

# 2020 ANNUAL REPORT



รายงานประจำปี 2563

SUB SRI THAI PUBLIC CO., LTD.  
บริษัท ทรีพีศรีไทย จำกัด (มหาชน)

## Vision and Mission

Vision:	Being the leader in the business of warehouse and document storage to be determined in developing the logistics business to international standards and encouraging the value addition to businesses in the group and investing in the business with opportunity of progress, increasing the continuous and sustainable growth as well as adhering on good corporate governance, social, and environmental responsibility.
Mission :	<ul style="list-style-type: none"> <li>- Focus on adding value to the organization, shareholders, customers, and stakeholders.</li> <li>- Provide the service with efficiency and excellent standard with emphasis on safety, completeness, timeliness, to respond the customer expectations and satisfactions.</li> <li>- Focus on developing and continually improving the work processes to reach international standards with state-of-the-art technology.</li> <li>- Enhance the competence and the quality of life of staffs.</li> <li>- Manage business in good governance, with responsibility community, society and environment and create relationship with stakeholders to realize the value of business.</li> <li>- Invest in the future continuously for creating the opportunity of business expansion and for generating the worthy returns.</li> </ul>

## Core Value SST <sup>2</sup>

Standard & Safety	<ul style="list-style-type: none"> <li>• <b>Standard</b> : The storage location must be stable and strong with the standard and safety in storing and working.</li> <li>• <b>Safety</b> : Safety of assets of the customers is the heart of service provision in the business of goods warehouse and document warehouse.</li> </ul>
Smart & Service Mind	<ul style="list-style-type: none"> <li>• <b>Smart</b> : Have the skills and expertise in the job (good at job) to deliver high quality products and services with state-of-the-art technology and modern technology.</li> <li>• <b>Service Mind</b> : Have the passion in service provision to provide the service following the Company's policy which is to provide services with quickness, timeliness, accuracy, courtesy, thoughtfulness and determination for the development continuously to provide maximum satisfaction to customers.</li> </ul>
Trust & Transparency	<ul style="list-style-type: none"> <li>• <b>Trust</b> : Treat all customers, employees, partners and stakeholders fairly with the determination in building the confidence and building trust, respect and support to the colleagues and partners as well as performing various tasks to gain the reliability.</li> <li>• <b>Transparency</b> : Have transparency in corporate governance in accordance with the corporate governance and business ethics as well as appropriate risk management including the support in anti-corruption.</li> </ul>
Teamwork & Together	<ul style="list-style-type: none"> <li>• <b>Teamwork</b> : Pay attention to human resources and be determined in developing the staffs for the excellence of the team. Teamwork is important and essential for maximizing the effectiveness and efficiency of work that requires the cooperation of all employees.</li> <li>• <b>Together</b> : The organization and the employees are ready to develop altogether with the society and stakeholders to achieve mutual value which will eventually lead to sustainability.</li> </ul>



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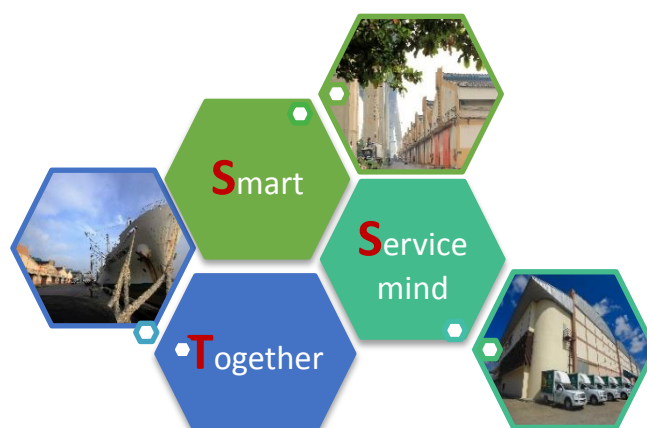


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## 1. Message from the Chairman of the Board of Directors

Covid-19 that occurred around the world continues to spread. The Company and its Group of Companies in Food Business have also been greatly affected by the situation, especially the Restaurant Business. Government measures that were imposed to control the spread of Covid-19. For example, limiting restaurant opening and closing hours, reducing number of seating, and ordering temporary closure of restaurants, have resulted in a net loss of THB 446 million in consolidated financial statements. If considered the results regarding the Company's and its subsidiaries' operating segments, it found that the company has a operating segment loss of 227 million baht, warehouse and wharf business had segment profit of 71 million baht, the food and beverage business had segment loss was 276 million baht, and the lifestyle business had segment loss 22 million baht, as a result of decline in sales due to Covid-19 and impairment of Food Business investment.



In 2021, the Company believes it will continue to encounter further challenges, amid situations where consumers remain concerned about the safety of services. However, the Company continues to strive in business development with potential for upcoming solutions, by planning to adapt the Business Model and effective Cost Management.

Many countries have already started the Covid-19 vaccination, while Thailand plans to start the vaccines in March 2021, with confidence that the Government will be able to control Covid-19 situation effectively. It is estimated that Covid-19 infections will gradually reduce to normal by the end of 2021, and Thailand will be able to open its country soon. Therefore, the Company has requested that all Board members, Executives, and Employees to provide joint support through this difficulty, obstacles, leading the business to thrive and to grow, which is the Company's ultimate goal. The Company will maintain its commitment to fully manage its business in accordance with Good Governance Principles. The Company will take into considerations the interests of all shareholders and stakeholders, with social and environmental responsibilities.

The Company's Board of Directors would like to thank all sponsors and stakeholders including all relevant parties, public and private agencies for always supporting and relying on the Company. The Company would like to promise in operating the business carefully, transparently, honestly, and fairly to all parties in accordance with the principles of good corporate governance. Moreover, the Company will continue to develop for producing the high quality products and services to the market.

**Mr. Surapong Paisitpatnapong**  
**Chairman of the Board of Directors**

## 2. Report of Board of Directors

In year 2020, the projection of the growth rate of the country's economic was decreased 6.1% when compared to the year 2019, which expanded at the rate of 2.3%. For the export, it was decreased 6.6% when compared to the year 2019, which expanded at the rate of 3.2%. And the import, it was decreased 13.5% when compared to the year 2019, which expanded at the rate of 5.6%.

In 2021, the forecast of economic growth rate of the country will expand at the rate 2.5% to 3.5% compared to the decreasing 6.1% in the year 2020. For the export and import volume will expand at the rate 5.8% and 6.5% respectively<sup>1</sup>.

In 2020, Food & Beverage Business under 4 popular brands of "Au Bon Pain," "Dunkin' Donuts," "Baskin-Robbins," "Greyhound Café" and lifestyle businesses under the brand "Greyhound" has been greatly affected by Covid-19 due to Government's lockdown measures that were imposed to control the infections. For example, limiting restaurant opening and closing hours, reducing number of seating, and ordering temporary closure of shopping malls and restaurants. Therefore, Company has adjusted its Sales Strategy to handle the situation, as well as focusing on efficient management of costs and expenses. In 2021, covid-19 is expected to gradually recover to normalcy. Government measures to stimulate the economy will allow Food & Beverage Business to resume normal operations. The Company's business potential and Management from all business brands will help develop competitiveness to generate continuous and sustainable growth.

The warehouse and wharf business has average rate on space use slightly decreased from 93% in 2019 to be 92%. The company has regular customers both old and new using our services, especially with document storage services.

**The performance of the company in the year 2020, it can be summarized as follows:**

**Goods Deposit and Document Storage:** Types of goods deposited were chemical fertilizer, animal feed ingredient, office furniture, a box and file containing document, car registration manual, computer media for instance. Product typed chemical fertilizer annually deposited was 0.24 million tons, decreasing at the rate of 26% when compared with quantity of 0.33 million tons in year 2019.

**Warehouse Rental:** Average area for rent was 35,185.77 square meters per month decrease at the rate of 3.67% when compared with amount of 36,527.85 square meters per month in year 2019. Types of goods stored were wheat, sugar, MSG boxed, chemical products, chemical fertilizer, grains, oil pipe, electrical appliances, restaurant equipment, kitchen appliances, decoration equipment, furniture, office supplies, computer equipment, publication, paper, packaging, paper product, textile, shoes, miscellaneous goods for instance.

**Wharf Rental:** There were 66 sea-going vessels berthing at the port, an average of 17.71 days/wharf per month, decreasing at the rate of 22.59% when compared with 73 sea-going vessels, and average of 22.88 days/wharf per month in year 2019.



**Service of through cargoes:** There was a total of 0.49 million tons of various through cargoes, such as iron, chemical fertilizer, animal feed, frozen products, salt, vegetable oil, sugar, wheat, decreasingly at the rate of 7.63% when compared with amount of 0.53 million tons in the year 2019.

**Loading and unloading services:** There was a service of loading and unloading the cargo of a ship in port or from a truck to store in the warehouse or for transportation or for through cargoes service and related activities such as packing products, moving goods, arrangement of goods, changing package in amount of approximately 0.37 million tons of loading and unloading goods, increasing at the rate of 19.35% when compared to 0.31 million tons of cargo handling in 2019.

The results of the consolidated financial statements of the Company for the year 2020 have a net loss for the year of 446 million baht. If considered the results regarding the Company's and its subsidiaries' operating segments, it found that the company has a operating segment loss of 227 million baht, warehouse and wharf business had total revenue of 400 million baht, segment profit of 71 million baht, the food and beverage business had total revenue of 2,017 million baht, the segment loss was 276 million baht, and the lifestyle business had total revenue of 149 million baht. Segment loss 22 million baht

In this year 2021, although the situation of Coronavirus 2019 (COVID-19) outbreak is ongoing, the Company is well prepared to deal with the situation and the Company has ready to make business growth via our core group of businesses with the intention to develop both product quality and service, to create confidence with our customers in long run and to be a part in enhancing social development with company activities. The company board has truly believed we have the potential for continual and sustainable growth and we can make good returns to all our shareholders in long term.

<sup>1</sup> Source: Office of the National Economic and Social Development Board, February 15, 2021



### 3. Policy and Business Overview

#### 3.1 Business goals

Sub Sri Thai Public Company Limited has a policy to conduct business with social and environmental responsibility, based on Business Principles that are transparent, auditable, ethical, respectful of human rights, while maintaining the interests of stakeholders, under the following vision and mission:

##### **Vision:**

Being the leader in the business of warehouse and document storage to be determined in developing the logistics business to international standards and encouraging the value addition to businesses in the group and investing in the business with opportunity of progress, increasing the continuous and sustainable growth as well as adhering on good corporate governance, social, and environmental responsibility.

##### **Mission:**

- Focus on adding value to the organization, shareholders, customers, and stakeholders.
- Provide the service with efficiency and excellent standard with emphasis on safety, completeness, timeliness, to respond the customer expectations and satisfactions.
- Focus on developing and continually improving the work processes to reach international standards with state-of-the-art technology.
- Enhance the competence and the quality of life of staffs.
- Manage business in good governance, with responsibility community, society and environment and create relationship with stakeholders to realize the value of business.
- Invest in the future continuously for creating the opportunity of business expansion and for generating the worthy returns.

In this regard, the Executive Committee has set goals for the management to achieve the main objectives and goals of the business by conducting the innovation and technology appropriately and safely as well as the expansion of the business in logistics, restaurant and hotel services.

##### **Short-term and Medium-term Goals**

- To develop the digital document storage and management system (Document Management Service) to support the change of document storage from keeping archive document to digital file.
- To promote business operations and transactions with electronic systems through various digital devices.
- To develop a convenient and speedy loading and unloading goods (stevedore services) and transfer goods service to customers in order to provide services to the customers who bring various types of goods to use our service.
- To develop restaurant and hotel business after the restaurant and hotel have been completely constructed and ready for operation.

- Increase the warehouse area to support the expansion on warehouse and logistics business by considering on the market demand and the economic condition that suitable for the expansion of such business

### Long-Term Goals

- One of the leader in document storage and document management services.
- Developing logistics business to the international standard.

## 3.2 Changes and Development

**Sub Sri Thai Public Company Limited**, formerly named Sub Sri Thai Warehouse Public Company Limited, was established around the end of 1976 with registered capital of 2 million baht. The company's objective is to operate a warehouse business which was the warehouse operator. The Company saw that the warehouse business was important components of financial business and the demand to use the warehouse with wharf tends to be higher, therefore, the Company had expanded its warehouse and wharf business and developed to document storage business and also the Company has continuously expanded the business by investing in various businesses such as food business. The details are as follows:

Year	Details
1981	The Company has created the construction project for warehouse and wharf at the Chao Phraya River (Warehouse No. 1) on the area about 43 Rai at Soi Suksawat 49, Bang Chak Sub-district, Phra Pradaeng District, Samut Prakarn Province.
1987	The Company has been allowed to be a registered company in the Stock Exchange of Thailand in 1987
1992	The Company has constructed 14 warehouses (Warehouse No. 2) at Soi Suksawat 76 Bang Chak Sub-district, Phra Pradaeng District, Samut Prakarn Province and expanded into document storage service in 1995. The Company has developed system of document storage with BARCODE and COMPUTER into the application of storage and search with documents effectively with the storage of electronic media or any goods required to be stored in a temperature control room.
1993	The company has built an additional 5 warehouse buildings with an area of 6,035 sq m. and 1 additional wharf at Soi Suksawat 49
1994	The Company had converted to public company in 1994.
2005	The company has built an additional 8 warehouse buildings at Soi Suksawat 76 (Warehouse No. 3) with the development of document storage in AS/RS (AUTOMATED STORAGE AND RETRIEVAL SYSTEMS), the modern automatic warehouse technology at that time.



Year	Details
2009	<p>In October 2009, the company established a subsidiary, SST Warehouse Co., Ltd., has operated licensed warehouse with license from the Ministry of Commerce. The main objective are depositing of goods with remuneration or benefits and offer the loan by accepting the pledging of the undertaken goods. The company is able to issue dock warrant and warehouse receipt as the warehouseman, looking after the undertaken goods which the person who put the goods in the warehouse can use such document as security to apply for the loan from other financial institution.</p> <p>While as Sub Sri Thai Plc. has still operated marine wharf business, leasing space of warehouse, stock management and document storage service.</p>
2012	<p>Later in January of 2012, the Company has moved on into food and beverage business by buying shares in Mudman Co., Ltd., Golden Donuts (Thailand) Co., Ltd., and ABP Café (Thailand) Co., Ltd., The Golden Donuts (Thailand) Co., Ltd., is the company holding the franchise brand of “<b>Dunkin’ Donuts</b>” in Thailand while ABP Café (Thailand) Co., Ltd., holds the franchised brand, “<b>Au Bon Pain</b>” in Thailand. After that, the company has also expanded into food and beverage business by buying the assets used in the business of ice-cream, “<b>Baskin Robbins</b>” exclusively in Thailand through the subsidiary, Golden Scoop Co., Ltd.</p>
2014	<p>In order to expand more business opportunities for the Company and Mudman Limited (subsidiary) has acquired the shares of Greyhound Co., Ltd. and Greyhound Café Co., Ltd. on July 22, 2014. This acquisition allowed the Company can expand it’s the food and beverage business to more target group of customers, especially the opportunities in expanding to foreign country. Moreover, this acquisition enhanced our group of the Company have own brand and increased the potential to expand our business in the future to diversify the risk from the existing business to Lifestyle business.</p>
2017	<p>In the year 2017, Mudman Public Company Limited (“MM”) has increased its capital by issuing ordinary shares for public offering and listing on the Market for Alternative Investment (MAI).</p>
2017	<p>In September 2017, the Company established a subsidiary, SST REIT Management Co., Ltd. to operate bsiness as a REIT Manager to manage the Real Estate Investment Trust. Currently, it manages Sub Sri Thai Real Estate Investment Trust.</p>
2017	<p>In September, 2017, the company expanded its business by entering to the hotel business which the first hotel is. A 4 – 5 star hotel named of "House of Tin Baron" located in centrally of Phuket province. There is a restaurant in the hotel named "Old Town". The construction period is 1-3 years. When restaurants and hotels start operation, it help the company earn more revenue and profit.</p> <p>The restaurant has now completed about 90% of its construction. Due to ongoing Covid-19 situation from the end of 2019 to the present day, there has been a significant reduction in domestic and international tourists visiting Phuket. Therefore, the Company has delayed construction and has postponed the opening until Covid-19 outbreak has resolved, in line with various Government promotion</p>

Year	Details
	<p>measures to boost tourism, and to gain the confidence of both Thai and international tourists.</p> <p>For the hotels section, the Company hire architect to design the architectural design of the hotel building in Court Yard style with a two-storey steel-reinforced concrete building, approximately 22 rooms, approximately 2,160 square meters of utility space that is Phase 1 of the "The House of Tin Baron" project in Phuket. Currently, the Company hire an experts to prepare report, Initial Environmental Examination ( IEE) to submit and be approved from the Office of Natural Resources and Environmental Policy and Planning. Due to ongoing Covid-19 situation, that application for approval has been postponed. When the Company receives a certificate of IEE, the Company will submit permission construction application and start construction.</p>

## 4. Nature of Business Operation

### 4.1 The Group of Company's Business Overview

As of December 31, 2020, Sub Sri Thai Public Company Limited has Paid-up Capital 501,387,864.00 Baht and the Company has 4 major businesses which are warehouse and wharf, food and beverage, lifestyle business and real estate investment trusts management as following:

Company's Name	registered and paid up capital (Baht)	% of Share As of 31 Dec. 2020	Nature of Business Operation
<b>1. Warehouse and Wharf Business</b>			
<b>Sub Sri Thai Public Company Limited</b>	501,387,864.-	Parent company	<p>There are 2 warehouses located at</p> <ol style="list-style-type: none"> <li>1) Soi Suksawat 49, Phra Pradaeng District, Samut Prakan Province, next to the Chao Phraya River and there are 2 marine jetty</li> <li>2) Soi Suksawat 76, Phra Pradaeng District, Samut Prakan Province</li> </ol> <p>Operate the business as follows:</p> <ul style="list-style-type: none"> <li>- Provide warehouse for rent, cargo handling services, wharf service, stock management of deposited goods. For deposit goods which was operated by a subsidiary (SST Warehouse Co., Ltd.)</li> <li>- Provide document storage service, storage of documents packed in boxes / files. There is an automatic document storage system, AS / RS (AUTOMATED STORAGE AND RETRIEVAL SYSTEMS), BARCODE system and COMPUTER for use in storage. Electronic media storage service or products that required to store in a temperature and humidity controlled room.</li> </ul>
<b>SST Warehouse Co., Ltd.</b>	5,000,000.-	100	Operate licensed warehouse to store goods, crops and agricultural products that are prepared to be sent abroad, such as rice, colored rice, tapioca starch, grains, etc., and store general goods that can be produced and used in domestic circulation such as chemicals and other agricultural products by issuing warehouse receipt and warehouse receipt as evidence
<b>2. Food &amp; Beverage Business</b>			
<b>Mudman Public Company Limited</b>	1,053,386,750.-	64.27	Operate business as a holding company, holds ordinary shares at 100% in ABP Café (Thailand) Co., Ltd., Golden Donuts (Thailand) Co., Ltd., Golden Scoop Co., Ltd. and holds ordinary shares and preference shares at 100% in Greyhound Co., Ltd. and Greyhound Café Co., Ltd. etc.



Company's Name	registered and paid up capital (Baht)	% of Share As of 31 Dec. 2020	Nature of Business Operation
<b>Golden Donuts (Thailand) Co.,Ltd.</b>	300,000,000.-	Holding through Mudman Plc. 64.27%	Produce and distribute donuts and beverage under “Dunkin’ Donuts” brand
<b>ABP Café (Thailand) Co.,Ltd.</b>	40,000,000.-	Holding through Mudman Plc. 64.27%	Produce and distribute bakery under “Au Bon Pain” brand
<b>Golden Scoop Co.,Ltd.</b>	125,000,000.-	Holding through Mudman Plc. 64.27%	Import and distribute premium ice-cream under “Baskin Robbins” brand
<b>Greyhound Café Co.,Ltd</b>	10,784,300.-	Holding through Mudman Plc. 64.27%	Operating full-service restaurant under the key brands such as Greyhound Café, Another Hound Café
<b>GHC Café (UK) Co.,Ltd.</b>	200,000 Pound sterling	Holding through <b>Greyhound</b> 64.27%	Operating full-service restaurant with GHC concept of “Basic with a Creative Twist” in international markets
<b>Mudman International Limited</b>	30,000.-USD	Holding through Mudman Plc. 64.27%	Investment in other companies (holding company)
<b>Societe Langonnaise des Vins et Hotelleries SAS</b>	452,768 Euro	Holding through MM Inter	Operating premium gastronomical restaurant under “Le Grand Vefour” brand with two Michelin Stars
<b>MM FR SAS</b>	10,000 Euro	Holding through MM Inter	Investment in other companies (holding company) with 33.33% shareholding of Mr. Guy Martin Produce and distribute food and beverage with Brasserie concept under “Le Mere Lachaise” brand
<b>MAISON MM1 SAS</b>	10,000 Euro	Holding through MM Inter	Produce and distribute food and beverage with Brasserie concept under “PASCO” brand.
<b>MAISON MM2 SAS</b>	10,000 Euro	Holding through MM Inter	Produce and distribute food and beverage with Brasserie concept under “AUGUSTIN” brand.
<b>MAISON MM3 SAS</b>	10,000 Euro	Holding through MM Inter	Produce and distribute food and beverage with Brasserie concept under “A NOSTE” brand.
<b>3. Lifestyle Business</b>			
<b>Greyhound Co.,Ltd.</b>	96,990,000.-	Holding through Mudman Plc. 64.27%	Produce and distribute fashions and accessories under the following key brands: - Greyhound Original - Smileyhound
<b>4. Real Estate Investment Trusts Management</b>			
<b>SST REIT Management Co., Ltd.</b>	10,000,000.-	100	Operate business as a REIT Manager for Real Estate Investment Trust.

## Details of subsidiaries can be classified by type of business as follows:

### Warehouse and Wharf Business

#### 1. SST Warehouse Co., Ltd.

SST Warehouse Co., Ltd., was established on July 10, 2009 with the registered and paid up capital is 5,000,000 Baht (Five million Baht). SST Warehouse Co., Ltd., has operated licensed warehouse with its main objective in depositing of goods with remuneration or benefits.

### Food and Beverage Business

#### 2. Mudman Plc.

Mudman Public Company Limited operates its business by holding shares in other companies (Holding Company) with core business of Food and Beverage business and other businesses of lifestyle business, registered as a public company on April 19, 2016 with the registered capital of 1,054,903,750 Baht. Mudman Plc. holds ordinary shares at 100% in ABP Café (Thailand) Co., Ltd., Golden Donuts (Thailand) Co., Ltd., Golden Scoop Co., Ltd. and holds ordinary shares and preference shares at 100% in Greyhound Co., Ltd. and Greyhound Café Co., Ltd. and GHC Café (UK) Company Limited and Mudman International Limited etc.

Mudman has the brand "M-Kitchen", a brand that has been developed by Mudman Plc. to operate cafeteria business in a hospital, comprising of two business divisions including cafeteria business and in-patient department (IPD) food services.

#### 3. Golden Donuts (Thailand) Co., Ltd.

This company is the franchise holder of “Dunkin’ Donuts” solely in Thailand with the registered capital of 300,000,000 Baht. “Dunkin’ Donuts” is a outlet network of donuts and beverages with branches around the world.

#### 4. ABP Café (Thailand) Co., Ltd.

This company is the franchise holder of “Au Bon Pain” solely in Thailand, with registered capital of 40,000,000 Baht. “Au Bon Pain” is a food outlet network in bakery and café with branches around the world.

#### 5. Golden Scoop Co., Ltd

This company operates ice-cream business under the brand “Baskin Robbins”, established by Mudman Plc., with registered capital of 125,000,000 Baht, with the purchase of rights and properties in operating distribution business of ice-cream under the “Baskin Robbins” brand from Big Scoop Co., Ltd., in June 2012.

#### 6. Greyhound Café Co., Ltd.

Greyhound Café Co., Ltd. operates restaurant business under the names of “Greyhound Café”, “Another Hound Café”, “KIN HEY” and “Gai Hound” with registered capital of 10,784,300 Baht. The Company and Mudman Plc. (subsidiary) have purchased all ordinary shares and preferred shares of Greyhound Café Co., Ltd. from the existing shareholders of Greyhound group on July 22, 2014. At the end of 2018,

The Greyhound Cafe Company Limited established GHC Café (UK) Company Limited in England by holding 100% of shares in GHC Café (UK) with the objective is for the production and selling food and beverages in international market with a registered capital of 200,000 pounds sterling (approximately Baht 9.09 million, referring to the exchange rate announced by the Bank of Thailand on December, 29 2017, equivalent to Baht 44.4531 per pound sterling)

## **7. Mudman International Limited.**

On November 27, 2017, Madman Public Company Limited, a subsidiary of the Company, invested in Mudman International Limited, a newly established company in the Republic of Mauritius with registered capital of Baht 975,525. The purpose of the establishment is to invest in other companies which located in foreign countries (Holding Company) with a registered capital of USD 30,000 (approximately Baht 985,416, referring to the exchange rate announced by the Bank of Thailand on December 29, 2017, equal to 32.8472 baht per USD)

On December 21, 2017 Mudman International Limited acquired all of the ordinary shares of Societe Langonnaise des Vins et Hotelleries SAS ("SLVH"), with a registered capital of 452,768 Euro (approximately Baht 17,670,290). SLVH operates food and beverage business under trademark “Le Grand Vefour”, a restaurant founded in 1784 in Paris, France and received 2 Michelin stars under Mr. Guy Martin, the owner and head chef.

On March 2018, Mudman International Limited has established MM FR SAS to support business expansion in foreign countries by holding 66.67% of the shares with Mr. Guy Martin, the chef of Le Grand Vefour, which holds 33.33% of the shares. MM FR SAS has opened a restaurant “La Mere Lachaise” and as of 31 December 2020, La Mere Lachaise is undergoing a renovation, and is expected to re-open by the end of 2021.

MM FR SAS has also established a subsidiary called MAISON MM1 SAS, MAISON MM2 SAS and MAISON MM3 SAS with a registered capital of EUR 10,000 each, to expand its restaurant business in France into 3 brands, namely, PASCO and AUGUSTIN that both restaurants have been operating since January 2020. In addition, the Company recently opened a new branch called A Noste, which opened for business in July 2020.

## **Lifestyle Business**

### **8. Greyhound Co., Ltd.**

Greyhound Co., Ltd. operates business as produce and distribute fashions and accessories under the brand “Greyhound original” and “Smileyhound” and operates Food & Beverage Café business under the brand “Greyhound Coffee” as well as designing products and fashion lifestyle products. The Company and Mudman Plc. (subsidiary) have purchased all ordinary shares of Greyhound Co., Ltd. from the existing shareholders of Greyhound group on July 22, 2014 with registered capital of 96,990,000 Baht.



## **Real Estate Investment Trusts Management**

### **9. SST REIT Management Co., Ltd.**

SST REIT Management Co., Ltd., was established on September 29, 2017 with a paid-up capital of Baht 10,000,000, with 100,000 common shares at the par value of Baht 100 per share and the main objective to manage business as a REIT Manager for Real Estate Investment Trust. A major shareholder is Sub Sri Thai Plc. with holding 100%. SST REIT Management Co., Ltd., received the REIT Manager license from the SEC on 1<sup>st</sup> December 2017.

### **Associated Company**

#### **Property Fund and Trust for Real Estate Investment**

Sub Sri Thai Property Fund (Free Hold) (“SSTPF”) has been registered of its property into mutual fund on 29 April 2011, with 675 million Baht from the unit holders and CIMB-Principal Asset Management Co., Ltd., was appointed as the fund manager. The objectives is to mobilize funds from general investors to invest commercially in the property. On 28 April 2011, The Company has purchase 22,500,000 of the investment units of the Fund or equivalent to 33.33% of all investment units sold at the price of 10 Baht per investment unit, with the total price of 225 million Baht, As October 31, 2016, SSTPF has decreased its capital and the remaining registered capital is 660.83 million Baht at the price of 9.79 Baht per investment unit or 220.28 million Baht of investment by the company

Moreover, The Company has invested in Sub Sri Thai Smart Storage Property Fund (“SSTSS”) which has been registered of its property into mutual fund on 5 August 2014, with 820 million Baht from the unit holders. One Asset Management Co., Ltd., was appointed as the fund manager. The objectives to raise funds from investors and invest in purchasing and/or rental property and provide the benefits of such real estate. Also The Company has purchase 12,300,000 of the investment units of the Fund or equivalent to 15% of all investment units sold at the price of Baht 10 per investment unit, with the total price of 123 million Baht. On 18 October 2017, Sub Sri Thai Smart Storage Property fund (“SSTSS”) has approved the conversion of SSTSS to Sub Sri Thai Real Estate Investment Trust (“SSTRT”). The conversion will reduce the registered capital to Baht 7.7007 per unit. The Company still holds 12.3 million units of SSTRT, valued at 94.72 million Baht or 15% of total investment units.

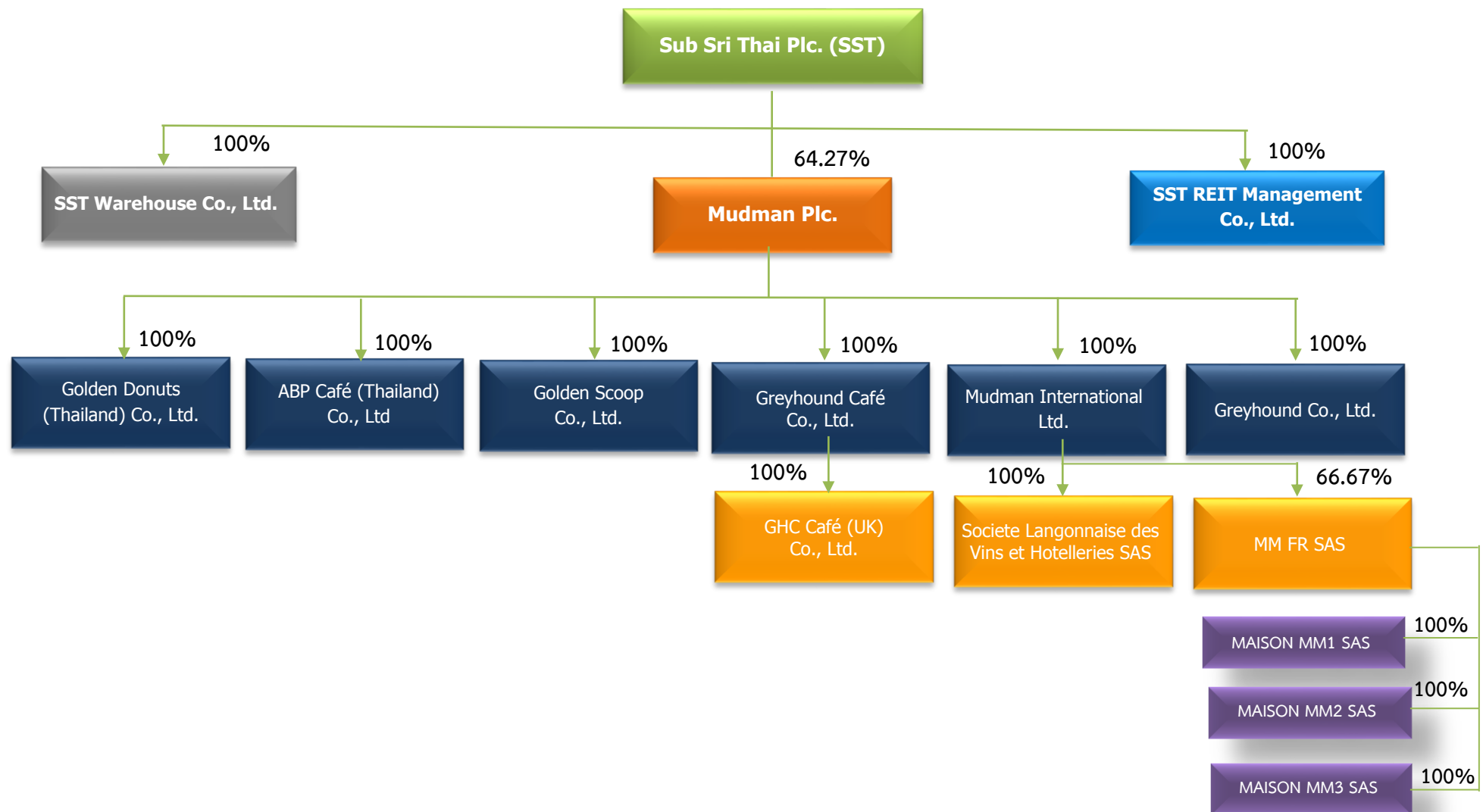
Later on 11 December 2019, SSTRT has issued the trust unit for the number of 74,250,000 trust units to be transferred the assets and liabilities of SSTPF at the exchange rate of the trust unit of SSTRT and investment unit of SSTPF (“swap ratio”) at 1 investment unit of SSTPF per 1.1 trust unit of SSTRT. As a result, the SSTPF was converted to the Real Estate Investment Trust and dissolved on 26 December 2019. Currently, the Company is holding 37,050,006 trust unit, equaling to 23.71% of all trust units of 156,250,000 units, with the value of 7.4295 baht per unit as of 31 December 2019.

SSTRT registered in Stock Exchange of Thailand (“SET”) on 26 December 2017, having One Asset Management Limited (“ONEAM”) as the trustee of the Trust and SST REIT Management Co., Ltd. as the trust manager.

SSTRT has the objective to invest in the core assets by purchasing and/or renting and/or sub-renting and/or transferring the leasehold and/or sub-renting of core assets. The core assets will be utilized to generate income from rent and servicing fee or any other income in the same manner, as well as improving, changing, boosting efficiency, improve and/or selling properties in order to earn income and return to the Trust for the benefits of the trust holder continuously in long term, as well as the investment in other assets and/or other security and/or seeking interest and return by other method according to the security laws and/or any other related laws.

Currently, SSTRT has invested in the ownership of land, construction and public utilities system, system works, furniture, materials and equipment related to and necessary for the utilization of the land and building of Sub Sri Thai Project by getting the Company (“SST”) to lease the core assets to seek benefits for the document storage business and pay rent to SSTRT.

### Holding Shares in Subsidiary Companies as at December 31, 2020



Sub Sri Thai Plc. has also invested in an Associated Company which are Sub Sri Thai Property Fund, details are as follows.



## 4.2 Income Structure in each Type of Business

Company's Name	Type of Business	% of Share	2020		2019		2018	
			Million Baht	%	Million Baht	%	Million Baht	%
Sub Sri Thai Plc.	Document Storage Warehouse and Wharf	Parent company	394	15	396	11	390	11
SST Warehouse Co., Ltd.	Warehouse	100						
Mudman Plc. Golden Donuts (Thailand) Co., Ltd. ABP Café (Thailand) Co., Ltd. Golden Scoop Co., Ltd. Greyhound Café Co., Ltd. Mudman International Ltd.	Food & Beverage	64.27	2,017	74	2,768	79	2,935	80
Greyhound Co., Ltd.	Lifestyle Business	64.27	149	5	145	4	147	4
SST REIT Management Co., Ltd.	REIT Management	100	6	-	4	-	4	-
Other income			164	6	213	6	180	5
Total Income			2,730	100	3,526	100	3,656	100

## 4.3 Products and services classified by business type

### 4.3.1 Warehouse and Wharf Business

#### Sub Sri Thai Plc.

##### Document Storage Services

Deposit of documents in cartons/files using the system of AS/RS (AUTOMATED STORAGE AND RETRIEVAL SYSTEMS), together with bar-coding and computer systems in the storage and search for relevant services, for instance, transportation for delivery, packing, searching or photocopying, destruction, provision of standard carton to contain documents and room for inspection at the Document Storage Services Center, service of electronic media in temperature room and humidity and Scanning service and storage in Server or Cloud Storage. Service of electronic document storage system (Document Management System) on the Cloud network. As the newest services, users can store documents and can retrieve them at any time in all locations with internet access via web pages.

### Warehouse for Rent

The company has rental business of warehousing in full rent of total building and in space sharing from 100 square meters up, using wire fencing to separate rental area inside each warehouse, so we can respond more to our customers' demand.

Types of goods stored were cassava starch, wheat, sugar, chemical products, chemical fertilizer, cereal grain, meat meal, kitchen appliances, electrical equipment, furniture, office supplies, publication, paper, packaging, paper product, textile, shoes, miscellaneous goods for instance and use for making movie.

### Management of Warehouse

The company provides service in the management of inventory in integrated manner with report of inventory monthly and inventory balance to issue invoice, issuing of invoice and collection for the customer.

### Wharfing Service

The company: providing wharfs for two ocean vessels together with mooring for a number of lighters.

### Licenses or patents.

Licenses	No.	Period	Department
1. Certificate of inspection the docks (2 ports)	8/2563 9/2563	18 March 2020 To 17 March 2021	Marine Safety and Environment Bureau, Marine Department
2. License of sea port operation	7/2562	18 May 2019 to 17 May 2024	Marine Department, Harbor Department
3. The certificate of operation of the port for security purpose	9/2559	8 July 2016 to 7 July 2021	Marine Department, Harbor Department
4. The certificate of terminal sanitation standard	9181/3.1 9401/1	11 November 2020 to 10 November 2022	Fisheries Product Quality Inspection Department, Department of Fisheries
5. Fishing port registration certificate (2 ports)	591105080005 and 591105080006	December 17, 2018 onwards, until it is revoked	Resource Management and Standards Division, Department of Fisheries

### Other Services

- Lending money with security that are the deposited goods in its subsidiary which operation licensed warehouse.
- Providing wharfs for cargo loading and unloading to transfer goods that are not deposited in warehouse to destination.
- Weighing Service: 2 modern and accurate weighing machines with the platform measured 18 m. x 3 m. for 60 metric ton weight available.
- Stevedoring Service: providing readily and sufficiently labor and all kinds of cargo loading and unloading equipment.
- Insurance Service: provided according to the desire of each depositor.
- Security Service: deployment of security guards in the warehouse area for 24 hours.

### SST Warehouse Co., Ltd.

Our warehouse can provide service for the deposit of crops and agricultural products to be exported, for instance, rice, coffee bean, maize, sugar, etc. and deposit of general goods produced and in circulation in the country, for instance, chemical products, and other agricultural products by issuing warehouse receipt for evidence and the depository can do Packing Stock with a commercial bank for the guarantee on loan with other finance institutions and deposit of goods imported from abroad, for instance, chemical fertilizer, wheat, animal feed ingredient, etc. including the goods in Trust Receipt with a commercial bank or in guarantee on loan from other finance institutions.

As of December 31, 2019, SST Warehouse Co., Ltd has warehouse space for licensed warehouse at 8 buildings, covering 12,043 square meters.

### Licenses or patents.

Licenses	No.	Period	Department
Warehouse operations license	02-0101-013-29062560	June 29, 2020 to June 29, 2023	Bureau of Market system Promotion and Administration, General Department of Internal Trade, The Ministry of Commerce

#### 4.3.2 Food and Beverage Business

##### Golden Donuts (Thailand) Co., Ltd.



“Dunkin’ Donuts” is the trademark of coffee and bakery that has been popular with Americans continuously over 60 years.

Golden Donuts (Thailand) Co., Ltd., holds the right of trademark “Dunkin’ Donuts” exclusively in Thailand. Currently it has 282 outlets throughout Thailand (data as at 31 December 2020) with service in the outlet and take away including delivery to home and office. Dunkin’ Donuts has snack box service for meeting and party including outside party for customers.

##### ABP Café (Thailand) Co., Ltd



“Au Bon Pain” is the trademark of food outlet in the form of bakery café with its retail outlets around the world, offering with identity products and services for the satisfaction of customers.

ABP Café (Thailand) Co., Ltd is the franchised holder of trademark, “Au Bon Pain” exclusively in Thailand. Now Au Bon Pain has total of 72 outlets (data as of 31 December 2020) with service in the outlet, take away, delivery service to home and office including outside party for customers.

##### Golden Scoop Co., Ltd.



“Baskin Robbins” is the trademark of the largest ice-cream network in the world (The World’s Largest Chain of Ice Cream Specialty Stores), established in 1945 in USA. with continual development and expansion until the present time.

