to Directors by the Company**

- None -

**Details reported to the Company by Directors**

Direct or indirect profits or losses as a result of any agreement made by the Company during the accounting year.

- None -

**Shares held by Directors and Executives in the Company and in affiliated companies**

- Shares held by Directors and Executives in the company (including shares held by their spouse and children who are still minors) increase / decrease during the past year as stated on page 65 of this annual report
- Shares held by Directors in affiliated companies.
- None -

**Human resources**

**Number of employees and remuneration**

As of 31 December 2019, the Company has 4,769 employees and made payments of 1,497,648,117.- Baht in annual salary, commission, including short and long term remuneration in the form of retirement bonus and Provident Fund payout.

## - Employee Compensation

The Company and employees have jointly set up a Provident Fund according to the Provident Fund Act of 1987 on June 3, 1996 with the registration No. 41/2539. The Company has authorized a certified fund manager to manage the Fund by withholding from the employees' payroll and Company contribution. Employees will receive their eligible portions upon legitimate separation from the Company.

### Number of employees and remuneration

Description	Number of employees	Remuneration (Baht)
Office Staffs	1,553	743,401,979
Sales persons	3,216	754,246,138
<b>Total</b>	<b>4,769</b>	<b>1,497,648,117</b>

Significant change in the number of personnel or major labor dispute in the past 3 years - None -

### Policy in human resource development

The Board of Directors recognizes that employees are a valuable resource and the major driving force which enable the organization to achieve success. Therefore, it has formulated policies and procedures regarding development of their knowledge and capabilities.

In addition to staff development rendering professional growth in their career path, the Company also attaches importance to taking care of all its employees in the organization through fair treatment thereby establishing a remuneration policy as one of its strategy to retain employees who are knowledgeable and capable, with senior executives heading each division being responsible for reviewing and considering annual remuneration in comparison with that of other businesses in similar industries based on fairness, in accordance with the Company's operational results in relation to employees' performance.

Employees Development Policy and Activities as stated in the 2019 Sustainability Report of the Company.

## Shareowning of Directors and Executives

Name		December				Increase (Decrease)
		2019		2018		
		Shareowning		Shareowning		
		Directors / Executives	Spouse / Minor Children	Directors / Executives	Spouse / Minor Children	
1. Boonkiet	Chokwatana	5,903,810	167,790	5,894,710	167,790	9,100
2. Thamarat	Chokwatana	1,787,210	64,501	1,787,210	64,501	-
3. Thiraphong	Vikitset, Ph.D.	-	-	-	-	-
4. Amorn	Asvanunt	-	-	-	-	-
5. Duangphorn	Sucharittanuwat	-	-	-	-	-
6. Nophorn	Bhongsvej	-	-	-	-	-
7. Assoc. Prof. Dr. Seri	Wongmonta	-	-	-	-	-
8. Manu	Leelanuwatana	-	12,440	-	12,440	-
9. Somphol	Chaisiroj	63,340	-	63,340	-	-
10. Munchusa	Terapongpipat	12,510	-	12,510	-	-
11. Kobsuk	Saengsawad	1,420	-	1,420	-	-
12. Surat	Wongrattanapassorn, Ph.D.	20,000	-	20,000	-	-
13. Chailada	Tantivejakul	83,450	-	-	-	83,450
14. Ramida Russell	Maneesatiean	10,000	-	10,000	-	-
15. Bussabong	Mingkwanyeon	680	-	680	-	-
16. Viritpol	Chaithavornsathien	-	-	-	-	-
17. Nonglaks	Techaboonanek	-	-	-	-	-
18. Pennapha	Dhanasarnsilp, D.B.A.	6,100	10,000	6,100	10,000	-
19. Nattapat	Petchratanaporn	10,000	-	10,000	-	-
20. Khanisorn	Suyanand	540	-	540	-	-
21. Kityaporn	Chaithavornsathien	5,985,160	-	5,985,160	-	-
22. Sawat	Posinsomwong	-	-	-	-	-
23. Thitipoom	Chokwatana	1,465,600	-	1,465,600	-	-
24. Pairoj	Hirunwongsawang	6,970	-	6,970	-	-
25. Pranot	Vesaruchavit	-	-	-	-	-
Total		15,356,790	254,731	15,264,240	254,731	92,550

**Note :** # 7 is no longer a Director since 22 April 2019  
 # 13 was promoted to be a Director on 22 April 2019  
 # 25 is no longer Vice President Div. R since 1 June 2019

Chart displaying Directors and Executives’s position and attendance to the meetings

Name		Office period of company's Directors (end Dec31, 2019) (Year)	Position						
			Board of Directors (BOD)	Audit Committee (AC)	Remuneration Committee (RC)	Nomination Committee (NC)	Risk Management Committee (RMC)	Corporate Governance Committee (CG)	Executive Committee (EC)
1. Boonsithi	Chokwatana					Chairman			
2. Boonkiet	Chokwatana	46	Chairman and		Chairman	√			Chairman and Executive Chairman
			Executive Chairman						
3. Thamarat	Chokwatana	20	President and		√	√	√		President,
			Vice Executive						Vice Executive Chairman
			Chairman						and Vice President Div.G, N, S
4. Thiraphong	Vikitset, Ph.D.	20	√	Chairman					
5. Amorn	Asvanunt	38	√	√			Chairman		
6. Nophorn	Bhongsvej	5	√	√				Chairman	
7. Duangphorn	Sucharittanuwat	8	√	√					
8. Manu	Leelanuwatana	15	√			√			
9. Somphol	Chaisiroj	10	√						
10. Munchusa	Terapongpipat	4	√		√	√	√	√	Vice President Company Administration Div.
11. Kobsuk	Saengsawad	4	√						
12. Surat	Wongrattanapassorn, Ph.D.	3	√						Vice President Information and Technology Div.
13. Chailada	Tantivejakul	1	√						
14. Assoc. Prof. Dr. Seri Wongmonta									
15. Ramida Russell Maneesatiean									Vice President Div. B
16. Bussabong	Mingkwanyeon								Vice President Div. H
17. Viritpol	Chaithavomsathien								Vice President Div. I
18. Nonglaks	Techaboonanek								Vice President Div. M, O
19. Pennapha	Dhanasarnsilp, D.B.A.								Vice President Div. V
20. Nattapat	Petchratanaporn							√	Vice President Accounting Finance Div.
21. Khanisorn	Suyanand								
22. Kityaporn	Chaithavomsathien								
23. Sawat	Posinsomwong								
24. Thitipoom	Chokwatana								
25. Pairoj	Hirunwongsawang								
26. Yauwaluk	Namakorn						√		
27. Yothin	Suwanket						√		
28. Duangrudee	Milintanggul						√	√	
29. Pranot	Vesaruchavit								
30. Pitacha	Poosunthornsri								
Total			12	4	3	5	6	4	10

Notes : # 3 was promoted to be Vice President Div. N on 1 January 2019  
# 13 has taken the office as a member of the BOD since 22 April 2019  
# 14 is no longer the Independent Director since 22 April 2019  
# 27 was promoted to be a member of the Risk Management Committee since 17 May 2019  
# 29 is no longer a Vice President Div. R 1 June 2019  
nor a member of the Risk Management Committee since  
# 30 is no longer a member of Risk Management Committee since 17 May 2019

(A) Company's executives as announced by The Securities and Exchange Commission (SEC)  
(B) Number of meeting attended by the Board of Directors and Executives are based on their year of service since being elected during the shareowners' meeting by taking into account of the meeting date which regularly falls in April of every year

A Executives	B Attendance to the Meetings								Attendance to the 54 <sup>th</sup> shareowner's meetings 2019
	BOD's meeting	AC's meeting	RC's meeting	NC's meeting	RMC's meeting	CG's meeting	EC's meeting		
	12 meetings/ year	12 meetings/ year	2 meetings/ year	3 meetings/ year	11 meetings/ year	5 meetings/ year	Primary Meeting 23 meetings/ year	Secondary Meeting 23 meetings/ year	
				3/3					√
√	11/12		2/2	3/3			20/23	23/23	√
√	11/12		2/2	3/3	11/11		21/23	20/23	√
	12/12	11/12							√
	12/12	12/12			10/11				√
	11/12	12/12				5/5			√
	12/12	12/12							
	12/12			3/3					√
	11/12								√
√	12/12		2/2	3/3	11/11	5/5	23/23	23/23	√
	11/12								√
√	12/12						22/23	22/23	√
									√
	10/12								
√							18/23	17/23	
√							21/23	20/23	√
√							19/23	13/23	√
√							21/23	20/23	√
√							20/23	21/23	√
√						5/5	23/23	22/23	√
Vice President Div. A									√
Vice President Div. D									√
Vice President Div. W									
Vice President Div. X									√
Vice President Sales Administration Div.									√
					11/11				√
					11/11	5/5			√
					11/11				√
					11/11				√
15									25

## The Profile of Directors, Executives and Regulators in subsidiary, associated and other related companies

Name	Position							
	Boonkiet Chokwatana	Thamarat Chokwatana	Thiraphong Vikitset, Ph.D.	Amorn Asvanunt	Nophorn Bhongsvej	Duang-phorn Sucharittanuwat	Manu Leelanuwatana	Somphol Chaisiriroj
1. I.C.C. International	A,E	C, EC	AC	AC	AC	AC	F	F
2. Textile Prestige							A	
3. Thai Wacoal		F					A	
4. Thanulux		B					A	
5. People’s Garment	A							
6. Far East Fame Line DDB				AC				
7. Sahapathanapibul		F						
8. Saha Pathana Inter-Holding	F				AC		EF	
9. S&J International Enterprises	A			AC				
10. O.C.C.							F	
11. Champ Ace	A	F						
12. International Laboratories		F						
13. I.D.F.								
14. International Commercial Coordination		F						
15. Can	F	F						F
16. Pan Asia Footwear	A							
17. Bangkok Tokyo Socks							A	
18. First United Industry		F						
19. Koraj Wattana	A	F						F
20. Sun and Sand	F	F						A
21. D F Inter		F					A	
22. Company Assets Saha		F						
23. Thai Gunze							A	
24. Tiger Distribution & Logistics	A							
25. Thai Cubic Technology	A							
26. Better Way (Thailand)	A		F					
27. Paknumpo Wattana	F							F
28. Maharachapreukuk	F	F						F
29. Sukhatasana	A							
30. Thai Itokin	A							
31. Intersouth	F	F						
32. Intanin Chiangmai	F	F						
33. Eastern I.C.C.	F	F						F
34. Raja Uchino							A	
35. Thai Arusu		F					A	

**Remarks:** A = Chairman B = Vice Chairman C = President AC = Audit Committee Chairman EC = Director and Executive Vice President  
D = Director Manager E = Executive Chairman F = Director DE = Vice President FC = Director Advisor  
I = Vice President Division EF = Executive Director

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[illegible]

# Synopsis of Operations

(Million bath)

Transactions	Details	2019	2018	2017
<b>Net revenues</b>	Deriving from	<b>12,303.06</b>	<b>13,376.80</b>	<b>13,486.32</b>
	• sales	11,309.21	12,349.63	12,446.98
	• dividends	531.07	528.01	469.66
	• gain from disposal of assets	157.24	33.62	82.48
	• gain from disposal on investment	-	169.20	242.62
	• interest income	35.03	26.82	20.10
	• recovery of doubtful debt	69.42	-	-
	• other revenues	176.05	220.97	195.75
	• gain from impairment of investments	25.04	48.55	28.73
<b>Net profit</b>	After deducting	<b>719.04</b>	<b>934.02</b>	<b>846.99</b>
	• cost of sales	7,568.02	7,838.88	7,861.12
	• selling and administrative expenses	3,959.72	4,456.24	4,663.88
	• loss from impairment of investments	12.44	71.18	26.23
	• loss of investment in associates	-	-	-
	Total expenses	11,540.19	12,366.30	12,551.23
	• finance costs	2.32	1.64	1.61
	• corporate income tax	56.28	74.85	86.49
	equity attributable to owners of the equity	-	-	-
	• owners of the equity	725.20	931.28	846.48
	• nons-controlling interest	(6.16)	2.74	0.51
<b>Total assets</b>	Consisting of	<b>23,644.83</b>	<b>23,549.51</b>	<b>23,280.16</b>
	• current assets	7,647.29	7,655.76	6,902.91
	• non - current assets	15,997.54	15,893.75	16,377.25
<b>Current assets</b>	Consisting of	<b>7,647.29</b>	<b>7,655.76</b>	<b>6,902.91</b>
	• cash and cash equivalents	1,113.70	1,404.37	911.10
	• trade accounts receivable	1,415.82	1,784.66	1,914.38
	• short-term loans to related parties	57.50	90.00	30.00
	• inventories	3,658.21	3,356.99	3,426.79
	• other current assets	1,402.06	1,019.74	620.64
<b>Non-current assets</b>	Consisting of	<b>15,997.54</b>	<b>15,927.98</b>	<b>16,377.25</b>
	• restricted deposits at financial institution	2.95	2.95	2.95
	• long-term loans to related parties	-	-	60.00
	• long-term loans given to employee	0.10	1.07	2.26
	• available-for-sale investments	8,917.67	9,091.80	9,068.04
	• investment in associated companies - cost method	935.93	837.17	826.91
	• other long-term investments	1,992.85	1,856.42	2,261.06
	• investment properties	927.69	1,005.02	1,031.77
	• property, plant & equipment	2,870.70	2,848.80	2,874.17
	• intangible assets	92.12	35.85	31.80
	• leasehold	16.42	14.11	18.64
	• goodwill	-	-	-
	• other non - current assets	241.10	234.81	199.65

# Synopsis of Operations

(Million bath)

Transactions	Details	2019	2018	2017
<b>Property, plant &amp; equipment</b>	<b>Consisting of</b>	<b>2,870.70</b>	<b>2,848.80</b>	<b>2,874.17</b>
	• land	2,093.79	1,988.12	1,988.36
	• building and improvements	832.45	802.46	838.29
	• office equipment and vehicles	1,361.28	1,339.51	1,287.26
	• furniture and fixtures	1,186.65	1,149.01	1,198.11
	• assets under construction and installation	110.64	99.66	40.07
	• accumulated depreciation	(2,714.12)	(2,529.96)	(2,477.92)
<b>Current liabilities</b>	<b>Consisting of</b>	<b>1,903.81</b>	<b>1,980.54</b>	<b>2,013.87</b>
	• short-term loans from financial institution	47.68	30.00	30.00
	• trade accounts payable	1,328.03	1,273.49	1,311.45
	• others payable	528.10	677.05	627.64
	• Income tax payable	-	-	44.78
<b>Non - current liabilities</b>	<b>Consisting of</b>	<b>1,271.33</b>	<b>1,323.74</b>	<b>1,355.64</b>
	• deferred tax liabilities	672.28	692.47	734.45
	• employee benefit obligations	562.11	588.81	577.74
	• other non-current liabilities	36.95	42.46	43.45
<b>Equity</b>	<b>Consisting of</b>	<b>20,469.69</b>	<b>20,245.23</b>	<b>19,910.64</b>
	• capital	290.63	290.63	290.63
	• premium on ordinary shares	1,487.14	1,487.14	1,487.14
	• premium on treasury stock	51.43	51.43	51.43
	• legal reserve	50.00	50.00	50.00
	• general reserve	1,961.20	1,869.15	1,789.31
	• unappropriated retained earnings	11,318.20	11,003.25	10,438.35
	• others components of equity	5,315.79	5,489.35	5,804.06
	• owners of the equity	20,474.40	20,240.96	19,910.94
	• nons-controlling interest	(4.71)	4.27	(0.29)
<b>Cash flow cycle</b>	The Company's cash flow cycle	A	156.38	150.84
	commences with the purchase and resale of			
	merchandise and ending with the collection of cash			
	resulting from			
	• collection period	A	51.41	54.43
	• inventories coverage	A	166.85	155.77
	deducted payment period	A	61.88	59.36
<b>Total employees</b>	<b>Consisting of</b>	<b>B</b>	<b>4,769</b>	<b>6,088</b>
	• counter sales force	B	3,216	4,316
	• office work force	B	1,553	1,772
<b>Net revenues per capital</b>	<b>C</b>	<b>2,574.55</b>	<b>2,189.27</b>	<b>1,990.77</b>
<b>Net profit per capital</b>	<b>C</b>	<b>152.06</b>	<b>152.97</b>	<b>125.22</b>

A Unit shows number of days

B Unit shows number of employees

C Unit shows thousand baht per headcount

Transactions	2019	%	2018	%	2017	%
<b>Operating results</b>						
Revenues	12,278,019	100.00	13,328,256	100.00	13,457,587	100.00
• from sales	11,309,214	92.11	12,349,628	92.66	12,446,980	92.49
• from other income	968,805	7.89	978,628	7.34	1,010,607	7.51
Gross profit	3,741,191	30.47	4,510,752	33.84	4,585,864	34.08
Expenses	11,525,428	93.87	12,366,298	92.78	12,551,227	93.27
Profit before income tax and finance cost	777,630	6.33	1,010,506	7.58	935,090	6.95
Profit before income tax	775,315	6.31	1,008,866	7.57	933,478	6.94
Net profit	725,196	5.91	931,280	6.99	846,477	6.29
* Income per capital (baht/headcount)	2,574,548		2,189,267		1,990,767	
* Net profit per capital (baht/headcount)	152,065		152,970		125,218	
* Interest coverage (times)	339		612		578	
* Degree of financial leverage (times)	1.00		1.00		1.00	
<b>Financial position</b>						
Current assets	7,647,293	32.34	7,655,759	32.51	6,902,912	29.65
Investments	11,846,450	50.10	11,785,382	50.05	12,156,004	52.22
Fixed assets	3,798,390	16.06	3,853,815	16.36	3,905,939	16.78
Other assets	352,696	1.49	251,607	1.07	252,354	1.08
Goodwill	-	-	-	-	-	-
<b>Total assets</b>	<b>23,644,828</b>	<b>100.00</b>	<b>23,549,512</b>	<b>100.00</b>	<b>23,280,157</b>	<b>100.00</b>
Current liabilities	1,903,813	8.05	1,980,536	8.41	2,013,869	8.65
Non-current liabilities	1,271,328	5.38	1,323,742	5.62	1,355,643	5.82
Equity	20,469,687	86.57	20,245,234	85.97	19,910,645	85.53
* Number of shares	290,634		290,634		290,634	
* Par value per share	1.00		1.00		1.00	
<b>Financial ratios</b>						
* Current ratio (times)	4.02		3.87		3.43	
* Quick ratio (times)	1.75		1.61		1.40	
* Debt-equity ratio (times)	0.16		0.16		0.17	
* Inventory coverage (days)	166.85		155.77		162.90	
* Collection period (days)	51.41		54.43		49.14	
* Operating cycle days (days)	156.38		150.84		151.60	
* Return on total revenues (%)	5.91		6.99		6.29	
* Return on equity (%)	3.56		4.64		4.54	
* Return on total assets (%)	3.07		3.98		3.89	
* Earnings per share (baht)	2.50		3.20		2.91	
** Dividend per share (baht)	0.70		1.21		1.10	
** Dividend payout ratio (%)	29.26		38.20		40.04	
* Book value per share (baht)	70.45		69.64		68.51	

Unit : In thousands of Baht except percentages in parentheses and transactions with an asterisk \*

The information from the separate financial statement \*\*

2016	%	2015	%	2014	%	2013	%
13,414,820	100.00	12,924,068	100.00	12,562,824	100.00	13,933,301	100.00
12,615,379	94.04	12,342,816	95.50	12,033,001	95.78	13,328,678	95.66
799,441	5.96	581,252	4.50	529,823	4.22	604,623	4.34
4,764,378	35.52	4,701,910	36.38	4,597,530	36.60	5,155,542	37.00
12,433,346	92.68	12,115,898	93.75	11,960,780	95.21	13,134,891	94.27
1,032,607	7.70	809,115	6.26	602,045	4.79	805,799	5.78
1,030,751	7.68	808,170	6.25	602,044	4.79	798,410	5.73
936,278	6.98	703,195	5.44	545,186	4.34	684,547	4.91
1,915,855		1,814,001		1,778,177		1,793,910	
133,716		99,041		77,167		88,135	
555		855		662,314		107	
1.00		1.00		1.00		1.01	
7,190,407	35.60	6,891,968	37.12	6,918,605	37.43	6,786,075	38.08
8,967,447	44.40	7,783,542	41.93	7,836,406	42.39	7,414,730	41.61
3,789,775	18.76	3,559,268	19.17	3,513,996	19.01	3,389,154	19.02
251,293	1.24	263,976	1.42	216,999	1.17	230,301	1.29
-	-	66,409	0.36	-	-	-	-
20,198,922	100.00	18,565,163	100.00	18,486,006	100.00	17,820,260	100.00
2,007,569	9.94	2,022,536	10.89	2,119,235	11.46	1,983,799	11.13
811,839	4.02	556,837	3.00	624,529	3.38	545,792	3.06
17,379,514	86.04	15,985,791	86.11	15,742,242	85.16	15,290,669	85.80
290,634		290,634		290,634		290,634	
1.00		1.00		1.00		1.00	
3.58		3.41		3.26		3.42	
1.36		1.15		1.07		1.02	
0.16		0.16		0.17		0.17	
172.14		181.00		192.76		189.13	
45.08		48.46		53.10		53.47	
159.51		169.77		183.38		183.58	
6.98		5.46		4.34		4.91	
5.61		4.43		3.51		4.39	
4.83		3.80		3.00		3.69	
3.22		2.42		1.88		2.36	
1.15		1.05		1.05		1.20	
40.49		45.06		47.95		48.31	
59.85		55.06		54.17		52.61	

**Distribution of Shareownership**

Based on the number of shares held in succeeding periods

Period	2019		2018	
	No. of shareowners	%	No. of shareowners	%
1 - 100	492	35.17	494	35.04
101 - 500	399	28.52	402	28.51
501 - 1,000	97	6.93	96	6.81
1,001 - 3,000	120	8.58	123	8.72
3,001 - 5,000	53	3.79	55	3.90
5,001 - Upward	238	17.01	240	17.02
<b>Total</b>	<b>1,399</b>	<b>100.00</b>	<b>1,410</b>	<b>100.00</b>

**Distribution of Shareownership**

Based on different categories of shareowners

Categories	2019		2018	
	No. of shares	%	No. of shares	%
Limited companies and limited public companies	86,642,410	29.81	86,642,410	29.81
Commercial banks and financial institutions	15,980	0.01	15,980	0.01
General public	45,083,263	15.51	43,376,075	14.93
Company employees	14,387,795	4.95	14,487,355	4.98
Thailand Securities Depository Company Limited				
- For local depositors	141,700,562	48.76	143,079,990	49.23
- For foreign depositors	2,803,720	0.96	3,031,920	1.04
<b>Total</b>	<b>290,633,730</b>	<b>100.00</b>	<b>290,633,730</b>	<b>100.00</b>



Top ten major shareowners as of the closing date on March 14<sup>th</sup> 2019 (shareowner categories being sorted in accordance with in Section 258)

No.	Name	No. of Shares	%
1.	*Saha Pathana Inter-Holding Plc.	71,389,490	24.56
2.	*I.D.F. Co., Ltd.	27,710,410	9.53
3.	Mr. Weerapat Punsak-udomsin	25,937,940	8.93
4.	*Saha Pathanapibul Plc.	24,777,100	8.53
5.	*Thai Wacoal Plc.	11,097,070	3.82
6.	U.B. Chemical Industries Co., Ltd.	10,667,400	3.67
7.	Uniwealth Co., Ltd.	10,154,550	3.49
8.	*Thanulux Plc.	10,006,070	3.44
9.	Universe Beauty Co., Ltd.	9,953,920	3.43
10.	Mr. Boonsithi Chokwatana	6,486,740	2.23
<b>Total</b>		<b>208,180,690</b>	<b>71.63</b>

- Notes:**
1. Investors can view the top ten major shareowners' information on the closing date from the company website (<http://www.icc.co.th>) before the annual general meeting.
  2. \*Shareowners of Saha Group
  3. Major shareowners of I.D.F. Co., Ltd. As follows.

No.	Name	No. of Shares	%
1.	Sinparadorn Co., Ltd.	43,150	47.95
2.	Saha Pathanapibul Plc.	17,644	19.60
3.	Watsadoramai Co., Ltd.	11,250	12.50
4.	I.C.C. International Plc.	8,100	9.00
	<b>Total</b>	<b>80,144</b>	<b>89.05</b>
	Other shareowners'	9,856	10.95
	<b>Total</b>	<b>90,000</b>	<b>100.00</b>

## Dividend Payment Policy

### - Company

The company has determined to maintain the dividend payment to shareowners at the ratio of 0.20 Baht per share per annum (equivalent to 20% of per value), depending mainly on corporate performance and current economy.

### - Subsidiaries

- None -

## Data of Dividend Payment

	* Year 2019 pay Year 2020	Year 2018 pay Year 2019	Year 2017 pay Year 2018	Year 2016 Pay Year 2017	Year 2015 pay Year 2016
Earning per share (baht)	2.39	3.17	2.75	2.84	2.33
Dividend per share (baht)	0.70	1.21	1.10	1.15	1.05
Payout ratio (%)	29.26	38.20	40.04	40.49	45.06

**Remark :** \* The Board of directors' Meeting has resolved to pay dividend Baht 0.70 per share and to submit this agenda for approval at the Annual General Meeting to be held on April 22, 2020

## 1. Operation Overview

Thailand's economy in 2019 recorded growth of approximately 2.6 percent, the lowest in the last 5 years. Exports posted negative growth of about 1.32 percent and there was sharp decline in the whole system of tourism. Investors remained concerned over the protracted trade war between the United States and China, of which no direction towards a resolution is in sight, as well as the global economic overview that growth remained stagnated. In addition, domestic consumption is likely to decrease from the previous year. The Bank of Thailand's adjustment of measures for granting housing loans also resulted in declining growth of the real estate sector. Spending rates for low-income people have decreased despite the government's ("Try, Shop, Use") stimulus measures which actually had no positive impact on the growth of the economy as a whole. These factors, combined with the high level of household debt resulted in a downward tendency of household purchasing power, with businesses that rely heavily on domestic consumers facing serious challenges from such significant reduction in purchasing power.

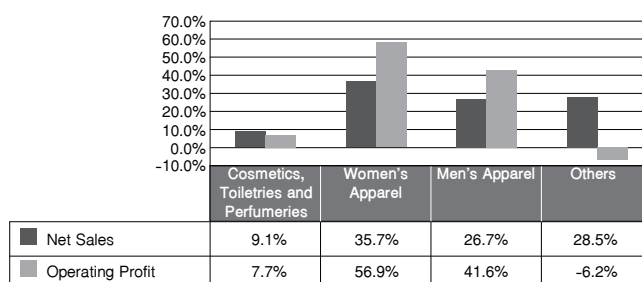
In the year 2019, the Company and its subsidiaries had sales revenue amounting to THB 11,309.21 million, a decrease of THB 1,040.41 million representing 8.42 percent from the year 2018, net profit of THB 719.04 million, a decrease of THB 214.98 million or 23.02 percent. Cost of sales was THB 7,568.02 million, a decrease of THB 270.85 million from the year 2018, representing 3.46 percent. Sales and administrative expenses amounted to THB 3,959.72 million, a decrease of THB 570.02 million from the previous year, representing 12.59 percent. The Company's net profit declined due to stagnant economic growth and decreased purchasing power of both domestic consumers and foreign tourists, along with changing tourists' spending behavior which shifted more towards food, drink and travel, resulting in diminishing sales. Moreover, the Company had higher costs due to product price adjustments to ensure good product quality and standards while also having to organize sales promotion activities to boost sales.

In the year 2019, the Company invested in 4 subsidiaries as follows:

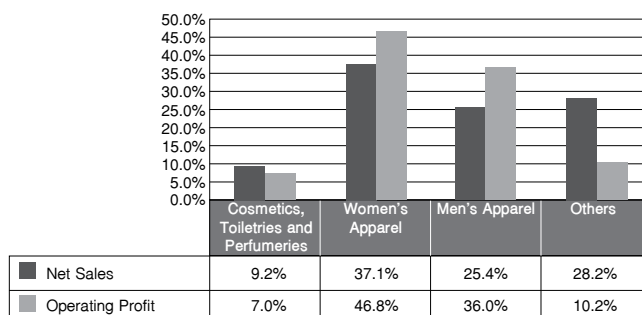
1. WBRE Company Limited which engages in real estate business by developing a housing project in Sriracha near the Saha Group Industrial Park in order to expand new business channels for the Company.
2. Amis Du Monde SARL in France, which opened a shop on the Champs-Elysees avenue, the center of France's leading shopping area, to bring the Brand BSC to the international market as an international brand under the name of BSC International with operations starting in the apparel product group. However, the Board of Directors Meeting No. 6/2016 held on October 14, 2016, considered and approved the dissolution of the business due to continuous operating losses. The Company held 119,304 shares in Amis Du Monde Company Limited, representing 81.92% of the registered capital at the price of EUR 10.00 per share, totaling EUR 1,193,040.00, equivalent to approximately THB 48.92. million. The Company has already set aside a provision for impairment of investment amounting to THB 48.92 million and is in the process of dissolution and liquidation according to the legal process of France, expected to be completed by 2020.
3. Thai Itokin Company Limited is a manufacturer and distributor of ready-made garments and is an important supply chain for the Company for the production of apparel products for distribution under the name of ICC International Public Company Limited. Thai Itokin Company Limited is the licensee of the brands sold by the Company, including producing uniforms and goods for domestic sales and export. It produces quality products and, as such, the Company is determined to enable Thai Itokin Company Limited to continue its business operations and achieve good operating results in order for the Company to receive returns in the form of dividends.
4. Canchana International Co., Ltd. is a distributor of ICC International Public Company Limited's products in the Kingdom of Cambodia in order to expand the market to the CLMV region. The business has consistently performed well.

## 2. Performance and Profitability

Proportion of revenue from sale of goods and operating profit by segment 2019



Proportion of revenue from sale of goods and operating profit by segment 2018



### Sales revenue

In the year 2019, the Company and its subsidiaries had sales revenue of THB 11,309.21 million, a decrease of THB 1,040.41 million or 8.42 percent from 2018 when sales revenue amounted to THB 12,349.63 million.

The income of the Company and its subsidiaries comprise 3 main product lines, namely cosmetics and fragrances, ladies' wear and menswear. Comparison of the details of income and profit for each product line between 2019 and 2018 is as follows:

(Unit : Million Baht)

Product Lines	Net Sales		%	Operating Profit		%
	2019	2018		2019	2018	
Cosmetics and Perfumeries	1,027.27	1,142.32	(10.07)	50.18	70.62	(28.95)
Women's Apparel	4,039.57	4,587.85	(11.95)	370.52	469.45	(21.07)
Men's Apparel	3,021.02	3,131.27	(3.52)	271.19	361.91	(25.07)
Others	3,221.36	3,488.20	(7.65)	(40.61)	101.93	(139.84)
<b>Total</b>	<b>11,309.21</b>	<b>12,349.63</b>	<b>(8.42)</b>	<b>651.29</b>	<b>1,003.92</b>	<b>(35.13)</b>

### Cosmetics and fragrances

In 2019, the Company had income from cosmetics and fragrances amounting to THB 1,027.27 million, a decrease of THB 115.05 million or equivalent to 10.07 percent from 2018, with operating profit in the year 2019 at THB 50.18 million, a decrease from 2018 by THB 21.44 million or 28.95 percent due to the following:

- Many new smaller entrepreneurs are emerging who can find sources of production easily using a small investment with the credit limit provided by credit cards from the bank.
- Changing consumer behavior, more daring in buying goods online, not afraid of risks from using products which are not up to standard.
- Sale of products via online channels are increasing every year, especially cosmetic products, with low marketing costs using social media.
- More fierce price competition from new operators that use cheap prices to meet customer's demand this past year.
- Continued competition from imported leading brand-name products.
- The Company still has to expend its marketing budget continuously in order to remain competitive.

## Ladies' Wear

In the year 2019, the Company and its subsidiaries had revenue in the ladies' wear product group of THB 4,039.57 million, a decrease of THB 548.28 million or 11.95 percent from the year 2018, with operating profits of THB 370.52 million, a decrease of THB 98.93 million or 21.07 percent from the year 2018, mainly due to

- The decline in tourists, especially tourists from China, with changed spending habits from buying goods to eating and traveling.
- The sharp drop in the number of customers who shop at stores, as well as the continuous decline of purchasing power.
- Fashion products are being more severely impacted by the growing number of smaller operators, especially through online sales via social media which is quick and does not require high investment.
- Fierce competition in the market by using a relatively high price reduction to compete for customers.

## Menswear

In the year 2019, the company had revenue in the menswear product group of THB 3,021.02 million, a decrease of THB 110.25 million or 3.52 percent from 2018, with operating profits amounting to THB 271.19 million, a decrease of THB 90.72 million or 25.07 percent year on year, mainly from

- Declining revenue from sales in CLMV markets, such as in Myanmar due to the economic conditions in Myanmar where the currency is very much weakened, resulting in the price of goods becoming more expensive, which directly affects sales in the apparel sector which is a superfluous category, continuing from 2018.
- There is lower trend in terms of business attire, due to changing popularity or consumer behaviour, with more preference towards casual business.
- Growth in the newly-released product lines, aimed at appealing to the younger generation, was not as expected due to fierce competition in the market.

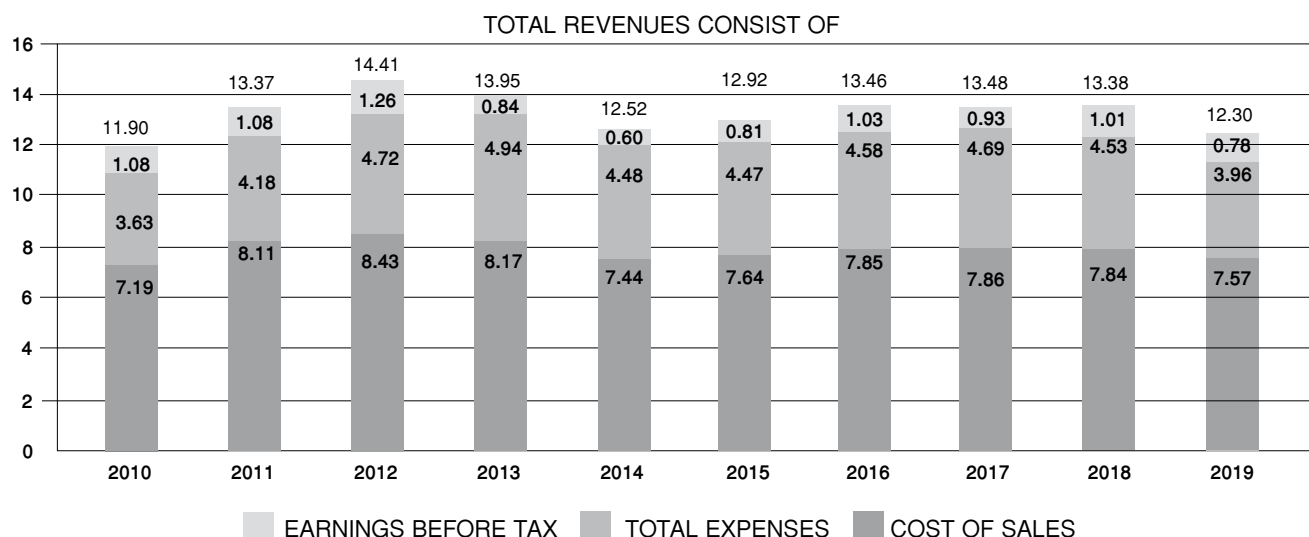
## Others

The main income of other products groups is from children's wear, workout apparel, sportswear, leather goods and household items such as laundry detergent and fabric care products. In 2018, the Company had income in other product groups of THB 3,221.36 million, a decrease of THB 266.84 million or 7.65 percent, with operating loss of THB 40.61 million, an increase of THB 142.54 million or 139.84 percent from 2018 due to

- Sale of sporting products in some categories had been canceled because the brand owners entered the market themselves.
- Household products sales were down from the previous year due to reduced purchasing power in sales channels through Modern Trade.
- Increasing beverage products, still in the public campaign phase for product recognition, required marketing budget spending for the purpose of communication and advertising, as well as sales promotion spending to compete and boost sales in the market.

## Other Income

In 2019, the Company and its subsidiaries had other incomes totaling THB 968.81 million, a decrease of THB 9.82 million or 1.00 percent from the year 2018, with more revenue in 2019 being derived from sale of assets which increased by THB 123.62 million, and loan repayment following litigation and follow-up in the amount of THB 69.42 million. However, income from the sale of investment decreased by THB 169.20 million. In addition, sales promotion expenses from manufacturers decreased by THB 17.00 million, rental income decreased by THB 6.58 million, insurance claims decreased by THB 5.91 million.



Division of revenue (Billion Baht)

## Cost of sales

In 2019, the Company and its subsidiaries had the cost of sales of THB 7,568.02 million, a decrease of 270.85 million or 3.46 percent from 2018. In the year 2019 and 2018, the ratio of cost of sales to sales was 66.92 percent and 63.47 percent respectively, representing an increase of 3.44 percent due to higher product costs from price adjustments to procure products with high quality and standard and the Company had to organize more sales promotion activities to stimulate sales and to release slow-selling products.

## Selling and administrative expenses

In the year 2019, the Company and its subsidiaries had total selling and administrative expenses of THB 3,957.41 million, down from 2018 by THB 570.02 million or 12.59 percent, equivalent to expenses to sales ratio of 34.99 percent compared to 36.66 percent in 2018, a decrease by 1.67 percent, of which following are the details.

The Company and its subsidiaries had selling expenses in 2019 in the amount of THB 2,488.43 million compared to THB 2,890.38 million in 2018, decreasing by THB 401.96 million or 13.91 percent due to the Company's continuous adjustment of the marketing budget in advertising increasingly more toward social media which has a much lower cost than other types of advertising media. In addition, manufacturers have also advertised and publicized to promote their brand image resulting in less use of the Company's marketing budget. In addition, personnel expenses also declined due to the decreasing number of personnel which the Company deploys more efficiently.

Administrative expenses for the Company and its subsidiaries in 2019 amounted to THB 1,445.80 million, while in 2018 administrative expenses totaled THB 1,543.11 million, decreasing by THB 97.31 million or 6.31 percent year on year mainly due to the decrease in personnel expenses from the reduced number of personnel and the decrease in reserve for impairment of investment.

## Income tax expense

The Company's income tax in 2019 amounted to THB 56.28 million compared to THB 74.85 million in 2018, decreasing by THB 18.57 million, because the Company has reduced taxable profit from the previous year.

## Net profit

In the year 2019, the Company and its subsidiaries recorded a net profit of THB 719.04 million, a decrease of THB 214.98 million or 23.02 percent from the year 2018 due to stagnant economic growth and the declining purchasing power of both domestic consumers and tourists resulting in reduced sales.

## 3. Analysis of Financial Status

### Assets

As of 31 December 2019, the Company and its subsidiaries had total assets of THB 23,644.83 million, an increase of THB 95.32 million from 31 December 2018, representing 0.40 percent, of which details of the significant changes are as follows:

Current assets as of 31 December 2019 amounted to THB 7,647.29 million or 32.34 percent of total assets, decreasing by THB 25.76 million or 0.34 percent from 2018, with the following significant changes:

- Cash and cash equivalents declined by THB 290.67 million due to reduced sales revenue.
- Temporary investments increased by THB 394.08 million due to dividends received and increased sales of investment properties.
- Short-term loans decreased by THB 32.50 million due to repayment of loans from related parties.
- Trade account receivables decreased by THB 366.64 million due to continuously efficient debt collection and decreased sales revenue.
- Net inventories increased by THB 301.22 million due to increased product costs from price increases in order to get good quality products that meet desired standards and declining sales revenue during the 4th quarter.

Non-current assets as of 31 December 2019 amounted to THB 15,997.54 million or 67.66 percent of total assets, an increase of THB 69.55 million or 0.44 percent from the year 2018, with the following significant changes

- Other non-current assets increased by THB 59.65 million due to increased intangible assets from investment in new accounting software system, Enterprise Resource Planning (ERP), which is undergoing system testing and receivables for corporate income tax from the Revenue Department.
- Other long-term investments increased by THB 61.07 million due to further investment from the capital increase in original investments and additional investment in new businesses.
- Net investment property decreased by THB 77.33 million due to land and building sales.



## Liabilities

As of 31 December 2019, the Company and its subsidiaries had total liabilities of THB 3,175.14 million, a decrease of THB 129.14 million from the year 2018, representing 3.91 percent. Details of the significant changes are as follows:

Total current liabilities were THB 1,903.81 million or 59.96 percent of total liabilities, a decrease by THB 76.72 million from the year 2018 due to declining accounts payable for selling expenses by THB 146.02 million, an increase in trade accounts payable by THB 54.64 million and increased loans from financial institutions by THB 17.66 million.

Total non-current liabilities totaled THB 1,271.33 million, accounting for 40.77 percent of total liabilities, reduced from 2018 by THB 52.41 million or 3.96 percent, mainly due to reduced employee benefits by THB 26.70 million and deferred tax liabilities which declined by THB 20.20 million.

## Shareholders' Equity

As of 31 December 2019, the Company and its subsidiaries had total shareholders' equity of THB 20,469.69 million, an increase of THB 224.45 million from the year 2018 or 1.11 percent, while net profit increased by THB 719.04 million. Other components of shareholders' equity decreased by THB 173.56 million mainly due to changes in fair value of available-for-sale investments and dividends payment of THB 351.67 million.

## 4. Asset Quality and Asset Management Capabilities

The Company considers the quality of receivables by analyzing each debtor in offering credit terms. The Company also consistently collects outstanding debt and considers setting allowance for doubtful accounts for long outstanding receivables. In 2019, the Company has allowance for doubtful accounts equal to 1.08 percent of the total trade receivables (in 2018, this equaled 0.78 percent).

Credit policies for trade receivables are as follows:

1. Store's ability to pay for goods.
2. Attention given by store executives.
3. The store's growth potential.
4. Having a good accounting system that is transparent and verifiable.
5. Having good warehouse management and delivery management systems.
6. There is a good internal control system including strict control of the entrance and exit of employees and products.
7. Having strong, comprehensive and sufficient collateral.

Most of land, buildings and equipment are assets that the Company and its subsidiaries have procured for use throughout the past 55 years. The value of property as of 31 December 2019 is THB 2,870.70 million.

Investment property is an asset that the Company and its subsidiaries have held for exploitation by receiving rental and sales revenue, which as of 31 December 2019 totaled THB 927.69 million.

As for investment, as of 31 December 2019, the Company has unrealized gains from the fair price adjustment of securities of THB 6,648.24 million, shown in shareholders' equity and receiving return on investment in the form of dividends in 2019 at the rate of 10.45 percent per year (in 2018 this was at the rate of 10.60 percent per year). The Company manages various investments by appointing persons in the joint-venture companies or in companies that do business related to the invested business as a central focal point to monitor financial statements and information of the invested company's situation and report immediately when abnormal events or a crisis occur in order to collectively help find a solution.

## 5. Liquidity and sufficiency of funds

Year	Current Ratio	Liquidities Ratio	Cash Flow from Operating Activities (Million Baht)
2019	4.02	0.11	220.34
2018	3.87	0.35	705.01
2017	3.43	0.08	156.00
2016	3.58	0.53	1,064

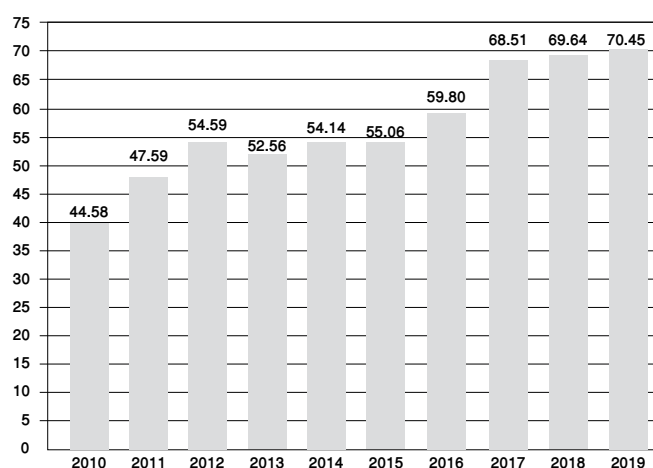
From the current ratio, the Company and its subsidiaries have good liquidity, having more current assets than current liabilities. In 2019, liquidity ratio stood at 4.02 times, compared to 3.87 times in 2018, representing increased liquidity from the previous year. Cash flow ratio in 2019 equaled 0.11 times compared to 0.35 times in 2018, a decrease of 0.24 times due to a decrease in cash flows from operating activities in 2019 of THB 484.68 million from 2018.

The Company has 2 main sources of funding: 1. Funds received from operating activities and 2. Funds received from investment activities in the form of real estate and investments in shares. The Company receives income from rentals and sale of investment properties as well as dividends at a high rate received from shares. The Company is able to manage the liquidity of the business well and use the funds in the business as working capital without relying on funds from external sources, including being able to pay dividends to its shareowners on a regular basis.

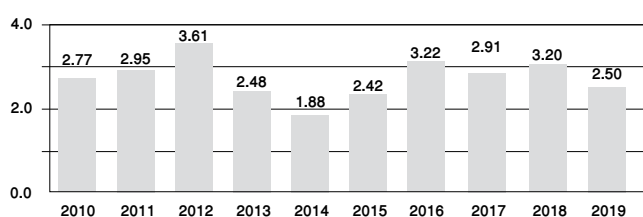
## 6. Profitability

Year	Profit/ Net Income (%)	Profit from Operating (%)	Profit/ Shareholders' Equity (%)	Profit/Share (%)	Market Price/ Earnings (times)
2019	5.91	6.86	3.56	2.50	15.80
2018	6.99	8.17	4.64	3.20	12.97
2017	6.29	7.50	4.54	2.91	13.49
2016	6.98	8.17	5.61	3.22	11.34

In 2019, the Company has lower profitability than in 2018 with operating profit margin of 6.86 percent, a decrease of 1.31 percent compared to 2018 with a profit of THB 2.50 per share. The decrease is due to the fact that in 2019, the Company had a decrease in sales revenue by THB 1,040.41 million due to stagnated economic growth and the decreasing purchasing power of both domestic consumers and tourists resulting in reduced sales.



Book Value per Share(Baht)



Earnings per Share(Baht)

## 7. Cash cycle

Year	Average Product sales period	Average collection period	Average repayment period	Cash Cycle
2019	166.85	51.41	61.88	156.38
2018	155.77	54.43	59.36	150.84
2017	162.90	49.74	60.44	152.20
2016	172.14	45.08	57.71	159.51

In 2019, the Company has operating cash cycle of 156.38 days, increasing from 2018 by 6 days due to:

1. The average product selling period increased from 155.77 days in 2018 to 166.85 days in 2019, increasing by 11 days due to the Company's increasing inventory and declining sales. As a result, the inventory increased from the year 2018 in the amount of THB 301.22 million or equivalent to 8.97 percent

2. The debt collection period in 2019 was 51.41 days, compared to 54.43 days in 2018, reduced by 3 days, due to faster debt collection management in 2019.

3. Payment period to creditors in the year 2019 was 61.88 days, compared to 59.36 days in 2018, an increase of 3 days due to a revision of the Company's billing date and payment schedule in alignment with the economic conditions. The Company has always made payment in compliance with the creditors agreement.

## 8. Commitments that may have a significant impact on the financial position / operating results

Commitments with unrelated parties of which the details are in item 26 of the note to the financial statements page 196-197 in the annual report.

The Company has guaranteed obligations to 11 joint venture companies in the amount of THB 334.97 million, which are guarantees according to the joint venture agreement in proportion to their shareholding.

## 9. Factors that may affect future operations

The Company may still be affected by factors affecting future operations as follows:

### 1. Outbreak of COVID-19

The outbreak of COVID-19 from the end of December 2019 to the beginning of 2020, for which a cure cannot yet be found and the epidemic continues on almost every continent around the world. The impact is especially pronounced by the measures from the Chinese government not allowing people to travel outside the country, including the export of various products, resulting in diminishing trade in each country involved, including Thailand, especially in the tourism sector with the number of tourists having decreased so much in Thailand that some businesses have had to close down. For the Company this has had a significant impact on sales revenue.

### 2. External market competition

Nowadays, various operators have adjusted their sales methods to directly sell to customers, communicate with customers individually, adopt one-to-one marketing by using modern technology as a direct communication tool rendering good experiences for customers to create customer satisfaction and ultimately brand loyalty. Whoever can achieve this first and faster will have the opportunity to occupy more market share. Furthermore, there are also famous brands from abroad that comes at a price that is easily accessible to customers. These are products with modern styles and the quality is well accepted.

## Corporate Governance

The Board of Directors is committed to sustainable business operation, based on sufficiency economy which emphasizes modesty, reasonableness and possession of immunity by utilizing knowledge, prudence and due diligence in business operation while adhering to good corporate governance and placing importance on building good corporate governance systems.

In the belief that having effective management systems requires transparency, accountability and an internal control system which is adequate and appropriate, together with a determined respect for the rights and equality of shareowners and responsibility towards all stakeholders, being free from corruption in all forms whether directly or indirectly. These are the key factors which contribute to the strengthening of the organization's immune system, enhancing its integrity and promoting balanced and sustainable growth in the long run.

The Board of Directors has assigned the Corporate Governance Committee to supervise and promote the Company's operations in accordance with the good corporate governance policy, business ethics and the code of conduct of directors, executives and staff as well as providing monitoring and performance evaluation in order to ensure effective and efficient implementation in work processes.

## Code of Conduct under Good Corporate Governance

In pursuit of the above-mentioned aspirations, the Board of Directors has prescribed corporate governance policies based on the Corporate Governance Report of Thai Listed Companies (CGR) issued by the Thai Institute of Directors and is in line with the ASEAN CG Scorecard criteria, as a Code of Conduct for the Company's Directors, Executives and all its employees as follows:

1. Company Directors, Executives and all employees are fully committed to the application of corporate governance principles, business ethics and Codes of Conduct for Company Directors, executives and employees to Company operations.
2. Company Directors, Executives and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles of Association and Notifications.
3. Actions shall be taken to ensure that the Company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committees and Executives.
4. An internal control system shall be installed and risk management shall be implemented at suitable levels, including an accounting system and financial statement reports which are accurate and reliable.
5. Information shall be disclosed in a sufficient, reliable and timely manner to the extent that the legitimate interests of the Company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.
7. Any undertaking must take into account the Company's responsibility towards shareholders, stakeholders, communities, society and the environment.
8. Pursuit of business excellence shall be based on the commitment to creating customer satisfaction by being receptive to comments and self review in order to enhance management potential and continual creativity.
9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with firm commitment to their capacity building and professional development.
10. Misconduct, corruption and intellectual property violations shall be countered. Laws and human rights shall be respected.
11. Conflicts of interests shall be dealt with prudently and reasonably with due regard for the Company's best interests.

