

THANULUX

Annual report 2020

Innovation issue

Upcycling • Nano Zinc • Cool Mode • Water Repellent • No.5 •

Bacterial • Anti-Virus • Anti-Static

Gauze • Nursy • Nightingale • Anti-

THANULUX

Innovation in textiles



Non Iron



Flame Retardant



Anti-Static



Non See Through



Anti-Bacteria



Anti-MRSA



Anti-Virus



Anti-Odor



Oil Repellent



Soil Release



Heat Transfer



UV Protection



Sweat Wicking



Air Flow



Environmental
Friendly



Lightweight



Cool Mode



Quick Dry



Breathable



Wrinkle Free



Stretch



Easy Care

“ เราต้องมีความคิด
ที่จะพัฒนาธุรกิจ
ให้เข้ากับเหตุการณ์
ที่เปลี่ยนแปลงตลอดเวลา ”



DAKS



DAKS





ARROW
»»»—————>
USA • 1851

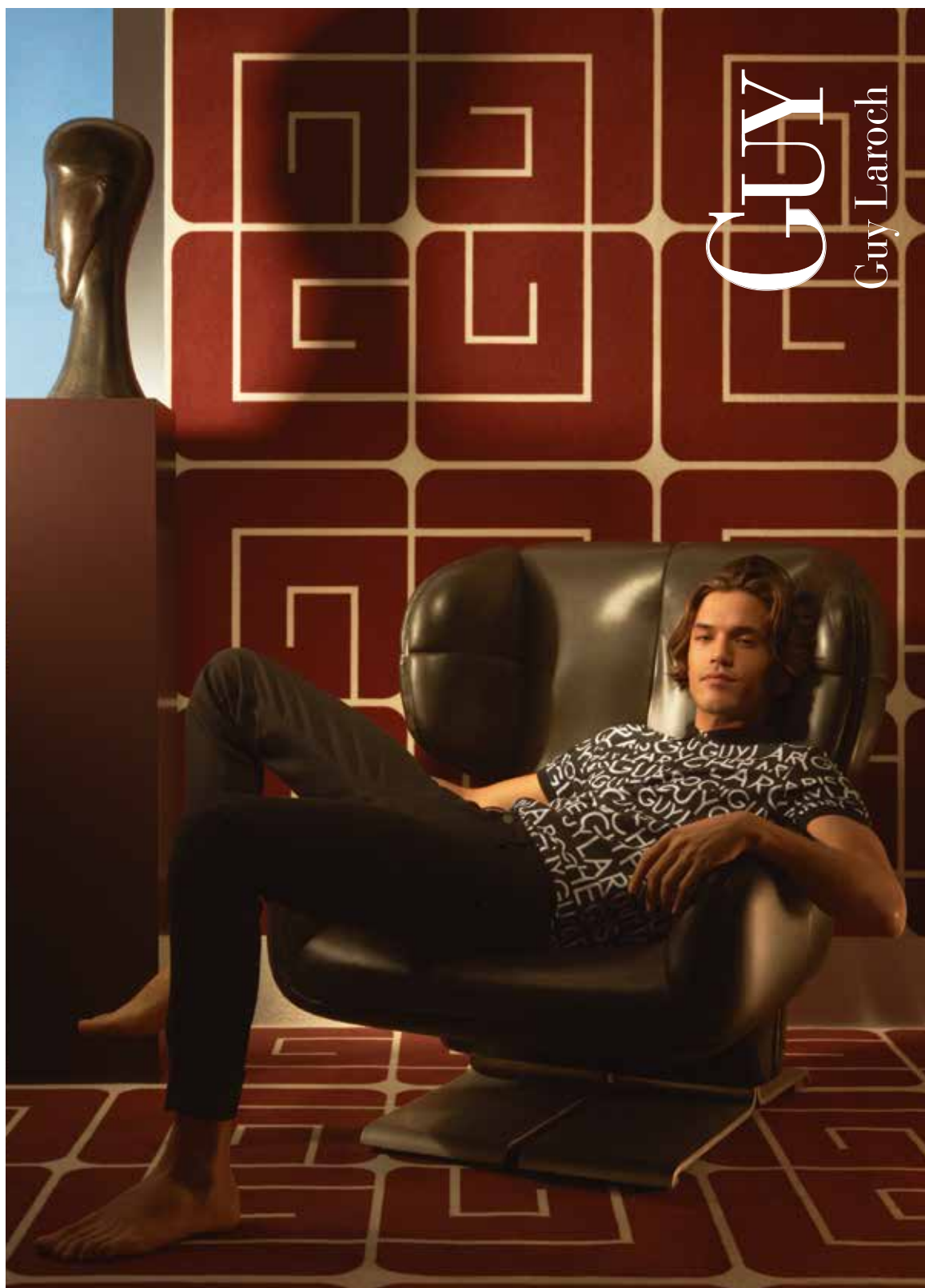


Guy Laroche



GUY

Guy Laroche





A full-page photograph of a young man with short brown hair, wearing a dark navy blue long-sleeved button-down shirt tucked into grey pleated trousers, secured with a brown leather belt. He is also wearing dark navy sneakers with white soles. He is captured in a dynamic pose, riding a skateboard on a paved city street. His left arm is extended forward and slightly down, while his right arm is bent with the hand near his head. The background is a blurred urban scene with tall trees and a street lamp, suggesting a park or city walkway. The lighting is warm, indicating late afternoon or early morning.

OLYMP



era-won LEATHER

erawonthailand.com

absorba[®]
PARIS







THANULUX

Brands

Menswear ▪ Womenswear ▪ Childrenswear ▪
Leather Goods ▪ Government Uniform ▪
Workwear ▪ Medical Textile



DAKS

ARROW
USA • 1851

GETAWAY^{ARROW}

EXCELLENCY^{ARROW}

Guy Laroche

Guy Laroche
PARIS

Guy Laroche
INNERWEAR

GUY
Guy Laroche

ELLE
HOMME

ELLE
the Parisian lifestyle

MORGAN
MORGAN DE TOI

MORGAN
HOMME

TAKEO
KIKUCHI

OLYMP

era-won

icon

cool
metropolis

HORNBILL
INTERNATIONAL

MIX-SELF

Ozone

POSITIF⁺
THE FASTER WE LIVE

PARI PASSU

SMYTH
&
MYNE
Lifestyle and more

LOUIS FONTAINE

absorba.
PARIS

CADEAU
PARIS

babble

innoweartion

UNIFORMS & WORKWEAR
ERAWAN
by THANULUX

Content

The Business Operations

- 1 Highlights of the year
- 2 Report of the Board of Director
- 3 Audit Committee's Report
- 5 Nominating Committee's Report
- 6 Remuneration Committee's Report
- 7 Risk Management Committee's Report
- 8 Governance Committee's Report
- 9 Executive Committee's Report
- 10 Overview of Business Operation
- 19 Business Description
- 31 Risk Factors
- 35 General Information and Reference
- 36 Investments in other Companies

Management and Corporate Governance

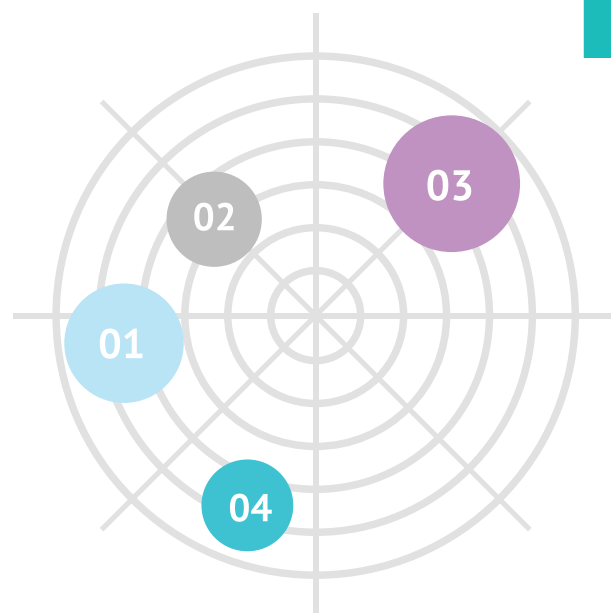
- 40 Shareholder
- 42 Dividend Payment Policy
- 43 Management Structure
- 50 The Board of Directors and Executives
- 54 Information of the Directors and Executives
- 64 Corporate Governance
- 102 Internal Control System
- 104 Connected Transaction

Financial Position and Operation Results

- 107 The Board of Directors' Responsibility Report towards Financial Statements
- 108 Independent Auditor's Report
- 112 Financial Statement
- 122 Notes to the Financial Statements
- 184 Management's Discussion and Analysis

Sustainability Development Report

- 196 About the Company
- 200 Message from the Managing Director
- 201 Award and Recognition
- 202 Sustainable Development Policy
- 207 The Good Corporate Governance Principles
- 216 Economics Operation Performance
- 227 Society Operation Performance
- 246 Environmental Performance
- 250 About This Sustainability Report
- 251 GRI Content Index



Highlights of the year

Thanulux Public Company Limited and Subsidiaries

SELECTED DATA	2020	2019	2018
FINANCIAL POSITION AND OPERATING RESULTS (Million Baht)			
Total Assets	4,337	4,362	4,384
Total Liabilities	543	583	623
Equity Attributable to Parent Company	3,794	3,779	3,760
Sales	1,119	1,633	1,779
Total Revenues	1,251	1,783	1,972
Gross Profit	291	442	526
Profit Attributable to Owners of The Parent Company	11	90	196
Per Share Data (Baht)			
Par Value	1.00	1.00	1.00
Book Value	31.61	31.49	31.33
Net Earnings	0.09	0.75	1.63
Market Price	17.10	19.00	18.80
Dividend	0.07	0.55	0.75
Financial Ratios			
Profitability Ratios (%)			
Percentage of Net Profit	0.86	5.03	9.92
Return on Equity	0.28	2.38	5.20
Growth Rates (%)			
Percentage Increase (Decrease) of Sales	(31.48)	(8.18)	(4.30)
Percentage Increase (Decrease) of Net Profit	(88.00)	(54.17)	28.54
Percentage Increase (Decrease) of Total Assets	(0.57)	(0.51)	0.25
Attributable to The Parent Company	0.39	0.50	0.09
Liquidity Ratios (Times)			
Current Ratio	6.32	5.58	5.27
Quick Ratio	4.39	3.69	3.68
Liquidity of Cash Flow from Operation	0.08	0.01	0.38
Efficiency Ratios (%)			
Return on Total Assets	0.25	2.05	4.47
Return on Fix Assets	13.20	26.37	45.48
Financial Policy Ratios (Times)			
Debt-Equity Ratio	0.14	0.15	0.17
Time Interest Earned	18.67	112.72	386.92
Leverage Ratio	0.03	0.00	0.20
Payout Ratio (%)	78.09	73.65	46.03

** The Board of Directors' Meeting No. 1/2021 has resolved to submit the agenda of dividend payment Baht 0.07 per share for approval at the General Shareholders' Meeting to be held on April 27, 2021

Report of the Board of Directors

The COVID-19 outbreak has spread around the globe, causing severe impacts on the world economy. As for Thailand, after the effective control of such pandemic for a while, the second wave of an outbreak during the year-end of 2020 generates an unfavorable situation for the Thai economy. Economic growth in 2020 encounters a deficit of 6.1 percent, marking one of the highest setbacks since the Tom Yum Kung crisis in 1997.

The Company has been assessing situations and risks that may occur out of such crisis continually, adjusts business plans, improving strategic plan to run the business in alignment with the rapid changes of the overall situation, and seeks for alternative business opportunities to ensure that the Company's business will be running without any obstacles.

The consolidated operating results in 2020 for the Company and subsidiaries was total revenue of Baht 1,119 million, a decrease of 31.48%, with the ratio of Local and Export sale 63% and 37%

respectively, a net profit of Baht 10.76 million, a decrease of 87.99% from the previous year.

The company is committed to operating the business sustainably and opposes corruption in any form. The Company conducted business with ethics and suitable risk management system, also adhered to the principles of good corporate governance, taking care of all stakeholders, society and environment. Therefore, corporate culture and values are fostered with the aim to create collective corporate behavior and working styles, to gain trust from the stakeholders, to ensure constant standard environmental management, and to develop sustainable environment and social responsibility.

The Company achieved "excellent" score from Corporate Governance Report of Thai listed company 2020 from Thai Institute of Directors Association (IOD) including the certificate of Industrial Promotion Program for Sustainable Social and Community Responsibility (CSR-DIW Continuous Awards 2019) from the Ministry of Industry for the 6th consecutive year



(Mr. Manu Leelanuwatana)

Chairman of the Board



(Miss Dusadee Soontorntumrong)

Chairman of the Executive Committee

Audit Committee's Report

The Board of Directors has appointed the Audit Committee, which comprises three independent directors with various qualifications and experience, such as economic, legal, and financial. The Audit Committee's structure and capabilities are consistent with the requirement set forth by the Securities and Exchange Commission (SEC). The board includes Mr. Padoong Techasarintr as a chairman of the board and Assoc. Prof. Nares Kesaprakorn and Assoc. Prof. Dr. Nipon Poapongsakorn is the Audit Committee member.

The Audit Committee has performed their duties to the extend and responsibilities assigned by the Board with independency as required in the Audit Committee Charter which is in accordance with the SEC's code of practice. The Audit Committee has in place an effective risk management, internal control and internal audit that is suitable and effective to ensure the transparency, integrity and fairness of the business operation, returning the highest benefits to shareholders and stakeholders.

In 2020, the Audit Committee held 12 meetings which all three-member attended regularly. Additionally, the board also arranged meetings with external auditors, without participation from the management team, to freely discuss the reviewing and auditing of financial statements. The Audit Committee held three meetings with the Management to discuss the Company's business operation. The report of the Audit Committee's performance has been reported to the Board of Directors for acknowledgment and consideration every quarter with summarized as follows:

1. Financial Statement Audit:

The Audit Committee has reviewed the materiality part of the quarterly and annual financial statements for the year 2020 of the Company and its subsidiaries, examining the important topics, major accounting amendments to ensure the Company's and subsidiaries' financial statements are prepared in accordance with the financial report standard, and all information is disclosed correctly, completely, adequately with reliability.

2. Internal Control and Internal Audit

The Audit Committee has audited and reviewed the adequacy and suitability of the Company's internal control to assure with reasonable ground that its operation contains adequate and proper internal control. Based on the internal control assessment which cover operation system and information technology system of which the Internal Unit has reported on a monthly and quarterly basis and the Risk Management Committee's report, the Audit Committee views that the internal control is adequacy and suitable to the Company's business operation and consistent with the auditor's opinions which claims that no material defect is found. Furthermore, the Audit Committee has approved the annual internal audit plan consistent with the Company's operation and strategic plan.

3. Audit of the related transactions or the transaction that may have a conflict of interest

The Audit Committee has considered the related transactions or the transaction that may have a conflict of interest between the Company and its subsidiaries and related person for the year 2020 to ensure that each transaction is reasonable and returns highest benefit to the Company.

The audit shows that that the related transactions or the transaction that may have a conflict of interest is in accordance with the normal course of business, transparent and fair, in conformity with the laws and requirements of the Stock Exchange of Thailand and the Notifications of the Capital Market Advisory Board. the audit reported is submitted to the Board of Directors and the Audit Committee every quarter.

4. Risk Management

Placing the importance of the entire corporate risk management, the Company has appointed Risk Management Committee to supervise and prepare the risk management plan to maintain risks at an acceptable level. The risk management operation is based on systematic procedures, covering internal and external factors that could affect corporate achievement. Upon the COVID-19 pandemic, the Company has closely monitored the situations and assessed the potential risks that could have an adverse impact by establishing the measures and code of practices aligned with the government requirements. The performance report is submitted to the Board of Directors for acknowledgment and consideration every quarter.

5. Compliance to the laws and government requirements

To supercvise the Company's compliance with the laws related to securities and stock exchange, Stock Exchange and the Securities and Exchange Commission, Thailand, notifications of the Capital Market Advisory Board related to the Company's business operation. It is considered that the Company has complied correctly and completely with the laws, regulations, notifications, and rules.

6. Good Corporate Governance

To supervise the Company's management system with good corporate governance, by reviewing the compliance with the aforementioned items, compliance with the laws, regulations and the Company's code of conduct. To acknowledge compliance report on the Anti-Corruption measures, receipt of complaint and whistleblowing via different channels. The performance is reported to the Board of Directors every quarter.

7. Performance assessment of the Audit Committee

After reviewing the Audit Committee Charter, performance assessment of the audit Committee which consists of individual and collective assessment to assure that the Audit Committee's performance is effective and efficient.

8. Appointing the Auditor

After consideration with the Management, the Audit Committee agreed to propose to the Board of Directors for approval in the shareholders' meeting regarding the appointment of Mr. Anusorn Kiatkangwanklai, the certified public accountant, license no. 2109 or Mrs. Khwanjai Kiatkangwanklai, a certified public accountant, license no. 5875 or Mr. Sathit Kiatkangwanklai, a certified public accountant, license no. 9760 or Mr. Prasitporn Kesama, a certified public accountant, a certified public accountant, license no. 9910 of ASV and Associates Company Limited as the Company's auditor for the year 2021. The compensation assigned is 1,100,000 baht which considered appropriate.

In summary, the Audit Committee is of the opinion that the Company's financial statement is accurate and reliable, in accordance with generally accepted accounting standard, compliant to the relevant laws and obligations, consisting of good corporate governance, and proper and adequate risk management and internal control system.

On behalf of the Audit Committee



(Mr. Padoong Techasarintr)
Chairman of the Audit Committee

Nominating Committee's Report

Thanulux Public Company Limited has appointed 3 members of Nominating Committee in accordance with the Good Corporate Governance Principles to perform the task of supporting the Board of Directors in selecting Company Directors and Top Management.

In the year 2020, the Nominating Committee held 2 meetings as follow;

In February, The Meeting had acknowledged the result of given an opportunity for shareholders to nominate persons for selection as Company Directors prior to the Annual General Meeting of Shareholders in 2020 since December 1 - 30, 2019. No shareholder, however, nominated any person for selection as Company Director. Having reviewed the Nominating Committee's Charter to comply with the related regulation and practice guidelines and also considered the qualifications of 2 persons who had been nominated to serve as company directors replacing the directors who retired by rotation and 2 addition directors, In the consideration for the

selection of qualified candidates, the committee took into account the knowledge, skills, experience and expertise from various professions. The Nomination Committee also consider their leaderships, visions, ethics, transparency, and must not be prohibited by laws and regulations of the company and not being sexual prejudice for their nominations. The name of 4 candidates, Ms. Dusadee Soontrontumrong, Mr. Padoong Techasarintr, Mr. Maris Sangiampongsa and Ms. Yupaporn Jearrakul, had been nominated to be directors from the Annual General Meeting of Shareholders in 2020.

The second meeting, in August, had considered the structure of the committees, the allocation of functions to Directors and sub committees, in order to promote good governance and efficient management in line with changing circumstances.

The Nominating Committee has performed its Duties as assigned by the Board of Directors in compliance with the Charter of the Nomination Committee discreetly and reasonably.

On behalf of the Nominating Committee



(Mr. Manu Leelanuwatana)

Chairman of the Nominating Committee

Remuneration Committee's Report

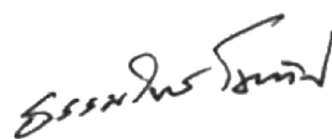
Thanulux Public Company Limited has appointed 3 members of Remuneration Committee in accordance with the Good Corporate Governance Principles to assist the Board of Directors in the determination of limits and rules for allocating remuneration to Company Directors.

In the year 2020, the Remuneration Committee held 2 meetings. The Committees had performed their duties to follow and consider important matters entrusted by the Board of Directors as assignment within the scope of the Remuneration Committee Charter, the Remuneration Committee has the duty of determining the remuneration limit and rules for allocating remuneration to Company Directors with a view to achieving an appropriate distribution capable of creating an incentive for working efficiency and to retain knowledgeable and proficient personnel in the Company. In addition, the Committee has reviewed the Charter of the Remuneration Committee and found that it is appropriate for the current situation.

The Remuneration Committee has determined the appropriate remuneration limit for Company Directors based on comparisons with other companies in the same industry, the remuneration limit approved by the shareholders' meeting in the preceding year and the amount of remuneration had been paid. As for the allocation of remuneration to Company Directors and members of sub committees, due consideration was given to the powers, duties, responsibilities, performance and the growth rate and performance of the Company, within the limit approved by the shareholders.

The remunerations of Company Directors and members of company committees have been disclosed in the Annual Report. The Remuneration Committee finds the remunerations appropriate and commensurate with duties, responsibilities and Company policies.

On behalf of the Remuneration Committee



(Mr. Thamarat Chokwatana)

Chairman of the Remuneration Committee

Report of Risk Management Committee

Addressing the risk management that enhances work performance and effectiveness that may influence added value among stakeholders, Thanulux Public Company Limited has appointed 5 members into the Risk Management Committee to supervise all departments' risk management. The Committee's duty is to perform a risk assessment that covers all business operations, prepare an operational plan as the risk culture at an acceptable level. In 2020, the Risk Management Committee held 4 meetings and all members attended the meeting. Following is the summary of the meeting.

1. Review of risk management scope to ensure appropriateness, conformity to the Company's strategic plan and current situation;

2. Annual Review of Risk Management
The Risk Management Committee has considered the changes of external factors, which include economy, society, climate, and technology innovation that have an impact on consumers' lifestyle and behaviors, intense competition with competitors in the same industry, and emerging competitor from other alternative industries. The Risk Management Committee also concluded the internal factors to determine operation plan regarding corporate risk, which covers significant risks, i.e., strategic risk, operational risk, compliance risk, financial risk, security risk, the risk from events that affect the normal business course of the Company, including the risk of corruption.

3. Risk Managerial The Risk Management Committee arranged a meeting that included all relevant executives to consider the result of the risk assessment, prepare a risk management plan, and give advice for monitoring the Action Plan. The Action Plan is ready to separately classified by each department's work system based on the scope of risk, creating advantages in business competition and sustainability growth.

4. Supervision The Risk Management Committee, held a meeting to closely and continuously monitor work plan management where all risk management outcome is reported. Eventually, the Risk Management Committee would give advice and direction to improve into effective risk management.

5. Report of Risk Management Result The Risk Management Committee has monitored the risk management outcome and presented it to the Board of Directors for acknowledgment every quarter.

In the previous year, the Risk Management Committee has considered risk factors that cover all fields. The Committee has performed its duties and followed up significant risks continuously and regularly to ensure an acceptable level. The Risk Management Committee has also driven the organization toward sustainable growth while considering the environment, society, and good corporate governance (ESG).



(Krish Follet)

Chairman of the Risk Management Committee

Governance Committee's Report

The Board of Directors of Thanulux Public Company Limited recognized the importance of good governance. Therefore, 5 members of the Governance Committee was appointed to perform duties as assigned by the Board of Directors which had been determined in the Corporate Governance Committee Charter, carried on the duties according to the governance code. The support regarding good governance was provided to the board of directors to raise value of the company, to bolster investors' and stakeholders' confidence and to conduct long-term sustainable business.

In 2020, the Governance Committee arranged 4 meetings to monitor assigned tasks. All 5 members attended completely. The outcomes can be summarized as follows:

1. Review the vision, mission, core values In accordance with the goal and the direction of the company.
2. Performed a review on Governance Charter to be in line with Good Corporate Governance Principles and to ensure it is up-to-date and suitable to current circumstance.
3. To review the Company's good corporate governance, support and monitor the compliance with the good corporate governance for the listed companies year 2017 issued by the Securities and Exchange Commission. The good corporate clauses are implemented to suit the Company's business context every year.
4. To consider the criteria of self-assessment and collective assessment of the Board of Directors, sub-committee, and Managing Director to improve their performance based on the assessment result.
5. To supervise to have criteria and to allow shareholders proposing meeting agenda and/or list of candidates of the board members prior to the annual general meeting of shareholders 2021 between 1 -30 December 2020.
6. To supervise to have the securities holding report among directors and executives according to the code of conduct established by the Securities and Exchange Commission.

7. Overseen and encouraged the practice of the company according to corporate governance principles, result to the Company got certified as "excellent" (Evaluate point 2020 = 90%, 2019 =89%, 2018 = 88%) by CG Scorecard for listed company 2019.


8. To monitor the THSI result and to improve and develop business based on the result, ensuring the comprehension on ESG. To build up opportunities and manage risks in operative procedures to be effective, in line with stakeholders' expectation.

9. Monitored a progress of short-term strategic plan of 2020 on a quarterly basis and of medium-term strategic plan in the third quarter to give advice and suggestion to the management in charge to make sure the strategic plan is adjusted appropriately in response to the current business condition and circumstance. Moreover, recommendation on drafting short-term and medium-term strategic plans for 2020 has been provided to ensure the plans are in accordance with the rapid change in the present, enhance human resource development, set flat organizational structure allowing for active performance and identify indicator the implementation according to the plans.

10 To report operation result to the Board of Directors on a regular basis.

The Corporate Governance Committee is determined to develop good corporate governance continually, to monitor and advise the Management regarding improving short-term/medium-term strategy for the year 2021 to conform with the rapid change of situations nowadays. In coupling with social and environmental responsibility, the development is a crucial matter contributing to the company's practical, fair, and reliable operation, creating trust among all stakeholders toward the long-term sustainable growth.

On behalf of the Governance Committee



(Assoc.Prof. Dr.Nipon Poapongsakorn)

Chairman of the Governance Committee

Executive Committee's Report

The Board of Directors has appointed 12 members of Executive Committee to administer the operations of the Company as provided by the Executive Committee Charter. In 2020, the Executive Committee held a total of 12 meetings to fulfill its assigned duties, a summary of which could be stated as follows.

1. Proposed and reviewed the company goals, business policy, strategy formulation, working plan and annual budget to the Board of Directors.

2. Approval of investment budgets pertaining to manufacturing technology, information technology, Digital marketing and human potential development in order to boost the Company's competitiveness.

3. Promotion of employee continual innovations as regards products, services and work processes. The Thanulux Innovation Award Contest is held annually. Selected works are submitted to the Chairman Award Contest. Domestic and foreign trademark and patent registrations are also encouraged.

4. Ensure accurate, complete and timely financial reporting for submission to the auditor for audit and/or review prior to presentation to the Audit Committee and the Board of Directors respectively.

5. Monitoring of the financial status and overall performance, domestic and foreign market conditions and competition on a monthly basis in order to evaluate and modify strategies in response to changing circumstances.

6. Examination of connected transactions and the acquisition and disposal of assets with caution, prudence and reason. The interests of the Company and shareholders are primarily upheld. After consideration, the matter would be referred to the Audit Committee and Board of Directors for approval in the event of a transaction within the scope requiring approval from the Board of Directors.

7. Promoted and supported an anti-corruption policy by communicated to all executives and employees. Keep tracking all expense that may be a channel for corruption, reviewed working standards to comply with business changes, laws, company regulations, working regulations and other standard.

8. Reviewed the Charter of Executive Committee, the Authority, Duties and Responsibilities of the Managing Director as well as internal procedures, in order that all these operating guidelines remain appropriate and relevant to the current situation.

The Executive Committee was committed to performing duties in pursuance of targets under the set action plan that assign from Board of Directors with prudence, transparency, accountability, social and environmental conscience, with a view to stable and sustainable growth.

On behalf of the Executive Committee



(Miss Dusadee Soontrontumrong)

Chairman of the Executive Committee

Overview of Business Operations

Thanulux Public Company Limited was founded on June 23, 1975 under the Intention of Mr. Boonsithi Chokwatana, operated the business of manufacturing finished garments. The initial registered capital was Baht 3 million and there were merely 75 employees. The business premises were situated near Wat Dok Mai. All shareholders were Thai nationality, comprising of natural persons and juristic persons.

The name “Thanulux” was created to match the name ARROW, with its arrow symbol. Thanulux is associated with a red symbol of Rama God pointing an arrow towards the sky. The name expresses a deeper meaning whereby the Rama God, represents Thainess, the red color symbolizes good fortune and the arrow pointing towards the sky represents fashion trends moving forward.

Significant Changes and Developments

First Decade: 1975 - 1985

Laying down the business foundations

The Company had been the licensee of the ARROW brand from the United States and had assigned ICC International Public Company Limited to oversee domestic sales and marketing. To enhance sales efficiency, the company had initiated the Arrow Consult (AC) who were available to advice on selecting shirt for customers and provided fitting rooms in order to give customer confidence that the proper fit had been acquired. As regards marketing, a slogan was created for the first ARROW product, “ARROW is shirt, shirt is ARROW” and Mr. Pichai Vasanassong was chosen as the brand ambassador under the slogan “ARROW: The True Gentleman Style”.

Important events

- 1975 - Company registration on 23 June 1975 with a registered capital of Baht 3 Million.฿
- 1983 - Increase of registered capital to Baht 6 million for business expansion.
- 1984 - Increase of registered capital to Baht 12 million for business expansion.

- Being the licensee of



Men's Wear

LOUIS FONTAINE

Leather Goods

Guy Laroche

Fashion Men's Wear

absorba[®]
PARIS

Fashion Children's Wear

Second Decade: 1986 - 1995

Business Expansion

The Company entered into a joint venture with foreign companies for business expanded to leather goods, garments and upstream raw materials, building a new production facility in the Saha Group Industrial Park, Sriracha, and expanding to Saha Group Industrial Parks in Lamphun and Kabinburi and received an investment promotion from BOI.

Important events

- 1987 - Increase of registered capital to Baht 24 million and Baht 30 million
Listed in the Stock Exchange of Thailand on 21 July 1987.
- 1987 - Registered share capital increased to Baht 45 million and issued shares were revalued to Baht 10 per share.
- 1989 - Increase of registered capital to Baht 60 million for business expansion.
- 1994 - Conversion from a Limited Company to a Public Limited Company

- Being the licensee of



Fashion Maternity Clothes Fashion Women's Wear

MIX-SELF



Men's Wear
(Re-brand from “ZAZCH”)

Guy Laroche

Swimwear, underwear and pants

JEAN-LOUIS SCHERRER
PARIS

High Ends Women's Wear and
Leather Goods

Third Decade: 1996 - 2005

A test of the organization's strength

The national economic crisis in 1997 severely devalued the Thai Baht. The business sector experienced a loss from exchange rates. The Company was also affected resulted to sales of products decreased both in domestic and export markets. In the crisis, Mr. Boonsithi Chokwatana found an opportunity, thus held the Saha Group Export & Trade Exhibition Fair. The aim was to expand to foreign customers. Because of the company's long experience in exports, longstanding relationships with foreign trading partners, along with the confidence of customers in the quality of goods, the Company's exports surged to 50 percent of total sales. Hence, the Company safely navigated through the economic crisis in a secure manner

Important events

- 1996 - Increase of registered capital to Baht 120 million.
- 1999 - Issue of debentures in the amount of Baht 300 million.
- 2002 - Received the transfer of the trademark "LOUIS FONTAINE" from Thai Wacoal Public Company Limited.)
- 2003 - The par value was changed from Baht 10 per share to Baht 1 per share on 9 May 2003
Being the licensee of

Fourth Decade: 2006 - 2015

Never-Ending Innovations

Business competition in the digital era had intensified. Numerous new strategies and Innovation had been developed, the Company then was committed to research and develop of innovations by co-ordinate with upstream industries in the Group for developing high quality raw materials, thus differentiating goods from competition and creating competitiveness.

Important events

- 2006 - Rebranding of "ZAZCH" to "HORNBILL".
- 2007 - Received an outstanding product innovation award for "COTTAZILK"
- 2012 - Opening of a second factory building at the Lamphun branch
- Expanded laundry service business at Bang-plee branch
- 2015 - I.C.C. International Plc. (ICC), the distributor company in Saha Group, has become the licensee of ARROW trademark. Since 1 January 2015, and the company operated as manufacturer with licensor approval.

• Being the licensee of

DAKS
LONDON

High Ends fashion
Men's Wear and Women's Wear

ELLE
H O M M E
INNERWEAR

Men's Innerwear



Leather Goods



Green Products

bsc

Fashion Men's Wear

St.Andrews

Fashion Apparel

itch

Fashion Men's Wear

MORGAN
MORGAN DE TOI

Men's Wear and Leather Goods

CADEAU
PARIS

Fashion Children's Wear

CottaZilk

New Thai Silk

BARONESS

Fashion Women's Wear

cami cetta

Fashion Women's Wear

Fifth Decade: 2016 - 2025

Value-Based Economic

Thailand was entering the 4.0 era which focus on the use of technology, innovation and creativity to drive the economy. The Company was cooperated with upstream industrial allies in the development of raw materials for creating products and also promoted employees to be creative by organizing “Thanulux Innovation Award Contest” since 2007. Selected Items were submitted to the Saha Group Chairman Award and encouraged registration of

Being the licensee of

OLYMP

Hi End Men's Wear
From German

era-won

Men's Wear

Important events

trademarks and patents.

- 2016 - Established a Joint venture company named “World Saha Fashion Company Limited” for the businesses relating to the distribution of apparel under the trademark “Takeo Kikuchi”.
- 2017 - Entrusted to be the licensee for distribute high-quality shirt from Germany under the trademark “Olymp”
- Opening of Thanulux Public Company Limited, Mae-Sot Branch, Tak Province, to expand manufacturing capacity for leather goods.
- 2018 - Established a Joint venture company named “Saha Komehyo Company Limited” for investment in new business.
- Expanded manufacturing capacity for leather goods at Lamphun branch.
- 2019 - Investment in ordinary shares of Saha Komehyo Company Limited
- Investment in ordinary shares for establishment Saha Capital Tower Company Limited to expand in real estate business.
- Transfer of retail business under “Era-won” brand from Celebrate Wealth Company Limited
- 2020 - Expanded business channels in the B2B, B2C format, including work wear (government uniforms and uniforms), healthcare and medical textile businesses.

Social Awards



Ministry of Labor and Social Welfare

- 2005 - Awarded a distinction for health promotion activities at the workplace.
- 2007 - Certified Silver Standard for Management of AIDS at workplace from the Department of Labour Welfare and Protection, and the Department of Disease Control.
- 2008 - Awarded a Certificate of Thai Labour Standard (TLS 8001-2003), Completion Level.
- 2009 - Awarded an ASO-T Thailand Platinum and ASO Thailand standards certificate for management and administration of AIDS and tuberculosis at the workplace from the Department of Labour Protection and Welfare, Ministry of Labour, and the Department of Disease Control, Ministry of Public Health.
- Certified as a breast-feeding workplace.
- Awarded with an accreditation and symbol (flag) by the Workplace Safety Center Area 1 and Area 4 for undertaking a campaign to reduce accident statistics at the workplace where risks are prevalent in the operations.
- 2012 to 2017 - Certificate of distinction as the “White Factory Scheme” for actions to prevent and combat problems pertaining to the use of narcotic drugs at the workplace.
- 2015 - Awarded “Safe Workplace Honoring Her Royal Highness Princess Maha Chakri Sirindhorn, Head Office and Lamphun Branch”
- 2015 to 2020 - Awarded the “Outstanding Workplace on Labour Relations and Labour Welfare (National)” for the 6th consecutive year.



สภาราชประชาสงเคราะห์
The Thai Red Cross Society

Thai Red Cross Society

- 2015 - Received honors from Her Royal Highness Princess Soamsawali as an agency supporting blood donation activities for 3 consecutive years..



Ministry of Industry

- | | |
|--------------|--|
| 2006 | - Awarded a distinction for "Hospitable Factory in Harmonious Tribute to His Majesty" in modifying the factory's landscape to enhance habitability and friendliness to the environment on the occasion of the 60th Anniversary Celebration of His Majesty's Accession. |
| 2012 | - Was certified as a Green Factory, First Level Green Industry. |
| 2013 | - Awarded an honorary shield as a workplace that is compliant with good governance principles on the environment. |
| 2017 | - Received the Green Industry Certificate Level 4 (Green Culture) and "Eco Factory: Eco Industrial Town in 4.0 era". |
| 2018 | - Gold Medal 3Rs Awards from Project "To develop waste utilization potential |
| 2019 | - Certificate Production scheme of Low Greenhouse Gas Emission |
| 2015 to 2020 | - Received the prestigious CSR-DIW CONTINUOUS Award 2019 for the 6th consecutive year |



Bangkok Metropolitan Administration

- | | |
|------|--|
| 2004 | - Awarded a certificate of distinction for "Clean, Safe and Pollution-Free Workplace". |
| 2005 | - Awarded a distinction trophy for the promotion of publicly beneficial activities from the senior citizen's club, Yannawa District. |
| 2018 | - Certificate "Sponsor and a precursor to the benefit of the Yannawa area". |



กระทรวงพลังงาน
MINISTRY OF ENERGY

Ministry of Energy

- | | |
|------|---|
| 2019 | - Award of the promotion of energy conservation in industrial, Lower Eastern region |
|------|---|

Products Awards

- | | |
|------|---|
| 2011 | - Received royal accreditation of Thai silk standard "Thai silk blend" for Cottazilk fabric under trademark Daks. |
| 2013 | <ul style="list-style-type: none"> - Certified a Carbon Footprint label for the shirt, Brand ARROW Style AY 630 from the Greenhouse Gas Management Organization (Public Organization) in collaboration with the Thai Textile Institute - Certified the "Smart Fabric" standard accreditation from the Thailand Textile Institute for good ventilation of moisture and sweat as well as greater comfort. The product accredited was shirt (cool innovation) under brand Guy Laroche. |
| 2014 | <ul style="list-style-type: none"> - Certified an Environmental Footprint label for the shirt, Brand ARROW Style AY 630, from the Thailand Textile Institute. - First operator to receive accreditation for the use of the "Smart Fabric" mark under the "Anti Bacteria" category, after having undergone inspection and standard accreditation procedures applied by the Thailand Textile Institute for the men's shirt category. This proves the goods' efficiency in eliminating more than 99.9% of odor-releasing bacteria. |
| 2015 | - Received royal accreditation of Thai silk standard 'Thai silk' for 100% silk fabric fabric under brand Daks |
| 2016 | - Accreditation of Cool Mode standard for 100% Cotton Knitted TRI003 by the Greenhouse Gas Management Organization (Public Organization) in collaboration with the Thai Textile Institute. |
| 2017 | - Certified for the electric saving "Label No.5" for shirt from the project of Electricity Saving type shirt of Electricity Generating Authority of Thailand. |



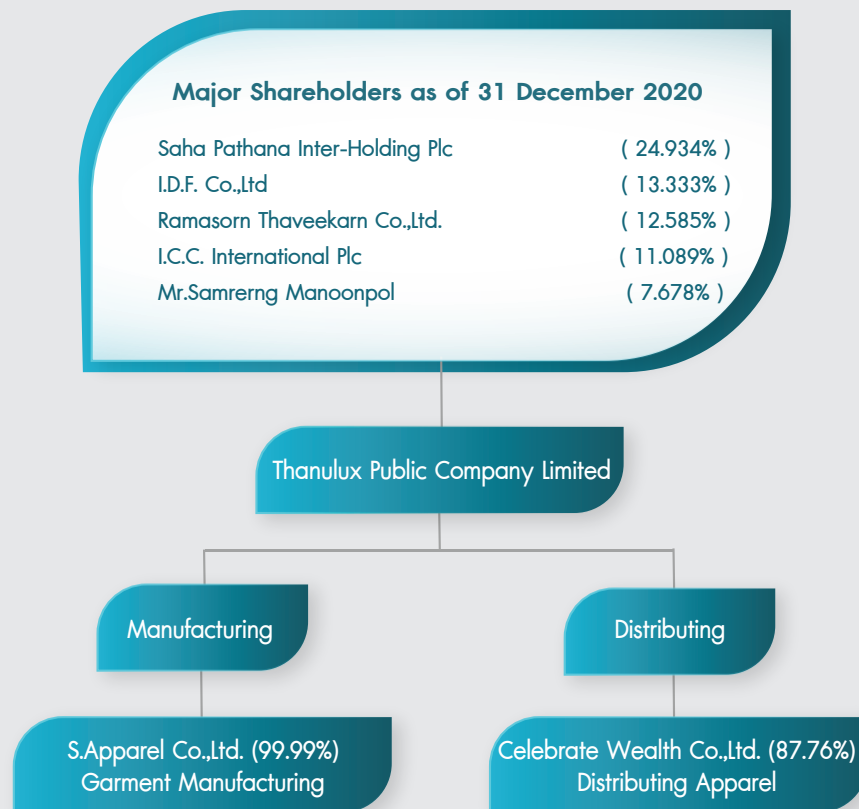
Management Standardization

- | | |
|------|--|
| 2002 | - Awarded quality accreditation ISO9001:2000 for designs and manufacturing of garments and leather goods from Bureau Veritas Certification (Thailand) Ltd. (BVQI) |
| 2010 | - Awarded quality accreditation ISO9001:2008 for design and manufacturing of garments and leather goods from Bureau Veritas Certification (Thailand) Ltd. (BVQI) |
| 2015 | - Awarded environmental management standard accreditation ISO14001:2004 for design and manufacture of menswear, women's wear, children's wear and leather goods from Bureau Veritas Certification (Thailand) Ltd. (BVQI) |
| 2017 | - Certified quality accreditation ISO9001:2015 for design and manufacturing of garments and leather goods from Bureau Veritas Certification (Thailand) Ltd. (BVQI) |
| 2018 | - Certified environmental management standard accreditation ISO14001:2015 for design and manufacturing of menswear, women's wear, children's wear and leather goods from Bureau Veritas Certification (Thailand) Ltd. (BVQI) |



- | | |
|------|---|
| 2019 | - Bronze Award of Happy Retirement Companies, organizes by the Stock Exchange of Thailand (SET), Securities and Exchange Commission (SEC), Provident Fund Association and Fund Management Companies |
|------|---|

Shareholding Structure for Companies under Thanulux Group



The Company has 2 subsidiaries, namely

S. Apparel Company Limited

- Apparel manufacturing and distribution
- Were situated at No. 4/2, Moo 8, Bangna-Trad Road, Km.18, Tambon Bangchalong, Amphoe Bangplee, Samut Prakarn Province.

Celebrate Wealth Company Limited

- Apparel distribution
- The office is situated at No. 129/1, Chongnonthri Road, Chongnonthri Sub-district, Yannawa district, Bangkok

Group Task Allocation Policy

The Company and subsidiaries have collaborated in the development of products. Procurement of raw materials, production planning and manufacturing orders are undertaken by the Company.

Cross-Shareholding

The Company has a cross-shareholding structure but such cross-shareholding does not create any conflict or inconsistency with the rules provided under the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: "Application for and Approval of Offer for Sale of Newly Issued Shares", clause 14.

Cross-Shareholding as of 31 December 2019

Name of Company	Proportion (%)	
	The Company's Shareholding in other	Other Company Shareholding in the company
1. Shareholdings exceeding 50%		
(A) Other company holding more than 50% of the Company's share; the Company must not have cross-shareholding in the other company.	-	-
(B) The Company holding more than 50% of shares in other companies; the other company must not have cross-shareholding in the Company.		
1. S. Apparel Company Limited	99.99	-
2. Celebrate Wealth Co., Ltd.	87.76	-
(C) The Company holding more than 50% of shares in 2 or more other companies; such other companies must not have cross-shareholding amongst themselves.	-	-
The two subsidiary companies as (b) do not have cross-shareholding amongst		
2. Shareholdings exceeding 25% but not exceeding 50 %		
(A) Other company holding > 25% but < 50% of the Company's share; the Company's cross-shareholding in the other company must not exceed 10%	-	-
(B) The Company holding > 25% but < 50% of other company's share; the other company's cross-shareholding in the Company must not exceed 10%.	-	-
3. Shareholdings not exceeding 25%*		
(A) Other company holding not more than 25% of the Company's share; the Company's cross-shareholding in the other company must not exceed 25%		
* 1. Saha Pathana Inter-Holding Public Company Limited	0.93	24.93
2. I.C.C. International Public Company Limited	3.44	11.09
(B) The Company holding not more than 25% of other company's share; the other company's cross-shareholding in the Company must not exceed 25%.	-	-

Remark: * Data only shown for companies with cross-shareholding

Business Relationship with the Company's major shareholding parties

The Company has engaged in transactions, with textile and apparel group of Saha Pathana Inter-Holding Public Company Limited – major shareholder, from upstream to downstream industry, and with the distribution company also, these transactions enhance the company's business capability completely starting from procurement of raw material till distribution of goods.

Business Description

The Company is a producer and distributes of finished garments and leather products under licensed international trademarks and Company own-brands that are renowned domestically and Export.

In 2020, the proportion of domestic to foreign distributions was 63 : 37 Domestic market, the company sells products directly to consumers through Department stores, online plat form and through I.C.C. International Public Company Limited the major trading partners, while international distributions are made through distributors and/or trademark owners, such as in the United States of America, Europe, Asia, ASEAN and Japan. In the domestic market, the company sells products directly to consumers through online shopping malls and through major trading partners.

Company's Products

The Company's products may be classified into two categories, as follows:

Finished Garments

The Company's finished garments incorporate men, women and children customer groups, consisting of shirts, polo shirts, trousers, suits, jackets, pajamas, underwear, neckties, handkerchiefs, scarves, swimsuits, sportswear and socks under the trademarks ARROW, EXCELLENCY, GETAWAY, COOL, Guy Laroche, Guy Guy Laroche, DAKS, ELLE HOMME, Takeo Kikuchi, Olymp, HORNBILL, ICON, positif, MIX-SELF, MORGAN and Erawon for men and women. As for children products, the Company manufactures and distributes garments for infants to 8-year olds. In addition, there are also diapers, bedding, shoes, socks, dolls and accessories for toddlers under the trademarks absorba

Leather Goods

These products are manufactured for men and women, consisting of wallets, handbags and belts under the trademarks ARROW, EXCELLENCY, GETAWAY, Guy Laroche, Guy Guy Laroche, DAKS, LOUIS FONTAINE and MORGAN.

Other products such as food, household Equipment and beauty products under the brand Era-won.

Group Revenue Structure

Revenue of the Company and Subsidiaries

(Unit : Million Baht)

Product	Operated By	% of Shareholding	2020	%	2019	%	2018	%
Fashion Goods	Thanulux PCL.	-	1,120.07	100.08	1,508.66	92.38	1,607.09	90.35
Fashion Goods	S.Apparel Co.,Ltd.	99.999	-	-	5.43	0.33	8.83	0.50
Fashion Goods	Celebrate wealth Co., Ltd.	87.76	(0.93)	(0.08)	119.09	7.29	162.80	9.15
Total Sales Revenue			1,119.14	100.00	1,633.19	100.00	1,778.72	100.00

Product	Sales Revenue	2020	%	2019	%	2018	%
Fashion Goods	Domestic	708.83	63.34	1,139.49	69.727	1,205.57	67.78
Fashion Goods	Export	410.31	36.66	493.70	30.23	573.15	32.22
Total Sales Revenue		1,119.14	100.00	1,633.19	100.00	1,778.72	100.00

Revenue Structure of the Company only

(Unit : Million Baht)

Sales Revenue	2020	%	2019	%	2018	%
Finished garments	748.43	66.80	956.55	62.53	1,019.10	60.95
Leather goods	372.02	33.20	575.11	37.47	652.88	39.05
Total	1,120.44	100.00	1,534.66	100.00	1,671.98	100.00

Marketing strategy-Domestic market

The Coronavirus (COVID-19) pandemic situation had a severe outbreak in the first half of the year. It had affected the country's economy, especially the tourism sector. There were many shutdowns of businesses, various of the shopping mall was temporarily closed. This factor had affected the textile industry directly to the company's partners whose main sales channels are department stores. Coupled with the changing of customer behavior due to the epidemic situation and the lockdown for a long period. These reasons mentioned above were the main result that made buying behavior of the customers through the department stores had decreased while the growth of online sales channels had significant growth.

To strengthen company competitiveness, the company direction should modulate to this situation by focusing on developing an online sales channel, creating the right sales channels, and consumer behavior.

Fashion Brand Business: License and House Brand

Product Details

The company has developed a material innovative continuously for making the outstanding product in the market and enhance the ability to serve the customer's needs. Moreover, the company keeps up with the rapid adaptation to fashion trends, including the development of innovation in the production process to improve production from INPUT to OUTPUT. We develop "Anti-Bacteria Fabric" to increase production efficiency and control product quality with high standards to strengthen the product competitiveness and continue to meet customer needs trends that care more about health. Besides, our product is environmentally friendly.

ARROW Products

"Arrow Shirt Anti-Bacteria" Collection

The Innovative Shirt with anti-bacterial, anti-odor properties and inhibit various bacteria that are the cause of various skin diseases. To make every workday to be a bacteria-free day, this shirt also has passed the THTI test, effective against bacteria before washing 99.9% and after 20 washing 95%.

"Anti-bacterial Shirt Products" was developed to allow customers to put the best product for good hygiene

Cool Mode "Be Handsome, you do not need ironing"

It is a product that has been certified by the Electricity Generating Authority (EGAT) as an energy-saving product that has two outstanding features.

Absorba Products

Absorba Viral Off Mask

Innovative Viral Off reduces the accumulation of bacteria and virus, H3N2, and 99% inhibition of bacterial growth was 99% after washing 20 times remain effective. Based on laboratory test results from the BOKEN Quality Evaluation Institute Osaka Function Textile Testing Center, Japan.

** Reference test results from laboratory culture institute of SGS (Thailand) Limited Test

Absorba Nano Zinc Fabric Mask

Nano Zinc helps inhibit bacteria and an unpleasant smell made from Perma Fiber that contains Nano Zinc Oxide, and the soft fabric does not irritate the skin. Therefore, it suitable to make child masks. Moreover, Nano Zinc could protect and bacteria against 99%

Ozone products

It is a product brand that has been developed to meet consumer behavior that has changed during the lockdown and work from home periods. Most women are becoming more interested in exercise. As a result, the activewear brand Ozone has been developed in response to the growing consumer interest in health.

ERAWON Products

ERAWON Brand is focusing on the expanding of the product line that serves brand target customer: The new generation of people aged 18-25 years - first careers. Such as food products, home equipment including men's cosmetics

- Food Products

The brand will launch an era-won breakfast, a new way of life breakfast. Targeting the new generation market who are in a hurry, do not have time, but still need breakfast Good for health The first product that we will be selling is Homemade fruit jam and cracker snacks with high quality, easy to keep, and can be eaten immediately.

- Accessories & Equipment Product

Anti-bacterial shoe boxes – germs reducing and inhibiting from shoes.

- Beauty product group:

ERAWON has launched Beauty products such as face creams and hair gels with special features that help inhibit acne with an organic cream formula, colorless and odorless. Targeting is the mass markets.

There are not a lot of competitors which can compete. The company is focusing on "good quality products at affordable prices," with the strong point that we have factories that produce and control the good quality and variety products. Therefore, the price we aspect will be the strengthening strategy.

Distribution Channels

To creating a variety of products in the market to meet the needs of various customers. The Company has a focus on all sales channels. Especially online channels which are the most effective in situations of Coronavirus (COVID-19) outbreaks situation.

Department Store

The Company and distributors have maintained the brand image by focusing on Visual Merchandising Display and product display in the store with the unique according to the brand identity. To communicate directly with customers. The company has increased training to increase the brand knowledge training course for salespeople which will grow customer satisfaction. Including the stock planning to be ready. Besides, while house brands will focus on expanding new branches where will be attractive to new generations such as Siam Square One or shopping mall near the universities.

Online Channels

The company and distributors jointly develop specific products for sale in various marketplace channels such as Lazada, Shopee, JD, Thailand best to expand sales channels. Besides, we also expand channels through Line officials account, and Facebook for adding the reachable to customers during the coronavirus outbreak. As for the brand Aera-Won are focused on selling 70% online and 30% offline and generating sales from current channels such as Lazada and Shopee as well as the company website.

Factory Outlet

The company has selected products with good price and quality to serve customers' needs. The shop's area is in decorating with the unique product display to motivate and be more convenient for customers. This strategy has been focused on expanding all sales channels. Consequently, the distribution channels are an important part to help distribute products to cover all customer groups.

Sales Promotion

The company operates a proactive marketing strategy. In collaboration with Saha Group companies, the Saha Group Fair is held annually by inviting both domestic and foreign partners to attend the event. But last year, the situation of the COVID-19 epidemic changed the organization of the Saha Group Fair to an online nature. The event was named “Saha Group Fair Online” to find opportunities to expand the market in new channels.

The company’s website for public relations and communication is a significant channel to create new opportunities to grow markets for both local and international customers. Besides, the target customers are distribution companies and international trademark owners in countries such as the European Union, Japan, Asia, and ASEAN.

Moreover, the online shopping marketplace advertisement could board and make efficient brand awareness to the target customers with low investment cost. Consequently, the company also focuses on word-of-mouth strategies by using methods of delivering products to famous people online.

Uniform Business

Uniforms & Workwear

From our determination to grow the business and to expand the sales channels of uniform products to be recognized to various customer groups. There are many target groups of customers including the financial institution group, petrochemical, and energy company, educational Institutions, automotive industry, hospital and health products, service groups, and hotel and spa groups. The company are committed and still adhering to the highest customer satisfaction in the following areas:

Ordering System

“The ordering System” covers both Onsite & Online Service for convenience. It’s fast and accurate to the customer service. The system has been designed to process and store the database efficiently and accurately to facilitate the collection and use of information for the most benefit and further extended.

Cross-Sell Product

Cross-Sell Products will be sold in a set of clothing, leather goods, accessories, and other premium products.

One-Stop Service

Provides complete services including standard size products, pattern order, and made to order service

SAHA Supply Chain

The company presents and selects innovative functional fabrics to enhance the quality of employee uniforms. Reaching the needs of everyday use, a functional uniform that creates more value for the wearer and the organization with a wide range of features; Caring, Protection, and Environment Friendly (Care, Protect & Eco Friendly)

Product Quality

Maintaining product quality standards to be satisfactory to customers with the standardized by QC Service.

The Uniforms & Workwear Business department still adheres to the management approach under the concept “Focus on products and services that focus on building CI for customer” through providing services in various channels by focusing on the process directly to customers as follows:

Expanding Sales Channels

The company will continue to sell and promote continuing to expand the B2B (Business to Business) to link into B2C (Business to Customer)

Booth

The company exhibited products at SAHA GROUP FAIR and various exhibitions such as MONEY EXPO 2020.

Custom Made Shop

Custom Made Shop under the name ERA-WAN Uniforms & Workwear by Thanulux

Opened at Thanulux Public Company Limited, a cutting measurement service for customers who are convenient to walk-in to users or customers who are interested in cutting out a suit.

Sales Catalog and Sales E-Catalog (Online Channels)

Preparing Catalog and E-Catalog for customers using to promote company product news, including to promote the innovation of various fabrics and uniform sewing services. The catalogs will be one channel to contact the customers in all 5 industry groups to promote and support sales opportunities to expand more rapidly. (Service group, manufacturing industry group, international school group, medical group, and government officials)

Healthcare and Medical Textile

The company is committed to growing and expanding sales channels in textile products for personal care and medical. Hence, the Healthcare and Medical Textile Business Division has been jointly developed in collaboration with SAHA Supply Chain Group to present innovative technical materials for medical textiles (Technical Textiles), ie Clothing that anti-bacteria and anti-viruses, for daily personal use products to help encourage consumers to have a better life.

Bedridden suite

Designed specially to facilitate patient's handling, lifting, turning. It reduces the incidence of pressure sores which is a common problem for bedridden patients. Its fabric has a mixture of Nano Zinc fibers which inhibit bacteria from the patient's skin.

Healthy Socks

The Healthy Socks for the elderly and people with diabetes. It is specially designed to increase the thickness of the sock by 3 times to reduce impact and prevent injury. It also has a non-slip rubber foot underneath. The material is fiber Zinc Oxide (Nano Zinc), which helps inhibit the bacteria that cause odor.

Compression Varicose Vein Socking

Socks for the prevention of varicose veins or those who have onset High flexibility Comfortable Relieves muscle pain from standing, walking, or sitting for a long time.

The company has operated and expanded its business in Healthcare and Medical Textile under the brand "INNOWEARTION". With experience and expertise as the country's leading textile manufacturer, we can be assured of the service quality. The product has a function that meets the needs of daily life in the present day which focuses on health care and hygiene. The company aims to be a leader in innovation that will improve the quality of life of consumers in everyday life through the channels of the company's distribution channels without distributors. Details as following:

Booth

The brand has been joined the significant trade show events

1. Thai Elderly Trade Show and Health Service Association at Centara Hotel, Government Complex Chaengwattana
2. 5th InterCare Asia 2020, the technology trade show Innovation for the elderly and health products at BITEC Exhibition and Convention Center (BITEC) Bangna

Walk-in

The company has established a direct sales team to introduce the company, present products, and services including various innovations for the hospital group - both public and private sectors. Especially Clinics and Elderly Health Care Centers in Bangkok and metropolitan areas.

Online channels

The company has created a Facebook: Innoweartion and added a direct contact via Official Line account "@Innoweartion". To promote company news, product information, and promotions including recommending health care products.

Besides, the company also expanded its sales channel through the Market Place "Lazada" to serve the convenience for customers.

Government Officials uniform

From the collaboration between SAHA Supply Chain companies in expanding uniforms sales to various companies and organizations in 2020. The company has expanded the production and distribution of ready-made uniforms for civil servants and police officers under the brand "ERAWAN Uniforms & Workwear by THANULUX".

Product highlights

1. Innovative Nano Zinc fabric

that can inhibit the growth of bacteria permanently throughout the service life. It also helps reduce the problem of the musty smell. Non-toxic and safe for the user

2. Various Size "Fit Like a Tailor"

Various selection the size of shirts, pants, and skirts - up to 16 sizes. Thus, It could make it possible to wear "fit like a tailor" to meet customer convenience

Distribution channels

The company opened the first store at Government Center Chaengwattana. Parallely with the establishment of the online sales channels. Consequently, the POP-UP activity has created using to introduce products at various government places including Bangkok and other provinces to strengthen the customer base and expand the sales channel.

Marketing Strategies - Overseas Market

Product Concept

The product concept holds that consumers will favor products that offer the most quality, performance, and innovative features. Our strategies are focused on making continuous endeavor towards product development to cope up with rapid changes in consumer lifestyle, technology and competition as well as developing new textile products to grow our business by expanding into new markets.

Pricing Concept

Our company are focused on customer satisfaction through continuous improvement in product and services. We provide quality products to customers at reasonable prices and thus creates its impact on the customers to competitive in the current economic conditions.

Promotion Concept

In current situations that we could not visit with overseas clients as well as invites them to visit trade fairs in our country, we have changed the way businesses market products by meeting with the client by online channel to purpose our new product for the opportunities to expand the new markets in Asia, Middle East and Europe through the cooperation with Partner companies that we also have in Thai and Oversea.

Industry trends and competition

The Thai economy in 2020 is projected to decrease by 6.0 % due to the export value of goods in US dollar terms is anticipated to decrease by 7.5 % and the private consumption sector declined by 0.9 %, due to the impact of the coronavirus (COVID-19) crisis.

The Thai economy in 2021 is expected to expand it will be mainly supported by the improvement of domestic demand, the recovery of the world economy and global trade, the government budget's disbursement and economic stimulus measures, and the low growth base in 2020. Consequently, it is expected that export values of goods, private consumption expenditure, and total investment will increase by 4.2 %. However, there are limitations and risks that may affect recovery from the uncertainty of the COVID-19 epidemic situation in many countries that will also affect to the economic recovery, world trade volume, tourism sector and employment.

Textiles and Garments

The factor affecting the global economy in 2020 is COVID-19. In the first half of 2020, it was found that the overall export of Thai textile and garment industry it continued to decline by an average of 16.9 % due to the cancellation of production. Including unable to deliver products within the specified period Which affects the entire supply chain of the textile industry. The export of textiles (fibers, yarns, fabrics) decreased 18.9% and the garment sector decreased by 13.3%.