Golden Scoop Co., Ltd., holds trademark right of “Baskin Robbins” in Thailand. Now Baskin Robbins has 23 branches outlets (data as at December 31, 2020) mostly located in department stores and business areas with in-house and take away service.

##### Greyhound Café Co., Ltd.



Restaurants under management by Greyhound Café Co., Ltd. which are Greyhound Café / Another-Hound Café / KIN+HEY / Gai Houhd, a full service restaurant with fashion café concept and they have been creating its unique concepts in not only stylish menu and outstanding decoration, but also impressed services and premium food & beverage quality in every single stores.

As of December 31, 2020, Greyhound Café had 42 stores in Thailand and oversea which are 26 branches in Thailand under Greyhound Café / Another-Hound Cafe / KIN+HEY / Gai Hound and 16 branches oversea under Greyhound Café brand which located at UK, Republic of China, Hong Kong, Singapore, Indonesia and Vietnam.

### Societe Langonnaise des Vins et Hotelleries SAS (“SLVH”)



SLVH operates full-service restaurant under the trademark of “*Le Grand Vefour*” which is a historic restaurant (since 1784) with more than 230 years of operation. Currently, SLVH has only one restaurant located in the area of The Palais Royal’s Gardens in Paris, France with two Michelin stars under Mr. Guy Martin, the owner and head chef.

Le Grand Vefour is a restaurant offering splendid French gastronomy, presenting French luxury in 18<sup>th</sup> century and modern & vibrant fashion that are reflected through the various food menus and desserts.

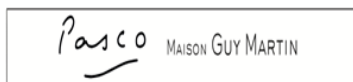
The target’s customer of Le Grand Vefour is businessmen, top executives, politicians, and tourists with high income level who are fascinated in French gastronomy. In addition, Le Grand Vefour carefully selects premium raw materials and professionally serves quality cuisine to represent customers’ personality, taste of food and the value of the price to create customer satisfaction.

As Mudman Public Company Limited has a business plan to expand overseas. The first branch has already opened under the brand “Le Grand Vefour.” The new branch was expanded in partnership with Mr. Guy Martin in designing a restaurant with a contemporary atmosphere. The menu features simple seasonal ingredients and local products combined with Chef’s creativity and deliciousness. The restaurant is now open for business. Details are as follows:



### MM FR SAS

La Mere Lachaise is in a prime location with both tourists and workers which is the main target customer of the restaurant. As of December 31, 2020, La Mere Lachaise is undergoing renovation which is expected to be operational by the end of 2021.



### MAISON MM1 SAS

The 2<sup>nd</sup> branch was opened under the brand Pasco, in partnership with Mr. Guy Martin. Pasco is located at 74 Boulevard de La Tour-Maubourg 75007, Paris, France. The location has great business potential in line with the restaurant's target customers are tourists and office workers. The restaurant has been operating since January 2020.



### MAISON MM2 SAS

The 3<sup>rd</sup> branch was opened under the brand Augustin, in partnership with Mr. Guy Martin. Bistrot Augustin is located at rue Daguerre. That location is a potential location with tourists and office workers which is the main target customer of the restaurant. The restaurant has been operating since January 2020.



## MAISON MM3 SAS

### A NOSTE

Latest, MAISON MM3 SAS opened a new restaurant under the A Noste brand in partnership with Mr. Guy Martin. A Noste is located in 6 bis Rue du quatre septembre 75002 Paris France. That location is a potential location with tourists and office workers which is the main target customer of the restaurant. The restaurant has been operating in July 2020.

### M-Kitchen



Besides Madman Public company Limited (“MM”) invests in its subsidiary that operates food and beverage businesses, MM has recognized market opportunity in full services restaurant under owned Brand with different target customers of Greyhound Café.

Therefore, MM operates cafeteria business and in-patient department (IPD) food services in a hospital under “M- Kitchen” brand. As of 31 December 2020, M- Kitchen had 1 store at Ramkamhaeng Hospital. However, the Company has a plan to expand this business to other places not only in a hospital.

#### 4.3.3 Lifestyle Business

##### Greyhound Co., Ltd.

**GREYHOUND**  
ORIGINAL

  
**SMILEYHOUND**  
GREYHOUND



Greyhound Co., Ltd. (“GHF”) operates business as manufacturer and distributor of fashion garments and accessories under “under “Greyhound” brand, targeting mid-to-high customer group. The major brands under Greyhound are Greyhound Original which is the first lifestyle brand of Greyhound, focusing on distributing unique apparel and accessories with minimal concept or a simple style clothes with hidden features graphic screen and special sewing techniques under the concept of “Basic with a twist”. The main products are shirts, T-shirts, pants, suits, skirts, shoes, and bags at seasonal collections.

“Smileyhound” is another brand for Casual Wear that is designed with concept of “Basic Casualwear with Smileyhound Icon for Everyone”. The main products are T-shirts, pants, shoes, and bags.

As of December 31, 2020, GHF has 13 its own stores that are main channels for selling products in the country through leading department stores located in Bangkok and greater Bangkok. There are sub-brands of GHF targeting different customer groups and different style which is the one of strategies that Greyhound uses to create opportunities in lifestyle business to reach more each target of customers.

In addition, there is 1 Greyhound Coffee branch which is a food and beverage restaurant in café type.

#### **4.3.4 Real Estate Investment Trust Management**

##### **SST REIT Management Co., Ltd.**

SST REIT Management Co., Ltd. (“SSTRM”) conducts business as a REIT Manager for Real Estate Investment Trust under the supervision of the Trustee. SSTRM received the REIT Manager license from the SEC on 1st December 2017. Currently, SSTRM has managed Sub Sri Thai Real Estate Investment Trust. SSTRM will receive a fee from the management of the REIT that is yearly income and SSTRM will also receive fees from acquiring and disposing of assets according with the asset value.

#### **4.4 Marketing and Competition**

##### **4.4.1 Warehouse and Wharf Business**

The Company’s customers can be classified in two groups which are directly deals with the company, mostly are our rental customers and with long and good record in business with us. The target group will be exporters, importers and industrial operators, etc. Another group of customer is directly approached by the company, mostly will be depositor of documents. The company is necessary to have its marketing team to approach the customers in an integrated approach, with structuring of Booths at different locations and distribution of Brochure to the target customers.

Most customers of the company were depositors who deposit boxes and file containing documents, the importer of goods in the type chemical fertilizer, frozen product, sawn timber, soybean and wheat, the exporter of goods in the type of flour, Palm oil, sugar and steel, etc. and manufacturer of goods in type of textile, paper, shoes, chemical products etc.

##### **Strategy in Competition:**

1. Emphasize efficient service, convenient, fast and accurate to meet the needs of the customers.
2. Location of warehouse and wharf conveniently accessed both on land and waterway.
3. Giving importance to the safety of the goods stored including the safety of relevant personnel both our employees and customers.

### **Competition within the Industry:**

Normally the business of warehouse and wharf is not in hectic competition and with only a few competitors for instance, the listed companies in SET in the category of transportation and logistics. Now, it comes up with more interested companies in this business due to economic expansion

For the document storage services, even with not so many competitors in the market but still with high competition, the company must speed up its development in service by implementing modern storage systems to store and keep the document box in good condition and has an automated document warehouse AS/RS that uses modern technology for storage document. There is a computerized and barcode codes system that can find document boxes quickly and accurately. There is a team of marketing and customer relations to meet customers closely both before and after sale to inquire about the needs and satisfaction of customers in order to improve the service continually.

In addition, the company can create confidence with our customers in 3 prominent features, as follow:

1. Good reputation gained during more 45 years of services, well known of good reliability by Services Users and Financial Institutions.
2. The company has ownership on standard warehouse with stability and safety and in ideal location with good accessibility, on the bank of Chao-Phraya River, close to Suksawat Road, connected to Industrial Ring Road.
3. Good services provided:
  - 3.1 Qualified operators to facilitate accurate checking, receiving and issuing of goods in shortest time possible.
  - 3.2 Packing and Transferring Equipment are of high efficiency, together with qualified operators help in speedy movement of goods without loss or damage.
  - 3.3 Flexibility in our operations and development services with the advanced technology to meet customers' need

### **Growth Trends of the Industry**

Warehouses in Thailand can be separated into three major types as follows:

1. Warehouse use solely for the benefits of the owner  
Such as warehouse of Factory, Department Stores, Importers, and Exporters for example. Whenever space left available may be rented out to others.
2. Warehouse the owner planned especially for rent  
That is not to use for their own benefits, but aim to be rented out to business operators such as those shown in (1), who does not have a warehouse of their own.
3. Registered Warehouse  
It is a type of warehouse required to be registered with the Ministry of Commerce, according to Warehouse, Silo and Cold storage Act, B.E. 2558. The warehouse can be rented out or receiving goods deposit by issuing warehouse receipt and warehouse warrant to depositor. Such receipt and warehouse warrant issued, the depositor can use as document qualified for juristic actions regarding transfer of ownership of the goods and to mortgage such goods.

For more than ten years, requirements for warehouse spaces were increasing all the time, that is increasing in accordance with the growth of National Economy and the trend that warehouse with good standard and docking ports for large sea-going vessel along the Chao-Phraya River shall be more important increasingly, due to many of the old style warehouses have turned to other businesses with better returns, such as hotels, condominium and office buildings.

For intermediate term and long term, Warehousing business with high standard tended to continue its growth in line with the Gross National product, increasing quantity of goods for both imports and exporters, results in increasing demands for warehouse area, while the total warehouse area in Bangkok and perimeter along the Chao-Phraya River tended to be decreasing, while opportunity to start new warehouses with wharf are having limitations on location, high cost of land and construction, therefore, the likely sites tended to be located in outside Bangkok and up-country areas, such as Ayudhya, Angthong, Chon-Buri and Chachoengsao, for example, and it is warehouse without wharf (Inland Warehouse).

For the document storage business, it is correspond to the economic condition and tends to grow continuously, even though the technology is developed and make the cost of document storage in electronics form lower and facilitate the document storage and searching, as well as Electronics Transaction Act B.E. 2544 and the amendment B.E. 2551, giving permission to consider the information kept in electronic form as the presentation or the storage of original document according to the law, the companies still see the importance of original document storage in hard copy because it corresponds to the internal rules of the Company and create more confidence when using in legal action as compared to the electronic document.

The number of the document storage business in Thailand is increasing but there is still high barrier to entry for new competitor, which is the entrepreneur must have specific expertise in management, rapid service providing and there must be large area to use as large document storage as well as providing services in new form, which is the substitute service for the document storage service by document scanning service in order to keep the document in electronic form and provide cloud storage service.

#### **4.4.2 Food & Beverage Business**

##### **Channel of Distribution:**

**Dunkin' Donuts** open its retail outlet to serve all kind of customer in department stores or general departments, business area or communities for convenience to everyone. The services comprise in the outlet and take away including snack box service for meeting, party and moreover with parties as required by the customers

**Au Bon Pain** emphasizes in offering a diversity of identity products for the customers, original sandwich recipe of Au Bon Pain, bread and bakery over 30 kinds in zero-gram trans fat, without any trans fat which is good for health and soup menu, salad with nutritious and the customers can pick for sandwich of his own formula mix with special drinks in the atmosphere of cozy eating from Au Bon Pain employees.

Au Bon Pain provides service in its outlet and take away or delivery service to your home and office including a party as you require.

Au Bon Pain locations are chiefly in well-known business area, department store, hospital or any area with our targeted group who are office employees, new businessmen, students with good taste for their lifestyle.

**Baskin Robbins** this is world-class US ice-cream brand, a premium ice cream with retail sale at large department stores, business areas, emphasizing on target up to the middle class group of customers. We have different marketing strategies in each year that are suitable to the needs of customer and public to relate relations program with Fan page on internet, window display advertisement, for instance, poster stand and discount coupon attached with the Postcard. In future we intend to do more communications to create new customers using radio and television such the strategies need preparedness and appropriateness.

**Greyhound Café** a restaurant under brands names of “Greyhound Café” / “Another Hound Café”/ “KIN HEY/ “Gai Hound” by Greyhound” to serve mid-to-high customer group. The restaurants are located in the area that can serve these customers with facilitation such as large shopping malls. Greyhound branded emphasis on atmosphere, good service and good taste. Also, focus on creating new things, to cope with the change in the food market and increase the competitiveness with new brands in the food business both in the country and abroad at the present and in the future.

**M-Kitchen** is a mid-size restaurant that is provided welcome feeling and cleanness. The target customers are out-patient department (OPD) patients and their relatives, as well as hospital’s staff. They prefer quick services with affordable value for money menus. Therefore, the service of Kitchen M Restaurant will focus on fast service at a reasonably price. For IPD food services, the target group is only in-patient with nutritious control and conditions from the hospital.

### **Increasing Access Channels for Today's Consumers**

Covid-19 has changed consumers behavior and lifestyle such as Work From Home and Social Distancing. A lifestyle that focuses on comfort, rapid changes, and smart phone, has made consumers feeling more comfortable staying homes, creating a New Normal lifestyle. Therefore, increasing consumer access channels is a Business Strategy that will accommodate the needs and lifestyles of consumers more through online sales, food delivery, take home food, and D.I.Y Menu.

Promoting consumer access channels include:

- 1) Maintaining quality standards of food, other products, and speed of delivery.
- 2) Increasing ordering channels. For example, websites, social media, and communication platforms.
- 3) Providing complete information and illustrations for easy decision making.
- 4) Promotions to help promote greater brand awareness.

### **Industry Trends & Market Competition:**

Food & Beverage Business in Thailand is not a complex business, so there are many new players are easy to come into this business continuously which leads to intense competition. Due to the fierce competition, some players are pushed to liquidate their businesses. Providers must have effective controlling and management skill. Each provider must introduce new products and sales promotion all the time as well as understand rapid changes of consumers’ behavior, to maintain and expand the market share, and to enhance brand equity. However, we trust in the strength of our quality and brand and also our marketing strategy of each brands, so we expect a continual growth.



#### **4.4.3 Lifestyle Business**

##### **Channel of Distribution:**

Operates business produce and distribute fashions and accessories under brands “Greyhound”, are available in its branch outlets, department stores and distributed to dealers in Asian countries such as Indonesia, South Korea, Hong Kong, with the upper middle class customers. Focus on working both in front store and internal teams to understanding targeted customers group and adapted to meet the needs of the customers. Adding a product line that is inexpensive and easy access to communication campaigns that reach a new generation of various online media. In addition, the company has also started a pre-order business through online channels, with online sales growing significantly from 2019.

The Greyhound Brands focus on understanding target customers of each brand. Product were created to match the targeted group of customers. The Company has continuously launched new products in Lifestyle-Concept brands. For example, coffee, sneakers, and perfume. In addition, the Company has released products that are consistent with New Normal lifestyles. For example, cloth masks, cloth gloves, hand gel, and alcohol spray, which have been well received by consumers.

##### **Industry Trends & Market Competition:**

Lifestyle business is a retail business offering various types of product such as clothes, accessories, sunglasses, household appliances, and home furniture. In addition to the various types, there are different target customers i.e. age, sex, and demography. With intense competition from low barrier to entry, the Company has realized the intense competition and tried to enhance brand equities among various target customers.

#### **4.4.4 Real Estate Investment Trust Management**

To conduct business as a REIT Manager is a particular business and low competition due to the strictly rules and regulations governed by government sectors and has to obtain the SEC’s approval for REIT Manager license before operate this business. However, this business has a good perpetual income and low risk because of management for high value of assets.

### **4.5 Procurement of Products or Service**

#### **4.5.1 Warehouse and Wharf Business**

**Sub Sri Thai Plc.**, has three locations of warehouses for service as follows:

1. Warehouse I and Wharf located at No. 71, 71/1-9 Moo 1, Soi Suksawat 49, Suksawat Road, Tambon Bangchak, Amphoe Phrapradaeng, Samutprakarn Province, Tel : 02-463-4280-9 Fax : 02-463-4287, 02-818-7847 comprises the main structures which are 28 warehouses for storage of goods of 210,000 metric tons, two wharfs for ocean vessels, a roofed transit shed for the placement of goods of 12,000 metric tons, the parking spaces for 150 trucks and service facilities for the Company’s official and staff concerned

2. Warehouse II and Document Storage located at No. 115, 115/10 Moo 6 Soi Suksawat 76, Suksawat Road, Tambon Bangchak, Amphoe Phrapradaeng, Samutprakarn Province, Tel: 02-463-0127, 02-464-1502-9 Fax : 02-817-5190-1 comprises the main structures which are 4 warehouses for storage of goods of 35,325 metric tons, 10 document storage warehouses (There are 6 units of document warehouses that the Company has rented from Sub Sri Thai Real Estate Investment Trust) total area 17,463 square meters, controlled temperature and humidity room total area is 96 square meters, the parking spaces for 100 trucks and service facilities for the Company's official and staff concerned.

3. Warehouse III - Document Storage located at No. 115/7-9 Moo 6 Soi Suksawat 76, Suksawat Road, Tambon Bangchak, Amphoe Phrapradaeng, Samutprakarn Province, Tel: 02-819-9322-3, 02-819-9372-7, 02-819-9379 Fax: 02-819-9378 comprises the main structures which are 7 warehouses total area 12,709 square meters, 1 strong room with Automation warehouse, AS/RS (Automated Storage and Retrieval System), which the Company has rented from Sub Sri Thai Real Estate Investment Trust, total area 1,445 square meters, including racking for storing documents, fire protection and infrared alarms, in case someone intrudes and CCTV monitoring all over the area, controlled temperature and humidity which total area is 156 square meters, offices and service facilities for the Company's official and staff concerned.

**Remark** The Company is the owner of land approximate area of 17 rai close to Warehouse II and Warehouse III and the Company has attended to expand to be Warehouse IV when market demand increases and economic conditions are appropriate for expansion businesses.

#### 4.5.2 **Food and Beverage Business:**

**Dunkin' Donuts** uses raw material produced in Thailand with 22 production kitchens located in Bangkok for 4 kitchens and 18 kitchens in the provinces.

**Au Bon Pain** has production factory for frozen food at Bangpu, Mueang District of Samutprakarn Province and with 2 bakery kitchens at Praram 3 and Pattaya. In addition, we have production kitchen in certain outlets for distribution to nearby areas. Main raw material is flour for bakery which is under Au Bon Pain Standard all over the world.

**Baskin Robbins** directly imports ice cream from the United States without any production in Thailand and it is the same standard all over the world.

**Greyhound Café Group of Restaurants** The supply of products and services can be divided into 2 main groups, namely, Central Kitchens and Storefront Branches. The Company has a Central Kitchen or Food Preparation Center primarily responsible for the preparation, allocation, and production of products, for distribution to various Storefront Branches. The Company has a Policy to control the quality of raw materials of Storefront Branches. Delivery is made for raw materials, fresh goods, semi-finished goods, and finished goods, from manufacturers and distributors to Central Kitchens and Sub-Kitchens every day.

#### **4.5.3 Lifestyle Business**

The business of producing ready-to-wear fashion clothing, jewelry, and lifestyle products under the brand of Greyhound Group, has various collection production plans for each season in advance. Each collection has a unique and outstanding concept. The Company has planned for the supply of raw materials in advance. For example, fabric types, buttons, zippers, and other equipment. Once raw materials and equipment in production are gathered, the Company will recruit an external company to make the sewing. The external company will make samples of shaped garments for the Company to approve prior to actual production, to ensure the sewing patterns according to Greyhound standards, and to confirm the product quality before distribution to various branches.

#### **4.5.4 Real Estate Investment Trust Management**

SST REIT Management Co., Ltd. (“SSTRM”) is a REIT Manager of Sub Sri Thai Real Estate Investment Trust (“SSTRT”), which had a net asset approximately Baht 622 million. Later, in December 2017, SSTRT has increased its assets by transferred assets from the Sub Sri Thai Property Fund, approximately Baht 624 million. At the present, the net asset of SSTRT is approximately Baht 1,246 million and as the REIT manager, SSTRM must look for new assets to add in the trust in order to increase its. The Business and Real Estate Development Department will select potential assets for investment to generate profit, whether it is leasehold or freehold property.

## Important Events in 2020

<b>April 2020</b>	<p>The Annual General Meeting of Shareholders for the year 2020, hold on April 28, 2020, has significant resolved as follows:</p> <p>1. Approved the decrease of the Company’s registered capital from Baht 759,678,577 to Baht 486,193,885 by reducing the number of ordinary shares reserved for the increase of registered capital under a General Mandate which have been not allocated in year 2019 in the whole amount of 273,484,692 shares at a par value of Baht 1 per share</p> <p>2. Approve the increase of register capital of the Company in the amount of 322,104,080 Baht from the original registered capital of Baht 486,193,885 to Baht 808,297,965 by issuing 322,104,080 newly ordinary share at the par value Baht 1.00 per share to reserve for allocation of the newly issued ordinary share of the Company as follows:</p> <ul style="list-style-type: none"><li>- Allocate of shares in the amount of not exceeding 45,580,782 shares at par value of Baht 1.00 per share to support stock dividend payment.</li><li>- Allocate of shares in the amount of not exceeding 3,038,606 shares at par value of Baht 1.00 per share to support the adjustment of the rights to purchase ordinary shares of the Company No. 2 (SST-W2)</li><li>- Allocate of shares in the amount of not exceeding 273,484,692 shares at par value of Baht 1.00 per share to support the increase of registered capital of the Company under a General Mandate</li></ul>														
<b>May 2020</b>	<p>The Meeting of the Board of Directors of the Company No. 4/2020 held on April 28, 2020 had appointed Miss Limly Thipphonggraphas, Chief Corporate Finance, Chief Strategy and Business Development Officer to be the Company’s Director, Member of Executive Committee and the Company Secretary in replacement of Mr. Pilanchai Pradubphong who passed away, effective from May 1, 2020 onwards.</p>														
<b>May 2020</b>	<p>The Annual General Meeting of Shareholders for the year 2020 of the Company, which was held on April 28, 2020, had the resolved to approve the increase of the Company’s registered capital by allocating the newly issued ordinary shares of the Company for stock dividend. The dividend payment as stock dividend will cause the Company to adjust the Exercise Price and Exercise Ratio of Warrants to purchase ordinary shares of Sub Sri Thai Public Company Limited No. 2 (SST-W2). Since the condition of the rights as set forth in Clause 2.3 Conditions for rights adjustment, 2.3.1 (d) stated that “The Company pay all or part of dividend in form of ordinary shares to the Company’s shareholders. The change of the Exercise Price and the Exercise Ratio shall be effective immediately from the first date that the buyer of ordinary shares shall not have rights to receive stock dividend (the first date that post XD sign), the details of adjustment are as follows:</p> <table><tr><th rowspan="2">Warrant</th><th colspan="2">Before Adjustment</th><th colspan="2">After Adjustment</th></tr><tr><th>Exercise Ratio (Unit : Share)</th><th>Exercise Price (Baht)</th><th>Exercise Ratio (Unit : Share)</th><th>Exercise Price (Baht)</th></tr><tr><td>SST-W2</td><td>1 : 1</td><td>10.00</td><td>1 : 1.1</td><td>9.091</td></tr></table> <p>The adjustment of exercise price and exercise ratio will be effective on May 8, 2020 onwards.</p>	Warrant	Before Adjustment		After Adjustment		Exercise Ratio (Unit : Share)	Exercise Price (Baht)	Exercise Ratio (Unit : Share)	Exercise Price (Baht)	SST-W2	1 : 1	10.00	1 : 1.1	9.091
Warrant	Before Adjustment		After Adjustment												
	Exercise Ratio (Unit : Share)	Exercise Price (Baht)	Exercise Ratio (Unit : Share)	Exercise Price (Baht)											
SST-W2	1 : 1	10.00	1 : 1.1	9.091											
<b>May 2020</b>	<p>After the allocation of ordinary shares for stock dividend payment, the ordinary shares that 45,580,041 shares can be allocated which on May 27, 2020, the company's registered capital and paid-up capital are as follows:</p> <p>Registered capital: 808,297,965 Baht Paid-up capital: 501,387,864 Baht</p>														

## 5. Financial Highlights

( Unit : Million Baht )

Consolidated Financial	2020	2019	2018
Warehouse and Wharf business incomes	394	396	390
Food and Beverage business incomes	2,017	2,768	2,935
Apparel Business income / Lifestyle business	149	145	147
Total Revenues*	2,730	3,526	3,656
Operating expenses (excluded interest and income Tax expenses)	3,037	3,399	3,550
Income from ordinary activities	(446)	(7)	40
Total Assets	6,964	5,581	5,707
Total Liabilities	4,151	2,337	2,416
Shareholders' equity	2,812	3,244	3,290
Issued and paid-up share capital (ordinary shares)	501	456	456
Earning per share from ordinary activities**	(0.56)	0.01	0.10
Book value per share (Baht)**	4.06	4.55	4.58
Liquidity ratio (Time)	0.33	0.47	0.86
Collection Period (Day)	16.27	14.38	14.44
Net profit Margin (%)	(17.37)	(0.22)	1.16
Return on Equity (%)	(15.85)	(0.23)	1.23
Return on Total Assets (%)	(6.40)	(0.13)	0.71
Debt-to Equity	1.48	0.72	0.73
Payout Ratio (%)	N/A	N/A	N/A

### Note

\* Total income (including other income)

\*\*Adjust the number of ordinary shares in order to show the reflection on the impact of stock dividend



## 6. Risk Factors

In running a business it is common to face with risk factors that could affect significant impacts to the business; the company has carefully paid the attention on the risk management by implementing it with the internal control and inspection under the best practice to be able to adapt under the risk situations strongly. The risk factors that may happen to the company are as following:

### 6.1 The Company has its major shareholders > 50%

Mr. Supasith Sukhanindr and related persons hold the Company's shares more than 50% of total company shares being sold. In this regard, Mr. Supasith and related persons was able to control of the shareholders' meeting in its resolution whether on appointing of directors or resolution in other matter that seeks majority of votes in the shareholders' meeting, except for the matter that the law or regulations of the company has imposed to get three fourths (3/4) of the shareholders' meeting. Therefore, other shareholders cannot have enough voting power to inspect and balance on the matters proposed by the major shareholder.

However, the Company has the transparent structure which complies with Good Governance and appropriate balance of power by setting the scope of authority, responsibility of the directors clearly. Apart from that, for the transaction with the director, major shareholders, authority, as well as person with conflict, the Company must follow the law concerning security and security exchange, regulations, announcement, order or requirement of the Stock Exchange of Thailand, Capital Market Supervisory Board, SEC as well as compliance to the regulations about revealing the relevant transaction data and the asset acquisition. Moreover, the approval of the transactions between the Company and managements, the Company Directors, Executive Board and/or members of other sub-committee who are the beneficiary in the transaction, they will not vote for such approval. In addition, there is Audit Committee who is an independent entity participating in the consideration and comment about the necessity and appropriateness of the transactions. Such management will gain confidence for the shareholders that the Company has a balanced, transparent and efficient administration focusing on the benefit of the Company.

### 6.2 High Competitions

At present there is high competition between companies as it has more new comers into business all the time while the existing sellers and providers have to adjust strategies in developing products and services. The company has prepared to respond this issue by developing our service and product quality, management training and personnel to be able to improve along with various aspects of development for the best satisfaction of our customers and related persons.

### 6.3 Risks in Franchise Extension and changing in details and conditions

Food and beverage business brands "Dunkin Donuts", "Au Bon Pain" and "Baskin-Robbins" run under the franchised brands oversea under the terms and conditions stipulated in the contract of franchise, therefore it may face with the risk in not getting license extension or in the change of details and conditions. However, the company has continually marketed these brands and with good turnover and growing market respectively, the risks should then be minimal.

In addition, the company increased its own brand by investment in Greyhound brands in both restaurants business and lifestyle business. Those businesses would reduce the risk of the Company from not getting franchised license extension.

#### **6.4 Risk from the changes in document storage method**

According to the development in technology continuously, makes the current cost of storing documents in electronic form a relatively cheaper service. Therefore, many companies can conveniently store documents in the form of electronic media. It is also easier to store and search than storing documents in physical storage. If the document depositors increasingly switch to use electronic media for store documents, it can cause reduce the demand of physical documents storage.

However, document storage services are still in demand in Thailand, as companies' policies, such as those of financial institutions, require original physical documents to be maintained, including accounting, financial, legal, and other types of documents that are important when it comes to legal significance, taxations, and search and compliance purposes as required by law. Therefore, the majority of business operators tend to store their documents at least 5-10 years depending on the company policies before it is time for shredding. Although the Electronic Transactions Act, B.E. 2544 and amendment B.E. 2551. This law allows documents stored in the electronic form to be considered original, many businesses still see the importance of storing their documents physically, because the physical originals can be used in legal processes without having to go through the originality and completeness verifications as would be the case for electronic originals (cited from the notification of the Office of the Electronic Transactions Commission, regarding the guidelines for the construction or converting documents in electronic forms B.E. 2553). Companies do so to reduce the risk that electronic documents may not be usable in litigations, the risk of not being able to verify the electronic documents, such as signatures and company seals, and the risk that electronic documents may be altered in the case of insufficient security measure.

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

The company has risk in interest rate which arises from financial assets and liabilities. Such as interest rate fluctuate, or an interest rate that close to the current market rate, the interest rate risk is so minimum.

#### **6.6 Risk in Debt Collection from Account Receivables**

Within the Warehouse and Wharf business granted credit in relation with account receivables the company has imposed its policy that covers the implementation, follow-up and credit control suitable and in addition our customers are diversified and therefore the risk in not able to collect payment is low.

For the food and beverage business and lifestyle Business that caters for major income to us it has very little risk as it may be compared equivalent to cash.

#### **6.7 Risk in Compliance with Long-term Loan Contract**

The Company and its subsidiaries must comply with certain financial conditions as stated in the agreement of debentures and loan agreements, respectively, for instance, the debt to equity ratio, the debt settlement ability and limitations in distribution, pay, transfer or causing charges to land, construction, equipment and certain investment money to comply with the agreement, etc. The Company must be careful or define restrictions when enter into any transactions.

## 6.8 Risk in Shortage of Labor

Thailand is now under labor shortage in every business segment and it leads to scrambling for labor. We pay attention to this risk by providing with good welfare and reasonable remunerations, develop knowledge to our employees continually including the arrangement of proper environment for working to enhance them to yield best efficiency and satisfaction to work with the company in long term.

## 6.9 Risk from SSTRT not extending lease of document warehouse

The Company rents 14 document warehouse from Sub Sri Thai Real Estate Investment Trust (“SSTRT”) to run the document storage business. If the lessor refuse to lease out the asset further, it may affect the operation of document storage business.

However, the Company has entered into long term rent contract (currently, the remaining term of the contract is about 9 years) with Sub Sri Thai Real Estate Investment Trust (“SSTRT”). To reduce such risk, when the term of the rent agreement nearly meet the expiry, the lessee and the lessor will negotiate to renew the rent contract not less than 1 year in advance. If the condition of the agreement in the renewal cannot be agreed, the Company still have the warehouse with the ownership belong to the company which can store the document of the customer adequately and there will be enough time to prepare the place for appropriate document storage according to the standard and continue the business further. Apart from that, it would be hard for the SSTRT to select the new lessee who is the provider of document storage business or similar business that can use the asset of the SSTRT to seek for benefit due to the convenience in space management, since the asset, such as entrance and exit, must be shared.

## 6.10 Risks Associated with Covid-19

The Company has invested in the food business as major shareholder in Mudman Public Company Limited (“MM”), which was greatly impacted by Covid-19 that is continues the infections in many regions of the world. Covid-19 has caused economic slowdown and impacted most businesses and industries. For example, supply chain systems, consumer spending, restrictions on production, disruptions, and delayed operations. The situation has been on-going since 22 March 2020. Restaurants & Beverage Businesses in Thailand cannot sell products as normal, nor to serve customers dining in the restaurants, although customers are still allowed to buy, and to have take-home food and home delivery. According to lockdown measures to control the infections, ready-to-wear clothing businesses can only be sold online. Later, the Government had eased the lockdown that allowed MM Group of Companies to resume business in Thailand from 17 May 2020 onward. Overseas restaurant business had to temporarily close from March 2020 and started operating again in June 2020. However, the impact of Covid-19 has affected all Business Sectors, causing the number of customers who have purchased goods or services to not yet return to normal. Although the situation has affected the financial position and business performance, MM Group of Companies have sought to adjust Sales Strategy in line with current circumstances. The Company has been managing and closely monitoring costs and expenses more efficiently.

## 7. General Information

### Sub Sri Thai Public Company Limited

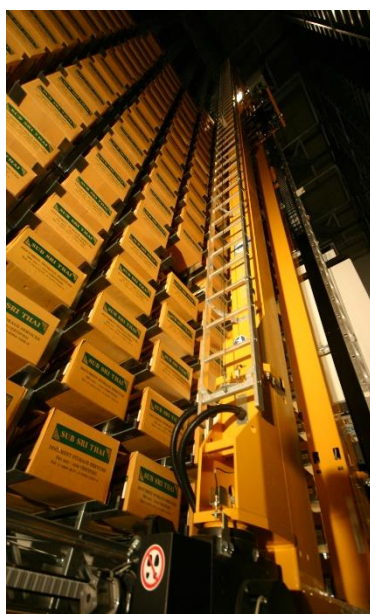
Initial	SST
Registered Number	0107537002117
Type of Business	Providing document and property storage, rental service and space management for warehousing including the service of warehouse and stock management and business related with wharf.
Registered Capital	808,297,965.00 Baht (Eight hundred and eight million two hundred ninety-seven thousand nine hundred sixty-five Baht)
Par Value	1.00 (one) Baht per share
Paid-up Capital	501,387,864.00 Baht (Five hundred and one million three hundred eighty seven thousand eight hundred sixty-four Baht)
Head Office	2044/25-27 New Phetchaburi Road, Bangkok, Huai Khwang, Bangkok 10310 Telephone: 66 (0)-2314-0412, 66 (0)-2314-3132, 66 (0)-2318-5514-5 Telefax: 66 (0)-2318-3490-1
Warehouse 1	71, 71/1-9 Moo 1 Soi Suksawat 49 Tambon Bangchak, Amphoe Phrapradaeng, Samut Prakan Province 10130 Telephone: 66 (0)-2463-4280-9 Telefax: 66 (0)-2463-4287, 66 (0)-2818-7847
Warehouse 2 and Document Warehouse	115,115/7-10 Moo 6 Soi Suksawat 76 Tambon Bangchak, Amphoe Phrapradaeng, Samut Prakan Province 10130
Warehouse 3 and Document Warehouse	Telephone: 66 (0)-2463-0127, 66 (0)-2464-1502-9 66 (0)-2819-9322-3, 66 (0)-2819-9372-7, 66 (0)-2819-9379 Telefax: 66 (0)-2817-5190, 6 (0)-2819-9378
Website	<a href="http://www.subsrithai.co.th">www.subsrithai.co.th</a> and <a href="http://www.subsrithai.com">www.subsrithai.com</a>



## Warehouse and wharf



## Warehouse 2-3 and Document Warehouse





## Warehouse Business



### SST Warehouse Company Limited

Registered Number	0105552067303
Type of Business	Warehouse business / Depositing of goods Service
Registered Capital	5,000,000.00 Baht (Five million Baht)
Par Value	100.00 (One hundred) Baht per share
Head Office	2044/25-27 New Phetchaburi Road, Bangkok, Huai Khwang, Bangkok 10310 Telephone: 66 (0)-2314-0412, 66 (0)-2314-3132, 66 (0)-2318-5514-5 Telefax: 66 (0)-2318-3490-1
Warehouse	71/9 Moo 1 Soi Suksawat 49 Tambon Bangchak, Amphoe Phrapradaeng, Samut Prakan Province 10130 Telephone: 66 (0)-2463-4280-9 Telefax: 66 (0)-2463-4287, 66 (0)-2818-7847
Website:	-



## Food & Beverage

### Mudman Plc.

Registered Number	0107559000141
Type of Business	Investment and management in other companies (Holding Company)
Registered Capital	1,054,903,750.00 Baht (One billion fifty-four million nine hundred and three thousand seven hundred fifty Baht)
Par Value	1.00 (One) Baht per share
Paid-up Capital	1,054,903,750.00 Baht (One billion fifty-four million nine hundred and three thousand seven hundred fifty Baht) <i>as of December, 2020</i>
Head Office	206, Soi Pattanakarn 20, Suan Luang Sub-District, Suan Luang District, Bangkok 10250  Telephone: 66 (0)-2079-9765 Telefax: 66 (0)-2079-9755
Website:	<a href="http://www.mudman.co.th">www.mudman.co.th</a>

### Golden Donuts (Thailand) Co., Ltd.

Registered Number	0105548146423
Type of Business	Produce and distribute donuts and beverage under “Dunkin’ Donuts” or “DD” brand.
Registered Capital	300,000,000.00 Baht (Three hundred million Baht)
Par Value	10.00 (Ten) Baht per share
Head Office	206, Soi Pattanakarn 20, Suan Luang Sub-District, Suan Luang District, Bangkok 10250  Telephone: 66 (0)-2079-9765 Telefax: 66 (0)-2079-9755
Website:	<a href="http://www.dunkindonuts.co.th">www.dunkindonuts.co.th</a>

**ABP café (Thailand) Co., Ltd**

Registered Number	0105548146776
Type of Business	Produce and distribute bakery and beverage under “Au Bon Pain” brand.
Registered Capital	40,000,000.00 Baht (Forty million Baht)
Par Value	10.00 (Ten) Baht per share
Head Office	206, Soi Pattanakarn 20, Suan Luang Sub-District, Suan Luang District, Bangkok 10250
	Telephone: 66 (0)-2079-9765
	Telefax: 66 (0)-2079-9755
Website:	<a href="http://www.aubonpainthailand.com">www.aubonpainthailand.com</a>

**Golden Scoop Co., Ltd.**

Registered Number	0105555079990
Type of Business	Import and distribute premium ice-cream under “Baskin Robbins” brand
Registered Capital	125,000,000.00 Baht (One hundred twenty five million Baht)
Par Value	10.00 (Ten) Baht per share
Head Office	206, Soi Pattanakarn 20, Suan Luang Sub-District, Suan Luang District, Bangkok 10250
	Telephone: 66 (0)-2079-9765
	Telefax: 66 (0)-2079-9755
Website:	<a href="https://www.facebook.com/BaskinRobbinsThailand">www.facebook.com/BaskinRobbins Thailand</a>

**Greyhound Café Co., Ltd.**

Registered Number	0105539130528
Type of Business	Operating full-service restaurant
Registered Capital	10,784,300.00 Baht (Ten million seven hundred eighty-four thousand three hundred Baht)
Par Value	100.00 (One hundred) Baht per share
Head Office	27 Soi Sukhumvit 53, Sukhumvit Rd., Klongton Nua, Wattana, Bangkok 10110
	Telephone: 66 (0)-2260-7178-9
	Telefax: 66 (0)-2260-7149
Website:	<a href="http://www.greyhoundcafe.co.th">www.greyhoundcafe.co.th</a>

**GHC Café (UK) Co., Limited**

Registered Number	10049145
Type of Business	Operating full-service restaurant with GHC concept of “Basic with a Creative Twist” in international markets
Registered Capital	200,000 Pound sterling (Approximate 9.09 million Baht <sup>1</sup> )
Par Value	1.00 Pound sterling per share (Approximate 44.45 Baht <sup>1</sup> )
Head Office	Sutherland House, 1759 London Road, Leigh On Sea, Essex, United Kingdom, SS9 2RZ
Website:	<a href="http://www.greyhoundcafe.uk">www.greyhoundcafe.uk</a>

Note /1 At the exchange rate of 44.4531 Baht per Pound sterling publicized by Bank of Thailand on Friday December 29, 2017

**Mudman International Limited**

Registered Number	152010
Type of Business	Investment in other companies (Holding Company)
Registered Capital	30,000 USD (Approximate 985,416 Baht <sup>/1</sup> )
Par Value	1.00 USD per share (Approximate 32.85 Baht <sup>/1</sup> )
Head Office	Intercontinental Trust Limited, Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
Website:	-

Note /1 At the exchange rate of 32.8472 Baht per US Dollar publicized by Bank of Thailand on Friday December 29, 2017

**Societe Langonnaise des Vins et Hotelleries SAS**

Registered Number	592066047
Type of Business	Operating premium gastronomical restaurant under “Le Grand Vefour” brand
Registered Capital	452,768 Euro (Approximate 17.84 mm Baht <sup>/1</sup> )
Par Value	16.00 Euro per share (Approximate 630.30 Baht <sup>/1</sup> )
Head Office	17 rue de Beaujolais in Paris 75001, France
Website:	<a href="http://www.grand-vefour.com">www.grand-vefour.com</a>

Note /1 At the exchange rate of 39.3938 Baht per Euro publicized by Bank of Thailand on Friday December 29, 2017

**MM FR SAS**

Registered Number	849486873
Type of Business	Restaurants in France
Registered Capital	10,000 Euro (Approximate 340,846 Baht <sup>/1</sup> )
Par Value	1.00 Euro per share (Approximate 34.0846 Baht)
Head Office	78 Boulevard de Menilmontant 75020, France
Website:	-

Note /1 At the exchange rate of 34.0846 Baht per Euro publicized by Bank of Thailand on December 30, 2019



**Maison MM1 SAS**

Registered Number	879098929
Type of Business	Restaurants in France
Registered Capital	10,000 Euro (Approximate 341,267 Baht <sup>/1</sup> )
Par Value	1.00 Euro per share (Approximate 34.1267 Baht)
Head Office	74 Boulevard de La Tour-Maubourg 75007, Paris France
Website:	-

Note /1 At the exchange rate of 34.1267 Baht per Euro publicized by Bank of Thailand on February 17, 2020

**Maison MM2 SAS**

Registered Number	880849377
Type of Business	Restaurants in France
Registered Capital	10,000 Euro (Approximate 341,267 Baht <sup>/1</sup> )
Par Value	1.00 Euro per share (Approximate 34.1267 Baht)
Head Office	14 Avenue de l'Opera, 75001 Paris France
Website:	-

Note /1 At the exchange rate of 34.1267 Baht per Euro publicized by Bank of Thailand on February 17, 2020

**Maison MM3 SAS**

Registered Number	884872227
Type of Business	Restaurants in France
Registered Capital	10,000 Euro (Approximate 347,680 Baht <sup>/1</sup> )
Par Value	1.00 Euro per share (Approximate 34.7680 Baht)
Head Office	68 Rue du quatre septembre 75002 Paris France
Website:	-

Note /1 At the exchange rate of 34.7680 Baht per Euro publicized by Bank of Thailand on July 6, 2020

## Lifestyle Business

### Greyhound Co., Ltd.

Registered Number	0105523019789
Type of Business	Produce and distribute fashions and accessories
Registered Capital	96,990,000.00 Baht (Ninety-six million nine hundred and ninety thousand Baht)
Par Value	100.00 (One hundred) Baht per share
Head Office	27/1 Soi Sukhumvit 53, Sukhumvit Rd., Klongton Nua, Wattana, Bangkok 10110
	Telephone: 66 (0)-2260-7121
	Telefax: 66 (0)-2260-7122
Website:	<a href="http://www.greyhound.co.th">www.greyhound.co.th</a>

## Real Estate Investment Trust Manafement

### SST REIT Management Co., Ltd.

Registered Number	0105560165432
Type of Business	REIT manager real estate investment trust
Registered Capital	10,000,000.00 Baht (Ten million Baht)
Par Value	100.00 (One hundred) Baht per share
Head Office	2044/25-27 New Phetchaburi Road, Bangkok, Huai Khwang, Bangkok 10310
	Telephone: 66 (0)-2314-0412, 66 (0)-2314-3132, 66 (0)-2318-5514-5
	Telefax: 66 (0)-2318-3490-1
Website:	<a href="http://www.sstrm.co.th">www.sstrm.co.th</a>

## References

### Share Registrar

Thailand Securities Depository Company Limited  
 93, Ratchadaphisek Road, Dindaeng, Bangkok 10400 Thailand  
 Telephone: 66 (0)-2009-9999  
 Telefax: 66 (0)-2009-9991

### Auditor

Ms. Kamontip Lertwitworatep	CPA. No.4377
Mr. Wichart Lokatekrawee	CPA. No.4451
Ms. Satida Ratananurak	CPA. No.4753

EY Office Limited

33 rd Floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand

Telephone: 66 (0)-2264-9090  
 Telefax: 66 (0)-2264-0789-90

### Internal Audit

IVL Auditing Co., Ltd.  
 35 Soi Wachiradhammasatit 36, Bangchak, Prakanong, Bangkok 10260 Thailand  
 Telephone: 66 (0)-2746-4861-3  
 Telefax: 66 (0)-2746-4569

## 8. Securities and Shareholders

### 8.1 Sub Sri Thai Securities

As of December 31, 2020, Sub Sri Thai's registered capital is at 808,297,965.00 Baht (Eight hundred and eight million two hundred ninety-seven thousand nine hundred sixty-five Baht) made up of 808,297,965.00 common shares at par valued of 1.00 Baht each. These consisted 501,387,864.00 Baht (Five hundred and one million three hundred eighty seven thousand eight hundred sixty-four Baht) in paid-up capital.