## Review of Good Corporate Governance Principles

The Board of Directors has prescribed an annual review of the Company's Good Corporate Governance principles at least one a year so as to always be aligned with any new criteria and up-to-date with emerging business models.

In 2019, there were a number of activities according to its set work plans.

1. The Board of Directors raised the level of corporate governance principles in accordance with the Corporate Governance Code for listed companies 2017 prescribed by the Securities and Exchange Commission by improving its "Corporate Governance Code" to be aligned with the said 2017 CG Code which was approved by the Board of Directors on April 4, 2019 comprising

- The Good Corporate Governance Policy
- The 8 Good Corporate Governance Principles

Principle 1 The Board of Directors shall be aware of its leadership role and responsibilities in the creation of the Company's sustainable prosperity.

Principle 2 The Board of Directors shall define the Company's objectives to ensure sustainability.

Principle 3 The Board of Directors shall strengthen its effectiveness.

Principle 4 The Board of Directors shall nominate and develop senior executive officers and ensure good people management.

Principle 5 The Board of Directors shall nurture innovations and responsible business practices.

Principle 6 The Board of Directors shall provide an adequate system of risk management and internal control.

Principle 7 The Board of Directors shall ensure information disclosure and financial integrity.

Principle 8 The Board shall encourage engagement and communication with shareholders.

- Business Ethics
- Code of Conduct for Directors, Executive Officers, and Employees

The CG Code is adapted to suit the Company's business operations and required to be annually reviewed, at least once a year.

Furthermore, the "Corporate Governance Code" (revised version) has been prepared to replace the current version and to prescribe a process of reviewing the application of the CG Code to suit the Company's business operations and targets, as well as its annual budget, taking into account socio-economic and environmental conditions, to be acknowledged and implemented as the operational guidelines by company directors, executives and all employees.

Complete details of the Good Corporate Governance (revised version) are available on the Company's website, <http://www.icc.co.th>.

## 2. Recognition

2.1 Corporate Governance Report of Thai Listed Companies Award granted by the Thai Institute of Directors Association under the support of the Securities and Exchange Commission and Stock Exchange of Thailand, classified at the level of "Excellence" (Five Stars) for the third consecutive year.

2.2 Board of The Year Awards 2018 from the Thai Institute of Directors (IOD) awarded to the Board of Directors of listed companies with outstanding implementation of good corporate governance principles and effective leadership.

2.3 The assessment results of the quality of the Annual General Meeting of Shareowners for the year 2019 by the Thai Investors Association classified at the level of "Excellence".

2.4 Granted the 1<sup>st</sup> renewal certificate of membership of the Private Sector Collective Action Coalition Against Corruption (CAC) in quarter 3 of 2019 on November 4, 2019.

## Compliance with Good Corporate Governance Principle

The Board of Directors is mindful of its role and responsibility as leader of the organization, with full understanding of the benefits and the principles of Corporate Governance Code for listed companies 2017 in creating sustainable value to the business.

In 2019 the Board of Directors stipulated that the 8 Good Corporate Governance Principles shall be appropriately applied in business operations, covering 5 categories comprising the following:

### 1. Shareowners Rights

Realizing the importance of shareowners and in respect to their ownership rights, the Company's Board of Directors has set a policy to ensure protection of shareowners' equitable basic rights and equal and fair treatment as specified in the Company's Articles of Association and business ethics code in conducting its business operation, taking into consideration shareowners' legal rights, without encroaching or lessening it, and providing support and promotion of all shareowner groups, especially institutional investors, to attend shareholders' meetings. The basic rights of the shareowners are as follows:

- The right to own, trade and transfer the shares.
- The right to attend the shareowners' meetings.
- The right to appoint a proxy to attend the meeting and to vote on one's behalf.
- The right to vote and jointly make decision on crucial matters
- The right to receive dividends on an equal basis.
- The right to elect the Company's board of directors, and determine their remuneration.
- The right to appoint auditors and determine their remuneration.
- The right to provide comments and questions during the Shareowners' meetings, as well as to receive sufficient, timely and equitable information.
- Equal repurchase rights of the Company's shares to all shareowners.

Aside from the shareowners' basic rights, the Board of Directors have emphasized an importance on correctly, completely, timely and transparently disclosing of information and news with a view on benefit for shareowners to receive all information equally and thoroughly. Additionally, some other measures have been executed to promote the rights of shareowners and facilitate for exercise of their rights as follows:

### 1.1 Right to receive information

All shareowners have the right to equally receive the Company's information which the Company publishes in Thai and English via communication channel of the SET and company website (<http://www.icc.co.th>) to ensure all shareowners will be informed.

### 1.2 Right to attend shareowners' meetings

The Board of Directors considers as its important responsibility arrangement of the annual AGM within 120 days after the end of the Company's fiscal year at a convenient and proper date, time and venue for every shareowner to attend in order to allow them to participate in monitoring and supervising the company's operation.

#### Before the Annual General Meeting

In 2019, the Company organized the 54<sup>th</sup> Annual General Meeting of 2019 on April 22, 2019 at the Montien Riverside Hotel.

1. The agenda and details of the meeting in both Thai and English was publicized in advance to all shareowners via the channel of the Stock Exchange of Thailand since February 22, 2019, approximately 60 days prior the meeting in order that shareowners can arrange their availability to attend the meeting. The information was also published on the Company's website (<http://www.icc.co.th>).

2. The Company publicized the invitation letter to the meeting and supplementary documentation, having identical content to the counterpart sent to shareowners in both Thai and English version on the company website more than 30 days prior to the meeting date. The disclosure was made on March 20, 2019 to enable quick and convenient access among Thai and foreign shareowners in order to have more time for consideration of all the information.

3. The Company sent out in advance the invitation letter and supplementary documentation with sufficient details containing facts with explanation and reasons clearly defined whether it is for acknowledgement or for approval including the Board of Directors' comments for each agenda as well as accompanying documents such as the Annual Report, financial statements, Proxy Form B, information on eligible candidates for the Board and a map of the meeting venue along with explanatory notes regarding list of necessary documents required to be presented to the meeting, the attendance procedure to enable shareowners to maintain their rights, and regulations concerning the AGM – all of which were sufficient to allow informed consideration and voting on each agenda. The aforementioned letter and information was sent out 24 days prior to the meeting date, better than the required timeline standard, on March 29, 2019 in order to allow shareowners to consider the information. The invitation letter was also announced in Thai newspapers for 3 consecutive days during April 9 - 11, 2019 – more than seven days prior to the meeting date.

For foreign investors or institutional investors, the Company sent out the invitation and supplementary documentation in both English and Thai as to encourage their attendance. They were also able to see more details relating to the meeting on our website [www.icc.co.th](http://www.icc.co.th).

In 2019, 4 foreign shareowners and institutional investors assigned proxy to the Audit Committee.

Furthermore, the shareowners were able to download from the website authorized proxy forms which have been prepared and complied with the announcement of the Ministry of Commerce in three options: types A, B, and C. Any one of the three available formats can be chosen to suit individual needs.

4. The Company provided the opportunity for shareowners to fully participate in the meeting in terms of providing comment and posing questions pertaining to the Company, including allowing minor shareowners to propose any agenda to the AGM and to nominate any person to be elected as a member of the board of directors.

In the 2019 AGM, the Company additionally allowed shareowners to propose agenda items for inclusion in the 54<sup>th</sup> AGM of 2019 and nominate persons to be elected to the Board of Directors in advance during December 1 - 30, 2018. This process was publicized in both English and Thai language via the channels of the Stock Exchange of Thailand and the Company's website. However after the due date, no additional agenda nor candidates had been proposed.

In addition, the Company provided the opportunity for shareowners to pose questions regarding the AGM over 30 days in advance of the meeting via email to [iccset@icc.co.th](mailto:iccset@icc.co.th) or via facsimile to 0-2294-1155 as stated in the invitation letter along with being published on the company website (<http://www.icc.co.th>). However, in 2019, shareowners did not pose any questions in advance.

#### Attendance at AGM

1. The Board of Directors has a responsibility to shareowners and recognizes the importance of their participation in the shareowners' meetings. It is regarded as the duty of the Board of Directors, members of every committee and every executive to attend every such meeting, if they are not ill or otherwise engaged in another mission, in order to allow all shareowners to ask about the company's information and respond to their questions.



The AGM of 2019 was attended by 10 members of the Board of Directors, equivalent to 83.33 percent, with 2 Directors excused from attendance as they were on missions overseas, including the Chairman of the Board and the Chairman of the six Sub-committees, all members of Audit Committee, the Remuneration Committee, the Nomination Committee, Risk Management Committee, Corporate Governance Committee, the Executive Committee, corporate management — represented by Vice Presidents from all divisions, including the Chief Financial Officer and the Company's auditors, in order that shareowners may pose questions directly to the relevant responsible officers. The name list with title of all Company Board and committee members and executives who attended the AGM can be found in the minutes published on the Company's website (<http://www.icc.co.th>).

2. The Company extends fair treatment to all shareowners. Prior to commencement of the meeting, the Company Secretary announces the number /proportion of shareowners in attendance and the Chairman of the meeting clarifies the procedural rules.

- Method of voting and vote counting which, according to article 43 of the Articles of Association, is that the vote of one share is equivalent to one vote.
- Voting on each agenda is done openly with ballots handed out to shareowners to record their vote. Only ballots indicating disapproval and abstention are collected, except for the Election of Directors agenda whereby the ballots of every shareowner are collected.
- In vote counting, only disapproval and/or abstention votes, including votes on bad ballots, are deducted from the total number of votes of shareowners in attendance. The remaining number of votes is regarded as votes of approval of the respective agenda.
- The Barcode system is used in the vote counting. Voting results on each agenda are displayed on a projector for shareowners attending the meeting.
- Shareowners have the right to pose questions and express their opinion on each agenda. Should they have any questions regarding matters not on the agenda, they can pose these during the agenda 'Other Matters'.
- In cases where shareowners arrive for registration after the meeting has commenced, they are entitled to vote only on agenda items which had not yet been considered or voted upon, and their attendance will only be counted from the agenda on which they voted.

In addition, all shareowners attending the meeting are fully allowed the opportunity to ask questions, express opinions and propose recommendations on each agenda. All questions shall receive clear and succinct response to be duly recorded in the Minutes of Meeting. The Minutes of the Meeting also includes details of the voting method and summary of voting results on each agenda using the Barcode system to clearly record votes of approval, disapproval and abstention.

In the past year, the Company has provided such opportunity with shareowners posing questions on matters of their concern and the Board of Directors providing clear and accurate response — all of which have been recorded in detail in the Minutes of the Meeting publicized in the company website (<http://www.icc.co.th>).

3. The Board of Directors promotes applying the use of technology in shareowners' meetings, in order to enhance accuracy and speed, by using the Barcode system for registration and vote counting to facilitate shareowners participation.

In counting votes for each item of the agenda by using the barcode system, officers from Vira Law Office, as the Company's legal adviser, witnessed and participated in the vote counting and cross-checked the voting result on every item of the agenda for accuracy, transparency and compliance with legal and regulatory requirements as well as the Company's Articles of Association. Company's Auditors also observe the vote counting and the results are disclosed to the meeting and recorded in the minutes of the meeting. In case that any shareowners question or contradict the voting result, they are able to double-check after the meeting.

In addition, prior to the start of consideration of each agenda, the registration officials shall re-announce the number of shareowners in attendance.

Following are the results of voting on each agenda at the 2019 AGM.

Agenda	Approval			Disapproval			Abstention		
	No. of persons	No. of shares	%	No. of persons	No. of shares	%	No. of persons	No. of shares	%
1 - 3	144	237,798,541	100.00	-	-	-	-	-	-
4, 5.4 และ 6 - 9	146	237,801,041	100.00	-	-	-	-	-	-
5.1	143	235,048,541	98.84	3	2,752,500	1.16	-	-	-
5.2	145	237,801,031	100.00	1	10	0	-	-	-
5.3	143	235,048,541	98.84	3	2,752,500	1.16	-	-	-

(Prior to commencing Agenda 1, 3 additional shareowners arrived; prior to commencing Agenda 4, 2 additional shareowner arrived)

Details are stated in the Minutes of the AGM published on the company website.

4. The important agenda of the AGM were the following:

- **Dividend Payment** : the Company provided details of the profit appropriation, the proposed dividend payment ratio with rationale and related documents to comply with the dividend payment policy of the Company and provided dividend payment comparison between the current and previous years, as well as indicating the record date for eligible shareowners to receive dividend, the closing date for shares transfer registration and the dividend payment date.

- **Appointment of the Board of Directors** : Shareowners are entitled to elect individual directors and to propose candidates for directorship. The proposed candidate shall be approved by Nomination Committee. In case of independent director, he/she must possess the qualifications as stipulated by the Company and the notification of the Market Advisory Board. The list of candidate(s) shall be included in the invitation letter, having names, brief biography, age, position, education, work background, number of previous companies he/she had held directorship/executive position in listed and other companies, position(s) in any competing entity/any entity related to the Company's business, shareholding in the Company, criteria and method of nomination, type of director being proposed (according to the information sent in the invitation letter and as disclosed on the company website).

In the re-election of retiring directors, the company also provides attendance record at past meetings of the directors, as well as terms / years of their directorship.

In 2020, the Company still entitles shareowners to nominate candidate(s) to be elected as the Company's directors prior to the 55<sup>th</sup> Annual General Meeting of 2020. Details are as per item 1. Before the Annual General Meeting (Right of Shareowners) on page 87 in this Annual Report.

- **Remuneration of Directors** : The Board of Directors has granted shareowners the right to approve the remuneration of Company Directors on a yearly basis as well as to determine the criteria for remuneration payment to each member of the Company committees and the value of all forms of remuneration for approval by shareowners at the AGM. The proposal for consideration and approval is scrutinized by the Remuneration Committee based on the Company's operational results, director's performance, appropriation value of remuneration approved by the AGM, the previous year's remuneration and comparable remuneration in other companies engaged in the same type of business, as well as the director's authority, duties and responsibilities. The remuneration policy and criteria are set forth for each director position, divided in terms of their role(s) on the Board of Directors, Audit Committee, Nomination Committee, Remuneration Committee, Corporate Governance Committee, and Risk Management Committee. The approved budget is summarized in terms of actual amounts being paid and form of payment to individual members of each committee, namely the Board of Directors, Audit Committee, Nomination Committee, Remuneration Committee, Corporate Governance Committee, and Risk Management Committee as specified in form 56-1 and in pages 62-63 of this Annual Report.

- **Appointment of the Company's auditor and setting of audit fee** : The Company provides all relevant details pertaining to the auditors such as auditor's name, company affiliation, experience, capabilities, independence, past performance, number of years on duty, reasons for change of auditor, and auditor's fee, including comparable information on the auditing fee between the previous and current years along with any other service fees charged by the auditor's company, in comparative proportion to the amount of work and audit fees paid by other listed companies of the same level. All information included in the submission to the AGM has passed the consideration of the Audit Committee.

#### After the AGM

1. The Company discloses resolutions of the Annual General Meeting with voting results of each agenda in Thai and English versions via the channel of the Stock Exchange of Thailand on the day following the AGM and publicized through the Company's website.

2. The Company provides the Minutes of the Annual General Meeting both in Thai and English versions with sufficient, clear, accurate and complete factual details. Included in this are records of the names and titles of all directors who attended, questions raised by shareowners during the meeting and the answers, voting and vote counting methods, including the number of votes counted as Approval, Disapproval and Abstention on each agenda. Minutes of the meeting are submitted to the Stock Exchange of Thailand and all regulatory agencies concerned within 14 days after the AGM. The Minutes of the meeting in both Thai and English versions were publicized on the company's website so as to allow shareowners to check the data without having to wait until the next AGM, and also sent to the Department of Business Development, Ministry of Commerce within the time stipulated by law.

3. The Company also does a visual recording of the AGM and all proceedings throughout the meeting which is publicized on the company website (<http://www.icc.co.th>).

### 1.3 Shareholding Structure

The Company has not developed a mechanism to prevent domination of business, which may be exploited by management or authorized persons in case of inefficiency or mismanagement. In 2019, the Company disclosed the structure of related

businesses in the business group with similar or related natures, or having cross-shareowning structures on page 39-40 of this Annual Report. Similar information was also posted on the Company's website.

In 2019, the Company did not repurchase company shares or made any agreement between the shareowners which may have a material impact on the Company or other shareowners. Moreover, it did not prevent or create obstacles to the opportunity for shareholders to communicate with each other.

In the year 2019, the Board of Directors and executives, including their spouses and minor children, held company shares totaling 5.37 %, which does not exceed 25 % of the Company's issued shares, and the proportion of free float shareholding is at 27.69 %, which is higher than 25 % of the Company's issued shares.

## 2. Shareowners' Right to Equitable Treatment

1. The Company fully respects the equity rights of shareowners, recognizes their importance and treats all shareowners on equal basis. The Company has no policy to provide unequitable benefits to any specific party whether they be major, minor or foreign shareowners. All shareowners are able to fully exercise their own rights in terms of voting on any matter as the business owner and are secured that their rights shall be protected on fair basis with proper provision of sufficient facility.

2. The Board of Directors treats all shareowners with equality and fairness. Owner of the same type of share have identical right to vote, whereby one share represents one vote.

3. The Board of Directors supports shareowners who cannot attend the meeting to assign a proxy to attend and vote on their behalf, by using the proxy form to direct their voting preference and assign at least one independent director as their proxy.

4. The Board of Directors allows minor shareowners to propose a candidate as a director in the Annual General Meeting.

5. The Board of Directors disseminates the invitation letter to the AGM, both in Thai and English versions, on the company website at least 30 days prior to the meeting date.

6. The Board of Directors supports all shareowners to exercise their right as a shareowner. The invitation letter to the meeting and supplementary documentation are sent out for consideration in advance including the English version for foreign shareowners.

7. The Board of Directors has established a policy to prevent unethical exploitation of insider information for personal interests or others' benefits. It prohibits members of the Board of Directors and committees, executives and all employees who have access to the confidential information (by their position) from trading in company assets in the period of 1 month prior to, as well as 24 hours following the public disclosure of the Company's financial statements

8. The Board of Directors requires company directors and executives to disclose their interests, their related persons' interests, as well as manage any possible conflict of interest with prudence, in compliance with the rules of the Securities and Exchange Commission.

According to the Corporate Governance Policy and Principles, in the section relating to Equitable Treatment of Shareowners, the Company treats all shareowners equally and fairly, based on recognition of the equitable rights and equality of all shareowners.

### 2.1 Exercising the right to attend the AGM

1. In the case of foreign shareowners, the Company prepares the invitation letter to the meeting as well as supplementary documentation and the minutes of the meeting in English which is sent out together with the Thai version. These can also be viewed on the company website, which provides both the Thai and English versions.

2. The right to vote in the meeting is in accordance with the number of shares owned by shareowners. One share is equivalent to one vote and the Company has only ordinary shares.

3. In the Annual General Meeting, the Company has a procedure and channel in place so as to provide the opportunity for minor shareowners to propose qualified candidates to be considered and elected as a director. The shareowners were required to submit their proposed candidates prior to the AGM meeting date as prescribed in the set criteria, which included the channel and timing of the submission during 1-30 December 2018. Such information, both in Thai and English versions, was distributed through channels of the SET and the company's website.

Shareowners are also allowed to send in their inquiry in advance. However for the 2019 AGM, no proposed candidate for a director position or inquiry was sent in advance.

4. In 2019, the Company held 1 general meeting of shareowners, the Annual General Meeting, on Monday April 22, 2019 and assigned the Depository for Securities (Thailand) Company Limited, the Company's share registrar to send the invitation letter to the meeting to shareowners 24 days in advance on March 29, 2019 and disclosed on the company website 30 days in advance in order to facilitate both local and foreign shareowners and institutional investors to have plenty of time to study details of each agenda item and appoint a proxy to attend and vote on their behalf in case they are unable to attend the meeting.

The Company facilitates foreign shareowners by sending out the invitation letter with relevant documents in English as well as Thai so as to support attendance by all shareowners, including institutional investors.

Furthermore, the details of the invitation letter with all supplementary documentation which present the same written information as that sent to the shareowners in both Thai and English versions are also published via the company website (<http://www.icc.co.th>), 30 days ahead of the meeting date, since March 20, 2019, allowing Thai and foreign shareowners to access the information conveniently and rapidly, including having more time for consideration.

For the 55<sup>th</sup> AGM of 2020 on April 22, 2020, the Company will send out an invitation letter with all related documents as enclosure on March 31, 2020 which is 22 days prior to the meeting date. The supplementary documentation comprises the meeting agenda, annual report, financial statement, proxy Form B, proxy procedure, information on eligible candidates for the Board and a map of the meeting venue. These documents will be complete and sufficient to enable shareowners to prepare correct documents and make their decisions in voting on each item of the agenda.

5. The Company supports all shareowners' participation in considering and voting on the significant items on the agenda of the meeting by facilitating shareowners who themselves are unable to attend the meeting to appoint a proxy so as to take part in the consideration and voting process on company activities according to the meeting agenda. For this purpose, a Proxy Form B is attached with the invitation letter providing sufficient information on the proxy appointment procedure, and relevant conditions were simplified to facilitate the process. Shareowners can authorize a proxy to attend the meeting on their behalf and the Proxy rights can be given to an individual or an Audit Committee member who is an independent director. Name list of the four audit committee members together with addresses and details of their stake in each meeting agenda have been provided in the invitation letter, and are also available in the company annual report sent to the shareowners along with the invitation letter. The authorization can be executed by using the Proxy Form B sent out with the invitation letter to set their voting direction or download the form prepared in compliance with regulations of Ministry of Commerce from the Company's website (<http://www.icc.co.th>) which contains three forms: Form A, Form B and Form C (used only in the case that the shareowner is a foreign investor and has appointed a custodian in Thailand). Only one form can be chosen.

In the 54<sup>th</sup> AGM held on April 22, 2019

	Persons	No. Of shares	% (shares)
Shareowners as listed in share registration	2,083	290,633,730	100.00
Total number of attendants	146	237,801,041	81.82
Attended in person	55	29,387,653	10.11
Proxy	91	208,413,388	71.71
- Proxy to audit committee	6	2,981,000	1.03
- Proxy to another individual	85	205,432,388	70.68

6. Registration and attendance by proxy are facilitated by the Company providing complimentary excise stamps for affixing on the proxy form.

7. For convenience of registration at the meeting, attendees may register at least two hours prior to the meeting time and also late attendees will be entitled to cast their vote on the remaining yet-to-be-deliberated items on the agenda counted as part of the quorum from the time they cast their votes.

8. The Company conducts the AGM in accordance with the set meeting agenda. No additional agenda items or change of important information are introduced without advance notice to shareowners.

9. To vote in each agenda, which is proceeded openly, the Company distributes ballots to all shareowners/proxy holders during the registration. Shareowner/proxy holder who disagree or abstain shall return the ballot with affixed signature only. The exception is on the agenda involving election of directors whereby the ballot is collected from all shareowners/proxy holders attending. The Company provides adequate personnel and technological support of the registration and voting procedures by using barcode system to enhance convenience, speed and transparency.

## 2.2 Supervision of Internal Information Usage

One of the long-standing admirable characteristics of corporate culture is a conscientious sense of business ethics that the Company belongs to the public at large and not to any individual or group of individuals. Hence, a major duty of all personnel at all levels is to safeguard the use of corporate property and to prevent its misuse for personal or any other purposes. This communal sense of responsibility is ingrained into the conscience of all staff at all levels.

Such sense of responsibility has resulted in the Company management being almost wholly by a collective group of people for many decades through a consultative process with meetings being held at the same levels and across departments at all times. This practice has prevented any one executive from causing material damage to the Company by acting alone without discretion.

In addition to collective management, the Company strictly adheres to the principles of ISO 9001: 2008, which upholds transparency in management and decision-making rendering the Company's good corporate governance in every aspect and resulting in the satisfaction that the Company's system of internal control is fully effective.

The company has policies and measures to supervise the use of internal data. Details can be found on page 119 of this annual report. It is also stated in the Company's code of business operation and specified in the code of conduct for company directors, executives and employees.

The Company has developed its IT control system in electronic documents interchange and determining access level (with password for each user), to suit the duties and responsibilities of particular users at every level.

In 2019, all these regulations and procedures have been strictly followed by all directors, executives and staff at all levels.

## 2.3 Trade in Securities of the Company and Report on Related Transactions

The Company has policies and measures in its Code of Conduct to supervise trade in securities of the Company and to report on related transaction of directors and executives, which prohibit directors, executives and employees, having access to inside information, from trading in securities of the Company, one month before and 24 hours following the public disclosure of the Company's financial statements except in cases of normal trading transactions irrelevant to the inside information.

The Company requires its directors and executives, including spouses and minor children to report the first holding of securities of the Company and any changes thereof to the Office of the Securities and Exchange Commission within 3 days from the date of such change, as well as send a copy to the Company Secretary for further reporting to the Board of Directors in the next meeting of the Board. In addition, the Company includes any item concerning the report on securities holding of directors and executives, including spouses and minor children, in the regular meeting agenda of the Board of Directors.

In 2019, the directors and executives of the Company acted in strict compliance with the policy, resulting in no trading of company securities during the silent period.

The Company has in place measures to control interest of the Board of Directors and executives. The Board of Directors and executives shall report their interest, or related person's interest as per following circumstances:

1. Holding directorship or executive position for the first time
2. Change of interest information
3. The Board of Directors and Executives are required to report such interest to the Company

Secretary who further sends said information to the Chairman and Chairman of the Audit Committee for acknowledgment within 7 working days from the date of receipt of the said report.

In 2019 the Board of Directors and executives have complied with the set criteria.

## 2.4 Conflict of interest

The Company carefully and reasonably manages conflict of interest based on the highest benefit of the Company. Pricing is based on the same fair trading conditions as trading with external persons. The Company sets operational system with transparency and strict adherence to the regulation of the Stock Exchange of Thailand by incorporating such principle into its good corporate governance policy as well as inclusion into the ethical code of conduct towards the Company and shareowners. Disclosure of information is provided in order to achieve equitable acknowledgment of information to all stakeholders.

Regarding related transactions that may bring about conflict of interest, these would be governed by the process of related transactions with fairness and according to market price as per normal business. The transactions are notified and disclosed to the meeting with specific details which include name and relationship of the related party, pricing policy, value of transaction, parties involved, the need for such transactions, as well as the opinions of the Audit Committee, the Executive Board and the Company's Board of Director as well as differing views (if any) as required by the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. At the Board of Directors' meeting, directors who have a stake in the transaction must leave the conference room and must refrain from voting on this agenda. All transactions are disclosed in Thai and English to the SET and posted on the Company's website (<http://www.icc.co.th>) in both Thai and English as well. In addition, the summary of transactions is also published in the Company's annual report and on the Form 56-1.

Related transactions likely to incur possible conflicts of interest when compared to the total income is equal to 4.41% or when compared to total expense, is equal to 3.47 %, which is lower than 25 percent.

Furthermore, the Company has measures to control related transactions and limit financial support for non-subsidiary companies. In providing loans or loan guarantees, it is prescribed that these must be according to the proportion of the Company's equity under the joint-venture agreement. Related transactions in 2019 have been disclosed on page 129-135 of this annual report with complete, sufficient and transparent information.

In 2019 the Company has not provided financial support to associated or related companies, but to certain subsidiaries by renewal of loan agreement and joint loan guarantees to joint venture partners in proportion to the Company's equity. There were neither related transactions nor trading of assets that violated and/or contravened the regulations of the SET or the SEC.

### 3. Role of Stakeholders

1. The Board of Directors appreciates and is firmly committed to its responsibility and respect for the rights of the various stakeholders whether internal or external, in the public sector and related agencies based on lawful provisions or legal agreements with the Company. In order for stakeholders to be ensured that their rights are protected and that they are treated fairly and equitably, a policy guideline has been prescribed for the treatment of each stakeholder group, which takes into consideration the community, society and the environment, to promote sustainable growth and development as well as mutual benefits which lead to sustainable business, while preventing and suppressing misconduct and corruption, refraining from intellectual property infringement, including giving due respect to human rights. The policy guideline for each stakeholder group is as follows:

<b>Employees</b>	-	Appropriate compensation and welfare
	-	Training and development of knowledge and skills
	-	Equality and opportunity for advancement
	-	Provision of safe work environment and quality of life
<b>Customers</b>	-	Access to accurate information regarding products and services
	-	Quality products and services at appropriate pricing
	-	Availability of alternative products which mitigate environmental impacts
	-	Provision of warranty for products and services
	-	Safeguarding the confidentiality of customers' information
	-	Establishing the ICC Call Center to provide customer relations services
<b>Shareowners</b>	-	Providing channels for customers to give comments, suggestions and complaints
	-	Continuous provision of high returns
	-	Continuous good operational results and sustainable growth
	-	Ensuring effective and transparent corporate management and disclosure of information based on good corporate governance principles
<b>Trade Partners</b>	-	Compliance with the terms and conditions of the trade agreement and provision of accurate information
	-	Promotion of good cooperation and understanding
	-	Promotion of knowledge transfer to jointly develop value-added products and services by holding joint meetings with trade partners regularly on an annual basis to promote and clarify direction of operations
	-	Visit trade partners to listen to their views and suggestions.
<b>Competition</b>	-	Conduct business operation with honesty and transparency based on fair competition framework



Trade Creditors	-	Compliance with the terms and conditions of the trade agreement											
	-	Transparency in business operation by utilizing bank transfer facilities of Media Clearing system with a set billing and payment transfer schedule as follows:											
		<table><tr><th colspan="2">Billing Period</th><th>Payment Transfer Date</th></tr><tr><td>• Goods</td><td>everyday</td><td>Wednesday of following week</td></tr><tr><td rowspan="2">• Expenses</td><td>on 1<sup>st</sup> – 6<sup>th</sup> of the month</td><td>On 6<sup>th</sup> of the following month</td></tr><tr><td>on 7<sup>th</sup> – end of month</td><td>On 6<sup>th</sup> of month following first transaction</td></tr></table>	Billing Period		Payment Transfer Date	• Goods	everyday	Wednesday of following week	• Expenses	on 1 <sup>st</sup> – 6 <sup>th</sup> of the month	On 6 <sup>th</sup> of the following month	on 7 <sup>th</sup> – end of month	On 6 <sup>th</sup> of month following first transaction
Billing Period		Payment Transfer Date											
• Goods	everyday	Wednesday of following week											
• Expenses	on 1 <sup>st</sup> – 6 <sup>th</sup> of the month	On 6 <sup>th</sup> of the following month											
	on 7 <sup>th</sup> – end of month	On 6 <sup>th</sup> of month following first transaction											
Lenders	-	Compliance with the terms and conditions of the loan agreement with transparency and fairness											
	-	Provide advance notification if unable to meet any obligation under the loan agreement in order to find joint resolution based on reasonableness											
	-	Always repay principle and interests on loans as scheduled.											
Debtors	-	Compliance with the terms and conditions of the loan agreement with transparency and fairness											
Community, Society and Environment	-	Availability of appropriate products and services for daily living											
	-	Promotion of knowledge and understanding on healthy living											
	-	Conduct business operations mindful to impacts on the community, society and the environment											
Government	-	Compliance with all relevant legal and regulatory requirements											
	-	Cooperation and support for development projects and charity activities											
	-	Pay taxes accurately, completely, in time according to the legal requirements.											
	-	Participate in meetings, express views and support state activities regularly and continuously											
Media	-	Disclosure of accurate information in a timely manner											
	-	Host visits by members of the media to see various corporate activities or business operations											
	-	Support and participate in activities organized by the media.											

In case of any loss, the company and each group of stakeholders fully cooperate to seek possible resolution and determine the appropriate remediation measure favorable to all parties.

The Company has formulated stakeholders' policies and guidelines into a handbook: 'Business Code of Conduct and Ethics for the Board of Directors, Executives and Employees' published on the company intranet and website (<http://www.icc.co.th>) as the moral and ethical framework for best business practice, based on creating balance and fairness among stakeholders, as well as serving as a code of conduct for company directors, executives and employees in the engagement and interaction with the Company, shareowners, customers, employees, trading partners, trade creditors, lenders, competitors, government sector, society and the environment, as well as to enhance stakeholders' participation in promoting the Company's sustainable operation.

Moreover, the Company has implemented a code of conduct for Company Directors, Executives and Employees as guidelines for the management and all employees in undertaking operations conscientiously. The guidelines are available for directors, executives and staff of all levels via the Company's intranet and Company's website.

The Company has policies and directions regarding the treatment of interested parties, anti-corruption, anti-copyright violation, as well as the observation of human rights. Details of corporate social responsibility can be found in the Sustainability Report 2019 and posted on the Company's website (<http://www.icc.co.th>).

2. The Board of Directors has prescribed channels and procedures by which all groups of stakeholders can file a report or complaint on any matter that may result in damage to the Company, the accuracy of the financial report, defective internal control system or illegal and unethical actions, fraud or misconduct of employees in the company, or in matters where stakeholders are violated or not being fairly treated; employees or interested parties who witness or have evidence or suspect that any employee or person acting on behalf of the Company may be involved in bribes or corruption, whether directly or indirectly, malfeasance or illegal activity, as well as any violation of rules, regulations, and company policies, non-compliance with the Code of Conduct for Company Directors, Executives, and Employees; or unfair treatment, can file a report or complaint through the following channels:

### Channels of Complaint

1. The Audit Committee via email : [iccauditcommittee@icc.co.th](mailto:iccauditcommittee@icc.co.th)
2. Direct complaint, either verbally or in writing, to:
  - “Customer Service Center” via tel. 0-2294-4999 or email : [services@icc.co.th](mailto:services@icc.co.th)
  - Company Secretary tel. 0-2295-0688
  - Registered mail with return receipt
3. Via postal service to PO Box 22, Yannawa Postal Office, Bangkok 10120
4. Suggestion Box
5. In the case where the complainant wishes to remain anonymous, facts or sufficient evidence must be specified to adequately show there are reasonable grounds to believe that bribery or corruption has been committed.

The Company will keep all relevant information confidential unless disclosure is legally required.

### Dishonest Complaint

If reporting such tip-offs, complaints, statements or information is proven to be in bad faith which causes damage to the person or the Company, any employee making such report will receive disciplinary action according to work regulations and / or take legal action. However, if it is an external party that is responsible for such report and causes damage to the Company, the Company reserves the right to take legal action against that person.

3. The Board of Directors has formulated policy guidelines to protect its employees or whistle-blowers who bring to the Company's attention matters that may cause damage to the Company, or relating to misconduct or unfair treatment.

### Measures to Protect Informants and Complainants

The company will protect the rights of complainants and informants acting in good faith by concealing their names, address or any information that could reveal their identity, and maintain confidential the particulars of the complainant and informant, limited to those responsible for investigating the matter, in compliance with the measures for protection of complainants as defined in the code of conduct for directors, executives and employees.

### Employee protection

The company will provide care and protection for those who comply with the anti-corruption policy and this practice based on the measures to protect the complainant as defined in the code of conduct for directors, executives and employees.

4. The Board of Directors supports the publishing of a 2019 Sustainability Report based on the framework of the Global Reporting Initiative (GRI) as a separate publication considered as an integral part of this annual report.

### Sustainable business practice under environmental standard

The Company is committed to sustainable business practices, based on responsibility under environmental standards, and included as a key policy in the corporate mission statement and set forth in our Corporate Governance Policy and Business Ethics. This is to ensure that the Company's business operation places consideration to the impacts on natural resources and environment.

Thus, the Company has issued code of conduct under management of natural resources and environment, details of which are available in the 2019 Sustainability Report.

In 2019, the Company conducted business under environmental standards which applied within and outside the organization. For more details, please see our 2019 Sustainability Report.

### Within the organization

- The Company has installed rooftop solar cell panels, a continuation of its Solar Rooftop pilot project implemented since 2016 for its head office in Bangkok to support the use of alternative renewable energy.

### Outside the organization

1. The Company's commitment to environmentally-friendly business operation is reflected in our carefully selected children's products. 'ENFANT', children's apparel, is manufactured to the highest standard under Health & Safety concept for your little loves, by a trading partner of ICC. ENFANT products are certified as 'Green Label' for its safety, non-toxic and environmentally-friendly properties.
2. Men's Wear "Arrow" certified by the Electricity Generating Authority of Thailand (EGAT) indicating "no ironing required", the **No. 5 Energy Saving Shirt** label therefore represents the smooth pressed look of fabric and seams, of which Arrow was the first brand to have been certified by EGAT with the label.

3. Arrow Upcycling Innovation, the shirt made from a blend of cotton fibers and recycled polyester fiber from plastic water bottles, is a collaboration between Arrow Products and PTT Global Chemical Public Company Limited through the Upcycling innovation to help reduce plastic bottle wastes in Thailand and add value to the product, as well as being manufactured by a partner company that has been certified for “Green Label” quality standards, certified safe products free from toxins and environmentally friendly.

### Human Resource Development Policy

The Board of Directors recognizes the importance of employees as a valuable asset and believe that our human resources are the heart of successful corporate management. The Company, therefore, attaches importance to recruitment, compensation, welfare, rights and privileges as well as continuous development for employees. As such, the Company has formulated policies and procedures pertaining to development of employees' knowledge and potential on the basis of equality, transparency, fairness, protection of human rights and promotion of team building values in order to enhance unity and create a lasting bond between the employees and the organization in the long run. Activities and projects have been initiated in relation to transforming the organization into an innovative organization, as well as empowering employees to search for factual information on the Company from the Intranet system so that employees may have shared understanding, values and ethics, rendering unity and care in the use of electronic devices, enabling them to apply communications technology in driving business operations to successfully achieve set targets.

In addition to professional development, the Company also attaches importance to taking care of all employees in terms of fair treatment, hence our staff remuneration policy, formulated as part of the strategy to retain employees who are knowledgeable and capable whereby the Balance Scorecard is used to define corporate KPIs as the basis for performance evaluation, including determining remuneration for executives and employees according to their performance, with consideration given to 4 dimensions namely financial, customer, internal process and the dimension of learning and development, and taking into account the success of the organization, consistency with the prevailing economic situation and comparable with similar types of industry and based on equitability.

Furthermore, every year, there is a ceremony to honor and present a memento to employees who have completed 30, 20, and 10 years of service in order to create morale for employees who are dedicated to performing duties for the organization continuously.

Moreover, the Company also has a provident fund for employees, welfare loans, a savings cooperative to promote savings among employees and to provide financial assistance among members, annual health checks, medical personnel stationed at the nursing room as well as a healthy and comfortable workplace conducive to work. In 2019, the Company paid remuneration to its employees in the form of monthly salary, commissions, transport allowance, allowance, overtime, incentive bonus, and bonus, including short-term and long-term remuneration in the form of retirement package and provident fund.

The Company is also concerned about safety of life, health and assets of its employees, and has in place appropriate policy and practice guidelines related to safety, hygiene and work environment. For more details please see the Company's Sustainability Report Year 2019.

In 2019, there is no report of any accident resulting in employee losing work time.

### Anti-Corruption Policy and Guidelines

'Honesty' is one of the Company's 7 Principles of Thought leading to Success. Realizing the importance of internal organization management and business operation renders a firm commitment to transparency and integrity. The Company has therefore defined its anti-corruption policy and code of conduct, which were approved by the Board of Directors on 31 March 2015 and 15 March 2016 respectively, and serve as the practical guidelines for company directors, executives and employees at all levels by focusing on prevention and anti-corruption of all forms, both directly and indirectly, including non-participation in bribery and corruption to government and private sector officials in order to gain competitive advantages. The Company has communicated its anti-corruption policy and guidelines for the best interest of corporate business to company directors, executives, senior management and managers at all levels, as well as being included in staff orientation for new employees, in engagement with our trading partners and suppliers. The policy and guidelines have been published in print version for distribution to Board members and directors, executives, trading partners and suppliers and posted on the company website.

Furthermore, the Company has also started publicizing a 'no gift' policy to employees, trading partners, suppliers and external business contacts urging them to refrain from giving gifts to company directors, executives or employees on every occasion. This policy has been communicated through various channels including posting announcements, sending out letters and emails, as well as on the company website.

The Company has also prescribed a transparent and fair procurement process which stipulates procurement proposal procedures and guidelines for transparent business operation for our trading partners. A central price list for materials and equipment as well as a comparison purchase price list, construction tenders, or store finishings in normal cases and in urgent cases is compiled for reference. Corporate management and employees are required to strictly adhere to this system. Any deliberate non-compliance with corrupt intent is regarded by the Company as serious misconduct.

In addition, the Company organized the “Developer’s Day” with the objective to allow new trade partners interested in joint investment to come in and present their products in response to the Company’s intention and compliance with transparent business practices as set by the Company.

The Company has a process for inspection, monitoring, detection and assessment of risk from corruption and has formulated a prevention plan to address potential risks with the Risk Management Committee being responsible for assessing operational risks and risks of corruption to comply with the Company’s anti-corruption policy with the internal audit unit of the Company, together with Dharmniti Internal Audit Company Limited, the external juristic person hired by the Company as a consultant, conduct internal audit inspection as well as preparing a report on operational risk assessment and the risk of corruption to be presented to the meeting of the Audit Committee for a review the internal control system and follow up on the internal audit results. In the event of corruption, the Risk Management Committee will report directly to the Audit Committee and the Audit Committee will report to the Board of Directors respectively.

With the ongoing commitment to fight against corruption, the Company has announced its intention to be part of the Private Sector Collective Action Coalition against Corruption: CAC) and has been certified as a member of the CAC on October 14, 2016. In 2019, the Company submitted a request for the 1<sup>st</sup> renewal of CAC membership certificate in Quarter 3/2562 on September 13, 2019 and received approval for renewal on November 4, 2019.

The Company’s anti-corruption policy and guidelines are widely available both internally and externally via announcement boards, intranet system, e-Learning, arranging of such activities as “This is the one...ICC click LIKE” every month to celebrate people who do good deeds or demonstrate honesty, holding ‘Anti-corruption Policy’ training and test for employees via the internal e-Learning system, as well as publishing the policy on the company website (<http://www.icc.co.th>).

In the year 2019, the Company has promoted knowledge and provided continuous training including organizing various types of activities focusing on good corporate governance, business ethics and the Code of Conduct for Directors, Executives and Employees, including Anti-Corruption with extensive communication and public relations both inside and outside the organization as follows:

## Internally

1. Communications with Company directors, executives and employees at all levels including housekeepers and security guards. Creating knowledge and a better understanding of the corporate anti-corruption stance.
  - ICC joins fight against all forms of corruption
    - \* Building character in the campaign “Join forces with the “3 Anti-Corruption Principles of ICC”
 



 Representing the project in creating memorable impression among employees and promoting awareness of the problem of corruption
    - \* Install public relations media within the organization such as
      - Posters on notice boards, Show Cards at the PR counters and in meeting rooms.
      - Notice on pay-slips, stickers on mirrors and acrylic boards in the toilets
    - \* Publicizing the project on the company Website, Intranet, Desktop Screen, Group Line and QRMS announcements
    - \* Commending employees to do good in the column “This is the One...ICC Click Like” on the PR Notice Boards and in Saiyai magazine .
2. Arrange “Ethics and Organizational Sustainability” training courses for company Directors, executives and employees
  - Test participants on the principles of good corporate governance and guidelines on anti-corruption policy via ICC e-Learning system
  - Jointly sign the letter stating commitment to adhering to the anti-corruption policy

## Externally

1. “Expand the Collective Anti-Corruption Coalition (trade partners)” to its trade partners by organizing special courses on “Expanding the Collective Anti-Corruption Coalition (trade partners) towards Sustainable Development of the Organization” to which 36 companies who are our trading partners attended such courses and, of these, 34 signed the Letter of Intent and Commitment to Anti-Corruption Policy with ICC.

- Create a coalition of companies with anti-corruption practices to ensure transparency of business operations throughout the supply chain from upstream to downstream for the purpose of sustainable development.

- Render willingness and readiness among our trading partners in signing the Letter of Intent and Commitment to Anti-Corruption Policy with ICC.

2. Participate in the Anti-Corruption Day activity under the concept “Joining Forces in Fighting Corruption” organized by the Anti-Corruption Organization (Thailand) on September 6, 2019.

3. Develop appropriate channels and systems for complaints and reporting information regarding corruption and misconduct by stakeholders, as well as ensuring that efficient mechanisms are in place for the protection and fair treatment of complainants and informants, details of which are on page 95 of this year’s annual report.

In 2019, there were no complaints or petitions from stakeholders on possible cases of corruption in any of the channels established by the Company.

## 4. Information Disclosure and Transparency

1. The Board of Directors oversees disclosure of significant information to ensure accuracy, transparency and timeliness as well as compliance with the relevant laws and regulations. These disclosures include reports filed in accordance with accounting periods and reports of events having an impact on shareowners’ interests, as well as disclosure of other information pursuant to the principles of good corporate governance prescribed by the Stock Exchange of Thailand. Disclosure is made to the extent that the Company’s legitimate interests are not prejudiced. Information is published in both Thai and English on the Company’s website, disclosure channels of the Stock Exchange of Thailand and other channels which are comprehensive and equitably accessible.

The Board of Directors has established both English and Thai language websites which are easily and conveniently accessible in order to present and publicize up-to-date corporate information. The website is a communication channel between shareowners and investors in addition to being a marketing tool.

2. The Board of Directors is aware of the importance of preparing accurate and reliable financial statements in keeping with the most accredited accounting standard, recording accounting information carefully using discretion in estimation of the financial statements which reflect the actual performance of the Company and emphasizing the quality of the financial statements through a process of review and cross-checking by qualified and independent auditors approved by the Audit Committee and the Board of Directors. Significant additional information is adequately disclosed in the accompanying notes to the financial statements, together with explanations and analysis for the benefit of shareowners and public investors.

The company auditor is a person with knowledge and expertise, being independent and approved by the SEC. In addition, the Auditor must not be related in anyway to or have any interest in the Company/ subsidiary/ associated companies or with any executive/major shareowner or related person of those. Thus, the auditor is independent in conducting audits and providing opinions on the Company’s financial statements.

3. The Board of Directors assigns a work unit or a person responsible for investor relations to communicate with external parties with equality and fairness.

### Corporate Governance Policy and Principles on ‘Information Disclosure and Transparency’

The Board of Directors, recognizing the importance of the quality of information, as well as equitable disclosure of information with transparency and fairness, provides oversight to ensure the disclosure of important corporate information related to the Company, both financial and non-financial information, or information that may affect the Company’s securities price to enable shareowners and interested persons to have access to significant corporate information which is accurate, transparent, equitable and timely.

The Company discloses the information through diverse channels that are easy to access, through SET channel and company website in Thai and English versions to ensure confidence among all stakeholders. Our principles are as follows.

1. Disclose the important information whether financial or non-financial.

The Company discloses the important information whether it is financial or non-financial according to the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission (SEC) . The Company submits financial and non-financial information to the Stock Exchange of Thailand and the SEC within the designated time and discloses information accurately, completely, timely and transparently both in Thai and English versions via channels of the SET and the Company’s website (<http://www.icc.co.th>)

**- Information disclosed in the Annual Information Report (Form 56-1) and in the Annual Report of the Company**

The Company has been providing information clearly and completely according to all regulations of the SEC, the SET and the good corporate governance principles of the 2017 CG Code so as benefit shareowners in their consideration. More information on each item is listed in form 56-1 and the Company's annual report as well as being publicized on the company website (<http://www.icc.co.th>) which is regularly updated.

**- Annual financial statement and quarterly financial statement**

The Company's annual financial statement and quarterly financial statements are prepared and approved by the Auditor, Audit Committee. The Board of Directors discloses such information to shareowners or investors prior the due time, so as to be a supporting factor for investors in making their decision.

**- Report of quarterly operation results**

The corporate operation result is reported on quarterly basis in case the net profit as shown in the latest financial statement exceeds 20% compared to the same period of the previous year. The explanation and analysis of the quarterly report is disclosed via SET disclosure channel and company website.

During the past year, the Company was not cited for any violation of the information disclosure regulations as prescribed by the SEC and SET.

In 2019, the Company's financial statements have been certified with unequivocal opinion by the Company's Certified Auditor and submitted to the SEC and the Stock Exchange of Thailand on time with no correction requirement.

In addition to disclosing important financial information, the Company also recognizes non-financial performance indicators, focusing on creating customer satisfaction for services rendered. As such, the Company considers that conducting surveys of customer satisfaction is an important competitive strategy whereby a survey of customer's satisfaction with our salespeople's services and towards the image of the Company's products is conducted twice a year, randomly interviewing customers at the point of sale and randomly interviewing customers via telephone nationwide. In the year 2019, the Company interviewed a total of 4,366 clients and produced a summary report of the survey each time.

The findings of both surveys by the Company indicated that overall customers are still satisfied with the services of the sales staff at a high level. In addition, the results of each survey are summarized and reported to the Executive Committee every time. Information in the customers' opinions is used as a guideline for reviewing the quality management system, to set plans for continuous improvement and development of more effective service standards.

2. The Board of Directors is aware of its responsibility for the accuracy and reliability of the financial statements which enable investors or shareowners to make informed decisions. Hence the Company has prepared a Report on the Board of Directors' Responsibilities for the Financial Statements as shown in page 136 of this Annual Report.

3. The Company has disclosed the policies on good corporate governance (revised version), the 8 categories of good corporate governance principles, business ethics and code of conduct for company directors, executives and employees in writing and publicized through the company website.

In 2019, results of the implementation of the corporate governance policy were reported to be in conformity with the good corporate governance principles of the 2017 CG Code set by the Securities and Exchange Commission and publicized in the Company's Annual Report, the annual information report form (Form 56-1), and the company website.

4. The Board of Directors has set social and environmental policies, and promoted their continual and consistent implementation as shown in the Sustainability Report of 2019.

5. Regarding disclosure of related transactions, the Company follows the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand by disclosing the name of persons responsible for the transaction, relationship, transaction type, pricing policy, transaction value, including setting clear and fair guidelines for execution of the transaction at market price for normal business in order to prevent conflicts of interest reasonably so as to maximize the benefits to the Company and shareowners. For more information on the related transactions, see page 129-135 of this annual report, with data for the past 3 years also available on the company website.

6. Important related transactions must be considered and approved by the Board of Directors.

The Company set its Related Transaction Policy to be aligned with notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand. Any related transaction must be proposed to the Audit Committee for consideration, prior to submission to the Executive Committee and the Board of Directors. If such transaction is required to be disclosed pursuant to regulations of Stock Exchange of Thailand, the Company shall fully comply to such regulation.