On the other hand, imports of textiles (fibers, yarns, fabrics) declined 21.9 % and apparel groups declined 11.5 %

For medical textile products, Face mask is the market potential product. There is an increasing trend: Exports face mask that used in the operating room continued to increase 8,352.6 % and imports increased 51.8 %. Exports Face masks to prevent dust, smoke or toxic chemicals continued to increase 280 % and imports increased 14.9 %.

Trends in 2021 It is expected that many countries have started to more relaxing from lockdown that may be affect to establishments, businesses and shops to resume operations again. However, the business operation or the production of various products has changed from the original pattern by applying technology and innovation to adapt to the changing behavior in the New Normal era that need support from the government to revival Textile and Garment industry as follows;

1. Drive the new supply chain by creating a medical textile cluster that connects Textile and garment industry, Medical organization and other related industries to develop the production from fibers, fabrics as well as medical textiles in order to produced throughout the supply chain
2. Promote Product Quality & Standard by supporting Testing Lab for Medical Textile and other medical textile products to meet the standards.

For the private sector, entrepreneurs must adapt to become more agility and focus on safety and personal hygiene on textile production to increase more competitiveness of the textile industry.

Leather products

The tanning and dressing of leather in 2020 showed a 22.77% drop in yield index compared to the previous year as well as bag and shoe products, the production decelerated by 15.18 % and 27.56 % from lower demand. Both for export and domestic distribution due to consumers are more careful with their spending which is affected by the situation of the coronavirus outbreak

The total export value in 2020 was 1,383.32 million US dollars, 26.77 % decreased from the previous year. This was affected from of the export value of leather, tanned leather, pressed leather product, travel appliance footwear and parts respectively decreased by 22.33 %, 44.34 and 19.90 % due to the COVID-19 epidemic situation. The main export markets are Vietnam, China, the United States, Myanmar and Switzerland.

The total import value in 2020 was 1,544.93 million US dollars, 26.84 % decrease from the previous year. This was affected from of the import value of raw leather, tanned leather, bags and shoes respectively decreased by 30.83 %, 27.33 and 21.08 % due to the decline in domestic demand. The main import markets are Denmark, Argentina, Italy, France, China and Vietnam.

Trends in 2021 for Shoes and Leather Industry, Production of footwear and leather products is expected to recovery, including tanned, decorative leather, tanned leather, bags and shoes. From domestic sales and exports that will be recovered as the affected of the epidemic situation of the COVID-19 virus should be resolved in a good way and the government has measures to stimulate domestic spending and investment Including to stimulate tourism from foreigners by accepting the Special Tourist Visa (STV) for imports, all products are expected to return to expand the business as well as raw material and tanned hides tend. In line with the manufacturing sector as well as bags and shoes products that will exhibit better import value that also need support from;

- 1) Domestic demand increased
- 2) Economic recovery and world trade volumes
- 3) Government and various economic stimulus measures
- 4) An unusually low base of expansion in 2020

However, the expansion will continue gradually due to the spread of the coronavirus virus. That continue to spread throughout the world and waiting for the first vaccine to be concrete in early 2021.

Promotional Privileges

By virtue of the Investment Promotion Act, B.E. 2520, the Company has been granted some promotional privileges from the Board of Investment (BOI) as follows:

1.	Promotional certificates No.	1628(2)/2554	1627(2)/2554	60-0122-0-00-1-0	60-1470-1-03-1-0
2.	Dates of promotional certificates	2/09/2011	31/05/2011	31/01/2017	26/12/2017
3.	The first receiving revenues dates	2/09/2011	4/05/2011	2/08/2018	1/03/2018
4.	The type of business promoted	Leather products or artificial leather	Textile or fragment	Leather products or artificial leather	Leather products or artificial leather
5.	Important privileges which are granted:-				
5.1.	Exemption from corporate tax on net profit from promotional operations, commencing from the first receiving revenue date.	8 years (Expired on 30/10/17)	8 years (Expired on 30/11/18)	8 years	8 years
5.2.	Exemption from income tax on dividends from promoted business which was exempted from income tax in 5.1	8 years (Expired on 30/10/17))	8 years (Expired on 30/11/18)	8 years	8 years
5.3.	Reduction of the corporate income tax on net profit from promoted business at 50% of normal rate after the end of exemption period.	5 years	5 years	5 years	5 years
5.4.	Double deduction of expenses for utilities (electricity, water and transportation) for the year.	10 years	10 years	10 years	10 years
5.5.	Exemption from corporate income tax for amounts not exceeding (Adjustable to capital investment amount excluding cost of land and working capital).	Baht 76.27 million	Baht 46.13 million	Baht 51.99 million	Baht 60.00 million

The Company had strictly comply with certain terms and conditions stipulated in the promotional certificates.

Raw material sourcing and raw material purchase proportion

The main raw material in the Company's production is ready-made woven fabrics, finished knit fabric, finished dyed leather. The secondary materials are sewing threads, buttons, zips, raw materials that used to make finished good, metal parts such as buckles, logo, rings, assembly parts for leather products and raw materials used for packaging such as bags, paper tags, boxes, etc.

The raw materials sourcing, it is purchased from 70% domestic sources and 30% imported from overseas; Italy, France, Australia, USA, China, Hong Kong, Japan and Asian countries etc. Domestic purchasing is from major manufacturers which has a management system and a standardized production control system environmental friendly. In addition, the company has jointly invested with an affiliated manufacturing company (Saha Value Chain) to establish a manufacturing and raw material development plant in Thailand such as

Erawan Textile Co., LTD produces yarn and woven fabrics,

SSDC (TIGERTEX) Co., LTD. produces of Bleaching, Dyeing and Finishing of Fabric,

Thai Gunze Dyeing Co., LTD produces underwear products,

Thai Staflex Co., Ltd. produces lining fabric,

Thai Naxis Co., Ltd. produces woven labels, branded fabrics, printed fabrics,

G Tech Co., Ltd. produces stretch fabric, molded sponge

to enhance competitiveness and continuous product development for the sustainability grow of company business.

Partner selection system, our company selects trade partners by considering ability to respond to customer needs, product quality, standard work system, safety, occupational health and the environment Conduct business according to the law. The selected partners will be registered to be a vendor List and will be evaluated the system twice a year to assess the quality of delivery, a measure of the efficiency of each partner according to the ISO 9001 system.

The company has a **Purchasing risk assessment system**. By considering factors that will be affect to the production, delivery, price, market conditions, including economic, social and environmental aspects that may change. We have a risk management plan in order to prevent any impact on business operations in acceptable level and we also have strictly order planning to continuous cooperate with supply chains, both large and small trade partners.

The company has a Research and Development department. To develop raw materials with partners continuously such as the development of innovative fabrics and leather for new raw materials or substituting existing materials, developed production technique, Quality control and raw materials testing before entering the production process and Cost-effective of raw materials to reduce environmental problems

Product and services sourcing

The company sourcing products from in-house production. There will be only a small fraction of those procured from outside which is under the quality control of the company. We are using technology along with the manpower skill to obtain quality products including the implementation of the ISO9001 quality management system.

No. of factories, company location and production capacity

Units

Operators	Location	Category	Production capacity (unit) per year
Thanulux Public Company Limited	129/1 Chongnonthri Road, Chongnonthri, Yannawa, Bangkok	Garment Leather goods	450,000 60,000
	99/3 Moo 5 Saha Group Industrial Park-Lamphun, Paa-sak, Muang Lamphun, Lamphun	Leather goods	600,000
	125 moo 5 Saha Group Industrial Park-Kabinburi, Suwannasorn Road, Nonthri, Kabinburi, Prachinburi	Garment	900,000
	269/15 Moo 15 Saha Group Industrial Park-mae Sot, Mae Kasa, Mae Sot, Tak	Leather goods	200,000
	Total		2,210,000

Production capacity and actual production separated by product category

Units

	Subsidiary company			Thanulux Public Company Limited		
	2020	2019	2018	2020	2019	2018
Production capacity (unit)						
Finished garments	-	165,000	180,000	1,350,000	2,000,000	2,200,000
Leather goods	-	-	-	860,000	1,000,000	1,140,000
Total	-	165,000	180,000	2,210,000	3,000,000	3,340,000
Actual production (unit)						
Finished garments		132,266	175,069	1,127,730	1,775,700	2,064,339
Leather goods	-	-	-	590,434	779,747	937,983
Total	-	132,266	175,069	1,718,164	2,555,447	3,002,322
Capacity utilization (%)	-	80.16	97.26	77.74	85.18	89.89
Output increase (decrease) (%)	(100.00)	(24.45)	4.32	(32.76)	(14.88)	(1.92)

Note The subsidiary was in the process of dissolving its business.

The company had manufactured total 1,533,403 unit of masks in additional.

Risk Factors

The Company addresses the importance of risk management regarding sustainable growth, creating added value to stakeholders. The Company has implemented COSO ERM 2017 to the corporate context and determined a risk management policy that focuses on comprehensive risk management to all business operations, including promoting as a part of the corporate culture. Thanulux reviews and assess business risks regularly, taking into consideration internal and external factors, including risk feasibility and its direct and indirect impacts on business. All these procedures consider and identify significant risks to prepare an operation plan and suitable risk management measures to prevent, supervise and control risk to be an acceptable level. The followings are risk factors that have an impact on our business operation:

Potential Risks to the Company's Sustainability

1. Risks of sales channels

The Company is a producer and distributes of finished garments and leather products under licensed international trademarks and Company's brands. Thanulux distributes its products via its own sales channel and distributor. In the past year, approximately 50 percent of the Company's sales volume is via a significant distributor, which arrange the sales in departmental stores. Hence, in case our trading partner is affected by the economic situation, politics, business competition, changes of technology of digital or emerging risk factors, for instance, the COVID-19 pandemic, the Company will also be significantly affected. Accordingly, the Company has determined risk management guide into the followings:

Domestic markets

- 1) We will develop innovative products under collaboration with the trading partners while diversifying distribution channels, for instance, an online platform, including a market place. We will focus on developing products, characteristics, quality, and price to meet the target groups of each distribution channel.
- 2) Develop and create the house brand product and distribute directly to consumers via own stores and an online platforms including market place.
- 3) Provide special service for designing and manufacturing uniforms, including government officer uniforms, to add up sales channels.
- 4) Develop and manufacture products during COVID-19 pandemic, for instance, fabric mask, personal protective equipment (PPE)

Oversea market

Thanulux has the policy to maintain existing customers and expand product distribution to a potential customer group. The Company will develop new product and manufacturing techniques under coordination with customers, seeking quality raw material sources to meet customers' requirements. Meanwhile, the sales team will look for new customers in existing and new markets.

2. Risks from COVID-19 outbreak

According to the COVID-19 outbreak from 2019 - 2020, we globally generate adverse impacts on business and industrial sectors. The Company has been affected directly and indirectly by the changes in customers and vendors. Thanulux has announced the urgent measure to monitor/ prevent the outbreak to avoid and reduce risk and ensure all stakeholders' safety. Our preventive measures include:

- 1) Employee: The Company has disseminated the information to employees about taking care of themselves and their family members amid the outbreak. We impose strict rules regarding hygiene in different areas to ensure both the factory and office are virus-free. We also establish a 'work from home' schedule.
- 2) Supply Chain Management: The Company monitors the raw material and packaging delivery from vendors affected directly and indirectly by the outbreak. We monitor the situation closely to prepare a supporting plan. The Sales Department coordinates with customers on the affected purchase orders, changes of the delivery date, and workforce preparation for production when the vendors resume their operation.
- 3) Product Management: The Company determines measures to ensure products' cleanliness and safety, quality standards to bring confidence for customers.
- 4) Addition of sales channel and alternative products:
 - The Company stimulates products to an online platform after the drop of purchase orders from abroad and the closure of department stores in Thailand thanks to the advantages of our organization and the comprehensive industry facilities, and our expertise in apparel and leatherwear manufacturing. We move on amid crisis.
 - The Company boosts up an online business plan in coupling with sales promotion according to customers' demand and the stored database and analysis of customers' behavior classified by group, and the product sales based on trends.
 - The Company has merged some of its businesses to enhance cost management efficiency and reach specific target customers.

- The Company adds product lines and expands business to personal protective equipment (PPE) and the workwear product according to customers' demand. The unique feature is customers can design delicate textile in the format they want. This customized include official government suit, uniforms.

3. Risks of exchange rate

Overall of Thai and the world economy in 2020 contracted which ranked below standard line due to the COVID-19 pandemic. Business operation is disrupted following the decline of the global supply chain. Such an unfavourable economic situation impacts ordinary business courses regarding goods trading based on foreign currency. Since Thanulux proceeds transactions in JPY, USD, and EUR, the main currencies that are considered high fluctuated, the Company experience risks of currency exchange.

The Company has prepared a risk management plan by analyzing and monitoring exchange rates closely. The Company enters into a forward exchange contract, determining policies to limit foreign currency risks and alter its operational behavior to take advantage of a natural hedge. The result and trend of exchange rates, including estimation of customers' orders in foreign currency, are reported to executive officers regularly and on a basis and quarterly basis.

4. Risk of investment and liquidity management

The year 2020 marked significant economic and financial changes due to the COVID-19 pandemic, where many countries have encountered economic recession. Realizing such a situation, the Company sees the necessity to implement monetary policy by reducing policy rates continuously while preparing for the low-interest-rate that may be prolonged. On the other hand, a part of the Company's assets is cash or financial asset; hence, the Company's return rate is also dropped. Another factor that Thanulux takes into consideration is to assess proper liquidity state to manage appropriate investment plan, including liquidity risk of the asset for investment. This is to prevent the lack of liquidity and risk of not disposing of assets to earn cash.

Thanulux is aware of the risk of return and quick cash and financial assets. The surplus investment fund is allocated in alignment with the return and cash flow in various formats, such as deposits with commercial banks, government bonds, money market funds, and debt securities, and corporate bonds.

The above management is determined under financial liquidity management policy and management of investment fund, which has been approved by the Risk Management Committee, the Executive Committee, and the Board of Directors. The Asset-liability Management Committee is responsible for closely monitoring the investment trend, directly reporting to the Executive Committee regularly, and reporting to the Risk Management Committee every quarter.

5. Risks of receivables

Risks of customers' credit The Company understands the risks of granting credit to customers and has established guidelines for customers' credit approval. The financial department will eventually inspect the financial status of every new customer before releasing trading credit. The trade receivables period is reported to executive officers on a regular basis in order to monitor any transaction that could cause risk. All trade receivables are listed in the financial statement of each quarter. The majority of the Company's trade receivables are undue; hence, it does not cause an impact on the Company's liquidity and financial status.

6. Risk of Human Resource Management

Human resource is a major factor in driving business toward the required direction and corporate strategy. Thanulux determines to create and develop human resources to accommodate and capable of internal and external changes. However, in 2020, the severe and unexpected outbreak of COVID-19 disrupted the management process and development of the human resource. Eventually, the Company has improved its operation plan and divert the focus to human resource development as follows:

- 1) Recruitment for enhancing business performance
According to the pandemic, it is necessary to accelerate personnel recruitment to build up eCommerce and Digital Marketing team work of experienced and skills members to progress in line with department direction and structure. The recruitment channels are launched in various platforms, such as social media job websites, recommendations by people from the same field, internal recruitment, and shifting duties among existing employees.
- 2) Creating and developing successors for the future
According to the successor policy and working plan made in 2020, the Company has nominated experienced executive officers by outsourcing based on each position and assessment's necessity. Another means of recruitment is from promoting existing employees. Each newly elected person receives an assessment and monitoring process to identify the readiness for the position. The personnel recruitment from external and internal is procedures that require continual monitoring and development is the senior executive's priority.
- 3) Developing personnel of all levels amid the changes
Personnel development is varied from the plan due to the impact of such risk. Training is converted into virtual training, which proceeded online. Amid the outbreak crisis, Thanulux sees the opportunity to apply Think & Go Digital to develop meeting or internal communication via technology and application, cultivating learning culture and adjust to embrace the change.
- 4) Creating affiliation and improvement of internal communication.
The year 2020 poses concerns and anxiety among our employees. The Company has highlighted the importance of communication to ensure the understanding in each policy, requesting employees to comply with sanitary practices to prevent the outbreak, including other policies to pass this crisis together. The Company also encourages activities that create bonding within, for instance, giving out free face masks, rescue bags to help to minimize the cost of living, selling consumer products at an affordable price, adding the frequency of communication between the Company and employees via an internal platform which includes: group email, Line group, Intranet, and Facebook Thanulux. Every year, the Company runs a survey to identify the organization's unity to improve the communication and corporate atmosphere based on survey results and comments. These activities will lead to employee engagement – one of Thanulux's sustainable growth mission.

7. Risk of compliance with rules, regulations, and relevant laws.

The Company addresses the importance of compliance with rules, regulations, and the law related to its business, including environmental impacts strictly. The excellent business operation is coupling with taking care of the communities, society, and environment.

The Company is certified by ISO 9001 - 2015 and ISO14001-2015 and awarded CSR-DIW CONTINUOUS AWARD for the year 2020. Thanulux has its legal department to supervise and ensure compliance with the laws related to business operation and regularly publish it to its personnel.

8. Risk of fraud and corruption

Hence, focusing on sustainable business operation, good corporate governance, and strict internal control are already in place. Thanulux is ready to implement an explicit Anti-Corruption policy and strictly comply with. Moreover, the Company has joined the Collective Action against Corruption or CAC and has been certified as a member of the Anti-Corruption Ally Network. The Company has also established the Code of Conduct and disseminates its vendors and sub-contractors to highlight its determination.

Business Risk Suppression and Management, The Company has determined measures to control and monitor essential work operations that may contain corruption. The internal audit unit is responsible for assessing risk and randomly the accuracy of genuine, transparent work operation, including suppressing any transaction that may involve fraud. The Company provides a communication channel to stakeholders to report information, give suggestions, or complain about corruption. The Company has appointed a committee to consider and investigate the complaint and grievance based on systematic and transparent, and retraceable procedures to ensure confidence and reliability in the fair investigation for all related parties.

9. Risk from environmental management

The Company conducts business as a manufacturer and distributor of ready-made apparel and leatherwear, prioritizing the importance of cost-effective utilization of the resource. We also manage waste from the production process, which could impact the environment and communities.

The Company has the policy to eliminate waste from the production process. Our working group assigned for environmental management system ISO 14001: 2015 conducts a study and development on alternative energy to develop a machine that utilizes the energy effectively. The working group also invents environmentally friendly green products.

Future Risks

Risk arising from technological Disruption

The rapid development of technology has brought tremendous benefits to business operations. Big data analytics, the Internet of Things and artificial intelligence i.e. robotics have all been part of this evolution. These create a lot of changes both faster and more comfortable in the operation of organization around the world and also including the living of human life. This thing changed the old Statement that, "Big fish eat small fish" to "fast fish eat slow fish". To survive in this situation, the businesses have to make substantial adjustments by bringing technology and digital media to help increase word efficiency. Also, Big Data to analyze the production, distribution, marketing process and consumer behavior research.

General information and Reference

General Information

Thanulux Public Company Limited Registered No. 0107537001358

Registered capital	:	120 million Baht, divided into 120 million ordinary shares, fully paid up.
Type of Business	:	Manufacturer of garment and leather goods
Head Office	:	129/1 Chongnonthri Road, Chongnonthri, Yannawa, Bangkok 10120
Home Page	:	www.thanulux.com
TEL.	:	0-2295-0911-9, 0-2295-4171-80
FAX	:	0-2294-5101, 0-2294-5918, 0-2294-0794
Customer Relation Center	:	0-2295-0911-9, 0-2295-4171-80
E-mail	:	Company Secretary and Investor Relations supachoke@thanulux.com
	:	Internal Audit Department audit@thanulux.com
	:	Customer Relation Center crcenter@thanulux.com

Reference

Share Registrar

Thailand Securities Depository Company Limited

No.93 Rachadaphisek Road, Dindaeng, Bangkok 10400, Thailand

TEL.	:	0-2009-9000
FAX	:	0-2009-9991
SET Contact Center	:	0-2009-9999
Website	:	http://www.set.or.th/tsd
E-mail	:	SETContactCenter@set.or.th

Auditor

ASV & Associates Limited

47 Soi 53, Rama 3 Road, Bangpongpan, Yannawa, Bangkok 10120

TEL	:	0-2294-8504, 0-2294-8587
FAX	:	0-2294-2345
By	:	Mr. Anusorn Kiatgungwalgri Licensed Auditor no. 2109, and/or
	:	Mrs. Kwunjai Kiatgungwalgri Licensed Auditor no. 5875, and/or
	:	Mr. Satis Kiatgungwalgri Licensed Auditor no. 9760, and/or
	:	Mr. Prasitporn Keasma Licensed Auditor no. 9910

Investments in other companies

Investments in companies which Thanulux Public Company Limited holds at 10% and over of the issued shares as follows :

Company Name/Address	Type of Business	Type of Share	Issued Shares	Shares Hold	% of Shares Hold	Amount (Baht)
DISTRIBUTING COMPANIES						
1. Celebrate Wealth Co., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok Tel : 0-2294-9505 Fax : 0-2294-9506	Apparel	Ordinary	850,000	746,000	87.76	69,235,995.20
2. Saha Komehyo Co., Ltd. Room No. T28A1, 28th FL. Siam Piwat Tower, 989 Rama 1 Rd., Pathumwan, Pathumwan, Bangkok. Tel : 0-2251-3527 to 8 Fax : 0-2251-3529	Second hand products	Ordinary	1,350,000	135,000	10.00	13,500,000.00
3. Miwaki SDN. BHD. 37B, Jalan SS22/23, Damansara Jaya, 47400 Petaling Jaya Selangor Darul Ehsan, Malaysia Tel : (03) 719-4381 Fax : (03) 719-5399	Apparel	Ordinary	1,000,000	190,000	19.00	2,481,039.21
4. Miwaki Philippines, Inc. 25/F Yuchengco Tower, RCBC Plaza, 6819 cor. Ayala & Sen. Gil Puyat Avenues, Makati City, Philippines 1200 Tel : (632) 753-4791-2 Fax : (632) 753-4794	Apparel	Ordinary	20,800,000	3,952,000	19.00	3,317,590.00
5. International Commercial Coordination (Hong Kong) Limited Room 408, 4/F., Hope Sea Industrial Centre, 26 Lam Hing Street, Kowloon Bay, Tel : (852) 2756-5622 Fax : (852) 2753-8631	Apparel	Ordinary	50,000	7,200	14.40	3,822,438.85
6. World Saha Fashion Co., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok Tel : 0-2294-2250 Fax : 0-2294-2251	Apparel	Ordinary	50,000	9,500	19.00	9,500,000.00
7. Wise Winner Co., Ltd. 555/128-129 Ratchaphreuk Road, Maha Sawat, Bang Kruai, Nonthaburi Tel : 0-2101-6698 Fax : 0-2101-6698	Clothing and Sporting Goods	Ordinary	100,000	18,000	18.00	1,800,000.00

Company Name/Address	Type of Business	Type of Share	Issued Shares	Shares Hold	% of Shares Hold	Amount (Baht)
8. Morgan De Toi (Thailand) Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok Tel : 0-2295-1737, 0-2295-1730 Fax : 0-2294-1757	Apparel	Ordinary	400,000	64,000	16.00	6,400,597.59
9. Paknumpo Wattana Co., Ltd. 310/47-50 Sawanvithi Road, Paknumpo, Muang, Nakornsawan Tel : (056) 222-354, 223-683 Fax : (056) 223-683	Apparel	Ordinary	10,000	1,400	14.00	1,037,442.00
10. Intanin Chiangmai Co., Ltd. 162/2 Changklan Road, Changklan Muang, Chiangmai Tel : (053) 274-514-15, 282-598-9 Fax : (053) 282-358	Apparel	Ordinary	5,000	625	12.50	2,781,362.50
11. Koraj Wattana Co., Ltd. 3/44-47 Troksoathong, Mukamontree Road, Muang, Nakhonratsima Tel : (044) 253-772 Fax : (044) 261-556-9	Apparel	Ordinary	10,000	1,250	12.50	1,527,575.00
12. Sun & Sand Co., Ltd. 74/220-224 Phoon-pon Road, Muang, Phuket Tel : (076) 213-137, 223-984-5 Fax : (076) 213-137	Apparel	Ordinary	10,000	1,250	12.50	1,498,637.50
13. Intersouth Co., Ltd. 229-231 Dhamnoonvithi Road, hadyai, Songkhla Tel : (074) 243-850, 245-019 Fax : (074) 356-339	Apparel	Ordinary	10,000	1,250	12.50	4,285,612.50
14. Eastern I.C.C. Co., Ltd. 90/5-6, 8 Moo 4, Pipit Road, Bangsai, Muang, Choburi Tel : (038) 285-194 Fax : (038) 285-194	Apparel	Ordinary	10,000	1,250	12.50	2,938,062.50
15. Maharachapreuk Co., Ltd. 470/7 Praaongdam Road, Muang, Phitsanulok Tel : (055) 212-288-90 Fax : (055) 212-288	Apparel	Ordinary	10,000	1,200	12.00	415,584.00

Company Name/Address	Type of Business	Type of Share	Issued Shares	Shares Hold	% of Shares Hold	Amount (Baht)
MANUFACTURING COMPANIES						
1. S. Apparel Co., Ltd. 4/2 Moo 8, Bangna-Trad Rd., KM.18 Bangchalong, Bangplee, Samutprakarn Tel : 0-2337-1657-8 Fax : 0-2337-1659	Garment	Ordinary	180,000	179,998	99.998	20,583,208.27
2. Total Way Image Co., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok Tel : 0-2295-4171-9 Fax : 0-2294-5101	Leatherware	Ordinary	200,000	38,000	19.00	7,132,316.93
3. Thai Monster Co., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok Tel : 0-2295-4171-9 Fax : 0-2294-5101	Garment	Ordinary	50,000	9,500	19.00	5,548,942.47
4. Thai Naxis Co., Ltd. 222 Moo 5, Suwannasorn Rd., Nonthri, Kabinburi, Prachinburi Tel : (037) 205-145-7 Fax : (037) 205-229	Label	Ordinary	200,000	38,000	19.00	4,700,000.00
5. International Leather Fashion Corp., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok Tel : 0-2295-4171-9 Fax : 0-2294-5101	Leatherware	Ordinary	500,000	90,000	18.00	8,810,100.00
6. Erawan Textile Co., Ltd. 49 Moo 3 Poochaosamingprai Rd., Samrongtai, Prapradaeng, Samutprakarn Tel : 0-2183-3898-9 Fax : 0-2183-3916	Spun yarn and fabrics manufactur- ing	Ordinary	6,214,634	922,468	14.84	117,726,177.91
7. Champ Ace Co., Ltd. 3885/2 Bangklo, Bangkorleam, Bangkok Tel : 0-2291-2533-4 Fax : 0-2291-2537	Garment	Ordinary	400,000	60,000	15.00	6,000,000.00

Company Name/Address	Type of Business	Type of Share	Issued Shares	Shares Hold	% of Shares Hold	Amount (Baht)
8. People's Garment Public Co., Ltd. 666 Rama 3 Rd., Bangpongpan, Yannawa, Bangkok Tel : 0-2685-6500 Fax : 0-2294-5159	Garment	Ordinary	96,000,000	13,484,000	14.05	52,683,587.15
9. Thai Takaya Co., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok Tel : 0-2295-4171-9 Fax : 0-2294-5101	Jeans	Ordinary	300,000	33,000	11.00	3,300,000.00
<u>SERVICE COMPANIES</u>						
1. SSDC (Tigertex) Co., Ltd. 111 Moo 5, Nonthri, Kabinburi, Prachinburi Tel : (037) 281-930, 281-932 Fax : (037) 281-937	Bleaching, Dyeing Fabric and Yarn	Ordinary	32,400,000	6,144,600	18.96	68,634,718.97

Shareholder

Registered and Paid-Up Capital

Thanulux Public Company Limited is a listed company in the Stock Exchange of Thailand (SET) with the stock symbol for Trading as "TNL"

1. **Ordinary shares**, as of 31 December 2020, Thanulux Public Company Limited had a registered capital of Baht 120 million, of which Baht 120 million had been fully paid-up. The capital is divided into 120 million ordinary shares at a par value of Baht 1 per share.

2. **Other types** of share issue with rights or conditions differing from ordinary shares, e.g. preference shares: - None -

The Company's 10 Major Shareholders as of 31 December 2020

	Name of shareholder	No. of shares	%
1	Saha Pathana Inter-Holding Plc.	29,920,820	24.934
2	I.D.F. Co., Ltd.	16,000,000	13.333
3	Ramasorn Thaveekarn Co., Ltd.	15,101,700	12.585
4	I.C.C. International Plc.	13,307,040	11.089
5	Mr. Samrerng Manoonpol	9,213,000	7.678
6	Mr. Boonsithi Chokwatana	4,655,220	3.879
7	Watsadoramai Co., Ltd.	2,800,000	2.333
8	Miss Sirikul Dhanasarnsilp	2,272,580	1.894
9	Mrs. Sirina Pavarolarvidya	1,979,040	1.649
10	Universe Beauty Co., Ltd.	1,738,000	1.448
	Total	96,987,400	80.823

Note : Investors can see the updated shareholders' information from the Company website, www.thanulux.com, and prior to the 47th General Meeting of Shareholders.

Distribution of Shareholding as at the Book Closing Date on 31 December 2020, Categorized According to Type of Shareholder

Type of Shareholder	No. of shareholder	No. of share	%
Legal entity			
Thai Nationality	32	84,135,630	70.11
Foreign Nationality	0	0	0.00
Total Legal entity	32	84,135,630	68.56
Ordinary person			
Thai Nationality	625	35,660,710	29.72
Foreign Nationality	4	203,660	0.17
Total Ordinary person	629	35,864,370	31.44
Total	661	120,000,000	100.00

Distribution of Shareholding as at the Book Closing Date on 31 December 2020, Categorized According to Amount of Shareholding

Range of shareholding	Total Shareholders			Legal entity			Ordinary person		
	No. of Share-holders	No. of Shares	%	No. of Share-holders	No. of Shares	%	No. of Share-holders	No. of Shares	%
1 - 100	140	4,897	0.004	0	0	0.000	140	4,897	0.014
101 - 1,000	113	58,145	0.048	8	3,040	0.004	105	55,105	0.154
1,001 – 5,000	151	442,685	0.369	3	6,780	0.008	148	435,905	1.215
>5,000	257	119,494,273	99.58	21	84,125,810	99.99	236	35,368,463	98.62
Total	661	120,000,000	100.00	32	84,135,630	100.00	629	35,864,370	100.00

3. There is no agreement between major shareholders

on matters affecting the issue and offer of securities or management of the Company

4. Issue of other securities, e.g.

debentures or convertible securities:
- None -

Report of Shareholdings of Directors and Executive Officers in Thanulux Public Company Limited as of 31 December 2020

Unit:share

	Name		Beginning 2019		Purchase	Sale/ Transfer	Ending 2019	% of Shareholder
			Directors/ Executive	Spouse*				
1	Mr. Manu	Leelanuwatana	-	-	-	-	-	0.000%
2	Mr. Thamarat	Chokwatana	152,747	-	-	-	152,747	0.127%
3	Miss Dusadee	Soontrontumrong	433,240	-	-	-	433,240	0.361%
4	Mr. Supotch	Pakaworawuth	13,420	-	-	-	13,420	0.011%
5	Miss Marin	Leelanuwatana	1,117,960	-	-	-	1,117,960	0.932%
6	Miss Yupaporn	Jearrakul	5,000	-	-	-	5,000	0.004%
7	Mr. Padoong	Techasarintr	-	-	-	-	-	0.000%
8	Assoc.Prof. Nares	Kesaprakorn	-	-	-	-	-	0.000%
9	Assoc.Prof. Dr.Nipon	Poapongsakorn	-	-	-	-	-	0.000%
10	Mr. Maris	Sangiampongsa	-	-	-	-	-	0.000%
11	Mr. Suchart	Layluxsiri	5,000	-	-	-	5,000	0.004%
12	Dr.M.L.Sirapirom	Teeraprasert	8,000	19,080	-	-	27,080	0.023%
13	Ms. Kochakorn	Puengsiticharoen	4,000	-	-	-	6,000	0.005%
14	Mr. Woradej	Puengsiticharoen	6,000	-	-	-	4,000	0.003%
15	Mr. Chairit	Suphasitichan	-	-	-	-	-	0.000%
Total			1,745,367	19,080.00	-	-	1,764,447	1.470%

* Inclusive of shares held by spouse and children who have not reached legal age

The amount of securities hold by directors and managements (including their spouses and children under legal maturity) is 1,764,447 shares, equal to 1.470% of total registered capital 120,000,000 shares which is not exceed 25% of the company's sold shares.

Also, the company has required directors and managements to report their shareholding status including those hold by spouses and children under legal maturity within 30 days from the date of appointment as director or management. In case the directors or managements including their spouses and children under legal maturity wish to change their shareholding status, they should inform the Company Chairman 1 day in advance. And shall report to The Securities and Exchange Commission in accordance with article 59 of The Securities and Exchange Act B.E.2535 including inform the company secretary within 3 working days upon completion of the transaction.

Dividend Payment Policy

The Company has a policy of paying dividends to shareholders at the rate of Baht 0.20 per share, which is equivalent to 20 percent of the par value. However, payment is principally subject to the Company's operating results and economic conditions. Dividend payments would be made from net earnings and retained earnings. Dividends would be calculated in proportion to the earnings in the Company operating results (unconsolidated statement). Details of dividend payouts are shown below:

Thanulux Plc.	2020	2019	2018	2017	2016
Earnings per share (Baht)	0.07	1.12	1.68	1.30	1.61
Dividend per share (Baht)	*0.07	0.55	0.75	0.70	0.85
Payout ratio (%)	105.40	49.01	44.53	54.02	52.72

Note * The Board of Directors Meeting No. 1/2021 adopted a resolution to propose to the 47th General Meeting of shareholders, which is to be held on April 27, 2021, the approval of dividend payment at the rate of Baht 0.07 per share.

Subsidiary Companies. The Company has a policy whereby subsidiary companies shall pay dividends from net earnings and retained earnings with due regard to the excess cash remaining from normal operations or surplus of capital investments, subject principally to forecasts of future operating results and economic conditions.

Management Structure

The Company has a clear management structure which ensures accountability as well as sufficient checks and balances. The Board of Directors has appointed 6 Company Committees to scrutinize various aspects of the operation and has appointed Executive Officers to take charge of the Company's operational management. The powers, duties and responsibilities of each Company Committee, Chairman and Managing Director are clearly stated in writing in the Charters. The Company Secretary performs functions prescribed by law and as assigned by the Board of Directors.

1. The Board of Directors

There are 10 members of the board of directors who named in the certificate letter of Ministry of Commerce as follows:

- 6 Non-Executive Directors constituting 60% which include 4 Independent Directors
- 4 Executive Directors constituting 40%

The Board of Directors oversees operations for the greatest benefit of the Company and shareholders and ensures compliance with law, objects, articles and shareholders' meeting resolutions. The Board of Directors is under an obligation to perform duties responsibly, prudently, honestly and in good faith as a reasonable operator of such business would perform under the same circumstances.

In 2020, the list of Company Directors and positions held in Company Subcommittees as follows:

	Name	The Board of Directors	The Audit Committee	The Nominating Committee	The Remuneration Committee	The Risk Management Committee	The Governance Committee	The Executive Board
1	Mr. Manu Leelanuwatana	✱		✱				
2	Mr. Thamarat Chokwatana	★		/	✱			
3	Miss Dusadee Soontorntrumong	/			/		/	✱
4	Mr. Supotch Pakaworawuth	/ ¹						/ ¹
5	Miss Marin Leelanuwatana	/		/	/		/	/
6	Miss Yupaporn Jearrakul	/ ²				/	/	/
7	Mr. Padoong Techasarintr	±	✱					
8	Assoc. Prof. Kasaparakorn Nares	±	/					
9	Assoc. Prof. Poapongsakorn Nipon	±	/				✱	
10	Mr. Maris Sangiampongsa	± ³						

✱ = Chairman ★ = Vice Chairman / = Director ± = Independent Director

Chairman of the Risk Management Committee is Mr. Krish Follet

Note: 1. Mr. Supotch Pakaworawuth resigned from The Board of Directors and The Executive Board on January 1, 2021
 2. Miss Yupaporn Jearrakul was appointed as The Board of Directors on August 4, 2020
 3. Mr. Maris Sangiampongsa was appointed as Independent Director on August 4, 2020

Directors representing the Company

The two Directors out of the following 3 Directors must jointly sign their names, together with the affixing of Company seal, namely

1. Miss Dusadee Soontrontumrong
2. Miss Marin Leelanuwatana
3. Miss Yupaporn Jearrakul

Curriculum Vitae of Company Directors

Details on the curriculum vitae of Directors may be found under the heading “Information of the Directors, Executives, Controlling persons and Company Secretary”.

Records of the Directors attending the meeting

In 2020, attendance in each Company Committee may be summarized as follows:

Unit : Time / Year

List of Directors		Attendance							
		AGM No 45	Directors	Audit Committee	Nominating Committee	Remuneration Committee	Risk Management Committee	Governance Committee	Executive Committee
1 Mr. Manu	Leelanuwatana	1 / 1	7 / 7		2 / 2				
2 Mr. Thamarat	Chokwatana	1 / 1	7 / 7		2 / 2	2 / 2			
3 Miss Dusadee	Soontrontumrong	1 / 1	7 / 7			2 / 2		4 / 4	12 / 12
4 Mr. Supotch	Pakaworawuth	1 / 1	7 / 7				3 / 3 ⁴		12 / 12
5 Miss Marin	Leelanuwatana	1 / 1	7 / 7		2 / 2	2 / 2		4 / 4	12 / 12
6 Miss Yupaporn	Jearrakul	1 / 1	3 / 7 ³				4 / 4	4 / 4	12 / 12
7 Mr. Padoong	Techasarintr	1 / 1	7 / 7	12 / 12					
8 Assco.Prof. Nares	Kesaprakorn	1 / 1	7 / 7	12 / 12					
9 Assco.Prof. Dr. Nipon	Poapongsakorn	1 / 1	7 / 7	12 / 12				4 / 4	
10 Mr. Maris	Sangiampongsa		3 / 7 ³						
11 Mr. Krish	Follett	0 / 1 ²					4 / 4		
12 Mr. Suchart	Layluxsiri	1 / 1					3 / 3 ⁴		11 / 12 ¹
13 Dr.M.L.Sirapirom	Teeraprasert	1 / 1					4 / 4	1 / 1 ⁶	12 / 12
14 Miss Kochakorn	Peungsiricharoen	1 / 1							4 / 4 ⁸
15 Mr.Chairit	Suphasitichan	1 / 1							4 / 4 ⁸
16 Mr. Woradej	Puengsiricharoen	1 / 1					1 / 1 ⁵		
17 Miss Busarin	Treeratpijarn	1 / 1					1 / 1 ⁵		4 / 4 ⁸
18 Mr. Chairat	Wattanachotiwat	1 / 1							4 / 4 ⁸
19 Mrs. Tueanjai	Puengsiricharoen	1 / 1							11 / 12 ¹
20 Mr. Paskorn	Suphakat	1 / 1							8 / 8 ⁷
21 Mr. Chayarop	Makamontri	1 / 1							12 / 12
22 Miss Sunee	Kongsong						3 / 3 ⁴		

Note : 1. Sick Leave

2. Errand Leave

3. Miss Yupaporn Jearrakul and Mr.Marisa Sangiampongsa were appointed as a director on August 4, 2020

4. Mr.Supotch Pakaworawuth, Mr.Suchart Layluxsiri and Miss Sunee Kongsong resigned from the Risk Management Committee Member on August 10, 2020

5. Mr.woradej Puengsiricharoen and Miss Busarin Treeratpijarn were appointed as a member of the Risk Management Committee on August 10, 2020

6. Dr.M.L.Sirapirom Teeraprasert was appointed as a member of Corporate Governance Committee on August 10, 2020

7. Mr.Paskorn Suphakwat resigned from the Executive Committee Member on August 10, 2020

8. Miss Kochakorn Peungsiricharoen, Mr.Chairit Suphasitichan, Miss Busarin Treeratpijarn and Mr.Chairat Wattanachotiwat were appointed as a member of the Executive Committee on August 10, 2020

The Board and Committee Meeting

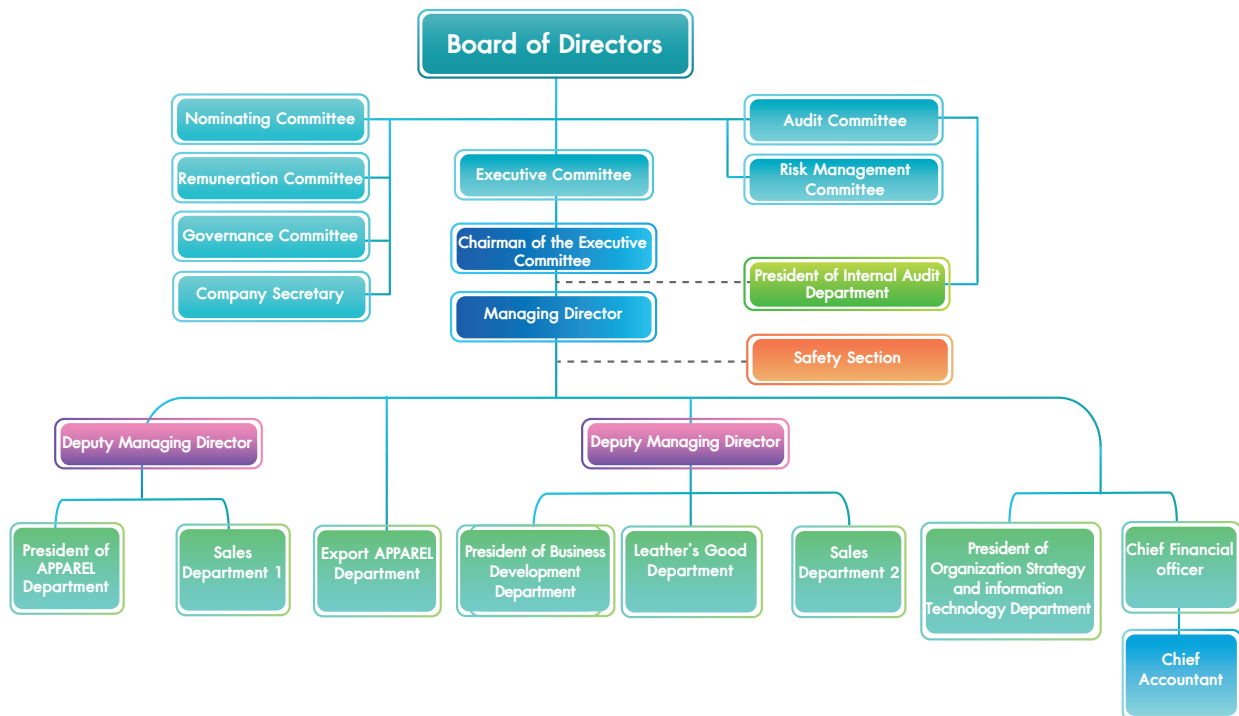
The Board of Directors and subcommittees have arranged meeting schedule one year in advance. Additional meetings may be called upon issued, as necessary. Each meeting is accompanied by clear agendas. The secretary of each committee shall send out invitation letters together with the agenda and supplemental meeting documents to the directors not less than 7 days in advance in order to enable the directors to carry out adequate studies of the information prior to the meeting. In the meeting, the chairman shall give opportunities to all directors to fully debate and express opinions, and to the executives to give explanations and responses to questions. Minutes are recorded in writing. Minutes which have been approved by the board are systematically archived as evidence for references and ready for inspection.

2. Controlling persons

The Company does not have a controlling person who exercises a significant influence on the formulation of management or operational policies of the Company.

3. Executives

The Company Management Structure



As of 31 December 2020, the Company had 9 Executives, as follows:

	Name		Position
1	Miss Dusadee	Soontrontumrong	Chief Executive Officer and Managing Director ¹
2	Mr. Supotch	Pakaworawuth	Managing Director ²
3	Miss Marin	Leelanuwatana	Deputy Managing Director and President of Business Development
4	Miss Yupaporn	Jearrakul	Chief Finance Officer
5	Mr. Suchart	Layluxsiri	Deputy Managing Director and President of APPAREL Department
6	Dr.M.L. Siripirom	Teeraprasert	President of Organization Strategy and Information Technology Department
7	Miss Kochakorn	Puengsiricharoen	President of Leather's Good Department
8	Mr. Chairit	Suphasitichan	President of Medical Textile Department
9	Mr. Woradej	Puengsiricharoen	President of Internal Audit Department
10	Ms. Somjit	Sukko	Chief Accountant

Note : 1. Miss Dusadee Soontrontumrong was appointed as Managing Director On January 1, 2021

2. Mr. Supotch Pakaworawuth resigned from Managing Director on January 1, 2021

The abovementioned office holders are regarded as Executives under the definition of the Office of the Stock Exchange Commission.

Curriculum Vitae of Executive

The curriculum vitae of Executives may be found under the heading "Information of the Directors, Executives, Controlling persons and Company Secretary".

4. Company Secretary

The Board of Directors adopted a resolution to appoint Mr. Supachoke Sirichantaradilok, Deputy Manager for Finance and Overseas Operations, whose qualifications are stated in "Information on the Board of Directors, Executives, controller and company secretary", as the Company Secretary from May 8, 2008. The Company Secretary is under an obligation to perform duties prescribed under section 89/15 and section 89/16 of the Securities and Exchange Act (No. 4) 2008, which came into force on August 31, 2008. Those duties must be performed responsibly, prudently and in good faith, and also in accordance with laws, objects, Company Articles, Board of Directors resolutions, including shareholders' meeting resolutions, as follows:

1. To provide preliminary advice to the directors on laws, regulations and articles of the Company, and to monitor proper and regular compliance, as well as to report substantive changes to the directors.
2. To coordinate between the Company directors and the management, to supervise and coordinate matters pertaining to the relevant laws and regulations, including proceedings to ensure compliance with resolutions of the Board of Directors.
3. To organize meetings of shareholders and meetings of the Board of Directors in accordance with laws, Company Articles and other directives.
4. To record minutes of meetings of shareholders and meetings of the Board of Directors as well as to monitor compliance with resolutions of meetings of shareholders and meetings of the Board of Directors.
5. To oversee the disclosure of information and file the relevant reports under the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.
6. To prepare and archive the following documents:
 - (a) Directors' Register
 - (a) Notice of Board of Directors meeting, minutes of Board of Directors meeting and Annual Report of the Company
 - (c) Notice of shareholders meeting and minutes of shareholders meeting.
7. To maintain reports of interest reports filed by directors or executives
8. To carry out other proceedings as prescribed by the Capital Market Supervisory Board.

5. Remuneration of Directors and Executives

Criteria for determining the remuneration of Directors

Due regard is given to other companies in the same industry, the Company's expansion, growth of the Company's operating results, and the powers, duties, responsibilities and performance of Company Directors.

Remuneration Method

The Remunerations Committee set up the limits for payment the remuneration to Company Directors. Remuneration is determined as meeting allowances and an annual fee. A proposal would be made to the Board of Directors for consideration before submission to the General Meeting of Shareholders for approval.

Annual Fee Payment to Director

The Remunerating Committee consider an annual fee according to the specified criteria then present to the Board of Directors meeting for approval.

Remuneration of Executives

Payment of remuneration to Executive Officers are made in accordance with the principles prescribed by the Company after having due regard to the Company's operating result, level of responsibility assigned and performance of the Executive Officer. For the performance of the Managing Director, the Board of Directors has assigned the Chairman of Executive Committee to evaluate.

1. Monetary Remuneration

(a) Directors Remuneration

Shareholders' Meeting No. 46 on August 4, 2020 passed a resolution approving the remuneration limit in an amount not exceeding Baht 10 million per annum for Company Directors. This remuneration does not include compensation or welfare benefits payable to Company Directors in their capacities as officers or employees of the Company. The following compensation has been determined for performance of duties.

1. Company Director

1.1 Meeting allowance payable only to Directors present at the meeting

Chairman	10,000.00	Baht/meeting
Each Company Director	8,000.00	Baht/meeting

1.2. Annual fee (remuneration) payable to all Company Directors. The Remuneration Committee considers allocation of this amount and proposes to the Board of Directors for approval.

2. Audit Committee.

Meeting allowances are paid only to Members present at the meeting.

2.1 Monthly meeting allowance

Chairman of the Audit Committee	10,000.00	Baht/meeting
Each Audit Committee Member	8,000.00	Baht/meeting

2.2 Quarterly meeting allowance

Chairman of the Audit Committee	60,000.00	Baht/meeting
Each Audit Committee Member	30,000.00	Baht/meeting

3. Nominating Committee and Remuneration Committee

Meeting allowances are paid only to Members present at the meeting.

Chairman	10,000.00	Baht/meeting
Each Committee Member	8,000.00	Baht/meeting

4. Risk Management Committee.

Chairman	6,000.00	Baht/meeting
Each Committee Member	5,000.00	Baht/meeting

5. Governance Committee

Meeting allowances are paid only to Members present at the meeting.

Chairman	10,000.00	Baht/meeting
Each Committee Member	8,000.00	Baht/meeting

For the remuneration of other committee members appointed by the Board of Directors, the Remuneration Committee shall determine in appropriate circumstances and in accordance with the duties and responsibilities and presented to the Board for approval.

In 2020, The Company paid the meeting allowance of Baht 1,442,000 annual fee Baht 3,800,000 total Baht 5,242,000.

Monetary Remuneration details for the Board of Directors and Subcommittees

(Unit : Baht)

List of Directors			Director Remuneration (Baht)		
			Meeting Allowance	Annual fee	Total Remuneration
1. Mr. Manu	Leelanuwatana	Chairman of the Board Nominating Committee member	90,000		90,000
2. Mrs. Varindr	Leelanuwatana	Chairman of the Board (former)		900,000	900,000
3. Mr. Thamarat	Chowatana	Vice Chairman Chairman of the Remuneration Committee Nominating Committee member	92,000	300,000	392,000
4. Miss Dusade	Soontorntrumrong	Director Chairman of the Executive Committee Remuneration Committee member Governance Committee membe	104,000	800,000	904,000
5. Mr. Supotch	Pakaworawuth	Director Ececutive Committee member	71,000	700,000	771,000
6. Miss Marin	Leelanuwatana	Director Nominating Committee member Remuneration Committee member Governance Committee member Executive Committee member	120,000	300,000	420,000
7. Miss Yupaporn	Jearrakul	Director Risk Management Committee member Governance Committee member Executive Committee member	45,000		45,000
8. Mr. Padoong	Techasarintr	Independent Director Chairman of the Audit Committee	376,000	400,000	776,000
9. Assoc. Prof. Nares	Kesaparakorn	Independent Director Audit Committee member	240,000	200,000	440,000
10. Assoc. Prof. Nipon	Poapongsakorn	Independent Director Audit Committee member Chairman of the Governance Committee	280,000	200,000	480,000
11. Mr. Maris	Sangiampongsa	Independent Director	24,000		24,000
Total			1,442,000	3,800,000	5,242,000

(b) Executive Remuneration

Executive remuneration means remuneration of the Executive Officers according to the definition of the SEC total of 9 persons (excluding the chief accountant). Remuneration is paid as salaries, sponsorship, stipend, allowances and retirement fees, paid in their capacities as employees.

Remunerations	2020		2019		2018	
	Persons	Amount (Baht)	Persons	Amount (Baht)	Persons	Amount (Baht)
Salaries and others						
except Meeting allowance	9	27,395,352	7	27,239,334	5	21,508,553
Meeting allowance	9	899,000	7	799,000	5	285,000
Total		28,294,352		28,038,334		21,793,553

2. Other Remuneration

The Company does not have a policy of paying other remuneration apart from remuneration paid by the Company to Directors or employees in the ordinary course of business. There is no grant of shares, debentures or other securities.

(a) Other remuneration of Company Directors - None -

(b) Other remuneration for Executives:

Other remuneration of Executive Officers according to the definition of the SEC total of 9 persons (excluding the chief accountant) who are member of provident fund will received monthly contribution at the rate of 3-5 percent of the salary.

Year 2020	9 persons	in the amount	0.12 million Baht
Year 2019	7 persons	in the amount	0.23 million Baht
Year 2018	5 persons	in the amount	0.23 million Baht

6. Employees

1. Total employees of the Company as of 31 December 2020

	2020			2019			2018		
	Adminis- tration	Production	Total	Adminis- tration	Production	Total	Adminis- tration	Production	Total
Bangkok - Head office	361	530	891	397	674	1,071	308	705	1,013
Bangplee	-	-	-	3	11	14	3	10	13
Lamphun	14	379	393	22	512	534	23	501	524
Kabinburi	13	352	365	18	418	436	19	444	463
Mae Sod	3	167	170	3	187	190	3	182	185
Total	391	1,428	1,819	443	1,802	2,245	356	1,842	2,198

2. Labour disputes over the previous 3 years period - None -

3. Remuneration of all employees

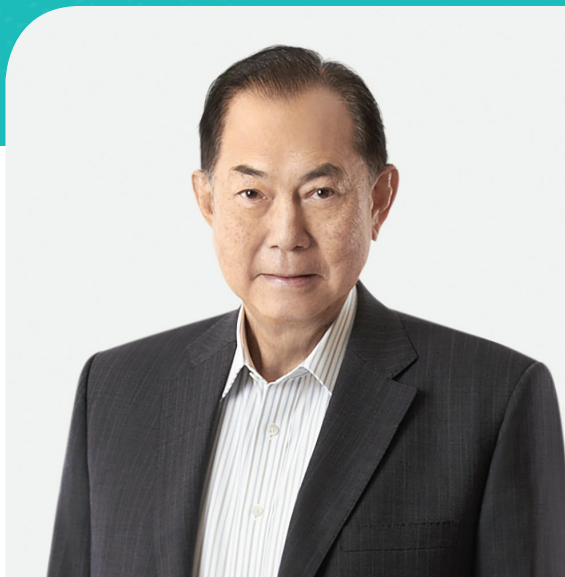
Remuneration consists of salaries, overtime pay, bonuses, provident fund contributions, retirement fees and other incomes.

Year	2020	2019	2018
Consolidated Returns (million Baht)	460.16	557.09	567.67

4. Employee Development Policies

Details on employee development may be found in the Social Responsibility Report under the heading "Sustainability Report"

The Board of Directors



**Mr. Boonsithi
Chokwatana**

Chief Advisor to The Board of Directors



**Mr. Manu
Leelanuwatana**

Chairman of the Board
Chairman of the Nominating Committee



**Miss Marin
Leelanuwatana**

Director
Nominating Committee Member
Remuneration Committee Member
Governance Committee member
Executive Committee member



**Miss Yupaporn
Jearrakul**

Director
Governance Committee member
Risk Management Committee member
Executive Committee Member



**Mr. Padoong
Techasarintr**

Independent Director
Chairman of the Audit Committee



**Mr. Thamarat
Chokwatana**

Vice Chairman

Chairman of the Remuneration Committee
Nominating Committee Member



**Miss Dusadee
Soontrontumrong**

Director

Chairman of the Executive Committee
Remuneration Committee Member
Governance Committee Member



**Mr. Supotch
Pakaworawuth**

Director

Executive Committee Member



**Assoc. Prof. Nares
Kesaprakorn**

Independent Director
Audit Committee member



**Assoc. Prof. Dr. Nipon
Poapongsakorn**

Independent Director
Audit Committee member
Chairman of the Governance Committee



**Mr. Maris
Sangiampongs**

Independent Director

Executives



**Miss Dusadee
Soontrontumrong**

Chairman of the Executive Committee



**Mr. Supotch
Pakaworawuth**

Managing Director



**Mr. Suchart
Layluxsiri**

Deputy Managing Director
President of Apparel Dept.



**Dr. M.L. Sirapirom
Teeraprasert**

President of Organization Strategy and
Information Technology dept.



**Miss Marin
Leelanuwatana**

Deputy Managing Director
President of Business Development Dept.



**Miss Yupaporn
Jearrakul**

Chief Financial Officer



**Miss Kochakorn
Puengsiricharoen**

President of Leather's Good Dept.



**Mr. Chairit
Suphasittichan**

President of Medical Textile dept



**Mr. Wordej
Puengsiricharoen**

President of Internal Audit dept.