### 8.2 Shareholders

(a) First 10 major shareholders as of May 27, 2020, total the company's shares being sold are 501,387,864 shares and value of share 1.00 Baht

No.	Name of Shareholder	Number of Shares	% of Shares
1.	Mr. Supasith Sukhanindr	98,116,137	19.57
2.	Mr. Supachai Sukhanindr	52,410,958	10.45
3.	Mrs. Intira Sukhanindr	52,194,399	10.41
4.	Mr. Taweechat Chulangkul	45,207,140	9.02
5.	Miss Duangkae Chinthammit	28,234,512	5.63
6.	Miss Duangdao Chinthammit	27,684,651	5.52
7.	Mr. Chamroon Chinthammit	24,401,665	4.87
8.	Mr. Somchai Chinthammit	18,309,000	3.65
9.	Mrs. Kamalee Patchimsawat	15,434,551	3.08
10.	Miss Kamolludee Patchimsawat	14,457,928	2.88
11.	Others	124,936,923	24.92
<b>Total</b>		<b>501,387,864</b>	<b>100.00</b>

## (b) The Board of Directors' Securities Holding (As of December 2020)

Name	Number of Shares As of December 2020	% of Shares
1. Mr. Surapong Paisitpatnapong	466,490	0.09
2. Mrs. Chitra Thavara* (Resigned on December 28, 2020)	413,280	0.08
3. Mr. Tosporn Simtrakan	141,129	0.03
4. Mr. Supasith Sukhanindr	98,674,978	19.68
5. Miss Limly Thipphongprahas**	-	-
6. Mrs. Intira Sukhanindr	52,253,240	10.42
7. Miss Duangdao Chinthammit	27,743,492	5.53
8. Miss Duangkae Chinthammit	28,293,353	5.64
9. Mr. Somyod Suteerapornchai*	27,727	0.01

\* Resigned on December 28, 2020 and the Company appointed Mr. Wisuithi Kanoksicharin as a replacement by resolution of the Board of Directors' meeting No.8/2020 held on 16 December 2020.

\*\* Be appointed on 1 May 2020, by resolution of the Board of Directors' meeting No. 4/2020 held on 28 April 2020 in replacement Mr. Pilanchai Pradubphong.

## (C) Minority shareholders (As of March 25, 2020)

The number of minority shareholders (Free Float) amounted to 1,918 persons or equal to 33.72%

## 8.3 Issuance of Other Securities

### 8.3.1 Debentures

The company has issued its debentures, No. 1/2017 of 600,000 units, value at 1,000 Baht per unit, totaling 600,000,000 Baht on September 21, 2017 which is unsubordinated debentures, unsecured debentures and there are no debenture holder representatives, fixed interest rate at 5.00% per annum and to be payable every 3 months. Its yield to maturity (YTM) is on September 21, 2020 that has already been matured.

The company has issued its debentures, No. 1/2020 of 396,200 units, value at 1,000 Baht per unit, totaling 396,200,000 Baht on May 14, 2020 which is unsubordinated debentures, unsecured debentures and there are no debenture holder representatives, fixed interest rate at 5.50% per annum and to be payable every 3 months. Its yield to maturity (YTM) is on November 14, 2021.

On March 11, 2021, the Company has early redeemed some debentures before maturity at a redemption price of 500 Baht per unit, therefore, the company has 396,200 outstanding debentures with a par value of 500 baht per unit, totalling amount of value 198,100,000.00 Baht and its maturity is on November 14, 2021.



### 8.3.2 Warrant

The Annual General Meeting of Shareholders for the year 2018, hold on April 26, 2018, has approved the issuance and offering the warrant to purchase ordinary shares of Sub Sri Thai Public Company Limited No. 2 (SST-W2) to allocate to existing shareholders of the Company according to the proportion of their shareholding at Offering Price Baht 0 (zero Baht) at the ratio of 15 existing ordinary shares for 1 unit of the Warrants. The Warrant shall be allocated to the shareholders whose names appear on list of shareholders who entitled to receive the Warrants (Record Date) on May 7, 2018.

#### Summary of SST-W2

<b>Number of the Warrants</b>	30,368,062 unit
<b>Term of the Warrants</b>	3 years from the issuance and offering date of the Warrants
<b>Issuance Date</b>	1 October 2018
<b>Exercise Price</b>	10.00 Baht per unit (at par value of 1.00 Baht per share) (subject to adjustment as specified in adjustment conditions)
<b><u>Adjustment Exercise Price</u></b>	<i>9.091 Baht per unit (effective on May 8, 2020)</i>
<b>Exercise Ratio</b>	One unit of warrant has right to purchase 1 newly issued ordinary share (subject to adjustment as specified in adjustment conditions)
<b><u>Adjustment Exercise Ratio</u></b>	<i>1 unit per 1.1 newly issued ordinary share (effective on May 8, 2020)</i>
<b>Exercise Period</b>	On the last business day of every June and December of each calendar year throughout the term of the Warrants.
<b>Last Exercise Date</b>	30 September 2021

### 8.4 Dividend Policy

The Company has a dividend payment policy to pay dividends to shareholders at least 50 % of net profit of the company consolidated statements after corporate taxes and the allocation of all legal reserves. This dividend payment shall not contrary to the Public Companies Act. However, dividend payment depends on cash flow, business expansion for the Company's projects and other essential requirement in the future.

The dividend payment policy of subsidiaries or joint company to pay dividends to Sub Sri Thai Plc., depends on their cash flow, financial liquidity, appropriateness and their need to use money.

#### **Dividend Payment Record**

<b>Year</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Cash (THB: shares)	0.0111	0.0500	-	0.0111	0.0111	0.0370
Dividend stock Ratio (old: new) at the par value THB 1.00 per share	10 : 1	-	-	10 : 1	10 : 1	3 : 1
<b>Total (Baht)</b>	<b>0.1000</b>	<b>0.0500</b>	<b>-</b>	<b>0.1000</b>	<b>0.1000</b>	<b>0.3333</b>

## 9. Management Structure about Director and Executive



## 9.1 Board of Directors of the Company

Name	Position
1. Mr. Surapong Paisitpatnapong <sup>1</sup>	Chairman and Independent Director, Chairman of the Nomination and Remuneration committee
2. Mr. Wisuithi Kanoksicharin <sup>1, 4</sup> (Replacement Mrs. Chitra Thavara)	Director and Independent Director, Chairman of the Audit and Corporate Governance Committee, Member of the Nomination and Remuneration committee
3. Mr. Tosporn Simtrakan <sup>1</sup>	Director and Independent Director, Member of the Audit and Corporate Governance Committee
4. Mr. Supasith Sukhanindr <sup>2</sup>	Vice – Chairman Director, Chairman of the Board of Executive Director, Member of the Nomination and Remuneration committee
5. Miss Limly Thipphongprahas <sup>2, 3, 5</sup> (Replacement Mr. Pilanchai Pradubphong)	Director, Member of Executive Committee, Corporate Secretary <sup>3</sup>
6. Mrs. Intira Sukhanindr <sup>2</sup>	Director
7. Miss Duangdao Chinthammit <sup>2</sup>	Director
8. Miss Duangkae Chinthammit	Director
9. Mr Somyod Suteerapornchai	Director

*1 There are 3 Independent Directors, calculated at one third of the total directors with full qualifications under the rules of the Capital Market Supervisory Board*

*2 There are 4 Authorized director to sign on behalf of the company are Mr. Supasith Sukhanindr, Mrs. Intira Sukhanindr, Miss Duangdao Chinthammit and Miss Limly Thipphongprahas any 2 of 4 those directors are co-sign and affix with the company seal.*

*3 The Secretary Company's has been in charge of advising on legal issues and rules that the Board of directors shall be required to acknowledge and to comply with.*

*4 The Meeting of the Board of Directors of the Company No. 8/2020 held on December 16, 2020 had passed the resolution to appoint Mr. Wisuithi Kanoksicharin as the new Director in replacing Mrs. Chitra Thavara who resigned effective from December 28, 2020 onwards.*

*5 The Meeting of the Board of Directors of the Company No. 4/2020 held on April 28, 2020 had passed the resolution to appoint Miss Limly Thipphongprahas as the new Director in replacing Mr. Pilanchai Pradubphong who passed away effective from May 1, 2020 onwards.*

The nine members of the Board of Directors are qualified and have no forbidden qualification pursuant to the requirements set forth in the Public Limited Company Act, law on securities and stock exchange, rules, regulations, announcements of the Securities and Exchange Commission, Good corporate governance policy of the Company and other related laws as well as no prohibited characteristics that lack of appropriateness qualifications of executives which has been entrusted to manage the listed companies as specified by the Securities and Exchange Commission.

### Composition of the Board of Directors

The Board of Directors of the company shall consists of qualified persons with various experiences in various fields and a number of directors as chosen by shareholders to suit the size of company's business to efficiently perform business. In all it must be of not less than 5 directors, but not more than 12 directors, with its Chairman as an independent director. In The Board of Directors, it shall be certain directors who are not executives to be not less than half of it and with actual independent directors without any business relation or other relation that may pose influence not less than one thirds of the total directorship.

### The Board of Directors consists as follows

1. There are 3 Independent Directors with full qualifications under the rules of the SEC, calculated at one third of the total directors and one independent director is the company president and who is not the same person with the managing director to separate the division of duties on governance and regular management. (Qualification of Independent Directors of the Company presented on Page 87)
2. There are 2 Executive Directors
3. There are 7 Non-Executive Director
4. There are 4 Authorized director to sign on behalf of the company are Mr. Supasith Sukhanindr, Mrs. Intira Sukhanindr, Miss Duangdao Chinthammit and Mr. Pilanchai Pradubphong any 2 of 4 those directors are co-sign and affix with the company seal.
5. The Company Secretary has been in charge of advising on legal issues and rules that the committee shall be required to acknowledge and to comply with its details shown on page 51

### Category of Director

Name of Directors	Category of Director			
	Representative Shareholders	Non-Executive Director	Independent Director	Executive Director
1. Mr. Surapong Paisitpatnapong	✓	✓	✓	
2. Mr. Wisuithi Kanoksicharin (Replacement Mrs. Chitra Thavara)	✓	✓	✓	
3. Mr. Tosporn Simtrakan	✓	✓	✓	
4. Mr. Supasith Sukhanindr	✓			✓
5. Miss Limly Thipphongprahas (Replacement Mr. Pilanchai Pradubphong)	✓			✓
6. Mrs. Intira Sukhanindr	✓	✓		
7. Miss Duangdao Chinthammit	✓	✓		
8. Miss Duangkae Chinthammit	✓	✓		
9. Mr Somyod Suteerapornchai	✓	✓		
<b>Total</b>	<b>9</b>	<b>7</b>	<b>3</b>	<b>2</b>

The Company separates the duties and responsibilities of the Chairman of the Board of Directors and President and Managing Director in order to balance the power by separating their roles and responsibilities the from each other

### **Chairman of the Board**

The Board of Directors shall elect one of independent directors who has appropriate knowledge, experience and qualifications to be the Chairman of the Board.

Chairman of the Board is not the same person with the Chairman of the Board of Executive Director and is not an employees or management of the Company.

### **The duties and responsibilities of Chairman of the Board**

1. To be responsible in leadership role for The Board of Directors in the supervision, follow- up, overseeing the performance of The Board of Executive Directors and other sub-committees to attain the objectives as planned.
2. Ensure that all directors contribute to the company's ethical culture and good corporate governance.
3. Set the board meeting agenda by discussing with the chief executive officer which important matters should be included
4. To chair in the board's meeting and shareholders' meeting of the company.
5. Allocate sufficient time for management to propose topics and for directors to debate important matters thoroughly.
6. To be the final vote in board's meeting when it comes up with equivalent voting,
7. Promote a culture of openness and debate through ensuring constructive relations between the board and management.

### **Election of directors and term of office**

Election of directors and/ or independent directors of the Company was done by the shareholders' meeting or the Board of Directors in accordance with the company's Articles of Association and the Public Limited Companies Act B.E. 2535 (including any amendment) based on the standards and methods as follows:

1. One shareholder had one vote per one share
2. The election of director may conduct by mean of voting to elect only one individual, one person in one time or several persons in one time or by any other method as deemed appropriate by the shareholders' meeting but in each resolution, the shareholder shall cast its existing vote as mentioned in clause (1) and it was prohibited to separate their votes.



3. Voting for election of director was adhered to the majority vote, in case of equal votes, the Chairman of the meeting shall have the final vote.
4. Director shall hold office for 3 years a time and the directors who are expired on term may be re-elected and may assume the previous post again, if it is agreed by the shareholders.

#### **The duties and responsibilities of the Board of Directors**

1. To conduct and follow the performance in all aspects to comply with the law, purpose, company's regulations and resolutions of the meeting of shareholders, ministerial regulation or Act related to business operation and rules and regulations of the Stock Exchange of Thailand (SET), Securities and Exchange Commission.
2. Perform your duty and manage efficiently with your full capacity in good faith and with care, prudence, and integrity (Duty of Care and Duty of Loyalty) to preserve the highest interests of the Company and all Stakeholders.
3. Not seeking unfair benefits from work directly or indirectly.
4. Carefully manage your work and avoid conflict of interest in private benefits against the company's to administer it in full efficiency including,
  - Not seeking private benefits from directorship
  - Not using secret information illegally
  - Not being director in any company of same or similar competition to the company
  - Not having any benefit in making company's contract.
5. Directing and review the vision, mission and business policy and strategy in business plan of the company and budget with the objective for sustainable value creation, conducting business with responsibility and being a leader in good citizenship.
6. Determine structure of the board of directors regarding the number of directors, proportion of independent directors as well as various qualifications to suit the business operations of the company.
7. Follow and supervise management in implementing prescribed policy to be most efficient and effective to create maximum economic value for business and highest stability to shareholders with considering to social and environmental responsibility.
8. Overseeing and monitoring to ensure the selection and nomination process of a director is carried out transparently and the remunerations for directors and Sub-committee members are determined appropriately.
9. Assessing the performance of the Board of Directors annually and assessing the performance of the managing director together with monitoring the assessment results of the Board and its Sub-committees which will be jointly deliberated by the Board of Directors as well as reviewing the assessment results of the Board and Sub-committees on a regular basis.

10. Reviewing top executive development plans and the succession plan for the President & CEO while overseeing to ensure the effective performance assessment of top executives on an annual basis.
11. Overseeing and monitoring to ensure the determining remuneration process of management appropriately and transparently in line with the Company's operating results to provide both short-term and long-term incentives.
12. Developing their knowledge and competency related to their duties consistently through courses or curricula related to directorial duties or seminars that enhance their knowledge.
13. Provide and supervise administration in rules of good supervision with internal control system and effective internal inspection including follow up of business regularly and covering the performance in all aspects, finance, operation, legal compliance, rules and related regulations and to have with mechanism in auditing and checking sufficient efficiency in the protection of investment of shareholders and company's property regularly, imposing written rules and regulations with independent internal auditing unit, reporting to auditing committee and auditing work at all units to comply with the stipulated regulations.
14. To arrange having with the risk management system in relation with all risks related to vision, target, business strategy, finance, service and other performances by taking into consideration on opportunity to happen and level of severity in its impact, imposing the measures in reporting and assessment follow up, by arranging to have a risk management committee at managerial level with the duty to propose plan and its performance to the executive committee regularly.
15. To account system, financial reporting and reliable auditing including supervision to have a process in evaluating sufficiency in internal control and internal inspection in managing risks and having with the process on financial reporting and follow up and its assessment.
16. To consider and approve the connected transactions of the subsidiaries and related persons to comply with relevant notifications and guidelines of the Stock Exchange of Thailand.
17. Supervise and solve all conflicts of interest including use of company's property illegally and incorrect act among involved persons judiciously while as involved persons shall not involve in the decision making.
18. Encouraging staff at all levels to be conscious of ethics and morality and comply with the Company's principles of corporate governance, Code of Conduct and Anti-corruption policy while promoting awareness of the importance of internal control system and internal audits to reduce the risk of fraud and abuse of authority and prevent any illegal act.
19. Overseeing and supporting the creation of innovations that create value for the Company as well as all stakeholders.

20. Overseeing and monitoring IT management and the implementation of the IT security system.
21. Appoint and assign a director or several or other person to act on behalf of the board, by imposing duties and responsibilities clearly to oversee financial report, internal control system and supervision system as stated in the policy.

### **Meetings of the Board of Directors**

- 1 Meeting of the Board of Directors in accordance with the Company's Articles of Association, Article 31, requires the Board of Directors to meet at least 3 months per 1 time, but in order for the Board of Directors to be able to perform their duties effectively, the board should meet at least 6 times per year and may have additional special meeting as necessary. In the event that the Board of Directors does not have a meeting every month, the board of directors should require the management to report the performance to the board of directors in the month that the meeting is not held.
- 2 The appointment on meeting shall have its Corporate Secretary doing co-ordination on appointments in advance by made year schedule and shall be in letter on meeting with agenda and date/time and venue of meeting with documents related. It must be informed in advance not less than 7 days to let directors to have time for consideration on information and in urgent case it must be notified in other method as acknowledged by the directors.

### **Quorum**

The quorum of the Board of Directors in accordance with Article 34 of the Company's Articles of Association requires that in the quorum of the Board's meeting shall be of not less than half of all directors. To enhance the Board of Directors to carefully consider important issues, the quorum of the Board of Directors should be attended by at least two-thirds of the total number of directors and there are two-thirds of the total number of directors during voiting.

1. In the meeting, the chairperson shall be as stated and conclusion of issues to be discussed by directors and assessment of opinions and meeting resolution, by opening the opportunity for each director to express opinion, except for directors who have stake in that matter and the chairperson must request his/her vacancy in the matter under consideration.
2. In any consideration, the directors have the right for checking of the matter with the explanation in details from the management in such matter.
3. Voting shall be in majority and if it has any objection it must be recorded in the Minutes and any director having interest or stake in that matter must abstain.
4. Each director should attend not less than 75 % of all board meetings in any whole financial reporting year.

In the year 2020, the Board of Directors held 8 meetings, 4 of which were regular and 4 meeting were extra meeting. There were 4 meetings that had one director absented, representing 88.88 percent of directors attending the meeting.

All directors attended the meeting not less than 75% of the total number of the board meetings held in the year. The detail of Directors' attendance at the meeting are as follow:

**Directors' attendance at the meeting in each committee for year 2020  
(1 January-31 December 2020)**

Name	Position	Board of Directors' Meeting in 2020			
		Board of Directors (Total 5)	Board of Executive Directors (Total 4)	Audit Committee (Total 4)	Nomination/ Remuneration committee (Total 2)
1. Mr. Surapong Paisitpatnapong	Chairman and Independent Director/ Chairman of the Audit and Corporate Governance Committee/ Chairman of Nomination and Remuneration Committee	8/8	-	4/4	3/3
2. Mrs. Chitra Thavara <sup>1</sup>	Director and Independent Director/ Member of the Audit and Corporate Governance Committee Member of the Nomination and Remuneration Committee	6/8	-	4/4	2/3
3. Mr. Tosporn Simtrakan	Director and Independent Director/ Member of the Audit and Corporate Governance Committee	8/8	-	4/4	-
4. Mr. Supasith Sukhanindr	Vice-Chairman Director / Chairman of Board Executive Director/ Member of the Nomination and Remuneration Committee/ Chief Executive Officer and President	8/8	3/3	-	2/3
5. Mr. Pilanchai Pradubphong <sup>2</sup>	Director and Vice-Chairman Executive Director	3/8	-/3	-	-
6. Mrs. Intira Sukhanindr	Director	7/8	-	-	-
7. Miss Duangdao Chinthammit	Director	8/8	-	-	-
8. Miss Duangkae Chinthammit	Director	8/8	-	-	-
9. Mr Somyod Suteerapornchai	Director	8/8	-	-	-
10. Miss Limly Thipphongprahas	Director Member of Executive Committee	4/8	3/3	-	-
11. Mr. Wisuithi Kanoksicharin <sup>1</sup>	Director and Independent Director/ Member of the Audit and Corporate Governance Committee Member of the Nomination and Remuneration Committee	-/8	-	-/4	-/3

<sup>1</sup> Mrs. Chitra Thavara, Director and Independent Director, Member of the Audit and Corporate Governance Committee, Member of the Nomination and Remuneration Committee, had resigned from all her positions on December 28, 2020 which The Meeting of the Board of Directors of the Company No. 8/2020 held on December 16, 2020 had passed the resolution to appoint Mr. Wisuithi Kanoksicharin as a replacement.

<sup>2</sup> Mr. Pilanchai Pradubphong,, Director and Vice-Chairman Executive Director had passed away on April 15, 2021

In addition, the company provides an opportunity for non-executive directors to have a meeting among themselves to discuss various issues related to management without the management team. In order to be convenience for the Board of Directors, the Company has scheduled a meeting before each Board of Directors' meeting and arrange time the meeting room for such a meeting. In the year 2020, there is no important issue, therefore, no report has been made to the Chief Executive Officer and President.

## 9.2 Executive Officers

The list of 8 executives as of 31 December 2020 are as follows:

Item	Name	Position
1.	Mr. Supasith Sukhanindr	Chief Executive Officer and President
2.	Miss Limly Thipphongprahas	Chief Corporate Finance and Chief Strategy and Business Development Officer
3.	Mr. Rodney Charles Kimber	Vice President, Document Storage, Wharf Business
4.	Mr. Piyapong Rintranurak	Head of Group Corporate Finance and Strategy and Business Development
5.	Mr. Kasidit Thavisin	Document Manager
6.	Mr. Panya Soonsap	Warehouse and Wharf Manager
7.	Mrs. Patcharee Boonnak	Senior Operation Manager
8.	Mr. Somsak Tangprakob	Accounting and Finance Manager

Chief Executive Officer and President is the top executive position of the company and is the leader of the company's management. The Chief Executive Officer and the President are responsible to the Board of Directors for the management to achieve the goals and objectives of the company, as well as being responsible for the business management of the company and daily management of the company under the scope of authority and duties assigned by the Board of Directors to create long-term value for the company and shareholders, taking into account the interests of all stakeholders

### The scope of duties and responsibilities of the Chief Executive Officer and President

1. Take responsibility on all management work of the company to comply with company's board.
2. Approve administration related to company's operation as follow:
  - Approve costs as expense to be not over 2.00 million baht
  - Approve costs as asset to be not over 10.00 million baht
  - Approve accepting of goods pledge to be not over 20.00 million baht
3. Create vision and impose on missions to have its guideline and development in long term.
4. Take responsibility in business operation and integrated development to get suitable remuneration at appropriate rate in order to gain economic benefit at a reasonable rate.
5. Respond on market needs and customers' by developing quality and continual service to be in time of the situation at fair price.
6. Develop the Company to run business in good ethics, complying with laws, morality and good culture.



7. Develop organization and personnel to have knowledge at full capacity, create organizational culture and professional ethics.
8. Study and develop new technology, production process and continual business development using full capacity of resources.
9. The supervisor orders about the normal operation of the company. as well as entering into any legal act, contract, order document, notification or letter Used to contact the agency or other person In order to achieve the efficiency and effectiveness of the company's operations
10. Supervise employees and worker as well as employ permanently, appointment, promotion Disciplinary and dismissal in accordant with the regulations of the company
11. Other assignments from the Board and the Executive Board.

However, the use of the power of the Managing Director mentioned above cannot be done if the Managing Director has an interest or may have conflicts of interest in any manner with the company.

### 9.3 Corporate's Secretary

The Board of Directors has arranged to have its own secretary to perform in giving information and instructions on law and rules that The Board of Directors must comply, co-ordinate and prepare meeting agendas, to prepare and maintain register of directors, preparing invitations, meeting documents, advance notice giving enough for the study and consideration of the agendas to give opinion and voting, to oversee and conduct meeting in good order and according to the laws and rules of the company, minutes taking and filing, meeting report and or related meeting documents, annual report and report on stake holding to be reported by directors and the management, with its copy to The Chairman of The Board of Directors and Chairman of The Audit Committee to review it within 7 official days from the date that the company has received it, co-ordination to have the compliance under the governance policy announced by the company with other implementations as stipulated by the Capital Market Supervisory Board.

However, the Company secretary shall perform duty with responsibility, carefulness and integrity including in complying with the laws, objectives, and regulations of company, The Board of director's resolutions and resolutions from the shareholders' meeting.

At present, the company secretary is Miss Limly Thipphongprahas which the Board of Directors' meeting No. 4/2020 on April 28, 2020 appointed Miss Limly Thipphongprahas, effective on May 1, 2020 to replace Mr. Pilanchai Pradubphong who passed away on April 15, 2020.

Miss Limly Thipphongprahas is knowledgeable and competent with financial experiences, SET guidelines, SEC guidelines, legal knowledge, as well as regulations of SEC and the Stock Exchange of Thailand. The Company will nominate Ms. Limly to attend training of Corporate Secretariat Program at Thai Institute of Directors Association (IOD) in 2021, to enhance knowledge and understanding of the roles and duties of Company Secretary.

## 9.4 Remuneration for Directors and Management

### 9.4.1 Remuneration for directors:

The Board of Directors has considered and agree to propose to the Annual General Meeting of Shareholders for the year 2020 which held on April 28, 2020 to consider and approve. The Shareholders' meeting had approved remuneration for the Board of Directors and all Committee for the year 2020 in the amount not exceeding Baht 18,000,000.00 per year which is the same as previous year as follows:

Board	Remuneration		Other Benefit		Total
	Yearly	Meeting allowance	EJIP*	Bonus	
The Board of Directors	3,060,000.00	-	1,344,000.00	6,068,000.00	10,472,000.00
<b>Committees</b>					
The Executive Committee	6,798,000.00	-	-	-	6,798,000.00
The Audit and Corporate Governance Committee	660,000.00	-	-	-	660,000.00
The Nomination and Remuneration Committee	-	70,000.00	-	-	70,000.00
<b>Total</b>	<b>10,518,000.00</b>	<b>70,000.00</b>	<b>1,344,000.00</b>	<b>6,068,000.00</b>	<b>18,000,000.00</b>
* Calculation of the remittance to the EJIP program is calculated until the end of the 5 <sup>th</sup> EJIP program on July 2020.					

As the remuneration is directly related to the directors, therefore, The Directors cannot approve its own remuneration. The Board of Directors shall provide with remuneration process which is transparent at a suitable level and sufficient to motivate and maintain a required amount of directors with its approval from shareholders every year. The consideration on Board of director's remuneration, The Board of Directors shall compare with the same business, company's performance and directors' responsibility and the consideration shall come under approval of Shareholders' Meeting. Directors in sub-committees shall get remuneration under their role and responsibility.

However, the remuneration for the directors should be high enough to maintain the directors who have qualities as required

**Remuneration of The Board of Directors and Committee for the year 2020**

Directors	Year 2020		Year 2019	
	No. Total	Allowance (Baht)	No. Total	Allowance (Baht)
<b>The Board of Directors (Remuneration)</b>				
- Chairman of the Board of Directors	1	660,000	1	605,000
- Director	8	2,400,000	8	2,400,000
<b>Committees</b>				
- The Board of Executive Directors (Remuneration)	2	5,898,000	2	6,798,000
- Audit Committee (Remuneration)	3		3	660,000
- Nomination and Remuneration committee (Remuneration or Allowance)	3	660,000	3	295,000
<b>Other Benefits</b>		50,000		
- Contribution to EJIP Program*	8	1,272,000	9	2,568,000
- Bonus	-	-	-	-
- Other	-	-	-	-
<b>Total</b>		<b>10,940,000</b>		<b>13,326,000</b>

\* EJIP program ended in July 2020 and the program has not been renewed.

**9.4.2 Remuneration for Executive:**

The remuneration for the executive is in compliance with the principle and policy imposed by the Board of Directors. The Board of Executive Directors shall consider and present the appropriate remuneration to the Board of Directors for consideration and final approval. The remuneration for the executive should be in the good incentives to maintain the managing director and the management who have knowledge and capability to work for the company in connecting with the company's performance and assessment of the managing director and each executive.

**Remuneration for Managements for the year 2020 including Managing Director**

Managements	Year 2020		Year 2019	
	No. Total	Allowance (Baht)	No. Total	Allowance (Baht)
Salary and living expenses	8	16,832,880	8	13,229,886
Bonus	7	2,562,760	7	2,826,788
Contribution to EJIP Program	4	196,755	4	318,767
Contribution to provident fund	4	398,503	4	298,822
<b>Total</b>		<b>19,990,898</b>		<b>16,669,263</b>

### 9.4.3 Other Compensation

The Company has rules and regulations for benefits to executives in other type of remuneration as they are the employee of the Company

## 9.5 Compensation and benefits for employees

The Company has an important target to manage the return and benefit of the employees according to their position. In other words, the wages and benefit must be determined at an appropriate and fair level and there must be other benefits and welfare as stipulated by law, such as social security, and the benefits other than the law requirement that the employee should receive, such as health and accident insurance for employee who travel to work in upcountry, provide assistance about the uniform, contribution to the provident fund, contribution to Employee Joint Investment Program (EJIP), as well as other allowance, such as Funeral Expenses Payment for the funeral of family member, etc. in order to attract capable people to join the Company and attract the existing employees to work better, strengthen the career path.

### 9.5.1 Number of Employees

Department	Number of Employee	
	December 31, 2020	December 31, 2019
Warehouse and Wharf	58	65
Document Storage	195	201
Accounting & Financial	20	17
Operation	19	20
Information Technology	6	6
<b>Total</b>	<b>298</b>	<b>309</b>

*Remark: Excluding the top four executives, total of 8 persons*

### 9.5.2 Employees Compensation

Compensation	Year 2020	Year 2019
Salary, Commissions, Allowances Overtime and Bonus	90,917,486.35	85,123,224.54
Social Security	1,679,438.00	2,048,023.00
Contribution to provident fund	2,510,105.06	2,231,992.30
Contribution to EJIP Program	1,173,837.56	1,936,277.77
<b>Total</b>	<b>96,280,866.97</b>	<b>91,339,517.61</b>

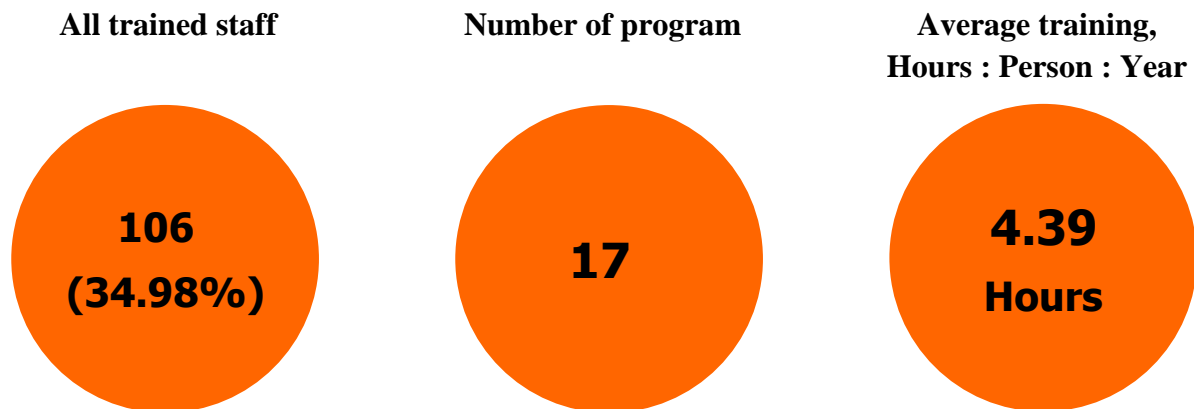
*Remark: Excluding the top four executives, total of 8 persons*

## Personnel Development Policy

The Company recognizes the importance of personnel development to enhance knowledge and abilities for employees in order to increase their work capabilities and efficiency. A personnel development plan has been established as an annual training plan for training so as to increase work skills, including internal training and sending employees to get trained in the courses of external agencies to regularly educate employees.

In 2020, the company has continuously provided educational by arranging training course for executives, supervisors and employees, for example, the Personal Data Protection Act. (Personal Data Protection Act: PDPA), training course for the Committee of Occupational Safety, Courses on accounting management and courses related to information technology, etc.

### Training in 2020



## Director and Management Biography



### MR. SURAPONG PAISITPATNAPONG

Age 80

**Chairman of the Board of Director and Independent Director /  
Chairman of the Audit and Corporate Governance Committee /  
Chairman of the Nomination and Remuneration Committee**

#### Working experiences

- |                |   |
|----------------|---|
| 1991 – Present | - Spokesman of Automotive Industry Club<br>The Federation of Thai Industries (FTI)                            |
| 1998 – 2018    | - Member of Committee, Economics<br>Committee The Federation of Thai<br>Industries (FTI)                      |
| 2006 – 2018    | - Member of Committee, Academics<br>Committee The Federation of Thai<br>Industries (FTI)                      |
| 2018 – Present | - Member of Committee, Economics and<br>Academics Committee The Federation<br>of Thai Industries (FTI)        |
| 2009 – Present | - Member of Committee, Trade<br>Environment, Thai National Shippers'<br>Council                               |
| 2010 – Present | - Member of Committee, Trade<br>Promotion and Investment Committee<br>The Federation of Thai Industries (FTI) |
| 2012 – Present | - Vice Chairman of Automotive Industry<br>Club The Federation of Thai<br>Industries (FTI)                     |
| 2012 – Present | - Senior Vice President and Chairman<br>of the Committee on Public Relation<br>and Communication              |

#### Year of Director

- Since 2010, total 11 years

#### Education / Training

- B.A. of Accounting Thammasat University
- B.A. of Commerce Thammasat University
- B.A. of Laws Thammasat University
- The New Accounting Standards by The Federation of Accounting Professions
- EPC/RFID for Logistics and Supply Chain Management by Department of primary Industries and Mines
- Logistics-Inventory by Department of Primary Industries and Mines
- Tax Auditor (Three days Training) by Revenue Department
- Mini MBA Thammasat University (Matichon Program)
- Applied Political Science by political Science Association of Thailand

#### IOD Certifier

- Director Certification Program (DCP)  
Class 142/2011

#### Positions in the Present

**In listed Companies** - None -

**In non-listed Companies** - None -

#### Number of Share as of December 31, 2020

: 466,490 shares (0.09%)



**MRS. CHITRA THAVARA****Age 80**

**Director and Independent Director /**  
**Member of the Audit and Corporate Governance**  
**Committee**  
**Member of the Nomination and Remuneration**  
**Committee**

**Year of Director**

- Since 2005, total 16 years

**Education / Training**

- Bachelor Degree in Commerce, Thammasat University
- Senior Executive Program Class 12/1998 Sasin Graduate Institute of Business Administration of Chulalongkorn University

**IOD Certifier**

- Director Accreditation Program (DAP) Class 56/2006

**Working experiences**

- |             |   |
|-------------|---|
| 2005 – 2010 | - Independent Director Siamweb Plc.   |
| 2006 – 2009 | - President IRPC Oil Co., Ltd.  |
|             | - President IRPC Polyoil Co., Ltd.  |
| 2006 – 2010 | - Advisor to CEO, Incharge of Acting Executive Vice President Corporate Planning Supply Feedstock & Trading IRPC Plc. |
|             | - President Thai ABS Co., Ltd.  |
| 2010 – 2014 | - Advisor of Corporate Commercial and Marketing IRPC Plc.   |

**Positions in the Present**

- |                                |          |
|--------------------------------|----------|
| <b>In listed Companies</b>     | - None - |
| <b>In non-listed Companies</b> | - None - |

**Number of Share as of December 31, 2020**

: 413,280 shares (0.07%)


**MR. TOSPORN SIMTRAKAN**
**Age 69**
**Director and Independent Director /  
Member of the Audit and Corporate Governance  
Committee**
**Year of Director**

- Since 2014, total 7 years

**Education / Training**

- Master of Science in Electrical Engineering (MSEE) in Digital Communication, Georgia Institute of Technology USA
- Bachelor of Science in Electrical Engineering (BSEE), Chulalongkorn University
- Bachelor in Economic (BE), Sukothai University
- Bachelor in Law (LLB), Sukothai University

**IOD Certifier**

- Director Certification Program (DCP) Class 198/2014

**Working experiences**

- |                |  |
|----------------|--|
| 2005 – 2007    | - Executive Vice-President (EVP) Information Technology at CAT Telecom Plc   |
| 2007 – 2009    | - Executive Vice-President (EVP) for Corporate Strategy at CAT Telecom Plc.  |
| 2012 - 2016    | - Advisor to the Commissioner (Asst. Prof. Dr. Thawatchai Jittrapanun Ph.D.) Office of The National Broadcasting and Telecommunications Commission (Kingdom of Thailand) |
| 2017 - Present | - Associate Justice, Intellectual Property and International Trade Court   |

**Positions in the Present**

- |                                |          |
|--------------------------------|----------|
| <b>In listed Companies</b>     | - None - |
| <b>In non-listed Companies</b> | - None - |

**Number of Share as of December 31, 2020**
**: 141,129 shares (0.03%)**

**MR. WISUT KANOKSICHARIN****Age 64**

**Director and Independent Director /**  
**Member of the Audit and Corporate Governance**  
**Committee**  
**Member of the Nomination and Remuneration**  
**Committee**

**Education / Training**

- Bachelor Degree Faculty of Law  
Ramkhamhaeng University

**Year of Director**

- Appointment on December 2020

**Working experiences**

- |                |  |
|----------------|--|
| 1997           | - Legal Consultant at CN Liquor Co., Ltd.                      |
| 2005           | - Legal Consultant at Double Star Industry Co., Ltd.           |
| 2006 - Present | - Legal Consultant at Nopporn Silver Gold Co., Ltd             |
|                | - Legal Consultant at Chokchai Agricultural Machinery Co., Ltd |
| 2015 - Present | - Legal Consultant at Doichang Coffee Original Co., Ltd        |

**Positions in the Present**

- |                                |                 |
|--------------------------------|-----------------|
| <b>In listed Companies</b>     | <b>- None -</b> |
| <b>In non-listed Companies</b> | <b>- None -</b> |

**Number of Share as of December 31, 2020**

: - None -



#### Year of Director

- Since 2005, total 16 years

#### Education / Training

- B.A. Business Administration Program in Marketing, Thammasat University
- M.B.A. Specialised in Finance, Marketing and International Business, University of Miami USA.