7. The Company has measures in place to safeguard internal information usage together with a policy requiring company directors and executives, as well as their spouse and minor children to report their trading and holding of company securities, and to report any changes thereof to the Board of Directors meeting. Measures to control usage of internal information are described on page 119 of this annual report. The measures and practical guidelines are as follows;

- Report when assuming the directorship or executive position for the first time
- Report upon changes of interest.
- Report at the end of every year.
- Directors and executives are required to submit the Report of Interest to the Company Secretary within one month after being elected/appointed and upon any change thereof.
- The Company Secretary will submit the Report of Interest to the Chairman of the Board and Audit Committee within 7 days from the date of receipt such report.

In 2019 the Company did not receive any warning letter regarding non-compliance from the Office of Securities and Exchange Commission (SEC).

## 8. Long-term objective/target of the Company

The Company strives to be the leading company in the Fashion & Lifestyle business in Thailand and in the Southeast Asian region, driven by innovation and creativity, with a policy to create new brands and have diverse brands to rapidly meet all the needs of customers, and expand sales in online business and Speciality Shops operated and managed by the Company in response to the current market situation and changing consumer behavior trends among the younger generation. At the same time, the Company is committed to its focus on product development to attract more diverse customer groups, thereby preparing a business plan covering 2019-2021 with financial and corporate growth targets, including targets to enhance its potential to attain highest profitability for the Company, which is reviewed annually to ensure the corporate vision and mission remain in line with the current economic conditions, details of which are under Policy and Business Overview on page 36-40 of this annual report.

9. Meetings and communication between the Board of Directors, executives, senior management and vice presidents who head all the divisions are held regularly. The Company holds a meeting of senior management and all division heads on a monthly basis in order to acknowledge business targets and strategies which are compulsory to be communicated to all personnel to ensure their understanding and implementation in the same direction as well as to be a practical guideline in performing their duties and responsibilities to achieve the corporate goals.

10. Regarding investor relations, the Company has appointed the Office of the Secretary to the Board of Directors to be responsible for this matter, particularly to provide data and information to investors and concerned parties upon request. Contact address is as follows:

Mrs. Duangrudee Milintangul  
The Company's Secretary  
Tel. 0-2295-0688 Fax. 0-2294-1155  
E-mail : duangm@icc.co.th

Or Mrs. Thanyaluck Watanakularoj  
Office of the Secretary to the Board of Directors  
Tel. 0-2295-0688 Fax. 0-2294-1155  
E-mail : iccset@icc.co.th

The Company also publicized the name of persons as well as convenient communications channel via the Investor Relations Information in the company's website (<http://www.icc.co.th>)

Moreover, the meeting with securities analysts is held annually within the Company's compound to provide them the opportunity for any inquiries. This meeting is also attended by the Company's Executive Board for the purpose of providing further clarification.

In 2019, the Company and other companies of the Saha Group jointly cooperated with the Stock Exchange of Thailand (SET) to organize the "Investors and Analysts Meeting with Saha Group", for the eleventh consecutive year at the 23rd Saha Group Fair at Bangkok International Trade and Exhibition Centre (BITEC), Bang Na. At this event the President and Vice Executive Chairman welcomed the group of investors, analysts, press, and provided them with information on corporate business and operating results. ICC also provided a summary report on its company profile and operating results to all investors, analysts, press and their positive responses were publicized via the SET channel of communications and the Company's website (<http://www.icc.co.th>).

Moreover, in the past year the Company also provided information and responses to questions to shareowners, investors and other related parties via email and telephone.

11. The Company recognizes the importance of transparency in the equitable and comprehensive disclosure of information, which are easily accessible. The Company disseminates news and information to investors and parties concerned for acknowledgement via various channels including the Stock Exchange of Thailand and the Company's website (<http://www.icc.co.th>). Equity in various companies and press releases in relation to the Company's financial status are also reported on the company website.

12. Apart from disclosure of the financial statements and other information as strictly required by the SEC and the Stock Exchange of Thailand through various channels in a complete and timely manner, the Company also discloses the following, including continuously updated information, in the Company's Annual Report, Form 56-1, and the company website :

1. Name list of the directors, independent directors and sub-committees including profiles, roles and responsibilities thereof, including their record of attendance at meetings as stated on page 8-17 and page 66-67 respectively of this annual report. The information relating to the Board of Directors and Executive Committee has been publicized on the company's website (<http://www.icc.co.th>).
2. Remuneration payment policy for the directors and executives including the type, characteristic and the amount of remuneration paid to each details of which are disclosed on page 62-63 of this annual report.
3. The share-owning of directors and executives including spouses and minor children are disclosed on page 65 of this annual report and through the company website.
4. The share-owning structure: the Company discloses the top ten shareowners as at the closing date for the Share Register Book for the AGM as shown on page 77 of this annual report and through the company's website.
5. The corporate management structure has been disclosed on page 58 of this annual report. Moreover, the Company also discloses the structure of the business group according to equity on page 52-57 , together with the structure of its share-owning on page 39-40 of this annual report. This information is also published on the company website.
6. Disclosure of business policy and performance overview on page 36-40 of this annual report.
7. The information on nature of the Company's business together with industry and competitiveness analysis, competitive status and potential of the Company and market share has been clearly disclosed in the Nature of Business on page 41-47 of this annual report.
8. The Company's operational risks, their nature, cause and impacts as well as prevention and mitigation have been disclosed on page 48-50 of this annual report and on the company website.
9. Internal control and internal audit systems, assessment results of the internal control system in five major areas based on the Securities and Exchange Commission requirements appear under Internal Control and Risk Management on page 126-128 and the Audit Committee Report on page 124 of this annual report and on the company website.
10. The company reports its Financial Statements on a quarterly basis in both Thai and English versions, also published on the company website which is available for public download as well.
11. Disclosure of related transactions and related transactions for the past 3 years through the company website.
12. Annual Reports for the last 10 years, Form 56-1, Invitation letter to the AGM in both Thai and English versions are publicized on the company's website, and also available for public download.
13. The general public have the opportunity to pose questions to the Company via the Office of the Secretary to the Board of Directors and the Company's Secretary who are responsible for investor relations for the Company. This Q&A is publicized on the company website.
14. Information on attendance of training courses of directors and executives is disclosed on page 107-108 of this Annual Report.
15. Qualifications and experience of the Company's Secretary is also disclosed and disseminated on the Company's website.
16. The Company's Articles of Association, Vision and Mission are publicized on the company website.
17. Charters, duties, responsibilities, qualifications and directorship terms of the Board of Directors and all Committees and their members are publicized on the company website.
18. Disclose the Whistle Blowing policy and publish on the Company website.
19. Disclose Corporate Governance Policy and Principles in 5 Sections, Business Code of Conduct, Code of Conduct for the Board of Directors, Executives and Employees on the company website.

20. Disclose the revised version of the Good Corporate Governance Policy, the 8 Good Corporate Governance Principles, Business Ethics, and the Code of Conduct for Directors, Executive Officers and Employees based on the 2017 CG Code for public listed companies on the company website.
21. Disclose the Anti-Corruption Policy and Procedures on the company website.
22. Disclose information about investor relations.
23. Prepare and disseminate the newsletter that presents the Company's operation result and post this on the company website.
24. Disclose Company's information and press releases through the company website.

## 5. Board of Directors' responsibilities

The Company's Board of Directors has an important role in determining the direction of the Company's business operation, and monitoring the management team as well as setting up corporate governance policy, the principles of corporate governance, business ethics and code of conduct for company directors, executives and employees. Such codes of conduct are published and distributed to company directors, executives and employees. The Board also has responsibility of implementing good corporate governance to ensure the best interest of the Company and shareowners, including supervising that corporate activities are undertaken appropriately and legally.

The Board of Directors has clearly stipulated the duties and responsibilities of all committees with the Executive Chairman as the Head of Management, who is appointed by the Board of Directors, to be responsible for overseeing business operations and ensure that corporate performance achieves its objectives, targets and is in line with the policies set by the Board of Directors.

In the past year, there was no record stating that the Company has :

- committed any gross regulatory violation;
- committed any fraudulent and unethical misconduct;
- any case that a non-executive director resigned due to corporate governance issues;
- any case bearing negative impact on reputation due to failure in the discharge of duties as the Board of Directors.

### 1. Board of Directors' Structure

#### 1.1 Board of Directors Composition

The Board of Directors comprises	12	members as follows :
- Non-executive Directors	8	persons (4 Independent Directors)
- Executive Directors	4	persons

The Board of Directors has prescribed its structure as comprising persons having a diverse range of knowledge (Board Diversity), capabilities and experiences, whether in management, marketing, law and/or finance, without limitation to gender, and having the qualifications required by law. Three such Directors are Non-Executive Directors who have experience in the Company's business. There are also Independent Directors as required under the Notification of the Office of the Securities and Exchange Commission. For the Board of Directors' structure and checks and balance of Independent Directors see page 59-60 of this annual report.

#### 1.2 Qualifications of Independent Directors

The Board of Directors consists of 4 of Independent Directors, all of whom are fully qualified to hold the position of Independent Directors under the Company's Articles and Association, equivalent to 33.33% of the total number of members of Board of Directors, which is stipulated standard of Capital Market Supervisory Board which specifies the proportion of total number of members of Board of Directors. Moreover, one Independent Director on the Board of Directors is a woman. There are no independent directors who hold the position of director in more than 5 registered companies.

The Board of Directors' definition of an Independent Director is stricter than the minimum requirements of the Office of the Securities and Exchange Commission. All Independent Directors of the Company and their related persons do not hold shares of the Company, as well as subsidiary and associated companies, as well as not being related to substantial shareholders or authorized persons of the Company. Definition of Independent Director is stated in the Form 56-1, an attachment to the invitation letter for the 55<sup>th</sup> Annual General Meeting of 2020 and is publicized on the company's website (<http://www.icc.co.th>).

#### 1.3 Selection Process of Directors

The Board of Directors appoints the Nomination Committee to recruit and scrutinize qualified candidates through a clear and transparent selection process. The Nomination Committee is responsible for vetting candidates, with diverse knowledge and capabilities, by adopting the Board Skill Matrix as the criteria in considering the qualifications of the director to be selected, taking into consideration required skillset currently lacking in the Board of Directors and correlation with set business strategies, and giving due attention to knowledge and expertise, ability, and appropriate experiences of the individual candidates. The nomination list is then submitted to the Board of Directors' for consideration.

#### 1.4 Term of the Independent Director

The Company's Board of Directors is elected by shareowners at the Annual General Meeting with the tenure specified in the Articles of Association of the Company. Upon completion of the term, a Director may be reappointed. The Company does not restrict the period of holding Independent Director's position even though there are 2 Independent Directors who have been on the Board of Directors for over 9 years. These long-serving Independent Directors are fully qualified according to the Company's articles of association and have the knowledge, expertise and experience desired by the Company, as well as being fully effective because each performs the duties and responsibilities of an Independent Director with independence from corporate management and major shareowners, no conflict of interest which might interfere with Company's interest and decision-making based on the highest benefit of the Company.

#### 1.5 Directors' Positions in Other Companies

The Board of Directors does not restrict the holding the Director's position in other companies to not more than 5 companies, because the Board believes that business acumen and professional experiences are not subject to the number positions if all such Directors have the ability and intention of duly performing their duties and responsibilities as Company Directors entrusted by the Board of Directors and shareowners. The Company currently has 1 Director holding positions in more than 5 registered companies but remains confident that this does not pose any negative impact as this Director is fully effective and responsible in discharging the duties of Company Director, always attending meetings of the Board of Directors and making positive contributions for the benefit of the Company.

The Company has disclosed director's name list together with their profiles, experiences, portion of shareholding in the Company, and details of the positions and title held by each Director in other company/companies on page 8-17 of this annual report.

#### 1.6 Holding the title of director in other companies by the Company's Directors, Managing Director and Executive Directors

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

Implementation of such policy and established practice to allow the Company directors and the executives to hold titles in other companies, is that the Saha Group of companies by a top management team would consider whether it is necessary to assign any director or executive from which company in the Group to be its representative as a joint-venture partner or in accordance with a joint-venture agreement depending on the type of business and the individual's knowledge, capabilities and expertise in such business.

In addition, the Board of Directors prescribes a policy allowing the Executive Chairman to hold directorship in subsidiary and associated companies in order to ensure flexibility and consistency in management.

#### 1.7 Consolidation or Segregation of Office

Due to the difference in the duties and responsibilities between the Chairman and the Board of Directors and top corporate management, the Company determined that the Chairman must not be the same person as the President of the Company, in order to clearly separate the monitoring of corporate governance from the executive management duties, rendering checks and balance in business operation. Furthermore, the Board of Directors determined the written scope of duties and responsibilities of the Board of Directors and sub-committees, Chairman of the Board of Directors and President of the Company for further accountability and transparency of business management, and disclosed on the Company's website.

The Chairman of the Board of Directors is not an Independent Director, however, it is firmly believed that he has always performed his duties with an understanding of good corporate governance principles and performs the role with independence, allowing all Directors the opportunity to express opinions and provide suggestions for the best interest of the Company. Consideration and decision on any important matter requires the prior approval of relevant committee(s) to ensure checks and balance and appropriate due process, a prerequisite which is strictly supported and implemented.

#### 1.8 Company's Secretary

The Company has appointed Mrs. Duangrudee Milintangul, who is fully qualified and appropriately experienced to be the Company's Secretary. Mrs. Duangrudee has completed full training on the responsibilities of Company Secretary and has been continuously acquiring development and knowledge through various trainings. She is thus qualified as Company Secretary to ensure the effectiveness of company operations according to the good governance policy and principles. Duties and responsibilities of the Company Secretary can be found on page 60-61 of this annual report.

### 2. Sub Committees

The Board of Directors has appointed a number of other sub committees whose members are appropriately qualified in the specific areas of responsibility to be in charge and report to the Board at all times. At present, the Sub-committees consist of the Executive Committee, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Risk Management Committee and the Corporate Governance Committee, with separate and independent scope of duties and responsibilities in order to enhance good corporate governance, details of which are on page 112-118 of this annual report.

The Board of Directors has issued a charter for each of the Sub-committees to prescribe the tenure and scope of their respective powers and duties to clearly define their roles and responsibilities which are differentiated from the Board of Directors, the Chairman and corporate management. These are disclosed on the company website.

The structure of the Sub-committees and the meeting attendance of each can be found on page 66-67 of this annual report.

The Nomination and Remuneration Committees do not comprise Independent Directors as members, but all of the committee members possess knowledge, capabilities and experience in the discharge of their duties for many years. They have performed their duties with responsibility and loyalty. Nor did they cast votes in the agenda items, in which they may possess vested interests.

### **3. Roles, Duties, and Responsibilities of the Board of Directors**

#### **3.1 Leadership and Vision**

The Board of Directors comprises individuals who have knowledge, expertise and experience beneficial to the Company, as well as having leadership, independence and discretion in decision making, and qualities which enable them to ensure good corporate governance in accordance with the set objectives and targets for the highest benefit to the Company and shareowners.

The Board of Directors plays a crucial role in defining corporate vision and mission, as well as setting business targets and annual budgets to achieve the highest value increase for the business and security for shareowners. The Board also considers and approves important corporate policies and strategies especially financial targets and business plans which are part of the Key Performance Indicators (KPI). Targets and KPIs are established and approved at the beginning of each year and monitored regularly.

Corporate vision and mission are reviewed at least once a year. In the latest review of 2020, the Board of Directors on 10 January 2020 considered and approved the corporate vision, mission and strategies for business operations in the next 3 years from 2019 to 2021, which is currently in use and deemed to still be suitable for the Company's business operation and aligned with the present economic situation. Business Policy can be found on page 36-40 of this annual report.

Moreover, the Board of Directors also monitors the operation results of management and presides over the application of corporate strategies. Corporate management reports operational plans and formulation of strategic plans to the Executive Committee and the Board of Directors for acknowledgment on a monthly basis as a compulsory agenda of the respective meetings (of the Executive Committee and the Board) in reviewing the Company's performance each month. The strategic plans are reviewed on a quarterly basis and the Executive Committee and the Board of Directors would give their views and suggestions to corporate management for further development and improvement.

#### **3.2 Good Corporate Governance**

The Board of Directors realizes the importance of good corporate governance, along with business ethics, a Code of Conduct, the 8 Good Corporate Governance Principles for Company Directors, Executives and Employees in written as well as handbook forms both Thai and English. Evaluation of implementation results and review are conducted on an annual basis at least once a year. The manuals are distributed to the Company directors, members of each sub-committee, executives, and employees at all levels as the same guidelines for working operation. It is publicized via the Company's intranet system and on the company website, and includes an animation video to promote a better understanding of good corporate governance among corporate management and employees. For new employees, business ethics and morality are included as topics in their orientation.

The Board of Directors also follows up the implementation of its corporate governance principles in order to promote good management systems which are transparent and effective in business operations. Those who do not adhere to such policy and principles may face disciplinary action as appropriate and may also face legal action in cases where any laws are violated. In cases where an employee is doubtful or unable to follow an instruction or make a decision, he/she may raise the issue with the supervisor up the chain of command. Should there be any dispute, a directive by the President, Executive Committee and the Board of Directors should prevail as a final judgment.

The Board of Directors has established the Corporate Governance Committee in order to monitor and assess corporate governance of the Company, to support the work of the Executive Committee and the Board of Directors in corporate governance so as to achieve success as set in the objectives and targets.

#### **3.3 Conflict of Interests**

The Board of Directors has judiciously considered the issue of conflict of interests and has defined a clear related policy and guidelines as part of the Policy on Good Corporate Governance and Business Ethics in order to eliminate conflict of interest. Such policy includes clear guidelines and procedures, formulated with care and reason for the best interest of the Company and shareowners and in compliance with the regulatory requirements of the SEC and the Stock Exchange of Thailand, of which details are published on the company website.

In 2019 had no related transaction which required approval of shareowners and had disclosed transactions which may have possible conflicts of interest in Related Transactions on page 129-135 of this annual report.

The Board of Directors has set a policy to prohibit Company Directors and executives from trading company securities during the one-month period prior to, and within 24 hours following the public disclosure of the Company's financial statements.

The Board of Directors has directed Company Directors and Executives as well as their spouses and minor children to have the duty to disclose shareholding and changes in shareholding of the Company shares to the Office of the Securities and Exchange Commission, and to submit a copy to the Company Secretary for reporting to the Board of Directors in the subsequent Board Meeting.

In addition, it is prescribed that Company Directors and senior Executives must disclose trading of company securities to the Chairman of the Board of Directors at least 1 day in advance of trading.

The Board of Directors has directed Company Directors and Executives to disclose their personal stakes, as well as those of persons related to them in accordance with the prescribed criteria.

More information as stated in Control of Internal Information Usage on page 119 of this annual report.

### **3.4 Internal Control and Internal Audit**

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

The Board of Directors recognizes the significance of company's internal control systems in monitoring its operation, finance and corporate governance. The company's internal auditing unit checks, evaluates and follows up on those systems which also include the computer system, providing consultation to ensure efficiency and independence in their full capacity as auditors. Details are presented in Internal Audit and Risk Management on page 126-128 of this annual report.

The company has established an Internal Audit Unit, reporting directly to the Audit Committee, and is supervised by the Secretary of the Audit Committee. The Company has hired Dharmniti Internal Audit Co., Ltd., as an advisor on quality of internal audit work and internal control systems by working closely with the Secretary of the Audit Committee, and then reporting the findings to the Audit Committee continuously on a monthly basis. In the Board of Directors' Meeting No.10/2562, which was held on 21<sup>st</sup> February 2020 and attended by all members of the Audit Committee, it was assessed that the internal control and risk management systems of the Company are appropriate and sufficient.

In 2019, the Audit Committee appointed Ms. Somcharee Kawkomdee, a Director of Dharmniti Internal Audit Co., Ltd. as the Company's internal auditor. Her resume and qualifications can be found on page 126 of this annual report.

### **3.5 Risk Management**

The Board of Directors prioritized risk management which might impact on business targets, and established a systematic risk management process which is aligned with the Company's policy.

Board of Director appointed The Risk Management Committee, with members comprising of Mr. Amorn Asvanunt as a Chairman, and Mr. Thamarat Chokwatana, Ms. Munchusa Terapongpipat, Ms. Yauwaluk Namakorn, Mr. Yothin Suwanket as members, and Mrs. Duangrudee Milintanggul as member and Secretary. The Management Committee monitors risk management to ensure that it is effective and aligned with the necessary standard, provides risk assessment, follow-up plan and provide a report on the Company's risk management in 2019 to Audit Committee for further acknowledgement.

In 2019, the Finance and Accounting Division and the Information Technology Division proceeded to introduce modifications to the ERP : Enterprise Resource Planning system, and collaborated with the Corporate System Development unit and an assigned Working Committee to implement a new and improved work process in all the Company's database systems to create value-added applications in using the new ERP system as well as initiating a paperless system, rendering more efficient and effective usage under corporate risk assessment encompassing strategic and operational risks, as well as risks from fraud and corruption aligned with the Company's anti-corruption policy in order to enhance the company's preparedness in the face of changing internal and external situations and to bolster sustainable growth of its business.

## **4. Board of Directors' Meetings**

The meeting schedule is pre-planned to be held on a monthly basis throughout the year. Invitation letter, meeting agenda, minutes of the previous meeting with annexes are sent by the Company's secretariat to all directors at least seven days before the meeting for acknowledgement and prior consideration as legally stipulated. The Chairman of the Board of Directors and the President jointly consult to consider matters which should be included on the meeting agenda. In addition, members of the Board of Directors may raise any issue as additional agenda by submitting their proposal to the Company's Secretary, and have it discussed and debated openly. All Company Directors are entitled to pose questions and seek additional information from the Chairman of the Board of Directors, President or the Company's Secretary on any matter. The Company's Secretary is responsible for preparing the minutes of meeting and keeping a record of the minutes of previous meetings which had been certified by the Board for any further review and/or audit by the Board and any relevant parties.



The Board of Directors attaches importance to attendance at meetings and considers it a duty for Board members to attend every meeting except in cases of unforeseen/uncontrollable necessity, incident or illness, and encourage the top corporate management to attend the meeting at least once a year in order to propose business targets and annual business plans so that they are aware and acknowledge what transpires in the meetings, participate in policy formulation and decision-making on the Company's business direction. In addition, the Chief Financial Officer attends every meeting of the Board of Directors.

In considering any agenda, the Chairman of the Board as the Chairman of the meeting, gives an opportunity to all directors and executives to freely express their opinions and comments. Directors with possible conflicts of interest are not eligible to vote on the agenda related to his or her interest. Furthermore, on any agenda related to any senior executive of the Company, the Board gives such senior executive an opportunity to attend the meeting to clarify relevant information as the person directly concerned in the matter.

To pass a resolution on each agenda item by the Board of Directors, requires that there should be no less than two-thirds of the directors present at the Meeting.

When the meeting is adjourned, the Company's Secretary shall prepare the minutes of the meeting to be subsequently approved, certified and signed by the Chairman, before being submitted and placed as the first agenda of the next meeting for approval by the Board. However, any member of the Board can express their opinions or request amendments to the minutes in order to ensure utmost clarity and accuracy.

The certified minutes of meeting shall be systematically filed at the Company's Head office in the form of original and electronic documents with annexes of each agenda for easy reference and detection.

The non-executive directors are provided an opportunity by the Board of Directors to regularly hold meetings amongst themselves as deemed necessary. Reports of such meetings shall always be sent to the President and Executive Chairman and to the Board of Directors' meeting for acknowledgement.

The Board of Directors has a policy to encourage Independent Directors to organize a Non-executive Meeting, at least once a year, without participation by the Executive Director and corporate executives, in order to consider and discuss managerial issues, or the issues of their interest. Minutes of every Non-executive Meeting are submitted to the Executive Chairman, and the Board of Directors for attention.

In 2019, independent directors held 1 meeting among themselves without any management participation. Every independent director participated in the Meeting.

In 2019, (according to tenure from April 2018 to April 2019) the Board of Directors held 12 meetings. The attendance of each director as stated in the Chart displaying Directors' and Executives' position, remuneration, shareowning and meeting attendance on page 66-67 of this annual report. Each director had attended more than 80% of all Board meetings.

## 5. Self Evaluation of the Board of Directors

The Board of Directors determines that Board members perform performance assessment of the entire Board and Sub-committees on an annual basis, where each Director could review and evaluate the overall performance, including problems and obstacles during the past year for further improvement to increase effectiveness.

In 2019, the Board of Directors approved the Individual Company Director Performance Assessment Form as amended from the previous year and proposed by the Corporate Governance Committee.

**Criteria :** The Assessment covers duties and responsibilities of Directors, self-development of the Company Directors and Committees, independence of opinion, transparency, collaborating with the Management Team and stakeholders, structure and qualifications of the Director, attendance in meetings of the Board of Directors and the Board's and Committees' compliance with good corporate governance principles.

The assessment criteria calculated in percentage score of the total score for each item.

More than 85 percent	=	Excellent
More than 75 percent	=	Very Good
More than 65 percent	=	Good
More than 50 percent	=	Fair
Lower than 50 percent	=	Need Improvement

**Process :** In 2019, the Company's Secretary sends the overall performance assessment form of Board of Directors, the Individual Company Director Performance Assessment Form and the performance assessment form of Sub-committees to all Directors and committees for evaluation, then collects, verifies and prepares the summary report to the Board of Directors' Meeting for acknowledgement and further discussion on an annual basis.

As for assessment of the CEO, that is the Executive Chairman & CEO, based on monthly operational results, implementation of policy and formulation of strategies, leadership, the company performance in terms of the annual sales turnover and profits, engagement with Company Directors and stakeholders as well as partly from consideration of the Remuneration Committee and partly from consideration of the Board of Directors and the participation in the assessment by all Executive Directors in the performance assessment of CEO under the prepared evaluation form.

Besides, the Board of Directors required each member of the Executive Committee to assess the performance of the Executive Committee as a whole, against the criteria topics, partly in order to set remuneration for members of the Executive Committee with another part resulting from the consideration of the Remuneration Committee.

The average assessment results of the Board of Directors and Sub-committees and CEO are as follows;

1. The average assessment of All the Board of Directors in 2019, the score is 80.37% Very Good level.
2. The average assessment of the Board of Directors individual in 2019, the score is 81.36% Very Good level.
3. The average assessment of the Executive Committee in 2019, the score is 76.81%, Very Good level.
4. The average assessment of the Audit Committee in 2019, the score is 90.00%, Excellent level.
5. The average assessment of the Remuneration Committee in 2019, the score is 82.38%, Very Good level.
6. The average assessment of the Nomination Committee in 2019, the score is 75.88%, Very Good level.
7. The average assessment of the Risk Management Committee in 2019, the score is 83.25%, Very Good level.
8. The average assessment of the Corporate Governance Committee in 2019, the score is 87.94% Very Good level.
9. The average assessment of CEO in Year 2019, the score is 78.99%, Very Good level

## 6. Remuneration of Board of Directors and Executives

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

The Remuneration Committee is responsible for considering reasonable amount of remuneration of directors. Criteria for consideration are based on the experiences, duties, scope of work, roles, participation, and responsibilities of each individual director and executive. The amount shall be proposed to the Board of Directors for consideration before submission to the Annual General Meeting of shareowners for approval.

At the 54<sup>th</sup> AGM of 2019, held on April 22, 2019, a resolution was passed to approve payment of remuneration to the Company's directors of no more than Baht 20 million per annum, and the Remuneration Committee was assigned and authorized by the Board of Directors to allocate this amount.

The Executive Chairman (CEO) remuneration is in accordance with the criteria and policy set by the Remuneration Committee, in the short term such as salary and bonus and in the long term, based on the company operation and performance and the Executive Chairman's (CEO) annual performance evaluation.

In 2018, the Executive Chairman (CEO) remuneration for Year 2019 consists of salary, bonus, pension and attendance fee amounting to a total of 8,518,100 baht.

Remuneration of corporate management is determined in accordance with criteria and policies stipulated by the Remuneration Committee, which correspond to the performance of each executive individually.

Criteria to consider directors' remuneration and amount of remuneration paid to directors and executives in 2019 on page 62-63 of this annual report.

As for the Employee Stock Option Program (ESOP), is not a factor in retaining executives and staff loyalty to the Company, also it is considered as a burden to employees who gain share allocation and must pay tax from shares transfer, since there is no law in Thailand facilitating this policy, the Company then disregards its implementation.

## 7. Directors and Executives Development

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

All directors and executives are encouraged to develop their knowledge. The Company prioritizes their attendance at seminars which are useful to their performance as Directors. Seminars for training include the Director Accreditation Program (DAP), the Director Certification Program (DCP) and Audit Committee Program (ACP), Understanding the Fundamental of Financial Statements (UFS) and Finance for Non-Finance Directors (FND), as organized by the Thai Institute of Directors Association (IOD). Other seminars will be short seminars being useful for performance by the directors and executives, as well as other courses to be organized by IOD in the future.

In the past year, the Board of Directors supported the directors and executives attended course organized by Thai Institute of Directors Association as follow:

Director and Executive's Name	Name of Training Course / Seminar
1. Mr. Nophorn Bhongsvej	- IT Governance and Cyber Resilience Program (ITG)
	Organized by Thai Institute of Directors
2. Mrs. Duangphorn Sucharittanuwat	- Capital Market Academy (CMA8)
	Organized by The Stock Exchange of Thailand
	- Top Executive Program in Commerce and Trade (TEPCoT3)
	Organized by University of the Thai Chamber of Commerce
	- Advanced Security Management Program (ASMP2)
	Organized by The National Defence College Association of Thailand
	- ASEAN Economic Community Program (AEC2)
	Organized by King Prajadhipok's Institute
3. Mr. Nattapat Petchratanaporn	- Financial Reporting Standards
	• TFRS 15 Revenue under Contractual Agreements with Customers
	• TFRS 16 Lease Agreements
	- Tax Update 2019
	Organized by the Accounting and Finance Management Club of the Saha Group
4. All Executives	- Ethics and Sustainable Organization Development
	- Expanding Alliances (trading partners) to Fight Against Corruption Towards Sustainable Development
	By Thanakrit Permpoonkhantisuk
	- Executive Leadership
	By M.L. Chaiwat Chayangkun
	- Marketing Trend 2019
	By Dr. Ake Pattaratanakun
	- Being Disrupted of Being Disruptor
	By Mr. Songpol Shanmatkit
	- ICC Business Strategy
	By Dr. Phongchai Athikhomratanakun

The Board of Directors and executives of the Company meet on a regular basis to discuss and exchange opinions with the Boards of Directors and top management of other organizations, including attending seminars and taking educational trips with business partners or other organizations, both domestic and international.

## 8. Orientation of New Directors

The Board of Directors organizes an orientation course for newly-elected directors of the Company, together with a new director's manual, in order to provide key information on the Company, Corporate Governance Policy, Business Ethics, Code of Conduct for Directors, Executives and Employees, Securities and Exchange Act, Public Limited Company Act, and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.

In addition, the Company distributed the Director's Manual to all directors in order that they can study and review the regulatory requirements at all times.

### **9. Plan for Successors**

The Board of Directors has prescribed a succession plan for employees in various positions in view of their advancement to higher positions in their career path.

The Board of Directors has assigned the President and Executive Chairman, in cooperation with the Human Resources Management Division to prepare a succession plan for executives as follows :

1. To provide opportunity for middle managers to work closely with senior managers including the Vice President in both direct-functional and cross-functional lines.
2. To define appropriate career paths for potential middle managers.
3. To prepare rotation plan in other functional line for a senior manager, when necessary.
4. To prepare necessary skills and capability for specialized personnel for higher management positions.
5. To map out corporate strategies and strategic directions for cooperation between senior and middle managers.
6. To establish committees to handle several functions, such as marketing, advertising, research, etc., for development of works and potentials in a systematic process.
7. To provide more opportunity to middle managers in management of both direct-functional and cross-functional lines.
8. To hold systematic training courses that fit each area of work, such as inventory control, marketing, as well as product and design management.
9. To organize a training course for senior and middle managers to promote common awareness and understanding of accountability, integrity and corporate image as a whole.
10. To include training courses for managers of each department for development of higher potential, advance planning and systematic thinking.
11. Recruitment of qualified personnel for each operational division, such as DFO.
12. Provide training on systematic planning process for middle managers.
13. Rotate executives in some divisions to enhance efficiency in business administration.
14. Enhance charitable spirit and activities among managers at all levels for promoting happy living in the society.

### **Good Corporate Governance Policy and Resulting Implementation**

The Board of Directors is well aware of its role and responsibilities as Head of the Organization, fully understands the benefits and the implementation of the CG Code for listed companies 2017 in creating sustainable value to business. Therefore, it has attached great importance to building good corporate governance systems and strive to continuously raise its standard of corporate governance in order to ensure transparent, efficient and stable business operation to achieve sustainable growth, as well as increase economic value and long-term prosperity for shareowners, promote fairness for all stakeholders by formulating balanced management policies based on sufficiency economy under the changing economic and social conditions, and aligned to the CG Code for listed companies 2017.

The Company has directed that the Good Corporate Governance Principles shall be reviewed at least once a year and revised in accordance with the CG Code for listed companies 2017 issued by the SEC, and aligned to guidelines of the ASEAN CG Scorecard, Corporate Governance Report (CGR) and the Quality Assessment Program for AGMs as well as the changing environment.

In 2019, the Board of Directors has considered the SEC's newly-revised CG Code for listed companies 2017 and reviewed the Company's Good Corporate Governance Principles accordingly, as well as adapting them as appropriate to corporate business operations and assigning the Corporate Governance Committee to oversee that implementation is in compliance with the CG Code, ensuring that the processes are well suited to the Company's business operations and will lead to creating sustainable business value. As for components not yet adopted, these will be used as guidelines for further application where appropriate.

Not in practice	Reasons
1. The Board of Directors has specified in the Company's Corporate Governance Policy that persons to be appointed Company Director must not hold director position in more than 5 other registered companies.	The Board of Directors has not specified as policy a limit on the number of listed companies a director may hold the position of director at 5 because the Board believes that business acumen and expertise of each director do not depend on the number of companies he or she serves as a director, as long as he or she has the capability and intention to carry out the duties and responsibilities of a Company Director as entrusted by the Board of Directors and shareowners.
2. The Board of Directors has specified as a policy a limitation on the tenure of an Independent Director at not more than 9 years.	The Board of Directors has no policy to limit the tenure of an Independent Directors because such directors continue to carry out their duties and responsibilities with complete independence, with no personal interests which may be in conflict with the interest of the Company, and their decisions are based on the best interest of the Company with complete independence from the management or from major shareowners of the Company.
3. The Chairman of the Nomination Committee and Chairman of the Remuneration Committee are Independent Directors, as are most of the members of such committees.	Although the Chairman of both Committees, the Nomination Committee and Chairman of the Remuneration Committee, are not Independent Directors, similarly with the members of such committees, but all are qualified and have relevant expertise and long experience, as well as having carried out their responsibilities with honesty and integrity, never voting on any agenda which they may have interest.
4. The Chairman of the Board of Directors is an Independent Director.	Although the Chairman of the Board of Directors is not an Independent Director, he has provided supervision of the Company's operation in a fair and transparent manner based on the benefits and interests of the Company, without contributing to the personal interest of any person, as well as supporting and promoting engagement and free expression of views by directors and independent directors.

## Sub Committees

Management structure consists of the following:

1. Board of Directors
2. Executive Committee
3. Audit Committee
4. Remuneration Committee
5. Nomination Committee
6. Risk Management Committee
7. Corporate Governance Committee

Name list of each set of directors are shown on page 66-67 of this annual report.

To give confidence to shareowners that the Company's operation is transparent, with due diligence and sufficient s-checks and balance as well as discreet consultations.

The Board of Directors has appointed other sub-committees to be in charge and report to the Board at all times. At present, the Sub-committees comprise the Executive Committee, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Risk Management Committee and the Corporate Governance Committee.

The Structure of the Board and the company's administration provides sufficient checks and balance. The scope of power and responsibilities of each committee are separate and not interdependent to promote corporate governance with the Chairman of each sub-committee providing direction in the discharge of the committee's duties in accordance with corporate policy. The committees are required to report their outcomes and findings to the Board of Directors' meetings.

- **Board of Directors** a group of twelve people, management structure consisted in page 102-103 in this annual report. The meeting schedule for the Executive Board of Directors is set on a monthly basis.

In 2019, (according to the year of service from April 2018 to April 2019) the Board of Directors arranged the meeting on a monthly basis. The attendance of each director is shown in the Chart displaying Directors and Executives' position, share-owning and attendance to the meeting on page 66-67 of this annual report.

- **The Executive Board** of Directors a group of ten people who is assigned and authorized by the Board of Directors, consists of four Directors and six executives. The Executive Board of Directors is responsible for the company administration with designated status as executive company staff or permanent employee. The meeting schedule for the Board of Directors is set on a weekly basis.

In 2019, (according to the year of service from April 2018 to April 2019) the Executive Board of Directors arranged the meeting on a weekly basis. The attendance of each director is shown in the Chart displaying Directors and Executives' position, share-owning and attendance to the meeting on page 66-67 of this annual report.

- **The Audit Committee** is a group of four independent directors and two Audit Committee Members (Mr. Amorn Asvanunt and Mrs. Duangphorn Sucharittanuwat) who graduated and expertise in Accounting with two years term of office. The Audit committee has set their meeting at least once per quarter. An extraordinary meeting is available for considering any related transaction or other special issues which must be reported to the Board of Directors as well as a joint meeting with the Company's Auditor and the Chief Financial Officer on a quarterly basis. Member of the Auditor Committee must not own any company shares.

The Company has not set a limitation terms to be as a successor of Audit Committee Member at present, it would depend on consideration of the Nomination Committee together with the Board of Directors based on their past performance in the previous year.

In 2019, (according to the year of service from April 2018 to April 2019) the Audit Committee has arranged twelve meetings. The attendance of each Audit Committee Member is shown in the Chart displaying Directors and Executives' position, share-owning and attendance to the meeting on page 66-67 of this annual report.

- **The Remuneration Committee** consists of three members of the Board of Directors whose term of office is one year. This committee arranges their meeting annually, and an extraordinary one is also available as required.

In 2019, (according to the year of service from April 2018 to April 2019) the Remuneration Committee arranged two meetings. The attendance of the Remuneration Committee is shown on the chart on page 66-67 of this annual report, which also shows his position, share-owning and attendance to the meetings.

- **The Nomination Committee** consists of five members from the Board of Directors whose term of office is one year. This committee arranges their meeting on a yearly basis, and an extraordinary one is also available as required.

In 2019, (according to the year of service from April 2018 to April 2019) the Nomination Committee arranged three meetings. The attendance of the Nomination Committee is shown on the Chart displaying Directors and Executives' position, share-owning and attendance to the meeting on page 66-67 of this annual report.

- **The Risk Management Committee** consists of one Audit Committee member, two Directors and three Management staffs with two years term of office. This committee arranges their meeting once per quarter at least, and an extraordinary one is also available as required.

In 2019, (according to the year of service from April 2018 to April 2019), the Risk Management Committee arranged eleven meetings. The attendance of the Risk Management Committee is shown on the Chart displaying Directors and Executives' position, share-owning and attendance to the meeting on page 66-67 of this annual report.

- **The Corporate Governance Committee** consists of one Audit Committee member, one Director and two Management staffs with one year term of office. This committee arranges their meeting twice per year at least, and an extraordinary one is also available as required. Name List of the Corporate Governance Committee is shown on the Chart displaying Directors and Executives' position, share-owning and attendance to the meeting on page 66-67 of this annual report.



In 2019, (according to the year of service from April 2018 to April 2019), the Corporate Governance Committee arranged five meetings. The attendance of the Corporate Governance Committee is shown on the Chart displaying Directors and Executives' position, share-owning and attendance to the meeting on page 66-67 of this annual report.

## **Term for company directors**

The term for company directors is in accordance with company articles of association and Charter for The Board of Directors as follows:

1. At each annual shareholders' general meeting, one-third of the sitting directors are required to retire from directors, whereas if the number of directors cannot be divided into 3 equal portions, the closet to such number shall apply. Retiring directors are eligible for re-election. At present, The Board of Directors had 12 members, therefore each director shall have a 3-year term.
2. Apart from retiring upon term completion, the company director shall also relieved of his/her position upon resignation or death or having disqualifications as prohibited by laws or the resolution adopted by the shareholders' meeting to remove that person from the position, or court ruling remove that person from the position.
3. In the case where the position of Board member is left vacant due to reasons other than term completion, with such remaining term not less than 2 months, The Board of Directors are required to appoint other persons having full qualifications to succeed in that position. In such case, the newly-appointed Board member may only serve out the term remaining for the person he/she succeeds.
4. The company director resigning from the position before term completion is required to submit his/her resignation letter to the company, with such resignation coming into effect on the date of said submission.
5. The shareholders' meeting may vote for any of director to be out before retiring upon term completion, by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and the total number of shares being not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.

## **Scope of the Authority and Responsibilities**

### **The Authority and Responsibilities of the Board of Directors**

#### **- Operational Authority**

1. To consider and appoint the Executive Committee, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Risk Management Committee and determine their authorization.
2. To appoint, remove, and delegate authority to the advisors of the Board of Directors, committees and other parties for further actions.
3. To approve borrowing of more than Baht 50 million and debenture issuance for use as company's working capital.
4. To approve the granting / revoking of more than Baht 50 million loan.
5. To approve purchase / revocation / sales of assets, investment capitals and expenditure for the amount of more than Baht 50 million.
6. To approve collateral granting / revoking and liability granting / revoking of liability to individuals / companies for the amount of more than Baht 50 million.
7. To approve investment policies for investing in other companies for the amount of more than Baht 50 million.
8. To approve the renovation, demolition, retirement of fixed and intangible assets which are no longer in use, defective, lost, destroyed, deteriorated or so outdated as to be useless of which the total book value exceeds Baht 50 million.
9. To approve price adjustment and destruction of raw materials and/or deteriorated or outdated stock rendering reduced book value of the amount exceeding Baht 50 million.
10. To consider entering into transactions with all individuals involved.
11. To file a suit to either Civil or Criminal Court, to submit a request for Juridical Arbitration, to petition to an inquiry official, to charge against an offender of the company for legal proceedings under the Criminal Code, and to conduct sub-delegation of power to any party to act on behalf of the company. The sub-delegation of power shall include the power to revoke the petitions, to compromise on any conflict, and to accept compensation for the company. This includes the appointment of a lawyer to file suit or to attend trials in all courts on behalf of the company until the final court proceedings for any cases relevant to the irregular course of business, and / or vice versa.
12. All power of the Company's Board of Directors relating to acquisition or disposition of assets and entering into connected transactions must be in compliance with the notifications of the Capital Market Supervisory Board.
13. To propose a capital increase / decrease, change in stock value, amendment of the Memorandum of Association, Articles of Association, and / or objectives of the company to the General Shareowners' Meeting.

14. To approve the establishment, merger or liquidation of subsidiary companies.
15. To delegate authority to the Management, executives of the company or other party to act on behalf of the Board.
16. To invite the Management, executives and employees of the company involved in any particular issues to provide some explanation, to give comments, to participate in the Meeting, or to provide any documents as necessary.
17. To seek advice and consultation by experts or advisors of the company (if any), or to commission an external advisor or expert in any necessary cases under expenses of the company.
18. To appoint and remove the Secretary of the company.

## **- Duties and Responsibilities**

1. To carry out corporate operation in accordance with the law and regulations of the Securities and Exchange Commission and of the Stock Exchange of Thailand, with the company's objectives and articles of association, and with the resolutions of the share-owners' meetings.
2. To act responsibly and consistently on behalf of the shareowners.
  - To run the business for the best interest of the shareowners.
  - To disclose an accurate, complete, up-to-standard and reliable information.
  - To report company's operation with correct, complete and up-to-date content.
  - To allocate compensation to shareowners with proper and worthwhile standard.
3. To set up policies and direction for corporate operation, to supervise and control the administration efficiently and effectively in accordance with the set policies so as to optimize economic value to the business and wealth to the shareowners.
4. To control corporate operation consistently, as well as to follow up on related contract obligation and liability.
5. To approve the annual business plan and budget, and to supervise efficient and effective actions by the Management in compliance with the regulatory requirements, policies and plans as specified.
6. To promote the formulation of a corporate governance policy, code of conduct, and code of business conduct in writing, for pursuance by the Board of Directors, executives and employees of the company in any business undertakings; and to supervise subsequent actions closely.
7. To adopt the sufficient and appropriate internal control system for assuring that all transactions have been conducted under legitimate approval authority, to review and prepare the right accounting procedures, as well as any systems to prevent misuse of the company's assets.
8. To adopt a prudent and clear consideration procedure of any transactions likely to create conflicts of interest in order to protect the benefits of the company and shareowners, by disallowing any related parties from participation in the decision-making process in compliance with the regulatory requirements governing related transaction procedures and disclosure of related transactions.
9. To review and approving the financial statements and financial reports as approved or reviewed by auditors, as well as approved by the Audit Committee.
10. To acknowledge administrative reports from the executive committee.
11. To call meetings of shareowners by announcing the date, time, venue of such meetings including the set agenda as well as determination of the dividend rate (if any) and opinions of the Board of Directors regarding matters to be proposed for consideration by the shareowners in a 21-day period before each shareowners' meeting. The company may set the date for suspension of share transfers registration, which shall be announced for acknowledgement by the shareowners at the Head Office and branch offices of the company for not fewer than 14 days before the suspension of transfer registration; or to set a record date (RD) of eligible shareowners' participation and dividend payment of not more than two months in advance before the meeting schedule.
12. To prepare a report on the "Board of Directors' Responsibility for the Financial Reports", for disclosure in the Annual Report of the company (56-2 Reporting Form) and the annual financial report (56-1 Form).
13. To supervise the submission of documents to regulatory agencies to ascertain that there are statements and entries of transaction in accordance with the data as shown in the book of account, registration or other documents of the company.
14. To approve Charters of the Board of Directors and / or other committees.
15. Other businesses as required in the Board of Directors' meeting.

## **The Authority and Responsibilities of the Company's Executive Board**

The Executive Board has been empowered by the Board of Directors to sign on behalf of them for the business operation of the company as follows:

### **- Operational Authority**

1. In accordance with the authority assigned by the Board of Directors
2. To consider and scrutinize the process for entering into all connected transactions with any amounts as well as to summarize and propose the results of the transaction to the Board of Directors for approval.
3. To enforce other operational regulations as appropriate.

### **- Duties and Responsibilities**

1. In accordance with the authority assigned by the Board of Directors.
2. To acknowledge and comply with the company's policies and business operation strategies set by the Board of Directors and / or the Executive Board such as claim, demand, debt repayment or claim on any assets including benefits or rights from any persons, companies, partnerships, government agencies, state enterprises and juristic persons in accordance with company's objectives and regulations. In addition, the Executive Board has been authorized to agree upon any conditions and sign on any contracts as well as other related documents.
3. To be consistently accountable for the Board of Directors and / or the Executive Board.
  - To report on corporate movement and performance continually and promptly.
  - To reveal accurate, complete, up-to-the-standard and reliable information.
4. To supervise, review and approve policies, major strategies, plans and annual budget.
5. To be responsible for preparation of financial statement, financial reports audited by external auditor and proposing it to the Executive Board, the Audit Committee and the Board of Directors for approval, respectively. In addition, the Executive Board has been authorized to sign on the cheque within the limit set by the Board of Directors for deposit and withdrawal.
6. To consider and scrutinize the process of borrowing, repayment and debenture issuance in any amounts for use as working capital of the company as well as concluding the result and propose the transactions to the Board of Directors for approval.
7. To consider and approve the granting / revoking of loans within the limit set by the Board of Directors. For any amount beyond the said limit, the Executive Board will consider and propose its recommendation to the Board of Directors for consideration and approval.
8. To consider and approve the purchase / revocation / sale of assets, investment and expenditure within the limit set by the Company's Board of Directors. For authorization of any transaction with a value higher than the set limit, the Executive Board will consider and propose its recommendation to the Board of Directors for consideration and approval such as executing contracts relating to lease, sublease of movable and immovable properties, registration of lease assignment and / or sublease and its cancellation of registration with any person, company, partnership, government agency, state enterprise and juristic person in accordance with the Company's objectives and regulations. Additionally, the Executive Board is authorized to conclude the terms and conditions of any agreement and sign any contracts as well as other related documents.
9. To consider and scrutinize the provision / revoking of guarantees, acceptance / revoking of liabilities with any person / company within the limit set by the Board of Directors. For guarantees / liabilities which exceed the authorized limit, the Executive Board will consider and propose its recommendation to the Board of Directors for consideration and approval.
10. To consider and approve the investment policy in any company within the limit set by the Board of Directors. For any investment with a value exceeding the authorized limit, the Executive Board will consider and propose its recommendation to the Board of Directors for consideration and approval.
11. To approve the opening and closing of bank accounts.
12. To approve the receiving and revoking of bank loans.
13. To amend the authorization of requests and borrowing slips for payment and approval of goods.
14. To approve price adjustment and / or destruction of deteriorated and / or outdated inventory.
15. To be responsible for setting marketing policies.
16. To be responsible for management of sales, outlets, debt undertaking and sale collateral mortgaging.
17. To be responsible for Human Resource Management such as recruitment, termination, punishment, promotion, relocation of staff and direct employees in their work, including the execution of employment contracts as well as to agree upon any conditions and sign on any contract and documents relating to Human Resource Management with the Labour Department, Social Security Office, government agencies and state enterprises in accordance with the Company's objectives and regulations.

18. To appoint, recall, transfer, accredit as well as determine remuneration, including welfare, for management executives.

19. To lodge complaints with relevant investigative authorities against any party which has injured or committed an offence against the Company, including for the purpose of proceeding with a criminal case, appoint a sub-agent to handle this process, revoke the claim, agreeing to mediation / arbitration, receive damages / compensation on behalf of the Company and appoint legal counsel to file statements to any court on behalf of the Company until final.

20. To improve the Charter of the Executive Board and present it to the Board of Directors for approval.

21. To carry out other matters assigned by the Board of Directors.

## **The Authority and Responsibilities of Company's Audit Committee**

### **- Operational Authority**

1. To coordinate between the auditor, Board of Directors, and internal audit unit for mutual understanding and cohesion.

2. To invite the executives, management, internal audit or employees of the Company who may be involved in any particular issue to provide explanation, give comments and attend meetings, or to provide documents as necessary and relevant, and is authorized to access information of the Company at all levels.

3. To investigate any persons involved in any particular issues within its authority and responsibilities.

4. To seek advice and consultation from experts or advisors of the Company (if any), or to commission an external advisor or expert in any necessary case at the Company's expense.