Information on the Board of the Director and Executives

Name-Surname / Position Appointment date	Age (Year)	Education	Share hold %	Family relation- ship among Executives	Past 5 Years Experiences		
					period	Position	Name of Department / Company
1. Mr. Manu Leelanuwatana	75	- Bachelor's Degree in Mechanical Engineering, Chiba University, Japan	-	Miss Marin Leelanuwat's Father		Others Listed Company	
- Chairman of the Board					2004 – Present	Director	I.C.C. International Public Company Limited
- Chairman of the Nominating Committee					1987 – Present	Director	O.C.C Public Company Limited
- December 17, 2019		- Director Accreditation Program (DAP 3/2003)			1980 – Present	Chairman	Textile Prestige Public Company Limited
					1976 – 1980	Managing Director	
					1990 – Present	Chairman	Thai Wacoal Public Company Limited
		- Director Certification Program (DCP 68/2005) Thai Institute of Directors Association (IOD)			1974 – 1990	Managing Director	
					1973 – 1974	Director	
						Other Non-Listed Companies	17 Companies
						Competitive Business related to Company's Business	2 Companies
					2004 – Present	Chairman	Pattaya Manufacturing Company Limited
					1975 – 2004	Director	
					1990 – Present	Chairman	Thai Gunze Company Limited
Any position in others business or other organization in the previous year which has an impact the time devoted significant						- None -	

Name-Surname / Position Appointment date	Age (Year)	Education	Share hold %	Family relation- ship among Executives	Past 5 Years Experiences		
					period	Position	Name of Department / Company
2. Mr. Thamarat Chokwatana	51	- Bachelor's Degree in Arts, Assumption University	0.13%	- None -		<u>Others Listed Company</u>	
- Vice Chairman					2017 – Present	Director	Saha Phatanapibul Public Company Limited
- Chairman on the Remuneration Committee		- Director Accreditation Program (DAP 3/2003)			2018 – Present	Director / Executive Director / Director of marketing Division	Thai Wacoal Public Company Limited
- Nominating Committee member		- Director Certification Program (DCP 68/2005)			2001 – 2018	Director / Executive Director	I.C.C. International Public Company Limited
- July 11, 2016					1999 – Present	Director	
		- Company Secretary Program (OSP 31/2009) Thai Institute of Directors Association (IOD)			2009 – Present	President of G Department	
					2015 – Present	President Director / Vice Chairman	
					2017 – Present	President of S Department	
						President of N Department	
						<u>Others Non-Listed Companies</u>	44 Companies
						<u>Competitive Business related to Company's Business</u>	1 Company
					2008 – Present	Director	Champ kabin Company Limited
Any position in others business or other organization in the previous year which has an impact the time devoted significant						- None -	

Name-Surname / Position Appointment date	Age (Year)	Education	Share hold %	Family relation- ship among Executives	Past 5 Years Experiences		
					period	Position	Name of Department / Company
3. Miss Dusadee Soontrontumrong	72	- Mini MBA of Economics, Chulalongkorn University	0.36%	- None -		<u>Others Listed Company</u>	- None -
- Director							
- Chairman of the Executive Committee		- Higher Education Certificate in Accounting, Kerk College				<u>Others Non-Listed Companies</u>	2 Companies
						<u>Competitive Business related to Company's Business</u>	- None -
- Remuneration Committee Member		- Director Accreditation Program (DAP 8/2003)					
- Governance Committee Member		- Director Certification Program (DCP 42/2004) Thai Institute of Directors Association (IOD)					
- July 11, 1984							
Any position in others business or other organization in the previous year which has an impact the time devoted significant							

4. Mr. Supotch Pakaworawuth	63	- Master's Degree in Business Administration, National Institut	0.01%	- None -		<u>Others Listed Company</u>	- None -
- Director							
- Executive Committee Member		- Bachelor's Degree in Industrial Engineering, King Mongkurt's University of Technology, Thonburi				<u>Others Non-Listed Companies</u>	3 Companies
- Managing Director						<u>Competitive Business related to Company's Business</u>	2 Companies
- April 23, 1990					2015 – Present	Chairman	Thai Takaya Company Limited
* Resign on January 1, 2021		- Director Accreditation Program (DAP 3/2003)			1990 – 2015	Director	
		- Director Certification Program (DCP 46/2004)			2015 – Present	Chairman	
		- Finance for Non-Finance Directors (12/2004) Thai Institute of Directors Association (IOD)			2005 – 2015	Director	S. Apparel Company Limited
Any position in others business or other organization in the previous year which has an impact the time devoted significant							
						- None -	

Name-Surname / Position Appointment date	Age (Year)	Education	Share hold %	Family relation- ship among Executives	Past 5 Years Experiences		
					period	Position	Name of Department / Company
5. Miss Marn Leelanuwatana	47	- Master's Degree in Business Administration, Loyola University, Chicago, USA	0.93%	Mr. Manu Leelanuwatana 's Daughter		<u>Others Listed Company</u>	- None -
- Director							
- Nominating Committee member		- Bachelor's Degree in Commerce and Accounting, Thammasat University				<u>Others Non-Listed Companies</u>	4 Companies
- Remuneration Committee member						<u>Competitive Business related to Company's Business</u>	- None -
- Governance Committee member		- Director Certification Program (DCP 180/2013)					
- Executive Committee member		Thai Institute of Directors Association (IOD)					
- Deputy Managing Director							
- President of Business Development Dept.							
- April 23, 2013							
Any position in others business or other organization in the previous year which has an impact the time devoted significant						- None -	

6. Miss Yupaporn Jearrakul	61	- Master's Degree in Business Administration, Ramkhamhaeng University	0.004%	- None -		<u>Others Listed Company</u>	- None -
- Director							
- Governance Committee member		- Bachelor's Degree in Finance and Banking, Ramkhamhaeng University				<u>Others Non-Listed Companies</u>	3 Companies
- Risk Management Committee member						<u>Competitive Business related to Company's Business</u>	1 Company
- Executive Committee member		- Bachelor's Degree in Accounting, Sukhothai Thammathirat Open University		2001 – Present		Director	Thai Monster Company Limited
- Chief Financial Officer							
- April 4, 2020		- Director Certification Program (DCP 150/2011)					
Any position in others business or other organization in the previous year which has an impact the time devoted significant						- None -	

Name-Surname / Position Appointment date	Age (Year)	Education	Share hold %	Family relation- ship among Executives	Past 5 Years Experiences		
					period	Position	Name of Department / Company
7. Mr.Padoong Techasanintr	80	- Bachelor's Degree in Commerce and Accounting, Thammasat University	-	- None -		<u>Others Listed Company</u>	
- Independent Director					2006 – Present	Independent Director / Chairman of the Audit Committee	Lanna Resources Public Company Limited
- Chairmand of the Audit Committee							
- April 18, 1994		- The Role of Chairman Program (RCP 6/2001)			1999 – Present	Independent Director / Chairman of the Audit Committee	Textile Prestige Public Company Limited
		- Director Accreditation Program (DAP 4/2003)			1999 – Present	ndependent Director / Audit Committee member	CP All Public Company Limited
						<u>Others Non-Listed Companies</u>	- None -
		- Director Certification Program (DCP 55/2005)				<u>Competitive Business related to Company's Business</u>	- None -
		- Audit Committee Program (ACP 22/2008)					
		- Monitoring the System of Internal Control And Risk Management (MIR) 2009					
		Thai Institute of Directors Association (IOD)					
Any position in others business or other organization in the previous year which has an impact the time devoted significant						- None -	

Name-Surname / Position Appointment date	Age (Year)	Education	Share hold %	Family relation- ship among Executives	Past 5 Years Experiences		
					period	Position	Name of Department / Company
8. Assoc Prof. Nares Kesaparakorn	62	- Master's Degree in Laws (Securities Regulation), University of Georgia, USA	-	- None -	2017 – Present	Dean, Faculty of laws	National Institute of Development Administration
- Independent Director					2009 – Present	Audit Committee member	Thai Chamber of Commerce, Board of Trade of Thailand
- Audit Committee member		- Thai Barrister-at-law, Thai Bar Under The Royal Patronage				<u>Others Listed Company</u>	- None -
- April 23, 2007						<u>Others Non-Listed Companies</u>	- None -
		- Executives of Senior Judicial Process				<u>Competitive Business related to Company's Business</u>	- None -
		- Bachelor's Degree in Laws, Thammasat Universit					
		- Director Accreditation Program (DAP 52/2006)					
		- Director Certification Program (DCP 77/2006)					
		- Audit Committee Program (ACP 12/2006)					
		- Understanding the Fundamental of Financial Statements (UFS 1/2006)					
		- Finance for Non-Finance Director 28/2006					
		- Monitoring the System of Internal Control and Risk Management (MIR 5/2009)					
		- Chartered Director Class (CDC 5/2009)					
		- The Board's Role on Fraud Prevention and Detection 1/2010					
		Thai Institute of Directors Association (IOD)					
Any position in others business or other organization in the previous year which has an impact the time devoted significant						- None -	

Name-Surname / Position Appointment date	Age (Year)	Education	Share hold %	Family relation- ship among Executives	Past 5 Years Experiences		
					period	Position	Name of Department / Company
9. Assoc.Prof. Dr. Nipon Poapongsakorn	72	- Doctoral Degree of Economics, University of Hawaii, USA	-	- None -	2020 – Present	Director	Thailand Science Research and Innovation
- Independent Director					2014 – Present	Director	Committee of Rice Policy and Management
- Audit Committee member		- Master's Degree in Economics cum laude Middle Tennessee State University, USA			2014 – Present	President	Economics Association of Thailand
- Chairmand of the Governance Committee					2013 – Present	Visiting Professor	Global Business Leaders Program, School of Management, Kyoto University
		- Bachelor's Degree in Economics (Good Honors), Thammasat University			2013 – Present	Board of Director	Asian Society of Agricultural Economists
- April 26, 2016					2010 – Present	Director	Thailand Productivity Institute
		- Capital Market Academy Class 10, Thailand Securities Institute (TSI), The Stock of Exchange Thailand			2009 – Present	Director	Rural Reconstruction Foundation of Thailand
		- Director Certification Program (DCP 14/2002) Thai Institute of Directors Association (IOD)			2008 – Present	Executive Director	Puey Ungphakorn Institute
						<u>Others Listed Company</u>	
					2017 – Present	Independent Director	Saha Pathana Inter-Holding Public Co., Ltd.
						<u>Others Non-Listed Companies</u>	- None -
						<u>Competitive Business related to Company's Business</u>	- None -
Any position in others business or other organization in the previous year which has an impact the time devoted significant						- None -	
10. Mr. Maris Sangiampongsa	62	- Master of Arts (International Relations) Ohio University, USA	-	- None -	2017 – 2019	Ambassador of Thailand to Ottawa, Canada	The Ministry of Foreign Affairs
- Independent Director					2014 – 2017	Ambassador of Thailand to Wellington, New Zealand	
- August 4, 2020		- Bachelor of Arts (Political and Government) Ramkhamhaeng University			2011 – 2014	Ambassador of Thailand to Canberra, The Common Wealth of Australia	
					2009 – 2011	Ambassador of Thailand to Kathmandu, The FDR of Nepal	
						<u>Others Listed Company</u>	- None -
						<u>Others Non-Listed Companies</u>	- None -
						<u>Competitive Business related to Company's Business</u>	- None -
Any position in others business or other organization in the previous year which has an impact the time devoted significant						- None -	

12. Dr. M.L. Sirapirom Teeraprasert	56	- Doctoral Degree of Business Administration, Ramkhamhaeng University	0.006%	- None -		<u>Others Listed Company</u>	- None -
			Spouse				
	- Executive Committee member	- Master's Degree in Public and Private Management, National Institute of Development Administration	0.016%			<u>Others Non-Listed Companies</u>	1 Companies
	- Governance Committee member					<u>Competitive Business related to Company's Business</u>	- None -
- Risk Management Committee member							
- President of Organization Strategy and Information Technology dept.		- Bachelor's Degree in Science (Statistics) Khon Kaen University					
		- Director Certification Program (DCP 150/2011)					
		Thai Institute of Directors Association (IOD)					
- May 12, 2014							
Any position in others business or other organization in the previous year which has an impact the time devoted significant						- None -	

Name-Surname / Position Appointment date	Age (Year)	Education	Share hold %	Family relation- ship among Executives	Past 5 Years Experiences		
					period	Position	Name of Department / Company
16. Mr. Supachoke Sirichantaradiok	61	- Master's Degree in Public and Private Management, National Institute of Development Administration	-	- None -		<u>Others Listed Company</u>	
- Company Secretary					2019 – Present	Director	Qualitech Public Company Limited
- Investor Relation		- Bachelor's Degree in Commerce and Accounting (Accounting) Chulalongkorn University				<u>Others Non-Listed Companies</u>	1 Company
- Deputy Manager, Finance Division						<u>Competitive Business related to Company's Business</u>	- None -
		- Director Accreditation Program (DAP 91/2011)					
- May 8, 2008		- Director Certification Program (DCP 49/2004)					
		Thai Institute of Directors Association (IOD)					
		- Investor Relations 2006					
Any position in others business or other organization in the previous year which has an impact the time devoted significant							
						- None -	
17. Miss Somjit Sukkho	55	- Bachelor's Degree in Accounting Srinakharinwirot University	-	- None -		<u>Others Listed Company</u>	- None -
- Chief Accountant						- None -	
- Accounting and Tax Section Manager		- Preparation of financial statements and submission of financial statements Via DBD-e Filing system				<u>Others Non-Listed Companies</u>	1 Company
						<u>Competitive Business related to Company's Business</u>	- None -
- May 11, 2018		- TAX AUDIT Analyzes financial statements Before Filing PND 50					
		- Update Taxation 2020					
		- Profit Improvement					
		- The risk policy and formulate a risk. management plan 2020					
		- Financial and Risk Management during Times of Crisis)					
Any position in others business or other organization in the previous year which has an impact the time devoted significant							
						- None -	

Corporate Governance

The Board of Directors is confident that a proper, transparent, and accountable governance system has been put in place, along with checks and balances and an adequate and appropriate internal control. Alongside these mechanisms is due respect for shareholders' rights and equality, as well as accountability for all stakeholders. These key factors contribute to the enhancement of the Company's immunity and to the promotion of balanced and sustainable long-term growth.

The Good Corporate Governance Policy

The Board of Directors has prescribed corporate governance policies as operational guidelines for Company Directors, Executive Officers and 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 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 risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
5. Information shall be disclosed in a sufficient, reliable and timely matter to the extent that the legitimate interests of the Company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.
7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment.
8. There shall be a determination to strive towards business excellence with commitment to the creation of customer satisfaction by receiving comments and self-assessments in order to enhance management capabilities and continually promote productive creativity.
9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of personnel.
10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.
11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the Company's interests.

The Company has disseminated the corporate governance policies to employees, shareholders and the general public through the Company website www.thanulux.com under the heading About the Company à Good Corporate Governance à Corporate Governance Policies

The Board of Directors and Sub-Committees

The Company's management structure comprises the Board of Directors, Company Committees and Executive Officers. The powers and duties of each constituent have been clearly delineated in order to ensure transparency and proper checks and balances. The Board of Directors appoints the various Company Committees based on suitable knowledge and expertise to take charge of each function. Shareholders can be confident that the Company exercises prudence in operations and screening of tasks. The Company Committees appointed are the Audit Committee, Nominating Committee, Remuneration Committee, Risk Management Committee, Governance Committee and Executive Committee.

The Board of Directors has clearly stipulated the scope of authority and responsibilities of each Committee in their respective Committee Charters. The Chairman of each Committee performs the duties of ensuring that works are performed in accordance with the policies of the Board of Directors and reports performance results to the Board of Directors.

The Board of Directors

The Board of Directors as evidenced by the incorporation certificate issued by the Ministry of Commerce comprises 10 Directors, consisting of

- Non-Executive Directors 6 persons (4 of whom are Independent Directors)
- Executive Directors 4 persons

The List of Directors as follows:

	Name – Surname		Position
1	Mr. Manu	Leelanuwatana	Chairman of the Board
2	Mr. Thamarat	Chokwatana	Vice Chairman
3	Miss Dusadee	Soontrontumrong	Director
4	Mr. Supotch	Pakaworawuth	Director
5	Miss Marin	Leelanuwatana	Director
6	Miss Yupaporn	Jearrakul	Director
7	Mr. Padoong	Techasarintr	Independent Director
8	Assoc.Prof. Nares	Kesaprakorn	Independent Director
9	Assoc. Prof. Dr. Nipon	Poapongsakorn	Independent Director
10	Mr. Maris	Sangiampongsa	Independent Director

Noted: Miss Yupaporn Jearrakul and Mr. Maris Sangiampongsa were appointed as a director on August 4, 2020

Mr. Boonsithi Chokwatana as the Advisor to the Board of Directors.

Mr. Supachoke Sirichantaradilok holds the position of Company Secretary

Term of Company Director

Each Company Director holds office for a term as stated in the Company Articles and Charter of the Board of Directors as follows:

1. At every General Shareholder Meeting, one-third of the Company Directors shall retire. If the number of Company Directors cannot be divided evenly into 3 parts, the number of retiring Company Directors closest to one-third, the longest serving Company Directors shall retire and may be re-elected.
2. Company Directors retire from office at the expiration of term, or by resignation, or death, or disqualification as provided by law, or upon removal by resolution of the shareholders' meeting, or by court order.
3. A Company Director wishing to resign before the expiration of term must submit a resignation letter to the Company and may also serve notice to the registrar under the law on public limited companies. The resignation comes into effect as from the day of the Company's receipt of the resignation letter.
4. In the case where a Company Director's office becomes vacant for a cause other than the expiration of term, and the remaining term is not less than 2 months, the Board of Directors shall elect a Company Director to replace the vacant office in the subsequent meeting of the Board of Directors. The elected Company Director shall remain in office only for the remaining term of the replaced Company Director.
5. The shareholders' meeting may pass a resolution to remove a Company Director before the expiration of term by the votes of not less than three-fourths of the shareholders present and eligible to vote, and the total number of shares held must be not less than one-half of the total number of shares held by shareholders present and eligible to vote.

The Meeting

In the Board of Directors meeting, there must be at least half of the directors attending the meeting, therefore will be a quorum.

Resolution of the Board of Directors Meeting to hold a majority of the directors attending the meeting.

Authority of the Board of Directors

1. Appoint, remove, and assign authority to advisors to The Board of Directors, various committees, and The Managing Director, to carry out the assigned duties.
2. Seek advices from specialists or company consultants (if any), or solicit the services of outside specialists or consultants at the company's expenses.
3. Approve the acceptance or cancellation of the credit lines, for such portion exceeding the authority of The Executive Board.
4. Approve loan extension to companies having business connection with the company, either as the shareholder or the company engaging in business transaction, or other companies, for such portion exceeding the authority of The Executive Board.
5. Approve the entering into guarantee for credit facility, for companies having business connection with the company, either as the shareholder or the company engaging in business transaction, or other companies, for such portion exceeding the authority of The Executive Board.
6. Approve the set-up, merger, or dissolution of subsidiary company.
7. Approve the investment for the purchase or sales of common shares, and/or debt securities, for such portion exceeding the authority of The Executive Board.
8. Approve the procurement and investment in fixed asset, for such portion exceeding the authority of The Executive Board.

9. Approve the sales, disposal, transfer for fixed asset, for such portion exceeding the authority of The Executive Board
10. Approve the adjustment, disposal, and write-off for fixed assets, and/or intangible assets no longer in use, or being subject to damage, loss, destruction, deterioration, out-of-date, or no longer functional for such book value exceeding the authority of The Executive Board.
11. Approve the adjustment, disposal, and write-off for deteriorate or out-of-date raw material and/or inventory which its book value become lower, for such book value exceeding the authority of The Executive Board.
12. Approve the settlement of conflicts by reconciliation or by the resolution through arbitration, petition, lawsuit, and/or court proceedings on the company's behalf, for such case not considered as normal business practice, and/or such case considered as normal business practice, for such portion exceeding the authority of The Executive Board.
13. Approve the entering into such transaction not considered as normal business practice, for such portion exceeding the authority of The Executive Board.
14. Propose the capital increase or capital decrease, or the change in par value, change or amendment to memorandum of association, articles of association, and/or objectives of the company to the shareholders for consideration.
15. Authorize the Executive Board to stipulate guideline for authorization and relevant operations as appropriate.
16. Authorize the Executive Board members, management members, managers or other persons, to act on their behalf.
17. Authorize to summon management members or employees concerned to provide explanation or opinion, to join the meeting, and to submit those documents deemed necessary.
18. Appoint and remove Company Secretary
19. The authority scope for The Board of Directors pertaining to the acquisition and disposal of assets and connected transactions, shall comply with the Notification of The Capital Market Supervisory Board.

Duty and responsibility of The Board of Directors

1. Set the direction, target, and business policy for the company.
2. Approve the annual business plan and annual budget, as well as supervising the operations by the management to well comply with the laws, policies, and plans in an efficient and effective manner.
3. Promote the establishment of corporate governance policy, business ethics, and business morality in writing, to serve as guidelines for the directors, the management, and the employees, in carrying out their business practices, while regularly following up to ensure their strict adherence and compliance accordingly.
4. Set up adequate internal control systems, so as to ensure that all transactions receive proper approval from the authorized persons, and that proper accounting review and bookkeeping practice are carried out, while proper checking systems are in place to safeguard against unauthorized exploitation of company assets.
5. Ensure that careful consideration is given to the issue of conflict of interests, and that clear practice guidelines are in place to safeguard the interests of the shareholders and the company. Also ensure that the persons having interests at stake do not take part in adopting the decision, and that all concerned parties strictly follow the procedures and regulations to disclose relevant information in a proper manner.
6. Grant approval to financial statements already audited and verified by the certified public accountant and earlier approved by The Audit Committee.
7. Being accountable to all shareholders on an equal basis, while ensuring that information are disclosed to the shareholders and investors in an accurate, reliable, and transparent manner.
8. Acknowledge the corporate management report prepared by the Executive Board.

9. Set the date, time, place and agenda for the annual shareholders' general meeting, and convene said meeting accordingly. Also set the rate for dividend payments (if any), and provide comments relating to the meeting agenda to the shareholders.

In that regard, the company may suspend shares transfer registration for the period of 21 days leading up to the meeting, whereby the company is required to post such announcement to the shareholders at the company's head office and its branches for the period of no less than 14 days prior to such suspension. Otherwise, the company may set the date to finalize the shareholders' list (Record Date) no longer than 2 months prior to the meeting, to entitle the shareholders to attend the meeting, and to be eligible for dividend payments.

10. Prepare the Board of Directors' responsibility report toward financial statements compilation, and disclose said report in the company's annual report (form 56-2) and the annual registration statement (form 56-1).

11. Supervise the compilation of the documents required to be submitted to concerned regulating agencies, to ensure that all information contained therein are true and accurate in accordance with the information appearing in the accounting books, the registration book, and other official documents of the company.

12. Grant approval to the charter for The Board of Directors, and/or other committees.

13. Engage in those acts lying beyond The Executive Board's authority, or as deemed necessary by The Board of Directors.

During 2020, The Board of Directors convened total 7 meetings, there was a review of the vision, mission, core values, direction, goals, and business strategies. Moreover, in every Quarter, the Board also monitored performance and progress of the strategic plan, whereby the meeting dates had been earlier decided throughout the entire year. Furthermore, additional meeting could also be summoned according to necessary circumstances. The attendance of each director appeared in the form 56-1 and the annual report titled Management Structure.

2. Sub-Committee

The Board of Directors Meeting No.5/2020 on August 10, 2020 passed a resolution to appoint 6 sub-committees performed the duties of supporting the Board of Directors. The sub-committees hold office for a term of 1 year, in the period of August 2020 to May 2021.

Audit Committee

The list of Audit Committee

	Name – Surname		Position
1	Mr. Padoong	Techasarintr	Chairman of the Audit Committee
2	Assoc.Prof. Nares	Kesaparakorn	Audit Committee Member
3	Assoc. Prof. Dr. Nipon	Poapongsakorn	Audit Committee Member

Mr. Woradej Puengsiricharoen holds the position of Secretary to the Audit Committee and has the qualifications stated in the heading "Internal Control System" and "Form 56-1 Part 2, Article 11.3".

Mr. Padoong Techasarintr is well-informed and experienced in undertaking the review of the Company's financial standing. (See the details on his education and career background under the heading "Personal information of the Board of Directors, Executives, Controller and Company Secretary")

All members of the Audit Committee were not the company shareholders, not engages in business relationship or provided any professional service to the company, its parent company, subsidiary, associated company or juristic person who may have conflicts of interest. Furthermore, they also did not serve as audit committee in its parent company, subsidiary, or same-level subsidiary.

Authority of the Audit Committee

1. To lay down collaborative measures with a view to achieving a harmonized understanding between the auditors, board of directors and internal audit units.
2. To consult specialists or advisors of the Company (if any), or to hire external advisors or specialists where necessary at the expense of the Company.
3. To have the power to call upon executive officers, the management or relevant employees of the Company to give statements or opinions as well as to attend meetings or send documents which are deemed as relevant, and also to have access to data at every organizational level.
4. To have the power to conduct an examination of relevant persons or relevant matters within the scope of powers and duties of the Audit Committee.

Duty and responsibility of The Audit Committee

1. Review the company's financial statements to ensure that they are accurate and adequate by reviewing the company's major accounting policies, and supervising information disclosure in such manner complying with Thai Financial Reporting Standards.
2. Review the company's internal control system to ensure that it is suitable and review fraud and corruption prevention and internal audit system to ensure that they are effective.
3. Review operational independence of the internal audit office; approve, appraise, appoint, transfer, or dismiss the chief of internal audit office or any other office responsible for internal audit operations. Supervise to ensure that chief of internal audit office has sufficient education, experiences, and training, adequate to such internal audit operations.
4. Grant approval to the Internal Audit Charter.
5. Grant approval and monitor the progress made in relation to the internal audit plan.
6. Review to ensure that the company duly follows the laws on securities and stock exchange, the regulations of The Stock Exchange of Thailand, and the laws concerning the company's business operations.
7. Review, select, nominate and/or dismiss independent persons to serve as the company auditor, and propose related remuneration. Also take part in joint meeting with the company auditor, in the absence of the management for at least once a year.
8. Review connected transactions or transactions with possible conflict of interests, to ensure that they follow the laws, the regulations of The Stock Exchange of Thailand, and the notification of The Capital Market Supervisory Board and that they are justified and are of maximum benefits to the company.
9. Prepare the report by The Audit Committee and disclose it in the company's annual report. Said report requires the signature of the Audit Committee Chairman, and needs to contain at least the following information:
 - a. Opinion regarding the accuracy, complete coverage and reliability of the company's financial statements.
 - b. Opinion regarding the adequacy of the company's internal control, fraud and corruption and the risk management system.
 - c. Opinion regarding the practices in compliance with the laws on securities and stock exchange, the regulations of The Stock Exchange of Thailand, or other laws concerning the company's business operations.
 - d. Opinion regarding the suitability of the company auditor and the chief of internal audit office.
 - e. Opinion regarding the transaction with possible conflict of interests.
 - f. The number of The Audit Committee's meeting and the attendance record of each member.
 - g. Overall opinion or comment provided by The Audit Committee out of its practices in accordance with the charter.
 - h. Other items deemed to benefit the shareholders and general investors, in accordance with the authority and duty scope assigned by The Board of Directors.

10. During the course of its duty, should The Audit Committee come across or have any doubt relating to below transactions that they may significantly affect the company's financial position or performances, they are then required to report the matter to The Board of Directors, in order for necessary remedial actions to be taken within the timeframe decided upon by The Audit Committee.
 - a. Transaction incurring conflict of interests.
 - b. Significant fraud and corruption, irregularity or deficiency within the internal control system.
 - c. Breach of laws concerning securities and stock exchange, the regulations of The Stock Exchange of Thailand, and other laws concerning the company's business operations.

In the case where The Board of Directors or the management fail to rectify the items within the timeframe assigned by The Audit Committee, any member of The Audit Committee may report said problems to The Securities and Exchange Commission or The Stock Exchange of Thailand.

11. Encourage and follow-up to ensure that the company has effective risk management system.

12. Supervise to ensure that the company has adequate channel to take care of complaints or tips relating to suspicious or improper items contained in the financial statements or fraud and corruption. At the same time, ensure that the company has protective confidential measurement for whistleblower, transparency and independence investigation process, and appropriate follow up.

13. Supervise to ensure that the company implements adequate management system in accordance with the good corporate governance practice.

14. Review, revise and amend the Audit Committee Charter for further submission to The Board of Directors for approval.

15. Implement self-appraisal review at least once a year.

16. Engage in other acts as assigned by The Board of Directors and deemed justified by The Audit committee in accordance with company regulations and the law.

In carrying out its above duties, The Audit Committee is directly responsible to The Board of Directors, who in turn is responsible to the shareholders and general investors.

In 2020, the Audit Committee holds monthly meetings Totally 12 times. A meeting schedule has been set in advance for the entire year. Joint meetings are also held with the management to discuss and exchange opinions relating to the Company's businesses. In addition, the joint meeting is held with the management and company auditor 1 time to inquire on issues identified by the audit of Company financial statements. The Audit Committee reports its performance results to the Board of Directors regularly every quarter and reports to the shareholders as stated in the Annual Report.

Nominating Committee

The list of Nominating Committee

	Name – Surname		Position
1	Mr. Manu	Leelanuwatana	Chairman of the Nominating Committee
2	Mr. Thamarat	Chokwatana	Nominating Committee Member
3	Miss Marin	Leelanuwatana	Nominating Committee Member

Authority of the Nominating Committee

1. To consult specialists or advisors of the Company (if any), or to hire external advisors or specialists where necessary at the expense of the Company.
2. To have the power to summon executive officers and relevant employees of the Company for an explanation, opinion, participation in a meeting, or the submission of documents deemed as relevant and necessary.

Duties and Responsibilities of the Nominating Committee

1. To determine rules and procedures for the Nominating of Company Directors.
2. To examine the biography and other information of persons nominated for appointment as Company Directors, taking into consideration such persons' knowledge, skills, experience and diversity of professional expertise, in order to obtaining the most qualified persons in accordance with the Nominating rules, Articles of the Company and relevant laws.
3. To consider the Nominating of persons having suitable qualifications for a Company Director for nomination to the meeting of the Board of Directors for approval, except in the event of the retirement of Company Directors at the expiration of term where a submission is made to the meeting of shareholders for approval.
4. To prepare opinions or suggestions on various matters for consideration.
5. To revise and amend the Charter of the Nominating Committee and to submit such revisions or amendments to the Board of Directors for approval.
6. To carry out any other acts as assigned by the Board of Directors.

In 2020, the Nominating Committee held its meeting 2 times, and subsequently reported the results to The Board of Directors and shareholders as stated in the annual report, whereby the meeting dates had been decided in advance throughout the entire year. Furthermore, additional meeting could also be summoned according to necessary circumstances.

Remuneration Committee

The list of Remuneration Committee

	Name – Surname		Position
1	Mr. Thamarat	Chokwatana	Chairman of the Remuneration Committee
2	Miss Dusadee	Soontrontumrong	Remuneration Committee Member
3	Miss Marin	Leelanuwatana	Remuneration Committee Member

Authority of the Remuneration Committee

1. Seek advices from specialists or company consultants (if any), or solicit the services of outside specialists or consultants at the company's expenses.
2. Authorized to summon the management and company staff to provide comments and clarification, to take part in meetings, and to submit documents deemed as necessary.

Duty and responsibility of the Remuneration Committee

1. Review the remuneration criteria for The Board of Directors, and if deemed necessary, propose the suggestion or revision to existing criteria, in order to make them more suitable.
2. Review the remuneration budget earmarked for The Board of Directors, by taking into account the practices by other companies in the same business category, the business growth and the company's performances, the remuneration budget approved by the shareholders' meeting, and the actual remuneration amount for the previous year, for further presentation to The Board of Directors for consideration, and for final approval by the shareholders' meeting.
3. Review the remuneration budget for the company's directors, the Audit Committee members, the Nominating Committee members, the Remuneration Committee members the Risk Management Committee members and the Governance Committee member by taking into account their duty and responsibility scope and related performances, based on the remuneration budget approved by the shareholders' meeting, and propose to the board of directors for approval.
4. Review the remuneration budget for the Nominating Committee members, the Remuneration Committee members, the Risk Management Committee members and the Governance Committee member (who do not serve as company directors), by taking into account their duty and responsibility scope, and related performances and propose to the board of director for approval.
5. Review and revise the charter for The Remuneration Committee, and present to The Board of Directors for approval.
6. Engage in other acts as assigned by The Board of Directors.

In 2020, the Remuneration Committee held its meeting 2 times, and subsequently reported the results to The Board of Directors and shareholders as stated in annual report, whereby the meeting dates had been decided in advance throughout the entire year.

The Risk Management Committee

The list of the Risk Management Committee

	Name – Surname		Position
1	Mr. Krish	Follett	Chairman of the Risk Management Committee
2	Miss Yupaporn	Jearrakul	Risk Management Committee Member
3	Dr.M.L. Sirapirom	Teeraprasert	Risk Management Committee Member
4	Mr. Woradej	Puengsiricharoen	Risk Management Committee Member
5	Miss Busarin	Treeratpijarn	Risk Management Committee Member

Authority of the Risk Management Committee

1. The power to invite relevant employees of the Company to provide an explanation, present an opinion, participate in a meeting or submit documents deemed as necessary and relevant.
2. To consult experts or advisors of the Company (if any) or hire external advisors or experts where necessary under the Company's expense.
3. To have the power to appoint a working group to assess and monitor risks in the entire organization.

Duties and Responsibilities of the Risk Management Committee

1. Set forth the policies, plans, and targets in relation to the implementation of the risk management plans, in a clear-cut and continuous manner, to effectively cope with significant risk factors. Consequently, compile and present achievement progress report to The Board of Directors' meeting on a quarterly basis, also notify to the Audit Committee for acknowledgement.
2. Encourage and promote mutual cooperation among various departments within the company, to implement the risk management plans at all operational levels.
3. Supervise to ensure that the company has adequate and efficient risk management system in place, which also cover against such risks resulting from fraudulent practices, while providing attention and priorities to early warning signals and items showing irregularities.
4. Supervise company operations to ensure that all the departments and the company overall duly follow those laws and regulations pertaining to company operations.
5. Develop and upgrade the risk management system throughout the organization, so as to remain effective on a consistent basis.
6. Supervise the compilation of the report by The Risk Management Committee, for disclosure in the annual report compilation by the company, whereby the Chairman of The Risk Management Committee is duly required to affix his signature in verification of said report.
7. Review and revise the charter for The Risk Management Committee, and submit to The Board of Directors for approval.
8. Engage in other acts as assigned by The Board of Directors.

In 2020, The Risk management Committee held its meeting 4 times, and additional meetings to follow up and review the risk assessment of operational units, totally 8 times, on the dates which had been decided in advance throughout the entire year. The Risk management Committee subsequently reported the results to the Board of Directors and shareholders as stated in annual report.

The Governance Committee

The list of Governance Committee

	Name – Surname		Position
1	Assoc. Prof. Dr. Nipon	Poapongsakorn	Chairman of the Governance Committee
2	Miss Dusadee	Soontrontumrong	Governance Committee Member
3	Miss Marin	Leelanuwatana	Governance Committee Member
4	Miss Yupaporn	Jearrakul	Governance Committee Member
5	Dr.M.L. Sirapirom	Teeraprasert	Governance Committee Member

Mrs. Ratchanit Luepongpanich to hold the position of Corporate Governance Committee Secretary.

Authority of the the Governance Committee

1. The power to invite relevant employees of the Company to provide an explanation, present an opinion, participate in a meeting or submit documents deemed as necessary and relevant.
2. To consult experts or advisors of the Company (if any) or hire external advisors or experts where necessary under the Company's expense.
3. To have the power to appoint a working group to assess and monitor governances in the entire organization.

Duties and Responsibilities the Governance Committee

1. Stipulate, review and improve Corporate Governance policy and principles, Business Ethics, Code of Conduct for Company's directors, managements and employees, including Anti-Corruption policy and rules and regulations to conform with changes in business, related rules, announcements, regulations and law, on a continual basis.
2. Promote and support Company directors, managements and employees to comply with Good Corporate Governance principles and Anti-Corruption policy.
3. Stipulate Corporate Governance guidelines including Anti-Corruption policy as well as follow up, provide advice and suggestion in order to develop good corporate governance system of the Company.
4. Review, improve and amend the Charter of Corporate Governance Committee and present to the Company Board of Directors for approval.
5. Other duties as assigned by the Board of Directors.

In 2020, The Governance Committee held its meeting 4 times, and subsequently reported the results to The Board of Directors and shareholders as stated in annual report, whereby the meeting dates had been decided in advance throughout the entire year.

The Executive Committee

The list of the Executive Committee

	Name – Surname		Position
1	Miss Dusadee	Soontrontumrong	Chairman of Executive Committee
2	Mr. Supotch	Pakaworawuth	Executive Director
3	Miss Marin	Leelanuwatana	Executive Director
4	Mr. Suchart	Layluxsiri	Executive Director
5	Miss Yupaporn	Jearrakul	Executive Director
6	Dr.M.L. Sirapirom	Teeraprasert	Executive Director
7	Miss Kochakorn	Peungsiricharoen	Executive Director
8	Mr. Chairit	Suphasitichan	Executive Director
9	Miss Busarin	Treeratpijarn	Executive Director
10	Mr. Chairat	Wattanachotiawat	Executive Director
11	Mrs. Tueanjai	Puengsiricharoen	Executive Director
12	Mr. Chayarop	Mahamontri	Executive Director

Powers of the Executive Committee

1. To appoint, remove, transfer, evaluate as well as to determine the remuneration and welfare benefits of employees at every levels.
2. To appoint and remove any other working committee to carry out any activity with respect to the management of the Company.
3. To consult specialists or advisors of the Company (if any), or to hire external advisors or specialists where necessary at the expense of the Company.
4. To issue rules and notifications on the performance of work, and to have the ability to delegate powers to an Executive Committee member and/or an executive-level employee as the authorized signatory for giving approval to disposals of the Company's assets.
5. To approve the acceptance or cancellation of the credit lines in an amount not exceeding Baht 60 million each time.
6. To approve the grant of loans to companies having business relationships with the Company as shareholders or companies engaged in trade with the Company or other companies in the amount not exceeding Baht 80 million per company.
7. To approve the guarantees of credit lines for companies having business relationships with the Company as shareholders or companies engaged in trade with the Company or other companies in the amount not exceeding Baht 40 million per company.
8. To approve investments and sales of investments in capital instruments and/or debt instruments in an amount not exceeding Baht 20 million each time.
9. To approve procurements and investments in fixed assets in an amount not exceeding Baht 20 million each time.
10. To approve the modification, demolition and writing off of fixed assets and/or intangible assets which are decommissioned, out of order, lost, damaged, deteriorated or outdated and no longer usable with book value not exceeding Baht 1 million per year.
11. To approve the adjustment of price and destruction of raw materials and/or outstanding stocks that have deteriorated or become outdated, which could have an effect in reducing the book value as actually occurred.
12. To approve a settlement, dispute settlement by arbitration, filing of complaint, lawsuit and/or to participate in any legal proceedings on behalf of the Company for the non-normal business of the company amounting not exceed Baht 2 million per episode and/or the normal business of the company with amounting not exceed Baht 20 million per episode.
13. To approve the dispatch of employees to foreign countries for work or study visits in an amount not exceeding Baht 1 million each time.
14. To approve transactions not part of the normal business in an amount not exceeding Baht 20 million each time.
15. To delegate authority to the executive-level employees of the Company or any other person to act on its behalf.
16. To have the power to summon executive officers and relevant employees of the Company for an explanation, opinion, participation in a meeting, or the submission of documents deemed as relevant and necessary.
17. To issue any other work regulations as deemed appropriate.
18. All powers of the Executive Committee stated above which involve the acquisition or disposal of assets and connected transactions shall be exercised in accordance with Notifications of the Capital Market Supervisory board.

Duties and Responsibilities of the Executive Committee

1. To propose the goals, policies, plan and annual budget to the Board of Directors.
2. To take responsibility for the management of the Company in accordance with the direction, goals and business policies of the Company.
3. To take charge in enhancing the competitiveness of the Company and to promote continual innovations.
4. To supervise the operations of the Company in accordance with the laws, objects, Articles of the Company, resolutions of the meeting of shareholders, resolutions of the Board of Directors, as well as relevant rules and regulations.
5. To supervise the preparation of financial statements, this shall be submitted to the auditor for audit and/or review prior to submission to the Audit Committee and Board of Directors respectively.
6. To consider matters submitted to the Board of Directors for approval or endorsement.
7. Executive Committee members may divide the works and responsibilities amongst themselves, in which case reports on the activities within each member's supervision must be submitted to the meeting of the Executive Committee for acknowledgement.
8. To revise and amend the Charter of the Executive Committee and to submit such revision or amendment to the Board of Directors for approval.
9. To carry out any other acts as assigned by the Board of Directors.

In 2020, The Executive Board held its meeting 12 times, where by the meeting dates had been decided in advance throughout the entire year.

3. Chairman

Authority, duty, and responsibility scope of the Chairman

1. Take responsibility as the leader of The Board of Directors in monitoring and supervising the operations of The Board of Directors and various committees.
2. Preside at The Board of Directors' meeting. In case of tie, the Chairman adds an additional vote as a casting vote.
3. Summon the Board of Directors' meeting or may assign another person to act on own behalf.
4. Preside at the shareholders' meeting and control the meeting to be in accordance with the company's regulations regarding the meeting. Conduct the meeting according to the agenda specified in the invitation to the meeting, unless the meeting resolves to change the order of the agenda by votes of not less than two-thirds of the shareholders present at the meeting.
5. Engage in other acts as assigned by The Board of Directors.

4. Managing Director

The Board of Directors was appointed Mr. Supotch Pakaworawuth as the Managing Director. Powers, duties and responsibilities of the Managing Director are as defined by the charter, as follows:

Powers, Duties and Responsibility of the Managing Director

1. To have the power to administer the operations of the Company pursuant to policies, law, objectives, Articles of the Company, resolutions of the meeting of shareholders, resolutions of the Board of Directors, resolutions of the Executive Committee, as well as relevant regulations and procedures.
2. To have the power to issue orders and carry out any act as necessary and appropriate in order to satisfactorily carry out the functions under article 1. and in the case of an important matter, a report shall be made and/or notice shall be given to the Board of Directors and/or the Executive Committee.
3. To have the power to issue regulations on the Company's operations, such regulations not being inconsistent with or contrary to the policies, articles, regulations, rules, orders and resolutions of the Board of Directors and/or Executive Committee.
4. To grant and/or delegate powers to other persons to perform specific tasks on behalf of the Managing Director.
5. To promote and develop adherence to good conduct, legal compliance, ethics and culture in the Company's business operations while observing good governance principles.
6. To carry out any other act as entrusted by the Board of Directors and/or Executive Committee.
7. The above powers of the Managing Director shall not be exercised in the event of the Managing Director's having a potential personal interest in or a conflict of interests of any character with the Company.

In addition, the Executive Committee has appointed several subcommittees to enable participation of employees in certain areas of management of the Company to ensure compliance, efficiency and effectiveness of Company operations. The following subcommittees have been appointed.

1. Safety Vocational Hygiene and Working Environment Committee
2. Workplace Welfare Committee
3. Provident fund committee
4. Energy Management working group
5. Thai Labor Standard and Drug Prevention working group
6. The Innovation Competition Project Committee
7. The Customer Compliance Committee
8. Financial and Benefit Committee
9. The Scholarship Committee
10. Anti-Corruption working group
11. Corporate Social Responsibility Committee
12. ISO9001 Quality Management System working group
13. ISO14001 Environment System working group
14. Environmental Committee
15. Greenhouse Gas Management Committee

Nominating and Appointment of Directors

The Board of Directors was appointed by the shareholders' meeting. Since the Company shareholding was not structured as a joint venture, there is no need to allocate Directors according to shareholder groups.

1. Selection Procedure for Appointment of Company Directors

Criteria for the selection of directors

For nominating process of the persons to be appointed directors, the company has set the criteria as follows:

1. Qualifications of nominated directors to be diverse or what is called Board Diversity in terms of educational level, professional skills, specialization that is beneficial to the company's business, and ability to meet the requirements of the strategy of the company's business operation without discrimination such as sex, age, and race, etc.
2. Having leadership, vision, integrity and ethics, as well as transparent work experiences.
3. Being qualified and not be prohibited under the laws and regulations of the company.
4. In case of the nomination of the retiring directors to serve another term, they will be considered additionally in term of the performance as directors and various committees in the past.
5. In case of the selection of persons to be appointed independent directors, they must have the qualifications required for independent directors, in accordance with The Notification by The Capital Market Supervisory Board.

Process for the selection of Directors

1. The Nominating Committee has been assigned to select qualified persons having appropriate qualifications to be nominated as company directors for consideration by The Board of Directors, prior to submitting to the shareholders' meeting for approval by the majority votes of the shareholders present at said meeting.

In the case where the retirement took place prior to term completion with the remaining term being not less than 2 months, The Board of Directors' meeting shall then be authorized to select the persons from the candidates proposed by The Nominating Committee, for further appointment as company directors, by the majority votes of not less than 3/4 of the remaining directors. In such case, the newly-appointed directors shall serve out the remaining term of their predecessors.

2. The Nominating Committee will analyse the skills, experience, knowledge and expertise of the board (Skill Matrix) as the consideration information for selecting directors in accordance with the strategy of the company's business operation.

In addition, regarding the selection of new board members, The Nominating Committee has considered more in terms of knowledge, ability and experience that can be beneficial to the performance of directors and essential to the structure of the board that is still lacking.

3. The Nominating Committee has considered the person to be nominated to serve as directors, apart from professional directors of the Thai Institute of Directors Association (IOD). At present, the company has 1 independent director recruited from the Director Pool of IOD. The company also has provided an opportunity for minor shareholders to participate in the nomination of persons to be elected as directors.

With regard to the selection of persons to be appointed independent director, The Nominating Committee shall select from those persons having qualifications required for independent directors, in accordance with The Notification by The Capital Market Supervisory Board, in addition to basic qualification requirements above.

Independent Director's qualifications

The Board of Directors resolved to adopt the definition for "Independent Director" having qualifications in accordance with the notification of The Capital Market Supervisory Board as follows:

1. Holding shares not exceeding 1 percent of the total number of voting rights of the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, including the shares being held by related persons of independent directors.

2. Neither being nor having been an executive director, employee, staff, or advisor who received regular salaries, or being a controlling person of the company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholders or persons having supervision authority over the company, unless the foregoing status ended not less than two years prior to the date of their appointments as independent directors. Nevertheless, such prohibited nature would not apply in the case of these independent directors having earlier served as government officials, or advisors to government agency acting as major shareholder in the company or having supervision authority over the company.

3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executive, major shareholder, controlling person, or person to be nominated as executive or as controlling person of the company or its subsidiary.

4. Not having business relationship with the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, in such manner likely to interfere with own independent judgment and neither being nor having been a significant shareholder or person having supervision authority over the person who has business relationship with the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, unless the foregoing relationship ended not less than two years prior to the date of appointment as independent director.

The term 'business relationship' aforementioned under paragraph one included any normal business transaction, rental or lease of immovable property, transaction relating to the assets or services or the granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action, resulting in the company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the company or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for the value of connected transactions under The Notification of The Capital Market Supervisory Board regarding The Compromise Criteria for Connected Transactions. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences.

5. Neither being nor having been an auditor of the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.

6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority or partner of the professional advisor, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.

7. Not being a director who has been appointed as the representative of the company's director, major shareholder, or being a shareholder who is related to the major shareholder.

8. Not engaging in business operations of the same business nature or in competition against the business operations of the company or its subsidiaries, nor serving as a significant partner in a limited partnership or otherwise serving as a director participating in the management, or serving as employee or consultant receiving regular salary or holding over 1% shares out off total shares in other companies engaging in the same business nature or in competition against the company and its subsidiaries.

9. Not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

After appointed to be independent director who qualifies as stated above, such independent director may be assigned by the Board of Directors for taking part in the business decisions of the company, its parent company, its subsidiaries, its associated companies, same level subsidiaries, major shareholder or controlling person of the company on the condition that such decision must be a collective one.

In the event of any announcement by The Capital Market Supervisory Board imposing the revision to the qualifications for independent director, the company's independent director would thereby be required to possess such qualifications well complying with such revision.

Additionally, in the past accounting period, the independent directors of the company had neither business relationship nor professional services. Also, the appointed independent directors never have or had business relationship or professional services exceeded than the rules stipulated in the notification of The Capital Market Supervisory Board regarding the Application for and Approval of Offer for Sale of Newly Issued Shares

2. Shareholders' rights to elect Company Directors

Minor shareholders' rights to propose candidates as Company Director

The company provided minor shareholders with the opportunity to nominate candidates to be appointed as company directors at the annual shareholders' general meeting in advance according to the criteria specified by the company, whose further details were displayed on the company website under the heading "Investor Relations à IR News".

Vote-casting method for director appointment

According to company articles of association no.20, the shareholders' meeting was authorized to appoint company directors according to the criteria and method as follows:

1. One shareholder shall have one vote per one share.
2. Each shareholder must exercise all of the votes he or she has under the first paragraph to elect one or several persons to be a director or directors and must not allot his or her votes to any person in any number.
3. The persons receiving the highest number of votes, followed by those with descending highest number of votes shall be elected as the directors fulfilling the number of directorship required to be elected by the shareholder's meeting. In case the number of votes for the candidates in descending order are equal and exceed the number of directors to be elected at said meeting, the Chairman shall cast the deciding vote.

3. The selection method for the person to be appointed as Chief Executive Officer

The nominating of the management

The nominating process for the persons to further serve in management positions for the company begins with the nominating of the persons having good qualifications and sound morality and ethics to join the company. The company then trains and develops these people to be well-prepared to meet the challenges as future management members, through its consistent evaluation process of employees' potentials and capabilities.

The nominating of the Chief Executive Officer

With the regard of nominating methods for the company's Chief Executive Officer, The Nominating Committee shall consider and select from the current management or others, with qualified knowledge and abilities, who understand the company's business very well, as well as be able to manage to achieve the objectives and targets set by The Board of Directors, and also not be prohibited by laws. Accordingly, such person is then proposed to The Board of Directors for consideration of appointment.

Supervision of inside

The company placed much emphasis on the protection and supervision over usage of inside information, as specified in the company's business ethics, prohibit directors, managements and employees who access to inside information, from any act in exploitation of such inside information, especially those information not yet disclosed to the public. Violation is considered as a disciplinary offence.

1. The company has in place a measure for the monitoring of its security trading transactions by prohibiting company directors, management members, and employees having access to inside information, from engaging in any act in exploitation of such information, particularly those information not yet disclosed to the general public. Any violation would be deemed as a disciplinary offence of company regulations. Furthermore, for the period of 1 month prior to the disclosure of financial statements to the public, the company sent out related circular to the directors, the management, and the employee having access to inside information, instructing them to refrain from any purchase or sales transaction of company shares during said period, together with the penalties to be imposed in the case of violation or non-compliance with said regulation.

In 2020, the company directors, management members, and employees were not found to have any abuses related to inside information.

2. The company informed company directors, management members to acknowledge of duty to report their shareholding status, as well as those by spouses and children not yet reaching legal maturity, within 30 days from the day of their appointments to become directors or management members. Furthermore, in the case of any change occurring to their shareholding status, they were required to report such change details within 3 days from the day of change to The Securities and Exchange Commission according to article 59 of The Securities and Exchange Act B.E. 2535.

Furthermore, the company has set a policy for company directors, management members including their spouse and underaged children having duty to inform of the company's securities trading to the Chairman of the Board at least 1 working day prior to trading and report their shareholding and the changes in holding of the company's securities to The Board of Directors at the next Board of Directors' meeting. The company has to provide the agenda to report the securities holding status by the company directors and the management including their spouse and underaged children to the Board of Directors' meeting acknowledged on a quarterly basis.

In 2020, the company directors and the management did not have any trading of the company's securities.

3. The company had in place a measure for monitoring of the company director and the management's interest by requiring the interest report of company director, the management, and related persons which their interest are connected to the company's business operation.

In 2020, the company directors and the management strictly followed the above regulation.

Auditor expenses

1. Audit fees

The Company and subsidiary companies have obtained approval from the meeting of shareholders to pay an audit fees to ASV and Associates Company Limited, the audit office of the auditor's affiliation. Details of the fees are as follows:

Unit : Baht

Audit Fee	2020	2019
Thanulux Public Company Limited	1,100,000	996,500
Subsidiary Companies (2 Companies)	175,000	384,000
Total	1,275,000	1,380,500

2. Other Services

The Company paid other services fee for reviewing of compliance with conditions under the Investment Promotion Certificate.

Unit : Baht

Other Service Fees	2020	2019
Thanulux Public Company Limited	60,000	60,000
Subsidiary Companies	-	-
Total	60,000	60,000

Supervising the operations

The designated Company Directors will meet together to select a person which the Company would nominate and vote to appoint as a director of a subsidiary company. The number of persons voted by the Company for appointment would be in proportion to the Company's shareholding. The person appointed as a director of a subsidiary company would be under a duty to act in the best interest of that subsidiary company, except on matters pertaining to important policies having an impact on business operations for which the Company requires such appointed person to obtain the approval of the Board of Directors prior to voting on the resolution.

The Company has a policy of ensuring that a subsidiary has a sufficient and appropriate internal control system. The Company's internal audit office would monitor the subsidiary company's internal control system every year.

In addition, the Company instructs the person appointed by the Company to oversee the subsidiary company's compliance and disclosure of significant information pursuant to the same applicable rules as the Company, such as connected transactions, acquisition or disposal of assets or other significant transactions, including supervision of data collection and financial accounting of the subsidiary company in order to facilitate inspections and consolidation of financial statements in a timely manner.

The Company does not have any agreement with other shareholders on the management of subsidiary companies. The Company also does not have any agreement with other shareholders on the allocation of returns other than normal returns pursuant to the proportion of shareholding in the subsidiary company.

In 2020, the Company has 2 subsidiaries, the directors of each subsidiaries are as follows:

1. S. Apparel Company Limited

Name – Surname			Position
1	Mr. Supotch	Pakaworawuth	Chairman
2	Mr. Woradej	Puengsiricharoen	Director
3	Mr. Chayarop	Mahamontri	Director

2. Celebrate Wealth Company Limited

Name – Surname			Position
1	Miss Yupaporn	Jearrakul	Director and Managing Director
2	Miss Marin	Leelanuwatana	Director and Deputy Managing Director
3	Mr. Chairat	Wattanachotiwat	Director and Deputy Managing Director
4	Mr. Suchart	Layluxsiri	Director

Compliance with Good Corporate Governance Principles

The Board of Directors believes that compliance with the Good Corporate Governance Code, which is the foundation of sustainable development and business value creation, will bring about competitiveness and desirable profitability. To this end, the Board has considered long-term effects, ethical business practices, respect for and responsibility towards shareholders and stakeholders, benefits to society, eco-friendly developments, the minimization of environmental impact, and the ability to cope with change.

The Company has announced the Good Corporate Governance since the year 2002. These principles have been revised and updated by the Board of Directors every year. In 2017, the Board of Directors assessed and reviews the Good Corporate Governance Principles against the Corporate Governance Code for listed companies 2017 and then on the Board of Directors Meeting No. 7/2018 on December 18, 2018 had approved the said documents. The document comprises the following:

- The Good Corporate Governance Policy
- The Eight Principles of Good Corporate Governance
 - Principle 1 The Board of Directors shall be aware of its leadership roles 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.
- The Business Ethics
- The Code of Conduct for Directors, Executive Officers, and Employees

In 2020, the Board of Director required the Eight Principles of Good Corporate Governance be adapted to the Company's business conduct, covering the following five aspects:

Section 1: Rights of Shareholders

The Board of Directors appreciates and respects the ownership rights of shareholders. As a consequence, corporate governance principles have incorporated safeguards for shareholder rights, including the non-violation or non-infringement thereof. The Board of Directors assumes the function of overseeing the equitable benefits of shareholders, as well as supporting and promoting all shareholder groups whether foreign or domestic, major, retail or institutional shareholders to enable the exercise of their respective rights, as follows:

- 1.1 **Basic rights** Referred to the right for shares transaction, the right to receive profits allocation in term of dividend payment based on outstanding shares, the right to access company information in sufficient, timely, and consistent manner, the right to to nominate candidates to be elected as directors, the right to attend and cast votes at the shareholders' meeting, the right to elect individual company director and approve directors remuneration, the right to remove directors, the right to appoint company auditor and approve audit remuneration, and the right to appoint proxy to attend and cast vote on his/her behalf.

- 1.2 **The right to significant information** access Shareholders were entitled to access information on an equitable basis. In that regard, the company facilitated information distribution in both Thai and English languages, via the channels of The Stock Exchange of Thailand and company website, to provide shareholders with additional access channel. Such information included performance results, connected transactions, changes in the funding structure, and changes in supervisory control, transactions of significant company assets, and other information essential for decision-making by shareholders.
- 1.3 **The right to attend the shareholders' meeting** The Company held its annual shareholders' meeting regularly each year, within 4 months after completing its accounting year. Nevertheless, in the event of such emergency situations possible affecting the shareholders' interests, or involving amendments to the laws or company articles requiring approval by the shareholders, the company was authorized to convene the extraordinary shareholders' meeting on a case by case basis. The company held its meeting at such date, time, and venue, deemed convenient to the shareholders, to facilitate their meeting attendance. For 2020, the company convened the shareholders' general meeting once, without convening any shareholders' extraordinary meeting, according to the following details:

During the 46th General Meeting of Shareholders for 2020, the Company treated the shareholders in the following chronological order.

Proceedings Prior to the Shareholders' Meeting Day

1. The Company informed the shareholders of the resolution to convene the shareholders' meeting 55 days prior to the meeting date, namely on February 26, 2020 to allow the shareholders sufficient time to plan their meeting attendance.
2. The Company disseminated the meeting invitation letter via company website, carrying the same content as the letter sent to the shareholders, in both Thai and English, 34 days prior to the meeting, to provide the shareholders with necessary information in a swift, convenient, and sufficient manner in advance.
3. The Company sent out the meeting invitation letter to the shareholders 21 days prior to the meeting on April 1, 2020, exceeding the minimum time limit specified by law.
4. The Company also posted the announcement notifying said meeting invitation to the shareholders in the newspapers for 3 consecutive days, 14 days prior to the meeting namely during July 17, 20 and 21, 2020.
5. Shareholders could submit questions in advance 7 working days prior to the meeting day. The shareholders were informed of this right through the Company website and the notice of invitation to the shareholders' meeting.
6. The documents sent out to the shareholders (QR Code Downloading) were, the meeting invitation letter 0 details on the rationale for each meeting agenda, together with related opinions by the Board of Directors and the documents in support of the voting decision by the shareholders for each meeting agenda. Furthermore, the documents also included the annual report publication, profile of the persons nominated as directors replacing those due to retire upon term completion, definition of independent director, profile of independent directors proposed as proxies by the shareholders, company regulations regarding the shareholders' meeting, the documents and evidences required for the shareholders to present for meeting attendance, meeting regulations, meeting procedures, the map of the meeting venue, and the registration form. Other documents were the proxy appointment letter form B for voting in line with the shareholders' decision, or the proxy appointment letter either form A and C which shareholders could download from company website, as well as procedures for shareholders to post advance questions prior to the shareholders meeting.



Day of Shareholders' Meeting

1. Determination of day, time and place of meeting that is convenient and suitable, and does not pose an obstacle for attendance. In 2020, the Company held the General Meeting of Shareholders on Tuesday, August 4, 2020, 11.00 hours, at Avani Plus Riverside Hotel, which the transportation system is accessible and sufficient to facilitate the shareholders and the Institutional investors for easily to attend the meeting

2. Registration of shareholders attending the meeting by barcode scanning was open 2 hours prior to the meeting and remained open until the conclusion of the meeting. Registration was open from 9.00 hours. Sufficient staff was provided for meeting registration. Duty stamps were also provided for shareholders granting proxies to others or Independent Directors to attend the meeting on their behalves. Voting placards and ballot papers were distributed to shareholders for casting votes.

3. The Board of Directors attaches significance to the meeting of shareholders. Attendance at all meetings is deemed a duty, save for important engagements or illness.

At the General Meeting of Shareholders for 2020, The Chairman was unable to attend due to illness, there were 8 Directors in attendance from a total of 8 Directors, including the Chairman, Chairman of the Audit Committee, Chairman of the Nominating Committee, Chairman of the Remuneration Committee, Chairman of the Governance Committee and Chairman of the Executive Committee. In addition, the Managing Director, Chief Financial Officer, Executive Committee Members and Company Auditor were also present and open to questions from shareholders on relevant issues.

4. Prior to the commencement of the meeting, the Company Secretary declared the number of shares and ratio attending the meeting as well as explained voting and vote counting procedures for voting of shareholders in each agenda pursuant to the law and Company Articles. In the event of a shareholder attending the meeting after the commencement of the meeting, the Company still granted the right to vote in the remaining agenda that had not yet been considered and voted upon. Such shareholder would be included in the quorum.

5. In order to ensure transparency of the meeting in accordance with laws and the Company Article, the Company invited a representative of the Company's audit office, namely ASV And Associates Company Limited, to act as a witness in the vote counting. A barcode system was used for processing of votes in each agenda, and the voting results were displayed instantly after the end of the agenda on a screen at the meeting room's anterior..

6. During the meeting, the Chairman proceeded with the meeting in accordance with the agenda stated in the notice of meeting without adding any new items in the agenda or changing any significant data without giving prior notice to shareholders and gave investors opportunity to question, comment and suggest equally and thoroughly in all agendas. In the General Meeting of Shareholders for 2020, no shareholder requested for the addition of any new agenda, and there was no any question.

Important agenda in the meeting of shareholders consisted of the following:

- (1) **Dividend Payout** : The Company had provided details on the appropriation of earnings, dividend payout of 0.55 Baht per share which were in accordance with the payout policies of the Company, including comparison between the dividend payout of the current year and preceding year, also specified the record date for the shareholders who are entitled to receive dividends.
- (2) **Appointment of Directors** : The Company provided an opportunity for shareholders to elect directors individually. Preliminary information on each person nominated for election as director, together with a specification of positions held in other businesses of the nominees, clearly stating whether the nature of such companies' were identical to or in competition with the businesses of the Company, Shareholding in the Company, Meeting attendance record (In case reappointed at the expiration of term), Type of Directorial Position Nominated and Nominations were made after screening by the Nominating Committee.
- (3) **Directors' Remuneration** : The Company had provided details on the amount of remuneration proposed, which was in accordance with the policies and conditions relating to the remunerations of directors subsequent to review by the remuneration committee. The Company proposed remuneration limits for approval by the meeting of shareholders on an annual basis and disclosed remunerations of the Company Board of Directors and remuneration of other subcommittees in Form 56-1 as well as in the Annual Report.
- (4) **Appointment of Auditor and Determination of Audit Fee** : The Company had provided details on the names of auditors, along with their audit office, independence, relationship with the Company, number of years of performing duties, reasons for change of auditor (if any), and comparative data on the audit fees for the current and preceding year. This information had been reviewed by the Audit Committee. Other fees for services rendered by the audit office to which the auditor was associated with respect to both the Company and its subsidiaries were also disclosed.