#### IOD Certifier

Director Accreditation Program (DAP)  
Class 50/2006

**Number of Share as of December 31, 2020**  
**: 98,674,978 (19.68%)**

#### MR. SUPASITH SUKHANINDR

**Age 45**

**Authority Director to Sign on Behalf of the Company/  
Vice - Chairman Director /  
Chairman of the Board of Executive Director /  
Member of the Nomination and Remuneration  
Committee /  
Chief Executive Officer and President**

#### Working experiences

- |                |  |
|----------------|--|
| 2001 – Present | - Executive Director Super Enterprises Co., Ltd            |
| 2009 – Present | - Director SST Warehouse Co., Ltd.*                        |
| 2012 – Present | - Chairman of The Board of Executive Director Mudman Plc.* |
| 2020 – Present | - CEO Mudman Plc.*   |
|                | - Chairman ABP Cafe (Thailand) Co., Ltd.*                  |
|                | - Chairman Golden Donuts (Thailand) Co., Ltd.*             |
|                | - Director Golden Scoop Co., Ltd.*                         |
|                | - Director Greyhound Co., Ltd *                            |
|                | - Director Greyhound Cafe Co., Ltd.*                       |
| 2016 – Present | - Director Tinbaron Co., Ltd.                              |
| 2517– Present  | - Chairman SST REIT Management Co., Ltd.*                  |
|                | - Director Mudman International Ltd.*                      |

#### Positions in the Present

**In listed Companies** **1 Company**

1. Chairman of The Board of Executive Director Mudman Plc.\*

**In non-listed Companies** **10 Companies**

1. Executive Director Super Enterprises Co., Ltd.
2. Director SST Warehouse Co., Ltd.\*
3. Chairman ABP Cafe (Thailand) Co., Ltd. \*
4. Chairman Golden Donuts (Thailand) Co., Ltd.\*
5. Director Golden Scoop Co., Ltd.\*
6. Director Greyhound Co., Ltd \*
7. Director Greyhound Cafe Co., Ltd.\*
8. Director Tinbaron Co., Ltd.
9. Chairman SST REIT Management Co., Ltd.\*
10. Director Mudman International Ltd.\*

(\* Subsidiary Company)



## MISS LIMLY THIPPHONGPRAPHAS

Age 43

**Chief Corporate Finance /  
Chief Strategy and Business Development Officer /  
Corporate Secretary**

### Year of Director

- Appointment on 2020

### Education / Training

- Master of Business Administration (Finance & Management), Columbia University, (New York, USA)
- Master of Fine Art (Painting), New York Studio School of Drawing, Painting and Sculpture, (New York, USA)
- Bachelor of Arts (Economics and Studio Arts), Knox College (cum laude, with honors). (Illinois, USA)
- Thailand's licensed financial advisor (ASCO License)

### IOD Certifier

Director Accreditation Program (DAP)  
Class 172/2020

### Number of Share as of December 31, 2020

: - None -

### Working experiences

- |                |   |
|----------------|---|
| 2007 – 2011    | - Senior Financial Analyst, Corporate Finance, Moody's Investor Services, Inc., (New York, USA).  |
| 2011 – 2016    | - Vice President, Investment Banking Division (Corporate Finance, IPO, and M&A), The Siam Commercial Bank Public Co., Ltd., (Bangkok).  |
| 2016 – 2019    | - Senior Vice President, Investment Banking Division (Corporate Finance, IPO, and M&A), CIMB Thai Bank Public Co., Ltd., (Bangkok).   |
| 2019 – Present | <ul style="list-style-type: none"> <li>- Chief Executive Officer, SST REIT Management Company Limited*</li> <li>- Secretary of Mudman Plc.*</li> <li>- Director / Managing Director Greyhound Co., Ltd *</li> <li>- Director / Managing Director Greyhound Cafe Co., Ltd.*</li> </ul> |
| 2020 – Present | <ul style="list-style-type: none"> <li>- Director SST REIT Management Co., Ltd.*</li> <li>- Director SST Warehouse Co., Ltd.*</li> </ul>  |

### Positions in the Present

#### In listed Companies

**2 Company**

1. Chief Executive Officer of SST REIT Management Co., Ltd
2. Secretary of Mudman Plc.\*

#### In non-listed Companies

**2 Companies**

1. Director / Managing Director Greyhound Co., Ltd \*
2. Director / Managing Director Greyhound Cafe Co., Ltd.\*
3. Director / Chief Executive Officer, SST REIT Management Co. Ltd.\*
4. Director SST Warehouse Co., Ltd.\*

(\* Subsidiary Company)

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## MRS. INTIRA SUKHANINDR

Age 73

**Authority Director to Sign on Behalf of the Company**

### Year of Director

- Since 2005, total 16 years

### Education / Training

- Certificate of Secretary, Melbourne, Australia

### IOD Certifier

- Director Accreditation Program (DAP)  
Class 50/2006

### Number of Share as of December 31, 2020

: 52,253,240 (10.42%)

### Working experiences

- |                |   |
|----------------|---|
| 2003 – Present | - Director Champion Fermentation Co., Ltd.            |
| 2004 – Present | - Director Thai Fermentation Industry Co., Ltd.       |
| 2005 – Present | - General Manager KSL Export Trading Co., Ltd.        |
| 2010 – Present | - Director KSL AGRO & Trading Co., Ltd.               |
|                | - Director Khon kaen Sugar Power Plant Co., Ltd.      |
|                | - Director Khon Kaen Sugar Industry Plc.              |
|                | - Director New Krung Thai Sugar Factory Co., Ltd.     |
|                | - Director New Kwang Soon Lee Sugar Factory Co., Ltd. |
|                | - Director Tamaka Sugar Industry Co., Ltd.            |

### Positions in the Present

- |  |                    |
|--|--------------------|
| <b>In listed Companies</b>                             | <b>1 Company</b>   |
| 1. Director Khon Kaen Sugar Industry Plc.              |                    |
| <b>In non-listed Companies</b>                         | <b>6 Companies</b> |
| 1. Director Thai Fermentation Industry Co., Ltd.       |                    |
| 2. Director KSL AGRO & Trading Co., Ltd.               |                    |
| 3. Director Khon kaen Sugar Power Plant Co., Ltd.      |                    |
| 4. Director New Krung Thai Sugar Factory Co., Ltd.     |                    |
| 5. Director New Kwang Soon Lee Sugar Factory Co., Ltd. |                    |
| 6. Director Tamaka Sugar Industry Co., Ltd             |                    |





## MISS DUANGDAO CHINTHAMMIT

**Age 62**

**Authority Director to Sign on Behalf of the Company**

### Year of Director

- Since 2005, total 16 years

### Education / Training

- Master of Science, Agricultural Economics, University of Saskatchewan, Canada
- Bachelor of Science, Computer Information System, Western Michigan University, USA.
- BBA in Business Administration, Kasetsart University
- SD Forum 2/2017 : Sustainability Strategy Key Blueprint For Business Growth, SET.

### IOD Certifier

- Director Accreditation Program (DAP) Class 17/2004
- Director Certification Program (DCP) Class 71/2006

### Number of Share as of December 31, 2019

: 27,743,492 shares (5.53%).

### Working experiences

- |                |  |
|----------------|--|
| 1996 – Present | - Director Onnuch Construction Co., Ltd.             |
| 1999 – Present | - Director KSL Real Estate Co., Ltd.                 |
| 2004 – Present | - Director Khon Kaen Sugar Industry Plc.             |
|                | - Director New Kwang Soon Lee Sugar Factory Co., Ltd |
|                | - Director New Krung Thai Sugar Factory Co., Ltd.    |
|                | - Director Tamaka Sugar Industry Co., Ltd.           |
|                | - Director KSL Sugar Holding Co., Ltd.               |
| 2006 – 2016    | - Director KSL Material Supplies Co., Ltd.           |
| 2007 – Present | - Director KSL AGRO & Trading Co., Ltd.              |
|                | -  |

### Positions in the Present

- |  |                    |
|--|--------------------|
| <b>In listed Companies</b>                             | <b>1 Company</b>   |
| 1. Director Khon Kaen Sugar Industry Plc.              |                    |
| <b>In non-listed Companies</b>                         | <b>7 Companies</b> |
| 1. Director Onnuch Construction Co., Ltd.              |                    |
| 2. Director KSL Real Estate Co., Ltd.                  |                    |
| 3. Director New Kwang Soon Lee Sugar Factory Co., Ltd. |                    |
| 4. Director New Krung Thai Sugar Factory Co., Ltd.     |                    |
| 5. Director Tamaka Sugar Industry Co., Ltd             |                    |
| 6. Director KSL Sugar Holding Co., Ltd.                |                    |
| 7. Director KSL AGRO & Trading Co., Ltd.               |                    |



## MISS DUANGKAE CHINTHAMMIT

Age 65

**Director**

### Year of Director

Since 2005, total 16 years

### Education / Training

- Diploma from KATINKA School, United Kingdom
- Certificate Modern Management Program (MMP), Chulalongkorn University

### IOD Certifier

- Director Accreditation Program (DAP)  
Class 17/2004

### Number of Share as of December 31, 2020

: 28,293,353 shares (5.64%)

### Working experiences

- 1976 – Present - Director National Enterprises Co., Ltd.
- 1993 – Present - Director Chavananthakij Co.,Ltd.
- 1996 – Present - Director Khon Kaen Sugar Industry Plc.
- Director New Kwang Soon Lee Sugar Factory Co., Ltd
- Director New Krung Thai Sugar Factory Co., Ltd.
- Director Tamaka Sugar Industry Co., Ltd.
- 2004 – Present - Director KSL Sugar Holding Co., Ltd.

### Positions in the Present

#### In listed Companies

**1 Company**

1. Director Khon Kaen Sugar Industry Plc.

#### In non-listed Companies

**6 Companies**

1. Director New Kwang Soon Lee Sugar Factory Co., Ltd.
2. Director New Krung Thai Sugar Factory Co., Ltd.
3. Director Tamaka Sugar Industry Co., Ltd.
4. Director National Enterprises Co., Ltd.
5. Director Chavananthakij Co.,Ltd.
6. Director KSL Sugar Holding Co., Ltd.



## MR. SOMYOD SUTEERAPORNCHAI

**Age 54**

**Director**

### Year of Director

- Since 1 January 2020, total 1 years

### Education / Training

- Master of Laws (LL.M.), University of New South Wales, Australia
- Bachelor of Laws (LL.B.), Chulalongkorn University

### IOD Certifier

- Director Accreditation Program (DAP)  
Class 119/2015

**Number of Share as of December 31, 2020**  
**: 27,727 shares (0.005%)**

### Working experiences

- |                |  |
|----------------|--|
| 2010 – Present | - Director Green Partner Holding Co.,Ltd.  |
|                | - Director Wayu and Partners Co., Ltd.   |
| 2014– Present  | - Director Joint ventures companies between AP subsidiary companies and Mitsubishi Estate group. |
| 2015– Present  | - Director AP (Thailand) Plc.  |
| 2017– Present  | - Director and Audit committee member AP (Thailand) Pcl.   |
| 2019 – Present | - Director, Executive Director and Authority Director Mudman Plc.*                               |
| 2020 – Present | - Director Bio Skinresq Co., Ltd.  |

### Positions in the Present

#### In listed Companies

#### 2 Company

1. Director, Executive Director and Authority Director Mudman Plc \*
2. Director and Audit committee member AP (Thailand) Plc.

#### In non-listed Companies

1. Director Joint ventures companies between AP subsidiary companies and Mitsubishi Estate group.
2. Director Green Partner Holding Co.,Ltd.
3. Director Wayu and Partners Co., Ltd.
4. Director Bio Skinresq Co., Ltd.

(\* Subsidiary Company)



## MR. RODNEY CHARLES KIMBER

Age 67

**Vice President Document Storage and Wharf Business**

### Education / Training

- O.N.C in Business Studies – Solent University Southampton, England.
- International Certificate of Professional Competence – R.T.I.T.B Road Transport Industry Training Board

### Working experiences

- |             |  |
|-------------|--|
| 1996 – 2001 | - Project Manager Exel Logistics Thailand Ltd.                       |
| 2001 – 2005 | - Regional Implementation Manager Exel SingaporePte Ltd.             |
| 2005 – 2007 | - General Manager – Bangkok Logistics Centre Exel Singapore Pte Ltd. |
| 2007 – 2008 | - Country Director – Vietnam and Cambodia DHL Exel Supply Chain Ltd. |
| 2008 – 2016 | - Senior Partner McErvell Pte Ltd.                                   |

### Number of Share as of 31 December 31, 2020

-None-



## Mr. PIYAPONG RINTRANURAK

Age 37

**Head of Group Corporate Finance, Strategy and Business Development**

### Education / Training

- MSc Finance and Investment Management (Commendation), University of Aberdeen Business School, University of Aberdeen, UK
- Bachelor of Business Administration, major in Finance, Faculty of Management Science, Khon Kaen University, Thailand
- Thailand's licensed financial advisor (ASCO License)

### Working experiences

- |                |   |
|----------------|---|
| 2007 – 2009    | - Senior Analyst, Investment Banking Division IFAC Advisory Company Limited               |
| 2010           | - Associate, Investment Banking Division MFC Advisory Company Limited                     |
| 2013 – 2015    | - Senior Manager, Investment Banking Division Krungthai Advisory Company Limited          |
| 2015 – 2019    | - First Vice President, Investment Banking Division CIMB Thai Bank Public Company Limited |
| 2019 – Present | - Head of Corporate Finance and Business Development SST REIT Management Company Limited* |
- (\* Subsidiary Company)

### Number of Share as of December 31, 2020

-None-

**MRS. PATCHAREE BOONNAK****Senior Operation Manager****Age 63****Education / Training**

- B.A. In Law Ramkhamhaeng University
- Corporate Secretary Development Program  
Faculty of Commerce and Accountancy,  
Chulalongkorn University
- Organizational Risk Management Program Sasin  
Graduate Institute of Business Administration of  
Chulalongkorn University
- Entrepreneurs Development for Manufacturer  
program: Sustainable Innovation Management  
(SIM) Department of Industrial promotion,  
Ministry of Industry
- CSR for Corporate Sustainability Class 2
- Workshop for Stengthening Practical skills in  
CSR Sustainable Business Development Institute,  
Stock Exchange of Thailand
- Fundamental Practice for Corporate Secretary  
(FPCS 30)

**Working experiences**

1994 – 1999	Assistant Deputy Operation Manager Sub Sri Thai Plc.
2000 – 2003	Deputy Operation Manager Sub Sri Thai Plc.
2004 – 2009	Operation Manager Sub Sri Thai Plc.

**Number of Share as of December 31, 2020****: 94,817 shares (0.02%)****MR. SOMSAK TANGPRAKOB****Accounting and Finance Manager****Age 60****Education / Training**

- B.A. of Accountancy, Chulalongkorn University
- Modern Marketing Management (MMM),  
Faculty of Commerce and Accountancy,  
Chulalongkorn University
- CFO Orientation Course, TSI, The Stock  
Exchange of Thailand (SET)
- CFO Refresher Course No.1

**Working experiences**

1987-1997	Cost Accounting Manager, Jalaprathan Cement Public Company Limited
1998-2006	Accounting Manager, United Tactical Communication Ltd. (UTC)
2007-2018	Assistant Accounting and Finance Manager, Sub Sri Thai Plc.
2020-Present	CFO Mudman Plc.

**Number of Share as of December 31, 2020****: 234,160 (0.05%)**



**MR. KASIDIT THAVISIN****Document Storage Manager****Age 65****Education / Training**

- Banking & Financial / Thai Banker Association (Certificate)
- Marking Strategic Re-Direction for A Crisis Survival and Profit Growth
- Executive Professional Marketing
- Information Security Branch Operation Control Improvement
- Leadership & Riding the Wave of Change
- Managerial Development Program
- Managing & Coaching for Performance
- Coaching for Service Excellence
- Achieving Service Excellence
- Master Card Orientation
- Visa Orientation

**Working experiences**

2005 – 2007	AVP. Centralized Operations Dept. AIG Retail Bank Plc.
2007 – 2009	AVP. Customer Fulfillment Division AIG Retail Bank Plc.
2009 – 2013	Project Manager Chanwanich Security Printing Co., Ltd.

**Number of Share as of December 31, 2020**

: -None-

**MR. PANYA SOONSAP****Warehouse and Wharf Manager****Age 61****Education / Training**

- Master of Business Administration Burapa University
- B.A. In Law Ramkhamhaeng University
- Management Problem Solving and Decision Making Program (PSDM)

**Working experiences**

1999 – 2005	Branch Manager UOB Plc
2006 – 2009	AVP. Customer Fulfillment Division AIG Retail Bank Plc.
2009 – 2014	Vice President Financial Consultant Department Trinity Securities co., Ltd.

**Number of Share as of December 31, 2020**

: 15,569 shares (0.003%)

### Name of Directors in Subsidiaries of Sub Sri Thai Plc.

As of 31<sup>st</sup> December 2020

Directors' name	Subsidiary Company								
	SST Warehouse Co., Ltd.	Mudman Plc.	ABP cafe (Thailand) Co., Ltd.	Golden Donuts (Thailand) Co., Ltd.	Golden Scoop Co., Ltd.	Greyhound Café Co., Ltd.	Greyhound Café Co., Ltd.	SST REIT Management Co.,Ltd.	Mudman International Limited
1. Mr. Surapong Paisitpatnapong									
2. Mrs. Chitra Thavara									
3. Mr. Tosporn Simtrakan									
4. Mr. Supasith Sukhanindr	■	◆	●	●	■	■	■	●	■
5. Mr. Pilanchai Pradubphong <sup>1,2</sup>	■	■	■	■	■	■	■	■	■
Miss Limly Thipphongprahas <sup>2,3</sup>	■					■	■		
6. Mrs. Intira Sukhanindr									
7. Miss Duangdao Chinthammit									
8. Miss Duangkae Chinthammit									
9. Mr Somyod Suteerapornchai		◆							

<sup>1</sup> Mr. Pilanchai Pradubphong has been appointed as a director of Greyhound Co. Ltd. and Greyhound Cafe Co. Ltd. from March 16, 2020.

<sup>2</sup> Mr. Pilanchai Pradubphong had passed away on April 15, 2020 and the Board of Directors' Meeting No. 4/2020 on April 28, 2020 resolved to appoint Miss. Limly Thipphongprahas to be a director instead with effect from 1 May 2020

<sup>3</sup> Miss. Limly Thipphongprahas was appointed as a director of Greyhound Co., Ltd. and Greyhound Cafe Co., Ltd. since March 16, 2020 and was appointed as Managing Director of Greyhound Co., Ltd. and Ge Rahound Cafe Co., Ltd. on October 1, 2020.

**Remark** ● = Chairman of the Board ■ = Director ◆ = Executive director

## 10. Corporate Governance

The Board of Directors has established a corporate governance policy and the business ethics manual in writing since 2007 and has reviewed the corporate governance policy of the Company together with the business ethics manual continuously with revision No. 1 in 2011 and revision No. 2 in 2013. In 2018, the Board of Directors deemed it appropriate to review and update the corporate governance policy to be in line with the good corporate governance principles promulgated by the Securities and Exchange Commission, Thailand (SEC) for listed companies in 2017. The Board of Directors meeting No. 4/2018 on 12 December 2018 resolved to approve the corporate governance policy, 3<sup>rd</sup> revision, which shall be effective from 13 December 2018 onwards.

### 10.1 Corporate Governance Policy

The Board of Directors realizes the importance of good corporate governance so as to enhance transparency and efficiency in management, which will create confidence for the shareholders and all relevant parties and encourage the Company to grow steadily and sustainably. Therefore, the corporate governance policy has been established as practice standard for the Company, which covers the following important principles.

1. The Board of Directors will perform the duty of supervision and management with determination, dedication, integrity, morality, prudence and carefulness under the legal framework, business ethics in order to achieve the Company's goals for maximum benefits to the Company and shareholders as a whole.
2. The Board of Directors will provide a structure and a process for clearly determining the roles and responsibilities of the directors as directors, which are separate from the role of shareholders and management group and supervise so as to prevent conflict of interests.
3. The Board will take into account the rights of stakeholders in various groups by treating and communicating with the shareholders and stakeholders equally and fairly to all parties, including encouraging understanding and good cooperation with the Company.
4. The Board will take appropriate actions under the internal control and audit systems to ensure that the management group has disclosed financial information and reports of the Company accurately, punctually, transparently, verifiably and in accordance with government regulations.
5. The Board is responsible for supervising and ensuring the availability of risk management and internal control systems that are appropriate for the Company's business operation. The Board sets the policy and promotes innovation as well as business operation with social and environmental responsibility
6. The Board is responsible for determining the main objectives and goals of the business for sustainability, including organizing the consistent management structure between the Board of Directors, executives and shareholders and laying down the guidelines on management and conducting business appropriately.

7. Supervision to ensure that the recruitment and development of directors, chief executive officer and managing director as well as high-level executives to have knowledge, skills, experience and characteristics necessary for driving the organization towards the goals.
8. Requiring the Board of Directors to review the corporate governance policy of the Company to be suitable for the situation and evaluate the implementation of such policy
9. The Board of Directors shall impose the ethical rules in doing business for directors, management and employees to comply with and to be working guideline in consistent with the related legislations and standard code of conduct generally accepted.

The guideline to comply with our corporate governance policy and Manual of Business Code of Conduct as the details follows:

## **1. Right of the Shareholders**

The Board of the Director is aware and gives the importance on the right of shareholders, no matter the basic right in law comprising the selling or transferring of shares, profit sharing of business, sufficient information on business, attending for exercising of right in the shareholders' meeting to appoint or remove directors, appointment of auditor, and matter affecting the company, such as, apportion of dividend, imposing or amending regulations and memorandum of association, decrease or increase of capital, and approval on special items and right of proxy for other person to attend on behalf, right of ownership in appointing The Board of Directors to function on behalf, and the right to make decision on company's major changes, etc.,

### **1.1 Shareholders' Meetings**

For the year 2020, the company held a Meeting of Shareholders one time

The Annual General Meeting of Shareholders for the year 2020 that was held on April 28, 2020 (2.00 p.m) at the Meeting Room of Sub Sri Thai Public Company Limited, No.115 Moo 6 Soi Suksawat 76, Suksawat Road, Bang Chak Subdistrict,, Phra Pradaeng District, Samut Prakan Province, 10130 Thailand (Warehouse 2), to consider the agenda in compliant with the law and under the guidelines of The Stock Exchange of Thailand and to consider the increase of registered capital of the Company under a General Mandate. There were 3 directors attending the meeting at the meeting venue and 4 persons attended the meeting via electronic media, totaling 7 persons. Shareholders and proxies from shareholders attended the meeting were total of 46 shareholders and the total number of shares were 255,567,466 shares or 56.0691 percent of total shares.

### **Prior implementation before meeting**

- 1) The Company had given opportunity to our shareholders to propose Shareholders Meeting Agenda as well as to nominate persons to be elected as the Company Directors in Annual General Meeting of shareholders for the year 2020 during October 1, 2019 to December 31, 2019. The criteria, procedures, submission channel and other related details are announced on the Company's website: <http://www.subsrithai.co.th>.

- 2) Inviting the shareholders by the company has entrusted the Thailand Securities Depository Co., Ltd., the company's registrar of shares, to invite with the meeting documents to the shareholders before the convening date for 21 days and publicize in the website: [www.subsrithai.co.th](http://www.subsrithai.co.th) in advance 30 days before the convening date and publishes the notice of shareholders' meeting in newspapers for three consecutive days in advance 21 days to shareholders' meeting for the shareholders to have enough time to study the information and data before the meeting
- 3) The company's invitation letter has with the information, the date, time and venue including the agendas and all information related to the matters for decision making to the shareholders inclusive of the proxy letter, form gaw and khor, in the standardized forms imposed by the ministry of commerce, the company's regulations in relation with the shareholders' meeting, rules and methods in voting for each agenda and evidence details necessary for the shareholders on the convening date and in addition, with the list of names and background of independent directors. The shareholders may choose to make proxies to attend.
- 4) Each agenda of the invitation letter has clearly prescribed its proposal for acknowledgment or consideration including the facts, objectives and reasons, The Board of Director's opinions, including the voting amount to be the resolution, for instance, a special resolution will require three fourths of the votes, etc.
- 5) The agenda on the appointment of directors has with the name and background of the proposed director. In 2020, it has the proposal on former directors to retain the position again so it is given with data on previous meetings and number of years together with the holding ratio of securities in the company.
- 6) For the election of independent directors, the company has added information about the directors proposed on their independence, for instance, stake holding in the company, subsidiary or the juristic person that may be in conflict, etc.
- 7) Set the agenda on the remuneration of directors on yearly basis to be considered and approved by the shareholders, the company has provided detailed explanation on Annual Registration Statement (Report form 56-1) including policies and rules in the consideration.
- 8) The agenda for the appointment of the auditor, with the auditor's name, the related company and experience and expertise and independence of the auditor, including the auditing service fee.
- 9) The agenda for the dividend payment, it has been with the notice on dividend payment, dividend rate, together with the reason and accompanying information.

The Company held the Annual General Meeting of Shareholders year 2020 (AGM) during the outbreak of Covid-19. AGM meeting is a gathering of a large group of people and risk factors for the infections. The Company is concerned about the situation and therefore establishing the following guidelines for meeting attendance:

1. The Company reserves the right not to allow shareholders or proxies who had traveled to or from countries with dangerous communicable diseases in less than 14 days, according

to Ministry of Public Health's announcement regarding nations outside the Kingdom of Thailand that are dangerously contagious zones, to participate in the shareholder meetings, but will still be able to proxy others or Independent Directors of the Company to attend the meeting and to vote on their behalf.

2. The Company had strictly screened all participants at the registration desk toward the conference room entrance. Details are as follows:
  - 2.1 Participants were required to complete a questionnaire Covid-19 screening, to be submitted to Company officials at the registration desk. Concealing health information or travel history is an offence under the Communicable Diseases Act B.E. 2558 (2015).
  - 2.2 Participants were required to clean their hands with alcohol gel.
  - 2.3 Participants were required to wear face masks throughout the meeting for good hygiene and for the public.
  - 2.4 Body temperature was measured.
3. Seating inside the meeting room was arranged with 1-meter space between chairs. Participants were prohibited from moving or re-arranging the chairs in all cases.
4. The Company refrained from providing snacks, tea, and coffee during the meeting, to reduce unnecessary contact and for good hygiene of all participants.
5. The Company had asked for the cooperation of shareholders, even if they are not at risk, to appoint Independent Directors of the Company to attend the meeting on their behalf. The Company had provided details regarding the submission of inquiries and proxy to Independent Directors of the Company, together with the invitation letter of the 2020 Annual General Meeting of Shareholders.
6. The Company facilitates shareholders by arranging shuttle buses for participants to the meeting venue (Warehouse 2, No.115 Moo 6, Soi Suksawat 76, Suksawat Road, Bang Chak Subdistrict, Phra Pradaeng District, Samut Prakan Province). Shareholders can take the shuttle bus at Head Office, 2044/25-27 New Phetchaburi Road, Bangkok, Huai Khwang, Bangkok 10310.



### Implementation of Shareholders' Meeting

- 1) The Company will not take any actions that may limit to the right of participants to attend the shareholders meeting. All shareholders shall have the right to attend the meeting throughout the duration of meeting. The Company has arranged staffs to welcome, to review documents, and to adequately register participants. The barcode system is used to speed up registration. If the shareholder has granted a proxy, the Company has prepared stamp duty at no cost.
- 2) In the annual general meeting of shareholders, the chairperson has instructed the meeting criteria, resolution voting and counting and use of voting card.
- 3) The chairperson has given the shareholders with the session on questioning and opinions with the record of these issues in the Minutes of Meeting for those who did not attend to acknowledge it.
- 4) At the appointment of director agenda, the company has given the shareholders with voting right on persons.
- 5) Voting cards were used by shareholders to fill if they disagree and suspend vote to be deducted from the total votes.
- 6) In the annual general meeting of shareholders 2020, the company's Chairman of the Audit and Corporate Governance Committee, Chairman of the Board of Executive Director and Managing Director are present and the company has invited the auditor and the company's management to attend to fully give information or answer on shareholders' question.
- 7) In each agenda, it has been conducted by the company in the manner of resolution voting and record on each voting count clearly: yes, no, suspended at what amount of votes.
- 8) The company has granted the shareholders who attended after the meeting started with right to vote or voting in the agenda in discussion and no resolution yet.
- 9) The company does not add agendas and without any prompt notice on information or major change of information.

Due to ongoing outbreak of Covid-19, the Annual General Meeting of Shareholders (AGM) is a gathering of a large group of people with risk factors of infections. The Company takes preventative measures on the situation and therefore establishes the following guidelines in venue preparation as follows:

1. The meeting venue has been cleaned with disinfectant, as well as tables and seating in the conference room.
2. Participants were required to clean their hands at the alcohol gel station prior to entering the conference room.
3. Participants will be seated 1 meter apart to ensure social distancing.
4. Coffee and tea will not be served in the conference room.



### Implementation after the Shareholders' Meeting

- 1) The Company had disclosed the resolutions and the votes of each agenda item at the Shareholders Meeting on the same day of the meeting, or by 9:00am of the next business day at the latest, via the Information System of Stock Exchange of Thailand and the Company's website.
- 2) The company has prepared with the shareholders' minute of meeting comprising following details which are the notification on voting method and counting, voting resolution and record of votes gained in each agenda clearly: yes, no, suspended at what amount of votes, including the explanation on major points, exposing with question and answer or opinion in conclusion and the company has submitted its minute to the SET within 14 days as scheduled and upload to website within 30 days from the convening date for shareholders who are interested and need to review.

From the implementation of quality evaluation project of the annual general meeting 2020 organized by the Thai Investors Association, the company has been rated 96% in the level of **"Excellent"**.



#### Rating criteria

90-100% = "Excellent"

60-69% = "Quite good"

80-89% = "Very good"

50-59% = "Pass"

70-79% = "Good"

## 1.2 Promote the shareholders to fully exercise their right and voting:

- 1) Separate the closing of register of shares transfer suspension for the right in attending the annual general meeting for the shareholders to consider approving the apportion of profit and dividend for the year; before the closure of the register again for the right of dividend payment to maintain the shareholders' right to choose to keep the shares for dividend or not.
- 2) Locate the meeting venue to be convenient, that is Warehouse 2, No.115 Moo 6, Soi Suksawat 76, Suksawat Road, Bang Chak Subdistrict, Phra Pradaeng District, Samut Prakan Province by facilitating to the shareholders in attending the meeting, the Company arrange a shuttle Bus at the head office No. 2044 / 25-27, New Petchaburi Road, Bangkapi Subdistrict, Huai Khwang District, Bangkok went to the meeting venue which is suitable conference room, can support the number of participants sufficiently and with facility for shareholders to register in advance one hour before attending the meeting.
- 3) In case a shareholder cannot attend, he/she may assign proxy to attend or authorize an independent director to attend and vote by downloading the form of proxy and information, for instance, financial data, and meeting info from the company's website.

## 1.3 The Right of the Shareholders in acknowledging the company's information

The Board of Directors gives vital attention for information disclosure that is accurate, transparent, and comprehensive on its financial and general information, including the information that may affect its price by disseminating such information for all investors through the mediums of the SET and the website of the company.

## 2. Equal Practice to All Shareholders

The company must create confidence with shareholders who will invest with the company. Therefore, The Board of Directors should oversee the company's spending that will suitably create maximum benefits to the company and the shareholders and to supervise that all shareholders are treated and protected in exercising their basic rights as mentioned above.

### 2.1 Practice to minority shareholders

- 1) The Board of Directors shall impose the rules for minority shareholders to be able to put added agendas and the nomination of persons to be elected into The Board of Directors in advance before the Annual General Meeting together with its clear process and method in transparent manner for the shareholders to acknowledge, for instance, qualifications of shareholders to present agendas or nomination of directors, steps in proposing agendas and/or nomination of directors, fixing of qualifications and prohibited qualities for directors and independent directors, consent of nominated persons, sending of related documents and procedure of The Board of Director's consideration, etc., by publicizing in company's website in advance 3-4 months before the date of Annual General Meeting on agendas approved by The Board of Directors for next year's Annual General Meeting.
- 2) Imposing Independent Directors to oversee the minor shareholders by they can propose suggestions to independent directors via e-mail: [surapong@subsriThai.co.th](mailto:surapong@subsriThai.co.th)

and independent directors shall consider each case and in any important case with effect to all shareholders or business it will be submitted to The Board of Directors to be put for consideration at next general meeting of shareholders.

## 2.2 Supervision on the use of internal information

- 1) The Board of Directors shall impose measures to prevent any illegal use of Insider Trading by any related person, the board, management, employees on internal information, including their spouse and minor children by assigning the Corporate Secretary to inform these persons to acknowledge the guidelines and to impose punishments and to have follow up as prescribed and to conclude report to the Audit Committee for acknowledgment and further consideration.

In case of using internal information that has not been disclosed to the public in the trading of securities by taking advantage of the outsiders (Insider Trading), the person who performs such act must be liable under the Securities and Exchange Act 1992 by the SEC.

- 2) To impose having with the policy for directors and executives, with their duty to report the holding of securities and its changes under the rules of the Securities and Exchange Commission, and its copies to the company via the Corporate secretary on the same day or next working day from such reporting to be presented to the Chairman of The Board of Directors or the Chairman of Audit Committee and its storage. However, The Board of Directors has monitored the implementation of such measures. The company's secretary shall prepare the conclusion report on transactions of shares/holding of securities of directors and executives, if it is with any change to the Board's meeting every time and report on the Company's Annual Report.

## 2.3 Prevention of conflicts of interest

The Board of Directors has determined the policy and actions as follows.

- 1) Arranging a clear and transparent shareholding structure without cross shareholding with major shareholders in order not to cause conflict of interests for any party and disclosing the shareholding structure of the Company and its subsidiaries in the annual report
- 2) Directors and Management must report their stakes and other related persons in relation with the company and subsidiaries under the rules imposed in Public Company Act and Act Governing Securities and Stock Market for company's acknowledgment through its Corporate secretary to be submitted to The Chairman of The Board of Directors and The Chairman of The Audit Committee within 7 days from the date the company has received it and collect them properly. The Corporate Secretary shall have the duty in preparing the conclusion report on stake - holding of the directors and executives, if it is with any change to the Board's meeting every time.
- 3) To Impose Directors with interest in the consideration of any agenda or transaction to report on it before its undertaking and if any director with the interest significantly that director should refrain in that consideration or voting in that transaction.

### 3. Roles of the Stakeholders

The stakeholders who are shareholders or investor, employees, customers, trade partners, creditors and community that the company is located, society or government including, competitor and Independent Auditors should be treated and overseen from the company according to the rights stated in the law and agreement with the company, therefore, The Board of Directors promotes the co-operation between the company and the stakeholders. In order to build a sustainable business, the company shall disclose important information related to those stakeholders adequately. It is therefore imposed into guidelines and into a document, “Manual of Business Code of Conduct” to make clarity that can be accurately performed and enhance behavior and organizational culture in business ethics. So, it should be clearly stated on these guidelines and The Board of Directors shall follow on its serious performance as follow:

- 1 To separate the groups of stakeholders under the rights and responsibility of the company, for instance, shareholders, employees, customers, partners / creditors, competitive operators, community society and environment, etc., including the development of continuing internal process regularly in order to comply with the company’s policy
- 2 To impose strict compliance with the overseeing of environment and society that may directly affect the business to ensure all involved persons to be confident the company shall operate business with its care to environment and society for the sustainable development by arranging CSR Report under the rules imposed by The Stock Exchange of Thailand and The Securities Exchange Commission to be the guideline of compliance with its dissemination in annual report or in the organization’s publications or in website including other channels.
- 3 To impose having with the policy in raising the quality of life in the workplace for all employees to be with better living and safety in work.
- 4 To impose having with the policy and guideline in relation with remunerations and welfare of the employees.
- 5 To impose having with the policy and guideline in relation with the knowledge development and ability of the employees by revealing the number of hours in average in training of the employees annually.
- 6 To impose having with the policy in not involving with and violation of human rights and to disclose on the performance methods to be generally informed.
- 7 To impose having with the policy and fairly good procedure in responsibility with the customers, partners and creditors, competitor clearly in real manner and to be generally informed to everyone.
- 8 To impose having with the policy against corruption and prohibition in giving or taking bribes for company’s benefits, by imposing the guideline and follow-up on the assessment of policy performance.
- 9 To impose having with the policy or guideline to prevent employees or informants on any wrong doing and to impose the channels for informants. And also impose the responsible person to examine information clearly in “Codes of Conduct” and “Whistleblower Policy”.

- 10 To impose having with the mechanism in complying with the guideline stated in “Code of Conduct” to create sustainable growth to the business and to open for employees, stakeholders and related persons to have channels in informing and suggesting to The Audit Committee or independent directors.

The Company prepared the sustainability report for the year 2020 with analysis of the impact, connection with stakeholders who play an important role in driving the Company's business to grow according to the vision and mission. Additionally, the projects and activities, which were prepared by the Company in 2020, were also reported and published by the Company on the Company's website.