### **- Duties and Responsibilities**

1. To review and ensure that the Company has accurate and adequate financial reporting by verifying the Company's important Accounting Policy including Financial Report disclosure according to the standard.

2. To review and ensure that the Company has suitable and effective internal control system, risk management system and internal audit system.

3. To verify implementation complies with the Anti-corruption policy.

4. To consider and ascertain the independence of the internal audit unit, as well as to evaluate, approve the appointment and termination of the head of the internal audit unit or other related units responsible for the internal audit. The Audit Committee is also required to ensure that the head of the internal audit unit is adequately trained, qualified and experienced to carry out the duties of this position.

5. To approve internal audit plan and monitor internal audit unit's performance.

6. To review the Company's compliance with laws concerning securities and exchange, regulations of the Stock Exchange of Thailand, and other laws related to the Company's business.

7. To consider, select, nominate or remove independent persons to be the Company's auditor, and propose such persons' remuneration fees, for the approval of the Annual General Meeting of shareowners, as well as to attend a non-management meeting with the auditor at least once a year.

8. To consider that the related transactions or transactions which may have conflicts of interests are in compliance with the laws and the regulations of the Stock Exchange of Thailand and Capital Market Supervisory Board in order to ensure that they are reasonable and for the optimal benefit of the Company.

9. To prepare the Audit Committee's Report and have it disclosed in the Company's Annual Report, whereby it must be signed by the Audit Committee's Chairperson and consisting of at least the following information :

a. an opinion on the accuracy, completeness and reliability of the Company's financial report.

b. an opinion on the adequacy of the Company's internal control system, risk management and anti-corruption policy and procedures.

c. an opinion on compliance with the laws concerning securities and exchange, the regulations of the Stock Exchange of Thailand, or other laws related to the Company's business.

d. an opinion on the suitability of the auditor and the head of the internal audit unit.

e. an opinion on transactions that may have conflicts of interests.

f. the number of the Audit Committee meetings, and its attendance record of each committee member.

g. an opinion or overview comment that the Audit Committee perceived from its performance under the charter.

h. other transactions that the shareowners and general investors should know under its scope of duties and responsibilities assigned by the Board of Directors.

10. In carrying out the Audit Committee's duties, if it finds or suspects that there are any of the following transactions or actions which may have a considerable impact on the Company's financial status and performance; it should report them to the Board of Directors in order to correct them within a suitable time frame set by the Audit Committee:

- a. transactions causing conflicts of interests.
- b. fraud, corruption or irregularity or a possible key deficiency in the internal control system.
- c. breach of laws concerning securities and exchange, regulations of the Stock Exchange of Thailand, or other laws related to the Company's business.

If the Board of Directors or its executives failed to arrange to have them corrected within due course, any member of the Audit Committee may report such transactions or actions to the Securities and Exchange Commission or the Stock Exchange of Thailand.

11. To support and follow up to ensure that the Company has effective risk management system.
12. To ensure that the Company has channels to receive complaints and information regarding inappropriate items in the financial statements, corruption and malfeasance, or other issues, along with an adequate protection and confidentiality process for the complainant or informant (whistleblower), as well as an independent investigation process and suitable monitoring and follow-up procedures.
13. To ensure that the company management comply with good governance principle.
14. To review, improve and correct the Charter of the Audit Committee annually and present it to the Board of Directors for approval.
15. To perform self-evaluation at least once a year.
16. To perform any other matters as assigned by the Board of Directors with the Audit Committee's approval under the Company's Articles of Association and relevant laws.

Regarding the above duties, the Audit Committee is accountable directly to the Board of Directors whereas the Board of Directors remains responsible to third parties for the operations of the Company.

## **The Authority and Responsibilities of the Remuneration Committee**

### **- Operational Authority**

1. To invite the Management or employees of the Company involved in any particular issues to provide explanation or comments and to attend meetings, or to provide any documents as necessary.
2. To seek advice and consultation by experts or advisors of the Company (if any), or to commission an external advisor or expert in any necessary cases at the expense of the Company.

### **- Duties and Responsibilities**

1. To consider and formulate policies and criteria relating to remuneration for the Company's directors and senior executives.
2. To propose policy and criteria for consideration of remuneration payment for the Company's Directors and top management.
3. To evaluate the performance of the Board of Directors on a yearly basis.
4. To determine the limit of remuneration for the Company's Directors (with consideration on its business performance and being compared with the same industry), the amount approved by the general shareowners' meeting, as well as the amount paid in the previous year to be submitted for consideration to the Company's Board of Directors and the annual general meeting of shareowners.
5. To consider appropriation of remuneration to the Company's Directors and members of other committees (who are not concurrently on the Board of Directors) on individual basis, by taking into account the authority and scope of responsibilities, as well as performance, within the amount approved by the shareowners' meeting.
6. To prepare a Report of the Remuneration Committee for publication in the Company's Annual Report. The Chairman of the Remuneration Committee is required to sign such report.
7. To review, improve and amend the Charter of the Remuneration Committee and present it to the Board of Directors for approval.
8. To conduct self-assessment at least once a year.
9. To carry out other matters assigned by the Board of Directors.

## **The Authority and Responsibilities of The Nomination Committee**

### **- Operational Authority**

1. To invite the Management or employees of the Company involved in any particular issue to provide explanation or comments, attend meetings, or to provide any documents as necessary.
2. To seek advice and consultation by experts or advisors of the Company (if any), or to commission an external adviser or expert in any necessary case at the Company's expense.

## **- Duties and Responsibilities**

1. To consider and define the criteria and procedures relating to the selection of company directors and senior management.
2. To verify the personal record and data of the nominated persons by taking into account their knowledge, abilities, experience, professional expertise, proper qualifications in accordance with the Company's Regulations and related laws.
3. To consider the selection of suitably qualified persons to be appointed company directors for nomination to the meeting of the Board of Directors for consideration and approval, except in cases where a company director completes his term of office, whereby such nomination shall be made to the shareowners' meeting for consideration and approval.
4. To consider the selection of suitably qualified persons to be appointed to senior executive positions for nomination to the meeting of the Board of Directors for consideration and approval.
5. To give comments or recommendations for further consideration.
6. To propose the nominated persons to the Board of Directors for consideration.
7. To prepare a Report of the Nomination Committee for publication in the Company's Annual Report. The Chairman of the Nomination Committee is required to sign such report.
8. To review, improve and amend the Charter of the Nomination Committee and present it to the Board of Directors for approval.
9. To conduct self-assessment at least once a year.
10. To carry out other matters assigned by the Board of Directors.

## **The Authority and Responsibilities of The Risk Management Committee**

### **- Operational Authority**

1. To seek advice and consultation by experts or advisors of the Company (if any), or to commission an external advisor or expert in any necessary cases at the expense of the Company.
2. To appoint a working group, evaluate and follow-up risk factors throughout the Company.

### **- Duties and Responsibilities**

1. To determine policies, targets, and to plan and organize the corporate risk management systems clearly and consistently, as well as to ensure that the internal control system is adequate for major risk management; and to report to the Audit Committee.
2. To encourage and stimulate cooperation in company risk management at all levels.
3. To supervise corporate risk management appropriately and effectively, and to give priority to the warning signs and all irregular transactions.
4. To diligently oversee that the Company and its agencies fully comply with all relevant legal and regulatory requirements governing the conduct of its business operations.
5. To develop corporate risk management systems with efficiency and consistency.
6. To prepare a Report of the Risk Management Committee for publication in the Company's Annual Report. The Chairman of the Risk Management Committee is required to sign such report.
7. To review, improve and amend the Charter of the Risk Management Committee and present it to the Board of Directors for approval.
8. To conduct self -assessment at least once a year.
9. To carry out other matters assigned by the Board of Directors.

## **The Authority and Responsibilities of The Corporate Governance Committee**

### **- Operational Authority**

1. Has the authority to invite related Company management or employees to give their opinion, participate in meetings or submit documents as deemed necessary.
2. Can ask for advice from experts or consultants (if any) of the Company or, if necessary, employ external consultants or experts at the expense of the Company.
3. Has the authority to appoint Working Committee to implement corporate governance policy throughout the organization.

### **- Duties and Responsibilities**

1. Stipulate, review and improve Corporate Governance policy and guidelines, Business Ethics, Code of Conduct for company's directors, managements and employees, Anti-Corruption Policy and Rules & Regulations to conform with changes in business, related rules, announcements, regulations and law, on a continuous basis.
2. Formulate guidelines and procedures in accordance with the principles of good corporate governance and anti-corruption policies, as well as monitor and provide counsel, advice and evaluation of their implementation in the development of the Company's corporate governance systems.



3. Promote and support Company Directors, management and employees to conform to Good Corporate Governance Guidelines and Anti - Corruption Policy.
4. To attend to overseeing, mentoring and monitoring the implementation of the Company's Corporate Social Responsibility (CSR) programs to ensure their effectiveness for the benefit of the community and the environment.
5. To prepare a Report of the Corporate Governance Committee for publication in the Company's Annual Report. The Chairman of the Corporate Governance Committee is required to sign such report.
6. To review, improve and amend the Charter of the Corporate Governance Committee and present it to the Board of Directors for approval.
7. To conduct self -assessment at least once a year.
8. Other operations as assigned by the Board of Directors.

## **The Authority and Responsibilities of The Chairman of the Board of Directors**

The Board of Directors stipulated the role, duties and responsibilities of the Chairman of the Board of Directors as follows

1. Lead the Board of Directors to oversee the performance of the Board of Directors and Subsidiary Boards, in order to achieve the objectives and work plan as required.
2. Convene the Board of Directors' meetings.
3. Chair the Board of Directors' Meetings and cast the deciding vote in the case that voting in the meeting is deadlocked.
4. Chair the Shareowners' Meeting and effectively guide the Meeting.
5. Promote good relationships among company shareowners.
6. Conduct other matters assigned by the Board of Directors.

## **The Authority and Responsibilities of Management**

The Board of Directors has stipulated the role, duties and responsibilities of the Management as follows :

1. To undertake and / or manage daily operations according to policies, target and planning, and corporate rules and regulations.
2. To conduct business management according to the meeting's resolutions of the Executive Board and the Company Board within the approved budget strictly, honestly and judiciously in the best interests of the Company and shareowners.
3. To carry out the operations of the Company according to good governance as stipulated in the guidelines by the Company Board.
4. To report the monthly progress of operations according to resolutions from the meetings and any significant corporate performance to the Company Board.
5. To enhance and develop business management according to code of conduct, rules and regulations, moral and good culture.
6. To carry out other matters assigned by the Board of Directors and the Executive Board.

## **Nomination and appointment of Board of Directors and Top Management**

The Company has a Nomination Committee responsible for selection and vetting qualified candidates proposed for consideration and appointment as Director when a position is vacant.

### **1. Selection and Vetting Process in the Nomination of Persons for Appointment as a Director or Independent Director**

#### **Criteria in Selection of a Director**

In consideration of selecting a candidate for appointment to a Company Director, the Company has set the following criteria:

1. The qualifications of the nominated candidate would render diversity in the composition of the Board (Board Diversity) whether in terms of educational qualification, professional skills, specific knowledge and expertise currently lacking and desirable for the benefit of the Company's business and aligned with the corporate business operation strategies. Consideration of candidates is not hampered by discrimination based on gender, age, ethnicity, etc.
2. Possessing leadership, vision, morality and ethics, as well as having transparent work record.
3. Possessing the appropriate qualifications and not having prohibited characteristics according to legal or regulatory provisions and the Company's Articles of Association.
4. In case an incumbent Director is nominated to be reappointed, additional consideration is given to the person's previous performance as a Company Director or a member of a Sub-committee.
5. In the selection of an Independent Director, requirements and qualifications are aligned with the criteria set by the Stock Exchange of Thailand and the SEC.

### Procedure in Selection of a Director

1. The Nomination Committee is responsible for selection and vetting qualified candidates for consideration and appointment as Director, then proposes the vetted candidates to the Board of Directors for consideration before proposing the candidates to the AGM, except in cases where the director position is not vacant due to end of tenure. In such case, the Nomination Committee may consider appointing a replacement for such director in the next meeting of the Board of Directors, unless the remaining tenure of such director is less than 2 months according to the Articles of Association, then the person who replaces such director would serve the remainder of his or her predecessor's term.

2. The Nomination Committee conducts an analysis of the candidate's professional skills, experience, knowledge and specialized expertise, as well as whether the candidate's qualifications appropriately meet the needs of the vacant position, by preparing a Board Skill Matrix to be used for consideration of the nomination in accordance with the business strategy of the Company.

Moreover, in selecting a new director, the Nomination Committee must give additional consideration to knowledge, capability and experience which would be useful in performing the duties of a Director, and which are necessary to and currently lacking in the composition of the structure of the Board of Directors.

3. In addition, the Nomination Committee also consider additional persons from the IOD Chartered Director List of the Thai Institute of Directors Association (IOD).

### Qualifications of Independent Director

The Company has specified definitions and qualifications for independent directors, which are stricter than minimum requirements of the Securities Exchange Commissions stated in the Form 56-1, attachment of the invitation letter for the 55<sup>th</sup> Annual General Meeting 2020 and is publicized on the company's website (<http://www.icc.co.th>).

### Right of minor shareowner's in nominating directors

The Company authorizes minor shareowners to propose nominate candidate(s) to be elected as director(s) in advance of the 54<sup>th</sup> Annual General Meeting 2019 according to the set criteria by publicizing such authorization procedure in its website (<http://www.icc.co.th>).

## 2. Selection and Recruitment of Top Executives

### Top Management Nominations

The Nomination Committee finds and selects company directors by selecting either from internal management personnel or external candidates. They must be well-qualified, have good understandings of the Company's business, able to achieve the targets given by Board of Directors, and possess no prohibited characteristics according to relevant legal and regulatory provisions.

The Board of Directors clearly defines top management's duties and responsibilities. Executive Chairman (CEO) appointed by Board of Directors as management head, is to govern the company's operational administration.

The Company also has a successor policy in case of retirement or emergency termination, with a clear and transparent procedure.

### Management Recruitment

The Company considers managerial candidates from within the company by finding person who is well-rounded, skillful and experienced in the related field of work. The Company develops and prepares all staff so that they can become future management. Staff will undergo performance appraisal after which those with outstanding performance will be assigned a higher and more challenging task. The Company is on constant preparation to develop and train replacement staff in case any function becomes vacant. However, in the case that vacant position could not be filled from internal resources, external recruitment will be employed and the qualified candidates will be proposed to the Executive Chairman for approval.

### Supervision of the operation of subsidiary and affiliated companies.

The Company has four subsidiary companies to which the Company sends its management to act as directors, and its Executive Chairman as Chairman. The roles and duties are to govern the operation of subsidiary companies, to ensure that any accounting transactions are abided by its parent company which is listed in the Stock Exchange of Thailand.

Additionally, the Company appoints persons-in-charge whose responsibilities are to ensure that its subsidiaries companies follows procedures and disclose important information as practiced by its parent company, for instance, related activities between parent and subsidiary companies, the acquisition and the selling of assets, or other significant activities

The Company has seven affiliated companies. These companies are joint ventured by companies in the Saha Group as well as other non-group companies. The Company has no control over the management of the affiliated companies. The management of each company is under the supervision of its board of directors.

Whether a person or persons are appointed to represent the corporate group as director(s) and executive(s) in the associate or invested companies, follows the policy and procedures whereby the Saha Group assigns a top management team to consider whether or not any directors or executives from which company in the group should be the Group's representative as a joint venture partner or in accordance with the joint venture agreement based on type of business and necessity. If such appointment is required, the qualified director or executive with necessary knowledge, capability and expertise in the related business shall be assigned.

## Internal Information Management

The Company has measures for internal information management as defined in the business ethics for the Company and share-owners, as well as the Code of Conduct for directors, executives and staff at all levels, which require performance of duty with honesty, responsibility, discipline and integrity towards the public and to oneself and not in pursuit of improper and undue gains or benefit to oneself and/or others, protecting the Company's best interest and assets, not using the Company's information and assets for self-interests or other's benefit, and not making any undertaking that will support others in competition with the Company. The Company has provided the corporate governance policy, business ethics and employee code of conduct to the Board of Directors, executives and staff as a guideline for business operation and work principle. This is distributed through the Company's website (<http://www.icc.co.th>)

The above-mentioned topics have been stipulated in the Company's regulation. The highest disciplinary punishment for violation is dismissal from the Company. This regulation has been followed by all directors, executives and staff at all levels.

The Company has measures to supervise corporate securities trading, by stipulating in the directors, executives and employee's code of conduct prohibiting directors, executives and staff who work in the divisions with accessibility to inside information, from purchasing or selling the Company's shares within the period of one month prior to, and within 24 hours following the public disclosure of the Company's financial statements to the public except as normal transactions unrelated to the said information.

In addition, at every Board of Directors' meeting, there is to be an agenda for acknowledgement which relates to the report on sales / purchase of properties, possession of Company shares by members of Board of Directors and Executives Board, including their spouses and minor children at all times. In cases of any sale or purchase of Company shares, the Company and the Stock Exchange Commission (SEC) shall be informed of this transaction in accordance with the SEC's regulations.

In 2019, the directors and executives have so far strictly followed the policy. There was neither trading of shares in the forbidden period nor trading by using the Company's inside information. However, there was one director who traded shares of the Company this year and informed the Securities and Exchange Commission of the transaction in due time as well as reporting their assets ownership to the Board.

Moreover, the Company has enforced one additional policy requiring the directors and executives to report their trading in securities to the Board of Directors at least one day before the trading date.

Furthermore, the Company has adopted a supervising measure on directors' shareholding requiring directors and executives to report to the Board at all times concerning their or related person's stake holding which may be possible conflicts of interest, as defined by the rules and regulations of the Securities and Exchange Act, and also report every change to the Company's Board of Directors.

In 2019, the Directors and Executives strictly followed the policy.

## Remuneration of Auditor

### 1. Remuneration for auditing serve

The Company and its subsidiaries received approval from the Annual General Meeting to pay the remuneration as follow:

Remuneration for auditing service	2019	2018
I.C.C. International Public Co., Ltd.	2,480,000	2,300,000
The Company's subsidiaries (4 companies)	534,871	558,245
<b>Total</b>	<b>3,014,871</b>	<b>2,858,245</b>

Amis Du Monde SARL, Canchana International Co., Ltd. and Thai Itokin Co., Ltd. do not use the same auditor as the parent company due to:

1. Amis Du Monde SARL. is in the process of dissolution and liquidation, the former auditor must also be used.
2. Thai Itokin Co., Ltd. was able to negotiate a better price of the auditor's fee with its current auditor, less expensive than other auditors.
3. Canchana International Co., Ltd. is a foreign subsidiary and was able to negotiate a better price of the auditor fee than the previous year.

Although certain subsidiaries do not use the same auditor as the parent company but the Company oversees and follows up to ensure that preparation of their financial statements are on time.

### 2. Non-Audit fees

In the year 2019, the Company and its subsidiaries did not pay any compensation to the auditor(s) of the Company and subsidiaries, the auditing firm of the external auditor(s), parties or business related to auditor(s) or their auditing firm for other services.

The Nomination Committee of I.C.C. International Public Company Limited consists of Mr. Boonsithi Chokwatana, as Chairman, Mr. Boonkiet Chokwatana, Mr. Manu Leelanuwatana, Mr. Thamarat Chokwatana and Miss Munchusa Terapongpipat as Directors of the Committee.

The Nomination Committee has performed its duties as assigned by the Company Board of Directors as stated in the Charter of the Nomination Committee. The responsibility of the Committee is to select persons with proper qualifications, knowledge, abilities and expertise from a variety of professional fields for the position of Company Director in order to enhance Company Business's Strategy and prepare for the rapid economy and retail business changes, as well as the increasingly important role of information technology. The Nomination Committee has established the selection criteria by using the Board Skill Matrix and name list of Chartered Directors compiled by the Institute of Thai Directors, the main objective being to recruit competent persons with the appropriate skills set, qualifications and experiences, without restrictions as to gender and age, and not possessing any traits prohibited by the relevant laws and Company Regulations as well as providing the opportunity for every shareowner to participate by nominating persons to become a Company Director in advance before the Annual Shareowners' General Meeting Date. In 2019, shareowners did not propose any names to be considered in the election to become a Company Director.

In 2019, the Nomination Committee held a total of 3 meetings to which the quorum was complete, none of which were attended by any director with possible conflict of interest. The Nomination Committee selected persons with proper qualifications as mentioned criteria and also reviewed its Charter, which is a process undertaken on an annual basis.



(Mr. Boonsithi Chokwatana)

Chairman of the Nomination Committee

The Remuneration Committee of I.C.C. International Public Company Limited consists of Mr. Boonkiet Chokwatana as Chairman, Mr. Thamarat Chokwatana and Miss Munchusa Terapongpipat as Directors.

The Remuneration Committee performed its duties as assigned by the Company Board of Directors as specified in the Charter of the Remuneration Committee. The main duties are as follows:

1. Propose fair and reasonable Remuneration Policy and Rule for Company Directors, Sub-Committee directors and high level Management, because remuneration is an important factor, which helps to attract and retain knowledgeable and capable persons to remain with the organization. Moreover, it is a tool to motivate and create work efficiency.
2. Consider allocation of remuneration to Company Directors, Sub-Committee directors on an individual basis by taking into consideration authority, duties and obligations and commensuration with the same type of industry within the financial limit as approved by shareowners and propose to Company Board of Directors Meeting.

In 2019, the Remuneration Committee held 2 Meetings attended by all the Directors. The Charter of Remuneration Committee was also reviewed annually. The remuneration of Company Directors, Sub-Committee Directors and Management were disclosed in the Annual Report. The Remuneration Committee considered and agreed that they are appropriate and coincided with their duties, obligations as well as conforming to Company Policy.

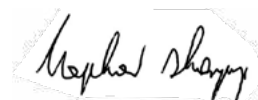


(Mr. Boonkiet Chokwatana)  
Chairman of Remuneration Committee

Corporate Governance Committee of I.C.C. International Public Co., Ltd. consists of Mr. Nophorn Bhongsvej (the Chairman), Mr. Nattapat Petchratanaporn (Committee Member), Ms. Munchusa Terapongpipat (Committee Member) and Mrs. Duangrudee Milintanggul (Committee Member). They perform the duties and responsibilities as appointed by the Board of Directors, and described in the Corporate Governance Committee Charter. This committee is responsible for the Company's good corporate governance, transparency in management with appropriate checks and balance system, due diligence and accountability, ensuring fairness to all stakeholders and sustainable growth of the Company.

In 2019, the Committee held 5 meetings with 100% attendance by the members with following meeting summaries:

- Reviewed and approved the 2017 CG Code, as well as promoting and monitoring the implementation of the principles of the 2017 Corporate Governance Code for listed companies prescribed by the Securities and Exchange Commission, and its application in the context of the Company's business operation, including disclosure in the 2019 Annual Report and the Company's 56-1 Form.
- Supervised the follow up and study the 2017 Corporate Governance Code (CG Code) to be formulated into written Policies and Procedures of Good Corporate Governance (CG Code).
- Provided supervision and support to the Company in implementing Good Corporate Governance, resulting in the Company receiving "Excellent" corporate governance assessment results for the third consecutive year in the 2019 Thai Listed Companies Corporate Governance Survey as well as receiving the Board of the Year Awards - Group C from IOD.
- Reviewed and approved the Company's corporate vision and mission statements.
- Reviewed and approved the Company's anti-corruption policy and its anti-corruption compliance procedures to ensure good corporate governance, as well as followed up the implementation of the set plans.
- Provided supervision and follow-up of the 1<sup>st</sup> application for the renewal of the Company's membership of the CAC which has been approved.
- Reviewed and approved the Company's regulations and procedures pertaining to approval authority to be accountable and appropriate to current business operation.
- Supervised the setting of criteria and conditions on timelines in providing an opportunity for minor shareowners to propose an agenda item or to nominate a person to be appointed as a member of Board of Directors prior to the Annual General Meeting 2020 within 1 - 30 December 2019.
- Supervised the disclosure of shareowners' equity of the Company's directors and executives in accordance with the guidelines of the Securities and Exchange Commission.
- Reviewed and approved the 2019 Performance Assessment of the Board of Directors, as a whole as well as of individual directors, all Sub-Committees and the CEO to allow the Board of Directors to reflect on performance, problems and challenges to further enhance the Board's effectiveness.
- Supervised the review and amendments to the Charter of the Board of Directors and the respective charters of all sub-committees in order that they remain relevant and appropriate to the present situation.
- Reported the performance to the Board of Directors on a regular basis.



(Mr. Nophorn Bhongsvej)

Corporate Governance Committee Chairman



The Audit Committee of I.C.C. International Public Company Limited, comprising Thiraphong Vikitset Ph.D., as Chairman and Mr. Amorn Asvanunt, Mrs. Duangphorn Sucharittanuwat and Mr. Nophorn Bhongsvej as committee members, and Mrs. Duangrudee Milintanggul as Secretary, has the responsibility of overseeing and assessing financial reports for their accuracy and credibility; applying appropriate and sufficient risk management, efficient and effective internal control systems; recommending the appointment or the termination of an external auditor to the company; and undertaking other duties as assigned by the Board of Directors.

In 2019, the Audit Committee arranged 11 meetings to which it invited the Company's Vice President of Accounting and Finance, Vice Presidents of all divisions of the company, the representatives of KPMG Phoomchai Audit Co., Ltd., and the representatives of Dharmniti Internal Audit Co., Ltd., which has been appointed the company's auditor and internal audit consultant since 2004. During the meetings, they jointly considered the relevant agenda to ensure the completeness and accuracy of the information shown on financial statements and consolidated financial statements of the Company and subsidiaries, as well as reviewing and discussing corporate internal control systems, related transactions, risk management and financial information disclosure, a substantial summary of which is as follows:

- 1) The Audit Committee agreed with the conclusions of the representatives of KPMG Phoomchai Audit Co., Ltd., which reported that financial statements and consolidated financial statements of the company and subsidiaries were accurate and substantively complied with the latest accounting standard as represented in the Independent Auditor's Report of this Annual Report.
- 2) The Audit Committee and Dharmniti Internal Audit Co., Ltd. agreed that I.C.C. International Public Company Limited and subsidiaries have adequate and appropriate internal controls and risk management systems, as shown on Dharmniti Internal Audit Co., Ltd.'s report on the adequacy and appropriateness of the Company's Internal Control Systems, under Thailand's Securities and Exchange Commission's guidelines. They also approved the company's auditing year plan, evaluated and provided oversight to ensure that the Head of the Internal Audit Unit had adequate experience, knowledge and training and provided advice for execution improvement in order to enhance effectiveness.
- 3) The Audit Committee monitored and reviewed approaches for IT system development including the new Enterprise Resource planning (ERP) and the paperless system planning to improve the effectiveness of internal controls to be in line with the company's business development in the end of 2019.
- 4) The Audit Committee reviewed all related transactions on the basis of transparency, anticipated interests of ICC in accordance with prevailing market situations, and conflicts of interest of related parties. The Audit Committee submitted 10 cases of related transactions to the Board of Directors for approval in order to ensure that the activities were transparent, rational, and in the best interest of the company and the shareowners. In 2019, there was no significant related transaction or other transaction that might have caused conflict of interest in relation to the guidelines.
- 5) Considered and proposed to the Board of Directors for approval the names of Certified Public Accountants and their remuneration commensurate with their knowledge, ability, experience and independence, for appointment at Annual General Meeting. For the year 2020, the proposed list of Certified Public Accountants and remuneration of the company and subsidiaries were finalized.
- 6) Considered and reviewed the Charter of the Audit Committee and conducted a self-assessment audit of its operating results.
- 7) Reviewed compliance with the Securities and Exchange Act, regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand including other relevant laws governing business operations of the company.



(Thiraphong Vikitset Ph.D.)  
Chairman of the Audit Committee

The Board of Directors of I.C.C. International PLC understand the importance of corporate risk management, and therefore have incorporated a Risk Management Committee, with Mr. Amorn Asvanunt as a Chairman, Mr. Thamarat Chokwatana, Miss Munchusa Terapongpipat, Miss Yauwaluk Namakorn Mr. Yothin Suwanket as members, and Mrs. Duangrudee Milintanggul as member and secretary.

In 2019, the Risk Management Committee has focused attention on enhancing the efficiency and effectiveness of risk management at operational level, by implementing measures in terms of Operational Risk, IT Risk, Fraud Risk and Corruption Risk, formulating methods, establishing monitoring procedures and supporting tools to achieve target objectives, enabling our personnel to perform their duties and to effectively mitigate the risks. In addition, the Company has further developed its information technology system to further expand its new Enterprise Resource Planning (ERP) Phase II system to cover additional important work modules. The Risk Management Committee has followed the application and implementation of both phases of this new system with clear emphasis on efficient utilization of the system in reducing corruption and operational risks.

The Risk Management Committee held 11 meetings in 2019 to discuss the following matters.

1. To consider the Charter of Risk Management Committee to ensure its compliance, appropriateness and support for efficient and effective risk management.
2. To provide opinion and scope of the corporate risks which are Operational Risk, IT Risk, Fraud Risk, Corruption Risk (the Company submitted its application for the extension of its certified membership of Thailand's Private Sector Collective Action Coalition against Corruption (CAC) on 13 September 2019, which was approved on 4 November 2019), risk from external factors such as currency fluctuation, financial and IT risks, as well as risk of impact from competitors, changing market trend to a more vigorous online market, management of brands with operating loss, etc.
3. To monitor and support the Management in analysis of external and internal factors that may have impact on corporate operations, respectively adjusting procedures to be consistent to such changes, and reducing risks accordingly.
4. To report operation result to the Audit Committee and the Board of Directors on a regular basis.

The Risk Management Committee is assured that the Company has efficient risk management in conformance to our internal control system and good corporate governance.



(Mr. Amorn Asvanunt)  
Chairman of Risk Management Committee

I.C.C. International Plc. adheres to teamwork spirit, based on transparency and good corporate governance, which have been the company's management philosophy for many years. This has proven to be one of the key factors in maintaining effective internal control systems.

The Audit Committee attended and reported the audit result to the Company Board of Directors at the 10/2562 Board of Directors Meeting on 21 February 2020, whereby the Board assessed the corporate internal control system on the basis of information from corporate management and the auditors' report. A summary of the findings concluded that in the assessment of the corporate internal control system which consists of the five elements: control environment, risk management, control measures, information technology and communication and monitoring, the board concurred with the opinion of the Audit Committee that the corporate internal control system is adequate and appropriate.

Since 2004, the company has appointed an outside party, Dharmniti Internal Audit Co., Ltd., as consultant to oversee the quality of internal auditing and control, in the interests of self-improvement and in response to the ever-changing internal and external environment. Dharmniti Internal Audit Co., Ltd. has assigned Miss Somcharee Kawkomdee as an internal auditor.

The Audit Committee has scrutinized the qualifications of Dharmniti Internal Audit Co., Ltd. and Miss Somcharee Kawkomdee and found that they are suitably qualified for this task because of their independent standing and 11 years of experience in internal auditing of businesses with the same nature as the company's.

## Resume

<b>Name :</b>	Somcharee Kawkomdee
<b>Current Position :</b>	Director of Dharmniti Internal Audit Co., Ltd.
<b>Education :</b>	Bachelor Degree Faculty of Humanities and social Sciences at Burapha University (Account) Certified Professional Internal Audit of Thailand (CPIAT)

## Summary of Training :

1. Internal Auditor Program Class 1-2
2. Risk Assessment Program
3. COSO 2013 Program (Theory and Practice)
4. Maintain and improve the quality of internal audit work project
5. Self-assessment on anti-corruption measurement
6. Guidelines for Investigation Fraud
7. International Standards for the Professional Practice of Internal Auditing
8. CIA Part II Training at Federation of Accounting Professions
9. Internal Audit Training Program to prepare for Internal Auditor (Pre CIA) Chulalongkorn University
10. Asian Confederation of Institutes of Internal Auditors Conference 2018 (Malaysia)

## Work Experience :

1. 2006 - 2008 Internal Auditor at Dharmniti Auditing Co., Ltd.
2. 2009 - 2010 Senior Internal Auditor at Dharmniti Auditing Co., Ltd.
3. 2011 - 3/6/2016 Assistant Manager at Dharmniti Auditing Co., Ltd

For better efficiency in auditing, the company has mandated that the internal auditor coordinate with the Secretary of the Audit Committee who is responsible for the Internal Audit Unit, reporting directly to the Audit Committee on a quarterly basis.

Dharmniti Internal Audit Co., Ltd. has coordinated closely with the company's Internal Audit Unit to submit and discuss the audit results with the President before reporting in writing to the Audit Committee every quarter. This is aimed at exchanging views and opinions for further internal audit works especially the issues regarding the control of sales management to ensure consistency and promotion of the company's business which has become more diversified and complicated. Emphasis continued to be placed on development of information technology in support of internal auditing process in line with the company's business development plan according to the new Enterprise Resource Planning (ERP) and the Paper Usage Decreasing Plan. For operations in 2019, Dharmniti Internal Audit Co., Ltd., as the company's internal audit consultant, reported that I.C.C. International Plc. had adequate and appropriately effective Internal Control Systems.

## Organization and Environment

The company's organizational nature and environment enable management to implement actions efficiently and effectively, with clear set objectives in business operations, whereby performance can be clearly followed up and evaluated and managed on the basis of good corporate governance and fairness, mainly taking into consideration fairness to customers.

## Risk Management

The Risk Management Committee, comprising Mr. Amorn Asvanunt as Chairman, and Mr. Thamarat Chokwatana, Ms. Munchusa Terapongpipat, Miss Yauwaluk Namakorn, Mr. Yothin Suwanket as members, and Mrs. Duangrudee Milintanggul as member and secretary, reported progress in risk management for the Year 2019 to the Audit Committee.

In 2019, the Finance and Accounting Division and the Information Technology Division proceeded with systems modification of the Enterprise Resource Planning (ERP) and Paperless System, in collaboration with the Corporate System Development unit and the assigned task force, in the application of the improved work process as database in further top-up for the effective and efficient usage of the new ERP system according to risk management evaluation in order to improve efficiency and effectiveness of the company's work processes, core operation systems, which covered strategic, operational, as well as fraud and corruption risks in order to enhance the company's preparedness in the face of changing internal and external situations, as well as in line with shifting competitive and marketing trends, with the objective to bolster sustainability of its business.

## Control of Administrative Operations

I.C.C. International Plc. provides a clear and written delegation of authority and financial approval limit for each level of the management. In conducting transactions with major shareowners, directors, management executives or other related parties, the company has adhered strictly to the official procedures and regulations.

For clarity of personnel's legal obligations, the company has issued sets of regulations for strict adherence by employees in accordance with the corporate rules and related laws concerning corporate governance policies, business ethics and employee ethics.

The Audit Committee, together with the Vice President of Accounting and Finance, have carefully scrutinized on the basis of transparency ten inter-related transactions, including the anticipated benefits in line with market situation and conflicts of interests of related parties, prior to proposing them to the Board of Directors for approval.

During the year, the Board of Directors developed the policy that management report periodically through executive summaries on significant and binding transactions that were carried out by authorized staff, with a view to fostering good corporate governance and providing better risk management.

Whereas the Company has announced its intention to become a member of the Private Sector Collective Action Coalition against Corruption: CAC and has been certified as member of Thailand's Private Sector Collective Action Coalition against Corruption on 14 October 2016, the Company, in 2019, submitted its application for the extension of its certified membership of Thailand's Private Sector Collective Action Coalition against Corruption (CAC) on 13 September 2019, which was approved on 4 November 2019. It is noted that in 2019, the Company has not received any complaint or report of any alleged or suspected acts of corruption via any of the channels provided.

Furthermore, the Board of Directors and the management team have motivated and enforced the operational discipline of employees in compliance with legal and regulatory procedures, as well as the principles of good corporate governance as stipulated by the Stock Exchange of Thailand and Securities and Exchange Commission.

## Information Technology and Data Communication Systems

The company always provides sufficient and comprehensive information to the Board of Directors to consider in the meetings and sets meeting dates well in advance.

## Monitoring

The company has set clear objectives in writing for business operations, with systematic monitoring and solution directions, in case operations deviate from targets.

## Profiles of the person taking the highest responsibility in finance and accounting(CFO) and the person supervising accounting

In order to comply with the regulations of the Stock Exchange of Thailand and allow the company to have quality financial reports continuously. The Board of Directors' meeting held on 16 November 2018 approved the determination of the highest responsibility in accounting and finance (CFO) and the person supervising accounting.

1. Mr. Nattapat Petchratanaporn	Executive Director, Vice President to Accounting & Finance Division	The person taking the highest responsibility in finance and accounting(CFO)
2. Miss Yauwaluk Namakorn	Assistant Vice President Division of Accounting & Finance	The person supervising accounting

(Which has qualifications and conditions for being an accountant with criteria specified by Department of Business Development)

Both of them are fully qualified according to the SEC's rules as follows.

# Profiles of the person taking the highest responsibility in finance and accounting(CFO) and the person supervising accounting

Name /Position / Appointment date	Age (Year)	Education	Training Background	Proportion of Share owning at 31 Dec 2018 (%)	Relationship of Directors and Executives	Work experience	
						Period	Position / Company
1. Mr. Nattapat Petchratanaporn Executive Director, Vice President to Accounting & Finance Division 16 November 2018	61	- Bachelor of Science (Accounting), Bangkok University	1.Thai financial reporting standards	0.003	- NA -	1979 - 1997	Accounting and finance
			- TFRS 15 Revenue from Contracts with Customers			1198 - 2009	Assistant Vice President Division of
			- TFRS 16 Leases				Accounting & Finance
						2010 - Present	Executive Director, Vice President to Accounting
							& Finance Division of I.C.C. international Public Company Limited.
						2011 - Present	Director of Thai Itokin Co., Ltd.
						2014 - Present	Managing Director of WBRE Co., Ltd.
						2019 - Present	Director of Scentimental (Thailand) Co., Ltd.
2. Miss Yauwaluk Namakorn Assistant Vice President Division of Accounting & Finance 16 November 2018	52	- Bachelor's Degree in Accounting, Rajamangala University of Technology - Bachelor's Degree of Business Administration, Burapha University	1.Thai financial reporting standards	- NA -	- NA -	1989 - 2003	Senior Accountant, SCG Accounting Services Co., Ltd.
			- TFRS 15 Revenue from Contracts with Customers				
			- TFRS 16 Leases			2004 - 2007	Chief Operation Officer
			2. Summarize all TFRS for NPAs understanding and			2006 - 2007	Member of Remuneration Committee
			core issues			2008 - 2011	Accounting and Finance Manager, Acting chief
							executive officer of Admin and Accounting
							Services Co., Ltd.
						2012 - 2015	Accounting Manager and Senior Financial Officer,
							Khan- na Co., Ltd.
						2016 - Present	Assistant Vice President Division of
							Accounting & Finance of
							I.C.C. international Public Company Limited.

In 2019, the Company had not sought approval from the Annual general meeting in allocating loans and loan guarantees to the related parties. Instead such proposed transactions were submitted to the Board of Director's Meeting or Annual General Meeting for approval from time to time depending on the value of transaction.

As of December 31, 2019, the total amount of loans and loan guarantees provided are as follows :

Type of business	Loans		Loan Guarantees		
	Number of companies	Million Baht	Rate of guarantee annual fee	Number of companies	Million Baht
Joint-ventured companies	3	181.50	0.125 — 0.75	11	334.97
<b>Total</b>	<b>3</b>	<b>181.50</b>		<b>11</b>	<b>334.97</b>

In 2019 loans and guarantees were provided for the purpose of providing financial support to associated companies in proportion with its investment.

Related transactions in 2019 comprise

1. Investment in related companies
2. Loan to related companies

Reasons and necessities of providing loan:

- To increase the channels of credit sources to corporate borrowers.
- To help solve the problems of the corporate borrowers business and to increase their liquidity.
- The corporate borrowers are well-related with the company and the Saha Group of Companies as part of the supply chain, strategic alliance and so forth.
- The corporate borrowers have collateral and/or guarantors.
- To give the loan according to the investment proportion.
- Interest rates are higher than the institutional market rates.

3. Transactions of business-related companies

Details of above three subjects can be found as per Notes of Financial Statements: No.4 Transactions in relation to persons or business-related companies page 161-169 No. 6 Others Investment page 170-171 No.10 Investment in associates page 173-175 and No. 11 Investment in subsidiaries page 175-176 of this Annual Report.

Type of relationship with the companies which can be observed from the Transactions of Business-related companies page 129-132 of this Annual Report.

## Transactions of Business-related companies as of December 31, 2019

No	Name of Company	Relationship	Sales of Goods	Incomes	Purchase of Goods	Expenses	Purchase of property, plant and equipment/ leasehold
1	Textile Prestige	A	-	6,757,032	468,343	-	-
2	Thai President Foods	A	-	17,717,132	-	-	-
3	Thai Wacoal	A	471,722	56,468,945	3,079,172,682	14,991,668	-
4	Thanulux	A	-	7,819,333	781,288,412	1,207,376	-
5	Newcity Bangkok	A	-	83,168	55,884	-	-
6	People's Garment	A	-	2,132,900	404,917,990	4,814,105	-
7	Pan Asia Footwear	A	-	6,453	-	-	-
8	Far East Fame Line DDB	A	-	10,076,350	-	46,998,655	-
9	Sahapathanapibul	A	184,037	53,880,774	809,890	397,974	-
10	S&J International Enterprises	A	29,746,431	27,963,498	31,446,602	254,314	-
11	O.C.C.	A	-	10,413,587	105,184	-	-
12	Sahacogen (Chonburi)	A	-	12,951,955	-	-	-
13	Champ Ace	A	-	-	-	230,400	-
14	Sahapat Properties	A	-	115,000	-	-	-
15	Bangkok Tokyo Socks	A	-	-	33,983	-	-
16	First United Industry	A	-	1,094,040	-	-	-
17	Molten (Thailand)	A	-	5,263,774	-	-	-
18	Molten Asia Polymer Products	A	-	1,872,000	-	-	-



## Transactions of Business-related companies as of December 31, 2019

No	Name of Company	Relationship	Sales of Goods	Incomes	Purchase of Goods	Expenses	Purchase of property, plant and equipment/ leasehold
19	Lion Corporation (Thailand)	A	-	87,360,008	1,198,873,040	50,912	-
20	Sahapat Real Estate	A	-	982,528	-	-	-
21	International Laboratories	A	16,076	48,779,608	501,450,083	17,323,868	-
22	Seno Saha Logistics	A	213,254	155,000	-	14,040,234	-
23	Kewpie (Thailand)	A	-	7,000,000	-	-	-
24	Sun 108	A	62,785	5,902,286	-	21,400	-
25	Tiger Distribution & Logistics	A	377,611	8,943,548	131,398	121,240,516	-
26	Thai Cubic Technology	A	-	760,000	-	-	-
27	Better Way (Thailand)	A	23,054,491	15,386,250	5,983,409	-	-
28	Raja Uchino	A	-	2,920,142	23,069,755	1,869	-
29	Thai Secom Security	A	-	9,276,307	-	1,152,473	-
30	Thai Shikibo	A	-	19,244,100	-	-	-
31	Thai Naxis	A	-	202,500	-	18,848	-
32	Pattaya Manufacturing	A	-	1,167,205	211,520,480	1,376	-
33	Wien International	A	37,416	3,915,000	-	-	-
34	SSDC (Tigertex)	A	-	2,458,800	-	-	-
35	Erawan Textile	A	-	1,194,000	-	-	-
36	H&B Intertex	A	152,698	13,966,599	51,038,530	206,771	-
37	E.P.F.	A	18,976,485	-	-	-	-
38	Total Way Image	A	-	390,000	59,389,265	2,855	-
39	Thai Stafflex	A	-	288,000	-	-	-
40	Thai Sports Garment	A	-	1,200,000	-	-	-
41	Shiseido Professional (Thailand)	A	-	1,335,600	-	-	-
42	Tsuruha (Thailand)	A	7,704,529	221,340	-	169,387	-
43	Osoth Inter Laboratories	A	-	-	-	33,132	-
44	Saha Lawson	A	3,707,605	1,236,693	-	160,860	-
45	S.T.(Thailand)	A	-	13,026,039	44,466,777	3,600	-
46	Kai I.T. Service	A	-	423,087	-	14,299,737	10,199,322
47	K. Commercial and Construction	A	-	-	-	121,629	3,848,831
48	Sahachol Food Supplies	A	29,535	727,916	107,708,794	-	-
49	I.D.F.	A	-	3,699,550	-	120,000	-
50	Thai Takeda Lace	A	-	6,480,000	-	-	-
51	Thai Hoover Industry	A	-	5,698,000	-	-	-
52	WBLP	A	-	422,522	11,885,910	121,980	-
53	Transcosmos (Thailand)	A	(37,278)	81,675	-	4,571,360	-
54	International Commercial Coordination(Hong Kong)	A	-	-	-	170,321	-

## Transactions of Business-related companies as of December 31, 2019

No	Name of Company	Relationship	Sales of Goods	Incomes	Purchase of Goods	Expenses	Purchase of property, plant and equipment/ leasehold
55	Top Trend Manufacturing	A	13,005	3,240,000	-	-	-
56	Paknumpo Wattana	A	13,673,713	134,291	-	424,045	-
57	Maharachapreuk	A	16,283,473	145,446	-	1,053,801	-
58	Shop Global (Thailand)	A	23,186,007	3,458,371	-	60,036	-
59	Can	A	9,685,224	73,536	-	31,035	-
60	Koraj Wattana	A	18,041,597	3,373	-	1,754,138	-
61	Sun and Sand	A	23,965,196	3,041	-	1,941,082	-
62	Intersouth	A	23,225,466	2,888	-	2,003,323	-
63	Intanin Chiangmai	A	41,235,909	3,315	-	3,592,909	-
64	Eastern I.C.C.	A	18,660,500	11,709	-	2,556,594	-
65	Thai Arusu	A	-	1,830,356	-	32,975,359	53,994,996
66	Saha Pathana Inter-Holding	B	43,563	-	-	33,216,678	-
67	Vitayasithi	C	-	-	-	475,669	-
68	Vira Law Office	C	-	241,367	-	6,910,792	-
69	Sukhatasana	C	-	110,655	-	32,522,046	11,954,625
70	Pens Marketing and Distribution	C	4,322,208	1,676,506	35,203,021	336,703	-
71	Train Time Test	C	-	50,469	-	2,654,275	-
72	T-Way	C	(9,190)	-	-	641,208	-
73	WBHF	C	-	72,364	267,124	-	-
74	International Commercial Coordination	D	-	15,220	-	11,010,033	-
75	United Utilities	D	-	1,948,371	-	-	-
76	Thai Gunze	D	-	4,935,538	12,042,541	-	-
77	D F Inter	D	-	285,000	-	-	-
78	S R P Nanasai	D	-	30,387	-	7,272,693	29,024,844
79	Torfun Property	D	-	7,190	-	-	-
80	International Leather Fashion	E	-	1,161,335	122,040,872	2,296,199	-
81	Worldclass Rent a Car	E	361,023	8,649,847	(17,929)	3,898,465	-
82	Issara United	E	-	10,787,722	-	-	-
83	Ruamissara Development	E	-	14,399,952	-	-	-
84	Canchana International	F	24,740,915	344,563	-	66,657	-
85	Thai Itokin	F	51,028	5,935,851	110,894,947	11,419,752	-
86	WBRE	F	-	2,307,040	-	-	-
87	Amis Du Monde	F	-	3,458	-	-	-
Total			302,177,034	541,329,405	6,794,246,987	401,841,112	109,022,618

Remarks 1 : A : SPI is a co-major shareowner B : ICC's major shareowner C : Major shareowner is ICC's Directors or Executives

D : MD is ICC's Directors or executives

E : Associate

F : Subsidiary

2 : Related transactions for the past 3 years, please see details on the company website (<http://www.icc.co.th>)

### Pricing policy for related business

It is in compliance with normal trade condition which is the market price and the same price as dealt with other persons.

Description	R
Acquisition of the trademark	Cost of trademark registration plus interest cost incurred by the buyer since the acquisition year.
Immovable property rental income / expense	Depending on the market price by consideration on the location, condition and benefits generated by the use of property.
Royalty income	At percentage of net factory sales compared to market price.
Royalty expense	At percentage of net company sales compared to market price.
Consultancy income / expense	Depending on complexity level of such service provided.
Inventory management fee	Number of item pick-up, registering record and number of boxes in transporting goods and goods return.
Transportation charge	Depending on the volume or number and distance of Goods transported, compared with other transportation companies' charge.
Interior design & installation expense	Depending on the design, area, size, construction materials and interior design technique, through bidding process.
Advertising expense	Depending on market price and the service charge must not be higher than the rate set by advertising business.
Display equipment	} Depending on market price.
Computer expense	
Packaging, purchase of computers and give-away items	
Training expense	According to the training course and proficiency of resource person.
Service fee of sales personnel provider at special sales events	At percentage of wage rate per day compared to market price and other contractors.

## Related transactions in 2019

1. At the Board of Directors' Meeting # 9/2561 held on January 11, 2019 and the Board of Directors' Meeting # 2/2562 held on June 14, 2019 attended by 4 members of the Audit Committee, resolutions were passed as follows:

1.1 To allow the Company to provide a joint guarantee for Toyobo Saha Safety Weave Co., Ltd. in the latter's credit lines respectively extended by

- Sumitomo Mitsui Banking Corporation in the amount of	50	million Baht
- Mizuho Bank, Ltd.	"	50
- Bank of Ayudhya Plc.	"	50
Total	<u>150</u>	million Baht

With Toyobo Co., Ltd. (Japan) being the guarantor for the full amount in order to be eligible for the lowest interest rate available, and companies in the Saha Group, as the Thai investors, providing joint guarantee of 25.00% or THB 37.50 million of the total guarantee amount in proportion to their investment in Toyobo Co., Ltd. (Japan), resulting in ICC's share of the joint guarantee at 7.00% , amounting to THB 10,500,000.-.

1.2 To allow the company to provide an extension of two-year guarantee facilities starting from June 28, 2019 to June 30, 2021 for Toyobo Saha Safety Weave Co., Ltd. with regard to credit lines from Sumitomo Mitsui Banking Corporation, Mizuho Bank and the Bank of Ayudhya in the proportion of investment by Thai investors. The credit limit provided by the bank totaled THB 1,008,000,000.-, with the joint guarantee proportionate to Thai party investment provided by ICC was 7.00% amounting to a loan guarantee set at THB 70,560,000.-

To agenda 1.1 - 1.2, Director(s) with conflict of interest or being related parties who neither attended nor voted at the meeting : None

2. At the Board of Directors' Meeting # 11/2561 held on March 15, 2019 attended by 4 members of the Audit Committee, resolutions were passed to allow the company to provide an extension of three-year guarantee facilities for Transcosmos (Thailand) Co., Ltd. with regard to credit limit from Transcosmos Inc. (Japan) in the proportion of investment starting from March 16, 2019 to March 15, 2022. The credit limit provided by the bank totaled THB 100,000,000.-. This joint guarantee proportionate to Thai party investment provided by ICC was 9.00% amounting to a loan guarantee set at THB 9,000,000.- .