Voting Summary of Shareholders in Each Agenda

Agendum	Number of shareholders (No.)	Approval			Disapproval			Abstention		
		(No.)	Shares	%	(No.)	Shares	%	(No.)	Shares	%
1	67	67	107,937,871	100	-	-	-	-	-	-
3	67	67	107,937,871	100	-	-	-	-	-	-
4	67	67	107,937,871	100	-	-	-	-	-	-
5.1	67	67	107,937,871	100	-	-	-	-	-	-
5.2	67	66	107,936,871	99.9991	1	1000	0.0009	-	-	-
5.3	67	67	107,937,871	100	-	-	-	-	-	-
5.4	67	67	107,937,871	100	-	-	-	-	-	-
6	67	67	107,937,871	100	-	-	-	-	-	-
7	67	67	107,937,871	100	-	-	-	-	-	-
8	67	67	107,937,871	100	-	-	-	-	-	-

Proceedings after the Shareholders' Meeting Day

1. The company disclosed the resolutions adopted by the shareholders' meeting, together with the voting results for each meeting agenda, also declared the details of the dividend payment to all the shareholders at the same rate, as per their rights, in both Thai and English, via the news channel of the SET, and the company website, on the following day.
2. The company compiled the meeting minutes subsequent to the shareholders' meeting, by incorporating all essential details and summarizing voting results for each meeting agenda, classified as consent, dissent, and abstention votes, together with the record on the discussion and conclusion regarding significant topics. Said minutes was submitted to The Stock Exchange of Thailand and The Securities and Exchange Commission within 14 days subsequent to the meeting, and disseminated on the company website, in both Thai and English, so as to enable the shareholders to review said minutes content without having to wait until the next shareholders' meeting.
3. The company recorded the meeting on VDO, for further dissemination to the shareholders upon request.

As a consequence of the General Meeting of Shareholders carried out by the Company in a transparent and accountable manner, in compliance with laws and Company Articles, facilitating shareholders attending the meeting. In 2020, the Company was evaluated the quality of shareholders' meeting from the Thai Investors Association at the level "4 TIA (90-99 scores)".

Section 2: Equitable Treatment of Shareholders

2.1 The shareholders' meeting

- (1) The Company granted an opportunity to shareholders to propose meeting agenda in advance, as well as to nominate suitable persons for election as Directors in the General Meeting of Shareholders for 2020. A proposal could be made between 1-30 December 2019 pursuant to the rules and procedures stipulated and published on the Company website www.thanulux.com. Notice was also given to shareholders through the Stock Exchange of Thailand information system, as well as provided the opportunities for Shareholders to submit the questions in advance before the meeting. No shareholder made any proposal for an addition to the meeting agenda and did not sent any Question in advance.
- (2) The right to vote at the meeting was in accordance with the number of votes held by the shareholder. Each share carried one vote. There was no share which carried a preference or limitation on the voting rights of other shareholders.
- (3) In the case of foreign shareholders, the company sent out meeting invitation letter in English, to facilitate the understanding by foreign shareholders, as well as disseminating said information on company website made accessible at the same time as The Thai version.
- (4) In the case where shareholders could not attend the meeting in person, the company allowed said shareholders to appoint proxies from independent directors or other parties, to attend the meeting on own behalf. The company provided clear details pertaining to the proxy appointment letter, sent together with the proxy appointment letter (form B), allowing the shareholders to instruct own voting direction.

Number and nature of attendance of the Annual General Meeting of Shareholders No.46 on August 4, 2020.

	persons	No. of shares	% (shares)
Shareowners as listed in share registration	673	120,000,000	100.00
Total number of attendants	67	107,937,871	89.95
Attended by oneself	23	18,417,935	15.35
Proxy	44	89,519,936	74.60
Proxy to audit committee	13	22,662,660	18.89
Proxy to individual	31	66,857,276	55.71

- (5) The voting procedure for each meeting agenda was carried out in a transparent manner, with the voting ballot provided the shareholders for each agenda, whereas only disapproval and abstention votes were kept afterwards. Nevertheless, for the agenda related to directors' appointment, all voting ballots bearing the signature of each shareholder were collected and kept as evidence. Vote tallying was carried out using the barcode system and displayed on-screen in the meeting room after the end of the agenda, to facilitate convenience, transparency, and easy verification.
- (6) Shareholders were given the right to pose questions in the meeting of shareholders. At the 46 General Meeting in 2020, there were no any question.

2.2 Supervision over inside information The Company has laid down the policy safeguarding against inside information abuse, by stating in writing in the business ethics manual, and the code of conduct for company directors, the management and employees, not allowing Company Directors, the management, and employees, to exploit the information or assets belonging to the company, or accorded own position, in such manner seeking unjust gains for own self or for others. In relation to this, the Company handed out relevant manuals to Company Directors, the management, and the employees, to serve as guidelines for their business operations and assignments, while also disseminating those information on company website. Detail had been shown on the Item Supervision of inside information. Furthermore, the Company also incorporated above information into company regulations, together with the penalty provision. In 2020, no contravention of such policy by any Company Director, Executive Officer and employees was found.

2.3 Supervision over the transaction of Company securities The Board of Directors has prescribed measures to oversee securities trading and reporting of interests of directors and executives. The Company forbade the Directors, the management, and the employees working in those departments accessible to inside information, to engage in the transaction of company securities, during the period of 1 month before the disclosure of such information to the public. The company distributed said instructions in circular to all concerned parties each quarter, together with the penalties to be imposed in the case of violation or non-compliance with said regulation. In 2020, all the company directors and management members strictly followed accordingly, without engaging in such transactions during said period.

In addition, the Company had set a policy to oversee the interests of the directors and executives by request the report of their and the related parties interests, which related to the operation of the company. In the year 2020, the Company's directors and executives have complied with the prescribed measures.

2.4 Treatment of conflict of interests The company treated the issue of conflict of interests with caution and reason, with the company's interests in mind, price setting is on fair trade terms, in the same condition as outsider. The Company laid down operations systems in a transparent manner, deemed as one major policy regarding good governance practice and business ethics for the company. The company controlled the implementation of connected transactions being conducted in the fair market price, in accordance with the normal business, so as to comply with the announcement by The Capital Market Supervisory Board. Before implementing each connected transaction requiring prior approval from The Board of Directors, the item was first proposed to The Audit Committee for endorsement prior to submitting to The Board of Directors for further approval. The directors with possible conflict of interests were not allowed to take part in the meeting. Afterwards, the company informed said meeting resolution to the shareholders via the news channel of the SET together with the company website. The information included the disclosure of names and relationship of connected parties, pricing policy, transaction value, and other related details, as well as the opinions of The Board of Directors pertaining to such transactions.

Furthermore, the company held The Board of Directors' meeting subsequent to the shareholders' meeting each year, to decide on the approval criteria for business transactions under normal business term, conducted between the company and the directors, management members, or connected persons. Such transaction items were to be concluded and reported to The Board of Directors on a quarterly basis.

2.5 Supervision over assets transaction The company supervised assets transaction in accordance with the announcement by The Capital Market Supervisory Board regarding the acquisition and disposal of assets, whereby directors with possible conflict of interests were not allowed to participate, so as to facilitate fairness and transparency.

Section 3: Role of Stakeholders

The Board of Directors appreciates and respects the rights of all stakeholders. Regard is given to the rights under the law or agreements executed by the Company. As a consequence, a policy has been determined as a guideline for treatment of each stakeholder group. Further regard is also given to communities, society and the environment. This policy aims to achieve sustainable development, combat wrongful and corrupt practices, prevent intellectual infringement, as well as respect human rights.

The Company has prepared a Code of Business Ethics and Employee Conduct for Company operations in order to secure confidence that all stakeholders will be protected and treated fairly and equally.

3.1 Shareholders The Company respects the rights of both major and minority shareholders as required various laws and regulations. All shareholders are treated equally. The Company strives to satisfactorily represent the shareholders in advancing the businesses as well as generating a fair return in accordance with the dividend policies of the Company. In addition, the Company has mechanisms for ensuring the trust of shareholders in obtaining accurate information, controlling connected transactions, and having measures for preventing conflicts of interests. Measures have also been in place to prevent the exploitation of insiders' information for personal benefits, including the use of such information for the trade of the Company's securities, especially in the 1month period prior to the disclosure of financial statements to the public, which is stipulated in the code of conduct for employees.

The Company invited all shareholders to the annual general meeting. Shareholders were given the right to vote on all agenda. Shareholders also have the right to acquire important information, such as the Company's quarterly operating results, investment disclosures and connected transactions. The Company has disclosed these data through channels of the Stock Exchange of Thailand and the Company website (www.thanulux.com).

3.2 Employees The Company realizes that employees are the most valuable resources and constitute the heart and main driving force of the organization to success. The Company has therefore treated its employees in accordance with good governance principles. Human dignity, human rights and ethics are respected and promotion, support, practice, training and knowledge development of employees are provided comprehensively for employees. Employees are given opportunities to express their potential. They are also encouraged to participate in determining the development and operational directions of the Company. In order to secure career path security, the Company offers fair remuneration for employees as appropriate for the knowledge, skills, responsibilities and performances of each employee.

Moreover, the Company has looked after the working environment by having due regard to the safety of life, health and properties of employees. Security personnel are on duty 24 hours a day. Alarm systems have been installed in buildings. Safety equipment and fire engines have been provided. Basic firefighting training and drills have been held as well as evacuation drills and the use of personal protective equipment. These training and drills were held to promote the employees' understanding of the proper practices according to standard systems on safety and the environment. Various welfare benefits have also been provided for employees to raise the quality of lives and standard of living, e.g.

Together with the Saha group set up cooperatives for employees

- Provision of a clinic attended by a medical doctor twice weekly and 2 nurses every day.
- Annual medical examination
- Employee uniforms
- Welfare sale of goods at special prices as sustenance aid for employees
- Collaboration with the Government Housing Bank in providing low-interest housing loans
- Accommodation for employees assigned to perform tasks in other provinces
- Provident fund for future savings
- Retirement benefits
- Financial assistance in the event of death of an employee, employee's parent and spouse
- Financial assistance in the event of an employee being a victim of fire or a natural disaster, such as flooding or storms
- Cash rewards for employees completing 10, 20, 30, 40 years of employment

- In addition, the Company has established a Welfare Committee in order to offer an opportunity for employees to participate in the administration of welfare benefits and to act as a center for the comprehensive distribution of welfare aid to employees, as well as to act as a channel for communications, suggestions or voicing grievances on various matters pertaining to work.

3.3 Customers The Company operates its businesses by adhering to the principles of loyalty, justice and providing accurate information to customers. Customers' complaints are handled with priority and processed with all due fairness in order to promote an expeditious response to customers' needs as well as to develop products and services which meet the requirements of customers. Constant innovations are undertaken in order to add value to products and services according to the quality accreditation ISO9001 on design and manufacture of garments and leather goods. Customers' trade secrets are also protected. A survey of customer satisfaction on quality, services and delivery of goods for 2020, show that the Company enjoyed a satisfaction approval of more than 85%.

In this regard, the Company has a customer relations center which serves as a central medium for receiving comments and suggestions from customers. The center may be call at 0-2295-0911-9, 0-2295-4171-80

3.4 Competitors The Board of Directors placed much importance on fair and honest business competition under the framework specified by law. Accordingly, the company always implemented its business operations according to fair competition rules. In the year 2020, the company was not engaged in any trade dispute with other competitors.

3.5 Business partners The Company has prescribed policies of fair and equitable treatment and responsibilities to business partners, which was based on the appropriate compensation for both parties as follows.

- (1) The Company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards and friendliness to the environment.
- (2) The confidentiality of secrets or information of trading partners is maintained and not exploited for wrongful gains of oneself or of others.
- (3) The Company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the Company will expeditiously engage in early negotiations with trading partners.
- (4) Had criteria according to international standards ISO 9001 for evaluating, selecting, checking and monitoring the performance of business partners.
- (5) Relationships, and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and services are jointly undertaken to promote mutual growth
- (6) The Company does not demand, receive or consent to the receipt of properties or any other benefits outside trading agreements.

In addition, the company had also formulated procurement regulations to serve as a guideline for efficient and ethical business conduct in accordance with good corporate governance.

In 2020, there was no case of non-compliance with the contract with partners.

3.6 Creditors The Company adhered to operating business with ethics to gain trust from creditors by:

- (1) Prescribe policy to treat every creditors with fairness justly.
- (2) Espouse responsibility and transparency through strict compliance to contractual terms and conditions.
- (3) Present financial statement with accuracy and punctuality.

In 2020, the company paid all creditors in accordance with agreed term, without causing any default.

3.7 Communities and Society The Company operates business with due regard to impact on communities and society. There is a continual instillation of conscience of responsibility amongst employees. One heading of the social responsibility policy is the importance attached to participation in community development. The Company would consider the needs of communities and participation in the development of community quality of lives. Attitudes and organizational cultures are fostered in order to enable employees to participate in volunteer works and socially beneficial activities with communities.

In 2020, the Company expanded its community and social responsibility activities by holding workshops with communities in the Company's vicinity and holding activities as requested by the communities. A channel was provided for filing complaints relating to the environment and other aspects of the Company which could affect the communities, then did not receive any complaint. The Company's performance earned accreditation under the social responsibility of industrial operator standard (CSR-DIW Continuous) from the Department of Industrial Works, Ministry of Industry. Activities which are beneficial to the communities and society have been disclosed in the Sustainability Report.

3.8 Environment The Company has recognized responsibility towards environment by prescribing it as one of the company's missions, and also define in the corporate governance policy and business ethics towards. The company conducts business with due concern toward natural resources and the environment. Accordingly, the company paid due attention to ensure that all activities starting from manufacturing were eco-friendly:

- (1) Conduct business in compliance with applicable laws, regulations and policies on the environment with due regard for the impact on natural resources and the environment, the performance was reviewed and evaluated regularly.
- (2) Organizational culture and consciousness of Employees at all levels shall be promoted to encourage cooperation and responsibility for the efficient and sustainable management of the environment and utilization of resources.
- (3) Provide knowledge and training about environmental management.
- (4) An Environmental management system shall be promoted, from the economical use of resources to the sustainable treatment and rehabilitation, replacement, monitoring and prevention of impact on natural resources.
- (5) Environmentally friendly technology is developed and used whenever possible

Promotion of efficient use of resources

The Company realizes the importance of control on the use of resources for sustainable development. This can be achieved with the cooperation of all personnel in the organization. A value is promoted amongst employees that society advancement requires a balanced development in the economy, quality of life as well as natural resources and environmental conservation.

In 2020, the Company adhered to energy conservation measures, enabling energy consumption reduced from the preceding year. The Company also engendered an organizational culture and built a conscience in all levels of employees to promote cooperation and mutual responsibility in the utilization of resources. Activities were organized to encourage creativity by employees in the creation of value from leftover materials. Moreover, trainings were also held on efficient energy consumption for employees in the production line, as well as numerous other activities such as campaign boards for water conservation and electricity conservation in various locations to remind employees of the need to maintain efficient and sustainable utilization of resources.

Knowledge Building and Training of Employees on the Environment

The Board of Directors has promoted employees' awareness of the importance of the environment. The Company disseminated knowledge on the environment to employees via the internet, information notice board and audio announcements, as well as continually promoted employees' training to build knowledge on the environment.

In 2020, employees participated in environmental training in key issues, e.g. ISO14001:2015 course (environmental management system standard) and CSR-DIW Continuous (a project to promote social responsibilities of industries and sustainable co-existence with communities).

3.9 Promotion of Activities for Community Development The Board of Directors has attached importance to community development by continually promoting activities which are beneficial to communities. Detail of the activities had displayed in the Corporate Social Responsibility Report

3.10 Public Sector The Company undertakes businesses in compliance with the laws and regulations enacted by the State. The company also give the cooperating in providing accurate information according to government requests, pay taxes correctly, completely, in time according to the requirements of the Revenue Tax Law and customs duties law.

3.11 Participation channels for the stakeholders The Board of Directors provides channels and procedures for all stakeholder groups to report or file a complaint on any matter which poses a risk of loss to the Company, the accuracy of financial statements or an unfair treatment. Shareholders and other stakeholders may contact

- (1). Mr. Supachoke Sirichantaradilok, Company Secretary and Investor Relations Officer
Telephone : 02-295-0911-19, 02-2954171-80 ext. 250 , facsimile : 0-2294-5101
Email : supachoke@thanulux.com
- (2). Mr.Woradej Puengsiricharoen, President of Internal Audit Department
Telephone : 02-295-4171-9 ext. 168, facsimile : 0-2294-5101
Email : audit@thanulux.com.

Who also reports directly to the Audit Committee and investigation outcomes would be reported to the Board of Directors. Details on informants and complaints will be kept secret.

In 2020, there were no complaints filed by shareholders and stakeholders.

Additional details are provided in “Sustainability Report”.

The Company had defined various policies and practices for Treating all stakeholders provided in “Sustainability Report”.

Section 4: Information Disclosure and Transparency

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

The Company has transmitted such information through the information dissemination system of the Stock Exchange of Thailand within the time limit for dissemination to the investors and the general public. Moreover, the Company has added new dissemination channels by publishing the information on the Company’s website (www.thanulux.com) in both Thai and English and regularly updating such information.

The information disclosed in the annual reporting form (56-1) and annual report (56-2) include not only financial statements, but also information on various matters which are demonstrative of business transparency, as follows:

4.1 Good Governance The Company discloses good governance policies, good governance principles, business ethics and codes of conduct for Company Directors, Executive Officers and employees, as well as report performance results on compliance with such policies on the Company website.

4.2 Social and Environmental Policies The Company holds this as an important business policy, and thus prescribes therefor in its good governance policies. Regard shall be given to impact on natural resources and the environment. Details of compliance with such policies may be found under the heading “Sustainability Report”.

4.3 Risk Management Policy The Company has disclosed risk factors affecting businesses, indicating the characteristics of the risks, causes, impact and approaches to preventing or mitigating those risks.

4.4 Shareholding Structure The Company has disclosed the list of top 10 shareholders of the Company as at the date of book closing prior to the general meeting of shareholders. This disclosure is made on the Company website (www.thanulux.com)

4.5 Report of Board of Directors' Responsibility for Financial Statements The Board of Directors is aware of the significance of Financial Statements that are accurate, complete and in accordance with accounting standards. The disclosure of such information has been audited by an independent auditor and approved by the Audit Committee and Board of Directors prior to dissemination to shareholders. Also, in order to secure confidence, the Board of Directors has prepared a Report of the Board of Directors' Responsibility for the Financial Statements, signed by the Company Chairman and Managing Director, disclosed in the Annual Report and Form 56-1 together with the Auditor's Report. In 2020, the Company's Financial Statements were approved unconditionally by the auditor. The Financial Statements have been submitted to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission in a timely manner. No instructions were given to amend the Company's Financial Statements.

4.6 Performance of the Board of Directors and Subcommittees The roles and duties of the Board of Directors and Company Committees have been disclosed, along with the number of meetings, attendance of each Company Director in meetings during the past year, under the heading "Management Structure" and "Governance" in the part pertaining to the Board of Directors and Company Committees.

4.7 Securities Holding of Directors and Executive Officers The Company has disclosed shareholdings and changes in shareholdings in the Company during the year of Directors and Executive Officers, directly and indirectly, in the Annual Report. Details can be found under the heading "Shareholder" in the part pertaining to Report of Shareholdings of Directors and Executive Officers in Thanulux Public Company Limited as of December 31, 2020"

4.8 Remuneration of Directors and Executives A disclosure of the policy on remuneration payments to directors and executives, including the forms, types and amount of remuneration received by director and sub-committees, these details have been disclosed in Form 56-1 and in the annual report under the heading on management structure, sub heading "Remuneration of Directors and Executives".

4.9 Report of Directors' Interests Policy The Board of Directors has prescribed a policy for Company Directors and Executive Officers to report to the Company every occasion which gives rise to a personal interest or the interest of a connected person. In 2020, the Company Directors and Executive Officers have strictly complied with the policy. In addition, during the meeting of the Board of Directors, an interested Director could not participate in deliberations on an important agenda, and the Company has disclosed the interests of such Company Directors and Executive Officers in the notice of resolution submit to the Stock Exchange of Thailand information system.

4.10 Development of Directors and Executives Officers The Company has disclosed information on training and development of Directors and Executive Officers. Details can be found under the heading "Personal Details of Company Directors, Executives, Controller and Company Secretary" and "Governance" in the part pertaining to compliance with good governance principles in other areas (Section 5 Responsibilities of the Board of Directors, Article 5.7).

4.11 Connected Transactions The Company has complied with the rules of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. There are clear, prudent and reasonable guidelines for the greatest benefit of the Company and shareholders. Details of such transactions are disclosed, with specifications of contractual parties, relationships, characteristics of transaction, price terms and value of transaction, to the Stock Exchange of Thailand, published on the Company website and summarized in the Annual Disclosure Report (Form 56-1) and Annual Report (Form 56-2) under the heading "Connected Transactions".

4.12 Quarterly Performance Reports The Company has published quarterly performance reports on the Stock Exchange of Thailand and Company websites. In the event of a change in net earnings in the same quarter on a year-on-year basis by more than twenty percent, the Company would provide an additional explanation for the performance.

4.13 Whistle Blowing The Company has prescribed a policy and measures for the protection of employees or whistle blowers in the Code of Conduct of Company Directors, Executive Officers and Employees. Details can be found under the heading “Anti-Corruption in the Sustainability Report”.

4.14 Investor Relations The Company has stressed the importance of disclosing transparent and comprehensive information. Various news have been disseminated to investors and related persons in a timely manner and on an equal basis through channels and media of the Stock Exchange of Thailand, and via the Company’s website at www.thanulux.com. In addition, the Company has designated a person who can provide information and news as required by investors or related persons.

Mr. Supachoke Sirichantaradilok, Company secretary and Investor relations
Telephone No. 0-2295-0911, 0-2295-4171-80 ext. 250, facsimile No. 0-2294-5101
Email: supachoke@thanulux.com.

Section 5: Responsibilities of The Board of Directors

The Board of Directors plays an important role in governing the Company to ensure efficient operations. These duties must be performed responsibly, prudently, honestly, and must utilize knowledge and competencies in the determination of the Company vision and mission statement with a view to securing sustained growth. In addition, there must be oversight of Executive Officers and employees to ensure compliance with guidelines in order to achieve the set objectives, as follows:

1. The Board of Directors has prescribed a structure for the Board of Directors comprising of persons having a diverse range of knowledge, competencies and experiences, without limitation to gender, and having the qualifications required by law. At least one Company Directors is a Non-Executive Director who has experience in the Company’s business undertaking. There are also Independent Directors as required under the Notification of the Office of the Securities and Exchange Commission.
2. The Board of Directors has provided a definition for an Independent Director which meets the minimum requirements of the Office of the Securities and Exchange Commission.
3. The Board of Directors has appointed Committees to screen key matters prior to submission to the Board of Directors.
4. The Board of Directors has issued a charter for each Company Committee by prescribing the tenure and scope of powers and duties to clearly demarcate the roles, duties and responsibilities of each Company Committee and the management.
5. The Board of Directors has a policy which requires Company Directors and Executives holding directorial positions in other companies to make a disclosure to the Company Chairman and Chairman of the Audit Committee.
6. The Board of Directors has provided for a Company Secretary to perform duties prescribed by law and as entrusted. The qualifications of a Company Secretary should be a person possessing knowledge of law or accounting, or who has completed training relating to the performance of company secretarial duties. Continual training and knowledge development are also continually provided.
7. The Board of Directors has prescribed policies for governance, business ethics and codes of conduct for Company Directors, Executives and employees to ensure a harmonized approach.
8. The Board of Directors has prescribed a Company vision and mission so that the Company Directors, Executives and employees would strive towards the same goal.
9. The Board of Directors has a policy of continually promoting and sponsoring the development of knowledge amongst Company Directors, Executives and employees.

10. The Board of Directors prescribes an annual meeting schedule in advance every year. The determination of agenda takes into account the fair interests of shareholders and all stakeholders. All Company Directors enjoy independence in the expression of opinions. A Company Director having an interest in an agenda shall not have the right to vote in such agenda.
11. The Board of Directors prescribes a duty for Company Directors to attend all Board Meetings unless there is a necessary cause.
12. The Board of Directors has a policy of encouraging senior Executives to attend Board Meetings.
13. The Board of Directors provides Non-Executive Directors with opportunities to meet among themselves in the absence of the management when necessary. The Managing Director shall be notified of the meeting outcome.
14. The Board of Directors has a policy of promoting the Company Directors' access to essential additional information from the Managing Director, Company Secretary or other assigned Executives within the scope of the set policies. In the event of necessity, the Board of Directors may obtain independent opinions from advisors or external professionals on the Company's expenses.
15. The Board of Directors has implemented measures pertaining to conflicts of interest which are prudent, rational and in compliance with the rules and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
16. The Board of Directors prohibits Company Directors and Executives from trading in Company shares in the 1-month period prior to the public disclosure of financial statements.
17. The Board of Directors has directed Company Directors and Executives as well as their spouses and children who have not attained legal age to have the duty to disclose shares holdings and changes in holdings 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.
18. The Board of Directors has directed Company Directors and Executives to disclose personal interests and interests of connected persons in accordance with the prescribed rules.
19. The Board of Directors has established an internal audit unit as an internal agency accountable to the Audit Committee.
20. The Board of Directors requires an annual assessment of the Board of Directors' performance.
21. The Board of Directors prepares a report on the responsibilities of the Board of Directors pertaining to the financial statements submitted in the Annual Report.
22. The Board of Directors oversees and determines the payment of appropriate remuneration to each committee member pursuant to the powers, duties and responsibilities and draws comparison to the operation levels in the same business sector.
23. The Board of Directors has prescribed a succession plan for employees in various positions in view of their advancement to higher positions.
24. The Board of Directors provides an orientation for first term Company Directors.
25. The Board of Directors has established an internal control system and risk management system.
26. The Board of Directors has provided for the monitoring and assessment of corporate governance by establishing the Governance Committee.

5.1 Board and Committee Structures The Board of Directors, Company Committees, and Executive Officers perform assigned tasks.

- (1) **Composition of the Board of Directors.** The Company Articles provide that there shall be no fewer than five Directors. At least half of the Directors must reside in the Kingdom. In 2020, there were 8 Company Directors possessing knowledge, expertise and experience in a variety of fields, namely accounting, finance, management, marketing, law and textiles. The Board of Directors consisted of:

Non-Executive Directors	6 persons (including 4 Independent Directors)
Executive Directors	4 persons

 Hence, Independent Directors comprise more than the one-third required by law.
- (2) **Qualifications of Independent Directors** All Independent Directors possess all qualifications for Independent Directors pursuant to the rules prescribed by the Company in the definition of "Independent Director". This definition is consistent with the Notification of the Capital Market Supervisory Board. Independent Directors and connected persons do not hold any shares in the Company, parent company, subsidiary company, associated company, major shareholder or controller of the Company. No Independent Director holds a director position in more than 5 listed companies.
- (3) **Recruitment Process** The Board of Directors appointed a Nominating Committee to oversee the recruitment of Directors in a transparent manner (details are provided under the heading "Governance" in the part pertaining to the recruitment of Directors and Executive Officers.)
- (4) **Term of Directors** The Board of Directors is appointed by the meeting of shareholders. Each Director remains in office for a term prescribed by the Company Articles. Upon the expiration of term, a Director may be re-elected for another term in office.
- (5) **Number of Companies in which Directors Hold Positions** The Company has disclosed details on offices of each Director held in other companies under the heading "Personal Details of Company Directors, Executives, Controller and Company Secretary". The Company does not impose a limit on the number of companies in which Directors are allowed to hold positions since past performances of all Company Directors have shown that they are able to attend meetings regularly and have applied knowledge, competence and full devotion of their time to the management of the Company without any flaws.
- (6) **Separation of Chairman and Managing Director Positions** The Company has clearly delineated the duties of the Chairman and the Managing Director in order to separate their respective management functions. This separation enables independence and checks, creating a balance in exercise of powers. The Company also clearly prescribes the scope of functions of each Company Committee and the management in Board of Directors Directives which are open for inspection so as to ensure transparency of management.
- (7) **Company Secretary** The Company has appointed Mr. Supachoke Sirichantaradilok as a Company Secretary to perform duties and assume responsibilities as provided by law and by the Company (details are stated under the heading "Management Structure", Article 4 Company Secretary).

5.2 Subcommittees The Board of Directors has appointed Company Committees to assist in responsibilities in each area in order to secure shareholder confidence that Company operations are transparent, prudent, screened, reviewed and duly advised. The scope of functions and responsibilities of each Company Committee has been clearly prescribed (further details have been provided under the heading "Corporate Governance" in the part pertaining to Company Directors and Committees and "Management Structure" in the part pertaining to the Board of Directors).

5.3 Roles, Duties and Responsibilities of the Board of Directors

- (1) **Leadership and Vision** The Board of Directors consists of persons having diverse knowledge, competency and expertise as well as specializations in areas beneficial to the company. The Board would grant its approval to visions, tasks and strategies and authorize important issues pertaining to policies, strategies, plans and annual targets for the executive, as well as oversee that the administration carried out by the management is effective and consistent with the policies and prescribed business plans.

The Board of Directors determines the vision, mission and core values of the Company, and also gives approval to the strategy, target work plans and annual budget of the Company proposed by the management. A resolution of Board of Directors Meeting No. 7/2020 on December 14, 2020 has approved the Medium-Term strategy, short term strategy and operation plan for 2020. The Board of Director also provides mechanisms for the supervision, monitoring and assessment of management performance to ensure consistency with targets and guidelines. This ensures value adding and prosperity of the Company and shareholders. At the same time, regard is given to all stakeholders.

- (2) **Good Corporate Governance** The Board of Directors appreciates the significance of good corporate governance. In this connection, good corporate governance principles have been issued in writing, consisting of 4 parts, namely, the Good Corporate Governance policy, the 8 Good Corporate Governance Principles, the Business Ethics and the Code of conduct for Directors, Executive officers and employees. It was published In 2 languages: Thai and English. Board of Directors had a policy to evaluate and review ethical corporate governance code annually. The code was promoted through corporate website as well as a printed handout distributed to every personnel. All employees were required to strictly follow the code. Moreover, the idea of ethical corporate governance was portrayed by animation and presented to employees regularly in order to raise awareness of ethics in work place. As for the new joiner, the company also included ethical corporate governance code as one of the lesson during the orientation.

The Board of Directors appointed ethical governance committee to encourage and promote ethical corporate governance code to directors, executives, and employees. The supervisors were required to ensure their team members strictly follow the code. The aim was to improve company administration with transparent business conduct. The employees who do not follow will receive penalty or will be persecuted if they violated the law. (Further detail of ethical corporate governance code can be found in company's website)

- (3) **Management of Conflicts of Interests** The Board of Directors attaches significance to the scrutiny of transactions which could potentially lead to a conflict of interests. This is to be carried out prudently, honestly and in good faith. Thus, policies relating to conflicts of interests have been prescribed as part of the corporate governance policies and business ethics. Further details are available on the Company website (www.thanulux.com). The Company disclosed details of transactions with potential conflicts of interests under the heading "Connected Transactions".
- (4) **Supervision of Control Systems and Internal Audit** The Company has attached significance to internal control systems in regard to administration, finance, operations and supervision. An internal audit unit performs the duties of auditing various operational systems, including computing systems. The unit also gives advice to ensure effective compliance with guidelines, independence, full accountability and checks and balances. The unit reports directly to the Audit Committee and hold regular meetings with the Audit Committee to exchange views pertaining to audit and audit results. The Audit committee will present the report as well as notice and suggestion to board of Directors every quarters

The Board of Directors Meeting No. 1/2020 on February 26, 2020, the Board of Directors had reviewed the internal control report of the company and affiliates in 5 aspects including control environment, risk management, control activities, information and communication, and monitoring and evaluations. The board approved it reasonable and effective.

- (5) Risk Management The Board of Directors attached importance of the risks management that had an effect on the objective of the Company. Therefore, procedures of risk management were developed systematically and conformed with corporate policies. The Board also appointed a Risk Management Committee to determine work plans and clear procedures for risk management. The Risk Management Committee classifies risks, causes of risks, including assessments of opportunities and threats, in order to formulate a risk management plan. The objective is to minimize or eliminate certain risks under systematic and continual supervision that is most effective, as well as to monitor and assess the management of each risk factor to within acceptable levels. Parameters have been set for the Committee to undertake reviews, monitors and provide advice on risk headings, as well as approaches for remedying and preventing those risks in a continual and systematic manner. A report is submitted to the Board of Directors every quarter to ensure achievement of the objectives of risk management which encompass the entire Company (details of risk management in each aspect of the Company are stated under the heading "Risk Factors").

5.4 Board of Directors Meetings The Company determines the dates and times of meetings for the entire year, scheduling at least one meeting each quarter, except in the event of a special agenda where additional meetings may be called as necessary. In each meeting, the Company Secretary would send notices of the meeting together with the meeting agenda and supporting documents at least 7 days in advance in order to enable the directors to sufficiently consider and study those documents prior to attending the meeting.

The Board of Directors has given importance to the attendance of meetings and upholds as a duty to attend all Board of Directors meetings in order to acknowledge and participate in the decisions of the Company. In the fourth quarter of each year, the Board of Directors would invite senior executives to attend the Board of Directors meeting in order to directly provide additional information and details on the standings of problems, as well as to propose operational plans, strategies and targets for annual operations.

In every meeting, the Chairman would give an opportunity to all directors to debate and express opinions independently. A director who had an interest in the matter considered would not attend the meeting and have no right to vote. At the end of the meeting, the Company Secretary, as a recorder of the meeting, would prepare the meeting minutes and send the minutes to the Chairman within 7 days for consideration and signature as verification. In any event, directors are able to express opinions, request amendments or additions to the minutes for greater accuracy.

The Minutes that have been approved by the meeting and signed by the Chairman would be archived systematically at the Company office in order to enable searches, references and inspections by the Board of Directors and related persons.

In 2019, the Board Meetings were held 8 times. The attendance of each director has already been stated in form 56-1 and the Annual Report.

5.5 Assessment of the Board of Directors The Board of Directors appreciates the significance of its roles, duties and responsibilities towards the performance of functions for the best interest of the Company and all stakeholders. Therefore, there is an annual assessment of the Board of Directors and Sub-committee.

The Company stipulates criteria for Assessment the performance of directors as follows:

the Board of Directors:

- (1) Role, duty and responsibility of the Board of Directors
- (2) Independence of the Company Director
- (3) Relationship with management and stakeholders

Individual

- (1) Roles, duties and responsibilities of the Company Director;
- (2) Duty fulfillment of the Company Director;
- (3) Self-development of the Company Director.

Annual Assessment	2020		2019	2018
	%	Level Satisfaction	%	%
Company Directors				
Board of Directors	81.16	Very Good	85.86	82.24
by Individual	87.00	Very Good	87.68	86.09
Sub-committees				
Audit Committee	98.00	Excellent	98.33	89.67
Nominating Committee	79.58	Very Good	75.00	77.50
Remuneration Committee	84.44	Very Good	78.67	81.78
Risk Management Committee	81.56	Very Good	76.67	78.26
Governance Committee	85.50	Very Good	87.19	86.67
Executive Committee	73.42	Very Good	78.13	79.79

Annual Evaluation of the Managing Director

The Board of Directors requested the Chairman of the Executive Committee to evaluate the performance of the Managing Director on an annual basis. The result is used to determine remuneration, based on the following factors:

- (1) Performance of the company
- (2) Vision and business strategy
- (3) Leadership, teamwork and succession plan
- (4) Flexibility and adaptability
- (5) Integrity and loyalty to the organization.

The evaluation result is confidential personal data which cannot be disclosed.

5.6 Remunerations The 46 General Meeting of Shareholders for 2020 on Tuesday, August 4, 2020 approved the remunerations limit for Company Directors at Baht 10 million per year. Meeting allowances were paid at the rate approved by the meeting of shareholders. Annual fees were paid to all Directors, the Remunerations Committee was tasked with the allocation of those fees and sent to Board of Director for Approval.

Remunerations of Executive Officers are in accordance with Company policies. Regard is given to the Company's performance and the individual performance of each Executive Officer. In all events, the remunerations of Directors and Executive Officers in 2020 have been disclosed by the Company in Form 56-1 and the Annual Report under the heading "Remunerations of Directors and Executives"

5.7 Development of Directors and Executive Officers The Company attaches importance and promotes opportunities for increasing knowledge of all Directors and Executive Officers. Thus, the Company sponsors the enrollment of all Directors in courses which would be beneficial to the performance of Director duties. Directors have participated in courses organized by the Thai Institute of Directors (IOD), i.e. Director Accreditation Program (DAP) and Director Certification Program (DCP), at least one of which is required by the SEC for directors of listed companies. Apart from the requisite courses, the Board of Directors also attaches significance to participation in other courses of the Thai Institute of Directors, e.g. Audit Committee Program (ACP), Understanding the Fundamental of Financial Statements (UFS) and Finance for Non-Finance Director (FND), and the Role of Chairman (RCM) Monitoring the System of Internal Control and Risk Management (MIR) and Chartered Director Class (CDC) or courses of other organization. These training would enhance their competence as professional leaders with proper understanding of their roles and duties and enable them to advance the organization to good governance. Furthermore, there are shorter seminars beneficial to the performance of duties by the Board of Directors, including other courses to be organized by IOD in the future.

Details of training on Director roles of each Director have been disclosed in the Annual Report and Form 56-1 under the heading "Personal Details of Company Directors, Executives, Controlling person and Company Secretary".

Seminars attended by Directors for the year 2020

Name list	Training Course Name - Seminar
Miss Dusadee Soontrontumrong	<ul style="list-style-type: none"> Personal Data Protection Act 2019
Mr. Supotch Pakaworawuth	<ul style="list-style-type: none"> The risk policy and formulate a risk management plan. Personal Data Protection Act 2019
Miss Yupaporn Jearrakul	<ul style="list-style-type: none"> The risk policy and formulate a risk management plan. Financial and Risk Management during Times of Crisis Personal Data Protection Act 2019
Mr. Suchart Layluxsiri	<ul style="list-style-type: none"> The risk policy and formulate a risk management plan. Personal Data Protection Act 2019
Dr.M.L. Sirapirom Teeraprasert	<ul style="list-style-type: none"> The risk policy and formulate a risk management plan. Profit Improvement Good health, good life Leader as a Communicator Personal Data Protection Act 2019
Mr. Chairit Suphasitichan	<ul style="list-style-type: none"> Deep Textile Personal Data Protection Act 2019 Safety officer at the executive level

Orientation for New Directors

The Company organized an orientation for new Directors in order to inform them of the Company's business policies, as well as relevant information, e.g. the Company's principal businesses, performance, organizational structure and shareholders, for the benefit of performing duties of new Directors. In addition, a "Handbook for Directors of Listed Companies" are also distributed to all Directors, containing the following details:

- (1) Summary of comparison between the Company Articles, Securities and Exchange Act and Public Companies Act.
- (2) Charters of the Board of Directors and Company Committees.
- (3) Good Corporate Governance Policy

5.8 Succession Plan The Company has a policy of continually developing its personnel in order to strengthen the organization. The aim is to provide drive and opportunity for self-development and the full realization of potentials. In this regard, the company has organized a scheme for developing high-potential personnel through the nominating, analysis and assessment of competencies in order to devise an individual development plan. This scheme prepares the personnel for executive positions where they will continue to drive the organization in the future. Moreover, the Company grants educational scholarships to employees at bachelor's degree and master's degree levels for domestic and overseas studies. The aim is to enable employees to obtain knowledge that would be beneficial to the performance of work. The Company also promotes study visits within and outside of the country.

Furthermore, the Board of Directors appreciates the importance of building executives to succeed the chief executive positions. The following principles are pursued:

- (1) A description of the chief executive positions, relevance to targets and strategies of the organization, as well as a specification of the qualifications, knowledge and skills required.
- (2) Nominating of executive officers who possess competence and abilities.
- (3) Analysis of individual qualifications in order to identify strengths and areas in need of further development.
- (4) Constructing an individual development plan to promote development of competence and potentials.

From the importance attached and the continual development of good governance of Company Directors, Executive Officers and Company Employees. In 2020, the Company received a "Excellent" governance rating for listed companies from the Thai Institute of Directors, sponsored by the SEC and the Stock Exchange of Thailand.

5.9 Issues that the company had not yet implemented as per the Corporate governance principle in past year

1. Chairman of the Board of Directors was not an Independent Director, Because of his knowledgeable, experience and industry expertise. He also performed his duties with transparency, strictly abide by corporate governance principles and allows all directors to express their opinions freely.
2. The company did not determine the number of companies for each director to be assume his directorship because each director had devoted time to perform his duties for the company by attending meetings regularly.
3. The company did not determine a length of time for any independent director, due to the opinion that in any operation, It was necessary to spend time for studying the job for getting the good understanding.
4. The Chairman of The Nomination Committee and the Chairman of The Remuneration Committee were not independent directors. Because the meeting has complied with the good corporate governance principles, the Chairman is not in the meeting room and did not cast vote on the agenda in which he had interests.

Internal Control System

The Company realizes the importance of the internal control system which has been established based on the integrated internal control framework called “COSO” (The Committee Sponsoring Organizations of the Treadway Commission). The system consists of internal control of organization, risk assessment, implementation control, information and communication system and tracking system. The Company requires Internal Auditing Office to evaluate the internal control system according to assessment form of the Office of Securities and Exchange Commission, including a Control Self-Assessment (CSA) system. The key purposes are to increase the efficiency, effectiveness and save time in operations; to create an accurate, complete, reliable and timely financial report, financial statements as well as other related reports; and to ensure the strict compliance with the laws, rules and requirements related to business operation of the Company.

In 2020, the Board of Directors and Audit Committee are of the opinion that the Company and subsidiaries had the effective and appropriate internal control system.

Head of Internal Audit Officer and Head of Compliance Unit

1. Head of Internal Audit Office

The Audit Committee approved of Mr. Woradej Puengsiricharoen to take a position as head of Internal Audit Office, since the person has good quality of knowledge, abilities and experiences in such work and also received Internal Auditing Certificate Program (CIA No. 30825)

Name / Position	Education	Training Course / Seminar
Mr. Woradej Puengsiricharoen President of Internal Audit Department Secretary to the Audit Committee	Master's degree in Management Mahidol University Bachelor's degree in Accounting Chulalongkorn University Certified Internal Audit (CIA No. 30825) The Institute of Internal Auditors (IIA USA)	- Risk Management
		- Revenue Code
		- Auditing Information System
		- Control - Self Assessment
		- Accounting Standards
		- Effective Audit Committee (IOD)
		- Good Corporate Governance Code (IOD)
		- Balanced Scorecard
		- COSO Internal Audit
		- SAP Audit
		- Resources for Lean Manufacturing
		- Exchange rate and Risk Management tools
		- Change Management

Accordingly, the Audit Committee agreed that the company's head of Internal Audit Office possesses adequately appropriate, experiences, and trainings to perform as Head of Internal Audit.

2. Compliance Unit

The Company has assigned Miss Morakod Kladpetch, Legal office, to act as head of Compliance unit according to the rules of official agencies overseeing the company's business operations.

Name / Position	Education	Training Course / Seminar
Miss Morakod Kladpetch Legal officer	Master of Laws	- Notarial Services Attorney
	Sripatum University	- Preparation for legally enforceable agreement
	Bachelor's degree in law	- AGM Checklist
	Chulalongkorn University	- Foundation of Professional to manage condominium and housing estate, class of 7
	Attorney at Law License	- Occupational Safety and Workplace Environment Management
	Barrister-at-law	- Policy and Direction for protection Self-employed worker various subordinate laws, B.E. 2563
		- Personal Data Protection Act B.E. 2562 Process and Guidelines, Class 10

Connected Transactions

In 2020, the Company executed accounting transactions with subsidiaries and related companies. The relationship may be by shareholding or the companies may have the same group of shareholders or directors, as stated in note 5.1 of the financial statements. The notes provide details on the connections of connected companies, policies for determining prices for connected transactions and the connected transactions, as follows:

- | | |
|--|---|
| 1. Revenues and expenditures for the year ending 31 December 2020. (note 5.2 of the financial statements). | 2. Assets and liabilities as at 31 December 2020 (note 5.3 of the financial statements) |
|--|---|

The transaction has operated according to the market price, which was normal trading business, in the absence of the underlying market price, fair prices will be agreed upon. all items were approved in accordance with the rules on connected transactions

Connected Transactions in 2020

The Board of Directors in meeting no.7/2019 held on 11 November 2019 adopted a resolution which granted authorization for the execution of certain types of transactions with 20 connected persons in respect of the Company's ordinary and usual course of business which occurred or was expected to occur in the year 2020. These transactions were aimed at mutual promotion and business development and enhancement of competitiveness for the benefit of the Company. The prices and other related conditions were reasonable. Details of the transactions are set out below.

No.	Connected Person	Nature of Relationship
1.	Saha Pathana Inter-Holding Public Company Limited	Major shareholder
2.	Ramasorn Thaveekarn Company Limited	Major shareholder
3.	Thai Wacoal Public Company Limited	SPI is a co-major shareholder
4.	I.C.C. International Public Company Limited	SPI is a co-major shareholder
5.	PTK Multi-Service Company Limited	SPI is a co-major shareholder
6.	Pitakkij Security Guard Company Limited	SPI acting as co-major shareholder (Indirectly shareholding through Pitakkij Co., Ltd.)
7.	World saha Fashion Company Limited	SPI is a co-major shareholder
8.	T-Chamber Company Limited	RST is a co-major shareholder
9.	Wise Winner Company Limited	RST is a co-major shareholder
10.	Thai Monster Company Limited	SPI and RST are a co-major shareholder
11.	Saha Pathanapibul Public Company Limited	SPI and ICC are a co-major shareholder
12.	Thai Gunze Company Limited	SPI and ICC are a co-major shareholder
13.	Thai Secom Pitakkij Company Limited	SPI and ICC are a co-major shareholder
14.	Thai Takaya Company Limited	SPI and ICC are a co-major shareholder
15.	Morgan De Toi (Thailand) Company Limited	SPI and ICC are a co-major shareholder
16.	Thai Itokin Company Limited	SPI and ICC are a co-major shareholder
17.	SSDC (Tigertex) Company Limited	SPI and ICC are a co-major shareholder
18.	Erawan Texille Company Limited	SPI and ICC are a co-major shareholder
19.	Total Way Image Company Limited	SPI , ICC and RST are a co-major shareholder
20.	International Leather Fashion Corporation Limited	SPI , ICC and RST are a co-major shareholder

Note: SPI = Saha Pathana Inter-Holding Public Company Limited
 ICC = I.C.C. International Public Company Limited
 RST = Ramasorn Thaveekarn Company Limited

General Characteristics of Transactions :

(Unit : million Baht)

Transaction	Revenue / Expenditure	Example of Transaction	Approved Limit	Actual Transaction
Support of Ordinary and Usual	Revenue	Transactions occurred from normal	8.00	3.13
Course of Business	Expenditure	business support activities	2.00	5.13
Short-term Lease of Immovable	Revenue	- Rent of Immovable Property	28.00	8.82
Property Not Exceeding 3 Years	Expenditure	- Rent of Immovable Property	2.00	1.28
Transaction Related to Assets or Services	Revenue	- Data processing services	5.00	1.86
Financial Assistance		- Loans	99.00	56.00
		- Guarantees		18.90

Criteria for Determining Returns :

1. **Rental Income** Based on location, condition and assets utilization.
2. **Data Processing service** Calculated on cost plus reasonable compensation
3. **Consultancy Fee** Calculated from cost plus reasonable remuneration depending on complexities and scope of services.
4. **Lending interest** Calculated from average deposit interest rates of 5 major commercial banks plus reasonable defined rate.
5. **Guarantee fee** Reasonable fee

Interested Directors left the meetings room and did not cast votes, namely

1. Mr. Thamarat Chokwatana
2. Ms. Dusadee Soontrontumrong
3. Mr. Supotch Pakaworawuth
4. Ms. Marin Leelanuwatana

Size of the transaction

The above transactions executed between the Company and connected companies constituted connected transactions under the Notification of the Board of Governors of the Stock Exchange of Thailand.

Class 2: regular business support

Class 3: short-term lease of immovable property

Class 4: transaction related to a property or service

Class 5: financial assistance

Pursuant to the Notification of the Board of Governors of the Stock Exchange of Thailand on Disclosure of Information and Practices of Listed Companies in Connected Transactions B.E. 2546 (2003), disclosure is required for classes 2, 3 and 4 transactions with values of over 1 million Baht but not exceeding 20 million Baht, or over 0.03% but not exceeding 3% of NTA, whichever is the greater value, and class 5 transactions with a value of less than 3% of NTA or 100 million Baht (minimum value). The 3% of NTA as at 30 June 2019 equal to 111.07 million Baht, thus the Company was not required to seek approval of the shareholders' meeting, but approval of the Board of Directors and disclosure of information to the Stock Exchange of Thailand were required.

Opinions by director significantly different from those by the Board of Directors - None –

2. The Board of Directors in meeting no.6/2020 held on 10 November 2020 adopted a resolution which approve for the disposal of 640,571 ordinary shares of Saha Asia Pacific Co., Ltd. at a price of 5.73 baht per share (book value per share) for 3,670,471.83 baht to Ramasorn Thaveekarn Co., Ltd., a major shareholder of the Company, holding 12.56 percent of shares.

Interested Directors : - None –

Opinions by director significantly different from those by the Board of Directors - None –

Measures or Procedures for Approving Connected Transactions

The Company has 3 committees to consider and approve the connected transactions:

- Executive Committee
- Audit Committee
- Board of Directors

1. Transactions in the ordinary and usual course of business between the Company or its subsidiary and a Director, executive officer or related person are executed under general commercial terms as would have been done by a reasonable person under similar circumstances. These agreements are negotiated at arm's length without any undue influence exerted by virtue of the status of a Director, executive officer or related person pursuant to section 89/12 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008). The Management seeks the approval of the Board of Directors' Meeting on a yearly basis in the first Board of Directors' Meeting following the Annual General Meeting of Shareholders, to inform the new Board of Directors of such matter. As regards other transactions that are not executed under general commercial terms, done in the ordinary and usual course of business of the Company or subsidiaries with connected persons, the Management seeks the approval of the Board of Directors' Meeting on a regular basis in the 4th quarter of each year. In addition, the Management reports the transactions executed under the aforesaid conditions to the Board of Directors' Meeting every quarter.

2. Connected transactions which are not executed in the ordinary and usual course of business must be approved by the Company Executive Committee first. If the size of the transaction is within the Executive Committee's authority, the process would be concluded at this stage. However, if the size of the transaction exceeds the authority of the Executive Committee, the Executive Committee would submit a summary of the meeting's resolution to the Audit Committee for an opinion before submission to the Board of Directors for approval if the matter is within its authority. If the connected transaction has a value which exceeds the authority of the Board of Directors, the matter would be submitted to the shareholders' meeting for approval pursuant to regulations of the Stock Exchange of Thailand. At any stage of the deliberations, an interested person shall not be present at the meeting and shall not cast a vote.

Criteria for Consideration

1. Regard shall be given to the present and future benefits to the Company and Group, e.g.
 - Returns on investment, e.g. interests and dividends
 - Company's business opportunities
2. Security which should be received by the Company in connection with the transaction
3. Standing of the relevant company as well as managerial competency

Necessity and reasonableness

Doing business under highly competitive environment would require business alliance or networks, so as to increase the strength and potential in business operation which lead to sustainable development and growth. Although some business alliance or their networks may be related persons, but the Company still need to engage in business transaction with them for the benefit to the company itself and its shareholders.

Policies and Trends for Future Connected Transactions

The Company, as a public limited company, is aware of its responsibilities towards shareholders, employees and all stakeholders under the principles of good corporate governance. Connected transactions are only executed as necessary. Any increase or decrease will depend on economic conditions. In any event, there will be full compliance with the rules stated in all Notifications of the Stock Exchange of Thailand on "Rules Governing Connected Transactions."

The Board of Directors' Responsibility Report towards Financial Statements

The Board of Directors duly recognized their obligations and responsibilities in their status as the directors of SET listed company, with regard to the compilation of financial statements for Thanulux Public Company Limited and its subsidiary companies. Said financial statements were prepared in accordance with Thai Financial Reporting Standards (TFRS), based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimates. Furthermore, adequate significant information was disclosed per the notes to the financial statements, together with necessary clarification and analysis regarding the financial positions and performances by the company and its subsidiaries, so as to contribute to the interests of the shareholders and general investors. Moreover, said financial statements were duly audited and unconditionally verified by independent certified public accountants.

The Board of Directors had exercised efforts to promote good governance practice, and to establish risk management system and internal control system in an efficient and effective manner. These practices were intended to ensure that the recording of accounting information was carried out in an accurate, complete, and sufficient manner, in order to safeguard the assets of the company and its subsidiaries, while also safeguarding against any significant fraud or abuse.

In the regard, The Board of Directors had appointed the Audit Committee whose members comprising independent directors had duly carried out audit work on the quality of the financial statements and the efficiency of internal control system. The opinions of The Audit Committee were displayed per the Audit Committee's report contained in the annual report publication, as well as the annual registration statement (form 56-1).

Accordingly, The Board of Directors concluded that, the good corporate governance practice, the risk management system, as well as the internal control system already in place at the company, were well adequate and sufficient, reasonably providing sufficient confidence to all the concerned parties that, the financial statements of the company and its subsidiaries ending 31 December 2020 were prepared and presented in substantial context, in accordance with Thai Financial Standards and related regulation, in an accurate and reliable manner.



(Mr. Manu Leelanuwatana)

Chairman of the Board



(Miss Dusadee Soontrontumrong)

Chairman of the Executive Committee

Independent Auditor's Report

TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS THANULUX PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated financial statements of Thanulux Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of 31 December 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Thanulux Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thanulux Public Company Limited and its subsidiaries and of Thanulux Public Company Limited as of 31 December 2020, their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities

in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

I draw attention to Note 1.5 and 3.1 to the consolidated financial statements. Due to the impact of the COVID-19 outbreak, in preparing the financial information for the year ended 31 December 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives Dealing with The Impact of COVID-19 Pandemic issued by the Federation of Accounting Professions. My opinion is not modified in respect of this matter.

Key Audit Matters

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

1. Related Party Transactions

The Company has a commercial agreement with a related company (having co-director/shareholder with the Company) to manufacture and distribute the Company's products in several department stores and other channels. The agreement stipulates that the related company may have goods return rights within specified period after the sales date.

For the year ended 31 December 2020, the Company has sales transactions with the related company in the amount of Baht 425.92 million, approximately 39 percent of the Group's total sales. Goods returns deducted from revenue from sales in the statement of comprehensive income, in the consolidated and

separate statements during the year ended 31 December 2020, amounting to Baht 6.80 million. The management also made estimates for the right of return goods of Baht 32.50 million and the provision of goods return of Baht 53.70 million, respectively, as reflected in the consolidated and separate statement of financial position as of 31 December 2020.

We considered the related party transaction a key audit matter because generally transactions with related companies contain management overriding control risk which may affect sales transaction not in ordinary course of business. This matter also requires the use of judgment by management to estimate the right of return goods (asset) and the provision for goods returned (liabilities) in connection with goods return.

Therefore, our audit procedures included the review of the policies and compliance of the control relating to sales recognition with the related party when goods were delivered to department stores and pricing policy under the agreed-upon structure. We also reviewed the sales transactions with other related parties whether they represents the same arrangement as well as compared the prices charged to the related company to those charged to third parties.

Furthermore, we also reviewed key assumptions used by management to estimate the right of return goods and the provision for goods returned which consists of historical goods return data, management forecast of future trend and gross profit margin ratio. We then compared such information to the actual goods returned to date.

2. Net Realizable Value of Inventories

The Group's inventories as of 31 December 2020 included garments and leather goods in fashionable product group shown in the consolidated and separate financial statements amounting to Baht 331.10 million. The Group has a devaluation policy during the year to reduce inventory costs as soon as there is a potential indication, such as product ages, inventory conditions and goods returned, etc. Such policy requires management to use judgment for the product obsolescence and the likely sales prices.

We considered the net realizable value of inventory a key audit matter because of the significant inventory value to the financial statements, the probability that the inventories would be obsolete or out of fashion, and significant use of judgment by the management for the stock devaluation policies.

Our audit included the review the policy and compliance of price reduction policies, including frequencies of inventory devaluation, identification of potentially devalued stock, such as stock ages, number of events which the items were displayed under sales promotion events, product conditions, devalued amount and the situation when it is necessary to devalue more than once, and assessed if they were appropriate to the circumstances. We also reviewed sales documents of the devalued stocks during the year till the date of this report and noted that the sales of the devalued inventories are at the price higher the devalued cost.

Furthermore, we also reviewed the calculation of lower of inventory cost and net realizable value, including the major assumptions used by the management consisting of sales prices and selling expenses.

3. Impairment of investments in subsidiary companies, investments in associate company, and general investments

As discussed in Notes to the financial statements no. 13 and 14 of the separate financial statements, as of 31 December 2020, the Company had net investments in subsidiary company and in associated company totaling Baht 11.76 million. As discussed in note to the financial statements, No. 12 of the consolidated financial statements and the separate financial statements, as of 31 December 2020 the Company had non-listed equity securities-net totaling to Baht 613.18 million and Baht 612.92 million, respectively. The Company had recorded the allowances for impairment of investments in subsidiary company, associated company totaling Baht 78.06 million and Baht 9.50 million respectively and unrealized gain on revaluation of non-listed equity securities in the consolidated financial statements and the separate financial statements totaling to Baht 163.66 million and 167.40 million, respectively.

We considered the above issue a key audit matter due to the impairment in investments test in accordance with Thai Financial Reporting Standard No. 36 and measuring the fair value of investments in accordance with Financial Reporting Standard No. 9 Financial Instruments as a result of first time adoption of TFRS9 in year 2020 is significant to audit because the investment amount is material to the financial statements. The consideration of impairment in investments and fair value determination depends on the Group's management judgements and significant assumption to consider whether recoverable amount and fair value is appropriate.