### **Making complaints and suggestions**

The Company provides employees, stakeholders, and relevant persons with channels to make complaints, express opinions, ask questions, or report unethical conducts directly to supervisors or the corporate secretary, which will then be submitted to the Audit Committee. Such complaint may be made directly to independent directors or auditors, as follow:

#### **1. Channel to make complaints**

##### **1.1 Independent Director**

- 1) Mr. Surapong Paisitpatnapong E-mail address: surapong@subsriThai.co.th
- 2) Mr. Wisuithi Kanoksicharin E-mail address: wisuthi@subsriThai.co.th

##### **1.2 Corporate Secretary**

- 1) Miss Limly Thipphongprahas E-mail address: Limly.T-Praphas@subsriThai.co.th

##### **1.3 Send by mail to**

- 1) Mr. Surapong Paisitpatnapong Chairman of the Board of Director
- 2) Mr. Wisuithi Kanoksicharin Member of the Audit and Corporate Governance Committee and Independent Director
- 3) Miss Limly Thipphongprahas Corporate Secretary

Sub Sri Thai Plc.

2044/25-27 New Phetchaburi Road, Bangkok, Huai Khwang, Bangkok 10310

#### **2. Execution process after complaint is received**

The Company allows its employees to make complaints and express opinions freely to develop and create organizational sustainability as follow:

- 2.1 Complaint receiver compiles facts regarding violation or non-compliance with ethics
- 2.2 Complaint receiver reports the facts to independent directors who conduct investigation to consider complaints and define measures to cease violation or non-compliance with law



### 3. Protective measures for a person who makes complaints

- 3.1 A person who makes a complaint can choose to conceal himself if revelation is unsafe.
- 3.2 Complaint receivers will keep data confidential. A person who makes complaint will be immunized against unfair treatment such as change in job, type of job, suspension, intimidation, distraction, termination, due to filing complaint.

### 4. Disclosure of Information and Transparency

The information disclosure should be accurate, complete, timely, and transparent including the information access in time and in equality as the principle to comply with and confidence in the trust from shareholders, investors including all related persons as the supporting factors on added value in long term and short term. The Board of Directors therefore must impose and oversee the good practice for communications and present the information and news easily, with equality and accountability, as follow:

- 1 Apart from the dissemination of information through the stipulated rules and channels of the Stock Exchange of Thailand in Annual Registration Statement (Form 56-1) and Annual Report (56-2), it should be made in Thai and English through other channels, like, website of the company and with regular update of the information.
- 2 Arrange to have the report of responsibility on the financial report shown together with the auditor's report, with the contents supporting the compliance with generally accepted accounting principles and financial report with accurate information according to accounting standards, to be signed by the Chairman of The Board of Directors and the managing director.
- 3 To prepare the explanation and analysis of management, (Management Discussion and Analysis or MD&A) for the disclosure of quarterly financial statements for investors to know the information and understand on changes to financial status and company's performance, apart from the only information in financial figures.
- 4 To prepare the performance report under the company's policy in corporate governance, code of conduct, risk management, supervision and responsibility on environment and society including the non-performance under the mentioned policy with the reasons involved to disseminate to relevant persons through channels, such as, annual report and company's website, etc.
- 5 To disclose the role and duties of The Board of Directors and committees, number of meetings and attending number of each director in the previous year and opinions for directors' performance.
- 6 To report the policy of corporate good governance and performance under the policy, including its supervision on environment and society and its performance by spreading it via channels, such as, in the Form Showing Annual Information (Form 56-1), Annual Report (Form 56-2) and company's website.

- 7 To reveal the policy on payment of remuneration to directors and senior executives, reflecting their roles and responsibilities including the forms or remuneration patterns inclusive of the remuneration earned from directorship in subsidiaries and to present the shareholders for approval annually and if none in any year please state as such.
- 8 To impose the personnel for co-ordination in giving information to be disclosed with the Stock Exchange of Thailand (Contact Person), as following:
  - 8.1 Disclosure of information at accounting cycles: annual financial statement and quarterly financial statement, Form Showing Annual Information (Form 56-1) and Annual Report (Form 56-2) by the Accounting and Finance Manager.
  - 8.2 Disclosure of information at incidents: Items acquired/distributed of properties, connecting items, date of shareholders' meeting, change of directors and auditor, Board resolutions or Shareholders' Meeting, Minutes of Shareholders' Meeting, investment project, by the Operation Manager or Accounting and Finance Manager.
- 9 The Company gives importance to all investors, both the minority of shareholders and institutional investors therefore the Company arrange the channels to provide information to investors via e-mail address: [ir-sst@subsriThai.co.th](mailto:ir-sst@subsriThai.co.th) and the Company has assigned the Accounting and Finance Department and the Operations Department to be responsible for "Investor Relations" and "Information Disclosure of the Company" Information of contacted person are as follows:

Name	Position	Telephone	Email Address
Mr. Somsak Tangprakob	Accounting and Finance Manager	02-318-5514-5	somsak@subsriThai.co.th
Mrs. Oranood Konggun	Deputy Operations Manager	02-318-5514-5	oinnajit@subsriThai.co.th

#### 4. **Responsibilities of the Board of Directors**

The Board of Directors is the driving force of the organization with the role and duties to establish the vision, mission, policies and decision-making relating to the policies and important strategies of the Company, monitor the operations of the management group to be in accordance with the policies and the strategies laid down. The Board of Directors must perform their duties with responsibility, carefulness, prudence and integrity for maximum benefit of the Company and fairness to relevant persons under the principles of good corporate governance. So, the Board of Directors consists of experts with diverse knowledge, competencies and experience, who can bring experience to develop and formulate the policies to benefit the Company's business. Therefore, the Board of Directors has established the Board Charter so that all directors are aware of responsibilities to perform their duties correctly. The structure of the Board and duties as well as responsibilities of the Board of Directors are detailed in Clause 9: The above management structure. Also, the Company has published the Board of Directors Charter on the Company's website.

## 10.2 Committees

The Board of Directors may be appointed from a group of directors in the Board, having the qualification and knowledge in proper expertise, being a director in a sub-committee appointed by The Board of Directors to do duty in finding out and checking on its importance and regular occurrence which must be closely watched to enhance effectiveness in follow-up and control of work on behalf of the Board which are Board of Executive Directors, Audit and Corporate Governance Committee and Nomination and Remuneration Committee.

### 10.2.1 Audit and Corporate Governance Committee

Name	Position	
1. Mr. Surapong Paisitpatnapong	Chairman of the Audit and Corporate Governance Committee	Independent Director with adequate expertise and experience to review creditability of the financial reports
2. Mrs. Chitra Thavara*	Member of the Audit and Corporate Governance Committee	Independent Director with adequate expertise and experience to review creditability of the financial reports
3. Mr. Tosporn Simtrakan	Member of the Audit and Corporate Governance Committee	-

\* Mrs. Chitra Thavara had resigned from Member of the Audit and Corporate Governance Committee on December 28, 2020 and the Meeting of the Board of Directors of the Company No. 8/2020 held on December 16, 2020 had passed the resolution to appoint Mr. Wisuithi Kanoksicharin to be Member of the Audit and Corporate Governance Committee in replacement Mrs. Chitra Thavara, effective on December 28, 2020.

#### Composition of the Audit and Corporate Governance Committee

- 1) Audit and Corporate Governance Committee shall be appointed by the Company Board of Director or the Meeting of Shareholders.
- 2) Audit and Corporate Governance Committee shall comprise with the company's director who has qualification as imposed by the company's regulations at least 3 independent directors and one of them shall have knowledge in accounting and financial.
- 3) The members of the Audit Committee must be directors of the Company who are qualified as independent directors pursuant to the definition announced by to the Company and in accordance with the stipulations of the Capital Market Commission and the regulations of the Stock Exchange
- 4) The Audit Committee is to select one of its members to be the Chairman of the Audit Committee.

#### Term of Office

Audit and Corporate Governance Committee's term of office is 3 years. Any director in the Audit and Corporate Governance Committee who has been in expiration may be elected again to assume post if seen suitable by the Board.

#### The duties and responsibilities of Audit and Corporate Governance Committee

- 1) To review the Company's financial reporting process to ensure that it is accurate and adequate.

- 2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence and performance, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
- 3) To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
- 4) To consider, select, appoint and remove the Company's auditor including considering the proposed remuneration of the auditor with regard to independence, credibility, sufficiency of resources, workload of the audit office of the audit firm and experience of the personnel assigned to do the Company's auditing including attending meetings with the auditor without the attendance of the management at least once a year.
- 5) To review the connected transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the law and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
- 6) To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
  - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report
  - (b) an opinion on the adequacy of the Company's risk management and internal control system.
  - (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business.
  - (d) an opinion on the suitability of an auditor.
  - (e) an opinion on the transactions that may lead to conflicts of interests;
  - (f) the number of the audit committee meetings, and the attendance of such meetings by each committee member.
  - (g) an opinion or overview comment received by the audit committee from its performance of duties in accordance with charter.
  - (h) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors.
- 7) To report to the Board of Directors in the event that the Audit Committee has found or suspects matters that may affect The Company's financial standings and its financial performance, i.e. conflict of interests, fraud or unusual transactions or major flaws in the internal audit system, or wrong doings relating to the Securities and Stock Exchange, rules and regulations of the Stock Exchange of Thailand as well as other laws applicable to the Company's business. The Board of Directors and/or Management have to resolve the issue within the timeframe as dictated by the Audit Committee. In the event that the issue cannot

be resolved within the allotted timeframe, the Audit Committee has to report to The Securities and Exchange Commission or the Stock Exchange of Thailand.

- 8) Reviewing to ensure the Company's available risk management system that covers all aspects and acknowledging the progress in risk management operation of the Risk Management Working Group, including communication with the Risk Management Working Group so as to understand major risks and link internal control.
- 9) Reviewing the conclusions of corruption audit and reviewing internal processes of the Company relating to whistle-blowing, offenses or complaints and jointly setting preventive measures in the organization with the management group, including presenting the cases to the Board of Directors to consider solving problems or punishments.
- 10) Review the company to have an anti-corruption procedures starting from considering the anti-corruption policy to be suitable for the type of its business, corporate culture, promoting and raising awareness, risk assessment, creating a preventative work system and inspection as well as self-assessment regarding anti-corruption measures as assessed by Audit and Corporate Governance Committee to ensure that the company has various systems to against corruption as reported in the self-assessment form of the Thai Institute of Directors (IOD).
- 11) To study and follow the movements, trends, compliance on good governance to present to the Board for consideration in taking it into the guideline on the company's performance.
- 12) To develop and propose good governance policy of the company with the code of conduct to the Board of Directors, and to review and improve that policy regularly.
- 13) To oversee the compliance with the policy and the principles of conduct under ethical frame, according to the principles of corporate good governance with its assessment report to the Board of Directors.
- 14) To perform any other act as assigned by the Company's Board of Directors, with the approval of the audit committee

### 10.2.2 Nomination and Remuneration Committee

Name	Position
1. Mr. Surapong Paisitpatn	Chairman of the Nomination and Remuneration Committee
2. Mr. Supasith Sukhanindr	Member of the Nomination and Remuneration Committee
3. Mrs. Chitra Thavara*	Member of the Nomination and Remuneration Committee

\* Mrs. Chitra Thavara had resigned from Member of the Nomination and Remuneration Committee on December 28, 2020 and the Meeting of the Board of Directors of the Company No. 8/2020 held on December 16, 2020 had passed the resolution to appoint Mr. Wisuithi Kanoksicharin to be Member of the Nomination and Remuneration Committee in replacement Mrs. Chitra Thavara, effective on December 28, 2020.

#### Composition of the Nomination and Remuneration Committee

- 1) Shall be Company directors and must be appointed by the Board of Directors.
- 2) The Nomination and Remuneration Committee shall comprise at least 3 directors and 2 of 3 independent directors
- 3) The Nomination and Remuneration Committee shall select one of their members to be the Chairman.
- 4) The chairman of the selection committee must be independent director

#### Term of Office

The Nomination and Remuneration Committee's term of office at 3 years a time. Any director in the nomination and remuneration committee who has been in expiration maybe elected again to assume post if seen suitable by the Board

#### The duties and responsibilities of Nomination and Remuneration Committee

- 1) To consider the rules and selection process including the selection of suitable persons to hold directorship in the Board, sub-committee and to present to the Board of Directors for the nomination in the Shareholders' Meeting or to present to the Board of Directors for appointment.
- 2) To consider the selection of suitable persons to hold the position of Chief Executive officer and President and to present to the Board of Directors for appointment.
- 3) To consider fixing the rules, method of assessment and topics in the assessment of the performance of company directors, Chief Executive officer and President annually, by thinking of the responsibility and risks involved.
- 4) To propose on remuneration policy and other benefits for the Board of Directors, sub-committee, and Chief Executive officer and President together with its revision for the Board of Directors, sub-committee, and Chief Executive officer and President suitably and consistently with the responsibility and company's performance to be presented to the Board of Directors in approving the remunerations for the Chief Executive officer and President and for remunerations of directors and sub-committee, the Board of Directors has to submitted to the Shareholders' Meeting for approval.
- 5) Other missions as assigned by the Board of Directors.



### 10.2.3 Executive Committee

Name	Position
Mr. Supasith Sukhanindr	Chairman of the Executive Committee
Miss Limly Thipphongprahas*	Member of Executive Committee

*\*The Meeting of the Board of Directors of the Company No. 4/2020 held on April 28, 2020 had passed the resolution to appoint Miss Limly Thipphongprahas to be member of Executive Committee in replacing Mr. Pilanchai Pradubphong who passed away effective from May 1, 2020 onwards.*

#### Composition of the Executive Committee

- 1) Being appointed by the Board of Directors, with the number thereof being as deemed appropriated by the Board of Directors, comprising a number of directors and probably a number of the Company's executives and/or a number of outsiders.
- 2) The Executive Committee consists of Chairman of the Executive Committee and at least 1 executive committee member
- 3) The Board of Directors shall appoint one of the Executive Committee who is a director as the Chairman of the Executive Committee.
- 4) Executive Committee members shall have relevant knowledge, capability, and experience, being able to devote time to the Company, having adequate opinions in performing duties, knowledge and understanding in own qualifications, duties, and responsibilities, not possessing qualifications prohibited by law.

#### Term of Office

- 1) Executive Committee member who are directors have the office term as their directorship term and Executive Committee members who are company executives have the same term in office as the term in office of their executive positions, unless resolved otherwise by the Board of Directors.
- 2) Executive Committee members who are outsiders, not being directors or executives of the Company, have the term in office as may be deemed appropriate by the Board of Directors, subject to change as maybe deemed by the Board of Directors.

#### The duties and responsibilities of the Board of Executive Directors

Executive Directors to have authority as assigned by the Board of Company as follows:

- 1) Impose the guidelines for development and business expansion to comply with the board of directors' policy with the risk evaluation that may be incurred to new product, or the risk related with new transactions including the guidelines to prevent risks related to transactions.
- 2) Impose business plan, budget and administrative authority in company to be submitted to the Board for approval.
- 3) Inspect, follow performances under the policy and guidelines to be effective and enhancing to the business operation.

- 4) Consider major investment projects of the company under the policy of the board of directors by analyzing investment project, risk and expected benefits to be submitted for approval from the board of directors.
- 5) Consider and screen the information or the facts of any matter to be submitted to the Board of Directors for accurate and full consideration.
- 6) Report to the Board of Directors regularly in relation with the management, operation and risk status of the company and changes including the matters to be improved to meet the imposed policy and strategy by arranging the **Risk Management Working Group** to consider risks involved in each department and in total as the organization's risks to impose the methods and guidelines to prevent these risks as stated and continually assess it.
- 7) Approve administration related to company's operation as follow:
 

Approve costs as expense to be not over	10.00	million baht
Approve costs as asset to be not over	50.00	million baht
Approve accepting of goods pledge to be not over	100.00	million baht
- 8) Have authority in appointing, removing on executives lower than Chief Executive officer and President.
- 9) Other implementations as assigned by the Board on case by case.

In 2020, the Board of Executive Directors has convened a number of meetings to follow up the management's implementations in 3 meetings and it has been reported to the Board of Directors to acknowledge and approve it

Apart from the above-mentioned programs, the Board of Executive Directors also has a special meeting unofficially to consult on various aspects of the administration regularly every month and in attending consultation meetings to provide suggestions to the management of the subsidiaries at least once a month to make follow-up on targets.

### **The Risk Management Working Group**

The Risk Management Working Group shall comprise Chief Executive officer and President, Department Manager and Deputy Manager and Assistant Manager to consider risks incurred in each department and to consider their connections in each department, in order to impose strategy and guideline in total risk management of the organization and to be consistent with the policy and purpose of the company, also with follow up to report the executive committee every quarter. In addition it shall be with the handbook on risk management with full elements to be publicized to directors, employees at all level to be the guideline for practice.

## **10.3 Recruitment and appointment of Directors and Executives**

### **10.3.1 Recruitment and appointment of directors**

- 1) Appointment of directors shall accord with the Company's articles of association and relevant laws. The selection must be transparent, clear and conducted through the Nomination and Remuneration Committee.

- 2) The Nomination and Remuneration Committee is responsible for recruiting, selecting qualified persons and propose to the Board of Directors to appoint, present to the shareholders' meeting for approval according to the Company's articles of association.
- 3) The Nomination and Remuneration Committee will review the Skill and Characteristics of directors and the overall composition of the Board of Directors compared with the business direction and strategies of the present and future and consider the diversity in terms of skills, experience, knowledge, expertise, independence, age and gender of the directors.
- 4) For considering proposing the reappointment of former directors as directors for another term, the Nomination and Remuneration Committee will consider various factors, including performance results, attendance history and participation in the meetings as well as support for the activities of the Board of Directors.

### **10.3.2 Recruitment and appointment of Independent Directors**

For recruitment and appointment of independent directors, the Company has a policy requiring independent directors to hold office continuously for no more than 9 years or 3 consecutive terms from the date of being appointed as independent directors for the first time. However, the Board of Directors may appoint independent directors to continue to hold office after considering the necessity reasonably. The independent directors must be fully qualified as required by the Capital Market Supervisory Board and must be able to oversee the interests of all shareholders equally and not to cause conflict of interests. Furthermore, they must be able to attend the Board of Directors' meeting by giving opinions independently.

#### **Qualifications of Independent Directors**

- 1) To hold shares not over 0.5% in paid up shares of the company, subsidiary, joint venture or any corporate with conflicting interest, by totally counting the shares held by related persons and to impose other qualifications as imposed by SEC.
- 2) No participation in management, not being staff/ employee/ consultant with regular salary or control person of the company, subsidiary, joint venture or any corporate with conflicting interest, at present and past 2 years before appointment.
- 3) No relation in bloodline or any registration as father, mother, spouse, family member and child including spouse of child with the management who is major shareholder, control person or person to be nominated into management or control person of the company or subsidiary.
- 4) No business relation with the company, subsidiary, joint venture or any corporate with conflicting interest, at present and past 2 years before appointment in the following manner:
  - a. No relation in the manner giving professional service, for instance, auditor, other professional service with over 2 million baht remuneration per year, such as, legal counsel, financial counsel, property appraiser, etc.
  - b. No relation in trade/business with its value from 20 million baht up or from 3% of total tangible assets value of the company, any amount lower. However, in the

consideration of values to include with any item incurred during 6 months before the latest transaction.

- 5) Not being a director appointed for representation of company directors, major shareholders or shareholder related with the major shareholder of the company.
- 6) Do not operate a business that has the same condition and significantly competes with the business of the Company or subsidiaries. Or do not be a partner of director involved in management, employee, consultant operating a business that has the same condition and significantly competes with the business of the Company or subsidiaries.
- 7) Without other characteristics that cannot give opinion independently.
- 8) After having been appointed as independent directors of the Company, the independent directors may be assigned by the Board of Directors to make decisions on business operations of the Company, parent company, subsidiaries, associates, subsidiaries in the same order, major shareholders or the control authorities of the Company by Collective Decision without considering that those independent directors are the directors involved in management.
- 9) The board establish the policy that the tenure of an independent director should not exceed a cumulative term of nine years from the first day of service. Upon completing nine years, an independent director may continue to serve on the board, subject to the board's rigorous review of his/her continued independence.

Therefore, the qualities of “independent Directors” are stricter than minimum requirements imposed by SEC and the Stock Exchange of Thailand on shares holding of the company fixed at not over 1%

### **10.3.3 Recruitment and appointment Executives**

The Company has a policy to recruit senior executives by selecting the persons with knowledge, abilities and experience related to the business. The selection is based on the regulations concerning human resources management by recruiting employees in the organization with appropriate qualifications, knowledge, capabilities first in order to create morale for employees within the organization. After having passed the nomination process in the case of senior management, including the positions of chief executive officer and managing director, the Nomination and Remuneration Committee shall present to the Board of Directors for approval. The chief executive officer and managing director are assigned to appoint the persons with knowledge, abilities and experience in the Company's business as employees at various levels.

For senior management positions that are important to the Company's business operation, so the Company has determined a succession plan for recruitment and preparation of high-level executives and development of competent persons to hold important positions in management and business operation continuously and effectively.

## Succession Plan Policy

Succession Plan Policy of the Company has been approved on September 20, 2017. The Board of Directors has assigned the Nomination and Remuneration Committee to determine the rules, criteria and procedures for selecting executives or top management of the company as well as reviewing succession plan annually in order to ensure that the succession plan of the Company is applied for the key management positions include Chief Executive Officer, Vice President and Manager level and the Company has operated continuously in the event of an emergency or retirement to prevent the impact on business. Furthermore, this succession plan enhances the development personnel who has high potential and good performance to grow to a higher position steadily in line with the rules, and to ensure that the company has a professional executive.

Successor plan of the Managing Director, Deputy Managing Director and the managements at manager level, to ensure that the Company will have the knowledgeable and capable managements adequately for the operation as follows:

- 1) The Company Directors set the policy of the successor plan, so that the Company has set successor plan, which are selection of the high performance personnel, conduct evaluation and improvement continuously which is necessary for to achieve measure and target of the Company to support the personnel to grow together with the company.
- 2) The Nomination and Remuneration Committee will consider the criteria, method and procedure in personnel selection to be in the position of Managing Director, Deputy Managing Director and the managements at manager level, by determining that:
  - Managing Director shall prepare the successor plan for Managing Director and Deputy Managing Director and the Nomination and Remuneration Committee shall approve the plan.
  - Deputy Managing Director shall prepare the successor plan for Manager of the Division in their own responsibility and the Managing Director shall approve the plan.
- 3) Managing Director shall consider on the improvement plan and propose to the Nomination and Remuneration Committee for acknowledgement.
- 4) Managing Director shall assign the supervisor of the successor to monitor the training and the knowledge and skill developing of the successor and there must be performance evaluation at least once a year.
- 5) Managing Director shall summarize the result of the successor plan, performance report, and progress report according to the individual improvement plan of the qualified management to the Nomination and Remuneration Committee once a year.
- 6) The Nomination and Remuneration Committee shall review the successor plan every year to ensure that the Company has the successor plan with appropriate continuing management.

Chief Executive Officer and President has reported the progression report of Succession Plan for the year 2020 and Succession Plan for the year 2021 in the Meeting of Nomination and Remuneration Committee No. 1/2021 which held on February 25, 2021.

## 10.4 Performance Assessment and Development of Knowledge

The Board of Directors has conducted a self-assessment of the Board at least once a year to comply with the corporate governance policy of the Company and to review that the supervision has been established and / or sufficient actions and also used as information for support the executive to improve their management to be more efficient

The Self-assessment of the Board of Directors which is divided into (1) Self assessment form for the Board of Directors, (2) Self-evaluation of Committees, i.e., the Audit and Corporate Governance Committee, Executive Committee, the Nomination and Remuneration Committee, (3) Self-assessment form of individual directors. The evaluation form of the Board of Directors and every sub-committee has criteria in accordance with the example of the assessment form of the Corporate Governance Development of Listed Companies, Stock Exchange of Thailand.

### The evaluation process of directors as follows:

1. The Directors evaluate the performance of the directors at least once a year, consisted of the evaluation of the Board of Directors, individual evaluation, evaluation of all committees by the Secretary of Director's Recruitment and Remuneration who will submit the evaluation form to the director for evaluation and send back to the Company.
2. The secretary of the Nomination and Remuneration Committee summarized and proposed the evaluation results to the Recruitment Committee. The Company will not disclose the name of the directors who do the evaluation, so that the directors can evaluate independently.
3. The Nomination and Remuneration Committee presents the evaluation result and improvement guideline to the Board of Directors' meeting for consideration and setting the improvement guideline.
4. The Nomination and Remuneration Committee reviews the evaluation from of the committee regularly for appropriateness.

### 10.4.1 Self-assessment of the Board of Director:

Self-assessment of the Board of Directors, comprising 6 topics, which are:

Board self-assessment topics	Average score	
	2019	2020
1. Structure and qualifications of the Board	3.82	<b>3.75</b>
2. Role, duty and responsibility of the Board	3.90	<b>3.81</b>
3. Board meeting	3.90	<b>3.80</b>
4. Function of directors	3.91	<b>3.86</b>
5. Relation with the administration	3.93	<b>3.87</b>
6. Self - development of directors and the management's development	3.77	<b>3.72</b>
<b>Total average score</b>	3.8717	<b>3.7977</b>
<b>%</b>	96.79%	<b>94.94%</b>

The Board of Directors has evaluated the performance of the board with an average score of 94.94 percent that it is in “**excellent**” criterion in the year 2020



#### 10.4.2 Self-Assessment of Sub-Committees

The assessment comprises of 3 topics, which are:

Self-evaluation of The Audit and Corporate Governance Committee	Average score	
	2019	2020
1. The structure and qualifications of the Board are appropriate to encourage them to perform duties effectively.	3.95	<b>4.00</b>
2. Effective conducting Sub-committees' meetings to support their roles and duties in the meeting.	4.00	<b>4.00</b>
3. Roles duties and responsibilities of Sub-committees are emphasize on consideration, reviewing and performing duties adequately.	3.94	<b>3.94</b>
<b>Total average score</b>	3.9633	<b>3.9722</b>
<b>%</b>	99.08%	<b>99.31%</b>

The Audit and Corporate Governance Committee has evaluated the performance of its committees with an average score of 99.31 percent that it is in “**excellent**” criterion in the year 2020.

Self-evaluation of The Nomination and Remuneration Committee	Average score	
	2019	2020
1. The structure and qualifications of the Board are appropriate to encourage them to perform duties effectively.	4.00	<b>4.00</b>
2. Effective conducting Sub-committees' meetings to support their roles and duties in the meeting.	4.00	<b>4.00</b>
3. Roles duties and responsibilities of Sub-committees are emphasize on consideration, reviewing and performing duties adequately.	4.00	<b>4.00</b>
<b>Total average score</b>	4.00	<b>4.00</b>
<b>%</b>	100%	<b>100%</b>

The Nomination and Remuneration Committee has evaluated the performance of its committees with an average score of 100 percent that it is in “**excellent**” criterion in the year 2020.

Self-evaluation of The Executive Committee Committees	Average score	
	2019	2020
1. The structure and qualifications of the Board are appropriate to encourage them to perform duties effectively.	3.90	<b>3.50</b>
2. Effective conducting Sub-committees' meetings to support their roles and duties in the meeting.	3.83	<b>3.67</b>
3. Roles duties and responsibilities of Sub-committees are emphasize on consideration, reviewing and performing duties adequately.	3.80	<b>3.50</b>
<b>Total average score</b>	3.8433	<b>3.5625</b>
<b>%</b>	96.08%	<b>89.06%</b>

The Executive Committee has evaluated the performance of its committees with an average score of 89.06 percent that it is in “**Very good**” criterion in the year 2020.

### 10.4.3 Self-assessment individual directors

The assessment comprises of 3 topics, which are:

Self-assessment individual directors	Average score	
	2019	2020
1. Structure and qualifications of the Board.	3.88	<b>3.78</b>
2. Board Meetings	3.75	<b>3.78</b>
3. Roles duties and Responsibilities of the Board	3.80	<b>3.69</b>
<b>Total average score</b>	3.7955	<b>3.7374</b>
<b>%</b>	94.89%	<b>93.43%</b>

The Board of Directors has evaluated self-assessment individual directors with an average score of 93.43 percent that it is in “**excellent**” criterion in the year 2020.

### 10.4.4 Assessment of the Chief Executive officer and President’ Performance

The Board of Directors has imposed the assessment of the Chief Executive officer and President’ s performance regularly every year. As the Chief Executive officer and President is responsible for the administration to comply with the policies of the Board, by having each director assesses under the target and rules in the assessment linking with the success of the strategies of the company to consider the remuneration and suitable incentive reward using the assessment form of the Good Governance Development Center of the Stock Exchange of Thailand as the criterion with the details in assessment topics and results, as following:

Assessment of the Chief Executive officer and President, comprising 10 topics, which are:

Assessment of the Chief Executive officer and President’ Performance	Average score	
	2019	2020
1. Leadership	3.95	<b>3.83</b>
2. Imposing strategies	3.88	<b>3.72</b>
3. Complying with strategies	3.93	<b>3.75</b>
4. Planning and Finance Results	3.95	<b>3.81</b>
5. Relationship with the Board	3.86	<b>3.77</b>
6. Outside Relationship	3.74	<b>3.75</b>
7. Management and Personnel Relationship	3.83	<b>3.67</b>
8. Succession	3.70	<b>3.65</b>
9. Knowledge on Products and Services	4.00	<b>3.81</b>
10. Personal Traits	3.98	<b>3.83</b>
<b>Total average score</b>	3.8820	<b>3.7649</b>
<b>%</b>	97.05	<b>94.12%</b>

The Board of Directors has evaluated the performance of the Chief Executive Officer and President with an average score of 94.12 percent that it is in “**excellent**” criterion in the year 2020.

<b>Note:</b>	The evaluation criteria for Self-assessment of the Board of Directors and Assessment of the Chief Executive officer and President are:
90-100 %	= Excellen
80-89 %	= Very good"
70-79 %	= Good
60-69 %	= Quite good"
50-59%	= Pass
Less than 50 %	= Shall be improved"

#### 10.4.5 Development of Directors and Executive

##### Orientation of New Directors

Upon accepting the positions as directors and / or independent directors of the company, each director shall obtain then important information about the company and shall realize the regulations mentioning the scope, duties, and responsibilities of the Board of Directors. Such persons shall obtain the recommendations about the laws, rules, and conditions about holding the “director” position in the registered company in The Stock Exchange of Thailand and shall understand the company’s businesses.

The company shall provide the new directors with orientation by attending the training program provided by the Thai Institute of Directors in order to realize information with coordinating by the corporate secretary in any matters the following:

- (1) Importance of Directors
- (2) Roles, duty of Directors according to Good Corporate Governance principles.
- (3) Duties and Responsibilities of the Directors according to the Law
- (4) Guidelines for Directors to Follow the Law and guideline of The Stock Exchange of Thailand and The Securities and Exchange Commission.

For the new directors who hold the positions in the Board of Directors, the company shall provide the documents for new directors in order to realize the business policies and the relevant information such as capital structure, shareholders, performance, including the laws and rules, and shall submit the directors’ manual, which is beneficial for the directors of the company, to the directors. The directors’ manual shall consist of:-

1. Public Limited Company Act B.E.2551 (adjusted copy)
2. Guideline for Being the Directors of Registered Company
3. Business Ethics
4. Memorandum of Association, Objective, and Regulation
5. SEC’s Manuals for Directors of the Registered Company
6. Related Transactions of Registered Company
7. Principle of Good Corporate Governance of Registered Company
8. Annual Registration Statement (Report form 56-1) (Latest Version)

The company will arrange the Committee Training by Thai Institute of Directors (IOD) to the committee who has not yet been trained.

In 2020, the Board of Directors' Meeting considered the appointment of 2 new directors which were Miss Limly Thipphongprahas to be the Company's director in replacing Mr. Pilanchai Pradubphong, a director of the company who passed away, effective from May 1, 2020 and Mr. Wisuithi Kanoksicharin to be the Company's director in replacing Mrs. Chitra Thavara who resigned, effective from December 28, 2020. Miss Limly Thipphongprahas has attended the Director Accreditation Program (DAP) class 172/2020 from the Thai Institute of Directors Association (IOD). For Mr. Wisuithi Kanoksicharin, who was appointed in December 2020, the company will arrange training for the Director Accreditation Program (DAP) and Director Certification Program (DCP) of the Thai Institute of Directors Association (IOD) in 2021.

In addition, the Company has arranged an orientation for the new directors, so that the new director gets the important information about the Company, scope of roles and responsibility of the Board of Directors, rules and conditions to be the Directors of the company registered in SET, as well as getting to understand the business of the Company.

### **Knowledge Development**

The Board of Directors promotes and provides directors, executives and corporate secretary to attend trainings and seminars organized by Thai Institute of Directors, The Stock Exchange of Thailand, Office of The Securities and Stock Exchange Commission, or other independent entities, to enhance knowledge, improve efficiency of performance and operations. Nowadays, all directors have joined Director Accreditation Program (DAP) and/or Director Certification Program (DCP) of the Thai Institute of Directors Association (IOD).

The Company provides training courses for executives and employees to enhance their skills, knowledge, and ability to work. For example, CFO Competency Development Course, Fraud Prevention and Management Audit Course, and Personal Data Protection Act (PDPA), to strengthen knowledge and understanding for employees, as well as to prepare for Personal Data Protection Policies & Operational Guidelines. The law will be enforced in June 2021 onwards.

## **10.5 Supervision of operations of subsidiaries and associates**

The Company has a policy to invest in other potential businesses that can generate profits for the Company in the long term. The Board of Directors has established a mechanism to supervise the subsidiaries so as to protect the investment benefits of the Company by sending the persons to represent the Company as directors, executives and control authorities in subsidiaries, including determining the scope of authority, duties and responsibilities for use as management guidelines. Additionally, a regulatory mechanism has been established through disclosure of financial reports and connected transactions with such subsidiaries by applying the rules related to information disclosure and transactions according to the criteria and requirements of relevant agencies. In addition, there is also the monitoring to evaluate and audit carefully through an adequate and appropriate internal control system.

## **10.6 Supervising the use of Internal Information**

The Company has the policy and method to supervise the directors and executives for using internal information of the Company for personal gain that may affect changes in the trading price of securities, which are detailed in Clause 10.1: Corporate Governance Policy, Section 2: Equitable Practice to All Shareholders and are published by the Company in the corporate governance policy, 3rd revision on the Company's website.

**Holding the Company's Shares of the Board of Directors and Managements (December 31, 2020)**

No.	Name/Position	Ordinary Share			
		As of Dec 31,2019	As of Dec 31,2020	Changing During the year 2019	Share holding (%)
1.	<b>Mr. Surapong Paisitpatnapong</b> Chairman and Independent Director/ Chairman of the Audit and Corporate Governance Committee/ Chairman of the Nomination and Remuneration Committee	363,696	466,490	102,794	0.09
	Spouse and Minor Children	-	-	-	-
2.	<b>Mrs. Chitra Thavara</b> Director and Independent Director/ Member of the Audit and Corporate Governance Committee / Nomination and Remuneration Committee	315,324	413,280	97,956	0.08
	Spouse and Minor Children	-	-	-	-
3.	<b>Mr. Tosporn Simtrakan</b> Director and Independent Director/ Member of the Audit and Corporate Governance Committee	138,668	141,129	2,461	0.03
	Spouse and Minor Children	-	-	-	-
4.	<b>Mr. Supasith Sukhanindr</b> Vice-Chairman Director / Chairman of Board Executive Director/ Nomination and Remuneration Committee/ Chief Executive Officer and President	89,644,140	98,674,978	9,030,838	19.68
	<b>Miss Kamolludee Patchimsawat</b> (Spouse)	13,143,572	14,457,928	1,314,356	2.88
	<b>Mr. Suparith Sukhanindr</b> (Minor Children)	3,929,976	4,322,973	392,997	0.86
	<b>Mr. Supadej Sukhanindr</b> (Minor Children)	3,929,976	4,322,973	392,997	0.86
5.	<b>Mr. Pilanchai Pradubphong</b> Director and Vice-Chairman Executive Director/ Corporate Secretary	197,390	30	(197,360)	0.00
	Spouse and Minor Children	-	-	-	-
6.	<b>Mrs. Intira Sukhanindr</b> Director	47,442,560	52,253,240	4,810,680	10.42
	Spouse and Minor Children	-	-	-	-
7.	<b>Miss Duangdao Chinthammit</b> Director	25,160,971	27,743,492	2,582,521	5.53
	Spouse and Minor Children	-	-	-	-
8.	<b>Miss Duangkae Chinthammit</b> Director	25,660,845	28,293,353	2,632,508	5.64
	Spouse and Minor Children	-	-	-	-
9.	<b>Mr. Somyod Suteerapornchai</b> Director	25,207	27,727	2,520	0.005
	Spouse and Minor Children	-	-	-	-
10.	<b>Miss Limly Thippongrahas</b> Chief Corporate Finance, Chief Strategy and Business Development Officer	-	-	-	-
	Spouse and Minor Children	-	-	-	-

No.	Name/Position	Ordinary Share			
		As of Dec 31,2019	As of Dec 31,2020	Changing During the year 2019	Share holding (%)
11.	<b>Mr. Rod Kimber</b> Vice President Document Storage and Wharf Business	-	-	-	-
	Spouse and Minor Children	-	-	-	-
12.	<b>Mr. Piyapong Rintranurak</b> Head of Group Corporate Finance, Strategy and Business Development	-	-	-	-
	Spouse and Minor Children	-	-	-	-
13.	<b>Mr. Kasidit Thavisin</b> Document Storage Manager	35,858	-	-	-
	Spouse and Minor Children	-	-	-	-
14.	<b>Mrs. Patcharee Boonnak</b> Senior Operation Manager	67,270	94,817	27,547	0.01
	Spouse and Minor Children	-	-	-	-
15.	<b>Mr. Somsak Tangprakob</b> Accounting and Finance Manager	200,017	234,160	34,143	0.05
	Spouse and Minor Children	-	-	-	-
16.	<b>Mr. Panya Soonsap</b> Warehouse Manager	31,953	15,569	(16,384)	0.003
	Spouse and Minor Children	-	-	-	-

**Note -** The above number of shares which the director and managements are included shares from EJIP Program and stock dividend.  
 - The proportion of holding company's shares is calculated from the number of shares with issued and fully paid-up Capital.

## 10.7 Audit Fee

The Company appointed EY Office Limited to be the company's auditors for the fiscal year 2020 and the company has paid for Audit fee and / or review financial statements to the auditor as follows:

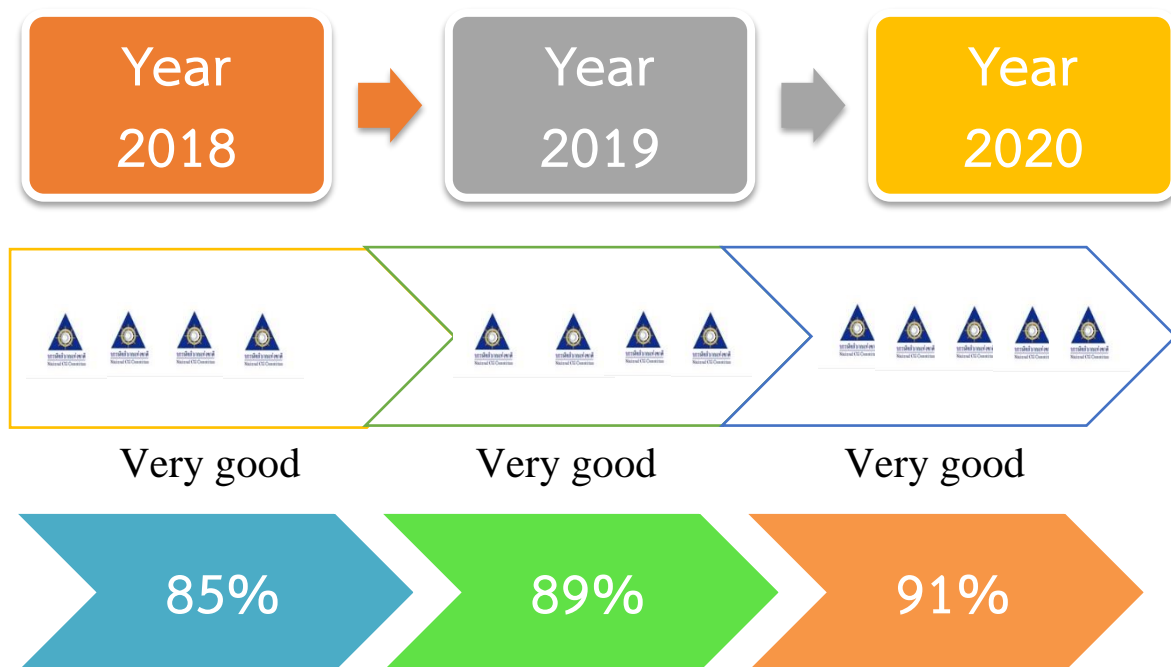
1. Audit Fee was Baht 1,580,000.00
2. Non Audit Fee -None-

## 10.8 Applying good corporate governance principles for listed companies in 2017 to be applied

The company operates business under the principles of Corporate Good Governance and has applied the principles of good corporate governance for listed companies in 2017. The Board of Directors has reviewed and updated the corporate governance policy to be consistent with the principles of good corporate governance promulgated by the Securities and Exchange Commission, Thailand (SEC) for listed companies in the year 2017. The Board of Directors meeting. No. 4/2561 on 12 December 2018 resolved to approve the corporate governance policy, 3rd revision, which shall be effective from 13 December 2018 onwards.