To this agenda, Mr. Thamarat Chokwatana, Director with conflict of interest or being related parties, neither attended nor voted at the meeting.

3. At the Board of Directors' Meeting # 1/2562 held on May 17, 2019 attended by 4 members of the Audit Committee, resolutions were passed to allow the company to provide an extension of one-years guarantee facilities, starting from May 31, 2019 to May 31, 2020, for Tokyu Corporation (Japan) to the Bank of Ayudhya Plc. for the Credit Line of Saha Tokyu Corporation Co., Ltd., in the proportion of investment. The credit limit provided by the bank totaled THB 100,000,000.- of which ICC's share of the joint guarantee proportionate to its investment of 12.00% amounted to THB 12,000,000.- .

To this agenda, Director(s) with conflict of interest or being related parties who neither attended nor voted at the meeting : None

### Purpose of transaction in items 1-3:

1. To provide business support to the JV company
2. To comply with obligations of the joint venture agreement

4. At the Board of Directors' Meeting # 11/2561 held on March 15, 2019 which was attended by 4 members of the Audit Committee, resolutions were passed on the following matters:

- To allow the Company to lease immovable properties for no more than 3 years, as well as executing transactions relating to the assets and services of related parties. For details of the said parties and their relationship to the Company, please refer to Business-related Companies on pages 129-131 of this Annual Report

Such leasing of property and transactions relating to the assets and services had a total value of less than THB 606 million (less than 3% of NTA as at December 31, 2019).

1. Rental income (immovable property), with one-year lease, the actual amount in 2019	=	22,726,498	Baht
2. Rental expense (immovable property), with one-year lease, the actual amount in 2019	=	230,400	Baht
3. Royalty income with three-year agreement period starting from 2017 to 2019, the actual amount in 2019	=	2,132,242	Baht
4. Royalty payment with five-year agreement period starting from 2018 to 2022, the actual amount in 2019	=	17,656,629	Baht
5. Actual expenses in 2019	Total	=	109,133,493 Baht
- Interior design and fixtures			

- Business and legal consultancy fees
- Construction and repairs to old building
- Training expenses
- Service fee for sales personnel at events

To this agenda, Mr. Boonkiet Chokwatana, Mr. Thamarat Chokwatana, Mr. Nophorn Bhongsvej, Mr. Manu Leelanuwatana, Mrs. Kobsuk Saengsawad, Miss Munchusa Terapongpipat and Surat Wongrattanapassorn Ph.D., the directors with conflict of interest or being related parties, neither attended nor voted at the meeting.

Note : Related transactions, which occurred in the past 3 years are available on the company's website (<http://www.icc.co.th>).

### Criteria for Approval of Related Transaction

1. All related transactions (loan, guarantee, investment, rental or leasing of immovable properties not exceeding 3 years and transactions involving assets or services) must be approved by all the following boards and committee:

1. The Audit Committee
2. The Executive Board
3. The Board of Directors

In every instance, the Audit Committee must audit, scrutinize and make a summary of any conflict of interest in each transaction for submission to the Executive Board and the Board of Directors for the judgment in terms of business risk. In the Board of Directors' Meeting, directors who stood to gain or lose were not entitled to vote, and thus had neither participated in the meeting, nor given any approval to the transaction.

2. The Board of Directors has approved in principle to allow the management to manage all normal business transactions or the transactions that should support normal business terms and conditions under a trade agreement generally made between normal counterparties having no undue bargaining power influenced by being in the capacity of director, executive or related persons.

Approval in principle shall be conducted annually and the report on related transactions arising during the year shall be presented to the Audit Committee and the Board of Directors to ensure such related transactions are of sound reason and in the best interest of the Company, together with disclosure of relevant details, types and value of related transactions in the remarks of financial statement on a quarterly basis.

### Criteria for Approval

1. Potential benefits to the company and/or affiliated companies in terms of interest, dividend, trade activity and transaction, including ongoing trade.
2. Security that the company should hold or receive from the said transaction.
3. The borrower's strength, as well as the ability to pay back the capital and interest in due time.
4. Business prospective of the borrowing, guaranteeing and investing company.
5. The capability of the CEO of the borrowing, guaranteeing and investing company.
6. Criteria in monitoring and checking transaction as well as access to statistical reports in the borrowing, guaranteeing and investing company to perceive its status.

### The necessity and rationale for entering into transactions with parties with possible conflict of interests

To sustain the company's operations under the prevailing severe competitive situation, the company needed to secure the support of business partners and business alliance network from upstream to downstream industries, further contributing to its competitiveness and business potentials, and leading to its further development and sustainable growth in the future.

While its business partners and business alliance members might be parties with possible conflict of interests, nevertheless, the Board of Directors might find it reasonable and necessary to enter into agreement or transaction with said parties, bearing in mind the best interests of the shareholders and the Company. In such case, the transaction price would be based on normal business terms, without harboring any intention to engage in unjust transfer of company asset or interest to such parties with possible conflict of interests.

Furthermore, the Company has the measure to control the related transaction and limit financial assistance for non-subsidiary companies by requiring that giving loan or guarantee shall be done according to the share-owning proportion in compliance with the joint - venture agreement.

The Company is committed to further improving on its effective standard in assessing the value of related transactions, as well as monitoring, evaluating and reporting on the related transaction with more clarity, thoroughness, accuracy and speed.

### **Future Trend in Related Transactions**

The Board of Directors duly recognized their responsibilities as the directors of a public company in carrying out their duties toward the shareholders, employees, and all stakeholders, in accordance with good corporate governance practices. The prospect of related transactions being undertaken as a normal feature in regular trade, based on the trading principle of price mechanisms in the market, is very likely, provided said transactions are fair and do not serve to transfer the interests relating to price mechanisms between the Company and business or other relevant persons, and disclosure of all relevant information is duly carried out in accordance with the Notification of the Capital Market Supervisory Board, regarding “rules on connected transactions”.



# Report on the Company Board of Director's Responsibility on the Financial Report

As a listed company, the Board of Directors realizes the duties and responsibilities for preparation of financial statements of I.C.C. International Public Company Limited and its subsidiaries, in accordance with Thailand Financial Reporting Standard, by selecting an appropriate accounting policy, to which the company has strictly adhered on a regular basis. The Board of Directors has exercised due care and reasonable projection in preparing the reports. There is adequate disclosure of material information in the Notes to Financial Statements as well as explanations and analysis as regards to the financial status and operating results of the Company and its subsidiaries, for the benefits of shareholders and general investors alike. The financial statements have been audited, with unqualified opinion by independent certified public accountants.

In addition, the Board of Directors has promoted actions in accordance with Corporate Governance Principles, and assured that the company has adopted efficient and effective risk management and internal control systems. These will ensure that the accounting data recording procedures are accurate, complete and sufficient for maintaining assets of the Company and its subsidiaries, including prevention of material frauds and irregularities.

In so doing, the Audit Committee of the Company, consisting of independent directors as members, has reviewed the quality of financial reports and the internal control system, and hereby expressed their opinion in the Report of Audit Committee, as shown in the Annual Report and 56-1 Reporting Form.

The Board of Directors is of the opinion that Corporate Governance, risk management and internal control systems of the company are adequate and appropriate, thereby providing reasonable assurances that the Financial Statements of the Company and its subsidiaries, for the Year Ending December 31, 2019, had been prepared and disclosed accurately, as deemed fully compliant to the financial reporting standard.



(Mr. Boonkiet Chokwatana)  
Chairman and  
Executive Chairman



(Mr. Thamarat Chokwatana)  
President and  
Vice Executive Chairman

# Independent Auditor's Report

## To the Shareholders of I.C.C. International Public Company Limited

### Opinion

I have audited the consolidated and separate financial statements of I.C.C. International Public Company Limited and its subsidiaries (the "Group"), and of I.C.C. International Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2019, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2019 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). 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 and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is 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.

Valuation of inventory	
Refer to Note 3 (e) and 8	
The key audit matter	How the matter was addressed in the audit
The Company sells fashion goods and others which are subject to rapid change in consumer's demand. As a result there is the risk that holding a high amount of inventory may result in the Company being unable to sell products before market trend and customer demand changes which may result in the cost of inventories being higher than net realizable value including any inventory obsolescence. Therefore, the valuation of inventories involve management's judgment in determining the adequate provision for obsolete stocks to present the appropriate valuation of inventory based upon a detailed analysis of the inventory report and the related accounting policy. This is an area of focus in my audit.	In this area my audit procedures included:
	• understanding the process of inventories valuation by inquiry
	of the responsible person in this area, and identifying controls
	and performing tests of controls over the inventory process;
	• testing items on the inventory aging report to check aging with
	the related documents to consider that these were classified in
	the appropriate aging bracket with the specialist of KPMG In
	formation Risk Management Audit;
	• assessing the appropriateness of the methodology used for
	calculating the provision for obsolete by challenging the
	as assumptions, category of inventory and comparing with historical
	experience and testing on a sample of the detail of outstanding
	balances and sales plan;
	• considering the value of inventories by comparing cost and the
	selling price less related selling expenses and testing on a
	sample basis with the related supporting documents; and
	• assessing the adequacy of disclosures in accordance with the
	relevant Thai Financial Report Standards.

Valuation of other long-term investments	
Refer to Note 3 (h) and 6	
The key audit matter	How the matter was addressed in the audit
<p>The Company has significant investments in affiliated companies and other companies. The Company has a significant risk over the valuation of these investments including the provision of impairment, which is based on the Company's policy and involves management's judgment in determining the adequacy of the provision to present the appropriate valuation of others long-term investments. This is an area of focus in my audit.</p>	In this area my audit procedures included:
	<ul style="list-style-type: none"> <li>• assessing the process to identify indications of impairment and understanding the impairment process performed by the management;</li> </ul>
	<ul style="list-style-type: none"> <li>• considering the profitability of the invested companies from the audited financial statements, historical data and other information</li> </ul>
	in order to assess the adequacy of the allowance for impairment of the investments; and
	<ul style="list-style-type: none"> <li>• assessing the adequacy of disclosures in accordance with the relevant Thai Financial Report Standards.</li> </ul>

Revenue recognition - consignment	
Refer to Note 3 (s) and 19	
The key audit matter	How the matter was addressed in the audit
<p>The Company is the leader in distribution of fashion consumer products in department stores as major channel and various stores as the minor channel</p>	In this area my audit procedures included:
	<ul style="list-style-type: none"> <li>• understanding and assessing the design and testing the operating effectiveness of internal controls related to recognition of the consignment sales;</li> </ul>
<p>In consignment sales, the control of the product does not pass to the distributor at that point in time. Revenue from sales should not be recognized until the control of the product has passed to the consumer. The terms of the arrangement may stipulate that the Company can control or deliver the product to the consumer, and the consignee will pay for the product when they are sold to the consumer. This is an area of focus in my audit.</p>	<ul style="list-style-type: none"> <li>• testing samples of net sales transactions after deduction of transactions that are not delivered to consumer;</li> </ul>
	<ul style="list-style-type: none"> <li>• testing samples of journal entries posted to revenue accounts to consider any possible irregular sales transactions;</li> </ul>
	<ul style="list-style-type: none"> <li>• performing reconciliation between the input data with data in ERP system with the assistance of KPMG Information Risk Management Audit;</li> </ul>
	<ul style="list-style-type: none"> <li>• comparing revenue reported by group of product in the current reporting period with prior period to identify unusual transactions; and</li> </ul>
	<ul style="list-style-type: none"> <li>• assessing the adequacy of disclosures in accordance with the relevant Thai Financial Report Standards.</li> </ul>

## *Other Information*

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

My opinion on the consolidated and separate financial statements does not cover the other information and I 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 when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

## *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 TFRSs, 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 and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company'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 TSAs 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 TSAs, 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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.



(Ekkasit Chuthamsatid)  
Certified Public Accountant  
Registration No. 4195

KPMG Phoomchai Audit Ltd.  
Bangkok  
21 February 2020

## I.C.C. International Public Company Limited and its Subsidiaries

## Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2019	2018	2019	2018
		(in Baht)			
<b>Current assets</b>					
Cash and cash equivalents	5	1,113,700,825	1,404,374,301	1,095,120,351	1,378,050,315
Current investments	6	806,882,408	412,802,015	806,882,408	412,802,015
Trade accounts receivable	4, 7	1,415,823,425	1,784,660,531	1,396,405,968	1,760,025,140
Short-term loans	4	57,500,000	90,000,000	181,500,000	232,510,200
Inventories	8	3,658,212,900	3,356,988,100	3,644,478,380	3,366,240,610
Real estate projects underdevelopment	9	110,515,073	124,480,286	-	-
Out put VAT on consignment sales of inventories		307,839,892	304,874,786	307,839,892	304,874,786
Other current assets		176,818,158	143,350,272	172,290,968	135,840,818
<b>Total current assets</b>		<b>7,647,292,681</b>	<b>7,621,530,291</b>	<b>7,604,517,967</b>	<b>7,590,343,884</b>
<b>Non-current assets</b>					
Restricted deposits at financial institution		2,948,839	2,948,839	-	-
Available-for-sale investments	6	8,917,668,639	9,091,795,546	8,917,668,639	9,091,795,546
Investments in associates	10	935,929,895	837,165,352	707,322,963	593,443,477
Investments in subsidiaries	11	-	-	39,441,952	47,253,167
Other long-term investments	6	1,992,851,446	1,856,420,915	1,992,851,446	1,871,721,151
Investment properties	12	927,692,802	1,005,017,332	993,349,958	1,071,987,785
Property, plant and equipment	13	2,870,697,068	2,848,797,895	2,794,957,235	2,770,418,908
Other intangible assets	14	100,051,633	35,852,954	92,118,330	27,664,031
Other non-current assets	15	249,695,033	249,982,600	242,560,410	241,935,294
<b>Total non-current assets</b>		<b>15,997,535,355</b>	<b>15,927,981,433</b>	<b>15,780,270,933</b>	<b>15,716,219,359</b>
<b>Total assets</b>		<b>23,644,828,036</b>	<b>23,549,511,724</b>	<b>23,384,788,900</b>	<b>23,306,563,243</b>



## I.C.C. International Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2019	2018	2019	2018
		(in Baht)			
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	16	37,680,164	20,000,000	-	-
Short-term loans from related party	4,16	10,000,000	10,000,000	-	-
Trade accounts payable	4	1,328,033,637	1,273,490,392	1,303,870,391	1,236,401,910
Others payable	4	528,099,086	677,045,350	515,379,784	662,847,494
<b>Total current liabilities</b>		<b>1,903,812,887</b>	<b>1,980,535,742</b>	<b>1,819,250,175</b>	<b>1,899,249,404</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	22	672,275,178	692,472,827	669,893,624	690,091,272
Provision for employee benefits	17	562,105,926	588,805,032	530,963,024	549,549,703
Other non-current liabilities		36,946,734	42,463,787	35,708,910	41,456,364
<b>Total non-current liabilities</b>		<b>1,271,327,838</b>	<b>1,323,741,646</b>	<b>1,236,565,558</b>	<b>1,281,097,339</b>
<b>Total liabilities</b>		<b>3,175,140,725</b>	<b>3,304,277,388</b>	<b>3,055,815,733</b>	<b>3,180,346,743</b>
<b>Equity</b>					
Share capital:					
Authorised share capital					
(500 million ordinary shares, par value					
at Baht 1 per share)		500,000,000	500,000,000	500,000,000	500,000,000
Issued and paid share capital					
(291 million ordinary shares, par value					
at Baht 1 per share)		290,633,730	290,633,730	290,633,730	290,633,730
Share premium:					
Share premium on ordinary shares		1,487,143,830	1,487,143,830	1,487,143,830	1,487,143,830
Share premium on treasury shares		51,433,146	51,433,146	51,433,146	51,433,146
Retained earnings:					
Appropriated					
Legal reserve	18	50,000,000	50,000,000	50,000,000	50,000,000
General reserve	18	1,961,196,666	1,869,149,212	1,961,196,666	1,869,149,212
Unappropriated		11,318,201,899	11,003,253,799	11,169,975,496	10,888,944,765
Other components of equity		5,315,787,967	5,489,350,841	5,318,590,299	5,488,911,817
<b>Equity attributable to owners of the parent</b>		<b>20,474,397,238</b>	<b>20,240,964,558</b>	<b>20,328,973,167</b>	<b>20,126,216,500</b>
Non-controlling interests		(4,709,927)	4,269,778	-	-
<b>Total equity</b>		<b>20,469,687,311</b>	<b>20,245,234,336</b>	<b>20,328,973,167</b>	<b>20,126,216,500</b>
<b>Total liabilities and equity</b>		<b>23,644,828,036</b>	<b>23,549,511,724</b>	<b>23,384,788,900</b>	<b>23,306,563,243</b>

## I.C.C. International Public Company Limited and its Subsidiaries

## Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2019	2018	2019	2018
		(in Baht)			
Revenue from sale of goods	19	11,309,214,280	12,349,628,163	11,048,058,101	12,067,451,935
Cost of sales of goods	21	7,568,023,010	7,838,876,341	7,433,499,338	7,595,702,436
<b>Gross profit</b>		<b>3,741,191,270</b>	<b>4,510,751,822</b>	<b>3,614,558,763</b>	<b>4,471,749,499</b>
<b>Other income</b>					
Dividends income		531,071,210	528,011,533	570,780,051	545,351,902
Gain on disposal of assets		157,239,117	33,621,761	157,009,212	33,604,718
Gain on disposal of investments held as available for sale		-	169,202,515	-	169,202,515
Other		280,494,193	247,792,401	311,699,878	245,702,262
<b>Total other income</b>		<b>968,804,520</b>	<b>978,628,210</b>	<b>1,039,489,141</b>	<b>993,861,397</b>
<b>Profit before expenses</b>		<b>4,709,995,790</b>	<b>5,489,380,032</b>	<b>4,654,047,904</b>	<b>5,465,610,896</b>
<b>Expenses</b>					
Distribution costs	21	2,488,425,065	2,890,384,003	2,485,956,487	2,877,500,022
Administrative expenses	21	1,468,979,720	1,637,037,817	1,416,971,798	1,593,204,677
Finance costs		2,315,455	1,640,056	-	-
<b>Total expenses</b>		<b>3,959,720,240</b>	<b>4,529,061,876</b>	<b>3,902,928,285</b>	<b>4,470,704,699</b>
Share of profit of investments in associates	10	25,039,094	48,547,572	-	-
<b>Profit before income tax expense</b>		<b>775,314,644</b>	<b>1,008,865,728</b>	<b>751,119,619</b>	<b>994,906,197</b>
Tax expense	22	56,275,535	74,847,945	55,875,287	74,431,652
<b>Profit for the year</b>		<b>719,039,109</b>	<b>934,017,783</b>	<b>695,244,332</b>	<b>920,474,545</b>

## I.C.C. International Public Company Limited and its Subsidiaries

## Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2019	2018	2019	2018
		(in Baht)			
Other comprehensive income					
<i>Items that will be reclassified subsequently</i>					
<i>to profit or loss</i>					
Exchange differences on translating foreign operations		(6,063,839)	2,478,632	-	-
Gains on remeasuring available-for-sale investments	6, 22	(212,901,898)	(595,765,431)	(212,901,898)	(595,765,431)
Gain on classification from debt security held to maturity to be investment available for sale	6, 22	-	201,560,444	-	201,560,444
Income tax relating to item that will be reclassified to profit or loss	22	42,580,380	78,840,997	42,580,380	78,840,997
<b>Total items that will be reclassified subsequently to profit or loss</b>		<b>(176,385,357)</b>	<b>(312,885,358)</b>	<b>(170,321,518)</b>	<b>(315,363,990)</b>
<i>Items that will not be reclassified to profit or loss</i>					
Gains on remeasurements of defined benefit plans	17	40,841,202	41,443,137	36,875,832	41,443,137
Income tax on other comprehensive income	22	(7,375,166)	(8,288,628)	(7,375,166)	(8,288,628)
<b>Total items that will not be reclassified to profit or loss</b>		<b>33,466,036</b>	<b>33,154,509</b>	<b>29,500,666</b>	<b>33,154,509</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>(142,919,321)</b>	<b>(279,730,849)</b>	<b>(140,820,852)</b>	<b>(282,209,481)</b>
<b>Total comprehensive income for the year</b>		<b>576,119,788</b>	<b>654,286,934</b>	<b>554,423,480</b>	<b>638,265,064</b>
<b>Profit (loss) attributable to:</b>					
Owners of the parent		725,196,331	931,280,169	695,244,332	920,474,545
Non-controlling interests		(6,157,222)	2,737,614	-	-
<b>Profit for the year</b>		<b>719,039,109</b>	<b>934,017,783</b>	<b>695,244,332</b>	<b>920,474,545</b>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of parent		585,099,493	649,725,682	554,423,480	638,265,064
Non-controlling interests		(8,979,705)	4,561,252	-	-
<b>Total comprehensive income for the year</b>		<b>576,119,788</b>	<b>654,286,934</b>	<b>554,423,480</b>	<b>638,265,064</b>
<b>Earnings per share (in Baht)</b>					
Basic earnings per share	23	2.50	3.20	2.39	3.17

**I.C.C. International Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**

	Consolidated financial statements														
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings			other components of equity				Equity attributable to owners of the parent	Non-controlling interests	Total equity	
					Legal reserve	General reserve	Unappropriated	Translating foreign operations	Available for sale investments		Share of other comprehensive income of associates				Total other components of equity
									Remeasuring of invesments	Gain on classification to available for sale					
(in Baht)															
Year ended 31 December 2018															
Balance at 1 January 2018		290,633,730	1,487,143,830	51,433,146	50,000,000	1,789,311,343	10,438,354,093	(752,079)	5,804,275,807	-	536,109	5,804,059,837	19,910,935,979	(291,474)	19,910,644,505
Transactions with owners, recorded directly in equity															
Contributions by and distributions to owners															
of the parent															
Dividends	24	-	-	-	-	-	(319,697,103)	-	-	-	-	-	(319,697,103)	-	(319,697,103)
Comprehensive income for the year															
Profit or loss		-	-	-	-	-	931,280,169	-	-	-	-	-	931,280,169	2,737,614	934,017,783
Other comprehensive income		-	-	-	-	-	33,154,509	654,994	(476,612,345)	161,248,355	-	(314,708,996)	(281,554,487)	1,823,638	(279,730,849)
Total comprehensive income for the year		-	-	-	-	-	964,434,678	654,994	(476,612,345)	161,248,355	-	(314,708,996)	649,725,682	4,561,252	654,286,934
Transfer to general reserve	24	-	-	-	-	79,837,869	(79,837,869)	-	-	-	-	-	-	-	-
Balance at 31 December 2018		290,633,730	1,487,143,830	51,433,146	50,000,000	1,869,149,212	11,003,253,799	(97,085)	5,327,663,462	161,248,355	536,109	5,489,350,841	20,240,964,558	4,269,778	20,245,234,336

**I.C.C. International Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**

	Consolidated financial statements														
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings			other components of equity				Equity attributable to owners of the parent	Non-controlling interests	Total equity	
					Legal reserve	General reserve	Unappropriated	Translating foreign operations	Available for sale investments		Share of other comprehensive income of associates				Total other components of equity
									Remeasuring of invesments	Gain on classification to available for sale					
		(in Baht)													
Year ended 31 December 2019															
Balance at 1 January 2019		290,633,730	1,487,143,830	51,433,146	50,000,000	1,869,149,212	11,003,253,799	(97,085)	5,327,663,462	161,248,355	536,109	5,489,350,841	20,240,964,558	4,269,778	20,245,234,336
Transactions with owners, recorded directly															
in equity															
Contributions by and distributions to															
owners of the parent															
Dividends	24	-	-	-	-	-	(351,666,813)	-	-	-	-	-	(351,666,813)	-	(351,666,813)
Comprehensive income for the year															
Profit or loss		-	-	-	-	-	725,196,331	-	-	-	-	-	725,196,331	(6,157,222)	719,039,109
Other comprehensive income		-	-	-	-	-	33,466,036	(3,241,356)	(170,321,518)	-	-	(173,562,874)	(140,096,838)	(2,822,483)	(142,919,321)
Total comprehensive income for the year		-	-	-	-	-	758,662,367	(3,241,356)	(170,321,518)	-	-	(173,562,874)	585,099,493	(8,979,705)	576,119,788
Transfer to general reserve	24	-	-	-	-	92,047,454	(92,047,454)	-	-	-	-	-	-	-	-
Balance at 31 December 2019		290,633,730	1,487,143,830	51,433,146	50,000,000	1,961,196,666	11,318,201,899	(3,338,441)	5,157,341,944	161,248,355	536,109	5,315,787,967	20,474,397,238	(4,709,927)	20,469,687,311

I.C.C. International Public Company Limited and its Subsidiaries  
Statement of changes in equity

	Separate financial statements										
	Note	Issued and paid-up share capital	Share Premium on ordinary shares	Share Surplus on treasury shares	Retained earnings			Other components of equity			Total equity
					Legal reserve	General reserve	Unappropriated	Available for sale investments		Total other components of equity	
								Re-measuring of invesments	Gain on classification to available for sale		
		(in Baht)									
Year ended 31 December 2018											
Balance at 1 January 2018		290,633,730	1,487,143,830	51,433,146	50,000,000	1,789,311,343	10,334,850,683	5,804,275,807	-	5,804,275,807	19,807,648,539
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Dividends	24	-	-	-	-	-	(319,697,103)	-	-	-	(319,697,103)
Comprehensive income for the year											
Profit or loss		-	-	-	-	-	920,474,545	-	-	-	920,474,545
Other comprehensive income		-	-	-	-	-	33,154,509	(476,612,345)	161,248,355	(315,363,990)	(282,209,481)
Total comprehensive income for the year		-	-	-	-	-	953,629,054	(476,612,345)	161,248,355	(315,363,990)	638,265,064
Transfer to general reserve	24	-	-	-	-	79,837,869	(79,837,869)	-	-	-	-
Balance at 31 December 2018		290,633,730	1,487,143,830	51,433,146	50,000,000	1,869,149,212	10,888,944,765	5,327,663,462	161,248,355	5,488,911,817	20,126,216,500



I.C.C. International Public Company Limited and its Subsidiaries  
Statement of changes in equity

	Separate financial statements										
	Note	Issued and paid-up share capital	Share Premium on ordinary shares	Share Surplus on treasury shares	Retained earnings			Other components of equity		Total equity	
					Legal reserve	General reserve	Unappropriated	Available for sale investments			Total other components of equity
								Rerneasuring of invesments	Gain on classification to available for sale		
		(in Baht)									
Year ended 31 December 2019											
Balance at 1 January 2019		290,633,730	1,487,143,830	51,433,146	50,000,000	1,869,149,212	10,888,944,765	5,327,663,462	161,248,355	5,488,911,817	20,126,216,500
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Dividends	24	-	-	-	-	-	(351,666,813)	-	-	-	(351,666,813)
Comprehensive income for the year											
Profit or loss		-	-	-	-	-	695,244,332	-	-	-	695,244,332
Other comprehensive income		-	-	-	-	-	29,500,666	(170,321,518)	-	(170,321,518)	(140,820,852)
Total comprehensive income for the year		-	-	-	-	-	724,744,998	(170,321,518)	-	(170,321,518)	554,423,480
Transfer to general reserve	24	-	-	-	-	92,047,454	(92,047,454)	-	-	-	-
Balance at 31 December 2019		290,633,730	1,487,143,830	51,433,146	50,000,000	1,961,196,666	11,169,975,496	5,157,341,944	161,248,355	5,318,590,299	20,328,973,167

**I.C.C. International Public Company Limited and its Subsidiaries**  
**Statement of cash flows**

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2019	2018	2019	2018
	(in Baht)			
<b><i>Cash flows from operating activities</i></b>				
Profit for the year	719,039,109	934,017,783	695,244,332	920,474,545
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax expense	56,275,535	74,847,945	55,875,287	74,431,652
Finance costs	2,315,455	1,640,056	-	-
Depreciation and amortisation	237,386,666	238,384,341	232,629,804	231,503,673
(Reversal of) bad and doubtful debts expenses	(1,931,647)	5,068,288	(1,517,253)	7,431,221
Reversal of losses on inventories devaluation	(10,076,349)	(27,659,412)	(6,872,958)	(5,881,074)
Losses on impairment real estate projects underdevelopment	1,809,392	-	-	-
(Reversal of) losses on impairment	32,703,807	(13,718,840)	55,815,255	26,815,149
Interest income	(35,028,967)	(24,661,601)	(37,110,754)	(26,823,389)
Gain on disposal of assets	(163,400,054)	(33,087,223)	(163,170,149)	(33,321,662)
Loss (gain) on disposal of investments	1,793,048	(111,565,344)	1,793,048	(100,292,170)
Share of profit of investments in associates, net of tax	(25,039,094)	(48,547,572)	-	-
Loss from losing influence in associate	-	5,184,265	-	-
Loss on retirement of equipment	6,160,937	5,887,405	6,160,937	5,862,596
Expenses for employee benefits	64,371,592	78,653,634	61,098,134	78,127,935
Dividends income	(531,071,210)	(528,011,533)	(570,780,051)	(545,351,902)
	<b>355,308,220</b>	<b>556,432,192</b>	<b>329,165,632</b>	<b>632,976,574</b>
<b><i>Changes in operating assets and liabilities</i></b>				
Trade accounts receivable	375,588,490	137,814,041	369,815,339	154,434,348
Inventories	(291,148,451)	97,464,403	(271,364,812)	46,419,951
Real estate projects under development	12,155,821	33,279,793	-	-
Other current assets	(36,591,375)	608,368	(39,573,639)	(34,612,082)
Other non-current assets	5,855,242	(35,144,329)	3,511,369	(37,810,034)
Trade accounts payable	54,543,245	(37,575,350)	67,468,481	(37,285,180)
Other payables	(153,692,658)	70,319,491	(151,600,685)	66,035,044
Provision for employee benefits	(50,229,497)	(26,143,134)	(42,808,981)	(24,438,508)
Other non-current liabilities	(5,517,053)	(991,137)	(5,747,453)	(913,484)
Net cash generated from operating activities	266,271,984	796,064,338	258,865,251	764,806,629
Taxes paid	(45,932,351)	(91,049,402)	(43,700,667)	(90,633,109)
<b>Net cash from operating activities</b>	<b>220,339,633</b>	<b>705,014,936</b>	<b>215,164,584</b>	<b>674,173,520</b>

## I.C.C. International Public Company Limited and its Subsidiaries

## Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2019	2018	2019	2018
	(in Baht)			
<b><i>Cash flows from investing activities</i></b>				
Acquisition of current investments	(394,080,393)	(412,802,015)	(394,080,393)	(412,802,015)
Interest received	30,367,612	22,260,314	32,449,399	24,422,103
Dividends received	570,780,051	528,011,533	570,780,051	545,351,902
Acquisition of assets	(346,637,883)	(200,527,733)	(343,614,682)	(198,433,149)
Proceeds from repayment of loans to related parties and employees	33,466,892	1,187,464	52,117,916	24,377,264
Proceeds from redemption of debt securities held to maturity	20,000,000	-	20,000,000	-
Proceeds from sale of other equity securities	-	210,115,155	-	210,115,155
Acquisition of investments in associates	(114,240,000)	-	(114,240,000)	-
Acquisition of other equity securities	(226,818,591)	(102,908,038)	(226,818,591)	(110,874,855)
Proceeds from reduction of capital of other long-term investments	19,530,816	3,388,780	19,530,816	3,388,780
Proceeds from sale of assets	237,548,051	62,542,024	237,318,145	62,524,590
<b>Net cash from (used in) investing activities</b>	<b>(170,083,445)</b>	<b>111,267,484</b>	<b>(146,557,339)</b>	<b>148,069,775</b>
<b><i>Cash flows from financing activities</i></b>				
Interest paid	(2,195,785)	(1,639,070)	-	-
Dividends paid to owners of the Company	(351,537,209)	(319,541,945)	(351,537,209)	(319,541,945)
Decrease in bank overdrafts and short-term loans from financial institutions	17,680,164	-	-	-
<b>Net cash used in financing activities</b>	<b>(336,052,830)</b>	<b>(321,181,015)</b>	<b>(351,537,209)</b>	<b>(319,541,945)</b>
Net (decrease) increase in cash and cash equivalents, before effect of exchange rates	(285,796,642)	495,101,405	(282,929,964)	502,701,350
Effect of exchange rate changes on cash and cash equivalents	(4,876,834)	(1,828,205)	-	(383,847)
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(290,673,476)</b>	<b>493,273,200</b>	<b>(282,929,964)</b>	<b>502,317,503</b>
Cash and cash equivalents at beginning of period	1,404,374,301	911,101,101	1,378,050,315	875,732,812
<b>Cash and cash equivalents at ending of period</b>	<b>1,113,700,825</b>	<b>1,404,374,301</b>	<b>1,095,120,351</b>	<b>1,378,050,315</b>
<b><i>Non-cash transactions</i></b>				
Decrease in fair value of available-for-sale investments	(212,901,898)	(595,765,431)	(212,901,898)	(595,765,431)
Accounts payable - purchase of assets	4,497,118	20,383,149	4,003,372	19,097,695

**I.C.C. International Public Company Limited and its subsidiaries****Notes to the financial statements****For the year ended 31 December 2019**

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 21 February 2020.

## 1 General information

I.C.C. International Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in December 1978. The Company’s registered office at 530 Soi Sathupradit 58, Bang Phong Phang subdistrict, Yannawa district, Bangkok.

The Company’s major shareholders during the financial year were Saha Pathana Inter-Holding Public Company Limited (22.5% shareholding) and I.D.F. Company Limited (9.5% shareholding). Both companies were incorporated in Thailand.

The principle business of the Company is distributing consumer products. Details of the Company’s subsidiaries as at 31 December 2019 and 2018 are given in note 11.

## 2 Basis of preparation of financial statements

### (a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2019. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies. There is no material impact on the Group’s financial statements. The Group has initial applied TFRS 15 *Revenue from Contracts with Customers* which replaces TAS 18 *Revenue*, TAS 11 *Construction Contracts* and related interpretations. The details of accounting policies are disclosed in note 3(s).

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 28.

### (b) Functional and presentation currency

The financial statements are prepared in Thai Baht, which is the Company’s functional currency.

### (c) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### (i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- |         |   |
|---------|---|
| Note 10 | Equity-accounted investees: whether the Group has significant influence over an investee; |
| Note 11 | Consolidation: whether the Group has de facto control over an investee.                   |

#### (ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2019 that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- |         |   |
|---------|---|
| Note 8  | Allowance for decline in value is equal to net realisable value;  |
| Note 11 | Acquisition of subsidiary: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis; |
| Note 17 | Measurement of defined benefit obligations: key actuarial assumptions;  |
| Note 22 | Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.                                    |

### 3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### (a) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

##### *Business combinations*

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control.

The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

##### *Step acquisition*

When a business combination is achieved in stages, the Group’s previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

##### *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

##### *Non-controlling interests*

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

##### *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

##### *Interests in equity - accounted investees*

The Group’s interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.



Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence.

## *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## **(b) Foreign currencies**

### *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

### *Foreign operations*

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to extent that the translation difference is allocated to non-controlling interest.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

## **(c) Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

## **(d) Trade and other accounts receivable**

A receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is stated at invoice value less allowance for doubtful accounts which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

## **(e) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Cost of inventories in categories of trading, consignment goods sales to distributor with condition, manufactured inventories and work-in-progress are calculated using the weighted average cost principle and for cost of inventories on real estate-condominium is calculated using the specific method. Cost of inventory comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

**(f) Real estate development projects**

Real estate development projects are projects for the development of properties with the intention of sale in the ordinary course of business. They are stated at the lower of cost and estimated net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

The cost of real estate development projects comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding real estate development projects are capitalised, on a specific identification basis, as part of the cost of the property until the completion of development.

**(g) Sales VAT on consignment sales of inventories**

Sales VAT on consignment sales shall be recorded and payable when the goods have been delivered to distributor and sales VAT has been submitted to the Revenue Department. This sales VAT shall be recorded as current asset in the statement of financial position. The Company shall also call for VAT from distributor after the goods have been sold to customers.

**(h) Investments***Investments in associates and subsidiaries*

Investments in associates and subsidiaries in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

*Investments in other debt and equity securities*

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity. Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss. Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

*Disposal of investments*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using weighted average method applied to the carrying value of the total holding of the investment.

**(i) Investment properties**

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

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Land improvements	5 years
Buildings	10 - 40 years

## (j) **Property, plant and equipment**

### *Recognition and measurement*

#### *Owned assets*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

#### *Reclassification to investment property*

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property and accounted for at book value.

#### *Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

#### *Depreciation*

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment except for the computer has been determined by using the Sum of Year's Digits Method. The estimated useful lives are as follows:

Buildings and improvements	20 - 50 years
Office equipment	3 - 5 years
Furniture and fixtures	5 years
Vehicles	5 years

No depreciation is provided on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

## (k) **Intangible assets**

### *Other intangible assets*

Other intangible assets that are acquired by the Group and have finite useful lives which were trademarks and license database of customers are measured at cost less accumulated amortisation and accumulated impairment losses.

*Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

*Amortisation*

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

Trademarks	10	years
License database of customer	10	years
Software licenses	10	years

No depreciation is provided on software under development.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**(l) Leasehold rights**

Leasehold rights are measured at cost method less accumulated amortisation. Amortisation is recognised in the profit or loss on straight-line basis over the periods of the leasehold agreements.

**(m) Impairment**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

*Calculation of recoverable amount*

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

*Reversals of impairment*

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(n) Interest-bearing liabilities**

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

**(o) Trade and other accounts payable**

Trade and other accounts payable are stated at cost.

**(p) Employee benefits**

*Defined contribution plans*

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

*Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed regularly by a qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

*Other long-term employee benefits*

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

*Termination benefits*

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

*Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(q) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

**(r) Measurement of fair values**

The Group 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 the chief financial officer.

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 these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

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

- Level 1: quoted prices 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 or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised 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 Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**(s) Revenue*****Accounting policies for revenue recognition in 2019***

Revenue is recognised when a customer obtains control of the goods in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts.

***Sale of goods***

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

***Accounting policies for revenue recognition in 2018***

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and volume rebates.

***Sale of goods***

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

***Real estate development projects***

When the contract meets the criteria for a sale of goods, or if control and significant risks and rewards of ownership of the work in progress are transferred to the buyer at a single time, for example at completion or after delivery, revenue is recognised when the criteria described above for sales of goods are met.



**(t) Rental income**

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

**(u) Investment income**

Investment income comprises dividend and interest income from investments and bank deposits. Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established. Interest income is recognised in profit or loss as it accrues.

**(v) Finance costs**

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

**(w) Lease payments**

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

**(x) Income tax**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(y) Earnings per share**

The Group presents basic earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

**(z) Related parties**

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

**(aa) Segment reporting**

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

**4 Related parties**

Relationships with subsidiaries and associates are described in notes 10 and 11. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Ownership interest (%)	Nature of relationships
Key management personnel	Thai	-	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.
Saha Pathana Inter-Holding Plc.	Thai	9.97	Major shareholders, 22.50% shareholding, some common shareholders and directors
I.D.F. Co., Ltd.	Thai	9.00	Major shareholders, 9.50% shareholding, some common shareholders and directors
Saha Pathanapibul Plc.	Thai	10.19	8.50% shareholding, some common shareholders and directors
WBRE Co., Ltd.	Thai	99.99	Subsidiary, some common directors
Amis Du Monde SARL	France	81.92	Subsidiary
Canchana International Co., Ltd.	Cambodia	60.00	Subsidiary, some common directors
Thai Itokin Co., Ltd.	Thai	58.16	Subsidiary, some common directors
Nanan Cambo Solution Co., Ltd.	Cambodia	49.00	Associate, some common directors
Boon Capital Holding Co., Ltd.	Thai	32.00	Associate
International Leather Fashion Co., Ltd.	Thai	28.00	Associate, Some common directors
Thai Secom Security Co., Ltd.	Thai	25.50	Associate
Issara United Co., Ltd.	Thai	25.00	Associate, some common directors

## Notes to the financial statements

Name of entities	Country of incorporation/ nationality	Ownership interest (%)	Nature of relationships
Worldclass Rent a Car Co., Ltd.	Thai	25.00	Associate
Issara United Development Co., Ltd.	Thai	25.00	Associate, some common directors
Tiger Distribution & Logistics Co., Ltd.	Thai	19.90	Some common directors
Sahapat Real Estate Co., Ltd.	Thai	19.90	Some common directors
O.C.C. Plc.	Thai	19.73	0.60% shareholding, some common directors
SSDC (Tigertex) Co., Ltd.	Thai	19.58	Some common directors
International Laboratories Co., Ltd.	Thai	19.56	1.10% shareholding, some common directors
DF Inter Co., Ltd.	Thai	19.00	Some common directors
Thai Cubic Technology Co., Ltd.	Thai	19.00	Some common directors
H & B Intertex Co., Ltd.	Thai	19.00	Some common directors
International Commercial	Hong Kong	19.00	Some common directors
Coordination (Hong Kong) Ltd.			
Pan Asia Footwear Plc.	Thai	18.91	Some common directors
United Utilities Co., Ltd.	Thai	18.56	Some common directors
Top Trend Manufacturing Co., Ltd.	Thai	18.00	Some common directors
SHOP Global (Thailand) Co., Ltd.	Thai	17.42	Some common directors
Bangkok Tokyo Socks Co., Ltd.	Thai	17.31	Some common directors
Pan Land Co., Ltd.	Thai	16.67	Some common directors
BNC Real Estate Co., Ltd.	Thai	16.67	Some common directors
Better Way (Thailand) Co., Ltd.	Thai	16.48	Some common directors
Erawan Textile Co., Ltd.	Thai	16.41	Some common directors
Thai Gunze Co., Ltd.	Thai	16.00	Some common directors
Shiseido Professional (Thailand) Co., Ltd.	Thai	15.00	Some common directors
Tsuruha (Thailand) Co., Ltd.	Thai	15.00	Some common directors
S & J International Enterprises Plc.	Thai	14.61	Some common directors
K. Commercial and Construction Co., Ltd.	Thai	14.50	Some common directors
Raja Uchino Co., Ltd.	Thai	13.59	Some common directors
Thai Takeda Lace Co., Ltd.	Thai	12.76	Some common directors
Champ Ace Co., Ltd.	Thai	12.50	Some common directors
Treasure Hill Co., Ltd.	Thai	12.00	Some common directors
Morgan De Toi (Thailand) Co., Ltd.	Thai	12.00	Some common directors are close member of the
			family of the Company's management
Lion Corporation (Thailand) Co., Ltd.	Thai	12.00	Some common directors are close member of the
			family of the Company's management
Thai Sports Garment Co., Ltd.	Thai	12.00	Some common directors
Saha Tokyu Corporation Co., Ltd.	Thai	12.00	Some common directors
Thai Shikibo Co., Ltd.	Thai	11.74	Some common directors
Sahacogen (Chonburi) Plc.	Thai	11.30	Some common directors

## Notes to the financial statements

Name of entities	Country of incorporation/ nationality	Ownership interest (%)	Nature of relationships
Thanulux Plc.	Thai	11.09	3.40% shareholding, some common directors
Kewpie (Thailand) Co., Ltd.	Thai	10.77	Some common directors are close member of the family of the Company's management
Waseda Education (Thailand) Co., Ltd.	Thai	10.71	Some common directors
Textile Prestige Plc.	Thai	10.43	Some common directors
Far East DDB Plc.	Thai	10.14	Some common directors
Kai I.T. Service Co., Ltd.	Thai	10.00	Indirect holding by Vitayasithi Co., Ltd.
Thai Takaya Co., Ltd.	Thai	10.00	Some common directors are close member of the family of the Company's management
Total Way Image Co., Ltd.	Thai	10.00	Some common directors are close member of the family of the Company's management
E.P.F. Co., Ltd.	Thai	10.00	Some common directors are close member of the family of the Company's management
Saha Capital Tower Co., Ltd.	Thai	10.00	Some common directors
K.T.Y. Industry Co., Ltd.	Thai	9.93	Some common directors
Dairy Thai Co., Ltd.	Thai	9.13	Some common directors are close member of the family of the Company's management
First United Industry Co., Ltd.	Thai	9.12	Some common directors
Wien International Co., Ltd.	Thai	9.00	Some common directors
Osoth Inter Laboratories Co., Ltd.	Thai	9.00	Some common directors
Saha Lawson Co., Ltd.	Thai	9.00	Some common directors are close member of the family of the Company's management
Transcosmos (Thailand) Co., Ltd.	Thai	9.00	Some common directors
Sun 108 Co., Ltd.	Thai	8.25	Some common directors
Janome (Thailand) Co., Ltd.	Thai	8.00	Some common directors
Thai Bunka Fashion Co., Ltd.	Thai	8.00	Some common directors are close member of the family of the Company's management
Thai Staflex Co., Ltd.	Thai	8.00	Some common directors
Molten Asia Polymer Products Co., Ltd.	Thai	7.80	Some common directors are close member of the family of the Company's management
Seino Saha Logistic Co., Ltd.	Thai	7.75	Some common directors are close member of the family of the Company's management
Sahachol Food Supplies Co., Ltd.	Thai	6.90	Some common directors
SRP Nanasai Co., Ltd.	Thai	6.33	Some common directors
Molten (Thailand) Co., Ltd.	Thai	6.00	Some common directors are close member of the family of the Company's management
Sahapat Properties Co., Ltd.	Thai	5.75	Some common directors
Pattaya Manufacturing Co., Ltd.	Thai	5.33	Some common directors
People's Garment Plc.	Thai	5.25	Some common directors

Name of entities	Country of incorporation/ nationality	Ownership interest (%)	Nature of relationships
Thai Wacoal Plc.	Thai	5.09	3.80% shareholding, some common directors
Thai Monster Co., Ltd.	Thai	5.00	Some common directors are close member of the family of the Company's management
Saha Komehyo Co., Ltd.	Thai	5.00	Some common directors
BNC Maesot Co., Ltd.	Thai	5.00	Some common directors
Thai Hoover Industry Co., Ltd.	Thai	4.75	Some common directors
Thai Arusu Co., Ltd.	Thai	4.17	Some common directors
The Mall Ratchasima Co., Ltd.	Thai	4.00	Some common directors are close member of the family of the Company's management
Ratchasima Shopping Complex Co., Ltd.	Thai	4.00	Some common directors are close member of the family of the Company's management
Pens Marketing and Distribution Co., Ltd.	Thai	3.50	Some common directors
Thai Naxis Co., Ltd.	Thai	3.38	Some common directors
Thai President Foods Plc.	Thai	1.25	Some common directors are close member of the family of the Company's management
Newcity (Bangkok) Plc.	Thai	0.79	Some common directors are close member of the family of the Company's management
Cake & Bakery Co., Ltd.	Thai	-	Some common directors
Can Co., Ltd.	Thai	-	Some common directors
Koraj Watana Co., Ltd.	Thai	-	Some common directors
Sun and Sand Co., Ltd.	Thai	-	Some common directors
Paknumpo Wattana Co., Ltd.	Thai	-	Some common directors
Maharachapreuk Co., Ltd.	Thai	-	Some common directors
Vira Law Office Co., Ltd.	Thai	-	Some common directors
Sukhatasana Co., Ltd.	Thai	-	Some common directors
Saha Asia Pacific Co., Ltd.	Thai	-	Some common directors are close member of the family of the Company's management
Intanin Chiangmai Co., Ltd.	Thai	-	Some common directors
Inter South Co., Ltd.	Thai	-	Some common directors
Eastern I.C.C. Co., Ltd.	Thai	-	Some common directors
S.T. (Thailand) Co., Ltd.	Thai	-	Some common directors are close member of the family of the Company's management
International Commercial Coordination Co., Ltd.	Thai	-	Some common directors
Silver Rain Co., Ltd.	Thai	-	Some common directors
SSJ PTE. LTD.	Singapore	-	Indirect holding by Vitayasithi Co., Ltd.
Vitayasithi Co., Ltd.	Thai	-	Some common directors hold shares in the Company
International Curity Footwear Co., Ltd.	Thai	-	Some common directors

Name of entities	Country of incorporation/ nationality	Ownership interest (%)	Nature of relationships
Manorom footwear Co., Ltd.	Thai	-	Some shareholders are close member of the family of the Company's management
T-way Co., Ltd.	Thai	-	Some common directors
Train Time Test Co., Ltd.	Thai	-	Some common directors
Best Factory Outlet Co., Ltd	Thai	-	Some common directors
Champ Kabin Co.,Ltd	Thai	-	Some common directors
Make up Technique International Co., Ltd.	Thai	-	Some common directors
PBBC Intertrade Co., Ltd.	Thai	-	Some common directors
Pitakkij Co., Ltd.	Thai	-	Some common directors
Torfun Property Co., Ltd.	Thai	-	Some common directors
WBHF Co., Ltd.	Thai	-	Some common directors
WBLP Co., Ltd.	Thai	-	Some common directors
Wild Lives (Thailand) Co.,Ltd.	Thai	-	Some common directors
Celebrate Wealth Co., Ltd.	Thai	-	Some shareholders are close member of the family of the Company's management
Scentimetal (Thailand) Co., Ltd.	Thai	-	Some common directors
T-Chamber Co., Ltd.	Thai	-	Some shareholders are close member of the family of the Company's management
B. K. C. International Marketing Co., Ltd	Thai	-	Some shareholders are close member of the family of the Company's management
Boonwatanachok Co., Ltd.	Thai	-	Some shareholders are close member of the family of the Company's management

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Sales of goods	Market price or contractually agreed prices
Dividends income	According to the declaration
Other income	Contractually agreed prices
Purchase of goods or receiving of services	Contractually agreed prices
Purchase/sale of assets	Contractually agreed prices
Distribution costs	Contractually agreed prices
Other expenses	Contractually agreed prices
Interest income	At the rates of 1.50% - 6.03% per annum
Interest expense	At the rates of 4% per annum



Significant transactions for the years ended 31 December with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
<b>Subsidiaries</b>				
Sales of goods	-	-	24,792	24,372
Other income	-	-	8,591	7,499
Purchases of goods	-	-	110,895	105,815
Distribution costs	-	-	10,012	574
Other expenses	-	-	1,475	172
<b>Associates</b>				
Sales of goods	428	16,810	361	16,137
Dividends income	39,709	17,340	39,709	17,340
Other income	4,566	7,897	4,566	7,897
Purchases of goods	122,023	132,555	122,023	132,555
Distribution costs	301	587	301	587
Other expenses	7,372	3,148	7,046	2,880
<b>Other related parties</b>				
Sales of goods	383,398	329,581	367,511	317,210
Dividends income	487,719	483,382	487,719	483,382
Other income	149,481	163,670	149,419	163,561
Sales of equity instrument	-	19,315	-	19,315
Purchases of goods	6,600,023	6,184,324	6,585,790	6,175,447
Purchase of assets	109,068	115,227	109,023	115,172
Distribution costs	295,408	345,509	295,332	345,504
Other expenses	97,513	53,903	94,564	48,646
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	79,116	79,676	74,721	75,626
Long-term benefits	7,882	6,666	6,649	6,527
<b>Total key management personnel compensation</b>	<b>86,998</b>	<b>86,342</b>	<b>81,370</b>	<b>82,153</b>

Balances as at 31 December with related parties were as follows:

<i>Trade accounts receivable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	10,953	11,469
Associates	118	2,684	118	2,684
Other related parties	104,613	110,803	102,272	109,676
<b>Total</b>	<b>104,731</b>	<b>113,487</b>	<b>113,343</b>	<b>123,829</b>
Less allowance for doubtful accounts	(1,289)	(8,177)	(1,289)	(8,177)
<b>Net</b>	<b>103,442</b>	<b>105,310</b>	<b>112,054</b>	<b>115,652</b>
<b>Bad and doubtful debts expense for the year</b>	<b>(6,888)</b>	<b>1,404</b>	<b>(6,888)</b>	<b>960</b>

<i>Other accounts receivable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	93	154
Associates	227	2,024	227	2,024
Other related parties	43,076	14,312	43,076	14,312
<b>Total</b>	<b>43,303</b>	<b>16,336</b>	<b>43,396</b>	<b>16,490</b>

<i>Movement of short-term loans to</i>	Interest rate	Consolidated financial statements			
	At 31 December	At 1 January	Increase	Decrease	At 31 December
	<i>(% per annum)</i>	<i>(in thousand Baht)</i>			
<b>2019</b>					
Associates	6.03	60,000	-	(32,500)	27,500
Other related parties	3.98-4.38	30,000	-	-	30,000
<b>Total</b>		<b>90,000</b>			<b>57,500</b>
<b>2018</b>					
Associates	6.03	-	60,000	-	60,000
Other related parties	3.98-4.38	30,000	-	-	30,000
<b>Total</b>		<b>30,000</b>			<b>90,000</b>

Movement of short-term loans to	Interest rate	Separate financial statements			
	At	At	Increase	Decrease	At
	31 December	1 January			31 December
	(% per annum)		(in thousand Baht)		
2019					
Subsidiaries	1.50-1.52	142,651	-	(18,651)	124,000
Associates	6.03	60,000	-	(32,500)	27,500
Other related parties	3.98-4.38	30,000	-	-	30,000
Total		232,651			181,500
Less allowance for doubtful account		(141)			-
Net		232,510			181,500
2018					
Subsidiaries	1.50-1.52	165,700	9,897	(32,946)	142,651
Associates	6.03	-	60,000	-	60,000
Other related parties	3.98-4.38	30,000	-	-	30,000
Total		195,700			232,651
Less allowance for doubtful account		-			(141)
Net		195,700			232,510

<i>Trade accounts payable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
Subsidiaries	-	-	21,708	10,532
Associates	19,830	21,323	19,830	21,287
Other related parties	1,148,239	1,097,494	1,144,820	1,096,238
<b>Total</b>	<b>1,168,069</b>	<b>1,118,817</b>	<b>1,186,358</b>	<b>1,128,057</b>

<i>Other accounts payable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
Subsidiaries	-	-	303	82
Associates	1,274	900	1,238	900
Other related parties	118,741	114,074	118,741	114,074
<b>Total</b>	<b>120,015</b>	<b>114,974</b>	<b>120,282</b>	<b>115,056</b>

<i>Movement of short-term loans from</i>	Interest rate	Consolidated financial statements			
	At 31 December	At 1 January	Increase	Decrease	At 31 December
	(% per annum)	(in thousand Baht)			
<b>2019</b>					
Other related parties	4.00	10,000	20,000	(20,000)	10,000
<b>Total</b>		<b>10,000</b>			<b>10,000</b>
<b>2018</b>					
Other related parties	4.00	10,000	-	-	10,000
<b>Total</b>		<b>10,000</b>			<b>10,000</b>

<i>Guarantees for related parties</i>	Consolidated and separate financial statements	
	2019	2018
	(in thousand Baht)	
<b>Guarantees for related parties</b>	<b>334,970</b>	<b>334,970</b>

**Rental area and related services agreements**

The Company entered into rental area and related services agreements with several related parties companies. The company paid fees approximately at Baht 0.52 million per month, agreements had periods of 1-7 year and will be expired in 2027.