Our audit procedures include understanding consideration process and internal control procedures related to the impairment assessment, fair value measurement and determine related adjustments to the brought forward balance as of 1 January 2020, we also reviewed the design and implementation of the internal control procedures, recalculate and examine the supporting documents in relation to the management consideration of impairment indicators for investments and assessing the appropriateness of the methodology applied by the Group's management in calculating the impairment charges, and various judgments applied in determining recoverable amount and measuring the fair value of investments.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matter. I describe this matter 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.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Satis Kiatgungwalgri



Mr. Satis Kiatgungwalgri
 Certified Public Accountant No. 9760
 ASV & ASSOCIATES LIMITED
 Bangkok
 23 February 2021

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS OF 31 DECEMBER 2020

(UNIT : BAHT)

	Notes	Consolidated Financial Statements			Separate Financial Statements		
		31 December 2020	31 December 2019	1 January 2019	31 December 2020	31 December 2019	1 January 2019
ASSETS			(Restated)	(Restated)		(Restated)	(Restated)
CURRENT ASSETS							
Cash and cash equivalents	6	85,424,732	29,830,565	30,482,064	83,392,065	15,466,515	28,046,930
Short - term investments	3.3	-	545,880,456	664,355,634	-	545,880,456	664,355,634
Trade and other current receivables - net	7	197,340,482	277,625,409	288,202,467	187,724,196	280,221,060	301,902,042
Short - term loans to related companies	8	46,000,000	46,800,000	48,800,000	49,800,000	70,300,000	79,800,000
Inventories - net	9	331,103,216	354,764,761	342,489,148	331,103,216	347,433,749	287,651,990
Right to returned goods	10	32,500,000	30,300,000	33,200,000	32,500,000	30,300,000	33,200,000
Current tax assets		1,565,061	2,869,258	794,825	1,564,310	1,534,979	-
Other current financial assets	11	648,973,386	-	-	648,973,386	-	-
TOTAL CURRENT ASSETS		1,342,906,877	1,288,070,449	1,408,324,138	1,335,057,173	1,291,136,759	1,394,956,596
NON - CURRENT ASSETS							
Other non - current financial assets	12	2,404,367,313	-	-	2,404,103,726	-	-
Investments in subsidiaries - net	13	-	-	-	11,764,007	27,302,141	29,368,805
Investments in associate - net	14	-	2,295,886	4,894,662	-	2,363,873	9,500,000
Long - term investments							
Available-for-sale investments - net	3.3	-	1,519,800,353	1,571,977,994	-	1,519,800,353	1,571,977,994
General investments - net	3.3	-	406,356,161	380,358,856	-	406,356,161	380,358,856
Investments in debt securities							
held to maturity - net	3.3	-	563,793,401	406,214,201	-	563,793,401	406,214,201
Long - term loans to related company	15	10,000,000	5,000,000	-	10,000,000	5,000,000	-
Investment property - net	16	109,308,832	62,409,587	56,947,676	178,832,066	134,274,446	56,947,676
Property, plant and equipment - net	17	371,852,436	444,708,605	483,172,983	351,676,559	418,418,319	454,442,780
Right-of-use assets - net	18	24,892,218	-	-	21,068,876	-	-
Intangible assets - net	19	13,524,280	10,569,341	12,991,872	13,524,280	10,487,536	12,887,594
Leasehold right - net	3.3	-	5,224,248	7,883,348	-	5,224,248	7,883,348
Deferred tax assets	33	50,273,439	41,773,483	38,432,985	50,273,439	41,773,483	38,432,985
Other non - current assets		9,679,814	11,877,492	12,899,992	5,743,782	3,307,493	1,859,253
TOTAL NON - CURRENT ASSETS		2,993,898,332	3,073,808,557	2,975,774,569	3,046,986,735	3,138,101,454	2,969,873,492
TOTAL ASSETS		4,336,805,209	4,361,879,006	4,384,098,707	4,382,043,908	4,429,238,213	4,364,830,088

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF FINANCIAL POSITION (CONTINUED)
 AS OF 31 DECEMBER 2020

(UNIT : BAHT)

	Notes	Consolidated Financial Statements			Separate Financial Statements		
		31 December 2020	31 December 2019	1 January 2019	31 December 2020	31 December 2019	1 January 2019
LIABILITIES AND			(Restated)	(Restated)		(Restated)	(Restated)
SHAREHOLDERS' EQUITY							
CURRENT LIABILITIES							
Overdrafts and short - term loans from							
financial institutions	20	-	8	3,061,509	-	-	-
Trade and other current payables	21	135,284,033	174,785,967	191,912,844	135,500,122	189,528,154	179,282,830
Current portion of lease liabilities	22	8,096,354	-	-	4,709,259	-	-
Accrued corporate income tax		-	-	7,371,150	-	-	7,371,150
Current provisions for employee benefit	23	15,010,441	9,356,979	11,749,544	15,010,441	9,356,979	10,199,942
Other current liabilities		390,176	-	-	390,176	-	-
Provision for goods returned		53,700,000	46,900,000	52,900,000	53,700,000	46,900,000	52,900,000
TOTAL CURRENT LIABILITIES		212,481,004	231,042,954	266,995,047	209,309,998	245,785,133	249,753,922
NON - CURRENT LIABILITIES							
Long - term lease liabilities - net of current portion	22	14,434,495	-	-	13,548,063	-	-
Deferred tax liabilities	33	194,060,789	188,312,813	194,442,168	194,808,071	188,312,813	193,418,848
Non - current provisions for employee benefit	23	118,220,257	161,023,198	159,651,998	118,220,257	161,023,198	153,784,537
Other non - current liabilities		3,567,263	2,555,575	1,563,005	3,567,263	2,555,574	155,898
TOTAL NON - CURRENT LIABILITIES		330,282,804	351,891,586	355,657,171	330,143,654	351,891,585	347,359,283
TOTAL LIABILITIES		542,763,808	582,934,540	622,652,218	539,453,652	597,676,718	597,113,205

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS OF 31 DECEMBER 2020

(UNIT : BAHT)

	Notes	Consolidated Financial Statements			Separate Financial Statements		
		31 December 2020	31 December 2019	1 January 2019	31 December 2020	31 December 2019	1 January 2019
			(Restated)	(Restated)		(Restated)	(Restated)
SHAREHOLDERS' EQUITY							
Share capital							
Registered share capital							
120,000,000 ordinary shares of Baht 1 each		120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000
Issued and paid-up share capital							
120,000,000 ordinary shares of Baht 1 each		120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000
Premium on ordinary shares		181,125,000	181,125,000	181,125,000	181,125,000	181,125,000	181,125,000
Retained earnings							
Appropriated							
Legal reserve	24	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
General reserve	25, 26	231,000,000	224,300,000	214,200,000	231,000,000	224,300,000	214,200,000
Unappropriated		2,472,386,053	2,491,678,923	2,450,480,586	2,515,848,147	2,541,929,381	2,465,372,932
Other components of equity		777,113,481	749,692,617	782,192,787	782,617,109	752,207,114	775,018,951
EQUITY ATTRIBUTABLE TO PARENT COMPANY		3,793,624,534	3,778,796,540	3,759,998,373	3,842,590,256	3,831,561,495	3,767,716,883
Non - controlling interests		416,867	147,926	1,448,116	-	-	-
TOTAL SHAREHOLDERS' EQUITY		3,794,041,401	3,778,944,466	3,761,446,489	3,842,590,256	3,831,561,495	3,767,716,883
TOTAL LIABILITIES AND							
SHAREHOLDERS' EQUITY		4,336,805,209	4,361,879,006	4,384,098,707	4,382,043,908	4,429,238,213	4,364,830,088

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : BAHT)

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
Revenue from sales		1,082,581,353	1,595,390,258	1,083,887,999	1,502,095,514
Revenue from rendering of services		36,556,748	37,799,013	36,556,748	32,566,236
Net sales	30	1,119,138,101	1,633,189,271	1,120,444,747	1,534,661,750
Cost of sales		(803,388,154)	(1,149,537,801)	(804,249,972)	(1,102,628,362)
Cost of rendering of services		(24,438,065)	(41,303,400)	(24,438,065)	(27,355,760)
GROSS PROFIT		291,311,882	442,348,070	291,756,710	404,677,628
Other incomes					
Dividend income		45,008,715	74,904,536	52,028,636	101,904,236
Interest income		33,459,712	35,338,219	33,832,846	36,153,572
Rental income from investment property		9,262,838	3,569,648	9,262,838	3,569,648
Rental income		4,389,340	6,060,448	4,389,340	6,060,448
Gain on disposal of investments		-	973,234	-	973,234
Others		39,694,850	28,829,173	35,559,864	33,191,502
PROFIT BEFORE EXPENSES		423,127,337	592,023,328	426,830,234	586,530,268
Distribution costs		(71,387,780)	(98,709,021)	(83,729,277)	(57,851,175)
Administrative expenses		(324,091,851)	(360,487,205)	(313,124,775)	(343,737,977)
Royalty expenses		(22,811,938)	(45,316,652)	(22,811,938)	(43,523,452)
Allowance for impairment loss of investments		-	(302,695)	(8,002,116)	(9,505,487)
Gain (Loss) from operating activities		4,835,768	87,207,755	(837,872)	131,912,177
Finance costs		(1,028,142)	(66,559)	(707,881)	(102)
Share of loss from investment in associated company	14	(2,295,886)	(2,598,776)	-	-
PROFIT (LOSS) BEFORE FINANCE COSTS AND INCOME TAX		1,511,740	84,542,420	(1,545,753)	131,912,075
Income tax	33	9,514,650	3,766,894	9,514,650	2,743,574
NET PROFIT FOR THE YEAR		11,026,390	88,309,314	7,968,897	134,655,649

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : BAHT)

	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
NET PROFIT FOR THE YEAR	11,026,390	88,309,314	7,968,897	134,655,649
Other comprehensive income :-				
Component of other comprehensive income				
that will be reclassified to profit or loss :				
Unrealized loss on revaluation of available-for-sale				
investments (net income tax 5,702,959)	-	(22,811,837)	-	(22,811,837)
Loss on measuring financial assets				
(net income tax 122,219)	(488,876)	-	(488,876)	-
Component of other comprehensive income				
that will be not reclassified to profit or loss :				
Loss on investment in equity designated at fair value				
through other comprehensive income				
(net income tax 4,515,979 and 5,263,262)	(18,018,712)	-	(18,229,581)	-
Actuarial gain (net of income tax 2,368,910)	9,845,822	-	9,845,822	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR	(8,661,766)	(22,811,837)	(8,872,635)	(22,811,837)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,364,624	65,497,477	(903,738)	111,843,812
PROFIT (LOSS) ATTRIBUTABLE TO :-				
Owners of the parent company	10,757,449	89,609,504	7,968,897	134,655,649
Non - controlling interests	268,941	(1,300,190)	-	-
	11,026,390	88,309,314	7,968,897	134,655,649
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :-				
Owners of the parent company	2,095,683	66,797,667	(903,738)	111,843,812
Non - controlling interests	268,941	(1,300,190)	-	-
	2,364,624	65,497,477	(903,738)	111,843,812
EARNINGS PER SHARE				
Basic earnings per share				
Profit attributable to owners of the parent company (Unit : Baht)	0.09	0.75	0.07	1.12

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS															
	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Other components of equity									
				Appropriated		Unappropriated	Unrealized gain (loss) on revaluation of available-for-sale investments	Gain (loss) on financial assets designated at fair value through other comprehensive income		Difference from change in shareholding ratio in subsidiary company	Actuarial gain	Total other components of shareholders' equity	Total equity of parent company	Non-controlling interests	Total shareholders' equity	
				Legal Reserve	General Reserve			income	company							
Ending Balance as of 1 January 2019																
- as previously reported	120,000,000	-	181,125,000	12,000,000	214,200,000	2,447,160,586	741,510,228	-	(2,514,496)	43,197,055	782,192,787	3,756,678,373	1,448,116	3,758,126,489	-	3,320,000
Accounting error correction	-	-	-	-	-	3,320,000	-	-	-	-	-	-	-	-	-	-
Ending Balance as of 1 January 2019																
- as restated	120,000,000	-	181,125,000	12,000,000	214,200,000	2,450,480,586	741,510,228	-	(2,514,496)	43,197,055	782,192,787	3,759,998,373	1,448,116	3,761,446,489	-	-
General reserve	25, 26	-	-	-	10,100,000	(10,100,000)	-	-	-	-	-	-	-	-	-	-
Dividend payment	26	-	-	-	-	(47,999,500)	-	-	-	-	-	(47,999,500)	-	(47,999,500)	-	(47,999,500)
Reversal of actuarial gain	-	-	-	-	-	9,688,333	-	-	-	(9,688,333)	(9,688,333)	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	89,609,504	(22,811,837)	-	-	-	(22,811,837)	66,797,667	(1,300,190)	65,497,477	-	-
Ending Balance as of 31 December 2019																
- as restated	120,000,000	-	181,125,000	12,000,000	224,300,000	2,491,678,923	718,698,391	-	(2,514,496)	33,508,722	749,692,617	3,778,796,540	147,926	3,778,944,466	-	-
Balance as of 1 January 2020																
120,000,000	-	181,125,000	12,000,000	224,300,000	2,491,678,923	718,698,391	-	-	(2,514,496)	33,508,722	749,692,617	3,778,796,540	147,926	3,778,944,466	-	-
Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards	3, 3	-	-	-	-	41,395,087	(718,698,391)	754,781,021	-	-	36,082,630	77,477,717	-	77,477,717	-	-
Balance as at 1 January 2020 - as restated																
120,000,000	-	181,125,000	12,000,000	224,300,000	2,533,074,010	6,700,000	-	754,781,021	(2,514,496)	33,508,722	785,775,247	3,856,274,257	147,926	3,856,422,183	-	-
General reserve	25, 26	-	-	-	6,700,000	(6,700,000)	-	-	-	-	-	-	-	-	-	-
Dividend payment	26	-	-	-	-	(65,999,088)	-	-	-	-	-	(65,999,088)	-	(65,999,088)	-	-
Gain on disposal other financial assets	-	-	-	-	-	241,126	-	-	-	-	-	241,126	-	241,126	-	-
Gain from capital distribution of investment	-	-	-	-	-	1,012,556	-	-	-	-	-	1,012,556	-	1,012,556	-	-
Total comprehensive income for the year	-	-	-	-	-	10,757,449	-	(18,507,588)	-	9,845,822	(8,661,766)	2,095,683	268,941	2,364,624	-	-
Ending Balance as of 31 December 2020																
120,000,000	-	181,125,000	12,000,000	231,000,000	2,472,386,053	-	-	736,273,433	(2,514,496)	43,354,544	777,113,481	3,793,624,534	416,867	3,794,041,401	-	-

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

SEPARATE FINANCIAL STATEMENTS											(UNIT : BAHT)
	Retained earnings					Other components of equity					
	Notes	Issued and paid-up share capital	Premium on ordinary shares	Appropriated		Unappropriate	Unrealized gain (loss) on revaluation of available-for-sale investments	Gain (loss) on financial assets designated at fair value through other comprehensive income	Actuarial gain	Total other components shareholders' equity	
				Legal Reserve	General Reserve						
Ending Balance as of 1 January 2019 - as previously reported		120,000,000	181,125,000	12,000,000	214,200,000	2,462,052,932	741,510,228	-	33,508,723	775,018,951	
Accounting error correction		-	-	-	-	3,320,000	-	-	-	-	
Ending Balance as of 1 January 2019 - as restated		120,000,000	181,125,000	12,000,000	214,200,000	2,465,372,932	741,510,228	-	33,508,723	775,018,951	
General reserve	25, 26	-	-	-	10,100,000	(10,100,000)	-	-	-	-	
Dividend payment	26	-	-	-	-	(47,999,200)	-	-	-	-	
Total comprehensive income for the year		-	-	-	-	134,655,649	(22,811,837)	-	-	(22,811,837)	
Ending Balance as of 31 December 2020 - as restated		120,000,000	181,125,000	12,000,000	224,300,000	2,541,929,381	718,698,391	-	33,508,723	752,207,114	
Balance as of 1 January 2020		120,000,000	181,125,000	12,000,000	224,300,000	2,541,929,381	718,698,391	-	33,508,723	752,207,114	
Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards	3, 3	-	-	-	-	37,395,087	(718,698,391)	757,981,021	-	39,282,630	
Balance as at 1 January 2020 - as restated		120,000,000	181,125,000	12,000,000	224,300,000	2,579,324,468	-	757,981,021	33,508,723	791,489,744	
General reserve	25, 26	-	-	-	6,700,000	(6,700,000)	-	-	-	-	
Dividend payment	26	-	-	-	-	(65,998,900)	-	-	-	-	
Gain on disposal other financial assets		-	-	-	-	241,126	-	-	-	-	
Gain from capital distribution of investment		-	-	-	-	1,012,556	-	-	-	-	
Total comprehensive income for the year		-	-	-	-	7,968,897	-	(18,718,457)	9,845,822	(8,872,635)	
Ending Balance as of 31 December 2020		120,000,000	181,125,000	12,000,000	231,000,000	2,515,848,147	-	739,262,564	43,354,545	782,617,109	

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : BAHT)

	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit for the year	11,026,390	88,309,314	7,968,897	134,655,649
Adjustments				
Income tax	(9,514,650)	(3,766,894)	(9,514,650)	(2,743,574)
Decrease in allowance for doubtful accounts	(271,398)	(36,570)	(271,398)	(36,570)
Allowance for decline in value and slow-moving of inventories	6,853,652	1,354,855	8,391,688	1,854,119
Allowance for impairment loss of investments	-	302,695	8,002,116	8,005,488
Dividend income	(45,008,715)	(74,904,536)	(52,028,636)	(101,904,236)
Depreciation and amortization	58,037,172	53,307,227	55,645,713	50,317,244
Gain on disposal of other financial assets - equity securities	(3,075)	(940,000)	(3,075)	(940,000)
Share of loss from investments in associated company	2,295,886	2,598,776	-	-
Realized gain on disposal of other financial assets - debt securities	(517,313)	(2,546,662)	(517,313)	(2,546,662)
Unrealized (gain) loss on revaluation of other financial assets - debt securities	(236,633)	1,216,556	(236,633)	1,216,556
Unrealized loss from derivatives	377,823	-	377,823	-
Loss from capital reduction	-	-	-	1,500,000
Loss from retirement of fixed assets	520,691	977,937	1,589	7,437
Loss from retirement of intangible assets	65,738	-	-	-
(Gain) loss on disposal of fixed assets	(1,263,123)	490,617	(1,262,821)	(100,806)
Gain from the transfer to investment property	(11,605,960)	-	(11,605,960)	-
Gain on disposal of intangible assets	-	(558)	-	-
(Gain) loss on exchanges	315,876	(396,879)	315,876	(396,879)
Finance costs	1,028,142	66,559	707,881	102
Interest income	(33,365,115)	(35,338,219)	(33,832,846)	(36,153,572)
PROFIT (LOSS) FROM OPERATION BEFORE CHANGES				
IN OPERATING ASSETS AND LIABILITIES	(21,264,612)	30,694,218	(27,861,749)	52,734,296
Operating assets (increase) decrease				
Trade and other current receivables	72,567,359	12,180,404	84,790,589	23,208,701
Inventories	16,807,893	(13,630,468)	7,938,845	(61,635,878)
Current tax assets	1,304,197	(2,074,433)	(29,331)	(1,534,979)
Right to returned goods	(2,200,000)	2,900,000	(2,200,000)	2,900,000
Other non - current assets	2,281,677	1,058,500	(2,352,289)	(1,448,241)
Operating liabilities increase (decrease)				
Trade and other current payables	(39,519,561)	(17,596,878)	(54,056,952)	9,802,950
Retirement benefit obligations	(24,934,747)	(1,021,365)	(24,934,747)	6,395,698
Provision for goods returned	6,800,000	(6,000,000)	6,800,000	(6,000,000)
Other non - current liabilities	214,630	992,569	(68,546)	2,399,676
CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES	12,056,836	7,502,547	(11,974,180)	26,822,223
Cash paid for financial costs	(1,028,142)	(66,559)	(707,881)	(102)
Corporate income tax paid	-	(7,371,150)	-	(7,371,150)
Cash received from withholding tax refunds	7,139,075	-	7,139,075	-
NET CASH RECEIVED FROM (USED IN) OPERATING ACTIVITIES	18,167,769	64,838	(5,542,986)	19,450,971

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENT OF CASH FLOWS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : BAHT)

	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
CASH FLOW FROM INVESTING ACTIVITIES				
Cash received from dividend	45,103,493	74,883,652	52,123,415	101,883,352
Cash received from interest	35,785,266	35,705,347	36,252,997	36,520,700
Decrease in fixed deposits, bill of exchange and certificate of deposits	181,211,991	25,351,448	181,211,991	25,351,448
Cash received from redemption of other financial assets measured at fair value through profit or loss - debt securities	875,487,115	952,461,496	875,487,115	952,461,496
Cash paid for other financial assets measured at fair value through profit or loss - debt securities	(882,857,057)	(969,007,661)	(882,857,057)	(969,007,661)
Cash paid for long - term loans to related company	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Cash received from short - term loans to related companies	800,000	2,000,000	20,500,000	9,500,000
Increase of other financial assets measured at fair value through other comprehensive income - listed equity securities	(1,220,297)	(2,037,599)	(1,220,297)	(2,037,599)
(Increase) decrease of other financial assets measured at fair value through other comprehensive income - debt securities	(22,163,499)	24,971,758	(22,163,499)	24,971,758
Cash paid for other financial assets measured at amortisation costs - debt securities held to maturity	(520,076,987)	(217,638,720)	(520,076,987)	(217,638,720)
Cash received from redemption of other financial assets measured - debt securities held to maturity	394,791,316	170,000,000	394,791,316	170,000,000
Cash paid for other financial assets measured at fair value through other comprehensive income - non listed equity securities	(18,000,000)	(29,500,000)	(18,000,000)	(29,500,000)
Proceeds from decrease in share capital of other financial assets measured at fair value through other comprehensive income - non listed equity securities	1,597,145	1,928,686	11,497,035	1,928,686
Proceeds from decrease in share capital of other financial assets measured at fair value through other comprehensive income - listed equity securities	428,464	-	428,464	-
Proceeds from capital distribution of other financial assets measured at fair value through other comprehensive income - non listed equity securities	12,440,631	-	12,440,631	-
Cash received from disposal of other financial assets measured at fair value through other comprehensive income - non listed equity securities	3,670,472	2,940,000	3,670,472	2,940,000
Cash received from disposal of other financial assets measured at fair value through other comprehensive income - listed equity securities	20,669,544	-	20,669,544	-
Cash paid for advance in fixed assets	-	(84,000)	-	-
Acquisition of investment property	-	-	-	(72,000,000)
Acquisition of fixed assets	(10,434,111)	(16,347,885)	(14,583,011)	(14,557,955)
Acquisition of intangible assets	(5,923,239)	(343,800)	(5,923,239)	(343,800)
Proceeds from disposal of fixed assets	2,224,982	-	2,224,682	434,729
Proceeds from disposal of intangible assets	-	561	-	-
NET CASH RECEIVED FROM INVESTING ACTIVITIES	108,535,229	50,283,283	141,473,572	15,906,434

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENT OF CASH FLOWS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : BAHT)

	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
CASH FLOW FROM FINANCING ACTIVITIES				
Overdrafts and short - term loan from financial institutions	(8)	(3,061,501)	-	-
Cash paid for lease liabilities	(5,044,228)	-	(1,940,629)	-
Dividend payment	(66,064,595)	(47,938,119)	(66,064,407)	(47,937,820)
NET CASH USED IN FINANCING ACTIVITIES	(71,108,831)	(50,999,620)	(68,005,036)	(47,937,820)
CASH AND CASH EQUIVALENT INCREASE (DECREASE) - NET	55,594,167	(651,499)	67,925,550	(12,580,415)
Cash and cash equivalents as at 1 January	29,830,565	30,482,064	15,466,515	28,046,930
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER	85,424,732	29,830,565	83,392,065	15,466,515

ADDITIONAL DISCLOSURE ITEM TO CASH FLOWS STATEMENT : -

Significant non-cash items consist of

- Unrealized loss on revaluation of available-for-sale securities (net of income tax)	-	(22,811,837)	-	(22,811,837)
- Actuarial gain (net of income tax)	9,845,822	-	9,845,822	-
- Loss on measuring financial assets (net income tax)	(18,507,588)	-	(18,718,457)	-
- Lease liabilities	22,530,849	-	18,257,322	-

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

- 1.1 Registration** Thanulux Public Company Limited (“The Company”) is incorporated in Thailand. The Company was listed on the Stock Exchange of Thailand on 21 July 1987.
- 1.2 Office location** Head office and its factory is located at 129/1, Chongnonthri Road, Chongnonthri, Yannawa, Bangkok, Thailand.
- Factory branch (Saha Group Industrial Park - Lamphun Project) is located at 99/3 Moo 5, Paa-Sak, Muang Lamphun, Lamphun, Thailand.
- Factory branch (Saha Group Industrial Park - Kabinburi Project) is located at 125 Moo 5, Nonthri, Kabinburi, Prachinburi, Thailand.
- Factory branch (Bangplee) is located at 911 Moo 15, Teparak Road, Bangsoathong, Samutprakarn, Thailand.
- Factory branch (Mae Sot) is located at 269/1 Moo 15, Mae kasa, Mae Sot, Tak, Thailand.
- 1.3 Main activities** Manufacturing and distributing apparel. The subsidiaries’ main activities are discussed in Note 2.4
- 1.4** The first two major shareholders ranged by their shareholding as of 31 December 2020 and 2019 are as follows :-

	% of issued and paid-up share capital	
	31 December 2020	31 December 2019
Saha Pathana Inter-Holding Plc.	24.93	23.52
I.D.F. Co., Ltd.	13.33	13.33

1.5 Coronavirus disease 2019 pandemic

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

- 1.6** On 26 May 2020 the management of Saha Group Industrial Park - Lamphun Project branch had announced temporary to shut down operation during 1 June 2020 to 31 July 2020 for 61 days in accordance with the Labor Protection Act, and Social Security Law under and Social Security Law under Coronavirus disease 2019 pandemic. The employees received unemployment benefits by 62 percent of daily wage throughout the temporary cease operation but not over than 90 days.

On 23 April 2020, the management announced the permanent closure of Bangplee branch from 1 June 2020 onwards.

2. BASIS OF FINANCIAL STATEMENTS PREPARATION

- 2.1** The financial statements are prepared in accordance with Thai Accounting Standards (“TAS”) and Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and the presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 26 December 2019 under the Accounting Act B.E. 2543 and the financial reporting requirements of the Securities and Exchange Commission (SEC).
- 2.2** The financial statements have been prepared on the historical cost basis except where otherwise disclosed in the accounting policies.
- 2.3** The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.
- 2.4** Basis of the consolidation of financial statements

The consolidated financial statements include the financial statements of Thanulux Public Company Limited “the Company” and the following subsidiary companies “the subsidiaries”

	% of Shareholding / Voting right		Incorporated in	Location	Main activities
	31 Dec 2020	31 Dec 2019			
Subsidiaries					
S. Apparel Co., Ltd.	99.99	99.99	Thailand	4/2 Moo 8, Bangna-Trad Road, KM. 18 Bangchalong, Bangplee, Samutprakarn.	Manufacturing, Subcontracting and distributing apparel
Celebrate Wealth Co., Ltd.	87.76	87.76	Thailand	129/1, Chongnonthri Road, Chongnonthri, Yannawa, Bangkok.	Distributing apparel

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

- The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.
- Subsidiaries' financial statements are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- The subsidiaries' financial statements are prepared on the same reporting period as the Company's using consistent significant accounting policies.
- Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements. Book value of investments and shareholder's equity of its subsidiaries have also been eliminated from the consolidated financial statements.
- Non - controlling interest represents the portion of net income or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated statements of comprehensive income and in the shareholders' equity in the consolidated statements of financial position.

2.5 The separate financial statements present investments in subsidiaries and associates presented under the cost method.

2.6 Using of accounting estimates

The preparation of financial statements in conformity with TAS and TFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

3. NEW FINANCIAL REPORTING STANDARDS

3.1 During the year, the Group has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after 1 January 2020. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below.

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

TFRS 7	Financial Instruments : Disclosures
TFRS 9	Financial Instruments
TAS 32	Financial Instruments : Presentation
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

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

- Classification and measurement of investments in equity instruments of non-listed companies that the Group is to measure investments in equity instruments of non-listed companies at fair value and classify the investments as financial assets at fair value, through either profit or loss or through other comprehensive income. The Group adopted these transactions which the cumulative effect is recognised as an adjustment to the retained earnings and other components of equity as of 1 January 2020.
- Recognition of credit losses that the Group is to recognise an allowance for expected credit losses on its financial assets, and they are no longer necessary for a credit - impaired event to have occurred. The Group apply simplified approach to consider impairment of trade receivables. The Group's management has considered that the recognition of credit losses does not have any significant impact on the adjustment of retained earnings as at 1 January 2020.
- Recognition of derivatives that the Group is to initially recognise derivative at their fair value on the contract date and subsequently measure them at their fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss. The Group's management has considered that the recognition of credit losses does not have any significant impact on the adjustment of retained earnings as at 1 January 2020.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

The Group adopted these financial reporting standards which the cumulative effect of initially applying is recognised as an adjustment to the retained earnings and other comprehensive income as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 3.3 to the financial statements.

- **TFRS 16 Leases**

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

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

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as at 1 January 2020, and the comparative information was not restated.

- **Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”**

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

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

The Group has elected to apply the following temporary relief measures on accounting alternatives

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- To measure the fair value of investments in unquoted equity instruments using the fair value as at 1 January 2020.
- To lightly weight information relating to the COVID-19 situation in applying the valuation technique to measure the fair value of financial assets in the form of debt instruments using Level 2 or Level 3 inputs.
- Not to account for any reduction in lease payments by lessors as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognized in each period reversed in proportion to the reduction, with any differences then recognized in profit or loss.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

The management of the Group is currently evaluating the impact of effects that may have on the financial statements after the expiration of such relief measures

3.2 New Financial reporting standards issued and not yet effective

In addition to financial reporting standards issued and revised as mentioned above the FAP has also issued and revised the other number of financial reporting standards which will become effective for annual financial periods beginning on or after 1 January 2021. The Group does not plan to early adopt these TFRS. The Group's management has assessed the effect of the above financial reporting standards and believes that these standards will not have significant impact on the financial statements for the year in which they are effective.

3.3 Cumulative effect of change in accounting policy due to the adoption of new financial reporting standard.

As described in Note 3.1 to the financial statements, during the current period, the Group has adopted financial reporting standard related to financial instruments and TFRS16. The cumulative effect of initially applying this standard is recognised as an adjustment to retained earnings and other comparative of equity at 1 January 2020. Therefore, the comparative information was not restated.

The impacts on the beginning balance of retained earnings and other comparative of equity of 2020 from change in accounting policy due to the adoption of this standard are presented as follows :-

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : BAHT)

	Consolidated financial statements			
	The impacts of			1 January 2020
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Current assets				
Short - term investments	545,880,456	(545,880,456)	-	-
Other current financial assets	-	545,880,456	-	545,880,456
Non - current assets				
Other non - current financial assets	-	2,576,448,289	-	2,576,448,289
Long - term investments				
Available-for-sale investments - net	1,519,800,353	(1,519,800,353)	-	-
General investments - net	406,356,161	(406,356,161)	-	-
Investments in debt securities				
held to maturity - net	563,793,401	(563,793,401)	-	-
Right-of-use assets - net	-	-	28,774,754	28,774,754
Leasehold right - net	5,224,248	-	(5,224,248)	-
Liability and shareholders' equity				
Current liability				
Current portion of lease liabilities	-	-	5,878,691	5,878,691
Non - current liability				
Long - term lease liabilities				
- net of current portion	-	-	17,671,815	17,671,815
Deferred tax liabilities	188,312,813	9,020,657	-	197,333,470
Shareholders' equity				
Unappropriated retained earnings	2,491,678,923	41,395,087	-	2,533,074,010
Other components of shareholder's equity				
Unrealized gain on revaluation of available-for-sale investments	718,698,391	(718,698,391)	-	-
Gain on equity instruments designated at fair value through other comprehensive income	-	754,781,021	-	754,781,021

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : BAHT)

	Separate financial statements			
	The impacts of			
		Financial reporting standards related to financial instruments	TFRS 16	
	31 December 2019			1 January 2020
Statement of financial position				
Assets				
Current assets				
Short - term investments	545,880,456	(545,880,456)	-	-
Other current financial assets	-	545,880,456	-	545,880,456
Non - current assets				
Other non - current financial assets	-	2,576,448,289	-	2,576,448,289
Long - term investments				
Available-for-sale investments - net	1,519,800,353	(1,519,800,353)	-	-
General investments - net	406,356,161	(406,356,161)	-	-
Investments in debt securities				
held to maturity - net	563,793,401	(563,793,401)	-	-
Right-of-use assets - net	-	-	19,102,552	19,102,552
Leasehold right - net	5,224,248	-	(5,224,248)	-
Liability and shareholders' equity				
Current liability				
Current portion of lease liabilities	-	-	1,661,746	1,661,746
Non - current liability				
Long - term lease liabilities				
- net of current portion	-	-	12,216,558	12,216,558
Deferred tax liabilities	188,312,813	9,820,657	-	198,133,470
Shareholders' equity				
Unappropriated retained earnings	2,541,929,381	37,395,087	-	2,579,324,468
Other components of shareholder's equity				
Unrealized gain on revaluation of available-for-sale investments	718,698,391	(718,698,391)	-	-
Gain on equity instruments designated at fair value through other comprehensive income	-	757,981,021	-	757,981,021

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Financial Instruments

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

	(UNIT : BAHT)	
	Consolidated financial statements	Separate financial statements
Impacts on retained earnings and other components of equity due to the adoption of financial reporting standards related to financial instruments as follows		
Unappropriated retained earnings	41,395,087	37,395,087
Other components of shareholder's equity		
- Unrealized gain on revaluation of available-for-sale investments	(718,698,391)	(718,698,391)
- Gain on equity instruments designated at fair value through other comprehensive income	754,781,021	757,981,021
Total	77,477,717	76,677,717

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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

(UNIT : BAHT)

Consolidated financial statements					
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value			Total
		Fair value through profit or loss	through other comprehensive income	Amortised cost	
Financial assets as at 1 January 2020					
Cash and cash equivalents	29,830,565	1,697,312	-	28,133,253	29,830,565
Short - term investments	545,880,456	213,229,661	-	332,650,795	545,880,456
Trade and other current receivables - net	277,625,409	-	-	277,625,409	277,625,409
Short - term loans to related companies	46,800,000	-	-	46,800,000	46,800,000
Long - term investments					
Available-for-sale investments - net	1,519,800,353	-	1,519,800,353	-	1,519,800,353
General investments - net	406,356,161	-	406,356,161	-	406,356,161
Investments in debt securities					
held to maturity - net	563,793,401	-	-	563,793,401	563,793,401
Long - term loans to related company	5,000,000	-	-	5,000,000	5,000,000
Total financial assets	3,395,086,345	214,926,973	1,926,156,514	1,254,002,858	3,395,086,345

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : BAHT)

	Separate financial statements				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value			
		Fair value through profit or loss	through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	15,466,515	1,697,312	-	13,769,203	15,466,515
Short - term investments	545,880,456	213,229,661	-	332,650,795	545,880,456
Trade and other current receivables - net	280,221,060	-	-	280,221,060	280,221,060
Short - term loans to related companies	70,300,000	-	-	70,300,000	70,300,000
Long - term investments					
Available-for-sale investments - net	1,519,800,353	-	1,519,800,353	-	1,519,800,353
General investments - net	406,356,161	-	406,356,161	-	406,356,161
Investments in debt securities					
held to maturity - net	563,793,401	-	-	563,793,401	563,793,401
Long - term loans to related company	5,000,000	-	-	5,000,000	5,000,000
Total financial assets	3,406,817,946	214,926,973	1,926,156,514	1,265,734,459	3,406,817,946

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue recognition and expenses

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, after deducting allowance for returns of goods supplied and discounts excluding value added tax.

Revenue from rendering of services

Revenue from rendering of services is recognised when service have been rendered taking into account the stage of completion.

Dividend income

Dividend income is recognised when the right to receive the dividend is established.

Interest income

Interest income is recognised on an effective interest method.

Other revenues and expenses

Other revenues and expenses are recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short - term investments with an original maturity of three months or less and not subject to restrictions.

4.3 Inventories

Inventories are valued at the lower of cost (weighted average) or net realizable value.

Cost of inventories is comprised of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In case of finished goods and work in progress, cost includes an appropriate share of overheads.

Net realizable value is estimated selling price in the ordinary course of business less estimated costs to complete and to make the sale.

Allowance is made for all deteriorated, damaged, obsolete and certain slow-moving inventories.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4.4 Right to returned goods and provision for goods returned

The Company has provided a provision for goods returned from customers who are allowed to return the goods within the period agreed between both parties. The provision is estimated based upon historical information of goods returned and forecast future trends.

When a customer has a right to return products bought within a given period, the Company recognizes a refund liability for the amount of consideration received for which the entity does not expect to be entitled. The Company adjusts the valuation measurement of the refund liability as at the end of the reporting period for changing in the estimated amount of the refund amount and a corresponding adjustment to revenues from sale of goods. At the same time, the Company will recognize as right to returned goods the product and a corresponding adjustment to cost of sale of goods.

4.5 Investments in subsidiaries and associate

- Investment in associate in the consolidated financial statements is accounted for using the equity method.
- Investments in subsidiaries and associate in the separate financial statements of the Company are accounted for using the cost method less allowance for impairment loss (if any).

4.6 Investments

Accounting policies adopted before 1 January 2020

- Investments in securities held for trading are stated at fair value. Gains or losses arising from changes in the carrying amounts of the securities are included in the statements of comprehensive income.
- Investments in available-for-sale securities mean investments in listed securities stated at fair value, with the objective for long-term investments. Changes in the carrying amounts of securities are recorded as separate item in the other comprehensive income until the securities are sold, and the changes are then included in the statements of comprehensive income.
- Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised by the effective rate method with the amortised amount presented as an adjustment to interest income.
- Investments in non-marketable equity securities, which the Company classifies as general investments, are stated at cost net of allowance for impairment loss (if any).

Investments in related companies mean those companies in which the Group has holding interest less than 20% and/or the companies which directly or indirectly have some common management, major shareholders or such related persons.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Investments in other companies are those companies in which the Group has holding interest but has no power to govern or participate in any policy.

The fair value of marketable securities is based on the latest close price of the last working day of the year quoted on the Stock Exchange of Thailand. The fair value of unit trusts is determined from their net asset value.

Weighted average method is used for the computation of cost of investments.

4.7 Investment property

Investment property is stated at cost less accumulated depreciation and loss on impairment of assets (if any).

Cost of investment property includes purchase price and other direct costs relating to the acquisition of such asset item.

Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of assets which are as follows :-

Land improvement	5 Years
Building	20 Years
Land	Not depreciated

4.8 Property, plant and equipment

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

Cost of property, plant and equipment include purchase price and other direct costs relating to the acquisition of such asset item.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Depreciation is charged to the statements of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment which are as follows :-

Land improvement	5	years
Building and structures	20, 25, 35 and 40	years
Machinery	5 - 10	years
Office equipment	3 - 5	years
Furniture and fixtures	5	years
Vehicles	5	years

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Land and assets under construction and installation are not depreciated.

The Group has reviewed useful life and residual value at least at each financial year-end. In case that the residual value or estimated useful lives differs from those originally estimated, such changes are considered changes in accounting estimates.

4.9 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life.

The amortisation expense is charged to the comprehensive income statements.

Intangible assets with finite useful lives comprise of computer software having useful lives of 3 - 10 years.

4.10 Impairment of non-financial assets

Impairment of assets, the Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment loss is recognized in the comprehensive income statements. (An asset's recoverable amount is the higher of fair value less costs to sell and value in use).

4.11 Leases

● **Right-of-use assets**

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

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

- **Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

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

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

4.12 Provision

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

Presentation for a provision in statement of comprehensive income is the net amount which can be reimbursed.

4.13 Related party transactions

Related parties and related companies with the Group means the parties or the companies that have the controlling power to the Group, controlled by the Group either directly or indirectly, or under the same control with the Group. Furthermore, the related parties and related companies also means the associated companies and the parties who have holding interest with voting rights, either directly or indirectly, and have significant influence to the Group, important management, being directors or employees of the Group who have the power to manage and control the Group's operations including the family members close to the said persons which could persuade or to act in compliance with the said persons and businesses that the said persons have controlling power or significant influence, either directly or indirectly.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4.14 Foreign currency transactions

Foreign currency transactions are translated into Baht at the rates ruling on the occurrence dates. Assets and liabilities in foreign currency outstanding on the statement of financial position date are translated into Baht at the reference exchange rates as determined by the Bank of Thailand on the statement of financial position date, except the transactions of forward exchange contracted with the banks will be recognised at fair value.

Exchange gains or losses are included as incomes or expenses in the statements of comprehensive income.

4.15 Employee benefits

● **Short - term employee benefits**

Short - term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

● **Defined contribution plans**

The Group operate a provident fund, being a defined contribution plan, the assets for which are held in a separate trust fund and managed by a fund manager. The provident fund is contributed by payments from employees and by the Group. The Group's contributions to the provident fund are charged to the statement of comprehensive income in the years to which they relate.

● **Defined benefit plans**

- Termination and retirement benefits

Under Labor Laws applicable in Thailand and Group's employment policy, all employees completing 119 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement age of 55 and 58. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at a maximum rate of 400 days of final salary. And employees who have provided the services to the Group more than 20 years, the special severance pay on termination or retrenchment without cause will be compensated at the rate specified.

- Other long - term benefits

The Group has a policy to reward employees upon 10, 20 and 30 years of services at specified lump-sum amounts.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

The Company also has a policy to provide compensation to retired directors by reference to service years as the Company's director multiplied by a specified rate.

The Group provides provision regarding the employee benefits under defined benefits plan by using the actuarial technique. The present value of the defined benefits obligation is determined by discounting estimated future cash flows using yields on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, length of service and other. The costs associated with providing these benefits are charged to the statement of comprehensive income so as to spread the cost over the employment period during which the entitlement to benefits is earned.

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

4.16 Corporate income tax

Income tax expense

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

Current tax

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

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

The Group recognizes deferred tax liabilities for all taxable temporary differences while they recognize deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against such deductible temporary differences and tax losses carried forward that can be utilized.

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

The Group recorded deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4.17 Fundamental earnings per share

Fundamental earnings per share are calculated by dividing net income by the number of ordinary shares outstanding at the end of the year. In case of a capital increase, the number of ordinary shares is weighted according to time of subscription received.

4.18 Fair value measurement

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

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

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4.19 Financial instruments

Accounting policies adopted since 1 January 2020.

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets at FVTPL

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

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

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

Classification and measurement of financial liabilities

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

The Group may elect to measure financial liabilities at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency (sometimes referred to as an accounting mismatch).

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Derecognition of financial instruments

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

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

Impairment of financial assets

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

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

Offsetting of financial instruments

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

Accounting policies adopt before 1 January 2020.

Trade receivables

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5. TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

The Company had transactions with its subsidiaries and related companies, given that those companies having the same group of shareholders or mutual directors. Significant inter-company transactions and outstanding balances as of 31 December 2020 and 2019 are summarized below :-

5.1 NATURE OF RELATIONSHIPS

RELATED PARTIES	TYPES OF BUSINESS	RELATIONSHIP
1. S. Apparel Co., Ltd.	Manufacturing, subcontracting and distributing apparel	Co-directors, Co-shareholders and being subsidiary
2. Celebrate Wealth Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders and being subsidiary
3. World Saha Fashion Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders and being associate
4. T- Chamber Co., Ltd.	Distributing apparel	Co-management
5. People's Garment Plc.	Garment manufacturing	Co-shareholders
6. I.C.C. International Plc.	Consumer goods distributing	Co-directors, Co-shareholders
7. Sahacogen (Chonburi) Plc.	Electricity generating and distributing	Co-shareholders
8. Thai Wacoal Plc.	Ladies' lingerie manufacturing	Co-directors, Co-shareholders
9. Textile Prestige Plc.	Embroidery fabric manufacturing	Co-directors, Co-shareholders
10. Saha Pathana Inter - Holding Plc.	Holding company	Majority shareholders
11. Far East Fame Line DDB Plc.	Advertising	Co-shareholders
12. O.C.C. Plc.	Distributing cosmetics and apparel	Co-shareholders
13. Saha Pathanapibul Plc.	Consumer goods distributing	Co-shareholders
14. Thai Monster Co., Ltd.	Garment manufacturing	Co-directors, Co-shareholders
15. Total Way Image Co., Ltd.	Leatherware manufacturing	Co-directors, Co-shareholders
16. Thai Naxis Co., Ltd.	Label manufacturing	Co-shareholders
17. SSDC (Tigertex) Co., Ltd.	Bleaching, dyeing fabric and yarn	Co-directors, Co-shareholders
18. International Commercial Coordination (Hong Kong) Ltd.	Distributing apparel	Co-shareholders
19. International Leather Fashion Co., Ltd.	Leatherware manufacturing	Co-directors, Co-shareholders
20. Wise Winner Co., Ltd.	Distributing garment and sport equipment	Co-shareholders
21. Morgan De Toi (Thailand) Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders
22. Champ Ace Co., Ltd.	Real estate development	Co-directors, Co-shareholders
23. Pak Numpo Wattana Co., Ltd.	Distributing apparel	Co-management, Co-shareholders

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

RELATED PARTIES	TYPES OF BUSINESS	RELATIONSHIP
24. Intanin Chiangmai Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders
25. Koraj Wattana Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders
26. Sun & Sand Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders
27. Eastern I.C.C. Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders
28. Maharachapreuk Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders
29. Thai Takaya Co., Ltd.	Jeans manufacturing	Co-directors, Co-shareholders
30. Thai Gunze Co., Ltd.	Garment manufacturing	Co-shareholders
31. Waseda Education (Thailand) Co., Ltd.	Education institution	Co-shareholders
32. Thai Bunka Fashion Co., Ltd.	Fashion institution	Co-directors, Co-shareholders
33. Sriracha Aviation Co., Ltd.	Machinery and plane maintenance	Co-directors, Co-shareholders
34. K.Commercial and Construction Co., Ltd.	Construction contractor	Co-shareholders
35. H & B Intertext Co., Ltd.	Fabric doll manufacturing	Co-shareholders
36. Thai Shikibo Co., Ltd.	Cotton yarn manufacturing	Co-shareholders
37. Thai Staflex Co., Ltd.	Fabric products	Co-shareholders
38. Treasure Hill Co., Ltd.	Golf course	Co-directors, Co-shareholders
39. Thai Asahi Kazei Spandex Co., Ltd.	Manufacturing and distributing spandex	Co-shareholders
40. Panland Co., Ltd.	Property development	Co-shareholders
41. Wien International Co., Ltd.	Direct sale	Co-shareholders
42. Sahapat Real Estate Co., Ltd.	Real estate development	Co-directors, Co-shareholders
43. Janome (Thailand) Co., Ltd.	Sewing machines	Co-shareholders
44. Sahapat Properties Co., Ltd.	Property development	Co-directors, Co-shareholders
45. Thai Itokin Co., Ltd.	Garment manufacturing	Co-shareholders
46. Racha Uchino Co., Ltd.	Household textile	Co-shareholders
47. Erawan Textile Co., Ltd.	Spun yarn and fabrics manufacturing	Co-shareholders
48. Pattaya Manufacturing Co., Ltd.	Garment manufacturing	Co-shareholders
49. Ramasorn Thaveekarn Co., Ltd.	Investment	Majority shareholders
50. PTK Multi Services Co., Ltd.	Garden maintenance and cleaning service	Co-shareholders
51. I.D.F. Co., Ltd.	Investment	Majority shareholders
52. Bangkok Tokyo Socks Co., Ltd.	Manufacturing and distributing socks	Co-shareholders
53. Fujix International Co., Ltd.	String distributing	Co-shareholders
54. PT. TRINITY LUXTRO APPAREL	Distributing apparel	Co-management, Co-shareholders
55. Pitakkit Security Guard Co., Ltd.	Service of security	Co-shareholders
56. Saha Asia Pacific Co., Ltd.	Rental and manage property	Co-directors, Co-shareholders

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

RELATED PARTIES	TYPES OF BUSINESS	RELATIONSHIP
57. Singer Thailand Public Plc.	Service and Commercial	Co-shareholders
58. President Bakery Public Plc.	The food and beverage	Co-shareholders
59. Eastern Thai Consulting 1992 Co., Ltd.	Wholesale of industrial chemicals	Co-majority shareholders
60. Pitakkij Co., Ltd.	Constuctions of non-residential building	Co-majority shareholders
61. Thai Secom Security Co., Ltd.	Service of security	Co-majority shareholders
62. Saha Komehyo Co.,Ltd	Buy and sell of luxury used products	Co-shareholders
63. Saha Capital Tower Co.,Ltd	Property development	Co-directors, Co-shareholders

Pricing policies of related party transactions are as follows :-

Transactions	Pricing policies
Revenue from sales	Agreed-upon price by referring to market price
Royalty income	Agreed-upon price
Purchase of goods and rendering of services	Agreed-upon price/market price
Distribution costs and administrative expenses	Contractually - agreed prices
Interest income	At 3.00% - 4.00 % per annum.
Directors' remunerations (Meeting allowance, annual compensation)	Rates approved by shareholders
Purchase of marketable equity securities	Market price
Purchase of general investment	Agreed-upon price
Purchase of fixed assets	Agreed-upon price

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5.2 RELATED PARTY REVENUE AND EXPENSES

The revenue, expenses and other transaction for the years ended 31 December 2020 and 2019 are as follows :-

	(UNIT : THOUSAND BAHT)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Transactions with subsidiaries				
Revenue from sales	-	-	382	25,864
Dividend income (Note 13)	-	-	7,020	27,000
Interest income	-	-	383	839
Other income	-	-	210	4,176
Purchase of goods and raw materials	-	-	8,132	18,397
Rendering of service	-	-	-	13,177
Distribution costs and administrative expenses	-	-	12,904	8,496
Purchase of fixed assets	-	-	4,149	71,983
Transactions with related parties				
Revenue from sales and services				
- I.C.C. International Plc.	425,915	784,467	425,915	784,451
- Others	35,516	67,118	35,516	67,257
Total	461,431	851,585	461,431	851,708
Revenue from rendering of service	2,922	3,301	2,922	3,301
Dividend income (Notes 12)	42,406	54,868	42,406	54,868
Interest income	1,982	1,769	1,982	1,769
Other income	18,639	25,592	18,639	24,404
Purchase of goods and raw materials	64,970	98,865	64,970	83,341
Rendering of service	704	8,948	704	3,715
Distribution costs and administrative expenses	37,631	56,261	37,605	53,961
Purchase of general investment	18,000	29,500	18,000	29,500
Purchase of fixed assets	2,245	3,230	2,245	3,230

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Management benefit expenses

Management benefit expenses represent benefits paid to the Company's management such as salaries and related benefits including benefits paid by other means. The Company's management is the persons defined under the Securities and Exchange Act.

Management benefit expenses for the years ended 31 December 2020 and 2019 are as follows :-

	(UNIT : BAHT)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Remuneration to Executive Board	899,000	799,000	899,000	799,000
Short - term employee benefits	24,397,960	26,244,419	24,397,960	25,629,252
Post - employment benefits	2,997,392	1,656,000	2,997,392	1,610,082
Total	28,294,352	28,699,419	28,294,352	28,038,334

5.3 INTER - COMPANY BALANCES OF ASSETS AND LIABILITIES

As of 31 December 2020 and 2019, inter - company balances are as follows :-

	(UNIT : THOUSAND BAHT)			
	Consolidated financial statements		Separate financial statements	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Accounts receivable - trade				
Subsidiaries	-	-	-	4,393
Related companies				
- I.C.C. International Plc.	89,028	118,201	89,047	118,220
- Others	6,786	15,944	6,786	15,945
Total (Note 7)	95,814	134,145	95,833	138,558
Short - term loans				
Subsidiaries	-	-	3,800	23,500
Related companies	46,000	46,800	46,000	46,800
Total (Note 8)	46,000	46,800	49,800	70,300
Accrued income				
Subsidiaries	-	-	28	3,522
Related companies	1,314	824	1,309	724
Total	1,314	824	1,337	4,246

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : THOUSAND BAHT)

	Consolidated financial statements		Separate financial statements	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Investments - net				
Subsidiaries (Note 13)	-	-	11,764	27,302
Associate (Note 14)	-	2,296	-	2,364
Other related companies (Note 12)	1,707,172	1,675,116	1,706,908	1,675,116
Total	1,707,172	1,677,412	1,718,672	1,704,782
Long - term loans				
Associate	10,000	5,000	10,000	5,000
Total (Note 15)	10,000	5,000	10,000	5,000
Accounts payable - trade				
Subsidiaries	-	-	632	678
Related companies	12,715	17,800	12,715	16,599
Total (Note 21)	12,715	17,800	13,347	17,277
Accrued expenses				
Subsidiaries	-	-	20	3,591
Related companies	3,727	7,820	3,727	6,715
Total	3,727	7,820	3,747	10,306

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Movements of loans to related parties for the years ended 31 December 2020 and 2019 are as follows :-

	(UNIT : THOUSAND BAHT)					
	Consolidated		Separate		Interest per annum	
	financial statements		financial statements		(percent)	
	2020	2019	2020	2019	2020	2019
S. Apparel Co., Ltd.						
Beginning balance	-	-	-	3,000		
<u>Less</u> repayment during the period	-	-	-	(3,000)		
Ending balance	-	-	-	-	-	-
Celebrate Wealth Co., Ltd.						
Beginning balance	-	-	23,500	28,000		
<u>Less</u> repayment during the period	-	-	(19,700)	(4,500)		
Ending balance	-	-	3,800	23,500	3.00	3.00
World Saha Fashion Co., Ltd.						
Beginning balance	5,000	-	5,000	-		
<u>Add</u> increase during the period	5,000	5,000	5,000	5,000		
Ending balance	10,000	5,000	10,000	5,000	4.00	4.00
Erawan Textile Co., Ltd.						
Beginning balance	30,000	30,000	30,000	30,000		
<u>Less</u> repayment during the period	-	-	-	-		
Ending balance	30,000	30,000	30,000	30,000	3.73	3.98
Morgan De Toi (Thailand) Co., Ltd.						
Beginning balance	16,800	18,800	16,800	18,800		
<u>Less</u> repayment during the period	(800)	(2,000)	(800)	(2,000)		
Ending balance	16,000	16,800	16,000	16,800	3.00	3.00
Total loans	56,000	51,800	59,800	75,300		

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. CASH AND CASH EQUIVALENTS

	(UNIT : BAHT)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash on hand	262,763	438,087	258,696	386,862
Deposits - saving accounts	80,143,563	27,682,987	78,114,963	13,370,162
Fixed deposits and bill of exchanges	5,018,406	1,709,491	5,018,406	1,709,491
Total	85,424,732	29,830,565	83,392,065	15,466,515

7. TRADE AND OTHER CURRENT RECEIVABLES - NET

	(UNIT : BAHT)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Account receivables - trade				
Related companies (Note 5.3)	95,813,891	134,145,003	95,833,224	138,557,735
Others	62,819,254	109,758,992	61,760,291	106,959,564
Total	158,633,145	243,903,995	157,593,515	245,517,299
<u>Less</u> Allowance for expected credit loss (2019 : Allowance for doubtful accounts)	(627,434)	(898,832)	-	(271,398)
Account receivables - trade - net	158,005,711	243,005,163	157,593,515	245,245,901
Other receivables				
Accrued income	2,607,895	1,640,744	1,599,023	5,420,669
Accrued dividend	5,057	99,836	5,057	99,836
Accrued interest	6,615,016	7,148,679	6,626,309	7,148,679
Advance payment for goods	4,554,045	4,470,257	4,554,045	4,470,257
Revenue Department receivables	15,229,364	14,220,592	7,033,731	11,540,066
Others	10,323,394	7,040,138	10,312,516	6,295,652
Total trade and other current receivables	197,340,482	277,625,409	187,724,196	280,221,060

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

The aging of trade accounts receivable are as follows :-

	(UNIT : BAHT)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Account receivables - related companies				
Current	95,322,665	129,854,816	95,341,998	134,267,548
Overdue within 3 months	172,298	4,290,187	172,298	4,290,187
Over 3 to 6 months	318,928	-	318,928	-
Total	95,813,891	134,145,003	95,833,224	138,557,735
Account receivables - other companies				
Current	51,738,337	79,046,452	51,306,808	76,247,024
Overdue within 3 months	2,446,026	22,513,857	2,446,026	22,513,857
Over 3 to 6 months	8,007,457	7,927,285	8,007,457	7,927,285
Over 12 months	627,434	271,398	-	271,398
Total	62,819,254	109,758,992	61,760,291	106,959,564
<u>Less</u> Allowance for expected credit loss (2019 : Allowance for doubtful accounts)	(627,434)	(898,832)	-	(271,398)
Net	62,191,820	108,860,160	61,760,291	106,688,166
Total	158,005,711	243,005,163	157,593,515	245,245,901

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

8. SHORT - TERM LOANS TO RELATED COMPANIES

As of 31 December 2020 and 2019, The loans represent promissory notes which are unsecured and repayable at call, and subject to the interest at 3.00 - 3.73 percent per annum and 3.00 - 3.98 percent per annum, respectively. (Note 5.3)

9. INVENTORIES - NET

	(UNIT : BAHT)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Finished goods	193,741,602	181,965,253	193,741,602	173,096,205
Work in process	53,046,825	69,238,209	53,046,825	69,238,209
Raw materials	88,313,833	95,710,182	88,313,833	95,710,182
Supplies	1,326,678	1,558,795	1,326,678	1,558,795
Goods in transit	4,920,085	9,684,477	4,920,085	9,684,477
Total	341,349,023	358,156,916	341,349,023	349,287,868
<u>Less</u> Allowance for decline in value and slow-moving of inventories	(10,245,807)	(3,392,155)	(10,245,807)	(1,854,119)
Net	331,103,216	354,764,761	331,103,216	347,433,749

10. RIGHT TO RETURNED GOODS

Right to returned goods as at 31 December 2020 and 2019 consist of the following :-

	(UNIT : BAHT)	
	Consolidated and Separate financial statements	
	2020	2019
Right to returned goods	32,500,000	30,300,000

The right to returned goods represents the Company's right to recover products from customers where customers exercise their right of return under the Company's return policy. The provision is estimated based upon historical information of goods returned and forecast future trends.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11. OTHER CURRENT FINANCIAL ASSETS

As at 31 December 2020, details of other current financial assets are as follows :-

(UNIT : BAHT)

	Consolidated and separate financial statements	Interest per annum
Fixed deposits and certificate of deposits	112,438,804	0.25% - 1.20%
Investments in debt and equity instruments at fair value through profit or loss		
- Mutual funds	139,553,515	
- Government bond	80,500,984	
- Debentures	66,326,982	
Financial assets at amortisation costs		
- Debentures under repurchase agreement (*)	114,975,190	
- Held-to-maturity debt securities due within 1 year - Debentures (Note 12)	135,165,557	
- Foreign currency forward contracts receivables	12,354	
Total	648,973,386	

(*) Fair value of debentures under repurchase agreement is Baht 118.12 million.

Level of fair value and valuation techniques

- The fair value measurement of investments in mutual funds has been categorised as a Level 2, the fair value determined from their net asset value (NAV) at the measurement date of investment.
- The fair value measurement of investments in government bond has been categorized as a Level 2, the fair value determined by using the yield curve as announced by the Thai Bond Market Association at the measurement date of investment.
- The fair value measurement of investments in debt securities has been categorized as a Level 2, the fair value determined by using the yield curve as announced by the Thai Bond Market Association at the measurement date of investment.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. OTHER NON - CURRENT FINANCIAL ASSETS

As at 31 December 2020, details of other non-current financial assets are as follows :-

(UNIT : BAHT)

	Consolidated financial statements	separate financial statements	Dividend for the years ended
Investments in debt and equity instruments at fair value through other comprehensive income			
Listed equity investments :			
Related companies	1,136,020,681	1,136,020,681	26,174,387
Others	76,538,560	76,538,560	2,477,588
Total fair value	1,212,559,241	1,212,559,241	28,651,975
Debt securities :			
Government bonds	20,414,462	20,414,462	
Debentures	82,168,103	82,168,103	
Total fair value	102,582,565	102,582,565	
Total	1,315,141,806	1,315,141,806	
Non - listed equity investments :			
Related companies	571,150,915	570,887,328	16,231,740
Others	42,034,047	42,034,047	125,000
Total	613,184,962	612,921,375	16,356,740
Financial assets at amortisation costs - debt securities held to maturity - net			
Debentures (*)	611,206,102	611,206,102	
<u>Less</u> current portion of debentures with redemption			
within 1 year (Note 11)	(135,165,557)	(135,165,557)	
Net (Redemption within 2 - 9 years)	476,040,545	476,040,545	
Other non - current financial assets	2,404,367,313	2,404,103,726	45,008,715

(*) Fair value of debentures is Baht 621.20 million

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Level of fair value and valuation techniques

- The fair value measurement of investments in marketable equity securities has been categorized as a Level 1.
- The fair value measurement of investments in debt securities has been categorized as a Level 2, the fair value determined using the yield curve as announced by the Thai Bond Market Association at the measurement date of investment.
- The fair value measurement of non - listed investments has been categorized as a Level 3, the fair value determined using Dividend Discount Model, Discounted Cash Flow and Book Value approaches determined by the Group's management.