### Evaluation Results of Corporate Governance of Thai Listed Companies

The results of survey of Thai Listed Companies Corporate Governance Survey Year 2020, the company received a 5-star "Excellent" rating, evaluated by the National CG Committee surveying Thai listed companies.



## 10.9 Compliance with the principles of good corporate governance on other matters

Apart from the corporate governance policy, the Company prepared a business ethics manual (2nd revision) 2013 that is required to be consistent with the corporate governance policy (2nd revision) 2013 and in line with the corporate governance policy (3rd revision) 2018. This business ethics manual applies to personnel of all groups of the Company. At present, the Company has published the corporate governance policy and the business ethics manual on the Company's website.

The company has reviewed the corporate governance policy of the company to comply with the good corporate governance principles 2017 of the Securities and Exchange Commission. The Board of Directors had considered that the company's corporate governance policy, the 3rd revised version was introduced in 2019, therefore it should be remains the same and the Board had acknowledge that the company unable to comply with CG Code 2017 introduced by the Securities and Exchange Commission are as follows:



Corporate Governance Code for listed Companies 2017	Company practices
<p>1. The board should establish the policy that the tenure of an independent director should not exceed a cumulative term of nine years from the first day of service.</p>	<p>In 2020 the Company has proposed to appoint an independent director, Mr. Tossaporn Simtrakarn who have held the position of director for 6 years, when combined with the newly appointed term, he will be a director for 9 years to continue the position of Independent Director. Board of Directors has evaluate the reason and necessity and concluded that since he is a scholar who is independent from the managements and the major shareholders of the Company appropriately, be able to perform his duty well and use the knowledge, experience and expertise to provide useful suggestion to the Company in compliance with the sustainable development method and be qualified as the independent director as specified by SEC.</p>
<p>3. The company should appoint an external consultant to assist in setting guidelines and providing recommendations for a board assessment at least once every three years. This information should be disclosed in the annual report.</p>	<p>The Board of Directors instructs the application of Self-assessment of the Board of Directors which is divided into (1) Self assessment form for the Board of Directors, (2) Self-evaluation of Committees, i.e., the Audit Committee, Executive Committee, the Nomination and Remuneration Committee, (3) Self-assessment form of individual directors. The evaluation form of the Board of Directors and every sub-committee has criteria in accordance with the example of the assessment form of the Corporate Governance Development of Listed Companies, Stock Exchange of Thailand. The purpose is to have the directors jointly review their performances, solve problems and hindrances and evaluate themselves for the past year so as to improve the work efficiency of the Board in the coming years and the assessment results have been publiced in the annual report.</p>

## 11. Corporate Social Responsibility

The Company has a policy to conduct business by focusing on creating 3 quality aspects to achieve balance in economic, social and environmental terms so as to achieve the goals based on the vision and mission of becoming a leading company in the warehouse, document storage and logistics business with a full range of services and responsibility to stakeholders and society. The framework of social responsibility operation is shown in a structured manner according to the policy, i.e. "Business progress meeting international standards, business operation by adhering to good governance principles and responsibility to society and the environment.

The operation related to social responsibility of Sub Sri Thai Public Company Limited starts from within the organization and expands to outside the organization. The Company believes that customer satisfaction comes from competent, expert employees ready to provide services, including new innovations in the service process that can respond to a wide range of customer needs. Moreover, the employees are an important part of driving responsibility to society, the environment and stakeholders in all sectors. This will affect the business operation of the Company to achieve sustainable growth in the long term.

**The main strategies for social responsibility operation are as follows.**

1. Business development alongside employee development, creating people of the Company according to corporate values

<b>S</b> mart	Having skills and expertise in the job of delivering quality products and services of high standards with advanced science and technology
<b>S</b> ervice mind	Possessing love and willingness to provide good services, focusing on excellence according to the Company policy, i.e. service with speed, punctuality, accuracy, politeness, generosity and commitment to continuous development for maximum satisfaction of customers.
<b>T</b> ogether	The organization, employees are ready to develop together with society and stakeholders so as to create mutual value, which will eventually lead to sustainability.

2. Developing the quality of work processes, products and services together with social and environmental responsibility in every operational step (In-Process).
3. Enhancing the abilities and quality of life of personnel, employee participation in order to live together happily, be ready to develop together sustainably
4. Promoting the efficient use of resources and promoting environmental protection both inside and outside the organization that has an impact on the overall environment.
5. Encouraging the employees to have good conscience for the public and perform good deeds for society, encouraging participation in the activities that are beneficial to the public.

The Company prepared a Sustainability Report of the year 2019 of SubsriThai Public Company Limited to communicate information to shareholders and all stakeholders of the Company to be informed of the sustainability concept, policy, sustainability operation and various management approaches so as to lead to future sustainability of the Company. This has been published on the Company's website.

For this annual report, the Company has reported social responsibility according to the framework of the Securities and Exchange Commission, Thailand in 8 topics, namely 1) fair business operation, 2) anti-corruption, 3) respect for human rights, 4) fair treatment of labor, 5) responsibility to consumers, 6) participation in community or social development, 7) environmental protection 8) innovation and dissemination of innovations derived from operation with responsibility to society, the environment and stakeholders

### **1) Business operations with fairness**

The Company focuses on running the business with honesty, transparency and responsibility to the shareholders. The Company will respect the rights of the shareholders and treat the shareholders equally, provide adequate information for making decision about the investment, supervising the prevention of internal data usage, preparing and disclosing the financial and non-financial information in correctly, completely and timely manner as announced by the Security Exchange of Thailand and according to the generally accepted standard, having morality in business and run the business according to the law, paying the tax correctly and timely and supporting consciousness to the personnel of the Company at every level to see the importance of responsibility towards the society.

The company complies with bona fide frame of trade competition, adhering in business operation under the fair covenants, under the law and ethics of the company, without any ill practice on each other and no seeking of trade secrets of the competitor through any illegitimate method or breaching of agreement in not disclosing the competitor's information whether from the customer or other person. In the previous year, the company does not have any dispute in relation with the trade competitors.

The company has its policy to implement its treatment and responsibility with all trade partners and/or creditors in equal term and fairness by considering on the maximum benefits of the company, basing on the fair returns to both parties.

### **2). Anti-corruption**

The Company manages the business on the basis of transparency and morality, and also comply with relevant policy and laws. The organization structure to indicate the responsibility, work process and supervision structure in order to balance the authority. There is the appropriate examination between one another. Apart from that, the Board of Directors has set forth anti-corruption policy in the topic "anti-fraud and anti-corruption" in the Company's Manual of Business Code of Conduct as follow:

1. Employees are not allowed to give or offer objects or other benefits to outsiders such as governmental officials, brokers, trading partners whether such objects or benefits are intended to persuade the person to take action or abstain from taking action which is against the law.
2. Employees are not allowed to accept objects or other benefits for themselves or for others to persuade the person to take action which is wrongful.

3. Conducting business with both domestic and foreign governmental units, state enterprises, and private sectors, transparently, fairly, and legally. The Company's business must not violate Thai law and foreign law which the Company does business with.

The Board of Director's meeting No. 4/2015 which held on December 15, 2015 has approved an anti-corruption policy, and has promulgated the policy on January 4, 2016, which is published on the website of the Company for the directors, executives and employees to strictly practice adhere to.



The company intends to deter corruption by announcing its intentions alignment to **Private Sector Collective Action Coalition Against Corruption** Council in year 2016 and was certified a three-year member of the Private Sector Collective Action Coalition against Corruption (CAC) on 18 October 2019.



In order for the company to continuously comply with the anti-corruption policy. The Risk Management Working Group has monitored the performance of various departments of the Company that need to have contact with government agencies such as obtaining various licenses related to the business operation of the Company that may have a channel to lead to corruption. The Company communicate to employees to make employees aware of the importance of anti-corruption as well as stimulate the company's departments to take measures in order to encourage employees to recognize the importance and practice for employees such as requesting cooperation from business partners to refrain from giving gifts including any other benefits during festivals and occasions

### **3) Respect for Human Rights**

The Board of Directors has placed importance and considers it as the policy by considering the respect for human right and respect the dignity of human, privacy, and individual right to employees when interact during doing their duties, and avoidance of violation or encouragement to violate human right of all forms.

In addition, the Company values political neutralism, non-participation, and non-partisanship for any political parties or politicians. The Company holds on to democracy and encourages its employees to vote in an election which has been specified in the Code of Conduct of the company.

### **4) Fair Treatment to labor**

The company is fully aware that “the employees” are our most vital resource for the company’s success and achieving the set targets at maximum efficiency. The company is therefore determined to make our employees proud and confident in the Company including with the fair remuneration which has been specified in the Code of Conduct of the company as following:

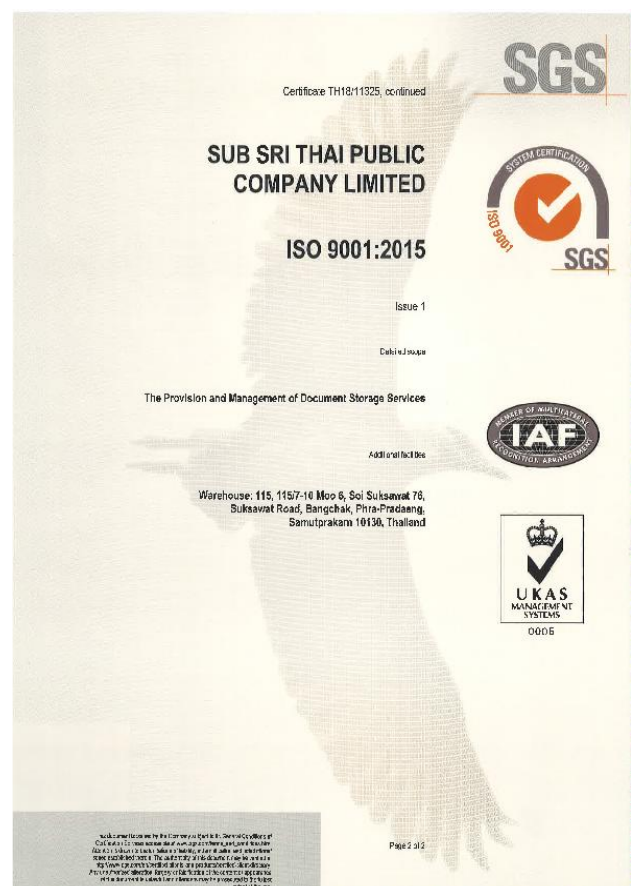
1. Promote employment equality. Discourage direct or indirect discrimination against race, color, gender, sexual preference, age, disability, religion, and political expression.
2. Provide benefits and welfare employees deserve such as holidays, overtime payment, medical expense support.
3. Arrange process and method of filing complaint is in place. Consider the complaint appropriately and fairly.
4. In case the employee has guilty regulations or discipline, the company shall hold an investigation for a fair punishment on a case by case basis.
5. Promote health and hygiene, safety of employees to achieve sound and hygienic work environment. Prevent work-related threats, dangers, accidents, and diseases.
6. Open an opportunity for employee and stakeholders in every group to complaints, express opinions, or make an inquiry via email to the corporate secretary, The Audit committee or independent director.

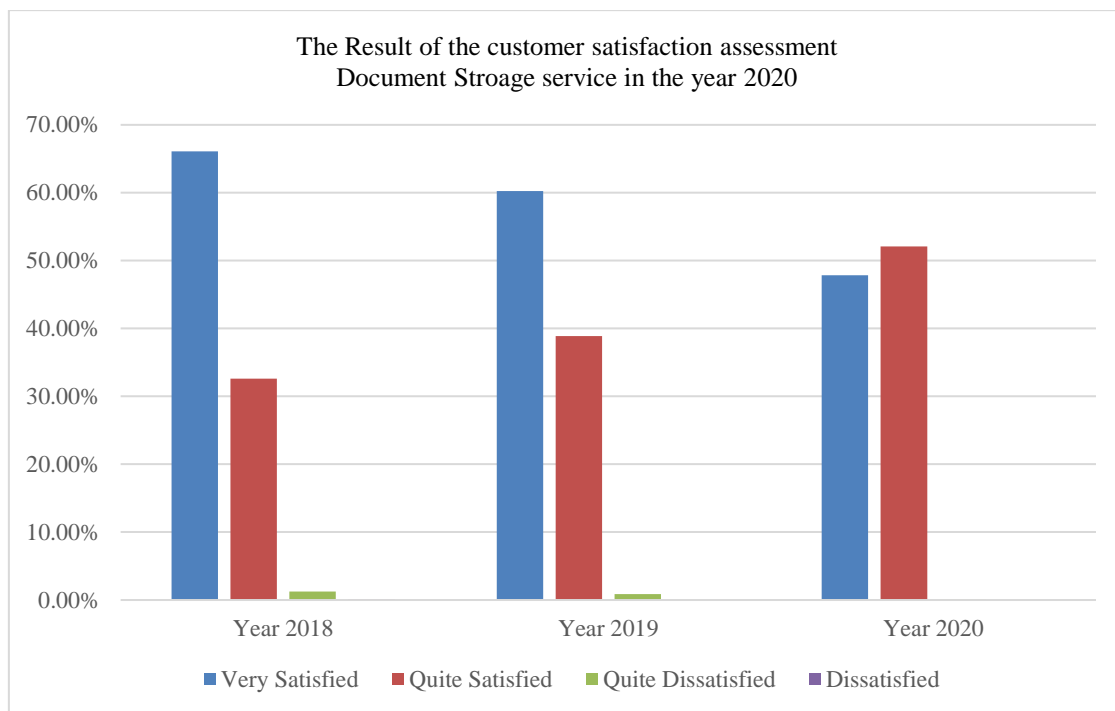


## 5) Responsibility to consumers

The Company pays great attention to our customers' satisfaction, determining to develop continual servicing system to respond our customers' need to be most effect at all the time. The company has prescribed its policy on fair treatment and responsibility towards the customers in its Manual of Business Code of Conduct.

In over the past years, our old customers still entrust with our services until now, as the company has delivered with good product and services in efficient manner with convenience, fastness and integrity in our servicing flexibility, under fair conditions and with full completion of agreements made with the customers under the regulations and laws related with business operation of the company and no violation or contract default with the customers. The company always thinks of the customers' satisfaction by conducting on the satisfaction evaluation of our customers annually and with our improvements to meet ISO 9001:2015 as accredited to the company including the arrangement of the system and process for the customers to make complaints on the quality, volume and safety of the goods and service.





The number of customers participating in the satisfaction assessment for the year 2020, accounting for 41% of all customers, classified by customer types as follows:

Customer types	Year 2018		Year 2019		Year 2020	
	Number of customers	%	Number of customers	%	Number of customers	%
Small	266	20.11	245	16.80	432	30.00
Medium	183	89.71	179	81.74	207	90.00
Large	91	94.79	92	94.85	114	100.00
<b>Total</b>	<b>540</b>		<b>516</b>		<b>753</b>	

## 6) Development of community and society

The company has the policy to make ourselves to have with, Corporate Social Responsibility – CSR, through internal and external activities with the consideration on its impact to the society, by using the resources inside and outside the organization, in order to promote harmonious in the society with normal peace. The Company thus has a policy on interaction with the society and the communities in its business ethics manual.

In 2020, the Company created the projects or activities for society and the community, including Funding for Children's Day activities to various schools in Phra Pradaeng District and Phra Samut Chedi District as the area where the Company is located as well as the company also has the blood donation project organized by the Company annually.

The Company considered about the safety and health of participants who visiting the Company to study at the Company's Automated Warehouse Systems for educational institutions, including public and private agencies that are interested in AS/RS automated warehouse system due to Covid-19, the Company had stopped arranging the Company visits in 2020.




## Donation at Baanphrapradaeng November 28, 2020



## Blood Donation Project "Give Blood - Give Life" 8<sup>th</sup> Year December 18, 2020



  
 สำนักงานเหล่ากาชาดจังหวัดสมุทรปราการ  
 27 ถนนสุขุมวิท รัชต์ 10270

จช.บป 2563

18 ธันวาคม 2563


เรื่อง ขอขอบคุณ

เรียน กรรมการผู้จัดการ บริษัท ทรัพย์สินไทย จำกัด (มหาชน)

ความที่ เสนอให้ร่วมร่วมมือในกิจกรรมบริจาคโลหิตจากเหล่ากาชาดจังหวัดสมุทรปราการ โดยร่วมกับ โรงพยาบาลสมุทรปราการ ในการจัดหาผู้บริจาคโลหิตให้เหล่ากาชาดจังหวัดสมุทรปราการ เมื่อวันที่ 18 ธันวาคม 2563 ซึ่งผู้บริจาคโลหิต อาชีวศตวรรษ บริษัทอริยะ ดังนี้

1. ผู้บริจาคโลหิต จำนวน 38 ราย ได้ให้โลหิตปริมาณทั้งสิ้น 15,100 ซี.ซี.
2. ผู้บริจาคโลหิต จำนวน 6 ราย
3. ผู้บริจาคโลหิต จำนวน 6 ราย

เหล่ากาชาดจังหวัดสมุทรปราการ ขอขอบคุณในความมีน้ำใจอันเป็นกุศลของท่านและคณะบุคลากรทั้งปวง ที่ได้ร่วมทีมบริจาคโลหิตในครั้งนี้ พร้อมทั้งให้การสนับสนุน และอำนวยความสะดวกในการปฏิบัติงานอย่างดียิ่ง ทำให้ได้รับความร่วมมือจากเหล่ากาชาดจังหวัดสมุทรปราการ และเหล่ากาชาดจังหวัดสมุทรปราการ ขอขอบคุณเป็นอย่างสูง และขอแสดงความชื่นชมและกำลังใจถึงทุกฝ่ายที่เกี่ยวข้องทุกท่าน ขอแสดงความชื่นชมและขอบคุณเป็นอย่างสูง และขอแสดงความชื่นชมและกำลังใจ

ขอแสดงความนับถือ  
  
 (นางจรัสพร คงเกษม)  
 แม่แทนเหล่ากาชาดจังหวัดสมุทรปราการ

ฝ่ายเอกสาร  
 โทร./โทรสาร 0-2995-0089

## 7) Environmental Operation

The company has its policy in running business by giving importance and dedication to the maintenance of environment and safety, occupational health in the company's business activities to create benefits to economic, social and our society which has been specified in the Code of Conduct of the company.

From this policy, so the Company oversees the discharge of wastewater into the river of wharf and warehouse business located along the Chao Phraya River. In document storage business, the Company has ordered environmentally- friendly paper boxes, including supplying paper box product of using less paper pulp, but the strength remains the same or the boxes of using paper pulp from planted forest to help reduce deforestation and protect the environment.

Additionally, the Company has organized reforestation activities to let employees realize the importance of forest resources conservation and restoration so as to reduce the crisis of forest resources, water resources, global warming and natural disasters.

The Company has set the truck checkup plan, so that all truck are checked in the schedule and the outsourcing service providers have to follow this plan too, so that the trucks are in a good condition and do not cause pollution, such as exhaust fumes.

## 8) The innovation and disclose of innovations from operations with responsibility to social.

The Board of Directors set forth the organization's vision "Being the leader in the business of warehouse and document storage to be determined in developing the logistics business to international standards and encouraging the value addition to businesses in the group and investing in the business with opportunity of progress, increasing the continuous and sustainable growth as well as adhering on good corporate governance, social, and environmental responsibility", to build up organizational added value in the long run by developing and increasing new knowledge in order to effect changes in idea, production, and work process, for worthwhile utilization of resources with appropriate cost, and to build up competitiveness continuously.

The Company pays attention to the environment care under the strategies and policies that focus on supporting the operations and transaction with electronic systems through digital equipment use for sustainable development in natural resource use, reservation and preservation.

The Company creates modern system and work process to support the environment saving and response to customer's need.

- The Company applies digital system in the work process and internal communication to reduce paper use which is able to reduce large amount of printing and photocopying.
- The Company also develops the customer service system called Service Order Online through the internet to response to the service providing that is convenient, fast, efficient and also makes the business stable which correspond to the guideline for sustainability of the Company.
- The Company collects data on Cloud Computing system in place of the creation of large Data Center. This can save the electricity use and minimize environmental impacts and also be able to reduce the time for accessing the data securely and safely. Therefore, this can increase reliability from the customers.

- The Company has continuously studied and surveyed modern warehouse automation system in both local and abroad to apply and expand warehouse automation in order to meet customers' need and to increase efficiency, speed, and accuracy, which also helped employees to work with ease and reduced the employees' illnesses from moving heavy box.

*More details about corporate social responsibility appear in the Sustainability Report 2020 on the Company's website. [www.subsrithai.co.th](http://www.subsrithai.co.th)*



## 12. Internal Control and Risk Management

### 12.1 Internal Control

The Audit and Good Governance Committee is responsible for supervising the Company to have an appropriate and effective internal control system and internal audit system, reviewing to ensure that the Company has accurate and adequate financial reports, examining connected transactions or transactions with potential conflict of interests to conform to the laws on securities and exchange and the regulations of the Stock Exchange of Thailand as well as the laws related to the business and informing the management group to rectify the defects found within the time deemed appropriate by the Audit Committee.

Therefore, the Company has arranged for the internal auditor to report directly and operate under supervision of the Audit and Good Governance Committee that oversees the works of internal auditor to be independent, fair, ethical and professional according to professional standards of internal auditing. The internal auditor will audit and monitor the internal control system of the Company periodically at least twice a year to improve control measures so as to be suitable for the changing situation and risks. Thus, in order for the control system to achieve the goals, so practice guidelines are established as follows.

1. The executives should be aware on the significance of internal control and should create internal control procedure at every level of company's work.
2. To impose measures, formats and methods of internal control to be suitable to the situations and environment in work, level of risks and risk management continually to be efficient and reduce the risk of fraud and misuse of power to prevent illegal actions.
3. Require that “**The Risk Management Working Group**” be directly responsible for the assessment and management of risk, the evaluation of internal control, system compliance audit, and improvement of control measures suitable for changing circumstances, environment, and risk factors. High and middle level executives must give cooperation.
4. The Audit Committee must review to ensure sufficient internal control, internal risk management, and internal audit systems, and the result to the Board of Directors and shareholders.
5. Financial Report: The executives have the duty and responsibility in making full and valid reports under generally-accepted principles.
6. Availability of a system to receive complaints and a fact-checking system for various employees and stakeholders to be a channel of asking questions or reporting the cases considered incorrect as well as mechanisms for protecting people involved in complaints. The objectives are to create confidence and fairness for employees and all other stakeholders according to the approach of Whistleblowing Policy.
7. All levels of staffs shall pay attention in complying internal control measures as imposed by the company strictly and continually.
8. Every employee is to support, give accurate and true information to internal audit unit and external auditors.

### **Opinion of the Board of Director regarding Internal Control**

The Audit Committee Meeting No. 1/2020 held on February 27, 2020, the Audit Committee evaluated the sufficiency of the internal control system covering all five components which are:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information & Communication
5. Monitoring Activities

The Audit Committee considered that the Company has internal control system of the company to monitor and perform the work properly and appropriately and has reported to the Board of Directors at the Board of Directors' Meeting No. 1/2021 held on March 11, 2021

In addition, Ms. Satida Ratananurak, the Auditor of the Company (from EY Office Limited) who is the Auditor for the financial statements year 2020, expressed her opinion on the Company's financial statements the accordance with Thai Financial Reporting Standards.

### **In Charge of Internal Audit Unit:**

The Audit Committee has appointed IVL Auditing Company Limited to perform the duties of the Company's internal auditor from January 1, 2020 to December 31, 2020 IVL auditing assigned Ms. Valdee Sibunruang is primarily responsible for the Company's internal auditor.

The Audit Committee has considered the qualifications of IVL Auditing and Ms. Valdee Sibunruang as well as considered that they are suitable for performing such duties as they are independent and experience in performing internal audits in the same business of the company for a long time.

The Audit Committee has responsibilities to consider for approval the appointment, transfer and dismissal of the chief of an internal audit unit.

## **12.2 Risk Management**

Sub Sri Thai Public Company Limited pays attention to Good Governance in order to develop and make progress to the organization firmly, expand the business stably, maintain stable financial status, prevent and decrease damage from environment and threats that may occur and affect the personnel, asset, business operation, and corporate image.

Therefore, the Company sees that the risk management system should be applied. The operational framework and process of risk management conform to the principle of the Committee of Sponsoring Organizations of the Tread way Commission (COSO) which is an international standard in order to make relevant parties understand about risk management principle and to apply the principle suitably.



### **Risk management policy**

1. The risk management shall be integrated all over the organization and it need to conform to and be included in strategic plan and operational process of the organization, including to consider risk management as one of the process in business plan preparation, budget setting, investment decision, and project management in order to achieve the objective.
2. The risk management must cover both external and internal risks, as well as the risks that are damages, uncertainty, and opportunity loss.
3. There shall be process to regularly indicate, analyze, manage, monitor, and report the risks. The process must be conducted all over the organization to keep the risk management process in the same standard all over the organization.
4. To support and develop risk management as one of the operational process according to Good Governance.
5. There shall be an effective communication process, including the training and seminar arrangement in order to make everyone realize about the importance of risk management.

The company has set up a risk management working group in order to oversee the risk management of the organization, which will be reported to the Executive Committee.

### **The Risk Management Working Group**

The Risk Management Working Group shall comprise Chief Executive Officer and President, Department Manager and Deputy Manager and Assistant Manager to consider risks incurred in each department and to consider their connections in each department, in order to impose strategy and guideline in total risk management of the organization and to be consistent with the policy and purpose of the company, also with follow up to report the executive committee every quarter. In addition it shall be with the handbook on risk management with full elements to be publicized to directors, employees at all level to be the guideline for practice.

### **Major Factors of Risk Management:**

1. To impose the policy, purpose and scope of operation, time and activities involved including fixing of the responsible personnel in its implementation in consistent with risk management.
2. To specify risks by considering any risk involved with the organization's operation, for instance, finance, operation, administration, marketing including the risks that affect the image of the business, etc.
3. To specify the level of damage that may be incurred from each risk, level of risk = level of severity x chance of risks and with risk priority from the analysis as mentioned.
4. To impose measures or methods against the stated risks.
5. To have the report on risks and its assessment on risks.
6. To follow up and revise the policy and risk management system sufficiently to be effective and with its continual compliance.

## 13. Inter – Transactions

During the past year, Sub Sri Thai Plc., its subsidiaries and related person had inter-company transactions, which the transaction is in accordance with the commercial conditions and criteria as agreed between the Company and its subsidiaries and related parties. The majority of the transactions are purchase and sale transactions, service fees, loans. In case of loans, interest rate was based on interest rate of commercial banks at the time the transaction occurred.

**1. The Company had relevant transactions** as of 31 December 2020 as showing in Notes to consolidated financial statements article 7. Which have significant details as follows:

Company name / persons name	Relationship	Description of Transaction		Pricing policy
1. Subsidiaries				
SST Warehouse Co., Ltd	The company holds 100% of the shares in SST Warehouse Co., Ltd.	The Company receives revenue sharing in exchange with allowing SST Warehouse Co., Ltd. to use warehouse space to operate a licensed warehouse business whereas the Company manages deposited goods.	14,415,407.68	According to reciprocal agreement
<ul style="list-style-type: none"><li>- Golden Donuts (Thailand) Co., Ltd.,</li><li>- ABP Café (Thailand) Co., Ltd.,</li><li>- Golden Scoop Co., Ltd.</li><li>- Greyhound Co., Ltd.</li><li>- Greyhound Café Co., Ltd.</li></ul>	Holding through Mudman Plc. 64.27%	The Company provides Document storage and space rental to store goods.	570,772.50	Contract rate
<ul style="list-style-type: none"><li>- Golden Donuts (Thailand) Co., Ltd.,</li><li>- ABP Café (Thailand) Co., Ltd.,</li><li>- Greyhound Co., Ltd.</li><li>- Greyhound Café Co., Ltd.</li></ul>		The company purchasesed the products of the subsidiary company	858,125.63	Mutually agreed price
2. Associates				
Sub Sri Thai Real Estate Investment Trust (“SSTRT”)	<ul style="list-style-type: none"><li>- The company holds 23.71% of trust units in SSTRT.</li><li>- The Company holds 100% of SST REIT Management Co., Ltd. which it is the REIT Manager of SSTRT.</li><li>- The Company is the main lessee of all property currently invested by SSTRT.</li></ul>	The company has rented the land and 14 document warehouse buildings and utilities and equipment to operate the document storage business	133,750,464.08	According to lease of land and buildings agreement and lease of utility system and equipment agreement
		The Company received interest from providing financial assistance to SSTRT in amount of Baht 11 million to be used in the operations related to the conversion of Property funds	377,676.71	Loan interest rate of 6.025 baht / year, referring to the interest rate of commercial banks as of the transaction date. <u>Note:</u> On August 14, 2020, SSTRT has fully repaid the loan.

Company name / persons name	Relationship	Description of Transaction		Pricing policy
<b>3. Related persons</b>				
Mr. Supasith Sukkanindr	Mr. Supasith Sukkanindr is a director of the company, Chairman of Executive Committee, Chairman of Executive Officer and President. And also he is major shareholder of the company which holds 19.67% of the Company's shares	Lease of land and buildings for operation the hotel business in Phuket Province	-	Rental rates according to the lease of land and buildings which has been approved by the shareholders' meeting <u>Note:</u> The rental waiver period is extended until March 31, 2022.

## 2. Necessity and reasonableness of inter-company transactions

Transactions between the Company and related companies or persons were deemed necessary in the normal course of business with a highly competitive. To have an alliance or a network of business will promote more economic flexibility than depending on outsiders. The Company will consider the best benefits to the Company.

## 3. Process of the approval of inter transactions

Inter-transactions which are not purchase or sale or normal service provision must receive prior consideration from the Board of Executives, and if the size of a transaction is beyond the authority of the Board of Executives, the Board of Executives will conclude its resolution and propose to the Board of Directors for further consideration. The Board of Directors must comply with the Securities and Exchange Act including rules, regulation, provision and notices of the Securities and Exchange Commission as well as comply with regulations of information disclosure concerning related transaction and acquisition and disposition of assets. Upon approval, common directors, member of the Board of Directors, Executive Directors and/or member of other committees who involve in any transactions. In event the size of the connected transactions exceeding criteria approved by the Board of Directors, they must propose to the shareholders' meeting for approval.

Connected transactions with persons that may have conflict of interest, the will appoint an Audit Committee to review and consider whether it is necessary or rational to carry out such transactions and it is also necessary for the independent expert to give an opinion on those transactions to be used for the decision of the Board of Directors or shareholders upon the conditions. The related transactions should be beneficial to the Company.

## 4. Policy and tendency of future inter-company transactions

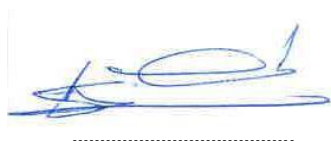
Inter- transactions between the Company and its subsidiaries are normal business transactions; therefore, purchase, sale, or service transactions will remain in the future. The Company will consider the benefits of the company and the price must be in accordance with the market price. For borrowings money or loans between the company and its subsidiaries will do only as necessary and as appropriate which also consider the benefits of the company as well.

## 14 Board of Directors' Statement of Responsibility for Financial Reports

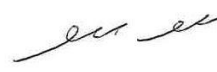
The Board of Director of Sub Sri Thai Public Company Limited strongly values the duties and responsibilities in accordance with good corporate governance. The Board of Directors is responsible for the financial statements of the Company and its subsidiaries including financial information presented in the annual report and the annual financial statements for the year ended December 31, 2020, which are prepared according to Financial Reporting Standards. The Board of Directors has selected and consistently followed an appropriate accounting policy. The aforementioned financial statements are prepared using careful judgment and the best estimation. In addition, important information is adequately disclosed in the Notes to the Financial Statements. The financial statements have been examined by an independent external auditor. Therefore, the financial statements are transparently and can be used for the benefit of shareholders and investors.

The Board of Directors has appointed the Audit Committee, which comprises of independent directors, to review the quality of the financial reports and to evaluate the internal control system, risk management system, and various systems to support effective financial documentation to ensure that accounting records are correct, complete, timely. The Audit Committee's opinion is presented in the Audit Committee's Report which is a part of this annual report.

The Board of Directors believes that the Company's overall internal control system is able to create credibility and reliability for the financial statements of Sri Thai Public Company Limited and subsidiaries for the period ended December 31, 2020



( Mr. Surapong Paisitpatnapong )  
Chairman of the Board of Directors



(Mr. Supasith Sukhanindr)  
Chief Executive Officer  
and President

## 15 Report of the Audit and Corporate Governance

### To: The Company's shareholders

The Audit Committee consists of three independent directors with full qualifications, which are:

- |                                 |                                 |
|---------------------------------|---------------------------------|
| 1. Mr. Surapong Paisitpatnapong | Chairman of the Audit Committee |
| 2. Mrs. Chitra Thavara          | Member of the Audit Committee   |
| 3. Mr. Tosporn Simtrakan        | Member of the Audit Committee   |
| 4. Mr. Wisuithi Kanoksicharin   | Member of the Audit Committee   |

*(Appointed on December 28, 2020)*

In cycle year of 2020, the Audit Committee has performed its duties and responsible to the assignment from the company's board of directors and the Audit Committee has been with 4 meetings with following conclusions, as follow.

#### 1. Reviewed to ensure that the Company had sufficient and accurate financial report

- Reviewed 2020 interim financial statement and annual financial statement with auditors, the Company's management, as well as a meeting with auditors without management. The auditors inquired, listened to, and gave advice and/or opinions on issues related to the Company's financial report before submitting for the Board of Directors' approval to reveal the information to The Stock Exchange of Thailand and The Securities and Exchange Commission.

**Opinion:** The Audit Committee's opinion is that the Company's financial report 2020 is accurate in essence and reliable in accordance with general certified accounting standard.

#### 2. Reviewed to ensure the Company had appropriate internal control, and internal audit systems, and considered the independence of internal audit office

- Approved audit plan, considered audit result, and followed up with management to speed up compliance with internal auditors' suggested issues.

- Concluded opinion on the Company's 2020 internal control system based on internal audit sufficiency evaluation form of The Securities and Exchange Commission and self-evaluation result of the Audit Committee and the Board of Directors in accordance with good corporate governance guideline.

- Recruited internal auditors which are external units; evaluated internal auditors' performance in 2020

**Opinion:** The Audit Committee's opinion is that the Company has sufficient and appropriate internal control and internal audit systems, and that its internal audit office is independent.

### 3. Reviewed to ensure that the Company complied with law on securities and stock exchange, and other legislation related to the company's business including rules, regulations, announcements, orders under the coverage of the law.

- Informed of the Company's report on compliance with law on securities and stock exchange and other laws related to the Company's business, and followed up the progress.

- Informed of auditors that there was neither issue nor remark needed to be reported to the Audit Committee in accordance with section 89/25 in Securities and Stock Exchange Act.

**Opinion:** The Audit Committee's opinion is that the Company complied with law and the committee was informed of law compliance on a quarterly basis.

### 4. Reviewed risk management system of the Company

- Reviewed the Company's risk management and be informed of risk management panel's progress of the Risk Management Working Group.

**Opinion:** The Audit Committee is informed of risk management panel's progress of the Risk Management Working Group and will continue to monitor the progress.

### 5. Consideration on Selection, Appointment and Remuneration Proposal for auditors and the Company's internal auditors

- To consider and to be presented to the board of directors of company for approval in General Meeting of Shareholders in 2021 by appointing Ms. Kamontip Lertwitworat CP. No. 4377 or Mr. Wichart Lokatekrawee CP. No.4451 or Mr. Satida Ratananurak CP. No. 4753 of EY office Limited to be the company's auditors for the fiscal year 2019 with the recommendation of Audit Committee for the year 2021 at Baht 1,501,000.- (excluding other services)

The Audit Committee has appointed IVL Auditing Company Limited to perform the duties of the Company's internal auditor from January 1, 2021 to December 31, 2021. IVL auditing assigned Ms. Valdee Sibunruang is primarily responsible for the Company's internal auditor. The Audit Committee has considered the qualifications of IVL Auditing and Ms. Valdee Sibunruang as well as considered that they are suitable for performing such duties as they are independent and experience in performing internal audits in the same business of the company for a long time.

**Opinion:** The Audit Committee's opinion is that the Auditors who have been appointed are in the top audit firm and performance; the standard of audit met the generally accepted audit criteria. They can give suggestions with regard to internal control system, and possessed independent operation as well as the appropriateness of the audit fee. Thus, the Audit Committee viewed as appropriate to propose the appointment of auditors to the Board of Directors and thereafter to shareholder's meeting.



**6. Considered relevant transactions or transactions with potential conflict of interest to ensure compliance with law on securities and stock exchange, and other laws related to the Company's business, including rules, regulations, announcements, orders under the coverage of the law.**

- Informed of the Company's relevant transactions and defined criteria for future transactions of the Company that the said transactions are normal business transactions.

- Informed of practice in accordance with guideline established by the Board of Directors on criteria and reporting method of the Company's directors and executives as stakeholders, according to the announcement on registered companies' required action by The Securities and Exchange Commission

**Opinion:** The Audit Committee's opinion is that the Company already complied with relevant rules and law.

**7. Others**

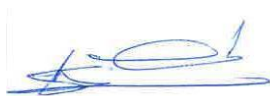
- Followed up compliance with the Audit Committee's resolution

- Conducted self-evaluation of the 2020 Audit Committee to propose to the Board of Directors

- Reviewed the Information disclose to the Stock Exchange of Thailand (SET), Securities and Exchange Commission in Annual Report (Form 56-2) and Annual Information (Form 56-1) of the Company for the year 2020.

- Reported performance summary of the Audit Committee for the year 2020 to the Board of Directors on a quarterly basis.

The Audit Committee performed its duties in its authority and responsibility towards the Board of Directors with independence. The Audit Committee's opinions are based on transparent, explainable, verifiable, and comply with good governance principle of the Stock Exchange of Thailand.