**5 Cash and cash equivalents**

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
Cash on hand	1,563	3,170	1,492	2,964
Cash at banks-current accounts	224,020	118,048	218,637	107,902
Cash at banks-saving accounts	546,726	242,603	533,771	228,027
Highly liquid short-term investment	333,872	1,034,641	333,700	1,034,500
Others	7,520	5,912	7,520	4,657
<b>Cash and cash equivalents in</b>				
<b>the statement of cash flows</b>	<b>1,113,701</b>	<b>1,404,374</b>	<b>1,095,120</b>	<b>1,378,050</b>

As at 31 December 2019, the Company has fixed deposit receipt with maturity period less than 3 months issued by financial institutions in amounting to Baht 334 million (2018: Baht 1,035 million) with interest rates between 0.90% - 1.00% per annum (2018: 1.10% - 1.40% per annum), which was recorded as highly liquid short-term investments.

## 6 Other investments

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
<b>Current investments</b>				
Short-term deposits at financial institutions	806,882	412,802	806,882	412,802
<b>Other long-term investments</b>				
Equity securities available for sale	8,917,668	9,091,796	8,917,668	9,091,796
Other non-marketable equity securities	2,590,000	2,423,280	2,587,000	2,435,580
Other debt securities held to maturity	-	20,000	-	20,000
	<b>11,507,668</b>	<b>11,535,076</b>	<b>11,504,668</b>	<b>11,547,376</b>
Less allowance for impairment	(597,148)	(586,859)	(594,148)	(583,859)
<b>Net</b>	<b>11,717,402</b>	<b>11,361,019</b>	<b>11,717,402</b>	<b>11,376,319</b>

Dividend income and interest income for the year ended 31 December 2019 amounting to Baht 531.07 million and Baht 26.51 million, respectively (2018: Baht 528.01 million and Baht 14.80 million, respectively).

Movements during the year ended 31 December of equity securities available for sale were as follows;

	Consolidated and Separate financial statements	
	2019	2018
	(in thousand Baht)	
At 1 January	9,091,796	9,068,042
Purchases/additional investments	38,774	30,000
Transfer from debt security held to maturity	-	398,691
Gain on classification from debt security held to maturity to be investment available for sale	-	201,560
Disposal	-	(10,732)
Valuation adjustment	(212,902)	(595,765)
<b>At 31 December</b>	<b>8,917,668</b>	<b>9,091,796</b>

The Company's equity securities available for sale as at 31 December 2019 and 2018, all investments are publicly listed which is listed on the Stock Exchange of Thailand.

### Reclassification of investments

On 22 June 2017, the Company invested in convertible bonds issued by Saha Pathana Inter-Holding Plc. in proportion to its equity in Saha Pathana Inter-Holding Plc. of 0.398 million units at Baht 1,000 per unit, in the totaling amount of Baht 398.69 million with due to maturity in 2024.

On 15 June 2018, the Board of directors approved to exercise the conversion right in convertible bonds issued by Saha Pathana Inter-Holding Plc. with a conversion ratio 1 to 22.22 ordinary shares and

a conversion price at 45 Baht per share. The Company had 8.86 millions ordinary shares from the conversion, using market price of ordinary shares on conversion date at Baht 67.75 per share in the total amount of Baht 600.25 million. The difference from conversion amounting to Baht 201.56 million, recorded in other comprehensive income as to the classification to investment available for sale.

Movement during the year ended 31 December of other non-marketable equity securities were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		(in thousand Baht)			
At 1 January		1,836,421	1,842,366	1,851,721	1,841,277
Purchase/additional investments		188,044	54,890	188,044	54,890
Transfer from investments in associates	10	-	15,536	-	30,836
Disposal		(21,323)	(84,461)	(21,323)	(84,461)
Allowance for impairment		(10,290)	-	(25,590)	-
Reversal of allowance for impairment		-	8,090	-	9,179
At 31 December		1,992,852	1,836,421	1,992,852	1,851,721

## 7 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		(in thousand Baht)			
<b>Related parties</b>					
Within credit terms		87,279	78,564	92,061	82,721
Overdue:					
Less than 1 month		15,479	15,387	15,479	15,387
1 - 3 months		323	3,495	319	3,495
4 - 12 months		303	7,335	303	7,335
Over 12 months		1,347	8,706	5,181	14,891
		104,731	113,487	113,343	123,829
Less allowance for doubtful accounts		(1,289)	(8,177)	(1,289)	(8,177)
	3	103,442	105,310	112,054	115,652
<b>Other parties</b>					
Within credit terms		1,208,107	1,592,442	1,181,360	1,560,325
Overdue:					
Less than 1 month		84,012	65,499	84,012	65,499
1 - 3 months		16,385	20,228	15,627	17,739
4 - 12 months		4,470	10,654	3,946	10,282
Over 12 months		13,609	4,593	13,609	4,038
		1,326,583	1,693,416	1,298,554	1,657,883
Less allowance for doubtful accounts		(14,202)	(14,065)	(14,202)	(13,510)
		1,312,381	1,679,351	1,284,352	1,644,373
<b>Net</b>		1,415,823	1,784,661	1,396,406	1,760,025

The normal credit terms granted by the Company range from 30 days to 120 days.

## 8 Inventories

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Finished goods	1,258,411	1,208,662	1,257,412	1,219,142
Consignment goods	2,338,341	2,123,684	2,338,341	2,122,800
Work in process	8,123	2,829	-	-
Raw material	33,995	30,870	-	-
Goods in transit	89,489	70,845	88,718	70,845
Less allowance for decline in value	(83,001)	(93,077)	(52,848)	(59,721)
	<b>3,645,358</b>	<b>3,343,813</b>	<b>3,631,623</b>	<b>3,353,066</b>
Real estate awaiting for sale				
- Condominium	12,855	13,175	12,855	13,175
<b>Total</b>	<b>3,658,213</b>	<b>3,356,988</b>	<b>3,644,478</b>	<b>3,366,241</b>
Inventories recognised in 'cost of sales of goods':				
- Cost	7,578,099	7,866,535	7,440,372	7,601,583
- Reversal of write-down	(10,076)	(27,659)	(6,873)	(5,881)
<b>Net</b>	<b>7,568,023</b>	<b>7,838,876</b>	<b>7,433,499</b>	<b>7,595,702</b>

## 9 Real estate projects under development

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Show houses	4,639	4,301	-	-
Land and development costs of projects for sale	47,214	11,161	-	-
Construction in progress	60,471	109,018	-	-
Less allowance for decline in value	(1,809)	-	-	-
<b>Total</b>	<b>110,515</b>	<b>124,480</b>	<b>-</b>	<b>-</b>



## 10 Investments in associates

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
<b>Associates</b>				
At 1 January	837,165	826,906	593,443	635,736
Share of net profits of associates	25,039	48,548	-	-
Acquisitions/additional investments	114,240	18,018	114,240	18,018
Disposal	-	(18,018)	-	(18,018)
Dividends income	(39,709)	(17,340)	-	-
Decrease issued share capital	-	-	-	(147,420)
Transfer to non-marketable equity securities	-	(15,536)	-	(30,836)
Loss from losing control	-	(5,185)	-	-
Allowance for impairment	(360)	(184)	(360)	(184)
Reversal of allowance for impairment	-	-	-	136,147
Currency transaction differences	(445)	(44)	-	-
<b>At 31 December</b>	<b>935,930</b>	<b>837,165</b>	<b>707,323</b>	<b>593,443</b>

*Capital decrease of associates*

On 18 September 2018, SHOP Global (Thailand) Co., Ltd. decreased its share capital in the amount of Baht 630.00 million to Baht 138.60 million by decreasing par value of Baht 100 per share to Baht 22 per share that the Company hold ordinary share of 1.89 million shares, amounting to Baht 189.00 million, at 30% shareholding. As a result, loss from decrease of share capital was in amount of Baht 147.42 million. As at 31 December 2017, the Company has provided an allowance for impairment in the amount of Baht 146.89 million and additionally provided an allowance for impairment in the amount of Baht 11.27 million to profit or loss during the year ended 31 December 2018. However, the Company netted the decrease of share capital to its allowance for impairment.

*Approval for additional investment in associated*

At the board of director meeting of the Company held on 28 September 2018, the directors approved the acquisition of an additional ordinary share of SHOP Global (Thailand) Co., Ltd. for 12.86 %, amounting to Baht 18.00 million. The Company made an additional investment in SHOP Global (Thailand) Co., Ltd. on 1 October 2018, as a result, the Company's ownership increased from 30.00% to 42.86%.

*Approval of a disposal investment of associated*

At the board of director meeting of the Company held on 12 October 2018, the directors approved to dispose the additional of the ordinary shares for 12.86%, amounting to Baht 18.00 million of SHOP Global (Thailand) Co., Ltd. (0.81 million shares, Baht 22 per share). The Company disposed the investment in SHOP Global (Thailand) Co., Ltd. on 26 October 2018, as a result, the Company's ownership decreased from 42.86% to 30.00%.

On 26 December 2018, SHOP Global (Thailand) Co., Ltd. increased share capital in the amounting of Baht 100.10 million (4.55 million shares, Baht 22 per share), from share capital amounting of Baht 138.60 million to 238.70 million. The Company disclaimed a right to acquire those shares, this result the shareholding interest decreased from 30.00% to 17.42%, which lead to influence loss this associate company. Therefore, the Company reclassified investment in associate company to other long-term investment. The Company didn't use equity method to record the investment in consolidated financial statement since 26 December 2018. The investment using equity method was in the amount of Baht 20.72 million on that date. The Company measured the fair value of the remaining investment in SHOP Global (Thailand) Co., Ltd. at the date of lost influence in amounting for Baht 15.54 million. The Company recognized the loss for losing influence in amounting of Baht 5.18 million in the consolidated statement of comprehensive income.

Investments in associates as at 31 December 2019 and 2018, and dividend income from those investments for the year then ended were as follows;

	Type of business	Ownership interest		Paid-up capital		Cost		Allowance for impairment		At Cost - Net		Equity		Dividend income for the year	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		(%)		(in thousand Baht)											
Associates															
Nanan Cambo Solution Co., Ltd.	Investing in property	49.00	49.00	12,960	12,960	6,475	6,475	(544)	(184)	5,931	6,291	5,293	6,109	-	-
Boon Capital Holding Co., Ltd.	Investment	32.00	32.00	700,000	343,000	224,000	109,760	-	-	224,000	109,760	228,263	110,101	-	-
International Leather Fashion Co., Ltd.	Leather shoes	28.00	28.00	50,000	50,000	21,728	21,728	-	-	21,728	21,728	39,900	40,140	560	1,050
Thai Secom Security Co., Ltd.	Sales and lender of burglar														
	alarm systems and														
	securities service provider	25.50	25.50	378,934	378,934	196,983	196,983	-	-	196,983	196,983	261,578	244,973	9,276	11,110
Issara United Co., Ltd.	Property Development	25.00	25.00	300,000	300,000	74,999	74,999	-	-	74,999	74,999	185,017	204,034	7,500	-
Worldclass Rent a Car Co., Ltd.	Rent car	25.00	25.00	380,000	380,000	93,682	93,682	-	-	93,682	93,682	128,235	122,870	7,973	5,180
Issara United Development Co., Ltd.	Hotel	25.00	25.00	360,000	360,000	90,000	90,000	-	-	90,000	90,000	87,644	108,938	14,400	-
Total						707,867	593,627	(544)	(184)	707,323	593,443	935,930	837,165	39,709	17,340

All associates were incorporated in Thailand, except Nanan Cambo Solution Co., Ltd which was incorporated operates in Cambodia.

None of the Group's associates are publicly listed and consequently do not have published price quotations.

The following table summarises the financial information of the associates as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these companies.

	Boon Capital Holding Co., Ltd.		Thai Secom Security Co., Ltd.	
	2019	2018	2019	2018
	(in thousand Baht)			
Revenue	22,114	3,517	1,712,390	1,658,619
Profit from continuing operations	12,257	1,013	101,493	90,785
<b>Total Comprehensive income</b>	<b>12,257</b>	<b>1,013</b>	<b>101,493</b>	<b>90,785</b>
Group's share of total comprehensive income	3,922	324	25,881	23,150
Current assets	9,163	4,216	1,359,906	1,261,519
Non-current assets	1,038,278	727,940	390,113	377,660
Current liabilities	(334,120)	(388,091)	(236,999)	(218,500)
Non-current liabilities	-	-	(251,743)	(224,517)
<b>Net assets (100%)</b>	<b>713,321</b>	<b>344,065</b>	<b>1,261,277</b>	<b>1,196,162</b>
Carrying amount of interest in associate	228,263	110,101	261,578	244,973

#### *Immaterial associates*

The Group also has interest in a number of individually immaterial associates.

The following is summarised financial information for the Group's interest in immaterial associates based on the amounts reported in the Group's consolidated financial statements:

	Immaterial associates	
	2019	2018
	(in thousand Baht)	
Carrying amount of interests in immaterial associates	446,089	482,091
Group's share of:		
Profit from continuing operations	(4,764)	25,074
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>(4,764)</b>	<b>25,074</b>

## 11 Investments in subsidiaries

	Immaterial associates	
	2019	2018
	(in thousand Baht)	
At 1 January	47,253	63,825
Acquisitions/additional investment	-	7,967
Allowance for impairment	(7,811)	(24,539)
<b>At 31 December</b>	<b>39,442</b>	<b>47,253</b>

#### *Additional investment*

On 13 September 2018, the Company made an additional investment in Amis Do Monde SARL of Baht 7.97 million (21,004 shares, Baht 379.30 per share) and already paid all amount, the Company's ownership remain the same. Since Amis Do Monde SARL has plan to dissolve. As a result, the Company had set up an allowance for impairment for all additional investment.

Investments in subsidiaries as at 31 December 2019 and 2018, and dividend income from those investments for the year then ended were as follows:

	Type of business	Separate financial statements											
		Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the year	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		(%)		(in thousand Baht)									
<b>Subsidiaries</b>													
WBRE Co., Ltd.	Property Development	99.9	99.9	50,000	50,000	49,999	49,999	(24,383)	(16,572)	25,616	33,427	-	-
Amis Du Monde SARL	Trading	81.9	81.9	53,758	53,758	48,924	48,924	(48,924)	(48,924)	-	-	-	-
Canchana International Co., Ltd.	Distributing	60.0	60.0	16,300	16,300	13,826	13,826	-	-	13,826	13,826	-	-
Thai Itokin Co., Ltd.	Manufacturing and												
	distributing apparels	58.2	58.2	111,250	111,250	80,101	80,101	(80,101)	(80,101)	-	-	-	-
<b>Total</b>						192,850	192,850	(153,408)	(145,597)	39,442	47,253	-	-

All subsidiaries were incorporated in Thailand, except Amis Du Monde SARL which was incorporated in France and Canchana International Co., Ltd. which was incorporated in Kingdom of Cambodia.

As at 31 December 2019, Amis Du Monde SARL is in process of liquidation.

None of the Group's subsidiaries are publicly listed and consequently do not have published price quotations.

## 12 Investment properties

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
<b>Cost</b>				
At 1 January	1,227,985	1,263,338	1,317,391	1,352,744
Additions	3	-	3	-
Transfers from property, plant and equipment	-	230	-	230
Disposals	(75,809)	(35,583)	(75,809)	(35,583)
<b>At 31 December</b>	<b>1,152,179</b>	<b>1,227,985</b>	<b>1,241,585</b>	<b>1,317,391</b>
<b>Depreciation and impairment losses</b>				
At 1 January	(112,228)	(120,831)	(134,663)	(141,953)
Depreciation charge for the year	(8,874)	(7,481)	(10,188)	(8,794)
Disposals	7,356	16,084	7,356	16,084
Impairment losses	(110,740)	(110,740)	(110,740)	(110,740)
<b>At 31 December</b>	<b>(224,486)</b>	<b>(222,968)</b>	<b>(248,235)</b>	<b>(245,403)</b>
<b>Net book value</b>				
At 1 January	1,005,017	1,031,767	1,071,988	1,100,051
<b>At 31 December</b>	<b>927,693</b>	<b>1,005,017</b>	<b>993,350</b>	<b>1,071,988</b>

As at 31 December 2019 and 2018, investment properties were revalued by UK Valuation and Agency Co., Ltd. which is the independent valuer in 2016, at open market values on an existing use basis. The appraised value was Baht 2,257 million.

**Measurement of fair value***Fair value hierarchy*

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment property portfolio on regular basis.

The fair value measurement for investment property of Baht 2,257 million have been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

*Valuation technique and significant unobservable inputs*

The valuation technique used in measuring the fair value of investment property by independent valuers were market comparison approach (based on multiples and prices from market transaction involving the sale of comparable assets) and replacement cost approach. For fair value of land, using Market comparison approach and for building and improvement which were specialised of alternative use and asset modifications building and improvement, using replacement cost.

An entity's current use of an asset is generally its highest and best use, which is physically possible takes into account the physical characteristics, location of a property of the asset that market participants would take into account when pricing the asset.

**13 Property, plant and equipment**

	Consolidated financial statements						
	Land	Buildings and improvements	Office equipment	Furniture and fixtures	Vehicles	Assets under construction and installation	Total
	(in thousand Baht)						
<b>Cost</b>							
At 1 January 2018	1,988,357	838,288	1,216,863	1,198,113	70,401	40,069	5,352,091
Additions	-	2,998	73,232	43,267	-	97,322	216,819
Transfers	-	3,907	2,874	27,194	-	(37,729)	(3,754)
Disposals	(240)	(42,733)	(13,272)	(119,561)	(10,592)	-	(186,398)
<b>At 31 December 2018 and 1 January 2019</b>	<b>1,988,117</b>	<b>802,460</b>	<b>1,279,697</b>	<b>1,149,013</b>	<b>59,809</b>	<b>99,662</b>	<b>5,378,758</b>
Additions	105,672	29,993	39,727	40,357	3,753	118,270	337,772
Transfers	-	-	2,452	38,990	-	(107,290)	(65,848)
Disposals	-	-	(16,537)	(41,707)	(7,624)	-	(65,868)
<b>At 31 December 2019</b>	<b>2,093,789</b>	<b>832,453</b>	<b>1,305,339</b>	<b>1,186,653</b>	<b>55,938</b>	<b>110,642</b>	<b>5,584,814</b>
<b>Depreciation and impairment losses</b>							
At 1 January 2018	-	(599,802)	(877,413)	(940,822)	(59,883)	-	(2,477,920)
Depreciation charge for the year	-	(17,961)	(113,023)	(86,896)	(4,535)	-	(222,416)
Disposals	-	36,410	11,166	112,210	10,589	-	170,376
<b>At 31 December 2018 and 1 January 2019</b>	<b>-</b>	<b>(581,353)</b>	<b>(979,270)</b>	<b>(915,508)</b>	<b>(53,829)</b>	<b>-</b>	<b>(2,529,960)</b>
Depreciation charge for the year	-	(19,849)	(107,304)	(87,565)	(3,525)	-	(218,243)
Impairment losses	-	(7,485)	(5,207)	(9,362)	-	-	(22,054)
Disposals	-	-	12,580	35,936	7,624	-	56,140
<b>At 31 December 2019</b>	<b>-</b>	<b>(608,687)</b>	<b>(1,079,201)</b>	<b>(976,499)</b>	<b>(49,730)</b>	<b>-</b>	<b>(2,714,117)</b>
<b>Net book value - owned assets</b>							
At 31 December 2018	1,988,117	221,107	300,427	233,505	5,980	99,662	2,848,798
At 31 December 2019	2,093,789	223,766	226,138	210,154	6,208	110,642	2,870,697

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2019 amounted to Baht 2,000 million (2018: Baht 1,808 million).

	Consolidated financial statements						
	Land	Buildings and improvements	Office equipment	Furniture and fixtures	Vehicles	Assets under construction and installation	Total
	(in thousand Baht)						
<b>Cost</b>							
At 1 January 2018	1,925,217	806,237	1,153,416	1,188,904	63,873	40,068	5,177,715
Additions	-	210	72,333	43,173	-	97,322	213,038
Transfers	-	3,907	2,874	27,195	-	(37,730)	(3,754)
Disposals	(240)	(42,212)	(9,166)	(119,561)	(10,589)	-	(181,768)
<b>At 31 December 2018 and 1 January 2019</b>	<b>1,924,977</b>	<b>768,142</b>	<b>1,219,457</b>	<b>1,139,711</b>	<b>53,284</b>	<b>99,660</b>	<b>5,205,231</b>
Additions	105,672	29,947	38,527	40,357	3,753	116,298	334,554
Transfers	-	-	2,452	38,990	-	(107,290)	(65,848)
Disposals	-	-	(16,537)	(41,706)	(7,105)	-	(65,348)
<b>At 31 December 2018</b>	<b>2,030,649</b>	<b>798,089</b>	<b>1,243,899</b>	<b>1,177,352</b>	<b>49,932</b>	<b>108,668</b>	<b>5,408,589</b>
<b>Depreciation and impairment losses</b>							
At 1 January 2018	-	(577,061)	(824,483)	(929,082)	(55,320)	-	(2,385,946)
Depreciation charge for the year	-	(14,517)	(112,396)	(84,731)	(3,128)	-	(214,772)
Disposals	-	35,890	7,218	112,210	10,588	-	165,906
<b>At 31 December 2018 and 1 January 2019</b>	<b>-</b>	<b>(555,688)</b>	<b>(929,661)</b>	<b>(901,603)</b>	<b>(47,860)</b>	<b>-</b>	<b>(2,434,812)</b>
Depreciation charge for the year	-	(16,511)	(106,539)	(87,129)	(2,549)	-	(212,728)
Impairment losses	-	(7,485)	(5,207)	(9,362)	-	-	(22,054)
Disposals	-	-	12,580	36,277	7,105	-	55,962
<b>At 31 December 2019</b>	<b>-</b>	<b>(579,684)</b>	<b>(1,028,827)</b>	<b>(961,817)</b>	<b>(43,304)</b>	<b>-</b>	<b>(2,613,632)</b>
<b>Net book value-owned assets</b>							
<b>At 31 December 2018</b>	<b>1,924,977</b>	<b>212,454</b>	<b>289,796</b>	<b>238,108</b>	<b>5,424</b>	<b>99,660</b>	<b>2,770,419</b>
<b>At 31 December 2019</b>	<b>2,030,649</b>	<b>218,405</b>	<b>215,072</b>	<b>215,535</b>	<b>6,628</b>	<b>108,668</b>	<b>2,794,957</b>

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2019 amounted to Baht 1,950 million (2018: Baht 1,758 million).



## 14 Other intangible assets

	Consolidated financial statements				
	Trademarks	License data base of customer	Software Licenses	Software under development	Total
	<i>(in thousand Baht)</i>				
<b>Cost</b>					
At 1 January 2018	33,303	7,955	23,545	3,812	68,615
Additions	720	-	3,693	79	4,492
Transfers from property, plant and equipment	64	-	7,304	(3,844)	3,524
Disposals	-	-	(5)	-	(5)
<b>At 31 December 2018 and 1 January 2019</b>	<b>34,087</b>	<b>7,955</b>	<b>34,537</b>	<b>47</b>	<b>76,626</b>
Additions	530	-	2,419	794	3,743
Transfers from property, plant and equipment	-	-	2,093	63,755	65,848
<b>At 31 December 2019</b>	<b>34,617</b>	<b>7,955</b>	<b>39,049</b>	<b>64,596</b>	<b>146,217</b>
<b>Amortisation</b>					
At 1 January 2018	(23,661)	(5,839)	(7,320)	-	(36,820)
Amortisation for the year	(281)	(803)	(2,871)	-	(3,955)
Disposals	-	-	2	-	2
<b>At 31 December 2018 and 1 January 2019</b>	<b>(23,942)</b>	<b>(6,642)</b>	<b>(10,189)</b>	<b>-</b>	<b>(40,773)</b>
Amortisation for the year	(258)	(803)	(4,331)	-	(5,392)
<b>At 31 December 2019</b>	<b>(24,200)</b>	<b>(7,445)</b>	<b>(14,520)</b>	<b>-</b>	<b>(46,165)</b>
<b>Net book value</b>					
<b>At 31 December 2018</b>	<b>10,145</b>	<b>1,313</b>	<b>24,348</b>	<b>47</b>	<b>35,853</b>
<b>At 31 December 2019</b>	<b>10,417</b>	<b>510</b>	<b>24,529</b>	<b>64,596</b>	<b>100,052</b>

	Separate financial statements				
	Trademarks	License data base of customer	Software Licenses	Software under development	Total
	(in thousand Baht)				
<b>Cost</b>					
At 1 January 2018	24,371	7,845	17,667	3,812	53,695
Additions	720	-	3,693	79	4,492
Transfers from property, plant and equipment	64	-	7,304	(3,844)	3,524
Disposals	-	-	(5)	-	(5)
<b>At 31 December 2018 and 1 January 2019</b>	<b>25,155</b>	<b>7,845</b>	<b>28,659</b>	<b>47</b>	<b>61,706</b>
Additions	530	-	2,137	794	3,461
Transfers from property, plant and equipment	-	-	2,093	63,755	65,848
<b>At 31 December 2019</b>	<b>25,685</b>	<b>7,845</b>	<b>32,889</b>	<b>64,596</b>	<b>131,015</b>
<b>Amortisation</b>					
At 1 January 2018	(22,989)	(5,838)	(1,813)	-	(30,640)
Amortisation for the year	(281)	(803)	(2,320)	-	(3,404)
Disposals	-	-	2	-	2
<b>At 31 December 2018 and 1 January 2019</b>	<b>(23,270)</b>	<b>(6,641)</b>	<b>(4,131)</b>	<b>-</b>	<b>(34,042)</b>
Amortisation for the year	(258)	(803)	(3,794)	-	(4,855)
<b>At 31 December 2019</b>	<b>(23,528)</b>	<b>(7,444)</b>	<b>(7,925)</b>	<b>-</b>	<b>(38,897)</b>
<b>Net book value</b>					
<b>At 31 December 2018</b>	<b>1,885</b>	<b>1,204</b>	<b>24,528</b>	<b>47</b>	<b>27,664</b>
<b>At 31 December 2019</b>	<b>2,157</b>	<b>401</b>	<b>24,964</b>	<b>64,596</b>	<b>92,118</b>

## 15 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
Deposits and guarantees	179,530	186,508	177,824	179,170
Refundable tax	41,060	39,353	37,062	34,229
Leasehold rights	16,421	14,109	16,421	14,109
Others	12,684	10,013	11,253	14,427
<b>Total</b>	<b>249,695</b>	<b>249,983</b>	<b>242,560</b>	<b>241,935</b>

**16 Interest-bearing liabilities**

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		(in thousand Baht)			
Bank overdrafts - unsecured		7,680	-	-	-
Short-term loans from financial institutions					
- unsecured		30,000	20,000	-	-
Short-term loans from related party	4	10,000	10,000	-	-
<b>Total interest-bearing liabilities</b>		<b>47,680</b>	<b>30,000</b>	<b>-</b>	<b>-</b>

**17 Provision for employee benefits**

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
<b>Defined benefit plan</b>	<b>562,106</b>	<b>588,805</b>	<b>530,963</b>	<b>549,550</b>

**Defined benefit plan**

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

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
At 1 January	588,805	577,738	549,550	537,303
<b>Include in profit or loss:</b>				
Current service costs	52,881	66,007	50,811	65,587
Past service costs	4,574	-	4,058	-
Interest on obligation	6,917	12,646	6,229	12,541
	<b>64,372</b>	<b>78,653</b>	<b>61,098</b>	<b>78,128</b>
<b>Included in other comprehensive income</b>				
Actuarial gain (loss)				
- Demographic assumptions	1,021	9,669	-	9,669
- Financial assumptions	(5,347)	(823)	(6,177)	(823)
- Experience adjustment	(36,516)	(50,289)	(30,699)	(50,289)
	<b>(40,842)</b>	<b>(41,443)</b>	<b>(36,876)</b>	<b>(41,443)</b>
Benefits paid	(50,229)	(26,143)	(42,809)	(24,438)
	<b>(50,229)</b>	<b>(26,143)</b>	<b>(42,809)</b>	<b>(24,438)</b>
<b>At 31 December</b>	<b>562,106</b>	<b>588,805</b>	<b>530,963</b>	<b>549,550</b>

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee, who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in 2019. As a result of this change, the provision for retirement benefits as well as past service cost recognised increased.

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(%)</i>			
Discount rate	1.48 - 2.07	2.49 - 2.67	1.48	2.67
Future salary growth	2.00 - 5.00	2.00 - 7.00	3.00 - 5.00	3.00 - 7.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2019, the weighted-average duration of the defined benefit obligation was 8.53 years (2018: 7.11-8.53 years).

#### 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.

Effect to the defined benefit obligation At 31 December	Consolidated financial statements			
	1% increase in assumption		1% decrease in assumption	
	2019	2018	2019	2018
	(in thousand Baht)			
Discount rate	(36,113)	(41,426)	40,914	46,987
Future salary growth	38,948	46,130	(35,057)	(41,460)
Employee turnover	(34,891)	(43,940)	16,195	20,607
Average rate	1,185	1,483	(1,180)	(1,477)
Future mortality	(4)	-	(4)	-

Effect to the defined benefit obligation At 31 December	Separate financial statements			
	1% increase in assumption		1% decrease in assumption	
	2019	2018	2019	2018
	(in thousand Baht)			
Discount rate	(33,201)	(39,350)	37,738	44,689
Future salary growth	37,269	43,717	(33,436)	(39,240)
Employee turnover	(34,805)	(41,718)	16,101	19,436
Average rate	1,185	1,394	(1,180)	(1,389)

Although 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.

## 18 Reserves

Reserves comprise:

*Appropriations of profit and/or retained earnings*

### Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

### General reserve

The Company distributed a general reserve equal to 10% of profit for the each year in order for the company has strength on general reserve base to be maintain stability and increase the Shareowner's wealth.

*Other components of equity*

### Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

### Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

## 19 Segment information and disaggregation of revenue

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The business operation involves 3 principal segments; Cosmetics toiletries & perfumeries, Women's apparel and Men's apparel. Segment performance is considered by using the measure operating profit in the financial statements. The Company has not report segment assets and segment liabilities due to the management believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

### Information about reportable segments

For the year ended 31 December	Cosmetics toiletries & perfumeries		Women's apparel		Men's apparel		Total reportable segments		Others		Total		Elimination of inter-segment revenue		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(in million Baht)															
Revenue from sale of goods	1,027	1,143	4,167	4,672	3,021	3,164	8,215	8,979	3,220	3,501	11,435	12,480	(126)	(130)	11,309	12,350
Segment operating profit	50	67	334	517	271	365	655	949	(38)	94	617	1,043	34	(39)	651	1,004
Other income															969	979
Unallocated expenses															(870)	(1,023)
Share of profit of investments in associates															25	49
<b>Profit before tax</b>															<b>775</b>	<b>1,009</b>

### Geographical segments

The Group is managed and operated principally in Thailand, there are no material revenues derived from, or assets located in foreign countries.

### Major customer

The Group has no major customer.

### Timing of revenue recognition

The group recognised the major revenue at a point in time.

## 20 Employee benefit expenses

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		(in thousand Baht)			
Wages and salaries		1,592,410	2,016,574	1,501,932	1,863,287
Defined benefit plans	17	64,372	78,653	61,098	78,128
Defined contribution plans		25,002	30,733	22,104	25,986
Others		68,888	82,304	68,699	79,654
<b>Total</b>		<b>1,750,672</b>	<b>2,208,264</b>	<b>1,653,833</b>	<b>2,047,055</b>

**Defined contribution plans**

The defined contribution plans comprise provident fund established by the Company for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates of 3% of their basic salaries and by the Company at rates of 3% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entity and is managed by a licensed Fund Manager.

## 21 Expenses by nature

The statement of income included an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		(in thousand Baht)			
Purchase of finished goods		7,669,255	7,604,612	7,629,728	7,550,003
Changes in inventories of finished goods		(197,546)	73,055	(196,229)	45,700
Employee benefit expenses	20	1,756,741	2,208,264	1,653,833	2,047,055
Advertising costs and promotional expenses		664,466	998,800	664,318	989,803
Rental and service expenses		429,797	421,102	422,784	420,881
Depreciation and amortisation expenses		237,386	234,153	232,629	231,504
Transportation expenses		148,916	140,709	148,043	140,516
Royalty fee		93,093	100,729	91,976	99,389
Impairment losses on assets		22,054	-	22,054	-
Others		701,266	584,874	667,292	541,556
<b>Total cost of sales of goods, distribution costs and administrative expenses</b>		<b>11,525,428</b>	<b>12,366,298</b>	<b>11,336,428</b>	<b>12,066,407</b>



## 22 Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Current tax expense</b>				
Current year	41,268	46,274	40,868	45,858
	<b>41,268</b>	<b>46,274</b>	<b>40,868</b>	<b>45,858</b>
<b>Deferred tax expense</b>				
Movements in temporary differences	15,007	28,574	15,007	28,574
	<b>56,275</b>	<b>74,848</b>	<b>55,875</b>	<b>74,432</b>

<i>Income tax</i>	Consolidated financial statements					
	2019			2018		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
<b>Recognised in other comprehensive income</b>						
Available-for-sale investments	(212,902)	42,580	(170,322)	(595,765)	119,153	(476,612)
Actuarial gain	40,841	(7,375)	33,466	41,443	(8,289)	33,154
Gain on classification from debt security held to maturity to be investment available for sale	-	-	-	201,560	(40,312)	161,248
<b>Total</b>	<b>(172,061)</b>	<b>35,205</b>	<b>(136,856)</b>	<b>(352,762)</b>	<b>70,552</b>	<b>(282,210)</b>

<i>Income tax</i>	Separate financial statements					
	2019			2018		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
<b>Recognised in other comprehensive income</b>						
Available-for-sale investments	(212,902)	42,580	(170,322)	(595,765)	119,153	(476,612)
Actuarial gain	36,876	(7,375)	29,501	41,443	(8,289)	33,154
Gain on classification from debt security held to maturity to be investment available for sale	-	-	-	201,560	(40,312)	161,248
<b>Total</b>	<b>(176,026)</b>	<b>35,205</b>	<b>(140,821)</b>	<b>(352,762)</b>	<b>70,552</b>	<b>(282,210)</b>

<i>Reconciliation of effective tax rate</i>	Consolidated financial statements			
	2019		2018	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		775,314		1,008,866
Income tax using the Thai corporation tax rate	20	155,062	20	201,773
Difference in effective tax rate of share of profit of investment in associates		5,008		9,709
Income not subject to tax		(112,142)		(107,382)
Difference in tax and accounting treatment of income and expense		8,347		(29,252)
<b>Total</b>	<b>7</b>	<b>56,275</b>	<b>8</b>	<b>74,848</b>

<i>Reconciliation of effective tax rate</i>	Separate financial statements			
	2019		2018	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		751,120		994,904
Income tax using the Thai corporation tax rate	20	150,224	20	198,981
Income not subject to tax		(112,142)		(107,382)
Difference in tax and accounting treatment of income and expense		17,793		(17,167)
<b>Total</b>	<b>7</b>	<b>55,875</b>	<b>7</b>	<b>74,432</b>

<i>Deferred tax At 31 December</i>	Consolidated financial statements			
	Assets		Liabilities	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Total	669,987	691,224	(1,342,262)	(1,383,697)
Set off of tax	(669,987)	(691,224)	669,987	691,224
<b>Net deferred tax assets (liabilities)</b>	<b>-</b>	<b>-</b>	<b>(672,275)</b>	<b>(692,473)</b>

<i>Deferred tax At 31 December</i>	Separate financial statements			
	Assets		Liabilities	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Total	669,987	691,224	(1,339,880)	(1,381,315)
Set off of tax	(669,987)	(691,224)	669,987	691,224
<b>Net deferred tax assets (liabilities)</b>	<b>-</b>	<b>-</b>	<b>(669,893)</b>	<b>(690,091)</b>

<i>Deferred tax</i>	Consolidated financial statements			
	(Charged) / Credited to:			
	At 1 January	Profit or loss	Other comprehen- sive income	At 31 December
	(in thousand Baht)			
<b>2019</b>				
<b><i>Deferred tax assets</i></b>				
Accounts receivable	4,337	(1,239)	-	3,098
Other current assets	441	704	-	1,145
Inventories	11,944	(1,739)	-	10,205
Gross profit for consignment goods	446,195	(23,316)	-	422,879
Other long-term investments	93,825	10,494	-	104,319
Investment properties	22,148	-	-	22,148
Property, plant and equipment	2,424	(2,424)	-	-
Employee benefit obligation	109,910	3,658	(7,375)	106,193
<b>Total</b>	<b>691,224</b>	<b>(13,862)</b>	<b>(7,375)</b>	<b>669,987</b>
<b><i>Deferred tax liabilities</i></b>				
Marketable securities	(1,331,916)	-	42,580	(1,289,336)
Gain on classification from debt security				
held to maturity to be investment available for sale	(40,312)	-	-	(40,312)
Property, plant and equipment	(9,636)	(1,145)	-	(10,781)
Intangible assets	(1,833)	-	-	(1,833)
<b>Total</b>	<b>(1,383,697)</b>	<b>(1,145)</b>	<b>42,580</b>	<b>(1,342,262)</b>
<b>Net</b>	<b>(692,473)</b>	<b>(15,007)</b>	<b>35,205</b>	<b>(672,275)</b>

Deferred tax	Consolidated financial statements (Charged) / Credited to:			
	At 1 January	Profit or loss	Other comprehen- sive income	At 31 December
	(in thousand Baht)			
<b>2018</b>				
<b>Deferred tax assets</b>				
Accounts receivable	5,485	(1,148)	-	4,337
Other current assets	-	441	-	441
Inventories	13,120	(1,176)	-	11,944
Gross profit for consignment goods	475,129	(28,934)	-	446,195
Other long-term investments	92,658	1,167	-	93,825
Investment properties	22,148	-	-	22,148
Property, plant and equipment	10,941	(8,517)	-	2,424
Employee benefit obligation	107,461	10,738	(8,289)	109,910
<b>Total</b>	<b>726,942</b>	<b>(27,429)</b>	<b>(8,289)</b>	<b>691,224</b>
<b>2018</b>				
Deferred tax liabilities				
Marketable securities	(1,451,069)	-	119,153	(1,331,916)
Gain on classification from debt security held to maturity to be investment available for sale	-	-	(40,312)	(40,312)
Property, plant and equipment	(8,491)	(1,145)	-	(9,636)
Intangible assets	(1,833)	-	-	(1,833)
<b>Total</b>	<b>(1,461,393)</b>	<b>(1,145)</b>	<b>78,841</b>	<b>(1,383,697)</b>
<b>Net</b>	<b>(734,451)</b>	<b>(28,574)</b>	<b>70,552</b>	<b>(692,473)</b>

<i>Deferred tax</i>	Separate financial statements			
	(Charged) / Credited to:			
	At 1 January	Profit or loss	Other comprehen- sive income	At 31 December
	(in thousand Baht)			
<b>2019</b>				
<b><i>Deferred tax assets</i></b>				
Accounts receivable	4,337	(1,239)	-	3,098
Other current assets	441	704	-	1,145
Inventories	11,944	(1,739)	-	10,205
Gross profit for consignment goods	446,195	(23,316)	-	422,879
Other long-term investments	93,825	10,494	-	104,319
Investment properties	22,148	-	-	22,148
Property, plant and equipment	2,424	(2,424)	-	-
Employee benefit obligation	109,910	3,658	(7,375)	106,193
<b>Total</b>	<b>691,224</b>	<b>(13,862)</b>	<b>(7,375)</b>	<b>669,987</b>
<b><i>Deferred tax liabilities</i></b>				
Marketable securities	(1,331,916)	-	42,580	(1,289,336)
Gain on classification from debt security held to maturity to be investment available for sale	(40,312)	-	-	(40,312)
Property, plant and equipment	(9,087)	(1,145)	-	(10,232)
<b>Total</b>	<b>(1,381,315)</b>	<b>(1,145)</b>	<b>42,580</b>	<b>(1,339,880)</b>
<b>Net</b>	<b>(690,091)</b>	<b>(15,007)</b>	<b>35,205</b>	<b>(669,893)</b>

Deferred tax	Separate financial statements (Charged) / Credited to:			
	At 1 January	Profit or loss	Other comprehen- sive income	At 31 December
	(in thousand Baht)			
<b>2018</b>				
<b>Deferred tax assets</b>				
Accounts receivable	5,485	(1,148)	-	4,337
Other current assets	-	441	-	441
Inventories	13,120	(1,176)	-	11,944
Gross profit for consignment goods	475,129	(28,934)	-	446,195
Other long-term investments	92,658	1,167	-	93,825
Investment properties	22,148	-	-	22,148
Property, plant and equipment	10,941	(8,517)	-	2,424
Employee benefit obligation	107,461	10,738	(8,289)	109,910
<b>Total</b>	<b>726,942</b>	<b>(27,429)</b>	<b>(8,289)</b>	<b>691,224</b>
<b>Deferred tax liabilities</b>				
Marketable securities	(1,451,069)	-	119,153	(1,331,916)
Gain on classification from debt security held to maturity to be investment available for sale	-	-	(40,312)	(40,312)
Property, plant and equipment	(7,942)	(1,145)	-	(9,087)
<b>Total</b>	<b>(1,459,011)</b>	<b>(1,145)</b>	<b>78,841</b>	<b>(1,381,315)</b>
<b>Net</b>	<b>(732,069)</b>	<b>(28,574)</b>	<b>70,552</b>	<b>(690,091)</b>

In 2019, the Group's subsidiaries, Thai Itokin Co., Ltd., incurred a tax loss of Baht 3.58 million, increasing cumulative tax losses to Baht 71.34 million (2018: Baht 67.76 million). Deferred tax assets have not been recognised in respect of these items because Management has determined that the recoverability of cumulative tax losses, which expire in 2020-2022 is not probable that future taxable profit will be available against which Thai Itokin Co., Ltd. can utilise the benefits therefrom.

## 23 Earnings per share

Profit (loss) attributable to ordinary shareholders for the year ended 31 December	Consolidated financial statements		Separate Financial statements	
	2019	2018	2019	2018
	(in thousand Baht / in thousand shares)			
Profit attributable to ordinary shareholders of the Company	725,196	931,280	695,244	920,475
Number of ordinary shares outstanding	290,634	290,634	290,634	290,634
Basic earnings per share (in Baht)	2.50	3.20	2.39	3.17

**24 Dividends and general reserve**

The shareholders of the Company have approved dividends and general reserve as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
<b>2019</b>				
Annual dividend 2018	22 April 2019	May 2019	1.21	352
General reserve				92
<b>2018</b>				
Annual dividend 2017	23 April 2018	May 2018	1.10	320
General reserve				80

**25 Financial instruments****Financial risk management policies**

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue immaterial derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

**Capital management**

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

**Interest rate risk**

The interest rate risk arises from the fluctuation of the market rate which has affected business performance and cash flow. Hence, the Group's financial data mostly bear the interest rate adjusted according to the market interest rate.



At 31 December	Consolidated financial statements				
	Maturity period				
	Effective interest rate	Within 1 year	After 1 year but within 5 years	After 5 years	Total
	(% per annum)	(in thousand Baht)			
<b>2019</b>					
<b>Financial assets</b>					
Short-term loans	3.98-6.03	57,500	-	-	57,500
<b>Total</b>		<b>57,500</b>	<b>-</b>	<b>-</b>	<b>57,500</b>
<b>Financial liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	MLR-0.25, 5.75	37,680	-	-	37,680
Short-term loans from related party	4.00	10,000	-	-	10,000
<b>Total</b>		<b>47,680</b>	<b>-</b>	<b>-</b>	<b>47,680</b>
<b>2018</b>					
<b>Financial assets</b>					
Debt securities	5.10	20,000	-	-	20,000
Short-term loans	3.98-6.03	90,000	-	-	90,000
<b>Total</b>		<b>110,000</b>	<b>-</b>	<b>-</b>	<b>110,000</b>
<b>Financial liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	MLR-0.25	20,000	-	-	20,000
Short-term loans from related party	4.00	10,000	-	-	10,000
<b>Total</b>		<b>30,000</b>	<b>-</b>	<b>-</b>	<b>30,000</b>

At 31 December	Separate financial statements				
	Maturity period				
	Effective interest rate	Within 1 year	After 1 year but within 5 years	After 5 years	Total
	(% per annum)	(in thousand Baht)			
<b>2019</b>					
<b>Financial assets</b>					
Short-term loans	1.05-6.03	181,500	-	-	181,500
<b>Total</b>		<b>181,500</b>	<b>-</b>	<b>-</b>	<b>181,500</b>
<b>2018</b>					
<b>Financial assets</b>					
Debt securities	5.10	20,000	-	-	20,000
Short-term loans	1.05-6.03	232,651	-	-	232,651
<b>Total</b>		<b>252,651</b>	<b>-</b>	<b>-</b>	<b>252,651</b>

**Foreign currency risk**

Due to the small number of foreign trade debtors and creditors, the Group then has entered into a few short-term maturity of forward exchange contracts for hedging such exchange risk as the risk is immaterial.

The Group is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

<i>Assets and liabilities denominated in the foreign currencies as at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>United States Dollars</b>				
Cash and cash equivalents	8,402	10,448	-	-
Trade accounts payable	(654)	(62,033)	(654)	(67,317)
<b>Gross balance sheet exposure</b>	<b>7,748</b>	<b>(51,585)</b>	<b>(654)</b>	<b>(67,317)</b>
Currency forwards purchase	654	62,033	654	67,317
<b>Net exposure</b>	<b>8,402</b>	<b>10,448</b>	<b>-</b>	<b>-</b>
<b>Others Currency</b>				
Cash and cash equivalents	4,862	4,350	310	222
Trade accounts payable	-	(6,409)	-	(5,746)
<b>Net exposure</b>	<b>4,862</b>	<b>(2,059)</b>	<b>310</b>	<b>(5,524)</b>

**Credit risk**

Due to the cautious policy in providing credit facilities with strictly-controlled debt follow up and that most of the debtors have long relationship with the Company, no significant loss from debt collection is expected. As of 31 December 2019 and 2018, the Group has reserved for doubtful accounts amounting to Baht 15.49 million and Baht 22.24 million equivalent to 1.1% and 1.2% of trade accounts receivable, respectively. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

**Liquidity risk**

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

**Carrying amount and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount	Consolidated and separate financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
<b>31 December 2019</b>					
Equity securities available for sale	8,917,668	8,917,668	-	-	8,917,668
Currency forwards purchase	-	-	(9,403)	-	(9,403)
<b>31 December 2018</b>					
Equity securities available for sale	9,091,796	9,091,796	-	-	9,091,796
Other debt securities held to maturity	20,000	-	20,000	-	20,000
Currency forwards purchase	-	-	(1,118)	-	(1,118)

**Measurement of fair values****Valuation techniques and significant unobservable inputs**

The following tables show the valuation techniques and the significant unobservable inputs used in measuring Level 2.