13. INVESTMENTS IN SUBSIDIARIES - NET

(UNIT : THOUSAND BAHT)								
Subsidiary companies					Separate financial statements			
	Paid-up share capital		Percentage of shareholding (%)		Cost method		Dividend for the years ended	
	2020	2019	2020	2019	2020	2019	2020	2019
S. Apparel Co., Ltd.	8,100	18,000	99.99	99.99	20,583	30,483	7,020	27,000
Celebrate Wealth Co., Ltd.	85,000	85,000	87.76	87.76	69,236	69,236	-	-
					89,819	99,719	7,020	27,000
<u>Less</u> Allowance for impairment loss					(78,055)	(72,417)	-	-
Net					11,764	27,302	7,020	27,000

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Movements of allowance for impairment for the years ended 31 December 2020 and 2019 are as follows :-

(UNIT : THOUSAND BAHT)

	Separate financial statements	
	2020	2019
Beginning balance	72,417	70,350
Increase (included in loss on impairment of investment)	7,077	9,345
Decrease (included in profit on impairment of investment)	(1,439)	(7,278)
Ending balance	78,055	72,417

14. INVESTMENTS IN ASSOCIATE - NET

(UNIT : THOUSAND BAHT)

Associate company	Incorporated in	Percentage of shareholding (%)		Consolidated financial statements		Separate financial statements	
				Equity method		Cost method	
				2020	2019	2020	2019
World Saha Fashion Co., Ltd.	Thailand	19.14	19.14	-	2,296	9,500	9,500
<u>Less</u> Allowance for impairment loss				-	-	(9,500)	(7,136)
Net				-	2,296	-	2,364

(UNIT : THOUSAND BAHT)

Associate company	Main activities	Paid-up share capital		Share of loss from investment in associated company for year ended	
				2020	2019
		2020	2019	2020	2019
World Saha Fashion Co., Ltd.	Distributing apparel	50,000	50,000	(2,296)	(2,599)
Net				(2,296)	(2,599)

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Summary of financial statements of investment in associate and statement of income for as follows :-

(UNIT : THOUSAND BAHT)

	As of	
	31 December 2020	31 December 2019
Current assets	25,472	21,199
Non - current assets	823	2,983
Current liabilities	27,385	11,741

(UNIT : THOUSAND BAHT)

	For the year ended 31 December	
	2020	2019
Total revenue	17,531	27,139
Total expense	(31,127)	(40,716)
Net loss for the year	(13,596)	(13,577)

15. LONG - TERM LOANS TO RELATED COMPANY

The loans to a related company represent promissory notes with unsecured by charging interest rates and due for repayment as follows: - (Note 5.3)

(UNIT : BAHT)

Due date	Interest rate (%)	Consolidated and separate financial statements	
		2020	2019
September 2022	4.00	5,000,000	5,000,000
April 2023	4.00	5,000,000	-
Total		10,000,000	5,000,000

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

16. INVESTMENT PROPERTY - NET

(UNIT : BAHT)

	Consolidated financial statements			
	Land	Land improvement	Building	Total
Cost :-				
1 January 2019	36,415,614	8,081,187	26,485,760	70,982,561
Transfers from property, plant and equipment	4,992,330	592,683	11,136,075	16,721,088
31 December 2019	41,407,944	8,673,870	37,621,835	87,703,649
Transfers from related company	-	-	11,605,960	11,605,960
Transfers from property, plant and equipment	23,720,311	699,000	22,210,238	46,629,549
31 December 2020	65,128,255	9,372,870	71,438,033	145,939,158
Accumulated depreciation :-				
1 January 2019	-	8,081,164	5,953,721	14,034,885
Depreciation for the year	-	-	1,483,034	1,483,034
Transfers from property, plant and equipment	-	592,683	9,183,460	9,776,143
31 December 2019	-	8,673,847	16,620,215	25,294,062
Depreciation for the year	-	-	2,646,255	2,646,255
Transfers from property, plant and equipment	-	698,994	7,991,015	8,690,009
31 December 2020	-	9,372,841	27,257,485	36,630,326
Net book value :-				
31 December 2020	65,128,255	29	44,180,548	109,308,832
31 December 2019	41,407,944	23	21,001,620	62,409,587
Appraised value (*)	33,022,780	-	18,277,220	51,300,000
Appraised value (**)	90,533,175	6,211,212	50,901,046	147,645,433
Total appraised value	123,555,955	6,211,212	69,178,266	198,945,433

(*) The appraised value was determined by an independent appraiser during the year 2018.

(**) The appraised value was determined by an independent appraiser during the year 2020.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : BAHT)

	Separate financial statements			
	Land	Land improvement	Building	Total
Cost :-				
1 January 2019	36,415,614	8,081,187	26,485,760	70,982,561
Acquisition	22,000,000	-	50,000,000	72,000,000
Transfers from property, plant and equipment	4,992,330	592,683	11,136,075	16,721,088
31 December 2019	63,407,944	8,673,870	87,621,835	159,703,649
Transfers from related company	-	-	11,605,960	11,605,960
Transfers from property, plant and equipment	23,720,311	699,000	22,210,238	46,629,549
31 December 2020	87,128,255	9,372,870	121,438,033	217,939,158
Accumulated depreciation :-				
1 January 2019	-	8,081,164	5,953,721	14,034,885
Depreciation for the year	-	-	1,618,175	1,618,175
Transfers from property, plant and equipment	-	592,683	9,183,460	9,776,143
31 December 2019	-	8,673,847	16,755,356	25,429,203
Depreciation for the year	-	-	4,987,880	4,987,880
Transfers from property, plant and equipment	-	698,994	7,991,015	8,690,009
31 December 2020	-	9,372,841	29,734,251	39,107,092
Net book value :-				
31 December 2020	87,128,255	29	91,703,782	178,832,066
31 December 2019	63,407,944	23	70,866,479	134,274,446
Appraised value (*)	54,777,257	-	69,622,743	124,400,000
Appraised value (**)	90,533,175	6,211,212	50,901,046	147,645,433
Total appraised value	145,310,432	6,211,212	120,523,789	272,045,433

(*) The appraised value was determined by an independent appraiser during the year 2018.

(**) The appraised value was determined by an independent appraiser during the year 2020.

Level of fair value and valuation techniques

The fair value measurement of land and building has been categorized as a Level 2, the fair value is based on the comparison approach, and cost approach to the valuation technique used.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Consolidated financial statements									(UNIT : BAHT)
	Land	Land improvement	Building	Machinery	Office equipment	Vehicles	Furniture and fixtures	Assets under installation	Total
Accumulated depreciation :-									
1 January 2019	-	23,184,040	295,087,679	349,275,677	153,313,021	26,144,660	226,065,647	-	1,073,070,724
Depreciation for the year	-	431,793	5,506,574	11,617,624	9,567,389	3,550,322	15,726,652	-	46,400,354
Disposal	-	-	-	(29,395,185)	(10,889,014)	(1,293,999)	(31,362,592)	-	(72,940,790)
Writes off	-	-	-	(386,881)	(3,932,707)	-	(3,515,892)	-	(7,835,480)
Transfers to investment property	-	(592,683)	(9,183,460)	-	-	-	-	-	(9,776,143)
31 December 2019	-	23,023,150	291,410,793	331,111,235	148,058,689	28,400,983	206,913,815	-	1,028,918,665
Depreciation for the year	-	404,929	4,634,381	11,389,708	7,555,382	4,451,368	15,348,420	-	43,784,188
Disposal	-	-	-	(17,498,499)	(18,783)	(8,715,018)	-	-	(26,232,300)
Writes off	-	-	-	-	(7,170,294)	-	(4,621,363)	-	(11,791,657)
Transfers to investment property	-	(698,994)	(7,991,015)	-	-	-	-	-	(8,690,009)
31 December 2020	-	22,729,085	288,054,159	325,002,444	148,424,994	24,137,333	217,640,872	-	1,025,988,887
Net book value :-									
31 December 2020	175,129,886	1,387,519	110,023,876	25,530,750	9,942,119	14,726,390	35,111,896	-	371,852,436
31 December 2019	198,850,197	1,792,454	128,877,480	34,412,137	15,618,270	19,750,957	45,407,110	-	444,708,605

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Separate financial statements								(UNIT : BAHT)
	Land	Land improvement	Building	Machinery	Office equipment	Vehicles	Furniture and fixtures	Assets under installation	
Cost :-									
1 January 2019	187,912,582	25,108,287	353,666,718	347,844,006	154,592,068	47,655,491	216,519,269	57,480,674	1,390,779,095
Acquisition	-	-	-	65,862	3,606,516	1,340,168	2,236,600	7,308,809	14,557,955
Transfers in	-	300,000	31,096,000	7,238,020	-	-	26,155,463	-	64,789,483
Disposal	-	-	-	(77,598)	(346,351)	(1,294,000)	(801,160)	-	(2,519,109)
Writes off	-	-	-	(386,886)	(3,937,751)	-	(1,110,584)	-	(5,435,221)
Transfers out	-	-	-	-	-	-	-	(64,789,483)	(64,789,483)
Transfers to investment property	(4,992,330)	(592,683)	(11,136,075)	-	-	-	-	-	(16,721,088)
31 December 2019	182,920,252	24,815,604	373,626,643	354,683,404	153,914,482	47,701,659	242,999,588	-	1,380,661,632
Acquisition	-	-	-	284,645	2,184,762	350,000	7,597,950	4,081,654	14,499,011
Transfers in	-	-	-	2,250,454	-	-	1,831,200	-	4,081,654
Disposal	-	-	-	(17,525,277)	(30,667)	(9,638,217)	-	-	(27,194,161)
Writes off	-	-	-	-	(2,997,128)	-	(6,552)	-	(3,003,680)
Transfers out	-	-	-	-	-	-	-	(4,081,654)	(4,081,654)
Transfers to investment property	(23,720,311)	(699,000)	(22,210,238)	-	-	-	-	-	(46,629,549)
31 December 2020	159,199,941	24,116,604	351,416,405	339,693,226	153,071,449	38,413,442	252,422,186	-	1,318,333,253

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : BAHT)

Consolidated financial statements									
	Land	Land improvement	Building	Machinery	Office equipment	Vehicles	Furniture and fixtures	Assets under installation	Total
Accumulated depreciation :-									
1 January 2019	-	23,184,040	253,480,340	309,024,074	135,846,413	25,694,379	189,107,069	-	936,336,315
Depreciation for the year	-	431,793	5,328,252	11,601,353	8,760,652	3,550,322	13,623,738	-	43,296,110
Disposal	-	-	-	(77,596)	(346,345)	(1,293,999)	(467,245)	-	(2,185,185)
Writes off	-	-	-	(386,881)	(3,930,322)	-	(1,110,581)	-	(5,427,784)
Transfers to investment property	-	(592,683)	(9,183,460)	-	-	-	-	-	(9,776,143)
31 December 2019	-	23,023,150	249,625,132	320,160,950	140,330,398	27,950,702	201,152,981	-	962,243,313
Depreciation for the year	-	404,929	4,632,792	11,389,708	6,901,466	4,451,368	14,557,518	-	42,337,781
Disposal	-	-	-	(17,498,499)	(18,783)	(8,715,018)	-	-	(26,232,300)
Writes off	-	-	-	-	(2,995,540)	-	(6,551)	-	(3,002,091)
Transfers to investment property	-	(698,994)	(7,991,015)	-	-	-	-	-	(8,690,009)
31 December 2020	-	22,729,085	246,266,909	314,052,159	144,217,541	23,687,052	215,703,948	-	966,656,694
Net book value :-									
31 December 2020	159,199,941	1,387,519	105,149,496	25,641,067	8,853,908	14,726,390	36,718,238	-	351,676,559
31 December 2019	182,920,252	1,792,454	124,001,511	34,522,454	13,584,084	19,750,957	41,846,607	-	418,418,319

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

18. RIGHT-OF-USE ASSETS - NET

Movements of right-of-use assets for the year ended 31 December 2020 are as follows :-

	(UNIT : BAHT)	
	Consolidated financial statements	Separate financial statements
Cost :-		
1 January 2020	28,774,755	19,102,553
Increase during the year	7,683,725	7,683,725
Decrease during the year	(2,578,252)	-
31 December 2020	33,880,228	26,786,278
Accumulated amortization :-		
1 January 2020	-	-
Amortization expenses for the year	9,960,981	5,717,402
Decrease during the year	(972,971)	-
31 December 2020	8,988,010	5,717,402
Net book value - 31 December 2020	24,892,218	21,068,876

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

19. INTANGIBLE ASSETS - NET

As of 31 December 2020 and 2019, computer software consist of :-

(UNIT : BAHT)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cost :-				
1 January	50,698,860	51,095,060	50,262,607	49,918,807
Acquisition	5,923,239	343,800	5,923,239	343,800
Transfer in	5,716,539	-	5,716,539	-
Transfer out	(5,716,539)	-	(5,716,539)	-
Disposal	-	(740,000)	-	-
Writes Off	(236,252)	-	-	-
31 December	56,385,847	50,698,860	56,185,846	50,262,607
Accumulated amortization :-				
1 January	40,129,519	38,103,188	39,775,071	37,031,213
Amortization expenses for the year	2,902,562	2,766,328	2,886,495	2,743,858
Disposal	-	(739,997)	-	-
Writes Off	(170,514)	-	-	-
31 December	42,861,567	40,129,519	42,661,566	39,775,071
Net book value - 31 December	13,524,280	10,569,341	13,524,280	10,487,536

20. OVERDRAFTS AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

(UNIT : BAHT)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Overdrafts	-	8	-	-
Short - term loans from financial institutions	-	-	-	-
Total	-	8	-	-

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

The subsidiary companies have overdrafts and short - term loans lines of credit with financial institutions as follows :-

Subsidiaries	Overdrafts and short - term loans facilities		Guaranteed by
	2020	2019	
Celebrate Wealth Co., Ltd.	-	4.00	Parent company
S. Apparel Co., Ltd.	-	9.00	-

(UNIT : MILLION BAHT)

21. TRADE AND OTHER CURRENT PAYABLES

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accounts payables - trade				
Related companies (Note 5.3)	12,715,208	17,800,095	13,347,443	17,277,165
Others	66,352,350	90,179,268	66,352,349	90,170,868
Total accounts payables - trade	79,067,558	107,979,363	79,699,792	107,448,033
Other payables				
Accrued bonus	12,332,658	7,674,101	12,332,658	7,674,101
Accrued expenses	19,347,933	29,203,493	18,943,555	30,113,665
Accrued royalties	3,435,954	7,078,195	3,435,954	5,741,182
Revenue Department payables	4,263,339	10,022,104	4,251,572	6,042,275
Others	16,836,591	12,828,711	16,836,591	32,508,898
Total trade and other current payables	135,284,033	174,785,967	135,500,122	189,528,154

(UNIT : BAHT)

22. LEASE LIABILITIES

As of 31 December 2020, lease liabilities consist of :-

	Consolidated	Separate financial
	financial statements	statements
Lease liabilities	25,021,474	20,529,711
<u>Less</u> Deferred interest expense	(2,490,625)	(2,272,389)
Total	22,530,849	18,257,322
<u>Less</u> Current portion of long - term lease liabilities	(8,096,354)	(4,709,259)
Long - term lease liabilities - net of current portion	14,434,495	13,548,063

(UNIT : BAHT)

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Future minimum lease payments required under the lease agreements were as follows :-

(UNIT : BAHT)

	Consolidated financial statements			
	31 December 2020			
	Less than 1 year	2 - 5 years	More than 5 years	Total
Future minimum lease payments	8,952,269	11,867,174	4,202,031	25,021,474
Deferred interest expenses	(855,915)	(1,392,584)	(242,126)	(2,490,625)
Present value of future minimum lease payment	8,096,354	10,474,590	3,959,905	22,530,849

(UNIT : BAHT)

	Separate financial statements			
	31 December 2020			
	Less than 1 year	2 - 5 years	More than 5 years	Total
Future minimum lease payments	5,386,606	10,941,074	4,202,031	20,529,711
Deferred interest expenses	(677,347)	(1,352,916)	(242,126)	(2,272,389)
Present value of future minimum lease payment	4,709,259	9,588,158	3,959,905	18,257,322

23. RETIREMENT BENEFIT OBLIGATION

(UNIT : BAHT)

	Consolidated and separate financial statements	
	2020	2019
Current provisions for employee benefit	15,010,441	9,356,979
Non-current provisions for employee benefit	118,220,257	161,023,198
Total	133,230,698	170,380,177

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Movement of retirement benefit obligation for the years ended 31 December 2020 and 2019 are as follows :-

	(UNIT : BAHT)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Retirement benefit obligation				
- beginning balance - 1 January	170,380,177	171,401,542	170,380,177	163,984,479
Employee benefit expenses for the year	13,232,656	17,551,098	13,232,656	16,739,895
Increase in employee benefits from transferred of staff from subsidiary companies	-	-	-	1,021,444
Employee benefit paid during the year	(13,024,419)	(16,433,166)	(13,024,419)	(11,365,641)
Early-retirement paid	(25,888,305)	-	(25,888,305)	-
Decrease in employee benefits from transferred of staff to related companies	-	(2,139,297)	-	-
Loss on reversal of retirement benefit obligations (presented in the statements of comprehensive income)	745,321	-	745,321	-
Actuarial loss (presented in the statements of other comprehensive income)	(12,214,732)	-	(12,214,732)	-
Retirement benefit obligation				
- ending balance - 31 December	133,230,698	170,380,177	133,230,698	170,380,177

Employee benefit expenses were recognized in statements of income for the years ended 31 December 2020 and 2019 are as follows :-

	(UNIT : BAHT)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current service costs	9,467,371	13,901,884	9,467,371	13,235,723
Interest costs	3,765,285	3,649,214	3,765,285	3,504,172
Total	13,232,656	17,551,098	13,232,656	16,739,895

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

During in the year 2020, the Group companies had a retirement project and reduced manpower according to the organizational restructuring policy and paid extra compensation in the consolidated and separate financial statements amount of Baht 44.60 million.

Under such project, some part of extra compensation has to deduct from incremental liabilities from provision for long-term employee benefits in the consolidated and separate financial statements, for the years 2020 amount of Baht 27 million and recorded as expenses in the consolidated statements of income amount of Baht 17.60 million.

The principle of actuarial assumption used to calculate the defined benefit obligations for the years ended 31 December 2020 and 2019 are as follows :-

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	2.15%	2.01 - 2.15%	2.15%	2.01 - 2.15%
Mortality rate	100%(TMO 2017)	100%(TMO 2017)	100%(TMO 2017)	100%(TMO 2017)
Salary increase rate	2.50% - 3.00%	2.50% - 4.00%	2.50% - 3.00%	2.50% - 4.00%
Turnover rate	Age-related scale	Age-related scale	Age-related scale	Age-related scale

The sensitivity analysis for significant assumptions used in actuarial valuation can be analyzed as follow :-

(UNIT : BAHT)

	Change in assumptions	Effect to retirement benefit obligation increase (decrease)			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Discount rate	Increase 0.5%	(3,461,442)	(5,484,552)	(3,461,442)	(4,976,200)
Discount rate	Decrease 0.5%	3,623,128	5,785,864	3,623,128	5,244,923
Salary increase rate	Increase 0.5%	3,766,133	5,972,407	3,766,133	6,395,820
Salary increase rate	Decrease 0.5%	(3,630,190)	(5,710,055)	(3,630,190)	(6,106,403)
Turnover rate	Increase 10%	(5,579,045)	(6,848,909)	(5,579,045)	(6,074,716)
Turnover rate	Decrease 10%	6,179,926	7,429,066	6,179,926	6,557,438

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

24. LEGAL RESERVE

Under the Public Limited Companies Act B.E. 2535 the Company is required to allocate not less than 5 percent of its annual net profit, less any accumulated losses brought forward (if any), as legal reserve until this account reaches an amount not less than 10 per cent of the registered capital. The legal reserve is not available for dividend distribution.

25. GENERAL RESERVE

The Company has appropriated part of its net profit for general reserves with no specific objective.

26. DIVIDEND PAYMENT, GENERAL RESERVE AND DIRECTORS' REMUNERATION

26.1 On 4 August 2020, the Company's Annual General Meeting of shareholders approved the following resolutions :-

- To pay the directors' remuneration not more than Baht 10 million.
- To appropriate net profit for general reserve in the amount of Baht 6.70 million.

26.2 On 7 April 2020, the Company's Board of Director Meeting No.2/2563 approved to pay interim dividend of Baht 0.55 per share totaling Baht 66 million, to the existing shareholders of 120 million shares which will be paid on 5 May 2020. The Company will pay dividends from business operations as follows :-

- To pay dividends from corporate income tax exempted business operations of Baht 0.45 per share totaling Baht 54 million, to the existing shareholders of 120 million shares.
- To pay dividends from corporate income tax non-exempted business operations of Baht 0.10 per share totaling Baht 12 million, to the existing shareholders of 120 million shares.

26.3 On 23 April 2019, the Company's Annual General Meeting of shareholders approved the following resolutions :-

- To pay dividends of Baht 0.40 per share totaling Baht 48 million, to the existing shareholders of 120 million shares which will be paid on 17 May 2019. The Company will pay dividends from business operations as follows :-
 - To pay dividends from corporate income tax exempted business operations of Baht 0.38 per share totaling Baht 45.60 million, to the existing shareholders of 120 million shares.
 - To pay dividends from corporate income tax non-exempted business operations of Baht 0.02 per share totaling Baht 2.40 million, to the existing shareholders of 120 million shares.
- To pay the directors' remuneration not more than Baht 10 million.
- To appropriate net profit for general reserve in the amount of Baht 10.10 million.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

27. PROVIDENT FUND

The Company and its subsidiaries have set up a provident fund for their employees under the Provident Fund Act B.E. 2530 (1987) for the staff's welfare as well as security upon their resignation or retirement as defined by the Company's regulations, which is contributed by its employees and by the Company at the rate of 3 - 5% of salary. The Company has appointed the CIMB-Principal Asset Management Company Limited to act as the fund manager.

The Company and subsidiaries' contributions to the employee provident fund were recorded as expenses in the statements of comprehensive income for the years ended 31 December 2020 and 2019 as follows :-

	(UNIT : MILLION BAHT)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Thanulux Public Company Limited	4.39	9.23	4.39	9.23
S. Apparel Co., Ltd.	-	0.23	-	-
Celebrate Wealth Co., Ltd.	-	0.32	-	-
Total	4.39	9.78	4.39	9.23

28. DERIVATIVES IN FOREIGN CURRENCY TRANSACTIONS

The Group has entered into selling forward exchange contracts with a local commercial bank to hedge against risk in exchange rate fluctuation which might affect Baht to be received or Baht payable.

28.1 Selling forward exchange contracts

The Group has entered into exchange forward contracts with a local commercial bank to hedge against risk in exchange rate fluctuation which might affect the Baht currency receivable from export trade accounts receivable which having the term not over one year which can be summarized as follows:-

Consolidated and separate financial statements						
Foreign currency	31 December 2020			31 December 2019		
	Amount	Delivery will be made during	Exchange rates on delivery date (Currencies exchange to Baht)	Amount	Delivery will be made during	Exchange rates on delivery date (Currencies exchange to Baht)
USD	1.17	Apr. 21 - Jun. 21	29.82 - 31.29	0.25	Jun. 63	30.01 - 30.08
JPY	7.00	Jun. 21	0.29	12.03	May. 63 - Jun. 63	0.28
EUR	0.54	Feb. 21 - Jun. 21	36.14 - 37.14	0.93	Feb. 63 - Jun. 63	33.46 - 34.77

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

28.2 Uncovered transactions

As of 31 December 2020 and 2019, the Group has outstanding assets and liabilities denominated in foreign currencies which are not covered by any hedging transaction as follows :-

(UNIT : MILLION)

	Consolidated financial statements				Separate financial statements			
	Foreign currencies		Converted to Baht		Foreign currencies		Converted to Baht	
	2020	2019	2020	2019	2020	2019	2020	2019
Assets								
USD	0.25	1.47	7.56	44.20	0.25	1.47	7.56	44.20
EUR	0.07	0.01	2.41	0.16	0.07	0.01	2.41	0.16
HKD	0.36	0.36	1.38	1.38	0.36	0.36	1.38	1.38
Total			11.35	45.74			11.35	45.74
Liabilities								
USD	0.49	0.38	14.79	11.54	0.49	0.35	14.79	10.48
EUR	0.13	0.51	4.92	17.43	0.13	0.51	4.92	17.43
JPY	41.14	38.06	12.12	10.64	41.14	38.06	12.12	10.64
Total			31.83	39.61			31.83	38.55

29. COMMITMENT AND CONTINGENT LIABILITIES

29.1 As of 31 December 2020 and 2019, the Group has commitments and contingent liabilities as follows :-

(UNIT : MILLION BAHT)

Commitments and contingent liabilities	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Bank guarantee with Customs Department	8.79	10.07	8.79	10.07
Bank guarantee for electricity	3.99	4.47	3.99	3.81
Bank guarantee for business operations	0.54	0.20	0.54	0.20
Loan guarantee for related companies	18.91	22.03	18.91	27.03

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

29.2 As of 31 December 2019, The Company has unused letters of credits of Baht 14.00 million (31 December 2020 : nil).

29.3 As of 31 December 2020 and 2019, The Company has entered into 6 trademark contracts with respective owners for the manufacturing and distribution apparel products under their trademarks. Both parties have mutual obligations to fulfill under these contracts whereby the Company is obliged to pay the royalty fees at the rate of 3.5 - 7.5% of total sales (under the agreed contracts).

As of 31 December 2020 and 2019, a subsidiary company has 1 trademark contracts and 3 trademark contract, respectively with respective owner whereby it must pay the royalty fee at the rate of 6 % of total sales and 12 % of total costs (31 December 2019 : The Company is obliged to pay the royalty fee at the rate of 6 - 8 % of total sales in the contract and 12 - 15 % of total costs).

29.4 As of 31 December 2020 and 2019, The Group has commitment relating to building lease agreement and service agreements, whereby the Group must pay the rentals as follows :-

(UNIT : MILLION BAHT)

Description	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Within 1 year	7.63	14.50	7.13	1.95
More than 1 year not over 5 year	6.49	16.37	6.49	7.43
More than 5 year	-	6.15	-	6.15

29.5 As of 31 December 2020, the Company has commitment relating to store lease and service agreement for 3 years, the Company must pay the rentals and other service fees as follows :- (31 December 2019 : nil).

(UNIT : BAHT)

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

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

30. PROMOTIONAL PRIVILEGES

By virtue of the Investment Promotion Act, B.E. 2520, the Company has been granted some promotional privileges from the Board of Investment (BOI) as follows :-

1. Promotional certificates No.	60-1470-1-03-1-0	60-0122-0-00-1-0	1627(2)/2554	1628(2)/2554
2. Dates of promotional certificates	26/12/2017	31/1/2017	31/5/2011	31/5/2011
3. The first receiving revenues dates	1/3/2018	2/8/2018	4/5/2011	2/9/2011
4. The type of business promoted	Leather products or artificial leather	Leather products or artificial leather	Textile or fragment	Leather products or artificial leather
5. Important privileges which are granted :-				
5.1 Exemption from corporate income tax on net profit from promotional operations, commencing from the first receiving revenue date.	8 years	8 years	8 years (Expired on 30/11/18)	8 years (Expired on 30/10/17)
5.2 Exemption from income tax on dividends from promoted business which was exempted from income tax in 5.1.	8 years	8 years	8 years (Expired on 30/11/18)	8 years (Expired on 30/10/17)
5.3 Reduction of the corporate income tax on net profit from promoted business at 50% of normal rate after the end of exemption period.	5 years	5 years	5 years	5 years
5.4 Double deduction of expenses for utilities (electricity, water and transportation) for the year.	10 years	10 years	10 years	10 years
5.5 Exemption from corporate income tax for amounts not exceeding (Adjustable to capital investment amount excluding cost of land and working capital).	Baht 60.00 million	Baht 51.99 million	Baht 46.13 million	Baht 76.27 million

As a promoted entity, the Company must strictly comply with certain terms and conditions stipulated in the promotional certificates.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Income derived from BOI and Non - BOI activities are summarized as follows :-

(UNIT : MILLION BAHT)

	Consolidated financial statements					
	2020			2019		
	Local	Export	Total	Local	Export	Total
BOI promoted business	214.70	211.69	426.39	377.01	268.68	645.69
Non - BOI promoted business	494.13	198.61	692.74	762.48	225.02	987.50
Total	708.83	410.30	1,119.13	1,139.49	493.70	1,633.19

(UNIT : MILLION BAHT)

	Separate financial statements					
	2020			2019		
	Local	Export	Total	Local	Export	Total
BOI promoted business	214.70	211.69	426.39	377.01	268.68	645.69
Non - BOI promoted business	495.44	198.61	694.05	664.97	224.00	888.97
Total	710.14	410.30	1,120.44	1,041.98	492.68	1,534.66

31. EXPENSES CLASSIFIED BY NATURE OF EXPENSES

For the years ended 31 December 2020 and 2019 expenses classified by their nature are as follows :-

(UNIT : BAHT)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Changes in finished goods and work-				
in process (increase) decrease	4,415,035	(10,257,376)	(4,454,013)	(58,076,001)
Purchases of finished goods	91,972,265	136,849,920	102,212,843	140,624,730
Loss on diminution in inventories	20,893,235	15,598,494	22,431,270	16,097,758
Raw materials and supplies used	357,517,623	554,037,906	357,517,623	554,037,906
Management benefit expenses	28,294,352	28,699,419	28,294,352	28,038,334
Employee benefit expenses	460,171,715	609,682,623	460,158,637	557,095,404
Depreciation and amortization expenses	58,037,172	53,307,227	55,645,713	50,317,244
Royalty expenses	22,811,938	45,316,652	22,811,938	43,523,452

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

32. FINANCIAL INFORMATION BY SEGMENT

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 Group's business operation involves 2 principal segments: (1) men's apparel (2) women's apparel with geographical segments of both local and export sales. Segment performance is considered by revenue and gross profit, and is also measured based on the group operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. Revenue and gross profit of operating segments for the years ended 31 December 2020 and 2019 are as follows :-

(UNIT : THOUSAND BAHT)

	For the year ended 31 December 2020			Consolidated financial statements
	Men's apparel	Women's apparel	Other segment	
Revenue				
Revenue from sales	917,573	165,008	-	1,082,581
Revenue from rendering of services	36,557	-	-	36,557
Gross profit by segment	250,137	41,175	-	291,312
Dividend income	-	-	45,009	45,009
Interest income	-	-	33,460	33,460
Other income	-	-	53,347	53,347
Distribution costs	(73,043)	(14,012)	(7,145)	(94,200)
Administrative expenses	(106,220)	(17,187)	(200,685)	(324,092)
Finance costs	-	-	(1,028)	(1,028)
Share of loss from investment in associate	-	-	(2,296)	(2,296)
Profit (loss) before income tax	70,874	9,976	(79,338)	1,512
Income tax				9,514
Net profit for the year				11,026
Additional information :-				
Depreciation and amortization expenses				58,037

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

(UNIT : THOUSAND BAHT)

	For the year ended 31 December 2019			Consolidated financial statements
	Men's apparel	Women's apparel	Other segment	
Revenue				
Revenue from sales	1,211,408	383,982	-	1,595,390
Revenue from rendering of services	37,799	-	-	37,799
Gross profit by segment	332,933	109,415	-	442,348
Dividend income	-	-	74,905	74,905
Interest income	-	-	35,338	35,338
Gain on disposal of investments	-	-	973	973
Other income	-	-	38,459	38,459
Distribution costs	(108,229)	(24,441)	(11,355)	(144,025)
Administrative expenses	(89,590)	(29,490)	(241,710)	(360,790)
Finance costs	-	-	(67)	(67)
Share of loss from investment in associate	-	-	(2,599)	(2,599)
Profit (loss) before income tax	135,114	55,484	(106,056)	84,542
Income tax				3,767
Net profit for the year				88,309
Additional information :-				
Depreciation and amortization expenses				53,307

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

As of 31 December 2020 and 2019, segment assets and liabilities of the Group are as follows :-

(UNIT : THOUSAND BAHT)

	As of 31 December 2020				
		Women's	Total	Unallocated	Consolidated
	Men's apparel	apparel	segments	assets/liabilities	financial statements
Segment assets	373,461	92,176	465,637	3,871,168	4,336,805
Segment liabilities	60,302	15,380	75,682	467,082	542,764

(UNIT : THOUSAND BAHT)

	As of 31 December 2019				
	Men's apparel	Women's apparel	Total segments	Unallocated assets/liabilities	Consolidated financial statements
Segment assets	354,170	140,114	494,284	3,867,595	4,361,879
Segment liabilities	29,491	25,623	55,114	527,821	582,935

(UNIT : THOUSAND BAHT)

For the year ended

	31 December 2020	31 December 2019
GEOGRAPHICAL AREAS		
Domestic sales	708,833	1,139,491
Export sales		
- EUROPE	166,825	208,990
- ASIA	96,824	144,308
- AMERICA	145,199	137,915
- AUSTRALIA	957	1,403
- SOUTH AFRICA	500	1,082

Information of major customers

The Company has one major customer from segment of Men's apparel and Women's apparel for the years ended 31 December 2020 and 2019, in the amount of Baht 425.92 million and Baht 784.47 million, respectively.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

33. TAX INCOME EXPENSES

As of 31 December 2020 and 2019, the components of deferred tax assets and deferred tax liabilities are as follows :-

(UNIT : THOUSAND BAHT)				
For the year ended 31 December				
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets		(Restated)		(Restated)
- Consignment sales	4,566	4,211	4,566	4,211
- Allowance for decline in value of inventories	2,049	371	2,049	371
- Leases	110	-	110	-
- Provision for goods returned	4,240	3,320	4,240	3,320
- Retirement benefit obligation	24,277	33,871	24,277	33,871
- Tax loss carried forward	15,031	-	15,031	-
Total deferred tax assets	50,273	41,773	50,273	41,773
Deferred tax liabilities				
- Depreciation	9,992	8,638	9,992	8,638
- Other non - current financial assets	184,069	179,675	184,816	179,675
Total deferred tax liabilities	194,061	188,313	194,808	188,313

Income tax for the year ended 31 December 2020 and 2019 are as follows :-

(UNIT : THOUSAND BAHT)				
For the year ended 31 December				
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current income tax				
Corporate income tax for the year	-	-	-	-
Deferred tax				
Relating to origination and reversal of temporary differences	(9,515)	(3,767)	(9,515)	(2,744)
Income tax reported in the - statements of comprehensive income	(9,515)	(3,767)	(9,515)	(2,744)

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Reconciliation between income tax expenses and the product of accounting profit (loss) multiplied by the applicable tax rates for the years ended 31 December 2020 and 2019 are as follows :-

(UNIT : THOUSAND BAHT)

	For the year ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accounting profit (loss) before corporate income tax	1,512	84,542	(1,546)	131,912
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before corporate income tax multiplied by applicable tax rate	302	16,908	(309)	26,382
Effects of :				
Promotional privileges (Note 30)	(4,734)	(15,270)	(4,734)	(15,270)
Non - deductible expenses	1,000	3,197	1,095	3,054
Additional expense deductions allowed	(3,254)	(4,204)	(3,254)	(4,204)
Exemption of income	(10,357)	(16,929)	(10,305)	(16,929)
Deferred tax assets of tax loss	7,992	-	7,992	-
Effect from un - recording of deferred tax assets	7	(1,469)	-	4,223
Effect of elimination entry on the consolidated financial statements	(471)	14,000	-	-
Total	(9,817)	(20,675)	(9,206)	(29,126)
Income tax reported in the statement of comprehensive income	(9,515)	(3,767)	(9,515)	(2,744)

Corporate income tax of the Group for the year ended 31 December 2020 and 2019 are calculated from the accounting profit and adjusted with revenues and expenses which are exempted from income tax or expenses not allowed by income tax law.

Non - BOI business operations are subjected to corporate income tax at the rate of 20 percent.

BOI business operation, the corporate income tax is calculated according to the privileges which are granted (Note 30).

Corporate income tax of the subsidiaries is calculated at the rate of 20 percent of taxable profit.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

34. FINANCIAL INSTRUMENTS

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 derivative financial instruments for speculative or trading purposes.

34.1 Accounting policies and procedure

See Note 4.

34.2 Credit risk

Credit risk refers to the risk that accounts receivable will default on its contractual obligations resulting in a financial loss to the Company.

The Company has concentration of risks as most of trade accounts receivable are related companies (Note 5). However, the said customers have been associated continuously for many years and maintained good payment capability.

For other customers, the management has credit policies in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

As at the statements of financial position date there was no other significant credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

34.3 Interest rate risk

Interest rate risk arises from the potential of a change in interest rates to have an effect on the operation of the Company in the current reporting period and in future years. The Group is confident that the risk can be managed because the Group has maintained plans and monitor the market situation closely.

Furthermore the Group has invested in debt securities, interest risk are depended on the fluctuation of prices of the debt securities due to the changes of interest rates. If the interest rate increased, the price of debt securities will be decreased and if the market interest rate decreased, the price of debt securities will increase.

34.4 Risk from currency exchange

The Group's risk from the fluctuation of foreign exchange rates, from debtors and creditors from the trading in foreign currencies. The Group will make forward exchange contract, in case the Baht currency is highly fluctuated and it is considered appropriate (Note 28).

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

34.5 Fair values of financial instruments

The Group uses the market approach to measure its assets and liabilities that are required to be measured at fair value. However, if some financial assets and financial liabilities are classified as short-term or have interest rates close to market rates. Company's management The fair value of these financial assets and financial liabilities approximates the carrying values shown in the statement of financial position.

The following methods and assumptions were used by the Group in estimating fair value of financial instruments as disclosed here in :

- Investments in mutual funds have been categorized as a Level 2, the fair value is determined from their net asset value (NAV) at the measurement date of investment.
- The fair value measurement of investments in government bond has been categorized as a Level 2, the fair value determined using the yield curve as announced by the Thai Bond Market Association at the measurement date of investment.
- Investments in marketable securities have been categorized as a Level 1, the fair value is based on quoted market price.
- The fair value measurement of non - listed investments has been categorized as a Level 3, the fair value determined using Dividend Discount Model, Discounted Cash Flow and Book Value approaches determined by the Group's management.
- Investments in debt securities have been categorized as a Level 2, the fair value is determined by using the yield curve as announced by the Thai Bond Market Association at the measurement date of investment.
- The fair value measurement of land and building has been categorized as a Level 2, the fair value is based on the comparison approach, and cost approach to the valuation technique used.

35. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the businesses. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total equity, excluding non-controlling interests and also monitors the level of dividends paid to ordinary shareholders.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

36. RECLASSIFICATION

The Company's financial statements for the year ended 31 December 2019 have been reclassified to conform to the current period's ended 31 December 2020 classification, without any effect to the previously reported net profit or shareholder's equity.

37. EVENTS AFTER THE REPORTING PERIOD

On 23 February 2021, the Board of Directors meeting No. 1/2021 passed a resolution to propose a final dividend payment from the result of its operation for the year 2020 at Baht 0.07 per share for 120 million shares, totaling Baht 8.40 million to the 2021 Annual General Meeting of the shareholders for approval. This dividend payment is subject to the approval of the Annual General Meeting of the shareholders.

38. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the Company's board of directors on 23 February 2021.

Management's Discussion and Analysis

1) Performance of The Company and its subsidiaries (referred as the "Group")

1.1) Performance Analysis

For the year 2020, the Group generated Baht 1,250.96 million in total revenue, a decrease of 29.83% from 2019. Total sales decreased 31.48%, came from Domestic sales decreased by 37.79% and Export Sales decreased by 16.89% because of the global economy has been affected by the coronavirus (COVID-19) epidemic crisis and various the measures of the Government sector to control the spread of the virus have resulted in Thai economy which has been shrinking in all business sectors, including the export sector, which was affected by the greatly reduced demand of trading partners and the situation continues to have an impact in 2021.

Net profit was Baht 10.76 million, a decrease of 87.99% from 2019 because of total revenue decreased from the last year. The Company will continuously assess and monitor the business situation and will consider to various measures as necessary for cost control and resizing the production force to suit the situation to reduce the business impact and sustain the business.

1.2) Performance for the Completed Period

Total Revenue

The Group generated total revenue of Baht 1,250.96 million in 2020, a decrease of Baht 531.90 million or 29.83% from 2019 due to a drop of sales revenue by Baht 514.05 million and other revenues Baht 17.85 million.

Unit : million Baht

Consolidated Financial Statement	2020		2019		2018		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2020 / 2019	%	2019 / 2018	%
Sale Revenue	1,119.14	89.46	1,633.19	91.61	1,778.72	90.21	(514.05)	(31.48)	(145.53)	(8.18)
Other Revenue	131.82	10.54	149.67	8.39	193.11	9.79	(17.85)	(11.93)	(43.44)	(22.49)
Total Revenue	1,250.96	100.00	1,782.86	100.00	1,971.83	100.00	(531.90)	(29.83)	(188.97)	(9.58)

Sales Revenue

During 2020, The Group generated sales revenue amounted to Baht 1,119.14 million, a decrease of Baht 514.05 million or 31.48% from 2019, detail as below.

Unit : million Baht

Consolidated Financial Statement	2020		2019		2018		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2020 / 2019	%	2019 / 2018	%
Domestic	708.83	63.34	1,139.49	69.77	1,205.57	67.78	(430.66)	(37.79)	(66.08)	(5.48)
Oversea	410.31	36.66	493.70	30.23	573.15	32.22	(83.39)	(16.89)	(79.45)	(13.86)
Total Sales Revenue	1,119.14	100.00	1,633.19	100.00	1,778.72	100.00	(514.05)	(31.48)	(145.53)	(8.18)

- **Domestic sales** : In 2020, sales revenue amounted to Baht 708.83 million, a decrease of Baht 430.66 million or 37.79% from 2019. In 2020, the Thai Economy as a whole slowed down due to has been affected by the coronavirus (COVID-19) epidemic crisis. As for Thailand, after the effective control of such pandemic for a while but it came back to the epidemic again at the end of the year. This problem have resulted in Thai economy which has been shrinking in all business sectors, unemployment soared, the tourism sector contracted severely as a result of measures to shut down Thailand to reduce the spread of disease and consumer behavior had changed such as, work from home, customer order more products via online channels and are likely to continue to expand.

The Group allocates budget for investment in production technology, information technology, marketing, digital platforms, develop a customer database system. There was developed the customer database to study and analyze the behavior of customers' consumption and use the information to design, develop products and services that meet customer needs. Development own sales platform and integrate providers' sales platforms to expand distribution channels. The Group tried to adapt by expanded its distribution channels to be more diverse, covering both online and offline customers. Include the development of hygiene products such as mask, PPE to meet the market demand during the coronavirus disease (COVID-19) epidemic situation.

- **Export Sales** : In 2020, a sales revenue amounted to Baht 410.31 million, a decrease from 2019 of Baht 83.39 million or 16.89% due to the decreasing a demand of trading partners has been affected by the coronavirus (COVID-19) epidemic crisis, and also the economic conditions of trading partner countries had slowed down. The Group was still looking for opportunities to expand into new customers and contact existing customers who have moved their production base to another country. The Group improving production efficiency to increase the capability of competition, developing new product manufacturing potential with a focus on quality and service beyond expectations. For exchange risks, the Group had used financial tools to manage them.

Other Revenues

In 2020, The Group generated other revenues amounted to Baht 131.82 million, a decrease from 2019 of Baht 17.85 million or 11.93% due to in 2020 the Company had the dividend received decrease Baht 29.90 million but had income of building transfers from tenants free of charge Baht 9.65 million.

Costs of goods sold and Selling and Administrative Expenses

Unit : million Baht

Consolidated Financial Statement	2020		2019		2018		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2020 / 2019	%	2019 / 2018	%
Sales Revenue	1,119.14	100.00	1,633.19	100.00	1,778.72	100.00	(514.05)	(31.48)	(145.53)	(8.18)
Cost of Goods Sold	827.83	73.97	1,190.84	72.91	1,252.73	70.43	(363.01)	(30.48)	(61.89)	(4.94)
Gross Profit	291.31	26.03	442.35	27.09	525.99	29.57	(151.04)	(34.14)	(83.64)	(15.90)

Cost of Goods Sold

In 2020, The Group's proportion of cost of goods sold to sales revenue was 73.97% compared to 72.91% in 2019 due to the decreasing sales volume compared to last year. The Group's will consider to various measures as necessary for cost control and resizing the production force to suit the situation.

Unit : million Baht

Consolidated Financial Statement	2020		2019		2018		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2020 / 2019	%	2019 / 2018	%
Selling Expenses	94.20	8.42	144.03	8.82	145.91	8.20	(49.83)	(34.60)	(1.88)	(1.29)
Administrative	324.09	28.96	360.49	22.07	360.72	20.28	(36.40)	(10.10)	(0.23)	(0.06)
Income Tax Expense	(9.51)	(0.85)	(3.77)	(0.23)	15.87	0.89	(5.74)	152.25	(19.64)	(123.76)

* % Proportional to Sales Revenue

Selling and Administrative Expenses

In 2020, The Group had selling expenses of Baht 94.20 million, a decrease of Baht 49.83 million or 34.60% from 2019 due to the decreasing of royalty fees and other sale expenses.

Administrative Expenses of Baht 324.09 million, a decrease of Baht 36.40 million or 10.10% from 2019 due to the Group will consider to various measures as necessary for cost control to reduce the business impact.

Income tax expense

The Group's corporate income tax for the year 2020 was Baht (9.51) million, a decrease of Baht 5.74 million or 152.39% from 2019 due to the Group did not have any corporate income tax, in addition the estimated of Deferred income tax increased from previous year resulted to the income tax expense in the Statement of Comprehensive Income was Baht (9.51) million, as detailed below

Unit : million Baht

Consolidated Financial Statement	2020	2019	2018	Change Increase (Decrease)			
	Amount	Amount	Amount	2020 / 2019	%	2019 / 2018	%
Corporate Income tax expense for the year	-	-	11.66	-	-	(11.66)	(100.00)
Reconciled with deferred income tax							
- Retirement benefits obligation	7.23	(2.10)	1.68	9.33	444.61	(3.78)	(224.88)
- Consignment goods (increase) decrease	(1.28)	(1.89)	0.95	0.61	32.28	(2.84)	(298.95)
- Depreciation of fixed assets	1.35	0.59	1.58	0.76	128.81	(0.99)	(62.66)
- Allowance for slow - moving stock	(1.68)	(0.37)	-	(1.31)	(354.05)	(0.37)	(100.00)
- Leases	(0.11)	-	-	(0.11)	(100.00)	-	-
- Tax loss carried forward	(15.02)	-	-	(15.02)	(100.00)	-	-
Total deferred income tax	(9.51)	(3.77)	4.21	(5.74)	(152.39)	(7.98)	(189.50)
Income Tax Expenses on Consolidated Financial Statement	(9.51)	(3.77)	15.87	(5.74)	(152.39)	(19.64)	(123.74)

Profit

Unit : million Baht

Consolidated Financial Statement	2020		2019		2018		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2020 / 2019	%	2019 / 2018	%
Sales Revenue	1,119.14	89.46	1,633.19	91.61	1,778.72	90.21	(514.05)	(31.48)	(145.53)	(8.18)
Other Revenues	131.82	10.54	149.67	8.39	193.11	9.79	(17.85)	(11.93)	(43.44)	(22.49)
Total Revenues	1,250.96	100.00	1,782.86	100.00	1,971.83	100.00	(531.90)	(29.83)	(188.97)	(9.58)
Cost of Goods Sold	827.83	*73.97	1,190.84	*72.91	1,252.73	*70.43	(363.01)	(30.48)	(61.89)	(4.94)
Gross Profit	291.31	*26.03	442.35	*27.09	525.99	*29.57	(151.04)	(34.14)	(83.64)	(15.90)
Selling and Administrative Expenses	420.58	33.62	507.11	28.44	509.09	25.82	(86.53)	(17.06)	(1.98)	(0.39)
Impairment Loss on investment, net	-	-	0.30	0.02	(0.85)	(0.04)	(0.30)	(100.00)	1.15	135.29
Finance Costs	1.03	0.08	0.07	0.00	0.26	0.01	0.96	1,371.43	(0.19)	(73.08)
Income Tax Expense	(9.51)	(0.76)	(3.77)	(0.21)	15.87	0.80	(5.74)	(152.25)	(19.64)	(123.76)
Net Profit for the Year	11.03	0.88	88.31	4.95	194.73	9.88	(77.28)	(87.51)	(106.42)	(54.65)
Owners of the parent company	10.76	0.86	89.61	5.03	195.52	9.92	(78.85)	(87.99)	(105.91)	(54.17)
Non-controlling interests ¹	0.27	0.02	(1.30)	(0.07)	(0.79)	(0.04)	1.57	120.77	(0.51)	(64.56)
Return on Equity (ROE)	0.28%		2.38%		5.20%		(2.10%)		(2.82%)	
Return on Asset (ROA)	0.25%		2.05%		4.47%		(1.80%)		(2.42%)	

* Proportional to Sales Revenue

Gross Profit

The Group's gross profit margin for the year 2020 was Baht 291.31 million, a decrease of Baht 151.04 million or a decrease of 34.14% from 2019, due to a decrease of sales.

Profit attributable to equity holders of the Company

The Group's net profit attributable to equity holders of the Company in 2020 was Baht 10.76 million, a decrease of Baht 78.85 million or 87.99% from 2019, due to the decreasing of operating profit and other income according to the reasons mentioned above. Net profit was 0.86% previous year 5.03%. Return on assets was 0.25% and previous year 2.05%.

Return on Equity

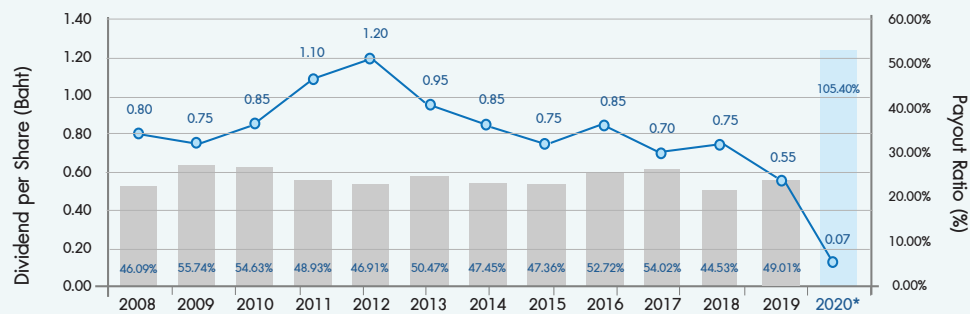
Return on equity in 2020 was 0.28% while previous year was 2.38% due to the decreasing of net profit.

Company has a policy of paying dividends to shareholders at the rate of Baht 0.20 per share, which is equivalent to 20 percent of the par value. However, payment is principally subject to the Company's operating results and economic conditions. Dividend payments would be made from net earnings and retained earnings.

In 2020, the Company earned net profits as evidenced by the Separate financial statements in the amount of Baht 7.97 million equaled to Baht 0.07 per share. The Board of Directors Meeting No.1/2021 on 23rd February 2021 agree to propose the General Meeting of Shareholders on 27th April 2021 to approve dividend payments at Baht 0.07 per share, totaling Baht 8.40 million. Payout Ratio was 105.40% and will be paid on 25th May 2021.

Separate Financial Statements	Unit	2020	2019	2018	Change Increase (Decrease)			
		Amount	Amount	Amount	2020 / 2019	%	2019 / 2018	%
Owners of the parent company	Million Baht	7.97	134.66	202.12	(126.69)	(94.08)	(67.46)	(33.38)
Total Shares	Million Share	120.00	120.00	120.00				
Earning per Share	Baht / Share	0.07	1.12	1.68	(1.05)	(94.08)	(0.56)	(33.38)
Dividend per Share	Baht / Share	0.07	0.55	0.75	(0.48)	(87.27)	(0.20)	(26.67)
Total dividend Paid	Million Baht	8.40	66.00	90.00	(57.60)	(87.27)	(24.00)	(26.67)
Dividend Payout Ratio	%	105.40%	49.01%	44.53%	56.39%		4.48%	

Dividend payment information



Note: * The Board of Directors has resolved to pay a dividend of 0.07 Baht per share and propose to the Annual General Meeting of Shareholders for approval on April 27, 2021.

2) Financial Position

2.1) Assets

Components of Assets

Consolidated Statement of Financial Position as of December 31

Unit : million Baht

Consolidated Financial Statement	2020		2019		2018		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2020 / 2019	%	2019 / 2018	%
Cash and Cash equivalents	85.42	1.97	29.83	0.68	30.48	0.70	55.59	186.36	(0.65)	(2.13)
Short-term Investments	-	-	545.88	12.51	664.36	15.15	(545.88)	(100.00)	(118.48)	(17.83)
Trade and Other Accounts Receivables	197.34	4.55	277.63	6.36	288.20	6.57	(80.29)	(28.92)	(10.57)	(3.67)
Inventories, net	331.10	7.63	354.76	8.13	342.49	7.81	(23.66)	(6.67)	12.27	3.58
Other current financial assets	648.97	14.96	-	-	-	-	648.97	100.00	-	-
Other Current Assets	80.08	1.85	79.97	1.83	82.79	1.89	0.11	0.14	(2.82)	(3.41)
Total Current Assets	1,342.91	30.97	1,288.07	29.53	1,408.32	32.12	54.84	4.26	(120.25)	(8.54)
Other non - current financial assets	2,404.37	55.44	-	-	-	-	2,404.37	100.00	-	-
Long-term Investments	-	-	2,492.25	57.14	2,363.45	53.91	(2,492.25)	(100.00)	128.80	5.45
Property, Plant and Equipment (net)	371.85	8.57	444.71	10.20	483.17	11.02	(72.86)	(16.38)	(38.46)	(7.96)
Investment property - net	109.31	2.52	62.41	1.43	56.95	1.30	46.90	75.15	5.46	9.59
Other Non-current Assets	108.37	2.50	74.44	1.71	72.21	1.65	33.93	45.58	2.23	3.09
Total Fixed Assets	2,993.90	69.03	3,073.81	70.47	2,975.78	67.88	(79.91)	(2.60)	98.03	3.29
Total Assets	4,336.81	100.00	4,361.88	100.00	4,384.10	100.00	(25.07)	(0.57)	(22.22)	(0.51)

Current Assets

As of 31st December 2020, The Group posted Baht 1,342.91 million in total current assets, increase from the previous year of Baht 54.84 million, mainly due to:

- **Cash and Cash equivalents** amount Baht 85.42 million increased Baht 55.59 million from managing excess liquidity money Consider investing for a suitable return.
- **Short-term Investments and Other current financial assets** amount Baht 648.97 million increased Baht 103.09 million, increase from Held-to-maturity debt securities due within 1 year.

Non-Current Assets

As of 31st December 2020, the Group posted Baht 2,993.90 million in non-current assets, decreased by Baht 79.91 million from the previous year. This was mainly due to:

- **Long-term Investment and Other non-current financial assets** amount Baht 2,404.37 million decreased Baht 87.88 million was a result of from increase the Held-to-maturity debt securities due within 1 year.
- **Property, Plant and Equipment, net** amount Baht 371.85 million decreased Baht 72.86 million was a result from reclassification of investment properties in accordance with investment objectives and the depreciation.

2.2) Assets Quality

Trade Accounts Receivable

In 2020, trade accounts receivable before deduction for allowance for doubtful accounts, and allowance for sales returns was Baht 158.63 million, a decrease by Baht 85.27 million. It comprised of Baht 95.81 million or 60.40% related trade accounts receivable and Baht 62.82 million or 39.60% other trade accounts receivable. (2019 related trade accounts receivable Baht 134.14 million or 55.00% and other trade accounts receivable Baht 109.76 million or 45.00%)

Aging of Trade Accounts Receivable

Unit : million Baht

	total amount	within credit term		overdue					
				less than 3 months		3 to 6 months		more than 6 months	
		amount	%	amount	%	amount	%	amount	%
Related trade accounts receivable									
2020	95.81	95.32	99.49	0.17	0.18	0.32	0.33	-	-
2019	134.14	129.85	96.80	4.29	3.20	-	-	-	-
2018	148.74	141.15	94.90	7.59	5.10	-	-	-	-
Other trade accounts receivable									
2020	62.82	51.74	82.36	2.44	3.89	8.01	12.75	0.63	1.00
2019	109.76	79.05	72.02	22.51	20.51	7.93	7.22	0.27	0.25
2018	103.95	73.39	70.60	28.91	27.81	1.35	1.30	0.30	0.29

The Group might has risk for uncollectible debts amounted to Baht 0.63 million same amount as allowance for doubtful accounts. (2019: Baht 0.90 million)

Inventory

The Group measured the ending balance of inventory in financial statement at cost or net realizable value whichever was lower value. The Group had considered to reduce the value of inventory according to accounting standard and also managed consistently on balancing the inventory level in accordance with the market demand.

Other Non - Current Financial Assets (see additional information from Notes to the Financial Statements No.12), as below

Investments in debt and equity instruments at fair value through other comprehensive income

Listed equity investments

Investments in listed securities were stated in the financial statements at fair value which was higher than the cost amounted to Baht 754.59 million. Dividend yield was 6.26%, previous year was 7.29%. (Dividend yield at fair value was 2.36%, previous year was 2.54%)

Debt securities

Investment in government bonds and debentures with rating over BBB and were stated in the financial statements at amortized cost.

Non - listed equity investments

Investment in unlisted equity securities were stated in the financial statements at the fair value determined using Dividend Discount Model, Discounted Cash Flow and Book Value approaches determined by the Group's management and dividend yield was 3.67%. (Previous year was 8.95%)

Financial assets at amortization costs - debt securities held to maturity

Investment in debentures with rating over BBB and were stated in the financial statements at amortized cost.

The Group had received the return on long-term investments in pass year over the average of fixed deposit rates at 5 major commercial banks. Moreover, the Group benefited from the investment in supply chain companies, resulting in stability of raw material, which was in accordance with financial management policy of the Group.

Investment Properties

The Group has invested in land and building for aiming the benefits from rental and capital appreciation. The investment properties are stated at cost less accumulated depreciation, there were regularly review of fair value in accordance with accounting standard mentioned in Notes 16.

Property, Plant and Equipment

Land disclosed in the financial statements at cost which had been acquired by the Group for over a long period. So the current market price of such land had overwhelmingly exceeded the cost stated in the financial statements. Factory and office building were had improvements and repairs to suit the applications. Machinery and equipment are efficient and technologically advanced as the Group continuously improved technologies in production to replace the old machinery and had regularly maintenance. Moreover, for unused assets, the Group had already disposed it.

2.3) Liquidity

Components of Cash Flows

In 2020, the Group had cash and cash equivalent of Baht 85.42 million, year 2019 had Baht 29.83 million, increased of Baht 55.59 million. For liquidity management, the Group considers to invest in long-term securities and invest in fixed assets to expand capacity and improve efficiency in production, expand distribution channel. Details of net cash flows classified by type to operating, investments and financing activities are as follows:

Unit : million Baht

Consolidated Cashflow Statement	2020	2019	2018	Change Increase (Decrease)			
	Amount	Amount	Amount	2020 / 2019	%	2019 / 2018	%
Cash Received (Used) from Operating Activities	18.17	0.07	92.72	18.10	25,857.14	(92.65)	(99.92)
Cash Received (Used) from Investing Activities	108.53	50.28	14.70	58.25	115.85	35.58	242.04
Cash Received (Used) from Financing Activities	(71.11)	(51.00)	(125.18)	(20.11)	(39.43)	74.18	59.26
Net Cash Received (Used)	55.59	(0.65)	(17.76)	56.24	8,652.31	17.11	96.34
Net Cash Beginning of the year	29.83	30.48	48.24	(0.65)	(2.13)	(17.76)	(36.82)
Net Cash End of the year	85.42	29.83	30.48	55.59	186.36	(0.65)	(2.13)

The Group's net cash flow from operating activities in 2020 amounted to Baht 18.17 million, increased from year 2019 by Baht 18.10 million mainly due to the Group's did not have any corporate income tax and cash received from the withholding tax refund.