(Mr. Surapong Paisitpatnapong)

Chairman of the Audit Committee

Date: February 26, 2020

## 16. Explanation and Analysis of Financial and Operational Performance

### 1. Overview

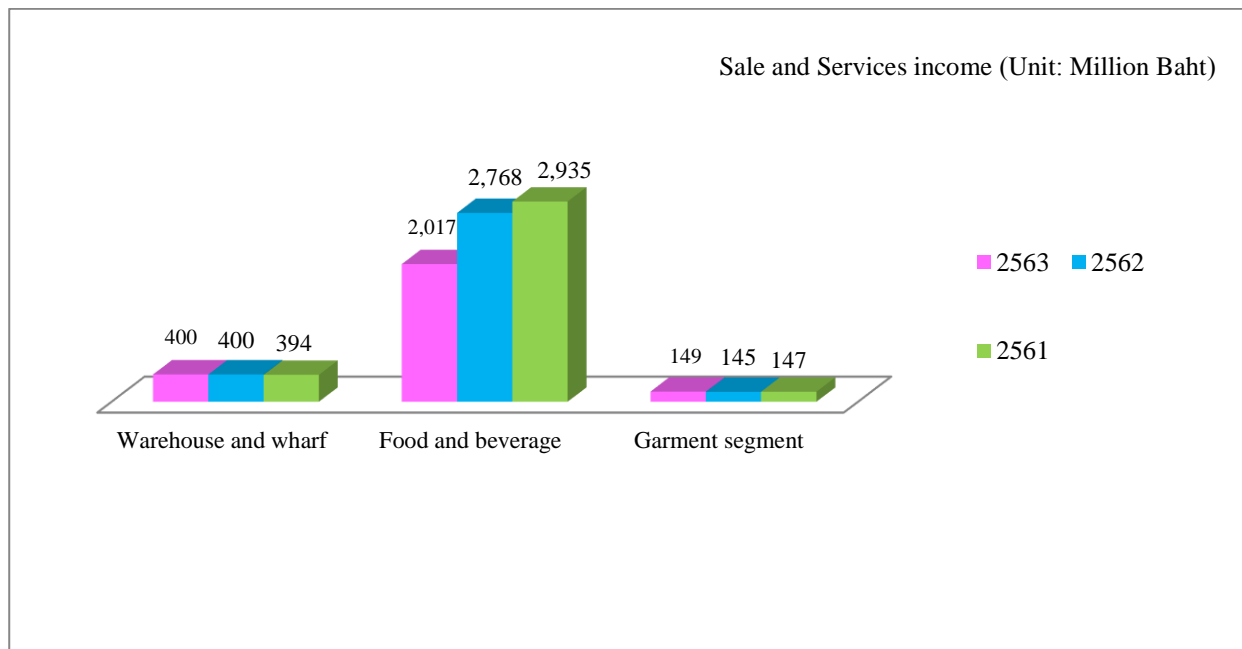
In 2020, the Company and its subsidiaries had total revenue of THB 2,730 million, a decrease of THB 795 million, or 23% as compared to the previous year. It consists of core revenues including Warehouse and Marina Business with revenue of THB 400 million, which is equivalent to the previous year. An important factor is the increase in the amount of deposit documents that were adjusted for some customers, while unloading services at the Marina have decreased. Revenue from Food & Beverage Business amounted to THB 2,017 million, a decline of THB 751 million or 27%. Covid-19 situation that was ongoing throughout 2020 had slowed down global economy and Thailand's economy, while consumer spending has declined. Revenue from ready-to-wear clothing business amounted THB 149 million, an increase of THB 4 million, or 3%. Key factor is to increase the number of products sold online and other income of THB 164 million, which decreased by THB 49 million or 23%, has been reduced by dividend income and capital gains. In 2019, the Company profited from the sale of SSTPF shares to be a SSTRT Fund of THB 36 million. The Company and its subsidiaries earned earnings before interest expense, taxes, depreciation, and disposals of THB 75 million, or THB 124% compared to 2019, which included earnings before interest expense, taxes, and depreciation (EBITDA) of THB 309 million. In 2020, earnings before interest expenses, depreciation tax, and IFRS16 disposals (EBITDA) amounted THB 370 million. Net loss for the year amounted to THB 446 million. Net loss from Warehouse and Marina Business amounted to THB 26 million. Food & Beverage Business had a net loss of THB 418 million. The garment business made a net loss of THB 2 million.

### 2. Operational

Results of operation in the past as considered from the financial statement as at 31 December 2020 and 31 December 2019 details as follows:

## 2.1 Income

In 2020, the company and subsidiaries has sales and service income in total 2,730 million baht which was decrease 795 million baht by 23% compared to sales and service income the same period of the previous year, of which the income was 3,525 million Baht. The income can be classified as follow:



For service revenue, (warehouse and wharf business) had service revenue of 400 million baht, an increase of 6 million baht or 2 % from the same period of the previous year with service revenue of 394 million baht due to the increased volume of products and documents deposited as well as the adjustment of service fees for some customers. While the loading and unloading services in the docks decreased.

2019

For sales income, (food, beverage and lifestyle business) had sales revenue of 2,913 million baht, decrease of 169 million baht or 5 % from the same period of the previous year with sales revenue of 3,082 million baht. In 2019 and 2018, food and beverage business had sales revenues of 2,768 million baht and 2,935 million baht, the reduced sales has a reason is the COVID-19 epidemic that occurred from the end of 2019 to the present, and the Lifestyle Business has sales revenue of 149 million baht and 145 million baht, respectively, this increase in sales. Due to increasing online distribution channels

## 2.2 Expenses

In 2019, the Company and subsidiaries has the cost of sale and service at the total of 1,124 million Baht compared to the year 2019 of which the cost of sale and service was 1,486 million Baht, decreasing 362 million Baht or 24%. The costs of sales and services decreased due to decreased revenues from selling products and services. The proportions of total sales costs and service costs to total revenues in 2020 and 2019 were decreased slightly equaling 41.17% and 42.15%, respectively.

The sale expense and administrative expenses for the year 2020 of the Company and subsidiaries amounted to 1,669 million baht, decrease of 244 million baht or 13% when compared to 2019, which

had the total of 1,913 million baht. The proportions of selling and administrative expenses to total revenues in 2020 and 2019 decreased slightly, equaling 61.14% and 54.27%, respectively.

For the year 2020 the Company and its subsidiaries there were two additional expenses, a loss from impairment of assets of 200 million baht, mainly from impairment of investments in food business, especially in France and loss from revaluation of investment properties of 44 million baht. From the declaration of land and buildings tax Instead of housing tax in 2020

### 2.3 Annual Profit (Loss)

In 2020, the Company and its subsidiaries had a net loss for the year of 446 million baht, an increased net loss of 439 million baht or 6,271 percent compared to the year 2019, which had a net loss of 7 million baht. Total revenue decreased 795 million baht while share of profit from investments in associates increased by 74 million baht Total costs and expenses decreased 282 million baht.

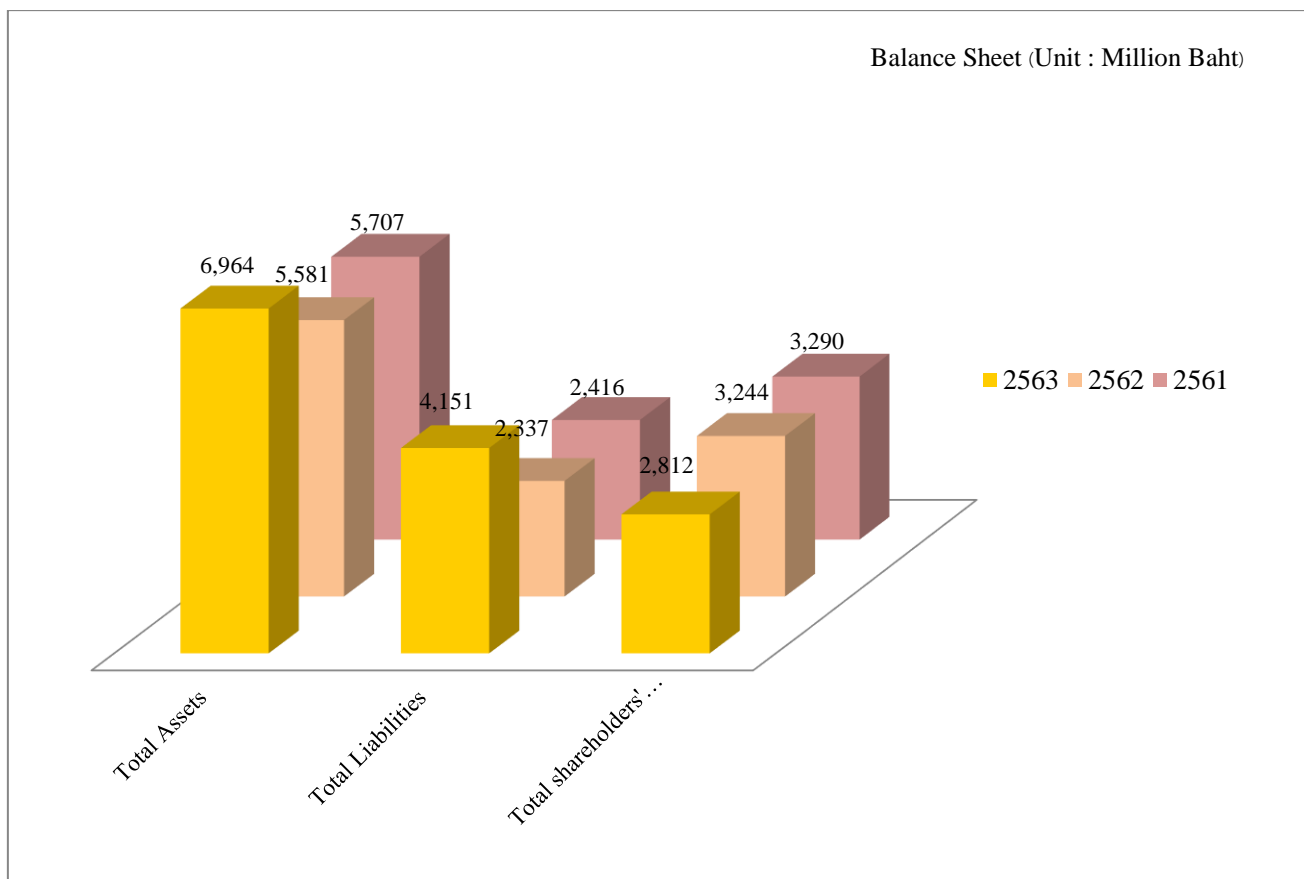
**The operational performance can be summarized divided by business as follows:**

- Warehouse and wharf business had the revenue from services totaling 400 million baht when compared to 2019, And the segment profit before finance expenses and income tax amounted to 71 million baht, an increase of 24 million baht or 51 percent compared to the year 2019, which amounted to 47 million baht from the decrease in rent. According to new accounting standards
- Food and beverage business had a total sales revenue of 2,017 million baht, decrease of 751 million baht or 27 % when compared to 2019, which had the total sales of 2,768 million baht and an operational loss before financial expenses and income tax of 276 million baht. The loss increased by 178 million baht or 182 % when compared to the year 2019 with a loss of 98 million baht. From the epidemic site of the COVID-19 virus
- Lifestyle Business had the total sales revenue of 149 million baht, Increase of 4 million baht or 3% when compared to 2019, which had the total sales of 145 million baht and an operational loss before finance expenses and income tax of 22 million baht. The loss decreased by 14 million baht or 39% when compared to the year 2019, which had a loss of 36 million baht. The increase in sales was mainly due to the increase of online distribution channels.

## 3. Financial Status

Consideration the financial status of the company from change of financial statement details in several aspects as follows:

### 3.1 Statement of financial position as at 31 December 2020 compared to Statement of financial position as at 31 December 2019



1) Total asset of the Company is 6,964 million Baht, Increase for 1,383 million Baht or 25% compared to the total asset as at 31 December, 2019, which amounted to 5,581 million Baht. The details of significant increase and decrease were as follows:

- Right-of-use assets An increase of 1,760 million baht from the use of new accounting standard IFRS16 regarding lease
- Goodwill decreased by 200 million baht due to the goodwill of the food business, especially in France.
- Intangible assets decreased by Baht 177 million from the conversion of leasehold rights to right-of-use assets.
- Cash and cash equivalents Increased 87 million baht
- Temporary investment Trade accounts receivable Other non-current assets - deposit decreased by 47 million baht.
- Investment properties decreased by 44 million baht due to the lower value of independent appraisers due to the use of land and buildings tax instead of property tax.

2). Total liabilities were 4,151 million Baht Increase of 1,814 million Baht or 78% compared to the total liabilities as of 31 December 2019, which amounted to 2,337 million Baht with the details of significant increase and decrease as follows:

- The lease liabilities due in one year increased by 326 million baht and net portion due in one year increased by 1,241 million baht or an increase of 1,567 million baht.
- Short-term loans from financial institutions Increase 98 million baht, from accelerated collection of accounts receivable and other receivables to bring that money to repay short-term loans. And reserve for emergency
- Long-term loans due in one year increased by 230 million baht and net of due in one year increased by 157 million baht or an increase of 387 million baht.
- Long-term debentures due in one year increased by 127 million baht and net portion due in one year decreased 283 million baht or total decreased 156 million baht.
- Reserve for long-term employee benefits, decreased by 18 million baht due to the decrease in the number of employees.

3). Shareholders' Equity was to 2,812 million Baht, decreased of 432 million Baht or 13% from total comprehensive income for the year 2019, decrease of 248 million baht and the non-controlling interests of the subsidiary decreased by 184 million baht

### **3.2 Components of Assets:**

#### **1) Assets**

In 2020, the Company had the rate of return on assets of (6.40%) decrease from the year 2019 with the rate of return on assets of (0.13 %) because the company's operating results was loss from net profits in 2020 of 446 million baht to net loss in 2019 of 7 million baht or profit decrease of 439 million baht, representing 6,271 %

#### **2) Receivable**

If considering from the financial statements, it can be seen that the number of turnover ratio of account receivables increased from year 2018 from 25.38 to 22.44 times in year 2020. The average collection period Increase from the past and the collection period in 2020 and 2019 was 16.27 and 14.38, respectively. This was mainly due to some customers requesting an extension of the credit term from the COVID-19 facility and the credit was given to some overseas customers (Societe Langonnaise des Vins et Hotelleries SAS "SLVH" operates a food and beverage business. in France)

### **3.3 Liquidity**

#### **1) Cash Flow**

In 2020, the Company had the Increase cash of 87 million baht, Increase from operating activities of 267 million baht, decrease from investment activities of 105 million baht, decrease from cash at the beginning of the period and an exchange rate of 58 million baht, while a decrease in financing activities of 16 million. The increase and decrease was mainly from the issuance of long-term debentures to redeem the existing debentures. And a long-term loan has been requested to repay short-term and long-term loans from financial institutions.



## 2) **Liquidity ratio**

The liquidity ratio for the year 2020 was 0.33 times, decreased from 0.28 times in 2019 due to current liabilities, namely long-term loan and long-term debentures, due within one year. Greatly increased for the money used to pay the debts from negotiations to extend the long-term loan. And the issuance of new debentures to redeem existing debentures

## 3) **Source of funds**

### - **Suitability of capital structure**

Considering the liabilities and Shareholders' equity ratio for the year 2020, the ratio was 1.48, higher than that of 2019, which is 0.72 due to the adoption of the new accounting section IFRS16 regarding the lease agreement. Causing the company to have a lot of debt and assets However, the capital structure of the company remains in accordance with the terms of the loan agreement (Covenant).

### - **Liabilities**

The Company and its subsidiaries had liabilities in 2020 amounting to 4,151 million baht, increase of 1,814 million baht from 2019, which had 2,337 million baht, accounting for 78% because lease liabilities increased by 1,567 million baht. Finance increased by 386 million baht Debentures decreased by 157 million baht When looking at the total debt growth rate in 2020, the ratio is 77.62, higher than that of 2019 with the ratio (3.27) a relatively large increase. From the adoption of the new accounting standard IFRS16 about lease agreements that increase the equity of assets and liabilities.

## 17 Independent Auditor's Report

### TO THE SHAREHOLDERS AND BOARD OF DIRECTORS SUB SRI THAI PUBLIC COMPANY LIMITED

#### Opinion

I have audited the accompanying consolidated financial statements of Sub Sri Thai Public Company Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 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 Sub Sri Thai 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 Sub Sri Thai Public Company Limited and its subsidiaries and of Sub Sri Thai Public Company Limited as at 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 as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of Matters

1. I draw attention to Note 1.2 to the consolidated financial statements regarding COVID-19 Pandemic. Since 22 March 2020, this situation affects the restaurant business in Thailand in terms of not being able to sell products and provide services to the customers who would like to dine in the restaurants. Foods and beverages could only be ordered and picked up from the branches or delivered to customers. Garment business could only be sold through online channel as it had to comply with the lockdown measures that aimed prevent the spread of the disease. Subsequently, the government has eased the lockdown measures and the Group has returned to normal operation since 17 May 2020. For restaurants in overseas countries, they had to be temporarily closed since March 2020 and stores began to open for service in June 2020. However, the COVID-19 Pandemic has affected all sectors; therefore, the number of customers who come to use services has not returned to normal levels. This is significantly impacting the Group's financial position, financial performance, and cash flows at present, and is expected to do so in the future. However, the impact cannot be reasonably estimated at this stage. 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 will record the impact when it is possible to do so.

2. I draw attention to Note 3 to the consolidated financial statements. In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets, provision and contingent liabilities. As a result, in preparing the consolidated and separate financial statements for the year ended 31 December 2020, the Group decided to discontinue application of the relief measures relating to fair value measurement of land and investment properties, measurement of impairment of assets and goodwill and recognised impairment losses of goodwill of Baht 200 million in the consolidated statement of comprehensive income and impairment losses of investments properties of Baht 44 million in the consolidated and separate statements of comprehensive income for the current year.

However, the Group has elected to continue to apply the temporary relief measures on accounting alternatives relating to reduction in lease payment as lease modification. The Group is evaluating the impact on the consolidated and separate financial statements and will consider recording such impact after the relief measures expire.

My opinion is not modified in respect of the above matters.

### Key Audit Matters

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

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

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

#### *Revenue recognition*

Revenues from sales and services are the Group's main transactions that have significant volume of transactions and amounts, and directly affect profit or loss of the Group. The Group has numerous sales and services made by cash and credit cards through a large number of branches nationwide. In addition, because of the intensified competition of the food and beverage industry including the impact of the situation of the COVID-19 Pandemic, the Group has to continually adapt its marketing strategies and promotional activities in order to boost sales. I have therefore focused on the revenue recognition of the Group.

I examined the Group's revenue recognition by assessing and testing the Group's information technology general controls and internal controls with respect to the revenue cycle by making enquires of responsible executives, gaining an understanding of controls and selecting representative samples to test the operation of the designed controls. In addition, I applied a sampling method to select sales and service transactions occurring during the year and near the end of the accounting period to examine the supporting documents. I also performed analytical procedures on disaggregated data to detect possible irregularities in sales and service transactions throughout the period, particularly for accounting entries made through journal vouchers.

*Impairment on investments in subsidiaries, goodwill and trademark*

I have focused my audit on the consideration of impairment on investments in subsidiaries, goodwill and trademark arising from business combination, as discussed in Note 15, 18 and 19. This is due to the risk in respect of the possible impairment due to inability to achieve the expected profits of certain entities in the Group, which might affect the recoverable amounts of the investments in subsidiaries. In addition, the Group has goodwill and trademark amounting to Baht 1,939.9 million and Baht 376.6 million, respectively. The Group has a risk of impairment of goodwill and trademark as future cashflows of the underlying business may not reach expectations, because the assessment of impairment of investments in subsidiaries, goodwill and trademark is a significant accounting estimate requiring management to exercise a high degree of judgement in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of investments in subsidiaries, goodwill and trademark.

In performing the impairment of investments in subsidiaries, the recoverable amounts are estimated by using the projected cash flows, approved by the management and assumptions used by the management. I assessed the process for identifying impairment indicator and gained understanding of impairment assessment. I assessed the appropriateness of the input data used in preparing cash flow projection. I also assess the appropriateness key assumption against external and internal data of the Group. I also evaluated the discount rate applied by management through analysis of the weighted average finance costs of the Group and of the industry. I considered the adequacy in disclosures of in accordance with Thai Financial Reporting Standard.

In performing the impairment review of goodwill and trademark, I assessed the identification of cash generating units and the financial models selected by management by gaining an understanding of management's decision-making process and assessing whether the decisions made were consistent with how assets are utilised. In addition, I tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgement in estimating the cash flow projections. I also evaluated the discount rate applied by management through analysis of the moving average finance costs of the Group and of the industry and involving internal expert to assist in the assessment of this information by comparing it to external sources based on an expert's knowledge and past experience, tested the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates. Moreover, I reviewed the disclosures made with respect to the impairment assessment for goodwill and trademark with indefinite useful lives, as well as sensitivity of the impact of changes in key assumptions to the cash flow projections.

**Other Matter**

The consolidated financial statements of Sub Sri Thai Public Company Limited and its subsidiaries and the separate financial statements of Sub Sri Thai Public Company Limited for the year ended 31 December 2020 were audited by another auditor who, under her report dated 27 February 2020, expressed an unmodified opinion on those financial statements.

## Other Information

Management is responsible for the other information. The other information comprises 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 Consolidated and Separate 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 Consolidated and Separate Financial Statements

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

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

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



statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

Satida Ratananurak

Certified Public Accountant (Thailand) No. 4753

EY Office Limited

Bangkok: 25 February 2021

## 18. Consolidated financial statements

### Sub Sri Thai Public Company Limited and its subsidiaries

#### Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	8	263,369,510	176,113,409	94,102,659	20,959,340
Current investments	9	-	8,232,713	-	-
Trade and other receivables	7, 10	186,023,342	202,546,892	50,878,003	63,607,254
Inventories	11	150,211,922	171,954,168	-	-
Other current financial assets	12	29,806,899	-	20,101,810	-
Other current assets		37,366,998	22,224,941	3,603,375	5,266,251
<b>Total current assets</b>		<b>666,778,671</b>	<b>581,072,123</b>	<b>168,685,847</b>	<b>89,832,845</b>
<b>Non-current assets</b>					
Restricted bank deposits	13	1,277,408	1,265,311	-	-
Investments in associate	14	289,272,337	278,436,230	278,268,051	278,268,051
Investments in subsidiaries	15	-	-	1,504,233,862	1,500,885,388
Investment properties	16	333,648,137	377,525,277	333,648,137	377,525,277
Property, plant and equipment	17	1,050,492,690	1,080,664,800	565,321,875	533,291,919
Right-of-use assets	24	1,759,709,448	-	745,613,750	-
Goodwill	18	1,939,883,533	2,139,883,533	-	-
Intangible assets	19	741,212,796	918,017,225	7,278,040	20,654,754
Other non-current assets	20	181,255,361	204,440,146	40,140,015	50,273,150
<b>Total non-current assets</b>		<b>6,296,751,710</b>	<b>5,000,232,522</b>	<b>3,474,503,730</b>	<b>2,760,898,539</b>
<b>Total assets</b>		<b>6,963,530,381</b>	<b>5,581,304,645</b>	<b>3,643,189,577</b>	<b>2,850,731,384</b>

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

**Sub Sri Thai Public Company Limited and its subsidiaries**  
**Statement of financial position (continued)**  
**As at 31 December 2020**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	21	175,395,438	77,109,300	-	
Trade and other payables	22	449,402,240	449,319,018	88,852,468	84,418,386
Current portion of long-term loans	23	289,241,238	59,467,707	200,000,000	-
Current portion of lease liabilities	7, 24	325,708,968	-	86,981,323	-
Current portion of liabilities under					
finance lease agreements	25	-	17,159,285	-	615,143
Current portion of long-term debentures	26	726,060,488	599,039,129	393,554,960	599,039,129
Income tax payable		1,609,559	12,115,618	-	4,177,447
Other current liabilities		41,941,273	31,272,433	7,733,973	3,916,209
Total current liabilities		2,009,359,204	1,245,482,490	777,122,724	692,166,314
Non-current liabilities					
Long-term loans - net of current portion	23	292,781,781	136,247,181	-	-
Lease liabilities - net of current portion	7, 24	1,240,994,548	-	692,480,117	-
Liabilities under finance lease agreements -					
net of current portion	25	-	16,359,147	-	1,550,073
Long-term debentures - net of current portion	26	214,912,182	498,302,195	-	-
Deferred tax liabilities	34	281,069,276	297,443,759	110,302,788	115,951,586
Provision for long-term employee benefits	27	35,350,040	53,272,997	12,164,065	10,120,673
Other non-current provisions	28	46,344,310	49,755,540	-	-
Other non-current liabilities		30,401,053	40,305,521	5,494,698	8,119,062
Total non-current liabilities		2,141,853,190	1,091,686,340	820,441,668	135,741,394
Total liabilities		4,151,212,394	2,337,168,830	1,597,564,392	827,907,708

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

**Sub Sri Thai Public Company Limited and its subsidiaries**  
**Statement of financial position (continued)**  
**As at 31 December 2020**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital	29				
Registered					
808,297,965 ordinary shares of Baht 1 each					
(2019: 759,678,577 ordinary shares of Baht 1 each)		808,297,965	759,678,577	808,297,965	759,678,577
Issued and fully paid					
501,387,864 ordinary shares of Baht 1 each					
(2019: 455,807,823 ordinary shares of Baht 1 each)		501,387,864	455,807,823	501,387,864	455,807,823
Share premium - ordinary shares		337,773,202	337,773,202	337,773,202	337,773,202
Premium on treasury stock		37,006,907	37,006,907	37,006,907	37,006,907
Surplus from changes in ownership interests					
in subsidiaries	30	687,725,500	689,360,184	-	-
Retained earnings					
Appropriated - statutory reserve	31	52,757,770	49,817,099	52,757,770	49,817,099
Unappropriated		184,704,792	508,403,770	882,568,611	935,857,850
Other component of shareholders' equity		234,102,271	205,644,053	234,130,831	206,560,795
Equity attributable to owners of the Company		2,035,458,306	2,283,813,038	2,045,625,185	2,022,823,676
Non-controlling interests of the subsidiaries		776,859,681	960,322,777	-	-
Total shareholders' equity		2,812,317,987	3,244,135,815	2,045,625,185	2,022,823,676
Total liabilities and shareholders' equity		6,963,530,381	5,581,304,645	3,643,189,577	2,850,731,384

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

**Sub Sri Thai Public Company Limited and its subsidiaries**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 31 December 2020**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales income		2,164,971,537	2,913,135,825	-	-
Services income		401,517,532	399,124,646	392,483,228	392,776,044
Dividends income		-	9,420,570	47,441,823	50,982,215
Gain from disposal of investment		-	36,429,826	-	-
Other income		163,895,111	166,859,580	14,362,659	19,436,938
<b>Total revenues</b>		<b>2,730,384,180</b>	<b>3,524,970,447</b>	<b>454,287,710</b>	<b>463,195,197</b>
<b>Expenses</b>	33				
Cost of sales		871,927,145	1,199,022,986	-	-
Cost of services		252,250,071	286,673,860	244,295,186	282,902,256
Selling and distribution expenses		1,247,134,154	1,503,997,105	-	-
Administrative expenses		421,742,418	409,273,073	77,595,846	64,317,123
Impairment loss on assets		200,000,000	-	-	-
Loss from revaluation of investment properties		43,877,140	-	43,877,140	-
Loss from disposal of investment		-	-	-	18,197,850
<b>Total expenses</b>		<b>3,036,930,928</b>	<b>3,398,967,024</b>	<b>365,768,172</b>	<b>365,417,229</b>
<b>Profit (loss) from operating activities</b>		<b>(306,546,748)</b>	<b>126,003,423</b>	<b>88,519,538</b>	<b>97,777,968</b>
Share of profit (loss) from investment in an associate	14	18,957,469	(55,447,641)	-	-
Finance cost	32	(180,330,217)	(70,523,186)	(95,979,231)	(32,725,487)
<b>Profit (loss) before income tax</b>		<b>(467,919,496)</b>	<b>32,596</b>	<b>(7,459,693)</b>	<b>65,052,481</b>
Income tax	34	22,043,895	(7,443,302)	11,930,483	(6,239,065)
<b>Profit (loss) for the year</b>		<b>(445,875,601)</b>	<b>(7,410,706)</b>	<b>4,470,790</b>	<b>58,813,416</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currency		1,496,855	(3,807,111)	-	-
Gain on changes in value of available-for-sale investments - net of income tax		-	13,310,098	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent years - net of income tax		1,496,855	9,502,987	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent years:</i>					
Change in revaluation of land - net of income tax		27,570,036	-	27,570,036	-
Actuarial gain (loss) - net of income tax		21,892,456	(5,154,646)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent years - net of income tax		49,462,492	(5,154,646)	27,570,036	-
<b>Other comprehensive income for the year</b>		<b>50,959,347</b>	<b>4,348,341</b>	<b>27,570,036</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(394,916,254)</b>	<b>(3,062,365)</b>	<b>32,040,826</b>	<b>58,813,416</b>

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

**Sub Sri Thai Public Company Limited and its subsidiaries**  
**Statement of profit or loss and other comprehensive income (continued)**  
**For the year ended 31 December 2020**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Note	2020	2019	2020	2019
<b>Profit (loss) attributable to:</b>				
Equity holders of the Company	(280,008,241)	5,929,621	4,470,790	58,813,416
Non-controlling interests of the subsidiaries	(165,867,360)	(13,340,327)		
	<u>(445,875,601)</u>	<u>(7,410,706)</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	(237,480,731)	13,393,309	32,040,826	58,813,416
Non-controlling interests of the subsidiaries	(157,435,523)	(16,455,674)		
	<u>(394,916,254)</u>	<u>(3,062,365)</u>		
<b>Basic earnings (loss) per share</b>	35			
Profit (loss) attributable to equity holders of the Company	(0.56)	0.01	0.01	0.12
Weighted average number of ordinary shares	501,387,864	501,387,864	501,387,864	501,387,864

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



**Sub Sri Thai Public Company Limited and its subsidiaries**  
**Statement of profit or loss and other comprehensive income (continued)**  
**For the year ended 31 December 2020**

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	(467,919,496)	32,596	(7,459,693)	65,052,481
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Allowance for expected credit losses	760,595	-	760,595	-
Bad debts and allowance for doubtful debts	-	336,479	-	22,198
Loss on diminution in value of inventories	10,772,539	8,246,258	-	-
Depreciation and amortisation	625,510,793	230,105,410	124,419,600	22,941,919
Loss (gain) on disposal/write-off of assets	27,485,490	6,739,140	(470,736)	683
Loss from revaluation of investment properties	43,877,140	-	43,877,140	-
Loss on impairment of assets	200,000,000	-	-	-
Lease discounts from lessors	(38,012,137)	-	(750,000)	-
Amortisation of deferred cost relating to the issuance of debentures	4,169,790	2,355,339	2,807,675	1,272,005
Share of loss (profit) from investment in an associate	(18,957,469)	55,447,641	-	-
Loss (gain) on sales of investments	-	(35,328,633)	-	18,425,669
Gain on fair value reserve of financial assets	(101,810)	-	(101,810)	-
Provision for long-term employee benefits	9,014,883	16,795,306	2,147,192	2,233,267
Other non-current provisions	-	320,265	-	-
Loss on change in shareholding in subsidiary	-	3,566,593	-	-
Amortisation of withholding tax	409,059	3,137,195	376,654	3,121,212
Dividends income	-	(9,420,570)	(47,441,823)	(50,982,215)
Interest income	(5,677,406)	(940,970)	(2,998,287)	(498,510)
Other expenses	-	332,500	-	-
Interest expenses	176,160,427	69,251,181	93,171,556	31,453,482
Profit from operating activities before changes in operating assets and liabilities	567,492,398	350,975,730	208,338,063	93,042,191
Operating assets (increase) decrease				
Trade and other receivables	15,727,869	(21,755,240)	11,935,217	20,667,727
Inventories	10,969,707	1,092,491	-	-
Other current assets	(18,756,496)	19,807,242	(9,973,976)	(443,801)
Restricted bank deposits	(12,097)	1,162,669	-	-
Other non-current assets	9,775,399	(23,478,468)	3,351,082	(11,910,693)
Operating liabilities increase (decrease)				
Trade and other payables	(37,465,434)	(41,553,079)	(34,529,377)	(20,360,040)
Other current liabilities	10,668,840	(5,000,913)	3,817,764	(2,084,271)
Provision for long-term employee benefits	(2,546,456)	(6,445,814)	(103,800)	(1,091,260)
Other non-current provision	(3,411,230)	(15,911,915)	-	(15,591,650)
Other non-current liabilities	(9,904,468)	9,597,790	(2,624,364)	2,572,911
Cash flows from operating activities	542,538,032	268,490,493	180,210,609	64,801,114
Cash paid for income tax	(17,713,436)	(16,152,399)	(4,431,848)	(2,720,488)
Cash received from withholding tax refundable	13,409,386	18,721,304	10,306,362	18,489,742
<b>Net cash flows from operating activities</b>	<b>538,233,982</b>	<b>271,059,398</b>	<b>186,085,123</b>	<b>80,570,368</b>

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

**Sub Sri Thai Public Company Limited and its subsidiaries**  
**Statement of profit or loss and other comprehensive income (continued)**  
**For the year ended 31 December 2020**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Cash flows from investing activities</b>				
Decrease in current investments	-	3,700,000	-	-
Cash received from sales of investment in subsidiary	-	8,816,524	-	-
Cash received from sales of financial assets	50,500,000	-	50,000,000	-
Cash paid for purchase of other financial assets	(71,972,376)	-	(70,000,000)	-
Cash received from short-term loans to related party	-	-	-	20,000,000
Cash paid for purchase of investment in subsidiary	(3,348,474)	(11,999,970)	(3,348,474)	-
Cash paid for purchase of plant and equipment	(141,297,636)	(139,920,800)	(18,899,330)	(33,807,906)
Proceeds from sales of equipment	1,097,786	1,519,351	470,747	6,729
Cash paid for purchase of intangible assets	(5,819,162)	(54,595,247)	(545,166)	(6,809,594)
Cash paid for purchase of right-of-use assets	(132,071,814)	-	-	-
Dividends received	11,326,742	10,490,190	50,647,203	47,776,835
Interest received	5,712,493	1,003,139	3,031,726	552,998
<b>Net cash flows from (used in) investing activities</b>	<b>(285,872,441)</b>	<b>(180,986,813)</b>	<b>11,356,706</b>	<b>27,719,062</b>
<b>Cash flows from financing activities</b>				
Cash received from short-term loans from financial institution	214,633,733	117,109,300	-	-
Cash paid for short-term loans from financial institutions	(89,500,000)	(160,000,000)	-	(50,000,000)
Cash received from long-term loans	581,077,900	55,139,867	400,000,000	-
Cash paid for long-term loans	(226,268,828)	(50,489,443)	(200,000,000)	-
Cash paid for lease liabilities	(359,880,279)	-	(62,377,874)	-
Cash paid for liabilities under finance leases agreements	-	(22,300,336)	-	(721,001)
Cash received from issuance of debentures	606,341,556	-	391,708,156	-
Redemption of debentures	(766,880,000)	-	(600,000,000)	-
Cash received from sale and leaseback	-	30,035,927	-	-
Cash paid for repurchase of subsidiary treasury stock	(2,543,641)	(1,397,494)	-	-
Cash paid for interest	(90,432,945)	(69,214,539)	(48,619,258)	(31,458,345)
Dividends paid to equity holders of the Company	(5,009,534)	(22,809,568)	(5,009,534)	(22,809,403)
Dividends paid to non-controlling interests of the subsidiary	(21,770,142)	(20,733,063)	-	-
Cash received from non-controlling interests from issuance of ordinary share of a subsidiary	-	283,658	-	-
<b>Net cash flows used in financing activities</b>	<b>(160,232,180)</b>	<b>(144,375,691)</b>	<b>(124,298,510)</b>	<b>(104,988,749)</b>
Exchange differences on translation adjustments	(4,873,260)	1,653,009	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>87,256,101</b>	<b>(52,650,097)</b>	<b>73,143,319</b>	<b>3,300,681</b>
Cash and cash equivalents at beginning of year	176,113,409	228,763,506	20,959,340	17,658,659
<b>Cash and cash equivalents at end of year</b>	<b>263,369,510</b>	<b>176,113,409</b>	<b>94,102,659</b>	<b>20,959,340</b>

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

**Sub Sri Thai Public Company Limited and its subsidiaries**  
**Statement of profit or loss and other comprehensive income (continued)**  
**For the year ended 31 December 2020**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Supplement disclosure of cash flows information</b>				
Non-cash transactions				
Accounts payable for purchases				
of plant and equipment	31,589,824	19,225,527	65,670	3,292,604
Increase in right-of-use assets	231,344,664	-	4,999,435	-
Convert short-term loans to long-term loans	266,345,229	-	-	-

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

**Sub Sri Thai Public Company Limited and its subsidiaries**  
**Statement of changes in shareholders' equity**  
**For the year ended 31 December 2020**  
**CONSOLIDATED FINANCIAL STATEMENTS**

(Unit: Baht)

## Consolidated financial statements

	Equity attributable to owners of the Company																							
							Other component of equity																	
							Retained earnings						Other comprehensive income											
													Exchange differences on translation of financial statements in foreign currency						Gain (loss) on change in value of available-for-sale investments					
																			Revaluation surplus on land					
Issued and paid-up share capital	Share premium	Premium on treasury stocks	Surplus from changes in ownership interests in subsidiaries	Appropriated - statutory reserve	Unappropriated						Total equity attributable to the Company	Equity attributable to non-controlling interests of the subsidiaries	Total											
Balance as at 1 January 2019	455,807,823	337,773,202	37,006,907	690,258,290	46,876,429	531,517,850	1,617,010	(13,310,098)	206,560,795	194,867,707	2,294,108,208	996,300,600	3,290,408,808											
Profit for the year	-	-	-	-	-	5,929,621	-	-	-	-	5,929,621	(13,340,327)	(7,410,706)											
Other comprehensive income for the year	-	-	-	-	-	11,245,622	(2,533,752)	(1,248,182)	-	(3,781,934)	7,463,688	(3,115,347)	4,348,341											
Total comprehensive income for the year	-	-	-	-	-	17,175,243	(2,533,752)	(1,248,182)	-	(3,781,934)	13,393,309	(16,455,674)	(3,062,365)											
Reversal of loss from available-for-sale investment	-	-	-	-	-	(14,558,280)	-	14,558,280	-	14,558,280	-	-	-											
Sale of investment in a subsidiary with loss of control	-	-	-	-	-	-	-	-	-	-	-	1,426,643	1,426,643											
Issuance of ordinary shares of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	283,658	283,658											
Impact from treasury stock of a subsidiary	-	-	-	(898,106)	-	-	-	-	-	-	(898,106)	(499,388)	(1,397,494)											
Dividends paid (Note 37)	-	-	-	-	-	(22,790,373)	-	-	-	-	(22,790,373)	-	(22,790,373)											
Dividends paid to owner of the Company's subsidiary non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(20,733,062)	(20,733,062)											
Transfer to statutory reserve (Note 31)	-	-	-	-	2,940,670	(2,940,670)	-	-	-	-	-	-	-											
Balance as at 31 December 2019	455,807,823	337,773,202	37,006,907	689,360,184	49,817,099	508,403,770	(916,742)	-	206,560,795	205,644,053	2,283,813,038	960,322,777	3,244,135,815											
Balance as at 1 January 2020	455,807,823	337,773,202	37,006,907	689,360,184	49,817,099	508,403,770	(916,742)	-	206,560,795	205,644,053	2,283,813,038	960,322,777	3,244,135,815											
Cumulative effect of change in accounting policy (Note 4)	-	-	-	-	-	(4,174,086)	-	-	-	-	(4,174,086)	-	(4,174,086)											
Balance as at 1 January 2020 - as restated	455,807,823	337,773,202	37,006,907	689,360,184	49,817,099	504,229,684	(916,742)	-	206,560,795	205,644,053	2,279,638,952	960,322,777	3,239,961,729											
Loss for the year	-	-	-	-	-	(280,008,241)	-	-	-	-	(280,008,241)	(165,867,360)	(445,875,601)											
Other comprehensive income for the year	-	-	-	-	-	14,069,292	888,182	-	27,570,036	28,458,218	42,527,510	8,431,837	50,959,347											
Total comprehensive income for the year	-	-	-	-	-	(265,938,949)	888,182	-	27,570,036	28,458,218	(237,480,731)	(157,435,523)	(394,916,254)											
Dividends paid (Note 37)	-	-	-	-	-	(5,065,231)	-	-	-	-	(5,065,231)	(21,770,142)	(26,835,373)											
Share dividends (Note 29)	45,580,041	-	-	-	-	(45,580,041)	-	-	-	-	-	-	-											
Treasury stock of subsidiary (Note 30)	-	-	-	(1,634,684)	-	-	-	-	-	-	(1,634,684)	(908,957)	(2,543,641)											
Transfer to statutory reserve (Note 31)	-	-	-	-	2,940,671	(2,940,671)	-	-	-	-	-	-	-											
Changes in shareholding percentage in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(3,348,474)	(3,348,474)											
Balance as at 31 December 2020	501,387,864	337,773,202	37,006,907	687,725,500	52,757,770	184,704,792	(28,560)	-	234,130,831	234,102,271	2,035,458,306	776,859,681	2,812,317,987											

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

**Sub Sri Thai Public Company Limited and its subsidiaries**  
**Statement of changes in shareholders' equity (Continued)**  
**For the year ended 31 December 2020**  
**SEPARATE FINANCIAL STATEMENTS**

(Unit: Baht)

	Separate financial statements										
						Other component of equity					
						Retained earnings		Other comprehensive income		Total Other components of shareholders' equity	Total
						Issued and paid-up share capital	Share premium	Premium on treasury shares	Appropriated - statutory reserve		
Balance as at 1 January 2019	455,807,823	337,773,202	37,006,907	46,876,429	902,775,476	(13,310,098)	206,560,795	193,250,697	1,973,490,534		
Profit for the year	-	-	-	-	58,813,416	-	-	-	58,813,416		
Other comprehensive income for the year	-	-	-	-	14,558,280	(1,248,182)	-	(1,248,182)	13,310,098		
Total comprehensive income for the year	-	-	-	-	73,371,696	(1,248,182)	-	(1,248,182)	72,123,514		
Reversal of loss from available-for-sale investment	-	-	-	-	(14,558,280)	14,558,280	-	14,558,280	-		
Dividends paid (Note 37)	-	-	-	-	(22,790,372)	-	-	-	(22,790,372)		
Transfer to statutory reserve (Note 31)	-	-	-	2,940,670	(2,940,670)	-	-	-	-		
Balance as at 31 December 2019	455,807,823	337,773,202	37,006,907	49,817,099	935,857,850	-	206,560,795	206,560,795	2,022,823,676		
Balance as at 1 January 2020	455,807,823	337,773,202	37,006,907	49,817,099	935,857,850	-	206,560,795	206,560,795	2,022,823,676		
Cumulative effect of change in accounting policy (Note 4)	-	-	-	-	(4,174,086)	-	-	-	(4,174,086)		
Balance as at 1 January 2020 - as restated	455,807,823	337,773,202	37,006,907	49,817,099	931,683,764	-	206,560,795	206,560,795	2,018,649,590		
Profit for the year	-	-	-	-	4,470,790	-	-	-	4,470,790		
Other comprehensive income for the year	-	-	-	-	-	-	27,570,036	27,570,036	27,570,036		
Total comprehensive income for the year	-	-	-	-	4,470,790	-	27,570,036	27,570,036	32,040,826		
Dividends paid (Note 37)	-	-	-	-	(5,065,231)	-	-	-	(5,065,231)		
Share dividends (Note 29)	45,580,041	-	-	-	(45,580,041)	-	-	-	-		
Transfer to statutory reserve (Note 31)	-	-	-	2,940,671	(2,940,671)	-	-	-	-		
Balance as at 31 December 2020	501,387,864	337,773,202	37,006,907	52,757,770	882,568,611	-	234,130,831	234,130,831	2,045,625,185		

The accompanying notes are an integral part of the financial statements

## Notes to consolidated financial statements

### Sub Sri Thai Public Company Limited and its subsidiaries

For the year ended 31 December 2020

#### 1. GENERAL INFORMATION

##### 1.1 Corporate information

Sub Sri Thai Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in warehouse rental, storage of document and electronic media and wharf services. The registered office of the Company is at 2044/25-27, New Petchaburi Road, Bangkok, Huai Kwang, Bangkok and its warehouses and wharfs are located in Samutprakarn.