**Financial instruments measured at fair value**

Type	Valuation technique
Other debt securities held to maturity	<i>Market comparison technique:</i> The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.
Forward exchange contracts	<i>Forward pricing :</i> The fair value is determined using quoted forward exchange rates at the reporting date.

**26 Commitments with non-related parties**

Future minimum lease payments under non-cancellable operating leases	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
Within one year	69,695	54,512	68,001	51,386
After one year but within five years	47,203	35,686	45,063	31,863
After five years	648	1,740	648	1,740
<b>Total</b>	<b>117,546</b>	<b>91,938</b>	<b>113,712</b>	<b>84,989</b>

**Rental area and related services agreements**

The Company entered into rental area and related services agreements with various local companies, used for its operation. The period of agreement lasts 1-6 years and will be expired within 2025.

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
<b>Other commitments</b>				
Unused letters of credit for goods	245,000	245,000	223,000	223,000
Bank guarantees	23,051	32,278	16,540	23,979
Services and consulting agreements	-	1,699	-	-
<b>Total</b>	<b>268,051</b>	<b>278,977</b>	<b>239,540</b>	<b>246,979</b>

As at 31 December 2019, the Company had purchase forward exchange contracts with several domestic banks totalling US Dollars 15.46 million or equivalent to Baht 473.78 million (2018: US Dollars 5.05 million or equivalent to Baht 164.22 million). All of the contracts will be mature by November 2020.

## 27 Event after the reporting period

At the Board of directors' meeting of the Company held on 21 February 2020, approved the appropriation of dividend from the profit for the year 2019 of Baht 0.70 per share, amounting to Baht 203.44 million and general reserve 10% of income for the year 2019, amounting to Baht 69.52 million. The dividend will be paid to shareholders during the year 2020.

## 28 Thai Financial Reporting Standards (TFRS) not yet adopted

New and revised TFRSs, which are relevant to the Group's operations, expected to have material impact on the consolidated and separate financial statements when initially adopted, and will become effective for the financial statements in annual reporting periods beginning on or after 1 January 2020, are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments

\* TFRS - Financial instruments standards

### (a) TFRS - Financial instruments standards

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRS are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

### (b) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability, with recognition exemptions for short-term leases and leases of low-value items. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

Management is currently considering the potential impact from these TFRS on the financial statements in the initial period adopted.

## 29 Reclassification of accounts

Certain accounts in the 2018 financial statement for comparative purposes, have been reclassified to conform to the presentation in the 2019 financial statements.

	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass	After reclass.
	(in thousand Baht)					
<b>Statement of financial position</b>						
<b>as at 31 December 2019</b>						
Other intangible assets	-	35,853	35,853	-	27,664	27,664
Prepaid income tax	34,229	(34,229)	-	34,229	(34,229)	-
Other current assets	251,607	(1,624)	249,983	235,370	6,565	241,935
		-			-	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.

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COLLECTION

เสื้อถนอมโลก ผลิตจากขวดพลาสติกเหลือใช้ นุ่ม ใส่สบาย

WE MAKE PEOPLE HAPPY AND BEAUTIFUL



**I.C.C. International Public Company Limited**

530 Soi Sathupradit 58 Bangpongpang Yannawa Bangkok 10120

Tel : (662) 293-9000, (662) 293-9300 Fax : (662) 294-3024

Website : <http://www.icc.co.th> Email : [webmaster@icc.co.th](mailto:webmaster@icc.co.th)

Registrar : Thailand Securities Depository Company Limited

93 fl.14 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400, Thailand

Tel : (662) 009-9000 Fax : (662) 009-9992







## SUSTAINABILITY REPORT 2019

I.C.C. International Public Company Limited

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ARROW  
EXCELLENCY



ARROW  
GETAWAY



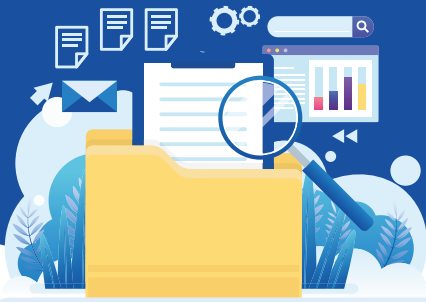
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# Message from the President and Vice Executive Chairman

In over 50 years of business operations, ICC International Public Company Limited has continuously conducted its business on the principles of good governance, ethics, integrity and responsibility to stakeholders. The company has been committed to **“Good People, Good Products, Good Society”** and nurturing innovation in products and services, which remains the Company’s policy to develop sustainably.

In 2019, the company developed **Good People, Good Products, Good Society** with the **“5 Forms of Giving”**- giving knowledge, giving forgiving, giving assistance, giving life and giving love, in the belief that the 5 Forms of Giving will instruct everybody to be good and capable people with ethics and integrity. It should encourage creative thinking to innovate products and services for customers, while being friendly to society and the environment. This will lead to the strengthening and collective prosperity of the Company’s business, society and the nation. With the combined efforts of management and staff from one generation to another, together with instruction according to this philosophy, the Company has prospered and progressed securely to the present. I believe that the policy of operations under the principles of **“Good People, Good Products, Good Society”** will enable the Company to prosper and progress into the future securely and sustainably.

A portrait of Mr. Thamarat Chokwatana, President and Vice Executive Chairman, smiling with his arms crossed. He is wearing a dark blue suit jacket over a black shirt. The background is white with a large blue abstract shape behind him.

**Mr. Thamarat Chokwatana**  
**President**

**and Vice Executive Chairman**





## Good People

**Create innovation in ways that bring about having Good as well as Smart People in the organization**, through projects and activities that constantly develop the competence of our personnel. Hence, they will be admired and praised as examples of being both good as well as smart people.

---



## Good Products

**In order to increase our business performance levels and effective interactions with customers, create innovation that affects all aspects of the development of products and services**, including those relating to distribution channels, and collaboration with business partners.

---



## Good Society

**Create innovation for all aspects that relate to having a good society** by collaborating with the public and private sector, as well as supporting public projects and activities that are widely beneficial to society.



# About the Company



1964

I.C.C. International Public Company Limited was established in 1964 with 7 founding staffs as International Cosmetics Limited Partnership (PIAS).

1970

Appointed as agent for of "Wacoal" lingerie from Japan.

1975

Appointed as agent for gentlemen's apparel "Arrow" from the USA.

1978

Received approval from the Ministry of Finance to list on the Stock Exchange of Thailand (SET).

1982

Appointed as agent for the "Itokin" fashion brand.

1984

Appointed as agent for "Guy Laroche" menswear from France.

1988

Appointed as agent for "Lacoste" womenswear and menswear from France.

1991

Appointed as agent for global sportswear brand "Mizuno".

1994

Listed as a Public Company Limited and changed name to I.C.C. International Public Company Limited.

1996

To reflect its origins and ideas of "Asian-ness", the company changed its logo with the "I" for the company and the two "Cs" arranged concentrically like a globe and a dragon, representing the Year of the Dragon for the company's foundation in 1964, and a rat for the Year of the Rat denoting the name change. Combined, they refer to rising power of Asia with the flexibility to face any situation enduringly.

- Appointed as agent for "DAKS" womenswear and menswear from London. 1997
- Launched Saha Group's products export expo, "Saha Group Export '98". 1998
- Launched "BSC" (Best Selected Collection). 1999
- Established the first "His & Her Shop" in Big Jiang Shopping Mall, Nongkhai. 2002
- Established the "108 SHOP" project to support Thai retail. 2003
- Introducing the Quick Response Marketing System (QRMS) to sales service, installing the system at all points of sale nationwide. 2003
- Established a new corporate headquarters in a six-storey twin building near the original building, which has been used until today. And Initiate the Saha Group Innovation contest "CHAIRMAN AWARDS". 2004
- Television business through "S Channel" satellite TV. 2008
- Sales channels were also expanded into online channels, starting with eThailandBEST.com and The company also initiated the ICC INNOVATION AWARDS. 2016
- Founded a cosmetics distribution center under the concept of "Beauty Station", a new sales channel bringing together cosmetics brands from both inside and outside the company. 2018
- A Master License was signed for "Kumamon", the mascot of Kumamoto Prefecture from Japan. 2020

I.C.C. International Public Company Limited helps fulfill lifestyles of people of all walks of life with the following wide range of products and service of international standards:

1. Cosmetics and perfume products
2. Men's wear
3. Women's wear
4. Baby products
5. Leather and accessories
6. Sportwear
7. Household products



# Vision, Mission, and Core Value

The company's board and executives gave emphasis on business operation. Together, they had set the company's vision, mission, and strategies of the company to give a direction for the business operation to align with market competitions and to aim towards the same direction. The company's board and executives, therefore, had reviewed crafted the company's vision, mission, and new business strategies that was planned to be implemented within the next 3 years, from 2019 - 2021, as follows :



2018

## Vision :

The company is determined to become the leading Thai company in the international stage with the commitment in creating innovation and developing the company according to ethical and moral principles towards sustainable future.

## Mission :

- 1 Create new markets by bringing in technology to facilitate and establish new experiences
- 2 Create our own fashion brand because we can work at a fast pace and manage costs that are more competitive.
- 3 Create His & Her Shop Hub to expand a network connecting the customers.
- 4 Maintain the existing markets by establishing a procedure and a transformation system that is responsive and efficient.
- 5 Develop the operation system with a full range of the development of information technology and digital.
- 6 Change our image by modifying the operation process along with knowledge sharing between older and younger generations.
- 7 Create and develop our personnel to be able to keep up with new changes, focusing on skills, expertise, and performance.
- 8 Collaborate with educational institutions or research centers to attract a new generation of employees who think differently.

2019 - 2021

## Vision :

To become the leading company that is driven by innovation and creativity in Thailand and South East Asia in Fashion & Lifestyle industries.

## Mission :

- 1 Conduct research and development for innovations, design and provide a variety of new, exciting products.
- 2 Collaborate with business partners to develop new brands as well as management, selling, and new marketing to strengthen reputation and leading position of our existing branded products.
- 3 Develop a variety of up-to-date distribution channels that can serve lifestyles and demands of each group of customers.
- 4 Enhance managerial performance and competence by integrating state-of-the-art technology throughout the company and our supply chain.
- 5 Determine to develop the company in compliance with the Good Governance principle for the continuous growth.





# Business Targets & Strategies

1



Create, design, and provide new various products that have been researched and innovated in order to meet both local and international customers' demands.

2



Develop new product brands by teaming up with business partners along with managing the selling and marketing processes that are up-to-date to strengthen the company's leading position in the market.

3



Incorporate new technologies of distribution channels that provide every group of customers with convenience and ultimate satisfaction.

4



Increase and develop a capability in technology and supply chain management along with the business partners from the production to the logistics to swiftly provide and respond to the customers' demands.

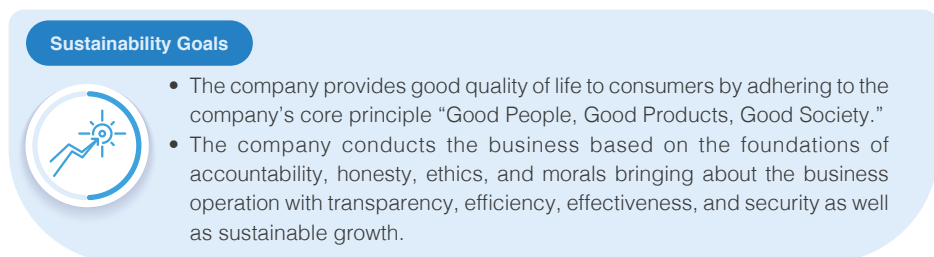
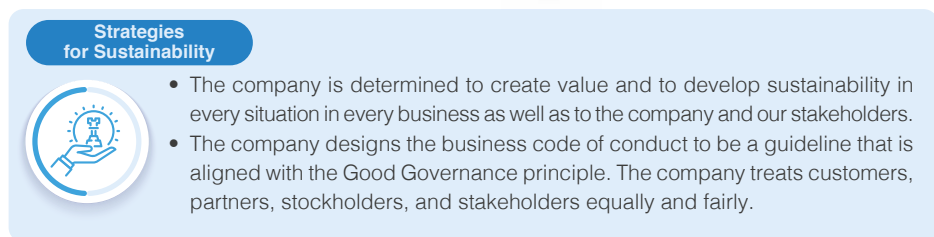
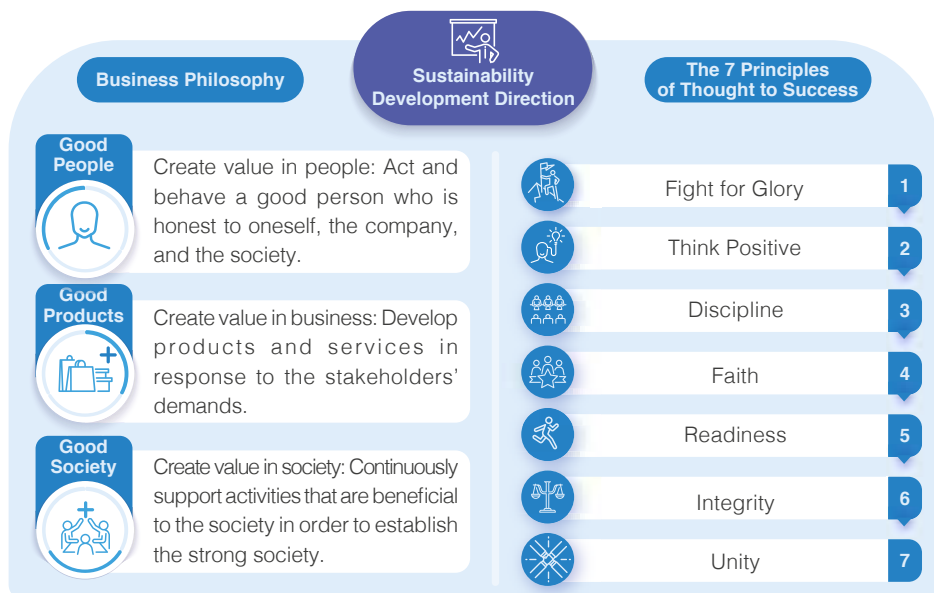
5



Continue to grow in accordance with good governance to sustainably offer good things to stockholders, investors, partners and other parties involved. Also, develop potential of our internal staffs regularly to be ready for changes and competitions.

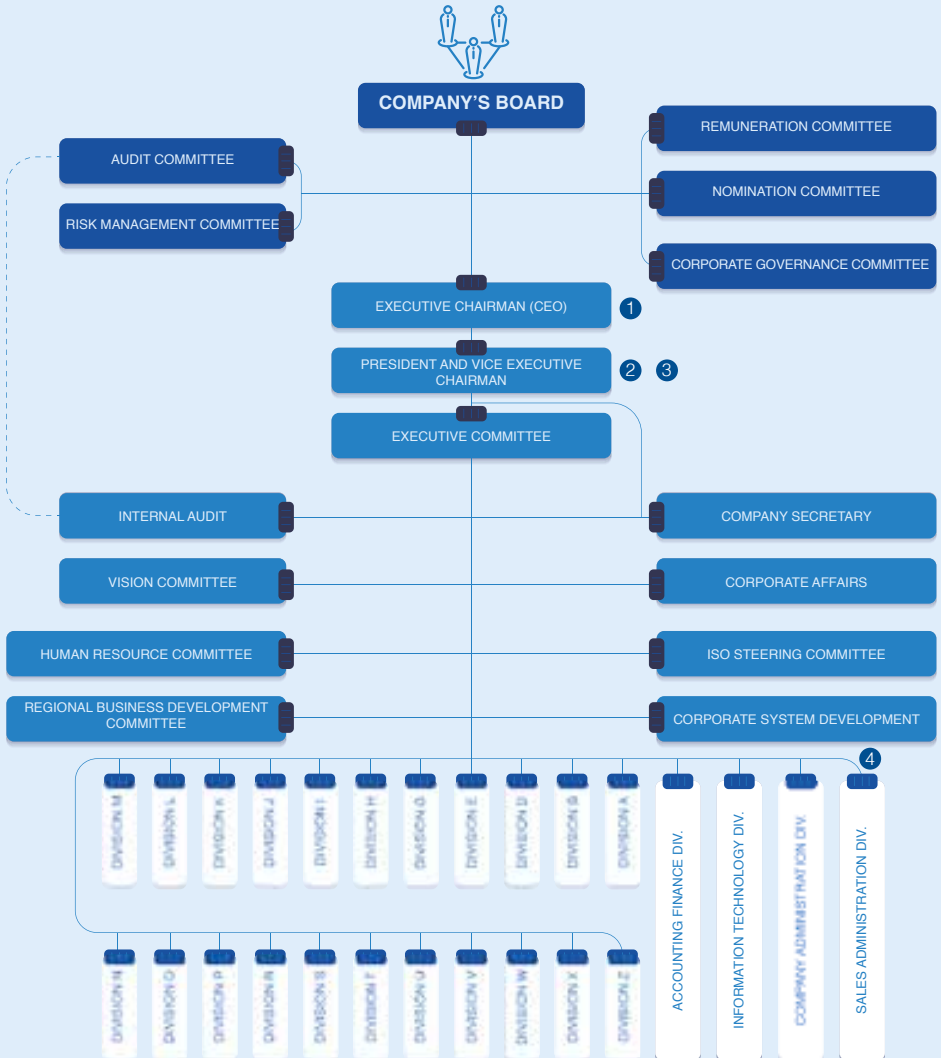
# Sustainable Growth Direction

To align with The Company's mission that states our determination to advance our organization with Good Governance, to make our business grow continuously and to provide great and sustainable benefits for all stakeholders, we identify our operation framework that covers all economic, social and environmental aspects. We are also ready to expand into new business areas and to continuously develop our personnel and organization with Good Governance in order to increase our potential and readiness to deal with the changes in competitions.



# Structure of Organizational Management

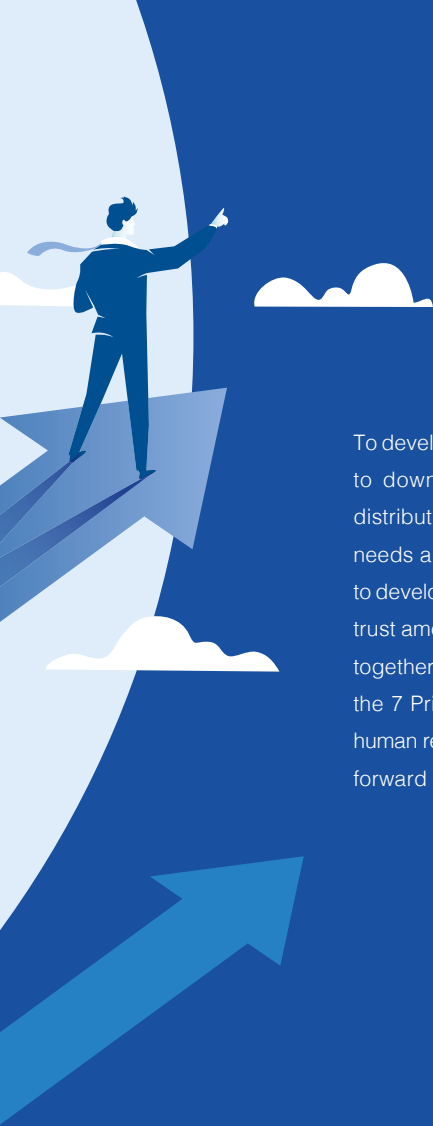
The Company strives for sustainable development in all dimensions by assigning duties and which responsibilities based on the corporate organizational structure of December 31, 2019 which is publicized on the company website <http://www.icc.co.th>



# Milestones







To develop the business management system consistently from upstream to downstream, to increase efficiency of production and product distribution, both in terms of quality and quantity, to meet the customers' needs and to establish the company stability, ICC has been committed to developing its supply chain, complying with good governance, building trust among all stakeholders, and supporting all parties involved to work together in harmony for the company's growth and development under the 7 Principles of Thoughts. Furthermore, ICC focuses on developing human resources, who are significant internal factors to drive the company forward significantly, under the concept

## **“Good People, Good Products, Good Society.”**



In 2019, important stages in development were as follows:

## Concept 1



## Continuing Innovation to Create “Capable People”

### Organizing training for staff

Because staff are at the heart of developing the organization, the company is focused on promoting staff to never stop developing their potential, by launching various training programs throughout the year such as the Diamond Crown Awards to develop capable sales staff to be even more capable, Regional Star Trainer program to develop sales staff to be more potent as trainers in order to transfer their knowledge, experience, expertise and sales techniques to other sales staff.

(\*For more detail, please see page 30-31)



### ICC INNOVATION

The company gives top priority to development of its people, with the confidence that developing people to participate leads to the development of innovation in the organization. To stimulate the continuous development of innovation in products and services, the company has adapted various technologies such as the ERP program for use in developing accounting systems, which is essential for modern business. There is training to give staff knowledge and understanding to keep up with the changes of economy and customers. applying Big Data to use in marketing and developing products, as well as the ICC INNOVATION AWARDS contest which is held annually.

(\*For more detail, please see page 48)



## Creating Innovation of “Good Products” to Expand Business Channels

The unmanned store, “His & Her Smart Shop – Freedom of Shopping” in collaboration with True Corporation, developed a store using AI technology for the sales system. The program offers operations as a leader in product distribution and in providing convenience for customers, obviating the need for sales staff

Cooperation in online trade through Lazada, the e-commerce leader in Southeast Asia, by holding a festival of products of the company’s brands on the Lazada platform, holding various campaigns throughout the year. This is aimed at growing online sales continuously while increasing opportunities to distribute products to all customer groups and overseas.

A Master License was signed for Kumamon, the mascot of Kumamoto Prefecture, Japan, which is designed to have a smiling face to represent Japanese hospitality to visitors. The character is so friendly and cute that Kumamon has become beloved by the Japanese and impresses visitors to Kumamoto. The company is the official importer, seller of merchandise and licensee of Kumamon in Thailand to expand and manufacture and use its merchandise in both online and offline media.



## Concept 2

Technology in His & Her Smart Shop (Unmanned Store)



## Concept 3



## Continuing Innovation as a “Good Society”

### Cooperation with the state sector, establishing 2 Pracharat (civil state) projects

In accordance with policy to drive the nation with the Pracharat (civil state) strategy in 2016, and joining forces in cooperation between the state and private sectors and civic society, the company is part of the working group in 2 projects:



1) Excellent Model School bilateral Pracharat project, joining with Thonburi Commercial College to develop courses and knowledge for teachers and involving personnel of the curriculum” for the Higher Vocational Certificate in Marketing.

(\*For more detail, please see page 49)



2) Thai classical, drama music and dance for youth, using art for personal development and to perpetuate culture. This project organized training for the youth in summer schools, to give knowledge and understanding, to be aware of cultural conservation and the dissemination of the Thai classical arts. The project is in cooperation with the Faculty of Music and Drama, Bunditpatanasilpa Institute of the Ministry of Culture.

(\*For more detail, please see page 57)



3) The company collaborated with the Dr Thiam Chokwatana Foundation and staffs in the Saha Group to support a project of community water management according to the principles of His Majesty the late King Bhumibol, of the Petch Nam Neung United Agricultural Cooperative Community of Phetchaburi Limited. The project developed water projects and integrated farms under the New Theory of Agriculture of HM the late King.

(\*For more detail, please see page 35)

# Awards of Honors

1. Affirmed its leading position in providing products by awards from various organizations



## BEAUTY AWARDS 2019 by SUDSAPDA



**PURECARE by BSC**  
Best of Serum  
For Anti-Aging



**ARTY  
PROFESSIONAL**  
Best of Facial  
Sun Screen



**ARTY  
PROFESSIONAL**  
Best of Foundation



**ARTY  
PROFESSIONAL**  
Best of Foundation  
Powder



### C CHANNEL Beauty Awards 2019



**BSC Expert White Perfect  
Radiance Anti-Pollution Plus /  
Best Anti-Pollution Moisturizer**



### Cheewachit Awards 2019



**PURE CARE BSC Lotus Spirit  
Concentrate Essence /  
Natural product category**



### PREW ICONIC BEAUTY AWARDS 2019



**BSC Lock It Fit Fix Perfecting  
Powder / Oil Control Powder  
Foundation**

## 2. Affirmed its determination in respect of developing the company with innovation

### • ICC INNOVATION AWARDS 2019



### • CHAIRMAN AWARDS 2019



### 3. Organizational development for operating business sustainably

#### • Create changes in “operating business sustainably”

The Thai Institute of Directors (IOD) has organized an activity considering “**Company Boards**” who have the role of determining companies' direction and policy, and overseeing business operations, and their efficiency in carrying out these duties, whether in good corporate governance, creating returns for shareholders, and priority for other stakeholder groups. In this, the company was able to receive Board of the Year awards for 2019, which were instituted to promote the development of good corporate governance on a broad front.



*Mr. Boonkiet Chokwatana, the company's Executive Chairman, receives the Award (back row, 4th from right)*



# Working Process for Stakeholders

Realizing our determination for business sustainability and stakeholders' importance in giving business directions for ICC, and to ensure that our stakeholders could have joint-benefits of both short term and long term, we have classified different groups of stakeholders so that we can formulate the appropriate plans. This shall lead to sustainable growth based on conducting business via integrity with ICC's partners bringing into meaningful participation as well as continuous adjustment and development.

## Employees



### Expectations

- Appropriate remuneration and welfare
- Plans for skills training and development
- Equal rights and opportunities for advancement
- Safety and quality of life

### Participation / Communication Channels

- Annual seminars and trainings for skill development
- Attention to employees' feedback and complaints (The Voice-QR Code)
- Internal communication (through SAI YAI journal)
- Communication channels such as broadcasting, webmail, intranet, line group, etc.

## Shareholders



### Expectations

- Gain high and continuous returns for their investment
- Good operating results and continuous growth
- Conduct business with transparency and good governance
- Information disclosure

### Participation/ Communication Channels

- Annual General Meeting of Shareholders
- Declaration of quarterly operating results as legally stated timeline
- Respond to questions and doubts via telephone, emails and Annual Report
- Organize "Analysts and Investors with ICC" annually

## Business partners



### Expectations

- Follow the business agreements and requirements. Provide correct information.
- Create good mutual relationship and understanding.
- Share and exchange knowledge and insights for development of value-added products and services.

### Participation/ Communication Channels

- Communicate through various channels
- Organize annual business partners meeting to inform business directions.
- Visit business partners for their feedback and suggestions
- Provide channels for feedback and complaints
- Organize activities to promote good relationship
- Enter into the joint- agreement with business partners to set ethical business conduct framework. This includes trade competition and prohibition on business conduct with companies that violate human rights and Intellectual Property.

## Customers



### Expectations

- Properly-informed about the products and services
- Reasonable and fairly priced products and services
- Get good quality products and services
- Environmentally friendly products available as an alternative
- Products and services warranty
- Customer's privacy and confidentiality

### Participation/ Communication Channels

- Customer visit
- Exhibitions and trade fairs
- Communication channels
- Customer Relations activities
- ICC Call Center: information inquiries
- Available channels for customer feedback and complaints

## Community, society and environment



### Expectations

- Appropriate products and services for daily consumption.
- Provide information about health
- Conduct business with respect to the community, society and environment

### Participation/ Communication Channels

- Communicate via various channels.
- Available channels for suggestions and complaints.

## Business competitors



### Expectations

- Conduct business and compete with integrity. Follow the Fair Play framework.

### Participation/ Communication Channels

- Formulate criteria and conditions for Fair Play.

## Loan payable



### Expectations

- Comply with contracts and agreements clearly and fairly.
- Inform the creditor in advance if any contract's obligation cannot be met, in order to find rational solutions together.
- Loan and interest are always paid back on time

### Participation/ Communication Channels

- Annual Report
- Listening to suggestions or complaints

## Trade account payable



### Expectations

- Able to comply with conditions and agreements of the contracts by making bank transfer via Media Clearing System by setting billing acceptance and transferring schedule.

### Participation/ Communication Channels

- Annual Report
- Listening to suggestions or complaints

## Debtors



### Expectations

- Follow the clearly-defined and righteous conditions and details of the agreement

### Participation/ Communication Channels

- Annual Report
- Attention to feedback and complaints

## Government sector



### Expectations

- Follow the related rules and regulations.
- Support and participate in projects and activities that have social benefits.

### Participation/ Communication Channels

- Fulfill tax duty in a timely manner as legally stated.
- Always attend and provide feedback/suggestions as well as giving continual support to the Government activities.

## Mass media



### Expectations

- Full disclosure of information in a timely manner.

### Participation/ Communication Channels

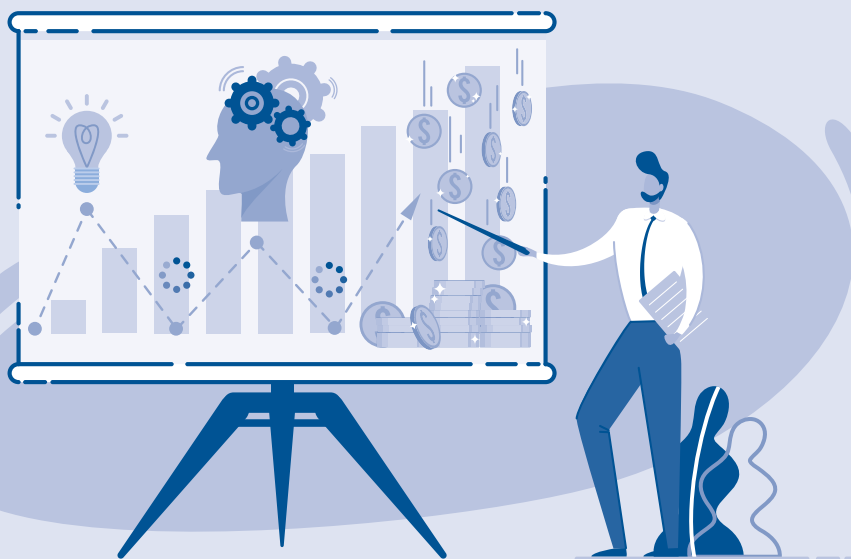
- Disseminate the information via available channels.
- Media visit for the company's operations and activities.
- Support and participate media's activities.



# About the Report

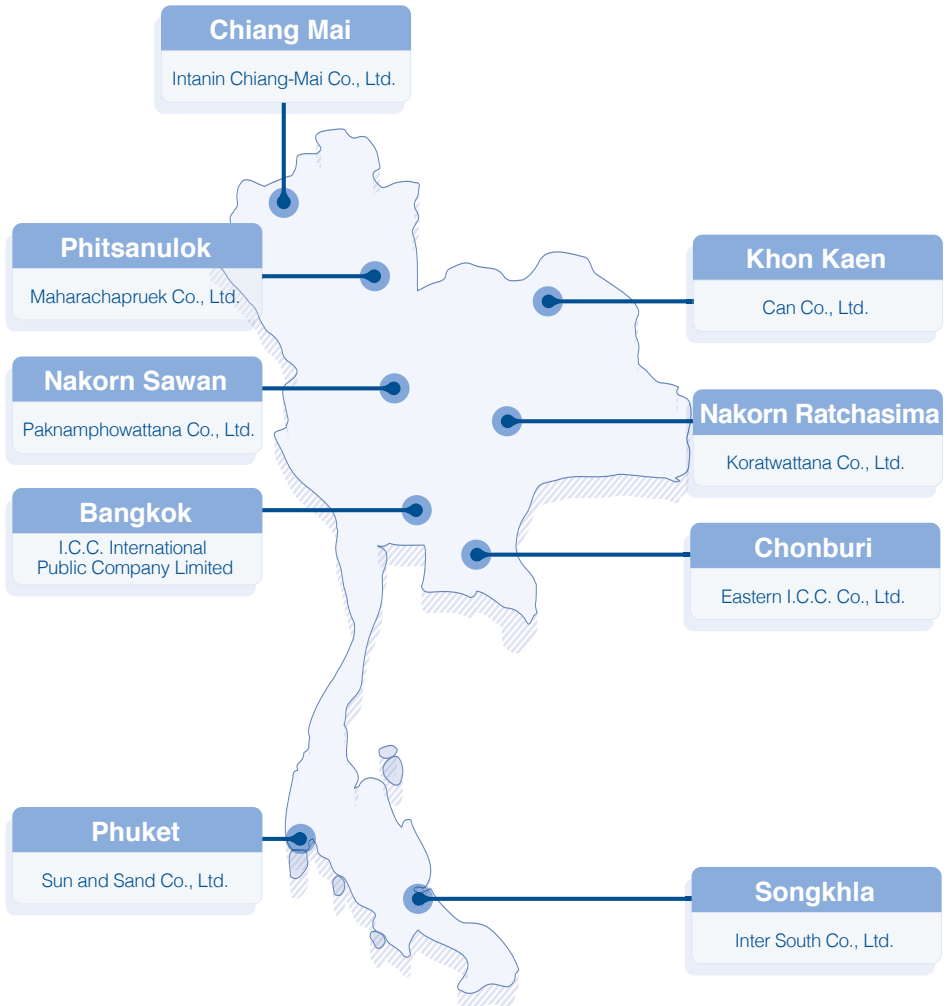
This Sustainability Report was generated to declare the operating results of I.C.C. International Public Company for the fiscal year of 2019. (January 1-December 31, 2019). It reveals our business management for sustainable growth that involves economic, social and environmental aspects. ICC business operation correlates to Sustainability Master Plan under the Corporate Social Responsibility Guidelines for Sustainable Growth in three areas **“Good People, Good Products, Good Society”**

ICC has generated and disseminated the report for 6 consecutive years, since 2014 with reference to Global Reporting Initiative Standard (GRI).



The report discloses business operations that follow our directive framework (Vision and Company Strategy), Corporate Good Governance and practical guidelines of work philosophies. It also includes work force management, ethical development of the personnel, acquisition of more value for the businesses and provision of social opportunities for the community's sustainability. The details discussed correspond to the economic, social and environmental aspects for Global Sustainability.

**Scope:** The Sustainability Report 2019 reveals the company's business operations, and distribution of consumable goods in all business units under the company's umbrella and 8 business partners across the country. They are as follows:



For further questions or suggestions, kindly contact: Public Relations and Corporate Affairs, Company Administration Division, I.C.C. International Public Company Limited, with office address at 530 Soi Sathupradit 58, Bangpongpan Sub-district, Yannawa District, Bangkok 10120  
Telephone Number: 0-2293-9000  
Email address: [pr@icc.co.th](mailto:pr@icc.co.th)



# Engagement with **SDGs**



For the continuity of the development, United Nations has set goals for development on September 25, 2015 so called "Sustainable Development Goals" (SDGs), which aim at developing every dimension in connection with economy, society and environment. SDGs include 17 goals that will be hold as the principles for the development for 15 years (from September 2015 to August 2030).



## 17 goals

**GOAL 1.** No Poverty

**GOAL 2.** Zero Hunger

**GOAL 3.** Good Health and Well-being

**GOAL 4.** Quality Education

**GOAL 5.** Gender Equality

**GOAL 6.** Clean Water and Sanitation

**GOAL 7.** Affordable and Clean Energy

**GOAL 8.** Decent Work and Economic Growth

**GOAL 9.** Industry, Innovation, and Infrastructure

**GOAL 10.** Reduced Inequalities

**GOAL 11.** Sustainable Cities and Communities

**GOAL 12.** Responsible Production and Consumption

**GOAL 13.** Climate Action




**GOAL 14.** Life Below Water

**GOAL 15.** Life on Land

**GOAL 16.** Peace, Justice and Strong Institutions

**GOAL 17.** Partnerships for the Goal

Table: Consistent with Sustainable Development Goals of the United Nations

Main issue concerning sustainability (Good People : Good Products : Good Society)		GOAL																
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
<div>Economic</div> <div></div>	Corporate Good Governance																😊	
	Anti-Corruption																	😊
	Business operation and integrity																	😊
	Duties and Responsibilities towards consumers			😊					😊	😊			😊	😊		😊		😊
	Community and social development	😊	😊		😊	😊						😊	😊					
	Research and Development for sustainability			😊					😊	😊				😊				😊
<div>Social</div> <div></div>	Fostering personal ethics and morality				😊	😊												
	Guidelines for work force management and human rights, safety and hygiene				😊		😊					😊						
	Provision of educational opportunities for youth			😊	😊													
	Development for better quality of life and environment in community	😊	😊								😊	😊	😊			😊		
	Development of local business partner	😊	😊						😊									
	Networking with other government agencies	😊	😊	😊						😊			😊				😊	😊
	Preservation of local traditions and values				😊													
<div>Environmental</div> <div></div>	Rules and regulations regarding environmental aspects											😊	😊		😊			
	Water source management		😊										😊	😊				
	Energy conservation and global warming problem												😊	😊	😊	😊		

# Main Issues Concerning Sustainability

ICC has gathered essential information and details relating to our industry and other businesses, domestically and internationally to study the changing tendency and direction. We can then make adjustment on our policies and business plans to meet the requirements. We shall stay competitive and competent in order to achieve our goals stated in Sustainable Development Roadmap through the Corporate Social Responsibility Guidelines in three aspects “**Good People, Good Products, Good Society**”. The main concerns about corporate sustainability are discussed in accordance with economic, social and environmental dimensions for sustainability as stated in Global Reporting Initiative Standard (GRI).



## Generating main issues in the report

ICC gives importance to all stakeholders and takes into consideration all factors that might affect them in terms of economic, social and environmental sustainability of the company.



## Identifying the issues

Review and identify the issues from the information provided by all stakeholders, internally and externally through projects and activities throughout the year.



## Inside the company

Information from the working committees responsible for Corporate Sustainability and Company Strategy as well as Risk Management for the short, intermediate and long terms to achieve the goals.



## Outside the company

Study information from the working committees assigned to coordinate with stakeholders to understand decision-making factors. This can be done by conducting surveys or creating evaluation forms or information gathering, in formal and informal approaches such as through seminars, hearings, meetings or group interviews.



## Set priorities

Study the mutual concerns and examine the connection between the issue and the indicator based on GRI Standard. Then select and prioritize the issue that is of the stakeholder's interest.





## The company's concerning issues

### Economic issues

1. Corporate Good Governance
2. Anti-Corruption Guidelines
3. Business operation and integrity
4. Duties and Responsibilities towards consumers
5. Community and social development
6. Research and Development for sustainability

### Social issues

1. Fostering personal ethics and morality
2. Guidelines for work force management and human rights, safety and hygiene
3. Provision of educational opportunities for youth
4. Development for better quality of life and environment in community
5. Development of local business partners
6. Networking with other government agencies
7. Preservation of local traditions and values

### Environmental issues

1. Rules and regulations regarding environmental aspects
2. Water source management
3. Energy conservation and global warming problem



# Good People



Over many decades, the company has believed that **“Giving”** is the basis of being a good person. Thus we have focused on instilling staff to be **“Good People.”** In developing their potential, the company aims to develop staff to be **“Capable People”** alongside instilling awareness to be **“Good People”**. This drives the organization to achieve success under the concept of the five forms of **“Giving”** – giving knowledge, giving forgiveness, giving assistance, giving life and giving love, to which we have adhered since 2017.

In 2017, the company made a documentary film to commemorate His Majesty the late King Bhumibol Adulyadej. “A Promise to King Rama IX”. The purpose of this was to reflect “Giving” through a range of activities under the 7 Principles of Thought (core values): Fighting for Glory, Thinking Positively, Discipline, Faith, Readiness, Integrity and Unity. These were guidelines to behave as a good person on a basis of honesty to themselves, the company and the society.



(You can scan this QR Code to watch the Royal documentary)

## Instilling “Giving” and passing things on to develop capable people



From 2019, under the concept of “Giving”, the company has emphasized encouraging awareness, and creating unity and faith for personnel inside the organization with the dissemination of the philosophy of the company’s founder, Dr. Thiam Chokwatana. the 7 Principles of Thought of the company’s Executive Chairman Mr. Boonkiet Chokwatana are also disseminated internally: Sai Yai magazine, bulletin board, and announcements over the company’s sound system in the programme Good Morning ICC as well as various online media such as Facebook, LINE and the website mop.bkc.com which is constantly updated.

In addition, ICC still place an emphasis on “**salespersons**” development by taking good care of talent employees to keep them with the company longer and to help them becoming even more talented. We also encourage these employees to be our “prototype” employees and instructors to help developing newcomers to be as talented, which resulting in continuous organization growth under the concept of giving knowledge through various training projects that will create sustainability for the organization.



### Human Resources Development Training Statistics



	2017		2018		2019	
	Hour	Total Number	Hour	Total Number	Hour	Total Number
 Employee	148	1,578	536	2,174	818	3,109
 Beginning Management	51	310	162	379	60	242
 Middle Management	61	267	82	328	44	157
 Top Management	47	93	63	73	24	31

# Diamond Crown Awards

Starting for the first time in 2005, the Human Resources Development Section Company Administration Division. selected capable sales staffs to join this project. The plan was to stimulate and follow up sales staffs to have the ability to greatly improve sales growth, together with developing principles and methods to create sales and provide services.

Participating staffs are qualified by making sales on target for the previous 6 months, with the award winners able to make sales in the competition year for 9 or more of 12 months. Prospects must reach sales targets for at least six months in one year to be qualified to participate in the competition of the following year; and the participants must reach their sales target for at least nine months of the competition year to become award winners. Thus, this program has boosted the company's sales continuously, with increasing numbers of participants every year.

## Numbers of participants

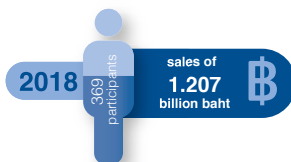
### 2017:

400 participants,  
sales of 1.428 billion baht



### 2018:

369 participants,  
sales of 1.207 billion baht



### 2019:

493 participants,  
sales of 3.000 billion baht



The trends of increased participation has resulted in significant sales growth, showing that the establishment of the Diamond Crown Awards has had a part in inspiring sales staff to be more capable. Besides increasing personal potential, it has enabled the company to grow continuously and sustainably.

## Regional Star Trainer



### Regional Star Trainer Project

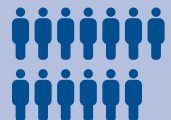


The Regional Star Trainer Project has been organized to further develop our talented resources, that are our "salespersons" from each region. These staff are capable of doing more to benefit the company. They can be a trainer who share knowledge, experience, expertise, and selling skills with other salespersons in their region. The project has inspired these talented trainers with the thought that sharing knowledge and training talented staff is considered

doing good deeds for themselves and the learners. For the trainers, the more they train others, they more competent they are, and the higher sales targets they can achieve. Likewise, the more the learners are trained, the more capable they become, and the better the performance in terms of the sales targets achieved. These leads to the growth of the company's sales and profits, helping the company continue to grow sustainably.



At present, there are 13 trainers from the Regional Star Trainer Project in every region nationwide willingly providing the trainings to others. In 2020, we aim to train 100% of our qualified salespersons.



# Many Activities of Giving and Passing on to Develop Good People

Because “**Giving**” is the basis of human virtue and sustains happiness in society and the nation, the company has awareness of promoting personnel to be virtuous, starting from instilling the values to be “**a Giver**” who knows when to make sacrifices and share, starting from passing on from inside to outside the organization.



Giving is the basis  
of human virtue.  
Creating an ethos of  
“**Giving,**”  
knowing when to make  
sacrifices and share from  
inside the organization  
to the outside



To create virtue and ethics by “Giving”



“Giving Life” - Blood Donation



ICC Click Like – Encouraging and  
praising good people, by extolling  
staff who did good deeds



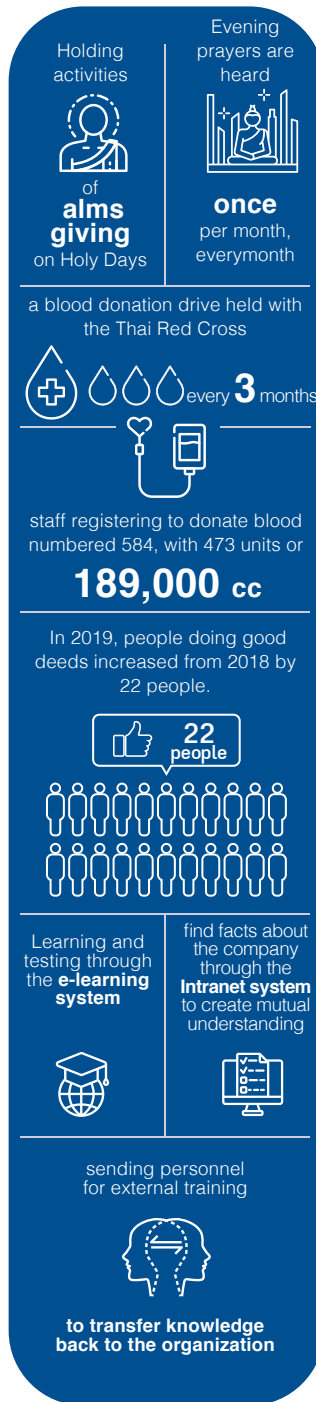
Project to develop organizational  
readiness 4.0

### To create virtue and ethics by “Giving”

Holding activities of alms giving on Holy Days and important anniversaries such as the company's founding date on March 1 and important dates of the reign. Opportunities are also given to people outside the company to participate by listening to sermons. Evening prayers are heard once per month, every month. Areas are prepared for Muslim prayers. Entitlements are given to staff to take leave for religious activity of 5 days per year, including charitable religious activity.

### ICC Click Like – Encouraging and praising good people, by extolling staff who did good deeds

Because every good deed should always be praised and admired, the company is dedicated to instill values in staff to see the value of doing good and create pride by extolling them as models for others. This was done with the activity, “**This Person, ICC Click Like**” in 2015, which has been continued to the present. In 2019, people doing good deeds increased from 2018 by 22 people.



### “Giving Life” - Blood Donation

Encouraging staff to know about “Giving” to others through a blood donation drive held with the Thai Red Cross, “**1 person gives, many receive**” four times a year (every 3 months). In 2019, staff registering to donate blood numbered 584, with 473 units or 189,000 cc of blood donated.

### Project to develop organizational readiness 4.0

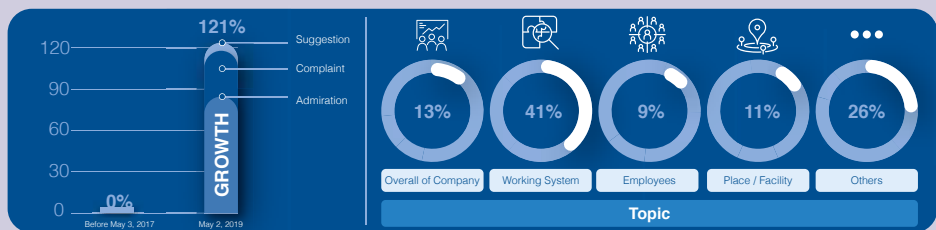
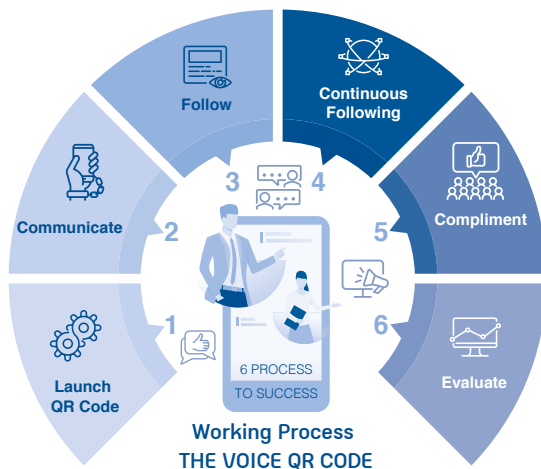
The company is confident that its “staff” are at the heart of managing the company to achieve success. In 2019, the company has given consistent priority to developing staff with relevant activities and programs to concerned with innovation, such as sending personnel for external training to transfer knowledge back to the organization. Learning and testing through the e-learning system to measure operational performance and evaluate new staff's knowledge and understanding about the company. Staff are also able to find facts about the company through the Intranet system to create mutual understanding, instill consciousness and ethics among staff. The purpose of all of these is for the unity of the staff, to use electronic equipment carefully, as well as to use various technologies to drive the business to successfully achieve target.



## The Voice: Because Every Voice Matters

Public Relations & Corporate Affairs Section, Company Administration Division sees the importance of the staff's rights to freedom of opinion, and set up **"The Voice: Because Every Voice Matters"**. This gives an outlet to both office and sales staff to express their opinions, give suggestions, complain or show admiration

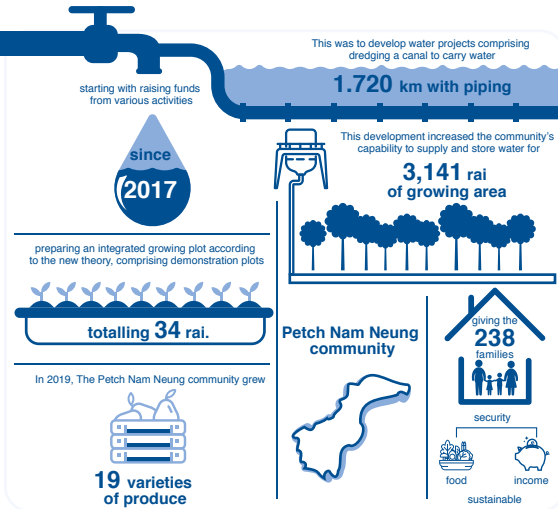
through scanning a QR Code. The texts are not revealed publicly to protect informants, but they are not ignored if the data are of benefit to the organization development for the staff to work with happiness and for the company to grow sustainably.



*ICC has launched THE VOICE QR in May 3, 2017.  
The first suggestion submitted to center in May 7, 2017*

After the program was inaugurated (November 3, 2017) to replace the Suggestion Box, suggestions increased from 0 to 120, which was 121% more than expectations. At present, the project has been warmly welcomed by staff. The suggestions have been continually sent and the issues have also been rectified.