Net cash from investing activities in 2020 amounted to Baht 108.53 million, which were mainly came from dividends received Baht 45.10 million, interest income Baht 35.79 million, In the same time, they has received from the disposal and return of equity financial assets such as debt and equity instruments amount 41.78 million but used cash for invested in land, buildings and equipment (Net) Baht 14.13 million.

Net cash used in financing activities for 2020 amounted to Baht 71.11 million, increased by Baht 20.11 million from year 2019. Due to in 2020, The Group's had paid the loan amount Baht 5.04 million back to the financial institutions, in additional the Company had paid dividend at 0.55 per share totaling Baht 66.00 million but in 2019 had paid dividends after deducting dividend interim at 0.40 per share totaling Baht 48.00 million.

As reason mentioned above, net cash flow of the Group's increased by Baht 55.59 million when combined with cash at the beginning of the period in amount of 29.83 million baht resulting in cash at the end of the period in the amount of 85.42 million baht.

Adequacy of liquidity

		2020	2019	2018
Current Ratio	(times)	6.32	5.58	5.27
Quick Ratio	(times)	4.39	3.69	3.68
Cash Flow Liquidity Ratio	(times)	0.08	0.01	0.38
Net Increase in Cash Flows From Operating Activities	(million baht)	18.16	0.06	92.72

According to financial ratio above, the Group had a relatively low debt ratio. It showed that the Group still had the appropriate liquidity for business operation, any investments and payment of dividend to the shareholders.

The Company has pursued the policy to manage its excessive liquidity through investment in securities, debt and equity instruments, and/or open-ended funds listed in the Stock Exchange of Thailand which were secure and offer preferable returns. The Company has also invested in businesses which were complementary to its principal business in order to improve competitiveness. In addition, the Company focused on shortening the payment period to obtain benefits from cash discounts.

Cash Cycle

	2020	2019	2018
Average inventory period	81	56	51
Average collection period	65	55	56
Average payment period	41	33	36
Cash cycle	105	78	70

(days)

Over the past, the Group had closely and continuously monitored on sales situation, marketing and economic circumstance including other factors which might had effect on sales and collection period.

2.4) Significant Investment Expenditures

In 2020, the Group has various investment expenditures as follows:

1. Investment in manufacturing technology for increasing management efficiency and reduce cost of waste in each process, investment in information system both of hardware and software to enhance the efficiency in production and sales distribution.
2. Investment in Marketing, digital platform for increasing the potential of the retail-sales channel both online and offline. Create opportunities to touch customers both online and offline, improvement system process and re-structure the manpower to increase operational efficiency.
3. Joint investment with the company in supply chain to develop innovative products that respond customer needs and care for the health conscious, such as textile products for special fabric coated fabric that has properties to reduce the accumulation of virus, inhibit the growth of bacteria "Mask – Absorba", "Arrow Collection Fresh shirt". Expand product to help reduce environmental problems continuously by textile products from plastic "Upcycling by GC", " Arrow Care planet – Shirt No. 5 Cool Mode"
4. There were also invest in the property for the operation and some of them were held for the benefit of rent or profit taking in the future.
5. Improve the factory environment so that employees have good quality of life, in accordance with the Occupational Health Act. Safety and Environment.
6. Additional investment in proportion in Saha Capital Tower Co., Ltd., the property development business, which was an opportunity to invest in new business In order to manage the excess liquidity and get better returns.

2.5) Sources of Fund

The Group's Fund for operation and investment had been mainly from capital and retain earning.

Statement of Financial Position as at 31 December

Unit : million Baht

Consolidated Financial Statement	2020		2019		2018		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2020 / 2019	%	2019 / 2018	%
Trade and Other Accounts Payables	135.28	3.12	174.79	4.01	191.91	4.38	(39.51)	(22.60)	(17.12)	(8.92)
Total Current Liabilities	212.48	4.90	231.04	5.30	267.00	6.09	(18.56)	(8.03)	(35.96)	(13.47)
Provision for Employee Benefits	118.22	2.73	161.02	3.69	159.65	3.64	(42.80)	(26.58)	1.37	0.86
Deferred Tax Liabilities	194.06	4.47	188.31	4.32	194.44	4.44	5.75	3.05	(6.13)	(3.15)
Total Non-current Liabilities	330.28	7.62	351.89	8.07	355.65	8.11	(21.61)	(6.14)	(3.76)	(1.06)
Total Liabilities	542.76	12.52	582.93	13.36	622.65	14.20	(40.17)	(6.89)	(39.72)	(6.38)
Issued and Fully Paid-up Share Capital	120.00	2.77	120.00	2.75	120.00	2.74	-	-	-	-
Premium on Ordinary Shares	181.13	4.18	181.13	4.15	181.13	4.13	-	-	-	-
Other Components of Equity	777.11	17.92	749.69	17.19	782.19	17.84	27.42	3.66	(32.50)	(4.16)
Appropriated Retained Earnings	243.00	5.60	236.30	5.42	226.20	5.16	6.70	2.84	10.10	4.47
Unappropriated Retained Earnings	2,472.39	57.01	2,491.68	57.12	2,450.48	55.89	(19.29)	(0.77)	41.20	1.68
Total Shareholders' Equity	3,793.63	87.48	3,778.80	86.63	3,760.00	85.76	14.83	0.39	18.80	0.50
Non-controlling Interests	0.42	0.01	0.15	0.00	1.45	0.03	0.27	180.00	(1.30)	(89.66)
Total Liabilities and Shareholders' Equity	4,336.81	100.00	4,361.88	100.00	4,384.10	100.00	(25.07)	(0.57)	(22.21)	(0.51)

Capital Structure

Capital structure comprised of liabilities at Baht 542.76 million, equity at Baht 3,793.63 million, and non-controlling interest at Baht 0.42 million. The Group's debt to equity ratio was 0.14 slightly lower than previous year. The Group's capital structure was still stable.

Liabilities

As of December 31, 2020, the Group's total liabilities amounted to Baht 542.76 million, decreasing from 2019 by Baht 40.17 million. This was mainly due from a decrease of Trade and Other Accounts Payables Baht 39.51 million, Provision for Employee Benefit Baht 42.80 million.

Shareholders' Equity

As of December 31, 2020, the Group's equity amounted to Baht 3,793.63 million, slightly increase from year 2019. Due to the net profit by Baht 10.76 million, unrealized loss from valuation of current financial assets (net) by Baht 60.22 million, gain from actuarial revision Baht 9.85 million, dividends payment for the year 2019 in amount of Baht 66.00 million. The book value per share as at December 31, 2020 equaled to Baht 31.61.

Commitments and Contingent Liabilities

Detail per Notes to the Financial Statements No. 29

3) Factors or situations that might affect toward the Company's financial position or business operation in the future

- 1) The situation of the coronavirus (COVID-19) epidemic crisis has slowed down the domestic and global economy.
- 2) The fluctuation of exchange rate affected the Group's total sales and profit.
- 3) The speed of organizational adaptation to changes in consumer behavior, customer needs are changing rapidly. The composition of the decision to purchase products such as pricing, quality and distribution channels and products that respond quickly to customers' needs.
- 4) Household debt burden is still at a high level. Consumers are cautious about spending.

Synopsis of Operations of the Company and Subsidiaries

(Unit : thousand Baht)

Selected Data	2020	%	2019	%	2018	%
STATEMENTS OF COMPREHENSIVE INCOME						
Revenue from sales	1,119,138	89.46	1,633,189	91.61	1,778,724	90.21
Other incomes	131,815	10.54	149,675	8.39	193,102	9.79
Total revenues	1,250,954	100.00	1,782,865	100.00	1,971,826	100.00
Cost of sales	827,826	*73.97	1,190,841	*72.91	1,252,735	*70.43
Selling and administrative expenses	420,587	33.62	507,112	28.44	509,081	25.82
Total expenses	1,249,442	99.88	1,698,322	95.26	1,761,227	89.32
EBITDA	60,577	4.84	138,219	7.75	254,120	12.89
Depreciation and amortization	58,037	4.64	53,307	2.99	44,110	2.24
Profit before finance costs and corporate income tax	2,540	0.20	84,609	4.75	210,861	10.69
Net profit for the year attributable to owners of the parent company	10,757	0.86	89,610	5.03	195,525	9.92
STATEMENTS OF CASH FLOWS						
Net cash received from operating activities	18,168	1.45	65	0.00	92,724	4.70
Net cash used in investing activities	108,535	8.68	50,283	2.82	14,702	0.75
Net cash used in financing activities	(71,109)	(5.68)	(51,000)	(2.86)	(125,179)	(6.35)
Cash and cash equivalent increase(decrease)-net	55,594	4.44	(652)	(0.04)	(17,753)	(0.90)
STATEMENTS OF FINANCIAL POSITION						
Cash and cash equivalents	85,425	1.97	29,831	0.68	30,482	0.70
Short - term investments	-	-	545,880	12.51	664,356	15.15
Trade and other receivables	197,340	4.55	277,625	6.36	288,202	6.57
Inventories - net	331,103	7.63	354,765	8.13	342,489	7.81
Other current financial assets	648,973	14.96	-	-	-	-
Total current assets	1,342,907	30.97	1,288,070	29.53	1,408,324	32.12
Other non - current financial assets	2,404,367	55.44	-	-	-	-
Long - term investments	-	-	2,492,246	57.14	2,363,446	53.91
Investment property - net	109,309	2.52	62,410	1.43	56,948	1.30
Property, plant and equipment - net	371,852	8.57	444,709	10.20	483,173	11.02
TOTAL ASSETS	4,336,805	100.00	4,361,879	100.00	4,384,099	100.00
Trade and other payables	135,284	3.12	174,786	4.01	191,913	4.38
Total current liabilities	212,481	4.90	231,043	5.30	266,995	6.09
Retirement benefit obligation	118,220	2.73	161,023	3.69	159,652	3.64
Deferred tax liabilities	194,061	4.47	188,313	4.32	194,442	4.44
Total non - current liabilities	330,283	7.62	351,892	8.07	355,657	8.11
TOTAL LIABILITIES	542,764	12.52	582,935	13.36	622,652	14.20
Registered share capital	120,000	2.77	120,000	2.75	120,000	2.74
Issued and paid - up share capital	120,000	2.77	120,000	2.75	120,000	2.74
Premium on ordinary shares	181,125	4.18	181,125	4.15	181,125	4.13
Other components of equity	777,113	17.92	749,693	17.19	782,193	17.84
Appropriated retained earnings	243,000	5.60	236,300	5.42	226,200	5.16
Unappropriated retained earnings	2,472,386	57.01	2,491,679	57.12	2,450,481	55.89
EQUITY ATTRIBUTABLE TO PARENT COMPANY	3,793,625	87.48	3,778,797	86.63	3,759,998	85.76
Non - controlling interests	417	0.01	148	0.00	1,448	0.03

Notes * cost of sales / sales

EBITDA = Earning before interest, corporate income tax, depreciation and amortization

Financial Ratios of the Company and Subsidiaries

Description		2020	2019	2018
Liquidity Ratios				
Current Ratio	(times)	6.32	5.58	5.27
Quick Ratio (times)	(times)	4.39	3.69	3.68
Liquidity of Cash Flow from Operation	(times)	0.08	0.01	0.38
Account Receivable Turnover	(times)	5.56	6.58	6.48
Average Collection Period	(days)	65	55	56
Inventory Turnover	(times)	4.45	6.38	7.09
Average Inventory Turnover Period	(days)	81	56	51
Account Payable Turnover	(times)	8.85	10.98	9.94
Average Payment Period	(days)	41	33	36
Cash Cycle	(days)	105	78	70
Profitability Ratios (%)				
Gross Profit Margin	(%)	26.03	27.09	29.57
Net Profit Margin	(%)	0.86	5.03	9.92
Return on Equity	(%)	0.28	2.38	5.20
Efficiency Ratios				
Return on Total Assets	(%)	0.25	2.05	4.47
Return on Fix Assets	(%)	13.20	26.37	45.48
Total Assets Turnover	(times)	0.29	0.41	0.45
Financial Policy Ratios				
Debt-Equity Ratio	(times)	0.14	0.15	0.17
Time Interest Earned	(times)	18.67	112.72	386.92
Leverage Ratio (cash basis)	(times)	0.03	0.00	0.20
Dividend Payout	(%)	*78.09	73.65	46.03

Remark * Meeting of the Board of Directors adopted a resolution to propose to the General Meeting of shareholders, which is to be held on 27th April 2021, the approval of dividend payment at the rate of Baht 0.07 per share.

Sustainability Development Report

About The Company



THANULUX PUBLIC COMPANY LIMITED

www.thanulux.com

The Company is a producer of fashion garments and leather products for men, women and children customer groups under licensed international trademarks and Company own-brands that distributes both domestically and Export. In additional, the Company is also a manufacturer of uniform products. Dharma practice set, a Buddhist monk triple robes.

Head office	: 129/1 Chongnonthri Road, Chongnonthri, Yannawa, Bangkok10120,
Registration	: 23 June 1975
Listed on the SET	: 21 July 1987
Register Capital	: 120,000,000 Baht
Paid up Capital	: 120,000,000 Baht

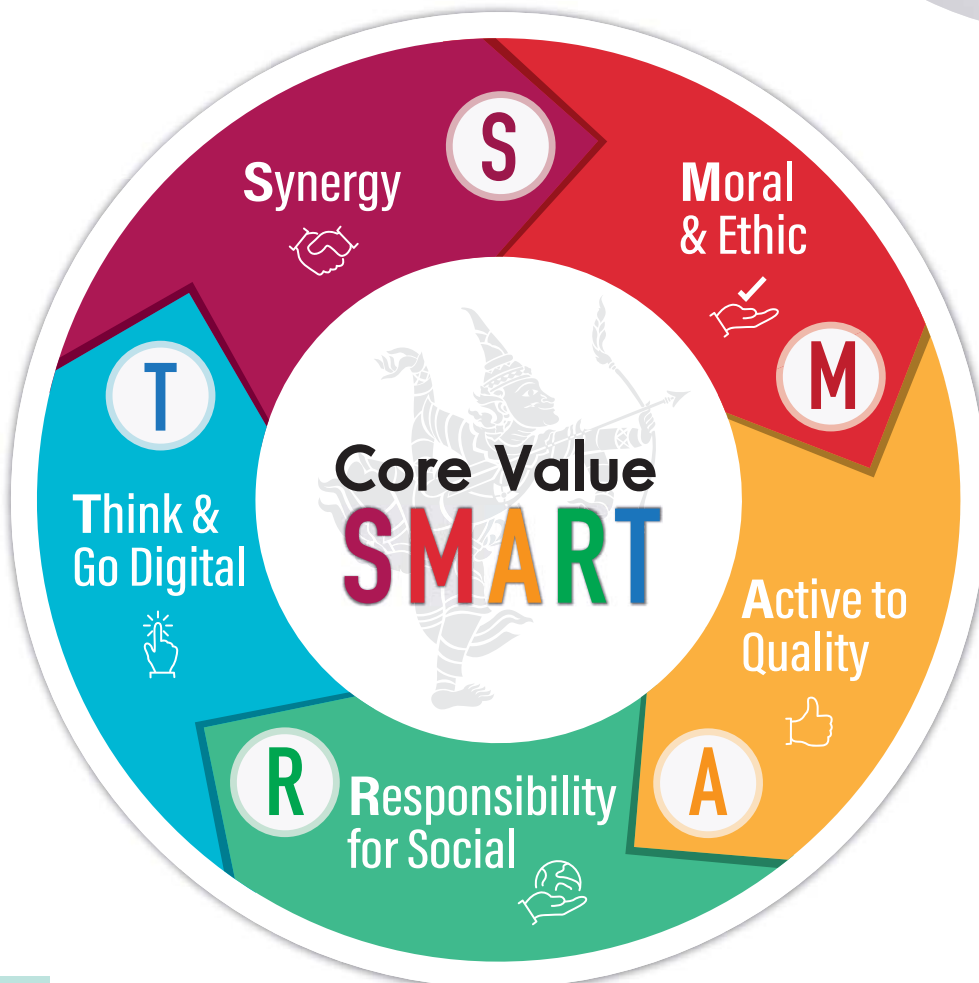
Vision | Mission | Core Value

VISION

Dedicated to providing superior quality and innovative products and services by using digital technology management to ensure sustainable value for customers

MISSION

1. Maximizing employees' participation to create value added and satisfaction to customers and shareholders
2. Enhancing good corporate governance with business moral and ethics
3. Moving towards to Digitalize Organization Management
4. Conducting business with responsibility to society and the environment



Products and services

Company's products and services can be classified by groups as follows



2. LEATHER GOODS

These products are for men and women, consisting of wallets, handbags and belts

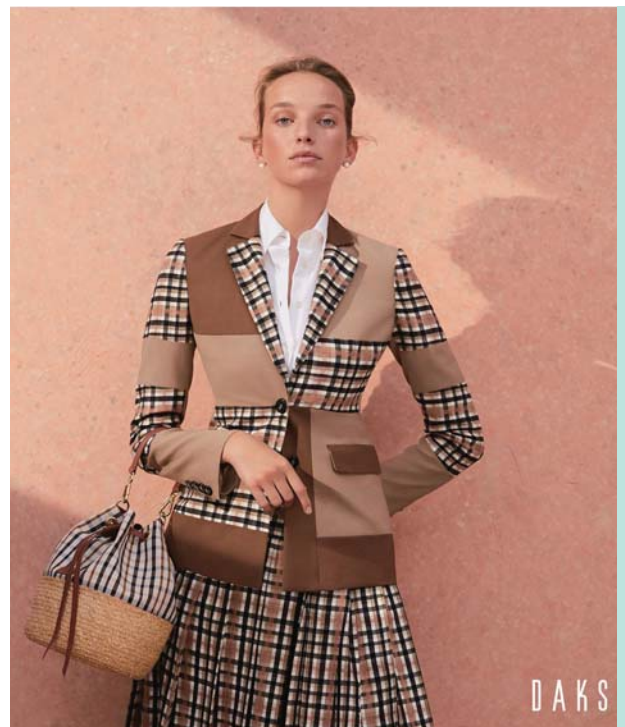


1. MEN'S WEAR

consisting of shirts, knit,, jeans, suits, jackets, pajamas, underwear, neckties and socks.

3. LADIES'S WEAR

consisting of shirts, business dress, casual wear, maternity wear, sportswear and swimwear



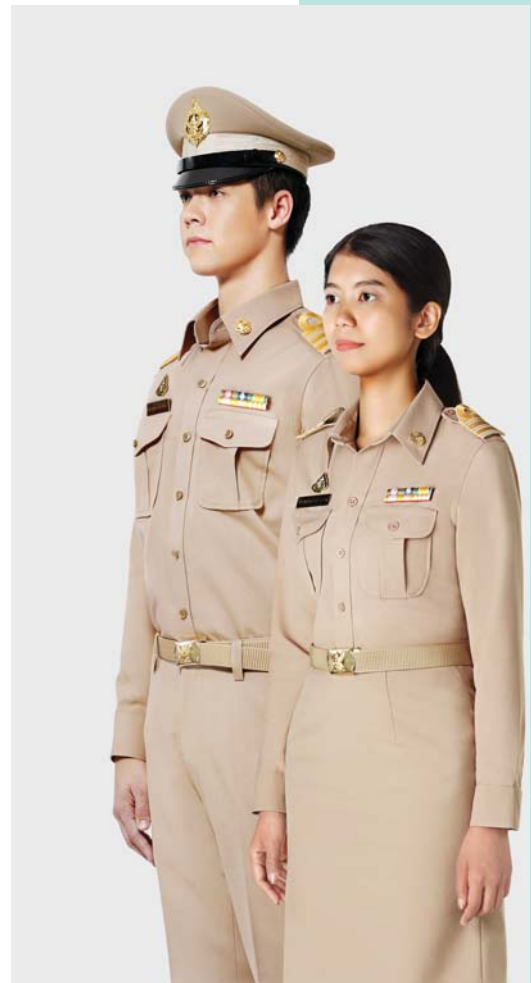


4. CHILDREN'S WEAR

There are fashionable
children's apparel

5. OTHER PRODUCT

There is a production
service of workwear,
uniforms and civil servants,
with a team work that has
expertise in both design
and sewing with high
technology and modern
systems.



Message from the Chairman of the Executive Committee and Managing Director

Placing the importance on sustainable business operation in the aspects of economic, social and environmental, The Company commit to run business with corporate governance, responsible for all stakeholders and realizes importance of environment and safety.

The Director, the Management and all employees have been cooperated the business with a commitment to continually develop the Company. The Company also makes employees to feel relatable and connected to the Company by realizing value of employees according to the core value "SMART". This will pave the way for employees to be competent and growing in their career path.

Furthermore, realizing the importance of innovation, creation and development of new products, the Company has organized the innovation award and encouraged employees to attend and present their innovations. This leads to the non-stop development of products which also contributes to increase productivity in order to satisfy customers in the present. Moreover, the products have been developed to be aligned with economic change while committing to reduce environmental impact.

On behalf of the Company, I would like to thank you the shareholders, business partner and customers that were important in supporting the growth of the company and for the continual confident to, also including the Board of Directors, Executives and all employees who had joined together committed and dedicated to work, patience and integrity, resulting in the company being successful up to today. The Company would like to make a commitment to conduct the business by adhering to the principles of good corporate governance, taking into account for all stakeholders' as well social and environmental responsibility, to create sustainable success for the business.



(Miss Dusadee Soontrontumrong)

Chairman of the Executive
Committee and Managing Director

Award and Recognition



➤ “Outstanding Workplace on Labour Relations and Labour Welfare (National)” for Kabinburi and Lamphun From Ministry of Labor and Social Welfare



➤ CSR DIW continuous award 2020
For 3 Branch, Head Office, Kabinburi and Lamphun



✓ The Green Industry
Certificate
Level 3

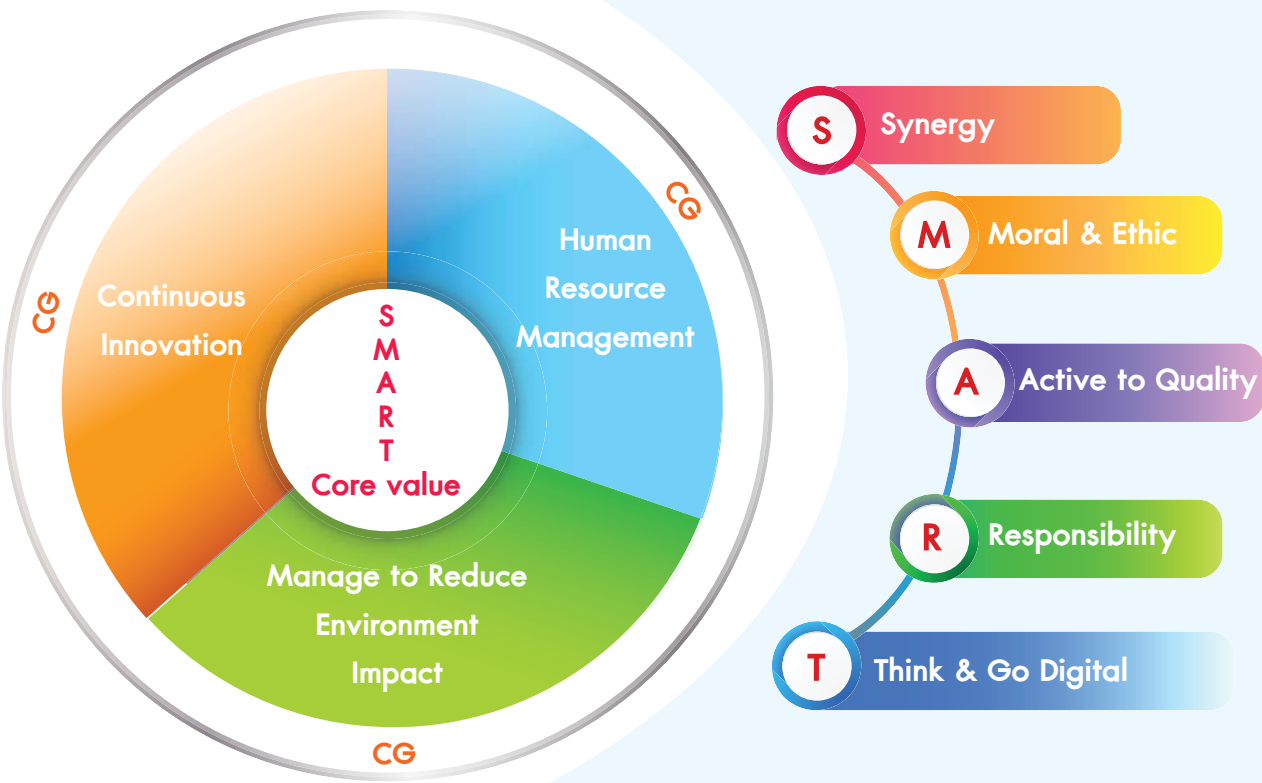


✓ Certificate for
ISO 14000:2015



✓ Certificate for
ISO 9001:2015

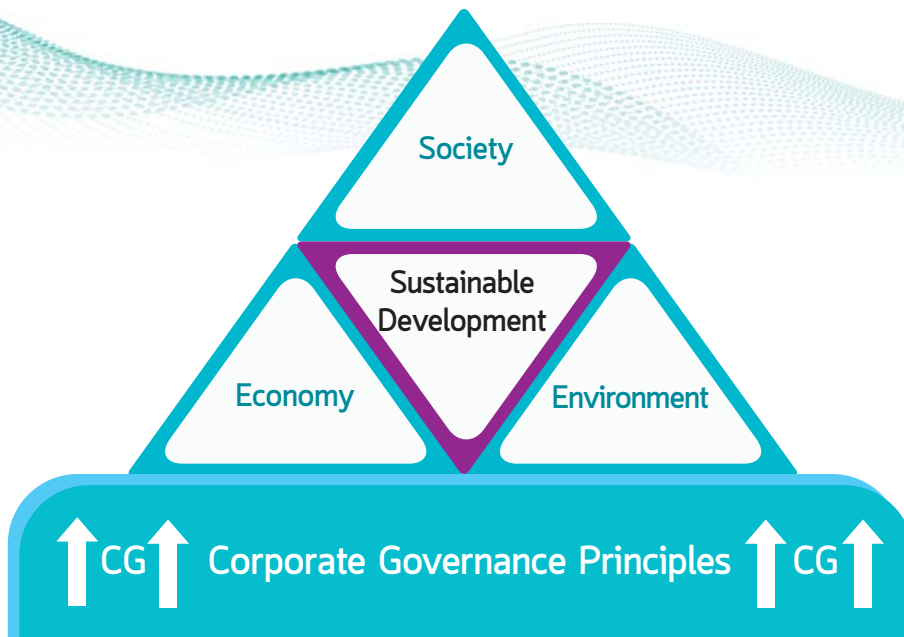
Sustainable Development Policy



The Company has strong determination and support on implementing sustainable development policy consisting of 3 main elements

1. human resource development and sustainable competency development;
2. innovative management;
3. reduction of direct and indirect impact to the environment.

With these factors being applied, organizational culture “SMART” will drive the economy, society and environment under good corporate governance principles. There are also including the anti-corruption in the context of responsibility to create a valuable organization for sustainable business, as well as supply chain management, appropriate and timely risk management, Customer relationship management, and community development



The Assessment of Key Sustainability Issues

1. Identifying the Key Issues and Scope of the Report

The company analyzes the opportunities and risks that may happen as well as an impact on the business operation of the organization.

Upon analysis of potential opportunities and risks that may affect the business operation, the Company has implemented significant matters into sustainable management and social responsibility, taking into awareness impacts on all stakeholders. The Company collects data, arranges meetings, discussions to gather information from all parties.



2. Prioritization

The Company assesses and analyzed those important matters to prioritize our business operation's impact and significant impacts on our stakeholders covering economic, social, and environmental aspects, including good corporate governance.

3. Continuity to Review and Development

The Company assigns a working group to collect information, accept suggestions from stakeholders and improve and develop sustainability within and outside the organization on a continual groundwork.

Selecting essential matters for the sustainability

The Assessment of Key Sustainability Issues Result 2020



Corporate Governance	Economy	Society	Environment
The Anti-Corruption Management	Development of innovative products and new technologies	Human resource management	Resources management
Human Rights	Risk management	Safety	Climate Change
	Customer relation management	Community Development	Waste management
	Supply chain management		

Stakeholder Engagement

Stakeholder	Expectations	Strategy that responses	Results of activities
1. Shareholders	<ul style="list-style-type: none"> - Return on investment and growth of organization - Business operation with transparent accountability 	<ul style="list-style-type: none"> - Right to attend shareholders' meetings in order to vote and freely express opinions including making inquiries and suggestions - Right to receive a fair return on investment - Commitment to business operations pursuant to good corporate governance principles and reliability - Sufficient, reliable and timely disclosure of significant information - Analysts and investors meet Saha Group activities 	<ul style="list-style-type: none"> - Ability to make regular dividend payment - Acquiring the "excellent" assessment in part of corporate governance under the listed company by the 2020 Listed Companies Corporate Governance Survey - Receiving an assessment rating "4 TIA" for AGM quality of listed companies by the Thai Investors Association for 2020 - Trusted by shareholders and investors
2. Employees	<ul style="list-style-type: none"> - Proper and fair for welfare benefits and remunerations - Security and advancement - Knowledge and skill development - Better Quality of life 	<ul style="list-style-type: none"> - Reconsidering welfare benefits and remunerations - Arranging the activities which create the best relationship in the organization - Enhancing the quality of lives of employees through the application of Happy Workplace Principle - Respect to human rights and fair labour treatment - Granting scholarships to the children of employees - Conduct personnel development programs for all levels 	<ul style="list-style-type: none"> - Receiving the award as the outstanding workplace in terms of Labour Relations and Welfare in 2020 - Total training hours 414 hours. - Being able to accept employees who are scholarship recipients to intern or work upon completion of studies - Employees' participation in recreations held by the Company
3. Government Sector	<ul style="list-style-type: none"> - Fair and transparent liaison - Consultancy and learning exchange - Tax privileges 	<ul style="list-style-type: none"> - Submitting the complete report within the due date as per the law specifications - Tax and fee payment in accordance with the rate specified by law 	<ul style="list-style-type: none"> - The Company conducted the business transparently and legally. - Ability to build good relationship with the government sector - Acquisition of tax privileges

Stakeholder	Expectations	Strategy that responses	Results of activities
4. Customers	<ul style="list-style-type: none"> - Satisfaction in the quality of products and services - Innovation for environmentally-friendly products 	<ul style="list-style-type: none"> - ISO9001:2015 Quality Management - Satisfaction assessment - Hotline for consumer protection division - After-sales services throughout the product's expiration date - Innovations to develop the environmentally-friendly products and respond to the needs of consumers 	<ul style="list-style-type: none"> - The long-lasting trust from customers in product manufacturing - There is a new innovation contest activity every year - In 2020, new eco-friendly products are developed with the sales of 125.5 million baht. - The customers' satisfaction in products and services was more than 85% according to 2020 customers' satisfaction survey in ISO9001:2015.
5. Business Partners	<ul style="list-style-type: none"> - Transparency and fair of business operations - Counseling and knowledge exchange in innovation development and new products regularly - Business partners, service providers and distributors can apply the corporate social responsibility principle in their companies. 	<ul style="list-style-type: none"> - Assessment and selection criteria - The expansion of payment channel - On time payment - Promoting social and environment responsibility policies - Promoting anti- corruption policies - Research and development departments 	<ul style="list-style-type: none"> - Fair and transparency in supplier selection and evaluation - Procurement Committee - Through mutual learning activities, Thanulux and business partners can mutually develop and source for alternative materials with good value and quality - Gain a partner with social responsibility and environment and also anti-corruption
6. Community and Society	<ul style="list-style-type: none"> - Occupation Encouragement and income generation for members in communities - Social and environment sustainability around communities - Community activity sponsorship - Development of children and youth who are studying at the school in communities 	<ul style="list-style-type: none"> - Implement an environmental management system standard ISO14001:2015 - Organize a dialogue with the surrounding communities to listen to the opinions and needs of the community - Do and participate with the community in activities among children and the elderly regularly 	<ul style="list-style-type: none"> - Better environment around the company. - There is a project together with the Phra Dabot Foundation to teach sewing bags. - Make a mask sewing tutorial clip. - Supporting the supplies and donations for the elderly club - Gather the financial donation from the Company and neighboring communities to Wat Phra Bat Nam Phu foundation - Create activities for promote the quality and environment of children's classroom encouraged the learning and studying, put young children to study close to home.

The Good Corporate Governance Principles

The Board of Directors had recognized the importance of the Good Corporate Governance principles which was a key foundation to the sustainable development and raised value to the Company. In order to lead a competitive business with good operating results. Taking into account the long-term impact, the Company ethically runs business by paying respect to the rights of shareholders and stakeholders. The business also contributes to the society's benefit, reduces negative impact to the environment and is adaptive to any different circumstances.

The Board of Directors has appointed Governance Committee to specify a criteria and guidelines for good governance, review and revise Company's strategic plan to comply with changes of business, rules, notices, regulations as well as relevant law. Moreover, the Company has established many channels of communication regarding good governance for Directors, Executives, and all employees. They are provided below.

- All new employees will receive job orientation on the Good Corporate Governance policy, the Business

Ethics, The Code of Conduct for Directors, Executive and employees as well as the Anti-Corruption policy.

- The Company applies intranet system and a Company website www.thanulux.com as channels of internal communication in any case of ethic violation on business. The Company has monitored the ethic violation on business and annually reported to the Board of Directors. Not any violation was found in 2020.
- The Board of Directors specifies the assessment of the Board of Directors' and sub-committee's working performance at least once a year. In 2020, the result of assessment shows "very satisfied".
- The Board of Directors reviews and approves the Good Corporate Governance principles, 2nd revision for listed companies 2017 (CG Code) to suit with the business operation. The review of the principles shall be conducted at least once a year.

Note: Further information related to the roles of Board of Directors is provided in the topic of Corporate Governance

Corporate Governance Report (IOD)



Annual General Meeting Checklist Result (100 Score)

4 TIA (90-99 score) in 2020



The Board of Directors structure

According to company article of association, the Company must not have less than five Directors, Independent Director must not less than one-third of total directors and at least 3 members. In 2020, the Company consists of 10 Directors, which includes 4 Independent Directors.

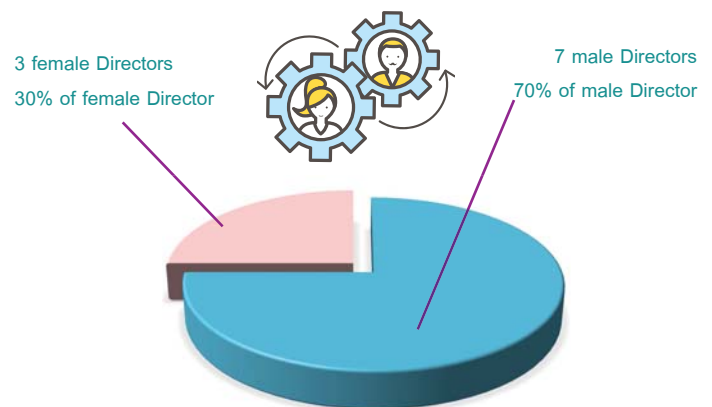
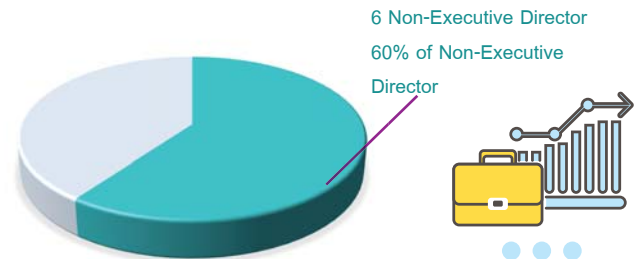
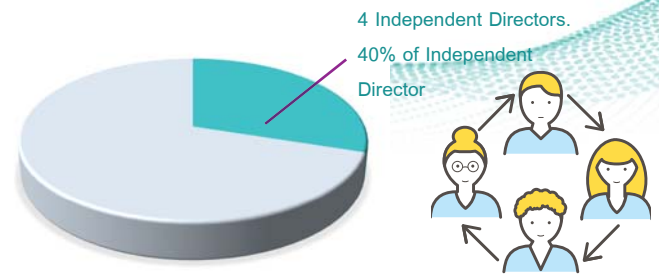
The Chairman is a Non-Executive Director or Managing Director

All 10 Directors are able to express their opinions independently with one Director has one vote each, without any member having interested therein.

There are 3 Audit Committees acting

- Consider an independence of Internal Auditing Department including auditing criteria and approach.
- Audit the sufficiency, efficiency and effectiveness of the internal control system.
- Review the Company's Financial Statements.
- Appoint the independent auditor and audit the compliance with the relevant laws.

Skills Matrix of the Directors show the expertise and experience in various fields contributing to the good corporate governance

[illegible]

Anti-Corruption

The working philosophy of Dr. Thiem Chokwatana, founder of the Saha Group, focuses on working under the principles of integrity, honesty and fair. These principles have been instilled as Company values, where employees and executive officers are discouraged from committing a dishonest act, give or receive bribes in order to acquire benefits for the Company. These values are stated in the Company's Good Governance Principles, Business Ethics and Employee Code of Conduct to comply with the intents and responsibilities towards society as a whole. **The company had recertified "the certification of the Private Sector Collective Action Coalition Against Corruption". On November 4, 2019, the 3-year renewal on 4 November 2022**

Anti-Corruption Policy

1. The company will not be a party to pay bribes. In case of charitable contributions, political contributions as well as offering gifts in a business manner, this must be transparent, explainable and audited.
2. Supporting enhancement of awareness and value for anti-corruption among the company directors, executives and employees to perform duties in accordance with relevant laws, notifications and regulations by preparing such manual for guidelines.
3. The company directors, executives and employees must not act as an intermediary in demanding and accepting gifts or benefits from government sectors or private sector, which induces to violate the laws. Moreover, it is illegal to use positions and/or duties to use the company's data to seek benefits for one or others.
4. Setting the system to report financial status transparently and accurately, providing and efficient and effective internal control system, and controlling check-and-balance system to be appropriate in order to prevent conducting any fraud or taking part in any fraud and corruption.

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

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

The Company had disseminated the Anti-Corruption policy through the Company website www.thanulux.com under the heading About the Company -> Good Corporate Governance -> Anti-Corruption

Anti-corruption procedure

Definition

"Corruption" means

1. Usage of power entrusted by position to obtain benefit for oneself or others.
2. Bribery, regardless of form, whether by offering, promising, giving, acceptance, or demanding for benefit, to persuade any person to act illegally, in contrary with good moral, or undermine trust.

Except those actions permitted or acceptable by law and regulations, rules, social tradition, or commercial practices

"Political support" means financial support, gift, lending or donation, supplies, advertisement to promote or support political party, event ticket purchasing for the purpose to donate funds or supplies to organization with close relationship with political party, including devotion of employee's working period for benefit of political party or political candidate.

Forms of corruption

1. Political support

- 1.1 The company strongly adheres to the democratic regime of government with the King as Head of State with political neutrality. The company shall not support or conduct any act regarded as a bias to any political party.
- 1.2 In case of political support to promote democracy, such support shall not be in contrary with law, and shall not be made with expectation of preferential treatment in return. In such case, support shall be made in compliance with company's regulations concerning withdrawal of funds by specifying name of receiver, purpose of support, transaction detail, amount, withdrawal date with related documents attached and send to person in charge with respect to approval authority.
- 1.3 Employees have freedom to participate in political activities under the provisions of law, but shall not use employment status or the company's properties or equipment for political benefit. Employees should participate with awareness of any act which may lead to misunderstanding that the company is a political partisan or support any political party.

2. Charity donation donation whether in the form of financial support or other forms, as part of corporate social responsibility activities to promote and improve the company's reputation and image, without expectation for business benefit in return, shall be in accordance with following guidelines:

2.1 The company shall be aware and ensure that the charity donation is not hidden transaction to avoid bribery. Moreover, it shall be made in transparent manner and in accordance with law.

2.2 Charity donation shall be made in compliance with company's regulations concerning withdrawal of funds by specifying name of donate, purpose of donation with related documents attached, and deliver to HR

department to verify and comment before sending to person in charge with respect to approval authority.

3. Sponsorship To promote the company's business, brand or reputation can be made in many forms such as supporting educational activities, arts, cultures, etc. The guidelines are as described below:

3.1 The company shall be aware and ensure that the sponsorship is not hidden transaction to avoid bribery. Moreover, it shall be made in transparent manner and in accordance with law.

3.2 Sponsorship shall be made in compliance with company's regulations concerning withdrawal of funds by specifying name of receiver, purpose and detail of transaction, amount, withdrawal date, with related documents attached and send for approval with respect to level of authority.

4. Gift, gratuity, and entertainment shall be made in accordance with the company's business ethics.

4.1 Employees may offer / accept gift, gratuity, or entertainment to / from any person if such transaction:

1. is in accordance with company's business ethics, regulations and applicable law.
2. is made openly in name of the company, not in name of directors, managements, and employees.
3. is not made in a form of cash or cash equivalent such as gift card or voucher.
4. is properly made due to time and place, such as occasional gift made during festival.

4.2 Employees can accept occasional gift and gratuity with a value not more than 3,000 Baht. Otherwise, such employees shall report to their supervisors accordingly.

5. **Conflict of Interest** The Company shall control transactions made with a person who has conflict of interest in accordance with the principles of good corporate governance, company's business ethics, and notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand.

6. **Business relationships and procurement with government and private sectors** The Company's business operations and communication with government or private sectors shall be made in transparent and straightforward manner in accordance with company's regulations concerning procurement and applicable law, without any bribery in any business transactions.

Role and responsibilities

1. **The Board of Directors** are responsible for setting policies and establishing mechanisms that effectively support anti-corruption practices to ensure that working team appreciates the importance of anticorruption practices and to encourage these practices to become a part of organizational culture.

2. **The Audit Committee** has the duty of reviewing the financial and accounting reports, internal control, internal audit, risk management mechanisms, including potential corruption risks, as well as a duty to ensure that anti-corruption measures are in compliance with international standards, and that they remain appropriate and effective.

3. **The Risk Management Committee** has a duty to monitor and promote risk management practices by evaluate the company's risk and corruption risk, including review the sufficiency of risk management and anticorruption mechanisms, before report to the Board of Directors.

4. **The Governance Committee** had a duty to determine, revise, improve the policies and guidelines for anti-corruption practices including promotion and support the Directors, Executives and Employees to comply with the principles of good corporate governance and anti-corruption policy.

5. **The Executive Committee and managements** have the duty of establishing mechanisms for support and promotion of anti-corruption policy, and communicating those policies to employees and all relevant persons. These duties include the review of related mechanisms and measures to ensure that they are proper and in conformity with changes in business, law, company's rules and regulations, notifications and other measures (if any)

Practice Guidelines

1. **The Company shall not conduct any act regarded** as bribery or corrupt practice, whether directly or indirectly. Directors, managements and employees shall not overlook or ignore any suspected corrupt practice related with the company that he has witnessed. The witness shall report to the supervisors or person in charge and shall cooperate with the investigation. Questions and enquiries if any shall be made with supervisors or designated person who are responsible for compliance with company's business ethics.

2. **The Company shall cooperate and support** both government and private sectors to combat corruption or misconduct.

3. **The Company will not support or conduct any act regarded** as being biased to any political party. In case of political support to promote democracy, such support shall not be in contrary with law, and shall not be given with expectation of preferential treatment in return.

4. **Gift, gratuity, and entertainment shall be permitted** only to the extent permitted by law, acceptable with respect to social tradition and commercial practices.

5. **The Company requires** all directors, managements, and employees to be aware of and comply with the Anti-corruption policy including applicable directives.

6. **Reports and complaints** Employees or stakeholders who witness, possess evidence or suspect that an employee or a person acting on behalf of the company involve, whether directly or indirectly, with bribery or corruption, violation of law, non-compliance of the company's rules and regulations including policies or code of conduct for directors, managements, and employees, or unfair treatment in workplace, can report or complaint as detail below:

6.1 Complaint channels

1. Verbal or correspondence complaints to
 - President of Internal Audit Department
Tel: 0-2295-0911 ext. 168
 - Chief Financial Officer
Tel: 0-2295-0911 ext. 248
 - HR Manager
Tel: 0-2295-0911 ext. 286
 - Company Secretary
Tel: 0-2295-0911 ext. 250
2. E-mail address: anticorruption@thanulux.com
3. Suggestion Box
4. PO Box.27, Sathupradit post office, Bangkok 10124

In case of anonymous whistle blower, detail of facts or sufficient evidence shall be provided to demonstrate that there is an involvement with bribery or corruption.

Relevant information will be strictly kept in confidential, taking into account safety of the whistleblower, unless required to be disclosed by law.

Complaints in bad faith

If any evidence, complaints, statements, or information is proven to be an act in bad faith, resulting in damages to any person or the company, if the bad faith whistleblower is an employee of the company, he shall be subject to disciplinary action in accordance with the company's regulations and/or legal action. If the bad faith whistleblower who causes damages to the company is a third party, the company reserves the right to take legal action against such person.

6.2 Conditions and procedures for complaints

1. Complaint or evidence of misconduct must be true, clear and contain sufficient details to initiate investigation.
2. The information received shall be kept strictly confidential. The identity of the whistleblower shall not be disclosed without consent.

3. The whistleblower who reports misconduct in good faith shall be treated properly and fairly whether he is the company's employee or outside third party.
4. Proceedings timeframe depends on the complexity of the case, sufficiency of the evidence and statement received from the whistleblower.
5. Report receiver and investigation participants shall keep relevant information confidential. Information shall be disclosed to the extent necessary with respect to safety of the whistleblower, collaborator, and related persons.

6.3 Related personnel

1. Whistleblower means a person who files a complaint or report of a suspected misconduct
2. Report receiver means the person described in clause 6.1 no.1

7. Investigation

- 7.1 Report receiver shall conduct investigation and examine the facts, or he may assign a reliable person or department to act on his behalf.
- 7.2 Report receiver or assigned personnel is authorized to summon an employee to make statement or demand from him documents necessary for investigation.
- 7.3 Report receiver shall report the examined case to top management in order to report to risk management committee, audit committee and Board of Directors respectively.

For the case concluded as misconduct with disciplinary or legal action to be imposed, HR department shall submit a summary report with recommendation to top management for final decision.

The Company shall propose proper and fair remedies to the injured person in order to relieve damages incurred as a result of complaints in bad faith.

8. Protection for whistleblower The Company shall protect the rights of the good faith whistleblower by maintaining the confidentiality of the name, address, or any information that could identify the whistleblower. Such information shall be treated as confidential and accessible only by the person responsible for the case investigation pursuant to the provisions concerning whistleblower protection as described in the code of conduct for directors, managements, and employees.

9. Protection for employees The Company shall treat and protect employees who comply with Anti-corruption policy and this Directive pursuant to the provisions concerning whistleblower protection as described in the code of conduct for directors, managements, and employees.

10. Human Resource The Company shall apply Anti-corruption policy as part of human resource management, not only for recruitment but also for training, evaluation, remuneration and promotion. It is mandatory for supervisors at all level to communicate with their subordinates in order to apply with the business activities and to ensure effective compliance.

11. Training and communication

11.1 The Company shall regularly provide education and training on anti-corruption through a variety channels such as orientation, seminar, public announcement etc. to raise awareness of Anti-corruption policy, form and risk of being involve in corruption, as well as how to report corruption witnessed or suspected, including penalty in case of violation.

11.2 The Company shall communicate the Anti-corruption policy to subsidiaries, associated companies, directors, managements, employees, shareholders, customers, business partners, all stakeholders, persons with business relationship and business representatives through appropriate channels.

12. Recording and storage of data The Company manages its data in compliance with governing policy of its group, with the objective to maintain the standards of work system, computer system, data communication system, as important fundamentals for the development of an effective control system. Actions shall be taken to ensure that information, work system and computer system are well-protected and ready for business operation at all time. In addition, structure and cost of all measures in the company's control are appropriate with risk of data, work system and computer system. For achievement of the said objective, the following standards and practices shall be applied:

- 12.1 Determine scope of responsibility for user and administrator in all work system and computer system.
- 12.2 Evaluate risk and develop an appropriate risk controlling system to support changing of environment
- 12.3 Develop protection system for data, work system, computer system including responsible person.
- 12.4 Develop security system to protect data from illegal access, editing, or misuse regardless of accident or intention

13. Process monitoring / Internal control The Company respects independent of the auditor and does not limit the scope of the auditor during performance of audit. The audit is also conducted by a certified public accountant quarterly and yearly in accordance with regulations of the relevant authorities.

The Audit Committee shall monitor internal control practices to ensure that business activities are operated within correct and appropriate scope, in compliance with company's policies, law and regulations, including applicable business standards.

14. Penalty The Company shall impose disciplinary action on violators or persons who ignore corrupted practices in accordance with Anti-corruption policy and this procedure. Also, such person is subject to punishment under provisions of law (if applicable).

The operation in year 2020

1. Internal audit department verified whether the reimbursement of some expenses that can be abused was according to the practice of anti-corruption policy. The expenses in the year 2020 were:

Category	Amount
1.1 Political support	- None -
1.2 Charity	869,969.76 THB
1.3 Sponsorship	- None -
1.4 Gift, souvenir and entertainment	92,384.24 THB

After verifying, all the reimbursement was done according to the company policy.

2. Anti-corruption course was included in the orientation of the new employees.

3. Anti-Corruption Working Group establish the anti-corruption policy and anti-corruption practices in the form of QR Code to communicate with executives and employees through convenient channels and easier access to information

4. Circular notices were sent to supplying vendors informing that the Company refrained from accepting the New Year 2020 present

Human Right

The company pays attention to the fundamental rights of human beings. Business operations are in compliance with laws and human rights principles. There is no discrimination on the basis of gender, race, religion, political rights or other factors. Employees are also educated on human rights principles, if they feel that their rights have been violated or have been treated unfairly, can make a complaint through through any communication channel to the company. The complaint deserves attention and treats fairly. The policy concerning human right management as below.

Non-Discrimination Policy

1. Respect to the employees with the human dignity and fundamental rights. The Company will not transmit any personal information of the employees to the third party and unrelated one.

2. The Company has a policy of paying wages and remuneration, improving and training, considering promotion, punishing, laying off and retiring to employees on the basis of fairness and suitability to knowledge, duties, responsibilities and performances.

3. Treat the employees under the law and regulation regarding the operation of the company.

4. The company will not restrain, interfere or take any action that might affect the rights of employees who have no damages towards the company to exercise any activities include nationality belief, religion, gender, disability, ancestor or membership of political parties, sexual orientation, illness, or people living with HIV and others.

5. The company will communicates non-discrimination policy by include hiring and preserving several privileges to all employee. Hence, employees will have knowledge, good conscious and be able to behave aligned with its policies and practices since their first working day and so on.

Guidelines

1) The company gives the equality to employment, training, promotion, laying off or retiring. There is no any discrimination related to, nationality, class, religion, disability, gender, race, sexuality and membership of political parties.

2) The company recruits and remunerates employees with transparent and fair process based on knowledge, ability, skill and position. There is no any discrimination in race, religion, ethnic, class, color, gender, age, nationality, sexual orientation, military status, marital status, HIV or even disability which not related directly to the position and operation.

3) The company supports the employees' learning beside the knowledge learnt from work. The Company provides the employees training relevant to work in order to enhance working skill, prepare for promotion, support employees' self-development and also for advancement of career path. Regarding promotion, the Company mainly considers from individual knowledge and ability. But the employee must be knowledgeable and able to manage staffs in the unit.

4) The company provides the equal remuneration to employees which considered by the scope of work similarity.

5) The company treats employees both men and women equally except some kinds of job that is unfavorable.

6) The company does not interfere with employees' personal right even though it's in the same line with the belief or the necessity in terms of nationality, religion, disability, gender or membership of political parties. It must have no effects on working, colleagues or the company.

7) The company does not allow employees to express behaviors such as wording and body touching including actions similar to oppression, force, sexual harassment, rape or sexual exploitation.

8) The company has no Pregnancy Discrimination Act policy to eliminate the pregnant women out of the company. In case of being pregnant that person is treated according to the laws and regulations.

Threat and Harassment Policy

1. The company creates the surrounding with the senses of respect and personal dignity, not allowing any treat, sexual harassment no matter what.

2. The company does not allow executives and employees use the authority threatening or violating others in both physical and mental way. This includes wording express, action and body touching.

3. The company has the complaint procedure to examine sexual harassment actions that might be occurred in the company.

Guidelines

The company has the direction to treat employees respectfully and emphasize the dignity of each person in order to create the happiness of living together. The company has determined guidelines as follows:

1) The punishment such as flogging, beating or rough and sarcastic wording including physically and mentally threatening benefit depriving to employees is not allowed.

2) The company has disciplinary penalties punishing the employees who violate rules. Punishment is considered by the level of offence, intention and total of punishment of employees.

Punishment consideration is the Company's policy applied every time before punishing the employee. The Company will assign Human Resources and heads of department to investigate the employee thoroughly. To be fair with the employee, that person will be informed about the recent fault so that the employee will have the chance to clarify the issue.

3) In case of receiving a disciplinary punishment, the Company has no payroll deduction of employment. The employee suspended from breaching the discipline, that person will not be paid on that suspended day, excepting suspending from job because of investigating process.

4) The Company does not encourage any action related to physical touching which leads to sexual interaction for example kissing, embracing or some part of the body.

5) The Company does not support any wording which leads to sexual issues such as physical criticizing and teasing or impolite talking

6) The Company does not support any action leading to sexual harassment.

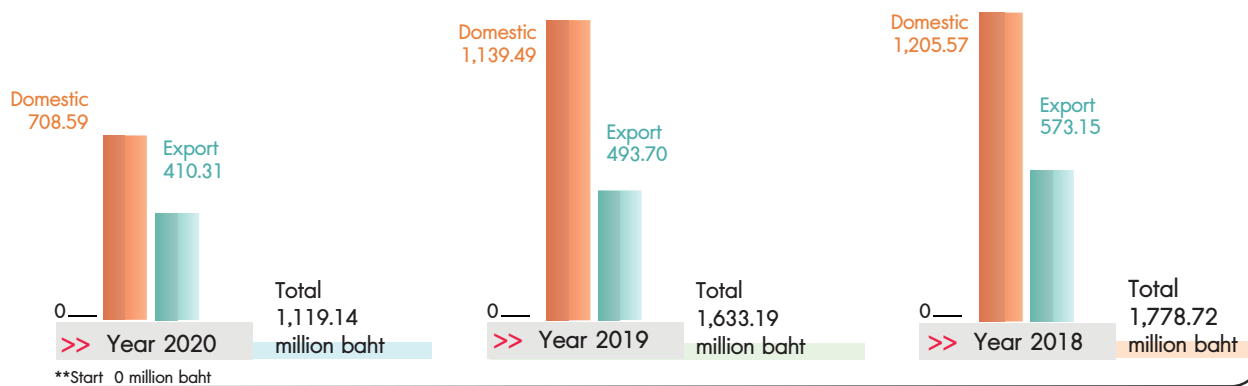
7) The Company does not support any expression or communication leading to sexual issues such as porn display, letter, text and other kinds of communication.

8) The Company does not support any behavior leading to sexual issues that make other one in trouble.

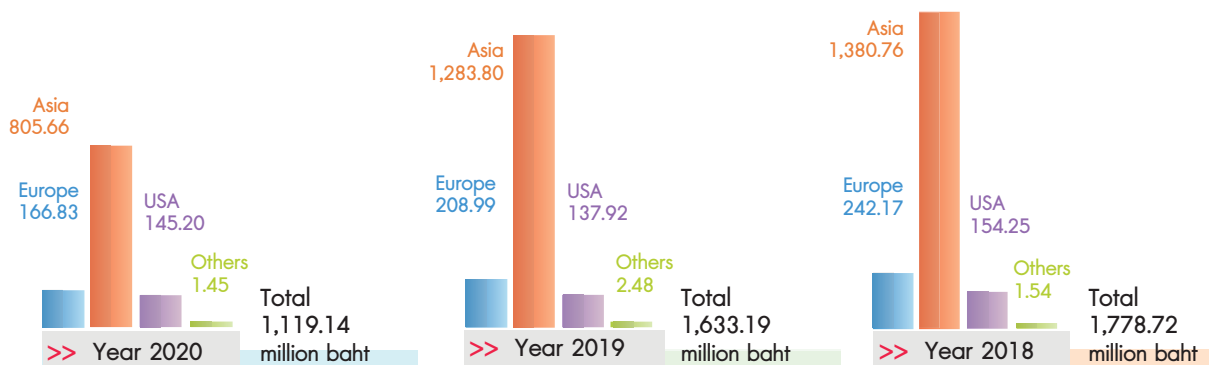
In 2020, the company has not received any human rights complaints.

Economics Operation Performance

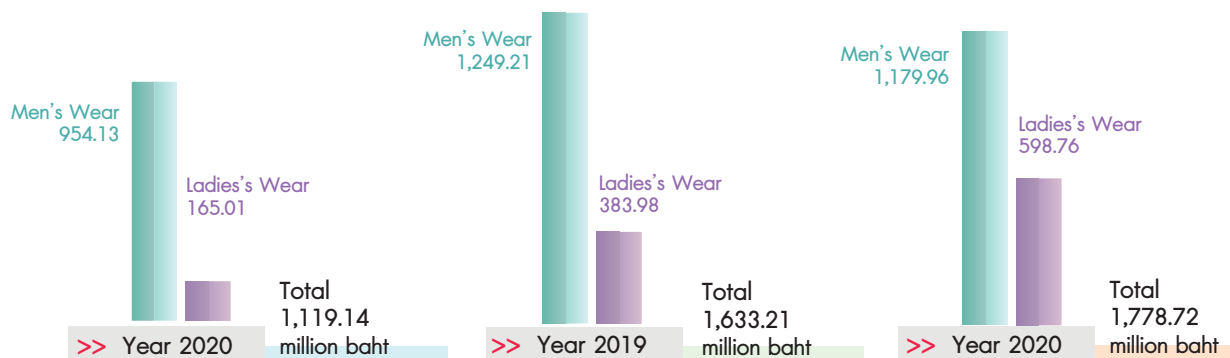
Revenue from Sales (Million Bath)



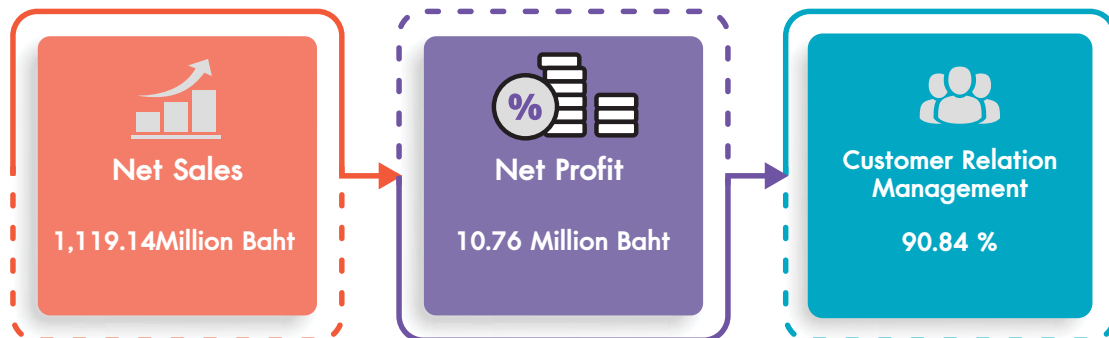
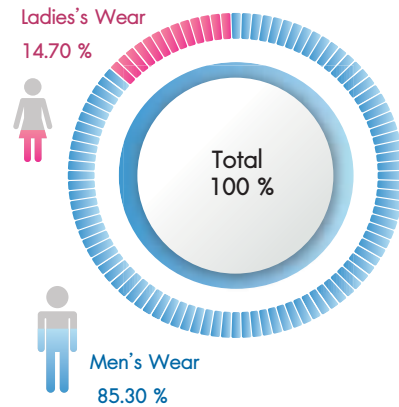
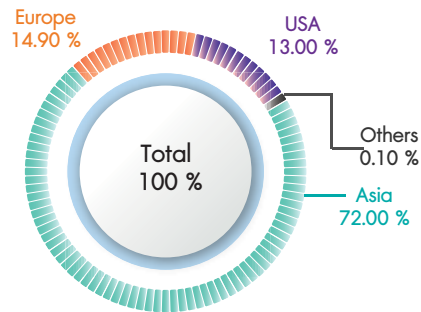
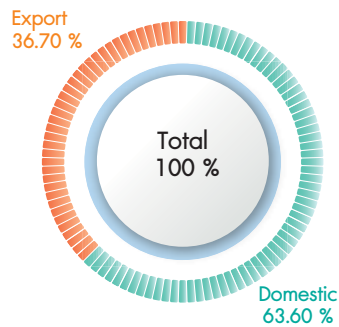
Sales by Continent (Million Bath)



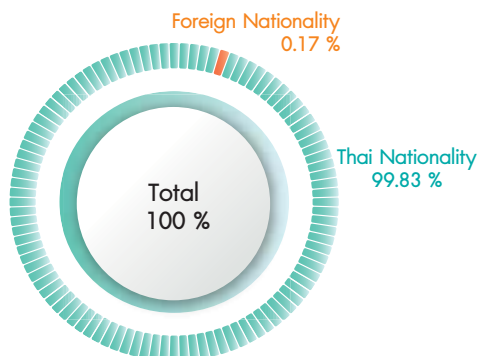
Sales by Product (Million Bath)



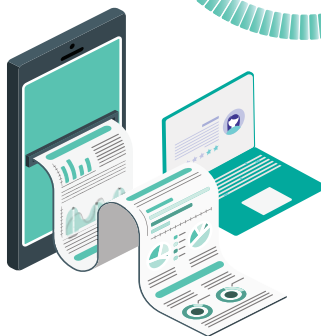
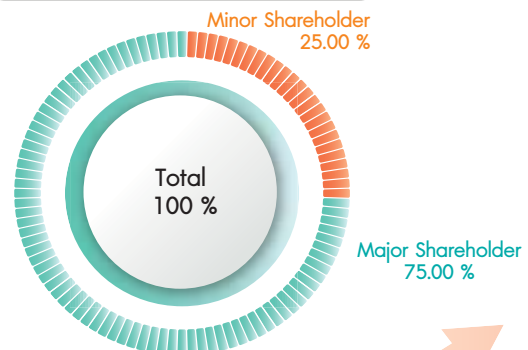
Proportion of Sales 2020	Proportion of Sales by continent 2020	Proportion of Sales by product 2020
--------------------------	---------------------------------------	-------------------------------------



Distribution of Shareholding as of 31 December 2020



Distribution of Shareholding as of 31 DEcember 2020



Development of innovative products and the search for new technologies

The Company has a substantial endeavor to expand the business growth and create added value to the organization sustainably based on the continual development

Policy and Targets

Thanulux has in place the policy to develop products and services with an aim to respond to customers' needs. We put due care on the quality and creation of new innovation continuously.

Management Direction

With a strong determination to promote research and development of raw materials and products, Thanulux assigns the Market Research Unit to regularly survey customers' opinions and demand to analyze the outcome and customers' needs. This covers comfort when wearing, maintenance, protection for health, the safety of use, and environmental care. Our effort indicates the aim to develop the right products for our customers' highest satisfaction.

Operation

The Company regularly arranges an internal innovation contest called Thanulux Innovation Award for 14 consecutive years with an aim to promote, support, and develop creative thinking among employees, which will lead to systematic and continual development, creating added value for our organization.

CHAIRMAN AWARDS'2020 16# Year 2020

The Company received the First Outstanding Award:
Upcycling Shirt Innovation



Health and Hygiene Innovation

The outbreak of Coronavirus or COVID-19 since the end of 2019 has varied consumers' needs or behaviors under the 'new normal' lifestyle. People are aware more of the safety of their health and life. They select a product with unique properties for protection purposes minimizing the risk of getting infected. Furthermore, the social distance also affects the development among industries and the Company where the entities have to adapt their operation in response to the consumers' demand. Thanulux has diverted the concentration on technical textile, which highlights personal safety and hygiene

1. The anti-virus and bacteria fabric

Thanulux has developed the fabric for face masks. The material is coated with Silver Chloride with is capable of reducing the accumulation of viruses. According to the test conducted by Boken Quality Evaluation Institute Osaka Function Textile Testing Center, Japan, Test Report No.20219067944-1 under the ISO18184:2019 standard, with H3N2, the fabric can diminish 99% of the virus within 2 hours.

Furthermore, according to the culture test by SGS (Thailand) Limited, Test Report No.4598764, under JIS L 1902: 2015 standard, the fabric also suppresses 99% of bacterial growth, which causes odor. The material can be reused, and the hygienic property remains after the 20th washing. The product is suitable for all age ranges, from toddlers, working-age, the elderly, considered the sensitive group for contagion.



2. The shirts that have anti-microbial and resistant bacteria in the hospitals

The innovation of unique shirts by Erawan Zinc is released under the brand name Arrow Collection Fresh Shirt. The product is developed based on the combination of nano zinc which has suppressed bacterial growth, and the textile instead of generic fabric coating. Such a method allows nano zinc to embed deeply in the thread and remain even after 150 washings.

Product Highlights: The fabric is capable of suppressing bacteria by 99% permanently throughout its life cycle, minimizing odor. The apparel is safe for health and certified by international safety standards. Since it is UV protection by 40 times, the skin is even more protected against the sunlight. The nano zinc will not be dredged into the water resources, does not cause an impact on the ecosystem, and is completely environmental-friendly.

Product Quality Certification: Our product is certified by the world's leading organizations such as SGS and BOKEN, and Thailand Textile Industry Development Institution affirming this nano zinc's properties. The product is renowned for its anti-microbial, which cause unpleasant odor and health problems. According to the test, the fabric can suppress resistant bacteria in the hospital (Methicillin-resistant *Staphylococcus aureus*: MRSA).



ACCESSORY

- Underwear Antibacteria
- Socks Antibacteria
- Cap Antibacteria
- Towel Antibacteria
- Backpacks Antibacteria
- Coin purse
- MASK Antibacteria



3. Accessories: From Nano Zinc to Anti-Bacteria

From the “Erawan” brand, we have developed the unique textile from Nano Zinc to anti-bacteria by inserting the particular fabric to other materials and expanding to accessories line, including male underwear, socks, and hats, towels, shoe boxes to cover all product groups.

Social and Environmental Innovation



1. UPCYCLING SHIRT

The concept of recycling plastic bottles into a new product creates value and yields the highest benefits under the “Circular Economic” idea. The Circular Economic is a brand new concept of the world economy that adapts business format from “produce, use, litter” to “recycling, produce into a new item” based on new design groundwork where the environmental impact is minimal. The recycled PET in one shirt is equivalent to 12 bottles of 600 ml. Total 9,701 Upcycling Shirts are now available on sales equally using 116,412 or reducing plastic bottles by 1,552 bottles.

2. Power-saving shirts No. 5 from Upcycling textile

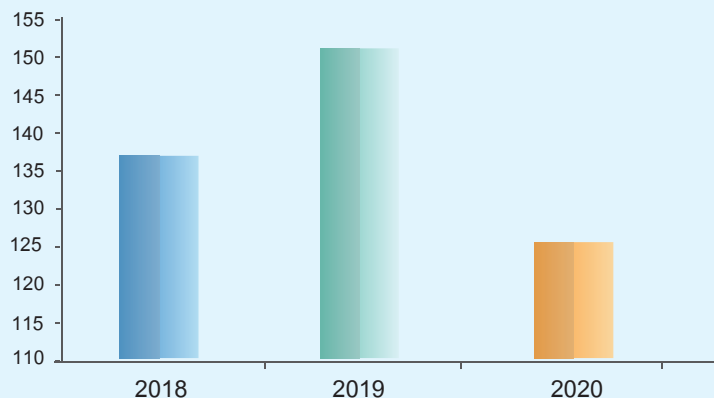
Continued from the Upcycling textile, the Company carries on our product development - Power-Saving No. 5 Shirt certified as the CoolMode Apparel. The shirts are a solution that reduces waste from plastic bottles, reduces environmental impacts, reduces global warming effect, saving power, comfortable to wear, good air-ventilation, non-chemical, and environmentally friendly.



Shirt No.5

Wash – Dry – Wear
No Ironing Need
Cool Mode – Air Flow
Easy Travelling
Save Your Valuable Time
Good Personality

Thanulux has set its explicit commitment to continually promote and develop innovative products continually, creating products in harmony with community hygiene and the environment, yielding good turnover, and adding value to the organization.



Remarks: In 2020, the outbreak of Coronavirus or COVID-19 has caused a significant decline in the purchase, severely affected our turnover. However, with the health protection apparel, we have developed, the new innovative product's turnover was not dramatic.

Risk Management

Risk management is immunity and an essential groundwork of corporate operation, which helps cope with the uncertain situation's volatility. Hence, to achieve the target, the Company realizes and sees the importance of potential risk management and has appointed the Risk Management Committee to determine policy and scope of risk management and supervise to ensure consistency with corporate strategy and target. Such a procedure will ease the impacts from the business situation's volatility by risk assessment and analysis. The committee also visions the potential effects and opportunities while preparing the supporting plan and systematic and continual monitoring.

For more details shown on "Risk factors" topic, page 31

Customer relation management

Customer relation procedure is considered the primary strategy for successful business operation toward sustainability. Followings are our relation management promotion with customers.

1. Design the products to meet customers' expectation, driven by innovation

2. Survey various customer groups, especially the

consumers' behavior

3. Update news and join activities with customers continuously.

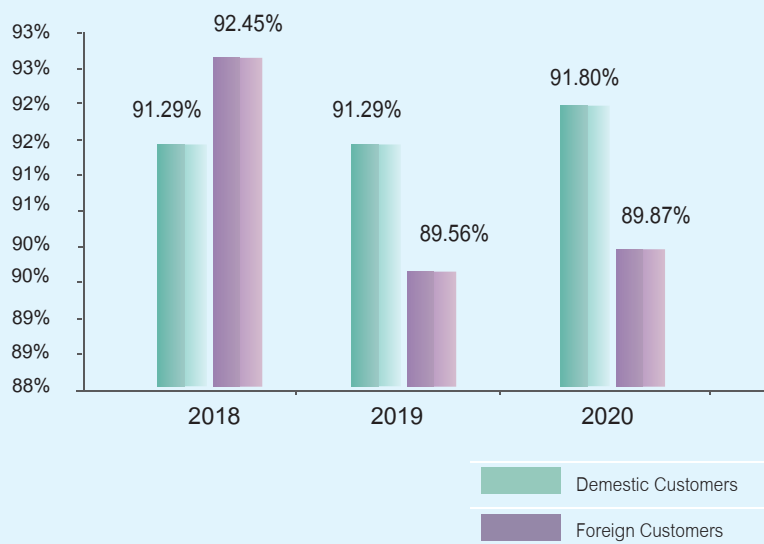
Take a way on Customer Satisfaction

Information, news, and feedback from customers are essential data required to determine our business strategy, which covers the research and development process, design, raw material procurement, manufacturing quality products, and other relevant procedures. In addition, the Company uses this information as a tool in seeking and creating new feasibilities, market changes. As a result, the Company realizes and can prepare a plan to effectively cope with the volatility, including expanding its customer base.

Surveys on customers' satisfaction

In 2020, the Company set forth the target on customers' satisfaction higher than 85%. The result of the customer satisfaction survey is as appeared in the graph below.

Surveys on customers' satisfaction



Analysis on Product Development or Improvement / Corporate Business Operation Procedures

Summary of future demand analysis

1. Quality of Products

Customer satisfaction on product quality and sewing is high. For fabric quality, it is suggested diversifying the source of raw materials to increase the variety and options for purchasing and developing.

2. Others services

According to the survey result, customer satisfaction with service, follow-ups, data provision, turnaround time, and teamwork is reasonable.

3. DELIVERY

The survey result shows that the customers' satisfaction on delivery time is in a good range. However, the delivery should be improved even to meet the best satisfaction.

Creating trust and confidence in our products

For building trust and confidence in the company's products, the company has established various quality systems for setting a standard in production and service likewise to apply as a guideline for employee's performance and sustainable corporate development

1. Confidence in the quality management system and product safety

The Company is certified for various standards, i.e., ISO9001, ISO14001, Green Industry Tier 3. In 2020, the Company was audited by ISO Auditor for 7 Man-day.

A table showing the number of the Man-day audited by ISO Auditor for the past 3 years.

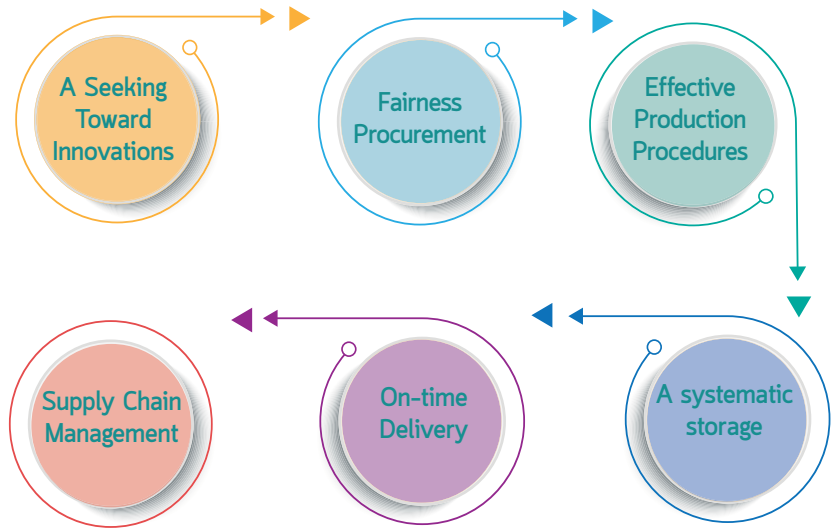
Year	Man-day of ex-audit
2018	7
2019	7
2020	7

2. Promotion of quality to raise brand awareness and corporate culture

3. We cultivate corporate culture to encourage personnel engagement in driving the organization toward a complete innovative entity.

Supply Chain Management

Addressing the importance of supply chain management, the Company has determined a business operation policy that is transparent and effective to achieve the target and success. This starts with the research on new technologies to conform to customers' demands. We procure and provide a manufacturing process that yields effectiveness. Our storage and delivery are punctual and after-sales service maintains at its excellent level.



Supply Chain Management Policy

Thanulux has the policy to manage a sustainable supply chain, treat vendors with fairness and equality, adhere to corporate governance and ethics, transparency, and traceability. We create a positive relation and collaboration to develop products and services to run our business sustainably

1. Seeking toward for New Innovations

The Company always looks for innovation by collaborating with vendors and supply chains to answer the customers' needs. We take into consideration the environmental-friendly products. Employees are encouraged to learn, improve and present new ideas all the time. The Company has Thanulux Innovation Award - an internal contest where the excellent products are forwarded to join the Chairman Award launched by Sahapat Group every year.

Thanulux has its own Research and Development Center established to develop raw materials in coordination with vendors continually, for instance, innovation on textile and leather, creation of new raw materials

or alternative materials, raw material control and test before releasing to the production process, product development to reduce environmental issues, cost-effective use of raw materials.

2. Procurement

The Company has in place the code of practice adhering to transparency and fairness as follows:

- Explicit regulations and requirements regarding fairness and equality, vendor treatment within code of ethics, business operation under ethical practices, prioritizing the exchange and learning with vendors, creating relation via work with vendors to develop products and services, support and promote vendors toward sustainable business operation together.

- **Selecting Vendors:**
Thanulux selects its vendors by considering quality, production capacity, standards, business operation under the law, occupational health and environment. The selected vendors are registered in the Vendor List. They will be assessed two times a year to identify the level and evaluate the performance on quality and delivery to enhance their effectiveness and development.
- **Risk Management:**
The Company has a risk assessment dedicated for procurement by considering the factor that may affect the production, delivery, prices, marketing situation, which cover economic, social, and environmental dimensions. We have established plans to cope with risks, preventing impacts on our sustainable business operation. The Company can manage the risk at an acceptable level and does not cause impacts to vendors and business. In collaboration with the supply chain, including principal and minor vendors, the Company has prepared a prudent purchasing plan.

3. Effective production procedures

The Company implements quality management ISO 9001 and ISO 14000, which cover the control on object inspection to quality control of the ready-made products. The standard emphasizes the cost-effective use of resources at the highest efficiency, taking into account the environmental impacts.

4. A systematic storage

The Company implements a sorting system to help sort and convey products to enhance performance, reduce cost and reduce the number of employees involved. The sorter system allows saving time, loss, errors. We also use a barcode system for checking products, which enhances the performance while reducing the use of the resource.

5. On-time delivery and after-sales service

The Company has a checking system and tracking system to identify the status of the product on delivery. We have implemented a CRM system to analyze and process data to meet customers' needs and improve. Our after-sales service is conducted via the various platform to reach customers. We have developed new systems using robotics to assist the management with easy access to customers, convenient and fast.

Social Operation Performance

Human resource management

Employees are considered a significant partner that drives the organization toward the direction and strategy set forth. The Company emphasizes the importance of human resource management and development, which is considered a core of building competitiveness and sustainable growth.

Details	Number of Employees last 3 years		
	2020	2019	2018
Classified by Gender			
Male	394	450	449
Female	1,416	1,795	1,749
Classified by Position			
Executive level	10	11	8
Manager level	46	44	39
Supervisory level	59	63	69
Operational level	1,695	2,127	2,082
Classified by Ageing			
18-35 years	612	1,044	1,058
36-50 years	958	943	852
Over 50 years	240	258	288
Classified by Location of work			
Bangkok	882	1,071	1,013
Bangplee	-	14	13
Lamphun	388	534	524
Kabinburi	360	436	463
Mae Sod	180	190	185

Year	2020	2019	2018
Total of Employees (as of year end)	1,810	2,245	2,199

Number of Turnovers Last 3 years

2020	2019	2018
716	692	736

Number of Female Employees on Maternity leave last 3 years

Details	2020	2019	2018
Number of maternity leave (person)	24	40	49
Number of Return after on maternity leave (person)	16	28	32

Determination and Goal

In 2020, amid the crisis and rapid changes, the Company and employees had learned and adapted to the emergency. Such adaptation is a crucial factor that will survive the company during the global and domestic crisis. Furthermore, the acceleration of personnel development to the variety of technologies and preparation meet consumers' demand at all times is the immunity that will help the entity to carry on business operation.



Human Resource Management Direction

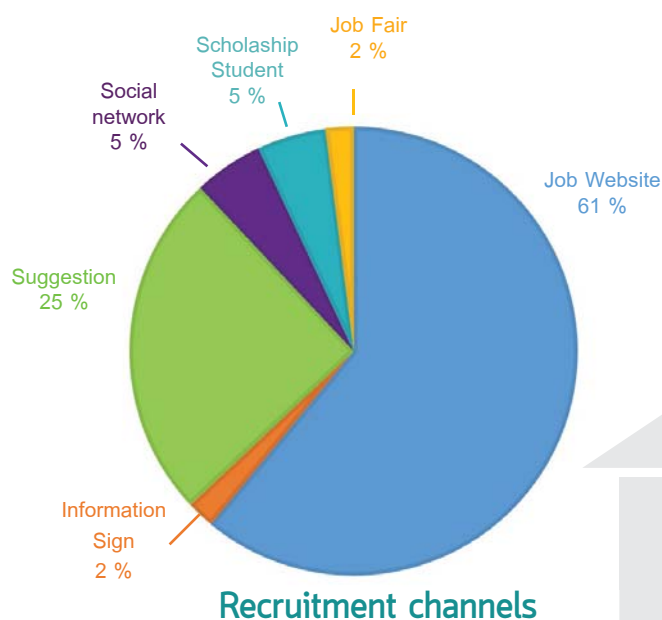
The Company has set a human resource management direction to conform with the right corporate governance, highlighting the importance of human resources, which will drive competitiveness. Our human resource management starts from recruitment, personnel development to improve their performance skills, supervise to ensure every employee receives equal opportunities without limitation on gender, race and religion, fair compensation management. Furthermore, the Company concentrates on cultivating and creating corporate values consistent with the slogan "Determined, Creative to Excellence."

1. Recruitment

The Company sees the importance of human resource recruitment and selecting qualified persons to join our entity. These are the first steps of recruitment and selection, the driving factor for the success of our organization.

Operation result for the year 2020

1) In 2020, there was not many new recruited personnel, only significant position and expertise with experienced are selected. Furthermore, the Company sees the necessity to launch recruitment news via a social network such as Facebook, Line Job to conform and meet the current lifestyle





2) The Company arranges corporate branding activity with the targeted educational institutions to create a corporate image that builds trust and confidence among the public and makes a partnership with academic institutions, which is the resource of potential personnel. We also want students to realize another aspect of working and working skills that they should prepare before starting their first career.



Onboarding Program in 2020

3) The Company places importance on new employee care. New employees will attend the initial orientation on their first day of work and have on-the-job training to prepare their understanding and knowledge necessary to work. Existing employees conduct the orientation session. We also cultivate corporate values in our new family members. The Company set appropriate wages according to the labor market situation.

2. Personnel Development Skill Promotion

The employee is a valuable and vital resource that drives the business toward the goal. Hence, Thanulux has placed importance on our personnel's promotion and development to improve their knowledge, skill, and ability that are consistent with the roles and responsibilities and the adaptation to the business environment. In 2020, the Company determined human resource development direction, emphasizing the leverage of knowledge and skills toward their work duties (upskill) while creating new necessary skills to accommodate consumers' needs and expectations (reskill). All these principles are based on the cultivation of corporate values and creating a learning environment to conform with the strategy and target set forth.

Learning Culture เพื่อ Upskill & Reskill พนักงาน



However, the COVID-19 pandemic in 2020 affected the company's total revenue, causing concern and morality among employees toward the significant change. The human resource development plan was not successful since we put on holds some of them. However, the Company has learned to adjust and live under the 'new normal' era, changing toward 'work from home' and

the ability to learn from home.' The crisis turns into an opportunity for executives and employees to learn and improve skills in using technologies and applications, for instance, the virtual conference.



Personnel training and development program

Personnel training and development programs in 2020 are consistent with the strategy of building the learning culture. The Company has placed importance on developing programs, analyzing and designing programs based on necessity, organization direction, business plan, and corporate values. The Company arranged training courses and development courses for personnel within and outside the company to create upskill and reskills. We applied various tools for human resource development such as Knowledge & Experience Sharing, Coaching & Feedback, Community of Practices, Training Year Plan. Furthermore, the crisis encouraged the occurrence of virtual or online learning amid the changing working environment. The Company regularly assesses the training result to improve the program and leverage knowledge and skills toward its objectives.

Upskill Training Causes

Service Mind



Measuring Skills for Garment



Leather Material Testing Knowledge



Reskill Training Causes

Workwear & Uniform Knowledge



Online Commerce (Community of Practices)



Raw Material Knowledge



Online Commerce



Financial & Risk Management
in crisis

Training courses in compliance with the law

In 2020, the Company arranged training courses to conform with the legal requirements as follows:

1. Personal Data Protection Act: PDPA is a program dedicated to personal data protection law, which stated that the organization or agency relevant to collecting personal data collection such as private entity or government entity, must not use individual personal information to any other activities without consent. This regulation has been effective from 1 June 2021 onward. Hence, the Company emphasizes these matters and arranges this training course for employees of all levels to ensure their understanding and the use of personal information, whether directly or indirectly.

2. "Safety Officer for Supervisor and Executives" program is a mandatory legal program that the supervisors must attend. All supervisor positions are safety officers for occupational health and safety.



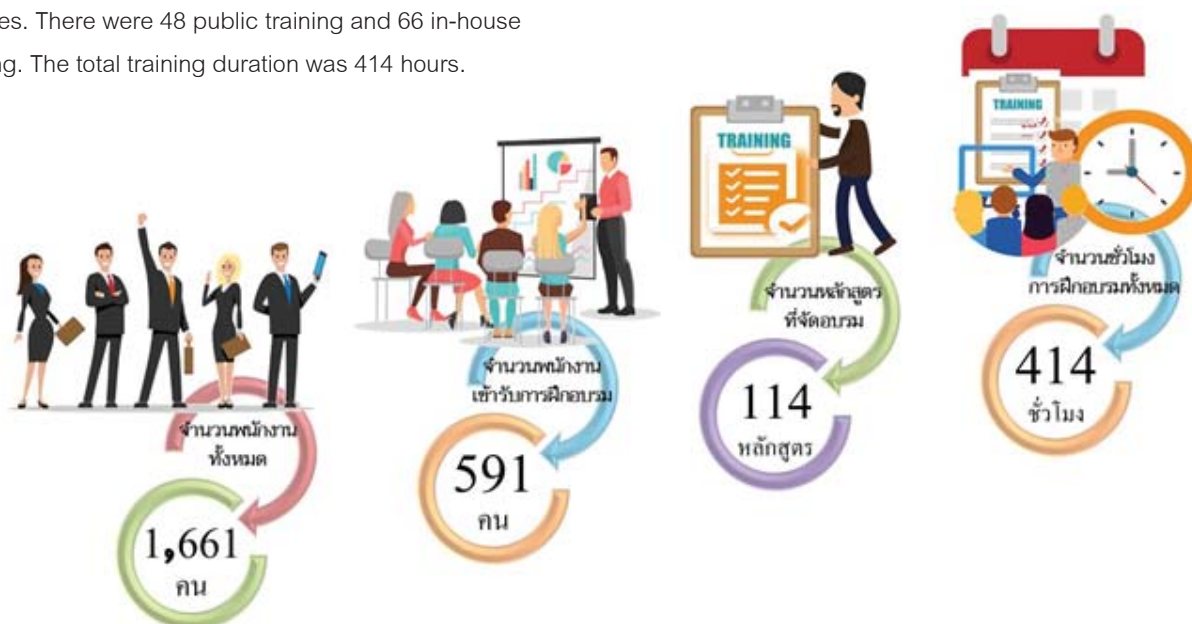
Personal Date Protection Act B.E. 2019



Safety Officer for the Executive level

Personnel development result

In 2020, 591 from 1,661 employees (head office and branches) (36%) attended 114 training and development courses. There were 48 public training and 66 in-house training. The total training duration was 414 hours.



3. Succession plan for a prominent position



The Company has set the policy to prepare a succession plan and development for significant positions in support and preparation for corporate operation plan and set the guidance for executives in determining workforce and developing nominated persons.

Operation result for the year 2020

According to the successor policy, the Board of Directors has determined important positions, accelerated the nomination procedures within and out of the organization, recruited experienced the third party to hold an important position, implemented nomination and development plan by assigning the higher responsibilities, and conduct performance assessment.

4. Employee Engagement



Engagement to the organization is an expression of employees' trust and feeling, indicating unity with the entity. Trust is a driving factor that leads us to happiness at work and enhances overall efficiency and a successful and sustainable business operation.

In 2020, the Company surveyed employee engagement through an annual survey with employees from all levels, from executives to operative in 4 departments, totaling 455 employees *head office-Bangkok, Factory-Kabinburi, Factory-Lampoon, and Factory - Maesot). The assessment covers five aspects: working environment, responsibility, leader and corporate culture, policy and communication, engagement with colleagues. The result is summarized as follows:

However, the overall image and the score of employee engagement in each aspect exceed the target ranges. However, the employees leave useful suggestions to the Company in which the Company will implement into improvement and development to ensure the best satisfaction at the workplace and highest engagement.

Issues found	How to improvement and development
1. Staff uniforms do not have operational flexibility.	- The working group reviewed the design and re-produced the uniform for the employees.
2. The working environmental such as light, noise, ventilated space must suitable for work.	- Change lay out and work environment within the building for being optimized and convenient for coordination.
3. Internal communication must be correct Clear in every branch	- Establish clear communication process within the organization
4. Fair and consistent performance appraisals	- Review and prepare the individual performance assessment form, in accordance with company strategy and goals.

5. Fair treatment for labor

The Company put an important emphasis on treating labor with equality in accordance with the principles of good corporate governance and business ethics, therefore set various policies such as non-discrimination in employment, forced labor, fair compensation, and promote the creation of opportunities for advancement according to career path. The Company also provides the freedom of association, a complaint system Including taking care of employees to have health and safety at work.

Safety, Occupational Health and Working Environment

The Company stipulated Safety, Occupational Health and Working Environment Policy as guideline for employees, customers and visitors in order to prevent accidents, to ensure safety of life and property and to preserve the environment. Manager in each working unit was responsible for constant and effective compliance of this policy.

Employees, customers and visitors were obligated to practice in the same manner, in accordance with

regulations concerning safety and promulgated by relevant official and standards determined by the Company as follows:

Safety, Occupational Health and Working Environment Policy

1. The Company complies with the applicable laws and regulations concerning occupational hygiene and safety as well as monitors risk factors.
2. The Company promotes safety ambience, safety practice, and personal protective equipment usage in order to ensure all employees occupational hygiene and safety.
3. The employees' participation is encouraged by the appointment of safety committee and business matching, to improve occupational hygiene and safety environment at work place.
4. The Company monitors and assesses the outcomes of occupational hygiene and safety policy and imposes it in the annual action plan for effective implementation and utmost efficiency.

In 2020, the Company conducted the following activities:



Safety

1. Fire prevention and basic firefighting course

allows for at least 40% of employees able to promptly use fire extinguisher to prevent any loss of living and belongings from fire. Moreover, it is a platform to provide knowledge and better understanding about fire and its protective ways. In addition, the Company has held fire evacuation drill twice a year.

2. Emergency drill for preparedness of emergency cases

To enable employees to help themselves and others when encountering danger, by providing the training cause in first aid and basic resuscitation such as hemostasis, defibrillation and resuscitation also Including first aid for all types of wounds as well as the movement of patients properly before being sent to the hospital.



3. Working has been started.

It allows employees to have more knowledge and betters their comprehension regarding safety at work. Furthermore, awareness on how to work without accident has been promoted.

Occupational Hygiene

1. Personal protective equipment (PPE) was supplied to all relevant employees for using during working hours i.e. ear cover, iron gloves or face mask, etc.

2. Health check-up following to risk factors will be held in a yearly basis or within 30 days for new employees in order to monitor and protect any diseases from work. The check-up has been done by occupational physician.



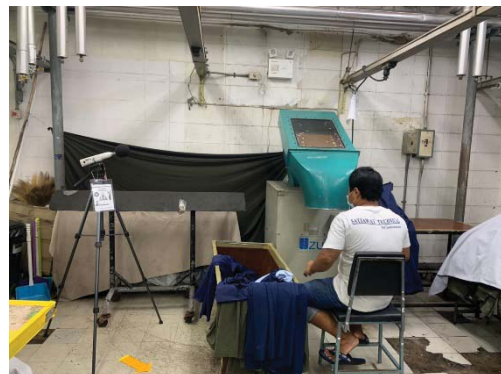
Work Environment

Working environment monitoring is performed by inspecting light, noise, heat, dust, drain water and chemical substance. Information received from this annual inspection is used as a reference to monitor and specify protective way and solution on employees' health that might be affected from light, noise, hear, dust as well as chemical substance to ensure that employees work under the safe environment which will not lead to any working diseases.

Analyze Noise loudness level in



Analyze Heat stress in





Analyze Chemical agents in airborne



Measurement of light concentration level



Analyze wastewater quality



Analyze water quality in-out Boiler Pass



Analyze opacity out from Boiler chimney

Accident Statistics

Statistics of work accidents (2016-2020)

ความรุนแรง/ความเสียหาย	Time / Year				
	2016	2017	2018	2019	2020
Property Damage	0	0	0	0	0
Slightly injured (Non-stop work)	5	5	4	4	1
Serious injured (Absence)	1	0	0	0	0
Total number of work accident	5	5	4	4	1
Total number of days off from work accidents (days)	1	0	0	0	10
Illness from work (Absence)	0	0	0	0	0

Community Development

The company does not focus only on the development of the surrounding communities but also focus on improving the quality of working life of employees which considered as an important community and the direct stakeholders of the company. Thus, this improvement was simultaneously develop both internal community and the surrounding communities as well. In order to create the good relationship, the concerted valuable and the awareness of corporate social responsibility for the propose of intensifying the company's sustainable growth.

Work-life Balance

The Company supports the balance between work and life to ensure employees' wellness, which in turn would have an impact on their success, security and advancement. Employee participation in decision-making

processes is encouraged. Mutual recognition and assistance are promoted. Furthermore, the Company has provided an environment which promotes and facilitates the performance of work, as well as to support employees volunteering in social projects in order to maintain a work-life balance when working for the Company. The Company applies **Happy 8 Workplace** as a guideline for any activities. Staff of Happy Workplace, Welfare Committee and CSR Committee co-host the activities to make employees happier. Details as follows.

1. **Happy Body** Promotion of employee health by health check based on risk factor assessment including exposure to chemicals, light, noise, provide equipment to facilitate for employees who need to stand or sit for a long period according to ergonomics, "Be Fit, Be Happy" Course by MD. Siddha Likhitnukul (Golf) to educate our employees on mental and physical health.





2. **Happy Heart** The activity encourages sharing among employees. For instance, blood donation to the Red Cross Society, Lampoon Hospital, and Kabinburi Hospital every quarter for ten consecutive years. In 2020, our employees donated over 146,450 c.c. of blood to help 1,255 patients

“Nam Jai Jak Pee Bang Pun Hai Nong” project. The project is arranged upon the COVID-19 outbreak. Executives and employees voluntarily donated some funds and provided commodities to employees in our factories to support those in need.

3. **Happy Relax** is a relaxing activity for employees, for instance, traditional recreation in festivals and Sport's days inside and outside the Company

4. **Happy Brain** In addition to internal and public training, the Company supports self-learning via web board which publicizes various knowledge and information through intranet system.



Mask Design and Face Shield Contest: Under the project The Mast Content, the company arranged this activity with an aim to encourages employees to show their skill and to inspire creative thinking, which turned into a real product and available for sales. The employees are encouraged to design a face shield or PPE for the COVID-19 outbreak situation for the contest.

Furthermore, the Company held **an innovation contest within the Thanulux Group** (Thanulux Innovation Awards) for the 13 consecutive year. The vision was to enhance employees' knowledge, to encourage the creativity, and to improve the work efficiency.



5. **Happy Soul** Cultivation of morals in employees' lives and preservation of good traditions. The Company organized several activities in this regard including, monthly offering to Buddhist monk.

Making merit and stuff donation at Phrabat Nam Phu Temple

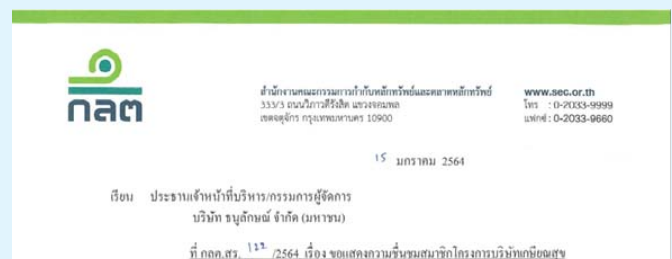
The Company has organized a special Dharma lecture in the topic "Disease-free body, Mind free from suffering" delivered by Prarat Wisutthiprachan-art (venerable monk Alongkot), Abbot of Phrabat Nam Phu Temple, Lop Buri Province on September 9, 2020. Moreover, the Company has given offering dedicated to the monks and donated stuff to the patients under the project sharing kindness year 9 in the occasion of the 45 year anniversary operation of the Company.



An activity to encourages 'making good' under the corporate value 'SMART: M= Moral & Ethics, to set a good example to employees.

6. **Happy Money** The Company supports and provides knowledge to employees about saving through the deposit made with keeping cooperative for "SAHAGROUP COOP". The saving offers various benefits such as dividend, low-interest loan, and retirement savings via a provident fund. At present, the saving is available for 3-15% with options of investment that suit employees' needs. The saving is run under the concept "Saving your best, organized and see real future" under the 'happy retirement life' project initiated by The Securities and Exchange Commission, The Stock Exchange of Thailand, Association of Provident Fund and Association of Investment Management Companies.

The COVID-19 outbreak cause impacts on the national economy, and as a result, our employees encountered financial problems. The Company, therefore, allowed the pause for saving or reducing the saving amount required to the provident fund for a temporary period while the saving account is still valid and continued. The Securities and Exchange Commission, Thailand has appraised the Company for seeing the importance of employees' saving via the provident fund.



Furthermore, the Company has coordinated with many organizations about releasing or reducing debts for its employees, for instance, "Debt Clinic" launched by the Bank of Thailand. The Sukhumvit Asset Management (SAM) is a central agency that resolves our employees' debt problems. The Company also arranged an activity to educate employees on a good saving discipline.



7. Happy Family The Company arranged a breastfeeding corner for employees who are still breastfeeding their child. The Company rewarded employees who have been working for 10, 20, and 30 years to build a good relationship between executives and employees, creating morality and encouragement, warmth, and engagement to the organization.



Happy Birth Day For You Activity

Ensuring that employees are mentally happy, the Company has organized birthday activity "Happy Birth Day For You" by giving birthday presents to employees in the month that have their birthdays for building relationships between executives and employees. It is the morale and encouragement to the employees, create a warm feeling, making to employees. This is an activity that creates a bond between employees and the organization. This helps create good bond and relationship between employees and the Company.

8. Happy Society is to foster employees to have conscious and to be responsible for society and community, for example, Giving out facial masks to communities, temples, authorities such as the Department of Corrections and Ban Bang Kae.

The Company surveyed attitude on the environment and brought the result into analysis for improvement.

Community and Social Responsibility

In addition to employee care, the Company initiated the engagement with the communities and societies via various projects with the surrounding communities, for instance, education, society, community, art and culture, community economy, hygiene, and environmental care. In 2020, upon COVID-19, the Company initiated activity with the community to prevent and protect the outbreak. The followings are our activities.

Education and Youth:

The Company sees the importance of children and youth and hence provides educational funds and arrange improvement for schools around the company, includes learning facilities, sports apparatus, improvement of local child care.

Operation Result

- Lunch for community children
- “Educational Support - learning and sports apparatus” provided to Chong Non see school and community.



Social-Community : The Company invited executives and employees to volunteer to do good for society, supported and encouraged employees in protection against COVID-19. Our group gave out facial masks, set up a teaching booth for sewing masks, and made alcohol gel for communities. We also made a VDO of sewing masks and gave it out to the communities.



Operation Result

- Offering items and necessity to Alongkot Monk (Prabath Nampu Temple)
- Offering face masks to local temples
- Pracharat Sahapat Group gave out "Nano Zinc Oxide" face masks via government agencies and gave out to communities, the elderly, and children.
- Sharing Cabinet against COVID-19 "We Will Fight Together"
- COVID-19 Campaign
- Additional income project for employees during COVID-19 crisis
- "Sharing Bag" Project
- Community Market Project: The sales of products at affordable prices by operators from the Group, products sold at a low cost under the Blue Flag campaign.
- The Covid-19 Workshop: Provided knowledge about COVID-19, the teaching of sewing face masks, and making alcohol gel.
- Teach the Sewing Project to Community.





**Teach the Sewing Project to Community was suspended temporarily due to the COVID-19 outbreak

Culture : The Company attended various cultures such as

Operation Result

- “Offering food to the monk in the morning every beginning of the month” project.
- Making merit at the religious day with the community
- Attending the traditional local activity with Nonsee LAO 13 Mar. 2020



Hygienic and environment : To promote an excellent atmosphere to employees and local communities to leverage their life quality, the Company initiated a collaborative project among executives, employees, and local communities to clean and arrange the area. The project highlighted the sanitary and suitable environment for working and self-care among employees.

Operation Result

- Big Cleaning Day
- Be Fit, Be Happy



Environmental Performance

Thanulux Public Company Limited ensures all stakeholders will have the highest satisfaction with a target to become a corporation of happiness at work, where employees are aware of social and environmental responsibility. The Company cultivates awareness and voluntary toward environment and self-dependency under sufficient economy concept.

Resource management

Determination and Goal

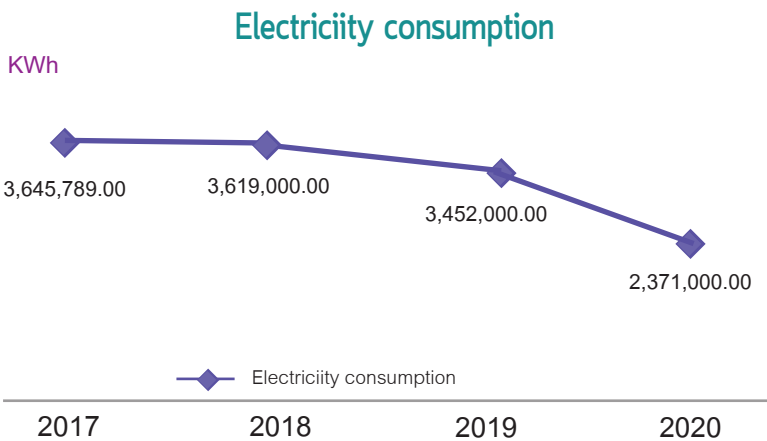
With a strong determination to take care of the environment, the Company prepares a resource management plan to ensure the highest benefits in the long-term. The Company arranged activities to conserve the environment in coupling with business procedures. We select vendors who realize the importance of the

environment, including their production process providing accurate information to consumers, taking into account all stakeholders. The Company commits to environmental care, willing to help communities and develop communities toward the sustainability concept.

Resource and energy management covers the following dimensions:

Electricity Consumption

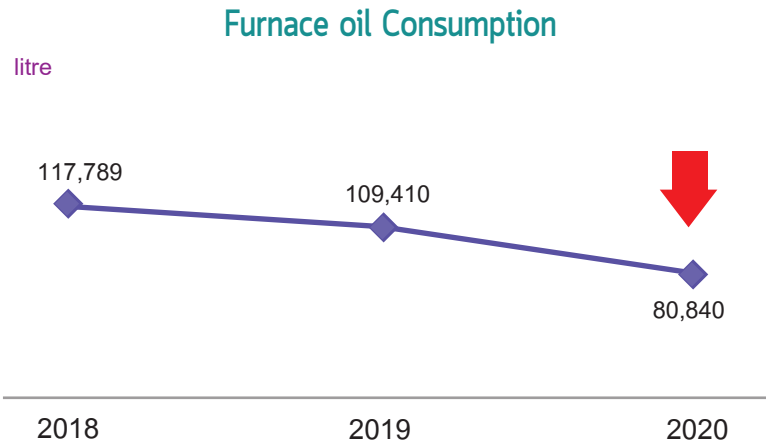
Seeing the importance of energy, the Company manages energy consumption continuously. Energy conservation is crucial, and it is the responsibility of every employee to help utilize the power to return the highest benefit. The Company set a power reduction goal every year. In 2020, we reduced the power consumption by 5% per production unit when compared to 2019.



The Company arranged training and campaign on raising awareness in continual energy saving to raise awareness among all employees, adhering to resource utilization's best benefits. The campaign covers the use of power, oil, water, paper, and other consumables. The Company continued its compliance with the criteria as a model establishment for a practical personnel development project to improve energy utilization efficiency continually.

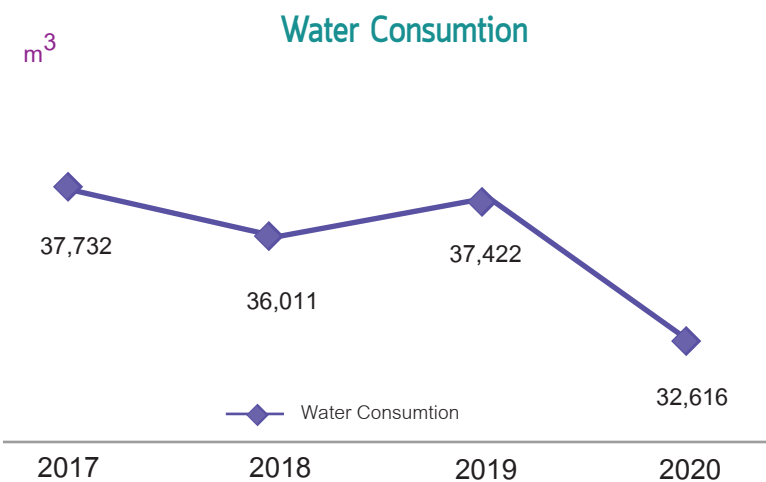
Furnace oil Consumption

The Company reduced the use of fuel oils to 28,570 liters or by 26.1% in 2020 compared to 2019.



Water Consumption

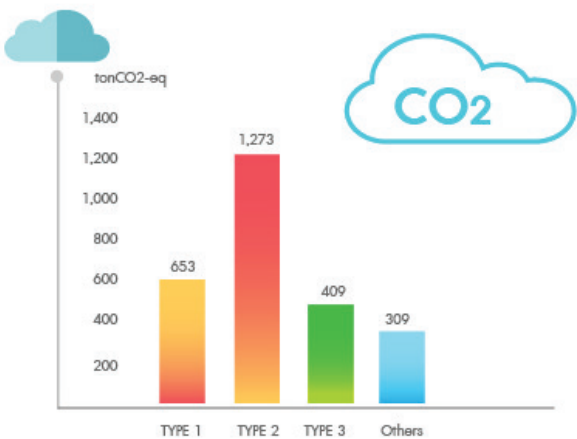
According to the water consumption data during the past three years, the water consumption volume in 2020 was less than in 2019.



Climate change (greenhouse gas)

After studying the source of greenhouse gas emissions based on its activities, the Company has changed all bulbs into LED and solar lamps to reduce greenhouse gas emissions according to the energy conservation project - considered the main activity (type 2) that causes the greenhouse gas.

Scope	Carbon Footprint (tCO2e/yr)	% Carbon Footprint
TYPE 1	590	26
TYPE 2	1,273	56
TYPE 3	409	18
Scope 1&2	1,863	

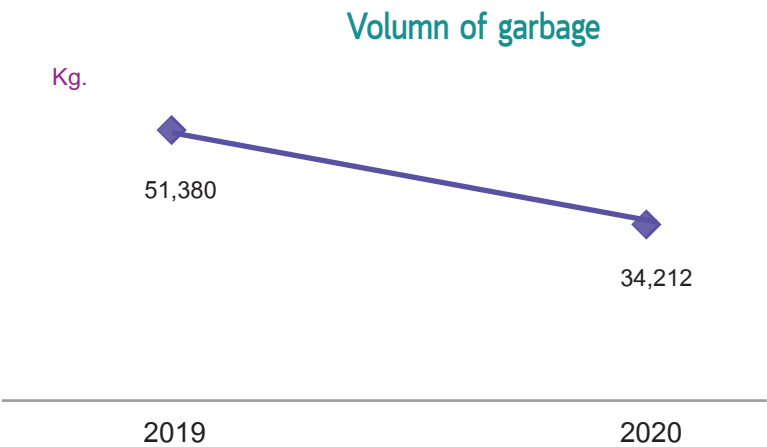


With all employees' cooperation, the target is to reduce greenhouse gas emissions by 5% from the previous year based on energy conservation and employee engagement.

Waste Management

The Company also launched a campaign to sort waste continuously from 2019. As a result, our employees are aware, understand and adhere more to the discipline. In 2020, the Company can reduce waste, save expenses, and reduce waste for a government agency.

In 2020, the Company's waste quantity was reduced from 2019 by 17,168 kilograms or 33.4%



Results of wastewater quality measurement from the company

Examination Lists	Default Value	Year 2018	Year 2019	Year 2020
Analysis of Effluent Quality		Passed the Standard	Passed the Standard	Passed the Standard
pH	5.5 - 9.0	8.4 at 25 °C	8.2 at 25 °C	8.2 at 25 °C
Biological oxygen demand	20 mg/l	3 mg/l	2 mg/l	2mg/l
Chemical oxygen demand	120 mg/l	<40 mg/l	<40 mg/l	<40 mg/l
Suspended solids	50 mg/l	<5 mg/l	<5 mg/l	<5 mg/l
Total dissolved solids	3000 mg/l	198 mg/l	337 mg/l	337 mg/l
Oil & Grease	5 mg/l	1.0 mg/l	1.0 mg/l	1.0 mg/l
Total Kjeldahl Nitrogen	200 mg/l	1.9 mg/l	<1.0 mg/l	<1.0 mg/l
Temperature	40 °C	n/a	30 °C	30 °C
Color (Normal)	300 ADM1	n/a	21 Pt-Co	21 Pt-Co
Color (Adjust)	300ADM1	n/a	20 Pt-Co	20 Pt-Co

About This Sustainability Report

Thanulux Public Company Limited has prepared the sustainability report separately to express our dedication to run the business based on sustainability concept, which will add value to our society, communities, and environment in coupling with business operation based on morality and ethics.

Report Guidance

This sustainability Report 2020 is prepared in reference to the global Report Activities (GRI) G4 - the guidance for sustainability report recognized internationally. The content covers our operation result, including economic, social, and environmental dimensions regarding the material topics, which contain strategic and risk management for sustainability.

Scope of Report

This report's scope demonstrated operation result that covers all operation procedures of the Company, but not includes out subsidiaries and other related companies; The duration covers 1 January to 31 December 2020.

Further Information

For comments or suggestion, please contact

Mr. Supachoke Sirichantaradilok (Company Secretary)
Thanulux Public Company Limited
129/1 Chongnonsi Road, Yannawa Bangkok 10120, Thailand

Tel 0-2295-0911-9 Ext. 250
Email: supachoke@thanulux.com

GRI Sustainability Reporting Standards (GRI Standards)

GRI Standard	Description	Page Number
GENERAL STANDARD DISCLOSURES		
Organization Profile		
102-1	Name of the organization	196
102-2	Activities, brands, products, and services	198-199
102-3	Location of headquarters	196
102-4	Location of operations	122
102-5	Ownership and legal form	196
102-6	Markets served	N/A
102-7	Scale of the organization	216-217
102-8	Information on employees and other workers	227
102-9	Supply chain	225
102-10	Significant changes to the organization and its supply chain	N/A
102-11	Precautionary Principle or approach	N/A
102-12	External initiatives	N/A
102-13	Membership of associations	N/A
Strategy		
102-14	Statement from senior decision-maker	2, 200
102-15	Key impacts, risks, and opportunities	202-206, 223, 31
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	197, 207
102-17	Mechanisms for advice and concerns about ethics	207, 214
Governance		
102-18	Governance structure	207
102-19	Delegating authority	N/A
102-20	Executive-level responsibility for economic, environmental, and social topics	280, 246
102-21	Consulting stakeholders on economic, environmental, and social topics	205-206
102-22	Composition of the highest governance body and its committees	208
102-23	Chair of the highest governance body	73
102-24	Nominating and selecting the highest governance body	N/A
102-25	Conflicts of interest	106
102-26	Role of highest governance body in setting purpose, values, and strategy	207-208
102-27	Collective knowledge of highest governance body	208
102-28	Evaluating the highest governance body's performance	207, 99

GRI Standard	Description	Page Number
GENERAL STANDARD DISCLOSURES		
102-29	Identifying and managing economic, environmental, and social impacts	223, 31
102-30	Effectiveness of risk management processes	223, 31
102-31	Review of economic, environmental, and social topics	204-205
102-32	Highest governance body's role in sustainability reporting	250
102-33	Communicating critical concerns	N/A
102-34	Nature and total number of critical concerns	203-204
102-35	Remuneration policies	47
102-36	Process for determining remuneration	47
102-37	Stakeholders' involvement in remuneration	47
102-38	Annual total compensation ratio	47-48
102-39	Percentage increase in annual total compensation ratio	N/A
Stakeholder Engagement		
102-40	List of stakeholder groups	203-206
102-41	Collective bargaining agreements	205-206
102-42	Identifying and selecting stakeholders	203-204
102-43	Approach to stakeholder engagement	205-206
102-44	Key topics and concerns raised	205-206
Reporting Practice		
102-45	Entities included in the consolidated financial statements	204
102-46	Defining report content and topic Boundaries	204
102-47	List of material topics	204
102-48	Restatements of information	204
102-49	Changes in reporting	250
102-50	Reporting period	250
102-51	Date of most recent report	250
102-52	Reporting cycle	250
102-53	Contact point for questions regarding the report	250
102-54	Claims of reporting in accordance with the GRI Standards	250
102-55	GRI content index	251-256
102-56	External assurance	250
GRI 201 : Economic Performance		
103-1	Explanation of the material topic and its Boundary	216-217
103-2	The management approach and its components	218
103-3	Evaluation of the management approach	N/A
201-1	Direct economic value generated and distributed	216-217

GRI Standard	Description	Page Number
GENERAL STANDARD DISCLOSURES		
201-2	Financial implications and other risks and opportunities due to climate change	N/A
201-3	Defined benefit plan obligations and other retirement plans	N/A
201-4	Financial assistance received from government	N/A
GRI 203 : Indirect Economic		
103-1	Explanation of the material topic and its Boundary	N/A
103-2	The management approach and its components	N/A
103-3	Evaluation of the management approach	N/A
203-1	Infrastructure investments and services supported	N/A
203-2	Significant indirect economic impacts	N/A
GRI 205 : Anti-Corruption		
103-1	Explanation of the material topic and its Boundary	209
103-2	The management approach and its components	211
103-3	Evaluation of the management approach	211
205-2	Communication and training about anti-corruption policies and procedures	214
205-3	Confirmed incidents of corruption and actions taken	215
GRI 302 : Energy		
103-1	Explanation of the material topic and its Boundary	246
103-2	The management approach and its components	246
103-3	Evaluation of the management approach	246
301-1	Materials used by weight or volume	246-247
301-2	Recycled input materials used	N/A
302-1	Energy consumption within the organization	246-247
302-2	Energy consumption outside of the organization	N/A
302-3	Energy intensity	N/A
302-4	Reduction of energy consumption	246-247
302-5	Reductions in energy requirements of products and services	N/A
GRI 303 : Water		
103-1	Explanation of the material topic and its Boundary	247
103-2	The management approach and its components	247
103-3	Evaluation of the management approach	247
303-1	Interactions with water as a shared resource	N/A
303-2	Management of water discharge-related impacts	N/A
303-3	Water withdrawal	N/A
303-4	Water discharge	N/A
303-5	Water consumption	N/A

GRI Standard	Description	Page Number
GENERAL STANDARD DISCLOSURES		
GRI 304 : Biodiversity		
103-1	Explanation of the material topic and its Boundary	214-215
103-2	The management approach and its components	214-215
103-3	Evaluation of the management approach	214-215
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A
304-2	Significant impacts of activities, products, and services on biodiversity	N/A
304-3	Habitats protected or restored	N/A
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A
GRI 305 : Emission		
103-1	Explanation of the material topic and its Boundary	248
103-2	The management approach and its components	248
103-3	Evaluation of the management approach	248
305-1	Direct (Scope 1) GHG emissions	248
305-2	Energy indirect (Scope 2) GHG emissions	248
305-3	Other indirect (Scope 3) GHG emissions	248
305-4	GHG emissions intensity	248
305-5	Reduction of GHG emissions	248
305-6	Emissions of ozone-depleting substances (ODS)	N/A
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	N/A
GRI 306 : Effluents and Waste		
306-1	Water discharge by quality and destination	248-249
306-2	Waste by type and disposal method	248-249
306-3	Significant spills	N/A
306-4	Transport of hazardous waste	N/A
306-5	Water bodies affected by water discharges and/or runoff	N/A
GRI 307 : Environment Compliance		
103-1	Explanation of the material topic and its Boundary	N/A
103-2	The management approach and its components	N/A
103-3	Evaluation of the management approach	N/A
307-1	Non-compliance with environmental laws and regulations	N/A
GRI 308 : Supplier Environmental Assessment		
103-1	Explanation of the material topic and its Boundary	225
103-2	The management approach and its components	225-226
103-3	Evaluation of the management approach	225-226

GRI Standard	Description	Page Number
GENERAL STANDARD DISCLOSURES		
308-1	New suppliers that were screened using environmental criteria	N/A
308-2	Negative environmental impacts in the supply chain and actions taken	N/A
GRI 401 : Employment		
103-1	Explanation of the material topic and its Boundary	227
103-2	The management approach and its components	228
103-3	Evaluation of the management approach	228
401-1	New employee hires and employee turnover	228
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	N/A
401-3	Parental leave	N/A
GRI 402 : Labor/Management Relations		
402-1	Minimum notice periods regarding operational changes	N/A
GRI 403 : Occupational Health and Safety		
403-1	Occupational health and safety management system	234-238
403-2	Hazard identification, risk assessment, and incident investigation	236-237
403-3	Occupational health services	236
403-4	Worker participation, consultation, and communication on occupational health and safety	235
403-5	Worker training on occupational health and safety	235
403-6	Promotion of worker health	236
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	236-237
403-8	Workers covered by an occupational health and safety management system	237
403-9	Work-related injuries	238
403-10	Work-related ill health	238
GRI 404 : Training and Education		
103-1	Explanation of the material topic and its Boundary	228
103-2	The management approach and its components	228
103-3	Evaluation of the management approach	230
404-1	Average hours of training per year per employee	232
404-2	Programs for upgrading employee skills and transition assistance programs	231
404-3	Percentage of employees receiving regular performance and career development reviews	N/A
GRI 405 : Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	214
405-2	Ratio of basic salary and remuneration of women to men	N/A

GRI Standard	Description	Page Number
GENERAL STANDARD DISCLOSURES		
GRI 406 : Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	215
GRI 407 : Freedom of Association and Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	N/A
GRI 408 : Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	N/A
GRI 410 : Security Practices		
103-1	Explanation of the material topic and its Boundary	N/A
103-2	The management approach and its components	N/A
103-3	Evaluation of the management approach	N/A
410-1	Security personnel trained in human rights policies or procedures	N/A
GRI 411 : Rights of Indigenous Peoples		
411-1	Incidents of violations involving rights of indigenous peoples	N/A
GRI 412 : Human Rights Assessment		
412-1	Operations that have been subject to human rights reviews or impact assessments	N/A
GRI 413 : Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	N/A
413-2	Operations with significant actual and potential negative impacts on local communities	N/A
GRI 414 : Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	225, 28-29
414-2	Negative social impacts in the supply chain and actions taken	N/A
GRI 415 : Public Policy		
415-1	Political contributions	209
GRI 416 : Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	197
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	219-220
GRI 417 : Marketing and Labeling		
417-1	Requirements for product and service information and labeling	N/A
417-2	Incidents of non-compliance concerning product and service information and labeling	N/A
GRI 418 : Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	N/A





THANULUX

public company limited

129/1 chongnonthri road,
yannawa, bangkok 10120
tel: (662) 295-0911-19, 295-4171-80
fax: (662) 294-5101, 294-5918



Non Iron ▪ Flame Retardant ▪ Anti-Static ▪ Non See Through ▪ Environmental Friendly
Oil Repellent ▪ Soil Release ▪ Heat Transfer ▪ UV Protection ▪ Sweat Wicking ▪ Air Flow
Lightweight ▪ Cool Mode ▪ Quick Dry ▪ Breathable ▪ Wrinkle Free ▪ Stretch ▪ Easy Care
Anti-Bacteria ▪ Anti-MRSA ▪ Anti-Virus ▪ Anti-Odor