## Continuing a pledge to support the Utokapat Foundation, Because “Water is Life”



**Because Water is life**, the company has taken part in Royal projects to manage community water resources of The Petch Nam Neung Project United Agricultural Cooperative Community of Phetchaburi Limited. The Utokapat Foundation under Royal Patronage of HM the King, the Dr. Thiam Chokwatana Foundation and staff, in Saha Group have given support, starting with raising funds from various activities since 2017. This was to develop water projects comprising dredging a canal to carry water 1.720 km with piping, a water pump house, guttering and a wall to increase water levels, and preparing an integrated growing plot according to the new theory, comprising demonstration plots totalling 34 rai.

In 2019, The Petch Nam Neung community grew 19 varieties of produce. Part of this was consumed in households, while another part was sold through the Golden Place shop to give income back to the community. The company also joined Saha Group to build a prototype of water management of connected pools, using a large pool to fill a small pool, and building a water distribution system to economise water in the growing plot, while also constructing a packing house and storage for fruit and vegetables. This development increased the community's capability to supply and store water for 3,141 rai of growing area, giving the 238 families of Petch Nam Neung community food security and sustainable income.

## “Water Conservation Shirt”



The company launched the “Water Conservation Shirt” from its White Black & Gold collection, a product manufactured to raise income for water management products of the Utokapat Foundation under the Royal Patronage of HM the King. This manages water for Petch Nam Neung community of Phetchaburi. Shirts in this collection are made from 100% cotton fiber and polyester fiber recovered from upcycled plastic bottles. One shirt is made from 8-12 bottles. Each shirt in the collection helps to conserve water sources, and reduce waste in both water sources and on land.

# Good Products



Apart from the development of human resources who are the main driving force of the company, and to comply with the company's business operation policy of "Giving", I.C.C. International Plc. also determines to develop its products and services according to the good governance policy, which is to respond to the consumers' needs and be responsible for all stakeholders leading to the corporate sustainable growth.



1 Good corporate governance



2 Anti-corruption policy



3 Fair business conduct



4 Respect of human rights



5 Fair labor treatment



6 Responsibility to consumers



7 Community and social development



8 Energy and environmental resource management



9 Research and sustainable development

# Good Corporate Governance



The company considers good corporate governance as one of the top priorities, and therefore provides written “the good corporate governance principles” for all directors, executives and employees to follow accordingly. We believe that a transparent good corporate

governance system which can be examined as well as a well-balance internal control system together with respecting the rights of shareholders and stakeholders are important factors for the well-balance and sustainable growth of the company in the long run.

## “The good corporate governance principles are communicated and assessed as follows :”

1. A manual on the good corporate governance principles is distributed to all directors, executives, and business partners as well as posted on the company's website.
2. There's a video presentation on the good corporate governance principles for all new employees on the orientation day.
3. All employees must be trained and passed the test via the Company's e-learning system. In 2019, of all 122 new employees, 91 passed the test on their first try while the rest of them (the other 31 employees) passed the test on their second attempt.
4. There's a “Corporate Governance and Anti-Corruption Policies” column publicized on the company's website [www.icc.co.th](http://www.icc.co.th).



# Anti-Corruption Policy

"Honesty" is one of "the 7 Principles of Thought (Core values) to success" Giving priority to internal management and business operations thus adheres to operating with transparency and honesty. The company has instituted anti-corruption policies in writing, and has started communications through various channels such bulletin board, letters, emails and websites to "abstain from gifts for the company's directors, executives and staff on every occasion" for staff, suppliers and third parties contacting the company.



This includes determining the procurement system to be transparent, clear and fair, with stipulations in bidding for hiring work, and clear methods to operate the business transparently for suppliers, with a central price list for supplies and equipment, comparisons of purchase prices and price competition in hiring for construction or store decoration in both normal and urgent cases. Management and staff must strictly comply with this system. If non-compliance with corrupt intentions is discovered, this is a severe disciplinary offence in the company.

Also, the Procurement Section has held the activity, "Developers' Day" with the aim of inviting suppliers to share innovation, products

and services to ICC staffs. Also offer and their products and services to respond to and comply with this intention transparently in operating their business, as the company has intended.

The anti-corruption policy has also been communicated through various internal and external channels such as bulletin board, Intranet and the e-learning system, and holding the activity "This person...ICC Click Like" every month to praise staff showing good deeds or honesty. There is training and testing of "The Anti-Corruption Policy" for every member of staff, and the anti-corruption policy is communicated through the company's website at [www.icc.co.th](http://www.icc.co.th).

To show awareness of the problem of corruption, the company opposes corruption in all forms, instills staff awareness of the problem, and build character to be a representative of the program and create memorable images for staff. These comprise :

รวมพลัง 3 ป. ต่อต้านคอร์รัปชันในไอ.ซี.ซี.

**ปลูกจิต**

**Mental awareness:**

Instilling the values of ICC to praise good people to drive the organization.

**ป้องกัน**

**Prevention:**

Creating an anti-corruption culture for every employee to keep watching out, so that corruption does not occur.

**เปิดโปง**

**Uncover:**

Supporting staff to expose corruption in every form.

SCAN QR Code  
เพื่อเข้าถึง  
การต่อต้าน

SCAN ME

ICC ร่วมต่อต้านทุจริตคอร์รัปชันทุกรูปแบบ

### Channels to report a corruption

In case of bribery or corruption, or suspect of such actions, by I.C.C. International Public Company Limited's employees or representatives, be it directly and indirectly, any illegal action and failure to follow the ethics of directors, executives and employees, or even any unfair working practice have been found:

Please notify the company through the following channels.

- Audit Committee: email [iccauditcommittee@icc.co.th](mailto:iccauditcommittee@icc.co.th)
- Post: P.O. Box 22, Yannawa, Bangkok 10120
- Call center: 0-2294-4999
- Corporate Secretary: 0-2295-0688



# Fair Business Conduct

The company emphasizes on doing business with fairness and in good morality and ethics. We are determined to deal and compete in business in a fair and straightforward manner. Moreover, we are strongly against any misconduct such as spying on competitors' secrets or briberies.

The company will not violate any Intellectual Property Law, no fake or copy products or even using other intellectual properties for our business without consent have never been executed.



On the other hand, in 2016 we have initiated "ICC Innovation Awards" (For more details, please see page 48), and also support our employees to submit their innovation works to compete in other events.



# Respect of Human Rights

From the concept that "Everyone is us", the company has a policy giving equal priority to everyone with no violations of human rights, with a determination to give knowledge and understanding about the principles of human rights, with no limits to freedom, differences of opinion, physical condition (being disabled), gender, race, religion, political view or any other matter, as well as avoiding expressing opinions which may cause conflict and disunity. Communication channels have been established for staff, or anyone who believes their human rights have been violated, or have been treated unfairly, to complain to the company and have those complaints heard, and dealt with fairly.

## The disabled

For disabled people to be part of the organization, the company has created a workplace which provides convenience and encourages staff to treat disabled people equally. In 2019, the company did not only hire disabled people to work, but also set up programs to support their capability and give opportunities to the disabled, and people facing life crises, whether physical or mental. This gives them the motivation to return to society with value and happiness. Since 2015, the company offered people with stability 2 option as follow:

1.The company has given career opportunities to people with disability. The company also provides a range of facilities such as ramps and restrooms designed for the disabled.

2.For those who do not wish to work at the office. The company has organized a product concession project for them to sell as their sustainable business.



## LGBTQ

According to the United Nations' Sustainable Development Goal No. 5 concerning sexual equality, and to enable LGBTQ people to work happily, the company has promoted equal human rights for LGBTQ people to be not limited to their birth gender, but to express their gender freely, as well as encouraging staff with potential to make progress in their careers free of discrimination or unfair treatment and praising them for their model conduct.

In terms of manufacturing products, the company is dedicated to issuing products which meet customers' needs to the greatest extent, considering equality as a principle in using the products. This is for disabled and LGBTQ people to use products manufactured by the company proudly and happily, according to the company's slogan, **"We make people happy and beautiful"**.

# Fair Labor Treatment



Employees are valuable resources and important factors contributing to the company's success. We have guidelines concerning labor treatment as follows :

1. Employees shall be respected in their human's dignity and basic rights in a workplace. We do not reveal or pass on employees' personal information to anyone.
2. We treat employees according to the labor law and the Company's rules and regulations
3. We promote equality in employment. There will be no discrimination on gender, skin color, race, religion, age, disability, or any non-work related conditions.
4. We encourage and support any training or exchange of knowledge to develop every personnel's potentials equally in order to attain job security and promotion befitting their abilities.
5. We welcome and encourage employees to take part in setting directions for the company's development.
6. We provide fair compensation which are appropriate to employees' knowledge, abilities, responsibilities, and work performance.
7. We provide other benefits such as medical support, provident fund, credit union, etc.

## Raise Corporate Loyalty with Remuneration Policy



Apart from personnel development in ones' professional fields, ICC also places an importance on the employee supervision with fair and equal management. Establishing employee remuneration policy is one of ICC's strategies to retain capable employees with The Company. Top managements of every Division shall evaluate and determine employee's annual remunerations or incentive by comparing them with the same industry, as well as adhering to fairness, and conforming to The Company's turnover and employees' performance. The Company paid the employees remuneration in forms of salary, commission, travel expense, allowance, over time, reward, and bonus.

(For more details: Annual Report 2019 I.C.C. International Public Co., Ltd.)

## Support for Senior Citizen's Job Opportunities

Thailand is now entering into an aging society. Both public and private sectors have continuously launched policies, strategies, and tactics to serve this age group such as The Twelfth National Economic and Social Development Plan (2017-2021), The National Plan for Older Persons, and Elderly Person Act. Senior citizens are likely to continue working even after their retirement. ICC realizes that our personnel is the heart of our company. Thus, we support and promote the work of the senior citizens based on the concepts of flexibility and willingness. We give job opportunities to the senior citizens who are competent and physically capable of working so that they feel worthy. They can also constantly develop their skills, strengthen their physical and mental health, as well as earn a living for themselves.



Year	Extended On Contract	Number of Retired Employees who Continue	
		Total	Percentage
2017	57	41	71.93
2018	37	18	48.65
2019	59	25	42.37

(Table: Senior employees stay on after retirement of The Company)

# Responsibility to Consumers

The company realizes that consumers' satisfaction and confidence are important key factors to the company's sustainable success; therefore, we have the following guidelines and procedures.



1. We sell products and offer services which are environmentally friendly and safe for customers.
2. We are determined to develop products and services as well as create value-added products and services to meet customers' needs. We also provide honest and necessary information without holding back, or distort any fact or information.
3. We conduct business with honesty and fairness without violating our customers' right. We will not reveal customers' information for the benefit of the company or others.
4. We do not take bribes or agree to bribery in any forms both directly and indirectly.
5. We serve our customers as promised. If it can't be done, we will notify them as soon as possible to discuss solution and avoid any damage.
6. We provide appropriate and adequate channels of communication to our customers so that they can give feedback or request to the company easily. Any complaints from the customers will be considered and dealt with timely and fairly.

# Environmental Friendly Business

The company has long been dedicated to operate its business with responsibility to consumers, in showing care in manufacturing and distribution, and providing service with every product.

- ENFANT is a renowned brand of children's clothing and other children's products inspiring confidence from parents in product quality, safety, care and responsibility to society and the environment. ENFANT products are guaranteed with the Organic Cotton certification from leading international institutions.

There is attention to safety in every stage of the manufacturing process, from fabric, which is 100% pure cotton, free from chemicals and pesticides under the Cotton USA quality symbol, to non-Azo dyes and patterns which are free from carcinogens and which will not run when wet. The innovation ENFANT COTTON PLUS+ is a special fiber which protects against UV radiation, which causes sunburns, rashes and irritation.



The company also uses technology to create cleaning products for children which are specially selected from 100% natural raw materials and use the Airflow System in washing and fabric conditioning products. Food Grade ingredients are chosen for the maximum safety of pacifier and baby bottle products.



- ARROW menswear products have been certified by the Electricity Generating Authority of Thailand with the Number 5 electricity saving label. This certifies the smoothness of the material and the seams. It is the first brand to reduce the energy of ironing with electricity and gain this label. The products also incorporate CoolMode, which enables good ventilation even in temperatures higher than 25 degrees Celsius.



### Select environmentally friendly business partners

ICC has placed emphasis on selecting business partners. The company chooses only companies that are accountable for their products throughout their life time. The selective process starts from material selection, production to usage, to ensure our customers that our company's products are environmentally friendly from upstream, midstream to downstream.

## Customer Relations Center



Because service is at the heart of its business, ICC international Public Company Limited not only distributes fashion and beauty products which consider good quality, fair prices and responsibility in every product and service, which are core principles in meeting customers' needs. We also consider maximum satisfaction in our products and services, both when products are in use and after sales. The company has thus set up a "Customer Relations Center" as a medium for communication between customers and the company in taking complaints, criticisms

and suggestions about products to create long-term relationships and drive the business to sustainable success.



**To be consistent with modern consumer behavior, the company has opened many channels enabling contact with the Customer Relations Center as follows :**



- Telephone on 0-2294-4999 from Monday to Friday from 08.00 to 17.00 hrs.
- E-mail to [services@icc.co.th](mailto:services@icc.co.th)
- A prepaid letter at every product counter nationwide can be sent by mail without a stamp.

# Community and Social Development

Our company is aware of our duties and full responsibilities to the country, community, and society as well as the local culture and tradition. Therefore, we have certain guidelines and practice to ensure our public responsibilities as follows :



- 1 We do not do business activities which contribute to social deterioration. We also do not violate people's rights in living together in a society.
- 2 We cultivate an awareness in social responsibilities among the employees in all levels.
- 3 We set measurements to prevent and correct any social problems and impacts as a result of the company's business.
- 4 We promote cultural preservation and local traditions.
- 5 We cooperate with other sectors in social development.
- 6 We support all kinds of community service activities.
- 7 We promote and support local economy by hiring local people and buying local products.
- 8 We create good relationship between our company and the community based on fairness and transparency.

Our company continuously supports many activities and projects related to health, education, energy and environment preservation, job promotion, and preservation of Thai art and culture. These are promoted and encouraged among employees, business partners, and customers so that we all can contribute to a sustainable development together (For more detail on: Improvement in quality of living and community, page 51)

# Energy and Environment Resource Management

The company is continually dedicated to operating its business with responsibility to consumers, with supervision of every stage in the process of manufacturing, distributing, and providing service in every product. the company also considers responsibility to the environment and energy conservation, with operating guidelines stipulated as follows:



1. Operating the business in compliance with environmental laws, regulations and policies by considering impacts to natural resources and the environment with constant review and assessment of operations
2. Creating innovation in the organization and creating awareness among staff at every level, bringing about cooperation and responsibility in managing the environment and using resources efficiently and sustainably.
3. Promoting giving knowledge and training to every member of staff about the environment through the e-learning system. The content consists of caring for the environment and saving energy, including evaluation forms to test their understanding. This process is now in progress and to be driven as one of the key topics in training new staff.
4. Promoting environmental management systems, from using resources economically and measures to treat, revive and replace, and monitoring and preventing of impacts on natural resources and the environment sustainably.
5. A system to select suppliers in the supply chain who operate their businesses in an environmentally friendly way.
6. Promoting the development and dissemination of environmentally friendly technology.

## Recycled Paper will Turn into Revenue

- Establish an area for separating used paper from other waste materials, dispose unused documents with shredder and sell the waste. In the year 2019 our Company gathered scrap paper consisting of cardboard, shredded paper, monochrome paper and newspaper paper totalling 2,640 kilogram which was sold for 8,544.50 baht. This is considered using paper in a beneficial manner by completing a whole process throughout the period of use and finally going through a recycling process to be reused again.

- The use of paper in a most worthwhile manner is by reusing it as notepads, notebook instead of "post-it" and setting up a center where used calendars can be handed in. (For more details, please see page 56)

- Using paperless electronic method instead of paper for all departments, started with accounting where the total amount of paper has been significantly reduced by a stable number of 83,000 sheets from the original amount used. In this regard, making use of the electronic method instead of paper is an award winning of ICC INNOVATION CONTEST, 2017.





# Research and Sustainable Development

As a leading distributor of fashion and beauty products as well as consumer goods in Thailand, our Company – with a strong sense of responsibility towards society – stresses the importance of research and the development of innovations regarding goods and services so as to increase efficiency and productivity of the organization and stakeholders. For this reason, the project under the name of ICC Innovation Awards was initiated for the first time in 2016



The purpose was to stimulate creativity regarding continuous innovations within the Company in sales, marketing, the work system and services, and initiate creations of basic innovations. In 2019, the fourth Contest was held under the concept of “Exponential growth in sales and profit”. A total number of 17 creations were presented by 11 participating divisions. ENFANT products won first prize for “Outside in Marketing”. In this regard, besides serving as a model of practical use and continuous development, the “Outside in Marketing” will also represent the Company in the forthcoming Chairman Awards Contest.

**ICC INNOVATION AWARDS 2019**

โครงการประกวดนวัตกรรมไอ.ซี.ซี. ประจำปี 2562 (ครั้งที่ 4)  
ภายใต้แนวคิด “การเติบโตแบบก้าวกระโดดในยอดขายและกำไร”

**ประเภทของนวัตกรรม**

- Sales & Marketing**  
ด้านการส่งเสริมการขาย การตลาด และการประชาสัมพันธ์
- Services & Personality**  
ด้านการบริการลูกค้า การพัฒนาบุคลากร และการสร้างแบรนด์
- System & Process**  
ด้านระบบงาน กระบวนการทำงาน และการบริหารจัดการ
- Petty Award**  
ผลงานนวัตกรรมอื่นๆ ที่มีความคิดสร้างสรรค์

**ชิงเงินรางวัล 50,000 บาท**

**กำหนดการ**

ปิดรับสมัคร	1-31 มี.ค. 2562
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ปิดรับสมัคร	1-31 มี.ค. 2562

**CONTACT US**

โทรศัพท์ 0-2000-0000 ต่อ 200 หรือ 210  
Email : innovation@icc.co.th



## Good Society

As a leading distributor in the country, in addition to driving sustainable business growth through our 7 Principles of Thought to Success, our mission towards the society is one that is always given priority and has been continuously emphasized. The company instills a sense of giving and volunteering in employees. The company continuously encourages activities that benefit the society, environment, and public.

### **The Pracharat Project, Public-Private Collaborative Project: Excellent Model School**



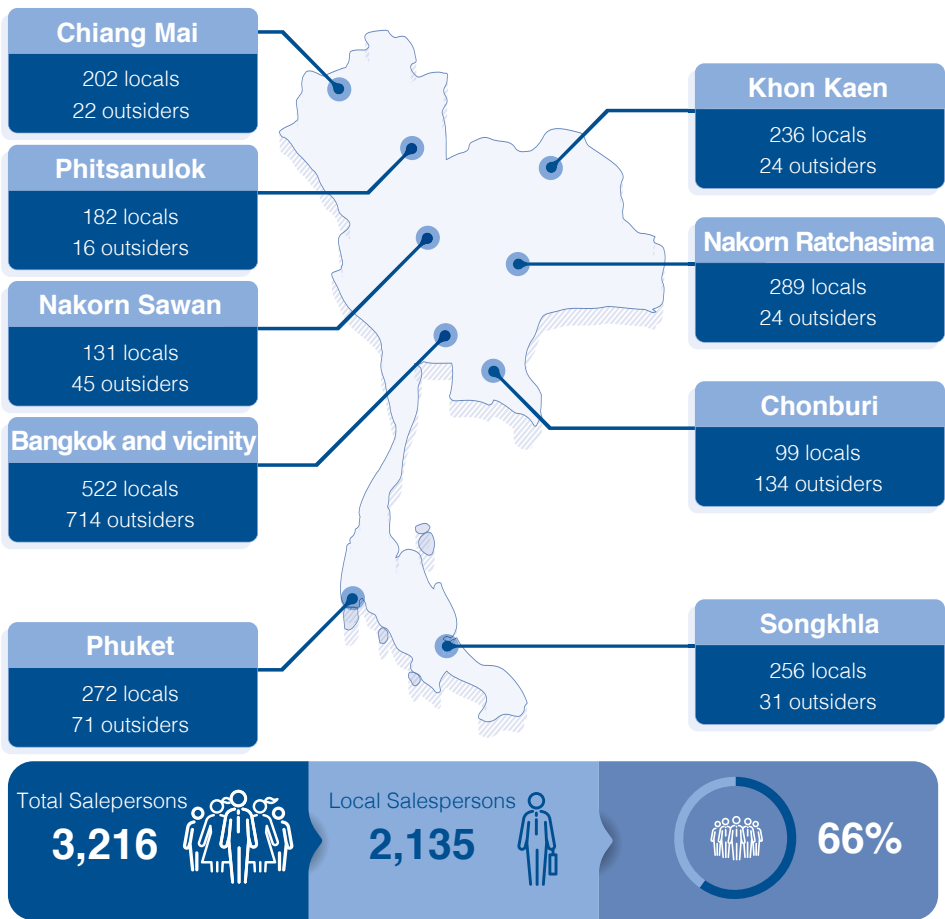
As announced by the government, a collaboration between the public-private sectors and civil society is built to drive changes and sustainable growth in the country. The company, therefore, is part of the team of the project "Excellent Model School." The company signed an MOU with the government and private, as well as the civil society continuing from 2016 as part of the Public Private Collaborative project, E2: the area of increasing the competitive workforce.

On December 23, 2016, the company signed the MOU agreement with the Thonburi Commercial College to develop curriculum and knowledge of teachers and staff of the marketing department of the higher vocational program. The students of the first batch of this 2-year program have completed is accepting students in the 3rd generation to study I the same curriculum. A total of 11 people.

# Development of local partners

## Create jobs and careers, develop skills of local people

Since the main business of the company comprises of counter and retail sales, one of the company's policies is to hire local employees as a way to help create jobs and careers, as well as to improve the skills of the local people. In addition, local suppliers are hired to help decorate shops in each province in order to give local businesses the opportunity to submit a bid for their services.



(For more detail, on list of provinces in each region, page 23)

# Improvement in quality of living and communities

In order to carry on the idea of “Giving” in all dimensions and as a Company which runs a business comprising a full-scale of fashion and beauty products, we are determined to give something in return to the groups of people who are directly involved in our business, such as customers, trading partners, suppliers, staff and also those people who are indirectly linked to our business, such as society as a whole, the public and the private sectors, by means of various activities in order to pass on the idea of “Giving” from the inside of our organization to the outside.

## 1.The State of Health and Good Living Conditions

### • The Rajanagarindra Institute of Child Development (RICD) Wheelchair Project

Our Company gives financial aid to the Rajanagarindra Institute of Child Development, Department of Mental Health, Ministry of Public Health, for the costs of transport of wheelchairs or other equipment for the disabled that have been donated by organizations domestically and Internationally. The project under the patronage of Her Royal Highness Princess MahaChakri Sirindhorn commenced in the year 2011, and is still continuing at present.

In 2019 (January-September) 200,000 baht in aid were contributed to transport and labour costs in municipal areas to support charity work and deliver wheelchairs and equipment for the disabled according to plan totalling 4,106 cases.



### • Bra Donation

BSC and ELLE Lingerie has arranged Charity Activities in cooperation with “Terminal 21 Asok” shopping mall donating bras, valued at 100,000 baht, to the Half Way Home for Women Foundation in Pathum Thani Province. The bras are meant for women who require the service of Department of Empowerment of Persons with Disabilities.

### • Food Court at ICC FAIR

In order to do something in return for the nearby communities, our Company gave neighboring stores the opportunity to jointly set up stores at the ICC FAIR, Food Court which was arranged at the same time as the annual trade fair that offers special discounts at the ICC FAIR. The objective is to make things more convenient for our staff and customers, so they can enjoy tasty and clean food at a reasonable prices. And it is also for the purpose of promoting restaurants serving main dishes and desserts, as well as beverage stores in the area of Yannawa District and nearby to make them better known. In 2019, the ICC Fair Food Court was set up and has now been in business continually for the sixth year under the slogan of “Delicious! Must Try” with a total of 33 stores participating.

## Continuance of the Wacoal Pink Ribbon Fight Against Breast Cancer Campaign

“Wacoal ” products, sold by our Company, has arranged activities to carry on with the Wacoal Pink Ribbon Project to Fight Breast Cancer for the 19th year by aiming for campaigns to prevent Thai women from falling victim to breast cancer. Various activities have been conducted, such as:

- **Handing out tickets for a breast X-ray (mammogram and ultrasound)**

For the purpose of undergoing one mammogram examination free of charge for customers of HIS & HER after the purchase of WACOAL bras when a total sum of 12,000 baht has been accumulated, and for VIP customers who do not wish to undergo an examination may join the activity by sending their VIP Cards back to the Project to be sent further to disadvantaged women belonging to a high-risk group, so that they may have an equal opportunity to undergo an examination,

- **Organizing the competition “Thai Run for World Cancer Day”**

At altogether 8 stadiums where runners compete for a trophy, presented by Her Royal Highness Princess Maha Chakri Sirindhorn, to raise funds for helping poor patients suffering from breast cancer, and conducting campaigns among the public to do physical exercises to promote their state of health and keep cancer at a distance. Also, the Project joined with WACOAL Motion Ware products contributing the amount of 1,631,967 baht in sponsorship to the Thailand Cancer Association under Her Majesty the Queen’s Patronage.

- **Joint venture, 1,200,000 baht**

Drive research by the National Cancer Institute. To develop innovative breast cancer screening through AI technology.

- **Contributing 15 million baht to Khon Kaen Hospital**

For the official opening of the “Breast Care Center” that serves as a center specialized in all-round diagnosis and therapy of breast cancer which is the first of its kind in Isan region.

- **Supporting research of Siriraj Cancer Center, Faculty of Medicine Siriraj Hospital**

On establishing guidelines for cancer treatment, according to the principles of Precision Medicine, to match the hereditary disposition of patients so as to maximize efficiency of the treatment for a complete cure with minor side effects, by contributing 1,000,000 baht for the purpose of pushing ahead with the aforementioned research.

- **Carrying on the “Preserve our World” Campaign through the “Wacoal Bra Day” Project**

By accepting old bras of every brand for the purpose of having them properly shredded to reduce environmental pollution, the use of natural resources and the greenhouse effect by putting into practice the idea of “Zero Waste”, and cooperating with the Association for the Promotion of the Status of Women under the

Royal Patronage of HRH Princess Soamsawali Krom Muen Suddhanarinatha new kinds of high quality material used to assemble bras, were handed out for the purpose of using them creatively for valued inventions that can further be made into a wide variety of products. In this regard, the “Wacoal Bra Day” Project started accepting old bras in the year 2012 and by 2019 some 363,000 bras had been received which equal to 36 tons of garbage produced by a community or which is equivalent to 7,000 trees planted to preserve the environment.



## Instilling Awareness of the Preservation of the Environment



### •National Tree Day Activity

Our Company in cooperation with the Yannawa District Office invited residents of Yannawa District and adjacent areas to plant a total of 105 trees in vacant areas along the sides of Wong Waen Utsahakam Road at the foot of Bhumiphol Bridge, in commemoration of the coronation of King Rama X and on the annual National Tree Day in the year 2019.



### •His & Her Exclusive Trip “Preserving the Samae San Sea”

The His & Her Plus Point Member Card arranged the His & Her Exclusive Trip under the motto of “Preserving the Samae San Sea”, roaming the Landmark Pattaya by joining in social activities and campaigns for the protection and preservation of the sea and the revival of the natural abundance of the coral reefs at the Thai Island and Sea Natural History Museum.



### •The Campaign for the Preservation of the Environment and Preservation of ICC

Has the purpose of reducing and stopping the use of non-returnable plastic bottles and plastic bags. An area has been prepared for separating used plastic bottles to be properly shredded. Another portion is sent away to be processed and made into thread for the production of shirts which is a part of ARROW Upcycling Collection products. This is a cooperation between companies of the Saha Group and PTT Global Chemical PLC (GC) undergoing the innovative process of Upcycling in order to reduce the problem of plastic bottles in Thailand, and also to increase the value of products by making one shirt from twelve 500 ml plastic bottles.



### •There is the project to desist from distributing plastic bags at His & Her Outlet

The request for cooperation from His & Her Outlet and stores in the surrounding area to stop distributing plastic bags, including the instilling of awareness among staff to use cloth bags instead of plastic bags. For the year 2020 our Company has set an objective of conducting a campaign against using expendable materials by encouraging staff to use lunch boxes instead of foam boxes and by producing glasses for water and cloth bags in order to motivate and instill awareness among staff and trading partners.



### •Love Hornbill Day Activity

HORNBILL International clothing products have joined The Hornbill Research Foundation of the Faculty of Science at Mahidol University to celebrate “Love Hornbill Day” as an annual event since 2001, to raise funds for the study and conservation of hornbills in their Thai forest habitats.



## Promotion and Development of Education

Owing to the fact that “Education” is an important basis, our Company is therefore determined to continually train our staff to increase their knowledge and skills to be a crucial driving force that sustainably pushes ahead with our business. This is not only about the internal staff of our organization, our Company also takes care of and pays attention to the outside of our organization.



### • Contribution of Budget to Restore 34 Schools Damaged by Disaster

Our Company coordinated with 12 organizations of the private sector and the Power of Thai Foundation carrying out the duty of “Bring Smiles Back to School” by contributing 7,138,033 baht for the purpose of restoring 34 schools in 4 provinces of the lower Isan region, which consists of Yasothon, Ubon Ratchathani, Roi-et and Sisaket that had suffered from the impact of the storm Podul and the storm Kajiki. The purpose is to completely restore the schools to their original state of being educational institutes for our youth because we truly believe that good education can be compared with the construction of a solid foundation and the future of our country.



*Ms. Usanee Sa-Ngounwongwiji,  
the company representative (4<sup>th</sup> from left )*



For the  
purpose  
of restoring

Contributing **7,138,033**  
baht

**34**  
schools





## Promotion of the Creation of Self-esteem

Our Company is determined to have the staff of our organization enjoy well-being and beauty, especially the sales personnel. Therefore, we have set up training programs regarding the phenomenon of beauty in order to develop personality in such a manner as to turn the inner beauty to the outside so that the staff realize their own individual beauty and are then able to communicate their self-esteem to the consumers through a wide variety of activities in a manner fitting our Company's motto "We make people happy and beautiful".



- Continually sponsoring various Fashion and Beauty Contests by having been chosen to become the sponsor of bathing suits under BSC Brand, and assisting contestants in the application of facial make-up under BSC Cosmetology and Arty Professional brands on both domestic and international stages, such as Miss Thailand World Contest, Miss Universe Contest, Thai Super Model Contest and Smart Boy Contest, as well as Miss Universe Myanmar Contest



- Cosmetics product, ARTY PROFESSIONAL by BSC, arranges the activity "Yourself Your Style" for the purpose of giving interested persons the opportunity (for all genders) to participate in workshops learning how to put on facial make-up to improve their appearance and apply the knowledge gained when carrying out a profession.



- BSC COSMETOLOGY Products initiated the project "Teaching how to apply facial make-up, start a profession, increase income" by inviting interested persons to participate in the lessons and the workshop learning make-up techniques from experienced leading make-up artists of the country for the purpose of using the knowledge for starting a profession and earning an additional income, or if any person is interested in working with BSC COSMETOLOGY, the person can apply to join the project right away.

## Sharing for Charity



### • Arrow's Used Clothes

Arrow's Used Clothes Project has been implemented since 2010 to help disaster victims. Used clothes were donated to victims suffering from disasters in different regions of Thailand as well as those in other countries worldwide through various charitable organizations.

### • Calendars for the Blind

Company Administration Division acts as a go-between by accepting used calendars brought by internal staff and staff from affiliated companies to donate to interested organizations. In the year 2019, outdated calendars were handed over to the Educational Technology Center for the Blind, Nonthaburi Province, headed by the Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen. Some of those calendars are reused by the blind as notebooks to keep records while the other portion is sold to generate income for the Center to buy necessary equipment for the purpose of maintaining other public utilities.



## Promote Culture Promotion and Arts

### • Thai Classical Music Contest

Every year, the Company sponsors the Faculty of Music and Performing Arts, Burapha University by arranging a Thai Classical Music Contest for students in the eastern region to compete for a trophy, presented by Her Royal Highness Princess Maha Chakri Sirindhorn, with the objectives of conserving the arts and culture, encouraging the practice and carrying on the Thai classical music by promoting contests.

Each year the following number of persons participated:

- **the 38th** : 1,375 persons participated in the Thai Classical Music Contest
- **the 39th** : 1,500 persons participated in the Thai Classical Music Contest

In the year 2019, the Faculty of Music and Drama arranged the 40th contest with a total of 1,200 persons participants



### • Thai Classical Music and Drama Project of Developing Art Appreciation among Juveniles to Carry on Thai Culture

Our Company has continuously provided scholarship to support the Faculty of Music and Drama of the Bunditpatanasilpa Institute of the Ministry of Culture for the purpose of setting up the "Thai Music and Drama Project of Developing Art Appreciation among Juveniles to carry on Thai Culture" for the third year, amounting to 100,000 baht, and together with 11 companies of the Saha Group, the total came to 800,000 baht. The objectives are to develop an awareness of the value of the arts and culture regarding Khon, Thai classical dancing and music among the youth, and give them the opportunity to learn and implant an understanding and love of Thai arts and culture during summer schools through learning Khon, Thai Classical dancing and music with qualified experts free of charge. The project sponsored in the year 2019 had 300 participants between 5 to 15 years of age, 100 of which participated in music and the other 200 participated in performing. They can also bring their achievement in the project to practice further to advance their learning and to become their special ability that can be used to further their studies and carrying out a profession.

# Summary of Performance

Throughout the Company's over 50 years of operations, besides a commitment to manage the business to grow with good corporate governance, the Company also gives priority to driving sustainable development. In 2019, the Company continued to drive sustainable development under the philosophy of “**Good People, Good Products, Good Society**” and connecting to stakeholders to have a part in passing on and extending all five kinds of “**Giving**” – giving knowledge, giving forgiving, giving assistance, giving life and giving love, in the belief that linking all 5 forms of Giving will shape the business to grow progressively, securely and sustainably.



## Economy + Society + Environment

Progressing securely and sustainably on the basis of ethics, integrity and responsibility to stakeholders



## Stakeholders

Delivering innovative business operation and improved quality of life under the principle of **"Good People, Good Products, Good Society"** for stakeholders in all dimensions together with management on the basis of corporate social responsibility to operate the business transparently and efficiently, for the stable and sustainable progress of the organization in line with the Company's mission statement:

**"We Make People Happy And Beautiful."**

G4 Disclosure	GRI Standard Number	GRI Standard Title	Disclosure Number	Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number		Comment
					SR	AR	
G4-1	GRI 102	General Disclosures	102-14	Statement from senior decision-maker	4, 5	1	
G4-2	GRI 102	General Disclosures	102-15	Key impacts, risks, and opportunities	4, 5	51, 48-50	
G4-3	GRI 102	General Disclosures	102-1	Name of the organization	4, Back Cover	33-35	
G4-4	GRI 102	General Disclosures	102-2	Activities, brands, products, and services	6, 7	24-32, 41-47	
G4-5	GRI 102	General Disclosures	102-3	Location of headquarters	23, Back Cover	51, Back Cover	
G4-6	GRI 102	General Disclosures	102-4	Location of operations	23, Back Cover	51, Back Cover	
G4-7	GRI 102	General Disclosures	102-5	Ownership and legal form	6, 7	8-18	
G4-8	GRI 102	General Disclosures	102-6	Markets served	6, 7, 12	36-40	
G4-9	GRI 102	General Disclosures	102-7	Scale of the organization	11	58	
G4-10	GRI 102	General Disclosures	102-8	Information on employees and other workers	41, 43	85-120	
G4-11	GRI 102	General Disclosures	102-41	Collective bargaining agreements			
G4-12	GRI 102	General Disclosures	102-9	Supply chain		36-40	
G4-13	GRI 102	General Disclosures	102-10	Significant changes to the organization and its supply chain			
G4-14	GRI 102	General Disclosures	102-11	Precautionary Principle or approach			
G4-15	GRI 102	General Disclosures	102-12	External initiatives	9, 13	36-38	
G4-16	GRI 102	General Disclosures	102-13	Membership of associations			
G4-17	GRI 102	General Disclosures	102-45	Entities included in the consolidated financial statements		137-198	
G4-18	GRI 102	General Disclosures	102-46	Defining report content and topic Boundaries	22, 23	36	
G4-19	GRI 102	General Disclosures	102-47	List of material topics			

G4 Disclosure	GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number		Comment
					SR	AR	
G4-20	GRI 103	Management Approach	103-1	Explanation of the material topic and its Boundary			
G4-21	GRI 103	Management Approach	103-1	Explanation of the material topic and its Boundary			
G4-22	GRI 102	General Disclosures	102-48	Restatements of information			
G4-23	GRI 102	General Disclosures	102-49	Changes in reporting			
G4-24	GRI 102	General Disclosures	102-40	List of stakeholder groups	14, 15, 16	85-120	
G4-25	GRI 102	General Disclosures	102-42	Identifying and selecting stakeholders	14, 15, 16	85-120	
G4-26	GRI 102	General Disclosures	102-43	Approach to stakeholder engagement	14, 15, 16	85-120	
G4-27	GRI 102	General Disclosures	102-44	Key topics and concerns raised	26, 27		
G4-28	GRI 102	General Disclosures	102-50	Reporting period	22		
G4-29	GRI 102	General Disclosures	102-51	Date of most recent report	22		
G4-30	GRI 102	General Disclosures	102-52	Reporting cycle	22		
G4-31	GRI 102	General Disclosures	102-53	Contact point for questions regarding the report	22	62	
G4-32-a	GRI 102	General Disclosures	102-54	Claims of reporting in accordance with the GRI Standards			
G4-32-b	GRI 102	General Disclosures	102-55	GRI content index			
G4-32-c	GRI 102	General Disclosures	102-56	External assurance			
G4-33	GRI 102	General Disclosures	102-56	External assurance			
G4-34	GRI 102	General Disclosures	102-18	Governance structure	11	58	
G4-35	GRI 102	General Disclosures	102-19	Delegating authority		112-118	
G4-36	GRI 102	General Disclosures	102-20	Executive-level responsibility for economic, environmental, and social topics		95-96	



G4 Disclosure	GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number		Comment
					SR	AR	
G4-37	GRI 102	General Disclosures	102-21	Consulting stakeholders on economic, environmental, and social topics			
G4-38	GRI 102	General Disclosures	102-22	Composition of the highest governance body and its committees		123	
G4-39	GRI 102	General Disclosures	102-23	Chair of the highest governance body			
G4-40	GRI 102	General Disclosures	102-24	Nominating and selecting the highest governance body		121	
G4-41	GRI 102	General Disclosures	102-25	Conflicts of interest		129-135	
G4-42	GRI 102	General Disclosures	102-26	Role of highest governance body in setting purpose, values, and strategy		123	
G4-43	GRI 102	General Disclosures	102-27	Collective knowledge of highest governance body			
G4-44	GRI 102	General Disclosures	102-28	Evaluating the highest governance body's performance			
G4-45	GRI 102	General Disclosures	102-29	Identifying and managing economic, environmental, and social impacts		42-47	
G4-46	GRI 102	General Disclosures	102-30	Effectiveness of risk management processes		125	
G4-47	GRI 102	General Disclosures	102-31	Review of economic, environmental, and social topics		93-94	
G4-48	GRI 102	General Disclosures	102-32	Highest governance body's role in sustainability reporting	4, 5		
G4-49	GRI 102	General Disclosures	102-33	Communicating critical concerns			
G4-50	GRI 102	General Disclosures	102-34	Nature and total number of critical concerns			
G4-51	GRI 102	General Disclosures	102-35	Remuneration policies	42	122	
G4-52	GRI 102	General Disclosures	102-36	Process for determining remuneration		60-67	
G4-53	GRI 102	General Disclosures	102-37	Stakeholders' involvement in remuneration			
G4-54	GRI 102	General Disclosures	102-38	Annual total compensation ratio		62	
G4-55	GRI 102	General Disclosures	102-39	Percentage increase in annual total compensation ratio			

G4 Disclosure	GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number		Comment
					SR	AR	
G4-56	GRI 102	General Disclosures	102-16	Values, principles, standards, and norms of behavior	8, 9, 10		
G4-57	GRI 102	General Disclosures	102-17	Mechanisms for advice and concerns about ethics	34, 39, 45		
G4-58	GRI 102	General Disclosures	102-17	Mechanisms for advice and concerns about ethics			
G4-DMA-a	GRI 103	Management Approach	103-1	Explanation of the material topic and its Boundary			
G4-DMA-b	GRI 103	Management Approach	103-2	The management approach and its components			
G4-DMA-c	GRI 103	Management Approach	103-3	Evaluation of the management approach		42-50	
G4-EC1	GRI 201	Economic Performance	201-1	Direct economic value generated and distributed			
G4-EC2	GRI 201	Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change			
G4-EC3	GRI 201	Economic Performance	201-3	Defined benefit plan obligations and other retirement plans	43	96	
G4-EC4	GRI 201	Economic Performance	201-4	Financial assistance received from government			
G4-EC5	GRI 202	Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage			
G4-EC6	GRI 202	Market Presence	202-2	Proportion of senior management hired from the local community			
G4-EC7	GRI 203	Indirect Economic Impacts	203-1	Infrastructure investments and services supported			
G4-EC8	GRI 203	Indirect Economic Impacts	203-2	Significant indirect economic impacts			
G4-EC9	GRI 204	Procurement Practices	204-1	Proportion of spending on local suppliers	50		
G4-EN1	GRI 301	Materials	301-1	Materials used by weight or volume			
G4-EN2	GRI 301	Materials	301-2	Recycled input materials used	47, 53		
G4-EN3	GRI 302	Energy	302-1	Energy consumption within the organization			
G4-EN4	GRI 302	Energy	302-2	Energy consumption outside of the organization			

G4 Disclosure	GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number		Comment
					SR	AR	
G4-EN5	GRI 302	Energy	302-3	Energy intensity			
G4-EN6	GRI 302	Energy	302-4	Reduction of energy consumption	44, 45, 47		
G4-EN7	GRI 302	Energy	302-5	Reductions in energy requirements of products and services	44, 45, 47		
G4-EN8	-	-	-	-	-		
G4-EN9	-	-	-	-	-		
G4-EN10	-	-	-	-	-		
N/A	GRI 303	Water and Effluents	303-1	Interactions with water as a shared resource			Company work Instruction
N/A	GRI 303	Water and Effluents	303-2	Management of water discharge-related impacts			Company work Instruction
N/A	GRI 303	Water and Effluents	303-3	Water withdrawal			
N/A	GRI 303	Water and Effluents	303-4	Water discharge			
N/A	GRI 303	Water and Effluents	303-5	Water consumption			
G4-EN11	GRI 304	Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas			
G4-EN12	GRI 304	Biodiversity	304-2	Significant impacts of activities, products, and services on biodiversity			
G4-EN13	GRI 304	Biodiversity	304-3	Habitats protected or restored			
G4-EN14	GRI 304	Biodiversity	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations			
G4-EN15	GRI 305	Emissions	305-1	Direct (Scope 1) GHG emissions			
G4-EN16	GRI 305	Emissions	305-2	Energy indirect (Scope 2) GHG emissions			
G4-EN17	GRI 305	Emissions	305-3	Other indirect (Scope 3) GHG emissions			
G4-EN18	GRI 305	Emissions	305-4	GHG emissions intensity			

G4 Disclosure	GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number		Comment
					SR	AR	
G4-EN19	GRI 305	Emissions	305-5	Reduction of GHG emissions			
G4-EN20	GRI 305	Emissions	305-6	Emissions of ozone-depleting substances (ODS)			
G4-EN21	GRI 305	Emissions	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions			
G4-EN22	-	-	-	-	-	-	
G4-EN23	GRI 306	Effluents and Waste	306-2	Waste by type and disposal method			
G4-EN24	GRI 306	Effluents and Waste	306-3	Significant spills			
G4-EN25	GRI 306	Effluents and Waste	306-4	Transport of hazardous waste			
G4-EN26	-	-	-	-	-	-	
G4-EN27	NA	NA	NA	NA	NA	NA	
G4-EN28	GRI 301	Materials	301-3	Reclaimed products and their packaging materials			n/a
G4-EN29	GRI 307	Environmental Compliance	307-1	Non-compliance with environmental laws and regulations			n/a
G4-EN30	NA	NA	NA	NA	NA	NA	
G4-EN31	Several	Several	NA	NA	NA	NA	
G4-EN32	GRI 308	Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria			
G4-EN33	GRI 308	Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken			
G4-EN34	GRI 103	Management Approach	103-2	The management approach and its components			
G4-LA1	GRI 401	Employment	401-1	New employee hires and employee turnover [This Standard includes a Standard Interpretation on how to calculate the rates of new employee hires and employee turnover.]			
G4-LA2	GRI 401	Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	42	96	
G4-LA3	GRI 401	Employment	401-3	Parental leave			Company Rules, Regulation and Welfare

G4 Disclosure	GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number		Comment
					SR	AR	
G4-LA4	GRI 402	Labor/Management Relations	402-1	Minimum notice periods regarding operational changes			Company Rules, Regulation and Welfare
G4-LA5	-	-	-	-	-		
G4-LA6	-	-	-	-	-		
G4-LA7	-	-	-	-	-		
G4-LA8	-	-	-	-	-		
N/A	GRI 403	Occupational Health and Safety	403-1	Occupational health and safety management system		96	
N/A	GRI 403	Occupational Health and Safety	403-2	Hazard identification, risk assessment, and incident investigation			
N/A	GRI 403	Occupational Health and Safety	403-3	Occupational health services			
N/A	GRI 403	Occupational Health and Safety	403-4	Worker participation, consultation, and communication on occupational health and safety			
N/A	GRI 403	Occupational Health and Safety	403-5	Worker training on occupational health and safety			
N/A	GRI 403	Occupational Health and Safety	403-6	Promotion of worker health			
N/A	GRI 403	Occupational Health and Safety	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			
N/A	GRI 403	Occupational Health and Safety	403-8	Workers covered by an occupational health and safety management system		96	
N/A	GRI 403	Occupational Health and Safety	403-9	Work-related injuries		96	n/a
N/A	GRI 403	Occupational Health and Safety	403-10	Work-related ill health		96	n/a
G4-LA9	GRI 404	Training and Education	404-1	Average hours of training per year per employee	29		
G4-LA10	GRI 404	Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs	30,31	93-94, 107-108	
G4-LA11	GRI 404	Training and Education	404-3	Percentage of employees receiving regular performance and career development reviews	30		
G4-LA12	GRI 405	Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees			

G4 Disclosure	GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number		Comment
					SR	AR	
G4-LA13	GRI 405	Diversity and Equal Opportunity	405-2	Ratio of basic salary and remuneration of women to men			
G4-LA14	GRI 414	Supplier Social Assessment	414-1	New suppliers that were screened using social criteria			
G4-LA15	GRI 414	Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken			
G4-LA16	GRI 103	Management Approach	103-2	The management approach and its components			
G4-HR1	GRI 412	Human Rights Assessment	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening			
G4-HR2	GRI 412	Human Rights Assessment	412-2	Employee training on human rights policies or procedures			
G4-HR3	GRI 406	Non-discrimination	406-1	Incidents of discrimination and corrective actions taken			
G4-HR4	GRI 407	Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk			
G4-HR5	GRI 408	Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor			
G4-HR6	GRI 409	Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor			
G4-HR7	GRI 410	Security Practices	410-1	Security personnel trained in human rights policies or procedures		93-94, 107-108	
G4-HR8	GRI 411	Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples			
G4-HR9	GRI 412	Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments			
G4-HR10	GRI 414	Supplier Social Assessment	414-1	New suppliers that were screened using social criteria			
G4-HR11	GRI 414	Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken			
G4-HR12	GRI 103	Management Approach	103-2	The management approach and its components			
G4-S01	GRI 413	Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs			
G4-S02	GRI 413	Local Communities	413-2	Operations with significant actual and potential negative impacts on local communities			
G4-S03	GRI 205	Anti-corruption	205-1	Operations assessed for risks related to corruption	38, 39	93-94, 107-108	

G4 Disclosure	GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number		Comment
					SR	AR	
G4-S04	GRI 205	Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	38, 39	93-94, 107-108	
G4-S05	GRI 205	Anti-corruption	205-3	Confirmed incidents of corruption and actions taken			n/a
G4-S06	GRI 415	Public Policy	415-1	Political contributions			n/a
G4-S07	GRI 206	Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			
G4-S08	GRI 419	Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area			n/a
G4-S09	GRI 414	Supplier Social Assessment	414-1	New suppliers that were screened using social criteria			
G4-S010	GRI 414	Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken			
G4-S011	GRI 103	Management Approach	103-2	The management approach and its components			
G4-PR1	GRI 416	Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	44, 45	42-43	
G4-PR2	GRI 416	Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		22-32, 36-38, 41-46	
G4-PR3	GRI 417	Marketing and Labeling	417-1	Requirements for product and service information and labeling			
G4-PR4	GRI 417	Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information and labeling			
G4-PR5	GRI 102	General Disclosures	102-43 102-44	Approach to stakeholder engagement Key topics and concerns raised			
G4-PR6	GRI 102	General Disclosures	102-2	Activities, brands, products, and services			
G4-PR7	GRI 417	Marketing and Labeling	417-3	Incidents of non-compliance concerning marketing communications			
G4-PR8	GRI 418	Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data			
G4-PR9	GRI 419	Socioeconomic Compliance v	419-1	Non-compliance with laws and regulations in the social and economic area			



# "HisHer Line Member"

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HisHer  
Plus Point

ติดตามโปรโมชั่น  
และร่วมกิจกรรม  
แคมเปญพิเศษต่างๆ  
ได้ใน **hisher Line**



เมนูกิจกรรมต่างๆ



ดูของส่วนลดหรือสินค้า  
แบรนด์ ICC



ซื้อสินค้า ICC เช่น:  
สินค้าไอทีหรือสินค้าแฟชั่น  
ผ่านช่องทางออนไลน์



เมนูสมัครสมาชิกใหม่หรือ  
เชื่อมต่อการเป็นสมาชิก  
สำหรับลูกค้าเก่า



สิทธิพิเศษ  
ตามช่วงเวลาต่างๆ



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**I.C.C. International Public Company Limited**

530 Soi Sathupradit 58 Bangpongpang Yannawa Bangkok 10120

Tel : (662) 293-9000, (662) 293-9300 Fax : (662) 294-3024

Website : <http://www.icc.co.th> Email : [webmaster@icc.co.th](mailto:webmaster@icc.co.th)

Registrar : Thailand Securities Depository Company Limited

93 fl.14 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400, Thailand

Tel : (662) 009-9000 Fax : (662) 009-9992