##### 1.2 Coronavirus disease 2019 Pandemic

The COVID-19 Pandemic is continuing to evolve in various regions around the world, resulting in an economic slowdown and adversely impacting most businesses and industries.

This situation affected the restaurant business in Thailand in terms of not being able to sell products and provide services to the customers who would like to dine in the restaurants since 22 March 2020. Foods and beverages could only be ordered and picked up from the branches or delivered to customers. Garment business could only be sold through online channel. as it had to comply with the lockdown measures that aimed to prevent the spread of the disease. Subsequently, the government has eased the lockdown measures and the Group has returned to normal operation since 17 May 2020. For restaurants in overseas countries, they had to be temporarily closed since March 2020 and stores began to open for service in June 2020. However, the COVID-19 Pandemic has affected all sectors; therefore, the number of customers who come to use services has not returned to normal levels.

This is significantly impacting the Group’s financial position, financial performance, and cash flows at present, and is expected to do so in the future. However, the impact cannot be reasonably estimated at this stage. 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 will record the impact when it is possible to do so.

#### 2. Basis of preparation

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

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

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

## 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Sub Sri Thai Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) (collectively as “the Group”) as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020	2019
			Percent	Percent
<b><u>Subsidiaries (held by the Company)</u></b>				
SST Warehouse Co., Ltd.	Warehouse	Thailand	100	100
Mudman Public Company Limited	Holding company	Thailand	64	64
SST REIT Management Co., Ltd.	Trust fund management	Thailand	100	100
<b><u>Subsidiaries indirectly owned by the Company</u></b>				
<b>Held by Mudman Public Company Limited</b>				
Golden Donuts (Thailand) Co., Ltd.	Distribution of food and beverage	Thailand	100	100
ABP Café (Thailand) Co., Ltd.	Distribution of food and beverage	Thailand	100	100
Golden Scoop Co., Ltd.	Distribution of food and beverage	Thailand	100	100
Greyhound Co., Ltd.	Production and distribution of ready-made clothing and leather goods	Thailand	100	100
Greyhound Café Co., Ltd.	Restaurant	Thailand	100	100
Mudman International Limited	Holding company	Republic of Mauritius	100	100
<b>Held by Greyhound Café Co., Ltd.</b>				
GHC CAFÉ (UK) Co., Ltd.	Restaurant	United Kingdom	100	100
<b>Held by Mudman International Limited</b>				
Societe Langonnaise des Vinset Hotelleries SAS	Restaurant	France	100	100
MM FR SAS	Restaurant	France	67	67
<b>Held by MM FR SAS</b>				
MAISON MM1	Restaurant	France	100	100
MAISON MM2	Restaurant	France	100	-
MAISON MM3	Restaurant	France	100	-

- b) 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.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.



- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- h) The excess of the fair value of net assets at the date of the acquisition of the subsidiaries over related cost of investment is accounted as “Goodwill” in the consolidated statement of financial positions.

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

### **3. New financial reporting standards**

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

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

## Financial reporting standards related to financial instruments

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

### Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

### Accounting standard:

TAS 32 Financial Instruments: Presentation

### Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

These standards do not have any significant impact on the Group's 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.

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

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

### **Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic**

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures on Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

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

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to fair value measurement of land and investment properties, impairment of asset, testing of impairment of goodwill and lease modification from reduction in lease payment.

In the fourth quarter of 2020, the Group has assessed some of the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of impairment of assets, provisions and contingent liabilities. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group decided to discontinue application of the temporary relief measures on accounting alternatives relating to fair value measurement of land and investment properties, measurement of impairment of assets and goodwill and recognised impairment losses of goodwill of Baht 200 million in the consolidated statement of comprehensive income and impairment losses of investment properties of Baht 44 million in the consolidated and separate statements of comprehensive income for the current year.

However, the Group has elected to continue to apply the following temporary relief measures on accounting alternatives:

- Not to account for any reduction in lease payments by lessors resulting from the COVID-19 situation 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 recognised in each period reversed in proportion to the reduction, with any differences then recognised in profit or loss.

The Group is evaluating the impact on the financial statements and will consider recording the impact after the relief measures expire.

**b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021**

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

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

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

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

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
		The impacts of		
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
<b>Statement of financial position</b>				
<b>Assets</b>				
<b>Current assets</b>				
Current investments	8,233	(8,233)	-	-
Other current financial assets	-	8,233	-	8,233
<b>Non-current assets</b>				
Property, plant and equipment	1,080,665	-	(50,059)	1,030,606
Right-of-use assets	-	-	1,982,125	1,982,125
Intangible assets	918,017	-	(144,499)	773,518
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Trade and other payables	449,319	-	(20,870)	428,449
Current portion of lease liabilities	-	-	350,482	350,482
Current portion of liabilities under finance lease agreements	17,159	-	(17,159)	-
<b>Non-current liabilities</b>				
Lease liabilities, net of current portion	-	-	1,491,473	1,491,473
Liabilities under finance lease agreements - net of current portion	16,359	-	(16,359)	-
Deferred tax liabilities	297,444	-	4,174	301,618
<b>Shareholders' equity</b>				
Retained earnings - unappropriated	508,404	-	(4,174)	504,230

(Unit: Thousand Baht)

	Separate financial statements			
		The impacts of		
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
<b>Statement of financial position</b>				
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	533,292	-	(2,722)	530,570
Right-of-use assets	-	-	845,256	845,256
Intangible assets	20,655	-	(11,354)	9,301
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Trade and other payables	84,418	-	(20,870)	63,548
Current portion of lease liabilities	-	-	78,894	78,894
Current portion of liabilities under finance lease agreements	615	-	(615)	-
<b>Non-current liabilities</b>				
Lease liabilities, net of current portion	-	-	775,321	775,321
Liabilities under finance lease agreements - net of current portion	1,550	-	(1,550)	-
Deferred tax liabilities	115,952	-	4,174	120,126
<b>Shareholders' equity</b>				
Retained earnings - unappropriated	935,858	-	(4,174)	931,684

## 4.1 Financial instruments

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

(Unit: Thousand Baht)

	Consolidated 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
<b>Financial assets as at 1 January 2020</b>					
Cash and cash equivalents	176,113	-	-	176,113	176,113
Trade and other receivables	202,547	-	-	202,547	202,547
Other current financial assets	8,233	8,233	-	-	8,233
Restricted bank deposits	1,265	-	-	1,265	1,265
<b>Total financial assets</b>	<b>388,158</b>	<b>8,233</b>	<b>-</b>	<b>379,925</b>	<b>388,158</b>

(Unit: Thousand 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
<b>Financial assets as at 1 January 2020</b>					
Cash and cash equivalents	20,959	-	-	20,959	20,959
Trade and other receivables	63,607	-	-	63,607	63,607
<b>Total financial assets</b>	84,566	-	-	84,566	84,566

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

## 4.2 Leases

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

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	1,844,662	1,142,802
Add: Option to extend lease term	481,967	-
Less: Short-term leases and leases of low-value assets	(90,065)	-
Contracts reassessed as service agreements	(45,341)	(45,341)
Deferred interest expenses	(382,786)	(245,411)
Increase in lease liabilities due to TFRS 16 adoption	1,808,437	852,050
Liabilities under finance lease agreements as at 31 December 2019	33,518	2,165
Lease liabilities as at 1 January 2020	1,841,955	854,215
Comprise of:		
Current lease liabilities	350,482	78,894
Non-current lease liabilities	1,491,473	775,321
	1,841,955	854,215
Weighted average incremental borrowing rate (percent per annum)	4.5 - 5.2	5.07



## 5. Significant accounting policies

### 5.1 Revenue and expense recognition

#### *Sales and service income - food and beverage and restaurant business*

Sales of foods and beverages which are recognised upon goods being delivered and services being rendered. Sales and service income are the invoiced value, excluding value added tax, of goods supplied and services rendered after deducting discounts and allowances.

#### *Sales of goods - production and distribution of ready-made clothing and leather goods business*

Sales of goods are recognised at the point in time when control of asset is transferred to the customer, generally upon delivery of the goods. The Group does not recognise consignment sales when delivering the goods, but when the goods are sold. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

#### *Rendering of services*

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

#### *Dividends*

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

#### *Interest income*

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

#### *Other income*

Other income is recognised on an accrual basis.

#### *Finance cost*

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

## **5.2 Cash and cash equivalents**

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

## **5.3 Inventories**

Finished goods are valued at the lower of cost (first-in, first-out method) and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

## **5.4 Investments in subsidiaries and associates**

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

## **5.5 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in profit or loss when incurred.

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

## **5.6 Property, plant and equipment and depreciation**

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

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" in respect of the same asset.

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

Warehouses, factory, wharf and improvements	5 - 30 years
Office building and improvements	5 - 15 years
Machine and equipment	3 - 10 years
Furniture, fixtures and office equipment	3 - 5 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

## 5.7 Goodwill

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

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

## 5.8 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

A summary of intangible assets with finite useful lives is as below.

	<u>Useful lives</u>
Franchise	7 - 28 years
Trademark	40 years
Computer software	3 - 5 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite useful lives of the intangible assets is reviewed annually.

## 5.9 Leases

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

## The Group as a lessee

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

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

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

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

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

Land and warehouse	8 - 27 years
Right-of-use building space	3 - 9 years
Building improvement	10 years
Equipment	5 years
Furniture and office equipment	5 years
Motor vehicles	2 - 5 years

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

#### ***Lease liabilities***

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

The Group discounted the present value of the lease payments 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 change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

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

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

**Accounting policies adopted before 1 January 2020**

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

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

**The Group as a lessor**

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

### 5.10 Related party transactions

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

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

### 5.11 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

### 5.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use asset, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.



An impairment loss is recognised in profit or loss. However, in cases where land was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

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

### **5.13 Employee benefits**

#### ***Short-term benefits***

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

#### ***Post-employment benefits and other long-term employee benefits***

##### ***Defined contribution plans***

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

##### ***Defined benefit plans***

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

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

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

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

#### **5.14 Provisions**

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

#### **5.15 Income tax**

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

##### **Current tax**

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

##### **Deferred tax**

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

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

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

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

## 5.16 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.

### **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 profit or loss.

### **Impairment of financial assets**

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

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

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

For trade receivables, the 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 statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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

#### **Trade accounts receivable**

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

#### **Investments**

Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income and will be recorded in profit or loss when the securities are sold.

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

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

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

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

### **5.17 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The 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 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.

## 6. Significant accounting judgements and estimates

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

### 6.1 Leases

#### *Determining the lease term with extension and termination options - The Group as a lessee*

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

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

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

### 6.2 Investment property

The Company presents investment property at the fair value estimated by an independent appraiser, and recognises changes in the fair value in profit or loss. The independent appraiser valued the investment property using the income approach, because there is no market price that could be used to apply a comparative approach. The key assumptions used in estimating the fair value are described in Note 16.



### **6.3 Goodwill and intangible assets**

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

### **6.4 Deferred tax assets**

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

### **6.5 Allowance for impairment of non-financial assets**

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles recognised by the Group. The key assumptions used to determine the recoverable amount for the different cash-generating units, including a sensitivity analysis, are disclosed and further explained in Note 18.

### **6.6 Post-employment benefits under defined benefit plans**

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

## 7. Related party transactions

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

	<b>Consolidated</b>		<b>Separate</b>		<b>(Unit: Thousand Baht)</b>
	<b>financial statements</b>		<b>financial statements</b>		<b>Transfer pricing policy</b>
	2020	2019	2020	2019	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Management service income	-	-	14,415	11,954	Reciprocal agreement
Dividend income	-	-	39,321	37,287	Announced rate
Other service income	-	-	571	489	Contract rate
Interest income	-	-	-	97	Contract rate
Other income	-	-	300	300	Contract rate
Purchases of goods	-	-	858	133	Mutually agreed price
<u>Transactions with an associate</u>					
Warehouse rentals	133,750	52,747	133,750	52,747	Contract rate
Dividend income	-	-	8,121	4,275	Announced rate
Interest income	654	-	654	-	Contract rate
<u>Transactions with related parties</u>					
Warehouse rentals	-	66,897	-	66,897	Contract rate
Dividend income	-	9,421	-	9,421	Announced rate
Interest income	-	344	-	344	Contract rate
<u>Transactions with directors, employees and related persons</u>					
Rental expenses	4,982	4,080	4,982	4,080	Contract rate

As at 31 December 2020 and 2019, the balances of the accounts between the Company and its subsidiaries and those related parties are as follows:

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Trade and other receivables - related parties (Note 10)</b>					
Subsidiaries		3,326	-	127	28
Associate		49	2,274	49	83
Related parties		-	40	-	-
Total trade and other receivables - related parties		<u>3,375</u>	<u>2,314</u>	<u>176</u>	<u>111</u>
<b>Rental deposit - related party</b>					
Associate		<u>33,500</u>	<u>32,500</u>	<u>33,500</u>	<u>32,500</u>
Total rental deposit - related party		<u>33,500</u>	<u>32,500</u>	<u>33,500</u>	<u>32,500</u>
<b>Trade and other payables - related parties (Note 22)</b>					
Subsidiaries		-	-	6,045	6,042
Associate		58,366	44,819	58,366	44,819
Directors		-	9,560	-	9,561
Total trade and other payables - related parties		<u>58,366</u>	<u>54,379</u>	<u>64,411</u>	<u>60,422</u>
<b>Lease liabilities - related parties</b>					
Associate		707,627	-	707,627	-
Directors		60,078	-	60,078	-
Lease liabilities - related parties		<u>767,705</u>	<u>-</u>	<u>767,705</u>	<u>-</u>

Movements of loans to related parties for the year ended 31 December 2020 are as follows:

		(Unit: Thousand Baht)			
		Consolidated and Separate financial statements			
Loan to	Related by	Balance as at 1			Balance as at 31
		January 2020	Increase	Decrease	December 2020
Sub Sri Thai Real Estate	Associate				
Investment Trust		-	11,000	(11,000)	-
Total		<u>-</u>	<u>11,000</u>	<u>(11,000)</u>	<u>-</u>

Reciprocal agreement

In September 2009, the Company entered into a reciprocal agreement with SST Warehouse Co., Ltd. (a subsidiary), whereby the latter will be provided with warehouse space, stock management and other related services for a consideration calculated at 80 percent of the goods storage revenue of the subsidiary. The agreement will expire on 30 September 2021.

Directors and management's benefits

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

(Unit: Thousand Baht)

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	84,311	124,215	33,632	33,247
Post-employment benefits	3,390	6,676	552	93
Total	<u>87,701</u>	<u>130,891</u>	<u>34,184</u>	<u>33,340</u>

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note 38.4.1.

**8. Cash and cash equivalents**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Cash</b>	14,924	18,800	565	844
<b>Bank deposits</b>	247,878	154,162	92,970	17,192
<b>Cheques on hand</b>	568	3,151	568	2,923
<b>Total</b>	<u>263,370</u>	<u>176,113</u>	<u>94,103</u>	<u>20,959</u>

As at 31 December 2020, bank deposits in savings accounts carried interests between 0.125 and 2.00 percent per annum (2019: between 0.10 and 0.85 percent per annum).

## 9. Current investments

Current investments as at 31 December 2019 are as follows

	2019	
	Consolidated financial statements	Separate financial statements
Available-for-sale investments - cost	8,020	-
Add: Surplus on change in value of investments	213	-
Total available-for-sale investments - fair value	8,233	-

## 10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	3,326	2,171	118	8
Past due				
Up to 3 months	-	20	9	20
Total trade accounts receivable - related parties	3,326	2,191	127	28
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	65,875	90,130	24,221	22,289
Past due				
Up to 3 months	24,673	30,839	17,954	19,292
3 - 6 months	4,819	2,596	4,315	2,388
6 - 12 months	3,521	1,584	3,102	1,584
Over 12 months	5,717	5,750	123	158
Total	104,605	130,899	49,715	45,711
Less: Allowance for expected credit losses (2019:				
Allowance for doubtful accounts)	(6,510)	(5,750)	(919)	(159)
Total trade accounts receivable - unrelated parties, net	98,095	125,149	48,796	45,552
Total trade accounts receivable - net	101,421	127,340	48,923	45,580
<u>Other receivables</u>				
Other receivables - related parties	49	123	49	83
Other receivables - unrelated parties	30,731	48,431	38	15,475
Prepaid expenses	53,822	26,653	1,868	2,469

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Total other receivables	84,602	75,207	1,955	18,027
Total trade and other receivables - net	<u>186,023</u>	<u>202,547</u>	<u>50,878</u>	<u>63,607</u>

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

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
As at 1 January 2020	5,750	159
Provision for expected credit losses	815	815
Amount written off	(55)	(55)
As at 31 December 2020	<u>6,510</u>	<u>919</u>

## 11. Inventories

(Unit: Thousand Baht)

	Consolidated	
	financial statements	
	<u>2020</u>	<u>2019</u>
Finished goods	70,103	66,771
Work in process	2,715	4,581
Raw materials	80,825	94,790
Packing materials	10,521	11,104
Goods in transit	3,105	-
Others	19,630	20,622
Total	186,899	197,868
Less: Reduce cost to net realisable value	(36,687)	(25,914)
Total inventories	<u>150,212</u>	<u>171,954</u>

During the current year, a subsidiary reduced cost of inventories by Baht 10.8 million (2019: Baht 8.3 million), to reflect the net realisable value. This was included in cost of sales and services.

**12. Other current financial assets**

(Unit: Thousand Baht)

31 December 2020	
	Consolidated financial statements
	Separate financial statements
<u>Financial assets at FVTPL</u>	
Mutual fund	29,807
Total financial assets at FVTPL	29,807
Total other current financial assets	29,807

**13. Restricted bank deposits**

These represent fixed deposits of the subsidiaries which were pledged with the banks to secure the letters of guarantee issued by the banks on behalf of the subsidiaries.

**14. Investments in associate****14.1 Details of associate:**

Company's name	Nature of business	Country of incorporation	Investment portion		Consolidated financial statements		Separate financial statements	
			Carrying amount based on		Carrying amount based on		Carrying amount based on	
			equity method		equity method		cost method	
			<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
			(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Sub Sri Thai Real Estate Investment Trust	Fund raising to invest in immovable properties, and seek benefits from those properties	Thailand	23.71	23.71	289,272	278,436	278,268	278,268
Total					289,272	278,436	278,268	278,268



## 14.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of profit (loss) from investments in associates in the consolidated financial statements and dividend income in the separate financial statements for the years ended 31 December 2020 and 2019 as follows:

(Unit: Thousand Baht)

Associates	Consolidated financial statements				Separate financial statements	
	Share of profit (loss) from investments in associates for the years ended 31 December		Share of other comprehensive income from investments in associates for the years ended 31 December		Dividend received for the years ended 31 December	
	2020	2019	2020	2019	2020	2019
Sub Sri Thai Property Fund	-	(55,616)	-	-	-	4,275
Sub Sri Thai Real Estate Investment Trust	18,957	168	-	-	8,121	-
<b>Total</b>	<b>18,957</b>	<b>(55,448)</b>	<b>-</b>	<b>-</b>	<b>8,121</b>	<b>4,275</b>

## 14.3 Fair value investments in listed associate

In respect of investments in associated company that are listed companies on the Stock Exchange of Thailand, their fair values as at 31 December 2020 and 2019 are as follows:

(Unit: Million Baht)

Associates	Fair value	
	2020	2019
Sub Sri Thai Real Estate Investment Trust	195	220
<b>Total</b>	<b>195</b>	<b>220</b>

## 14.4 Summarised financial information about material associates

### Summarised information about financial position

(Unit: Million Baht)

	Sub Sri Thai Real Estate Investment Trust	
	2020	2019
Current assets	1,504	1,483
Non-current assets	49	63
Current liabilities	(10)	(50)
Non-current liabilities	(272)	(271)
<b>Net assets</b>	<b>1,271</b>	<b>1,225</b>
Shareholding percentage (%)	23.71	23.71
<b>Share of net assets</b>	<b>301</b>	<b>290</b>

## 15. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht)	
							Dividend received	
							during the years ended	
	2020	2019	2020	2019	2020	2019	31 December	
			(Percent)	(Percent)			2020	2019
SST Warehouse Co., Ltd.	5,000	5,000	100	100	5,000	5,000	-	-
Mudman International Limited	1,054,904	1,054,904	64	64	1,489,234	1,485,885	39,321	37,287
SST REIT Management Co., Ltd.	10,000	10,000	100	100	10,000	10,000	-	-
Total					1,504,234	1,500,885	39,321	37,287

During the years ended 31 December 2020, the Company additionally invested in Mudman Plc. of 1,808,500 shares totaling Baht 3.3 million.

### Establishment of new subsidiaries

#### **MM FR SAS**

On 26 March 2019, Mudman International Limited (“the subsidiary”) invested in a new subsidiary named MM FR SAS, incorporated legally in France with a registered capital of USD 24,000, which operates restaurant business in France. The subsidiary holds 67 percent of total ordinary shares of such company and made a full payment of the share subscriptions of USD 16,000.

#### **MAISON MM1**

On 18 November 2019, MM FR SAS, a subsidiary indirectly owned by the subsidiary invested in a new subsidiary named MAISON MM1, incorporated legally in France with a registered capital of EUR 10,000, which operates restaurant business in France. MM FR SAS holds 100 percent of total ordinary shares of such company and made a full payment of the share subscriptions of EUR 10,000. MAISON MM1 started its commercial operations on 4 December 2019.

**MAISON MM2**

On 23 January 2020, MM FR SAS, a subsidiary indirectly owned by the subsidiary invested in a new subsidiary named MAISON MM2, incorporated legally in France with a registered capital of EUR 10,000, which operates in restaurant business in France. MM FR SAS holds 100 percent of total ordinary shares of such company and made a full payment of the share subscriptions of EUR 10,000. MAISON MM2 started its commercial operations on 30 January 2020.

**MAISON MM 3**

On 6 July 2020, MM FR SAS, a subsidiary indirectly owned by the subsidiary, invested in a new subsidiary named MAISON MM3, incorporated legally in France with a registered capital of EUR 10,000, to operate restaurant business, MM FR SAS holds 100 percent of total ordinary shares of such company and made full payment of the share subscriptions of EUR 10,000. MAISON MM3 started its commercial operations of 9 July 2020.

**Disposal of investment in subsidiary****Kad Kokoa Company Limited**

On 2 April 2019, Mudman Public Company Limited (“a subsidiary”) invested in a new subsidiary registered in Thailand, Kad Kokoa Company Limited. This new subsidiary has registered capital of Baht 20,000,000 to operate in distribution of food and beverage business in Thailand. The subsidiary holds 60 percent of the total shares of such company, which a subsidiary made a full payment for the share subscription.

Subsequently, on 9 September 2019, a subsidiary entered to an agreement to divest all of the ordinary shares in Kad Kokoa Company Limited to the previous shareholder. A subsidiary received the money from sale of the shares of Baht 8.8 million and transferred the ownership in the shares to the buyer on 11 September 2019. The Company recognised loss on sale of the investment in such subsidiary in the consolidated statements of comprehensive income of Baht 0.67 million.

## 16. Investment properties

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Balance at beginning of year	377,525	377,525	377,525	377,525
Loss from revaluation	(43,877)	-	(43,877)	-
Balance at end of year	<u>333,648</u>	<u>377,525</u>	<u>333,648</u>	<u>377,525</u>

The investment property represents an building and warehouses for rent. Its fair value has been determined based on the valuation performed by an accredited independent valuer, using the income approach.

Key assumptions used in the valuation are summarised below:

	Consolidated and separate financial statements	Result to fair value where as an increase in assumption value
Vacancy rate (%)	50 - 92	Increase in fair value
Discount rate (%)	9.8 - 18.0	Decrease in fair value
Rental rate (Baht/square meter/month)	115 - 221	Increase in fair value

The Company has mortgaged investment properties with a net book value as at 31 December 2020 amounting to Baht 282 million as collateral for long-term loans as disclosed in Note 23.

## 17. Property, plant and equipment

Consolidated financial statements								
	Land and land improvement	Warehouses, factory, wharf and improvements	Office building and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction and installation	Total
<b>Cost</b>								
1 January 2019	401,276	184,983	781,940	405,357	301,646	30,336	28,159	2,133,697
Additions	-	126	58,696	18,649	20,022	5,098	37,667	140,258
Disposals/write-off	-	-	(53,016)	(11,804)	(11,345)	(3,073)	-	(79,238)
Transfers in (out)	-	3,879	3,174	1,848	22	-	(8,923)	-
31 December 2019	401,276	188,988	790,794	414,050	310,345	32,361	56,903	2,194,717
Adjustment	-	-	32,600	13,443	2,673	-	-	48,716
Reclassify to right-of-use assets	-	-	(52,708)	(467)	(1,200)	(12,315)	-	(66,690)
Additions	-	321	51,803	13,288	41,220	2,685	31,977	141,294
Disposals/write-off	-	-	(62,121)	(5,037)	(12,790)	(2,145)	-	(82,093)
Transfers in (out)	-	-	6,382	1,033	4,488	-	(9,808)	2,095
31 December 2020	401,276	189,309	766,750	436,310	344,736	20,586	79,072	2,238,039
<b>Accumulated depreciation</b>								
1 January 2019	-	149,645	395,609	245,093	202,754	17,844	-	1,010,945
Depreciation for the year	-	8,967	75,826	37,831	36,641	4,058	-	163,323
Depreciation on disposals/write-off	-	-	(44,521)	(11,418)	(10,751)	(2,034)	-	(68,724)
31 December 2019	-	158,612	426,914	271,506	228,644	19,868	-	1,105,544
Adjustment	-	-	34,663	15,790	5,310	(16)	-	55,747
Reclassify to right-of-use assets	-	-	(11,854)	(150)	(606)	(4,021)	-	(16,631)
Depreciation for the year	-	8,883	56,788	36,435	36,540	1,828	-	140,474
Depreciation on disposals/write-off	-	-	(43,458)	(4,293)	(11,753)	(2,145)	-	(61,649)
31 December 2020	-	167,495	463,053	319,288	258,135	15,514	-	1,223,485

## Consolidated financial statements

	Land and land improvement	Warehouses, factory, wharf and improvements	Office building and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction and installation	Total
<b>Differences on revaluation of assets</b>								
1 January 2019	6,203	-	-	-	-	-	-	6,203
31 December 2019	6,203	-	-	-	-	-	-	6,203
Increase	34,463	-	-	-	-	-	-	34,463
31 December 2020	40,666	-	-	-	-	-	-	40,666
<b>Allowance for impairment loss</b>								
1 January 2019	-	-	7,668	10	-	-	-	7,678
31 December 2019	-	-	7,668	10	-	-	-	7,678
31 December 2020	-	-	7,668	10	-	-	-	7,678
<b>Translation adjustments</b>								
31 December 2019	-	-	(5,293)	(450)	(1,290)	-	-	(7,033)
31 December 2020	-	-	1,279	321	1,177	-	174	2,951
<b>Net book value</b>								
31 December 2019	407,479	30,376	350,919	142,084	80,411	12,493	56,903	1,080,665
31 December 2020	441,942	21,814	297,309	117,335	87,779	5,069	79,245	1,050,493
<b>Depreciation for the year</b>								
2019 (Baht 34 million included in cost of sales and services, and the balance in selling and administrative expenses)								163,323
2020 (Baht 33 million included in cost of sales and services, and the balance in selling and administrative expenses)								140,474

## Separate financial statements

	Land and land improvement	Warehouses, factory, wharf and improvements	Office building and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction and installation	Total
<b>Cost</b>								
1 January 2019	399,478	184,983	16,731	116,961	22,138	18,990	23,114	782,395
Additions	-	126	14	684	847	2,129	32,240	36,040
Disposals/write-off	-	-	-	(176)	(1,073)	-	-	(1,249)
Transfers in (out)	-	3,879	-	-	-	-	(3,879)	-
31 December 2019	399,478	188,988	16,745	117,469	21,912	21,119	51,475	817,186
Reclassify to right-of-use assets	-	-	-	-	-	(3,533)	-	(3,533)
Additions	-	321	-	1,060	678	120	15,321	17,500
Disposals/write-off	-	-	-	-	(480)	(2,145)	-	(2,625)
Transfers in (out)	-	-	-	1,033	-	-	1,062	2,095
31 December 2020	399,478	189,309	16,745	119,562	22,110	15,561	67,858	830,623
<b>Accumulated depreciation</b>								
1 January 2019	-	149,645	16,686	72,369	19,063	13,099	-	270,862
Depreciation for the year	-	8,967	45	8,005	1,172	2,286	-	20,475
Depreciation on disposals/write-off	-	-	-	(173)	(1,067)	-	-	(1,240)
31 December 2019	-	158,612	16,731	80,201	19,168	15,385	-	290,097
Reclassify to right-of-use assets	-	-	-	-	-	(811)	-	(811)
Depreciation for the year	-	8,883	3	8,222	1,101	1,097	-	19,306
Depreciation on disposals/write-off	-	-	-	-	(480)	(2,145)	-	(2,625)
31 December 2020	-	167,495	16,734	88,423	19,789	13,526	-	305,967



	Separate financial statements							
	Land and land improvement	Warehouses, factory, wharf and improvements	Office building and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction and installation	Total
Differences on revaluation of assets								
1 January 2019	6,203	-	-	-	-	-	-	6,203
31 December 2019	6,203	-	-	-	-	-	-	6,203
Increase	34,463	-	-	-	-	-	-	34,463
31 December 2020	40,666	-	-	-	-	-	-	40,666
Net book value								
31 December 2019	405,681	30,376	14	37,268	2,744	5,734	51,475	533,292
31 December 2020	440,144	21,814	11	31,139	2,321	2,035	67,858	565,322
Depreciation for the year								
2019 (Baht 16 million included in cost of sales and services, and the balance in selling and administrative expenses)								20,475
2020 (Baht 19 million included in cost of sales and services, and the balance in selling and administrative expenses)								19,306

As at 31 December 2020 and 2019, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 953.17 million and Baht 852.75 million (Separate financial statements: Baht 213.63 million and Baht 211.41 million, respectively).

As at 31 December 2020, land, which is recorded at revaluation method with the net value of Baht 441.94 million and Baht 440.14 million, respectively (2019: Baht 407.48 million and Baht 405.68 million, respectively), in the consolidated and separate financial statements, represented fair value of land which was determined by an independent appraiser using the market approach which is hierarchy level 3. As at 31 December 2020, land net book value at the cost method of Baht 401.28 million and Baht 399.48 million, respectively (2019: Baht 401.28 million and Baht 399.48 million, respectively) in the consolidated and separate financial statements.

The Company has mortgaged land and warehouse with a total net book value as at 31 December 2020 amounting to Baht 253.94 million as collateral for long-term loans as disclosed in Note 23.

## 18. Goodwill

For the purpose of impairment testing, the Company allocated goodwill acquired in business combinations and trademarks with indefinite useful lives to each of the cash generating units (CGUs), as presented below:

	(Unit: Thousand Baht)			
	Donuts unit	Bakery unit	Restaurant unit	Total
1 January 2020	484,370	298,192	1,357,322	2,139,884
Impairment loss and assets	-	-	(200,000)	(200,000)
31 December 2020	484,370	298,192	1,157,322	1,939,884

The recoverable amount of each CGU is determined based on a value-in-use calculation, using cash flow projections extracted from financial budgets approved by the management. The cash flow projections cover a 4.5 year period.

Key assumptions used in value in use calculations are summarised below:

	(Unit: percent per annum)		
	Donuts unit	Bakery unit	Restaurant unit
Long-term revenue growth rate	1.8	1.8	1.6 - 1.8
Discount rate	11.0	11.0	7.1 - 11.0

During the year 2020, the Group assessed the recoverable amount of goodwill for the restaurant business and it was concluded that the recoverable amount is lower than the carrying amount. The Group therefore recognised allowance for impairment loss on such goodwill amounting to Baht 200 million in profit or loss in the consolidated financial statements for the current year.

## 19. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements						Separate financial statements		
	Franchise	Trademark	Computer software	Leasehold right	Other	Total	Computer software	Leasehold rights	Total
1 January 2019	421,858	379,324	15,381	117,297	1,446	935,306	3,065	13,246	16,311
Additions	735	-	8,272	45,589	-	54,596	6,810	-	6,810
Write off	-	-	(83)	(2,000)	-	(2,083)	-	-	-
Amortisation for the year	(45,954)	(479)	(4,335)	(14,567)	(1,446)	(66,781)	(574)	(1,892)	(2,466)
Translation adjustment	-	(1,188)	(13)	(1,820)	-	(3,021)	-	-	-
31 December 2019	376,639	377,657	19,222	144,499	-	918,017	9,301	11,354	20,655
Reclassify to right-of-use assets/transfer out	-	-	(2,095)	(144,499)	-	(146,594)	(2,095)	(11,354)	(13,449)
Reclassification	3,301	(3,301)	-	-	-	-	-	-	-
Additions	3,755	1,029	1,035	-	-	5,819	545	-	545
Amortisation for the year	(33,813)	-	(3,435)	-	-	(37,248)	(473)	-	(473)
Translation adjustment	-	1,178	41	-	-	1,219	-	-	-
31 December 2020	349,882	376,563	14,768	-	-	741,213	7,278	-	7,278

**20. Other non-current assets**

(Unit: Thousand Baht)

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Rental deposits</b>	157,044	162,048	33,730	32,500
<b>Corporate income tax waiting for refund</b>	24,158	35,928	6,357	17,571
<b>Other non-current assets</b>	53	6,464	53	202
<b>Total other non-current assets</b>	<u>181,255</u>	<u>204,440</u>	<u>40,140</u>	<u>50,273</u>

**21. Short-term loans from financial institutions**

(Unit: Thousand Baht)

	<b>Consolidated</b>	
	<b>financial statements</b>	
	<u>2020</u>	<u>2019</u>
Short-term loans from financial institutions	175,395	77,109
Total	<u>175,395</u>	<u>77,109</u>

The interest rates of short-term loans from financial institutions as at 31 December 2020 and 2019 are as follows:

	<b>Consolidated</b>	
	<b>financial statements</b>	
	<u>2020</u>	<u>2019</u>
	(percent	(percent
	per annum)	per annum)
Short-term loans from financial institutions	2.00 - 3.55,	3.70 - 4.25,
	MLR - 2.50	MLR - 2.50

As at 31 December 2020 and 2019, short-term credit facilities of the Group, which have not yet been drawn down of Baht 233 million and Baht 328 million, respectively (the Company only: 2020 of Baht 97 million and 2019 of Baht 207 million). Certain short-term loans are guaranteed by the Group, as disclosed in Note 38.4.1.

On 10 June 2020, the Board of Directors' meeting has a resolution to pledge shares of Mudman Plc. and units of Sub Sri Thai Real Estate Investment Trust and portion of land and warehouse to secure credit facilities from financial institution in which such secure are on the process of consideration by financial institutions.

## 22. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade payables - related parties	-	44,819	-	44,819
Other payables - related parties	58,366	9,560	64,411	15,603
Total trade and other payables - related parties (Note 7)	58,366	54,379	64,411	60,422
Trade payables - unrelated parties	145,427	153,892	462	472
Other payables - unrelated parties	78,999	57,314	4,051	5,036
Deferred income	25,613	43,155	437	180
Customer deposits	13,429	14,014	13,429	14,014
Payables from purchases of assets	31,590	16,129	66	1,464
Accrued expenses	95,978	110,436	5,996	2,830
Total trade and other payables	449,402	449,319	88,852	84,418

## 23. Long-term loans

			(Unit: Thousand Baht)			
Loan	Interest rate	Repayment schedule	Consolidated financial statements		Separate financial statements	
	(%)		2020	2019	2020	2019
1.	MLR - 1.00 to 1.50	Quarterly installments as from February 2019 to November 2023	126,500	138,000	-	-
2.	4.25	Monthly installments as from January 2020 to February 2024	92,032	-	-	-
3.	MLR - 1.75 to 2.00	Quarterly installments as from April 2013 to March 2021	90	3,743	-	-
4.	1.00	Quarterly installments as from August 2019 to May 2026	24,259	15,661	-	-
5.	1.30	Quarterly installments as from August 2019 to June 2026	27,660	7,661	-	-
6.	1.23	Monthly installments as from July 2019 to June 2022	3,235	3,665	-	-
7.	1.30	Monthly installments as from January 2019 to December 2026	45,500	26,985	-	-
8.	1.45	Monthly installments as from October 2020 to September 2027	42,747	-	-	-
9.	2.00	Monthly installments as from April 2022 to April 2025	20,000	-	-	-
10.	8.00	Semi-Annually installments as from June 2020 to December 2021	200,000	-	200,000	-
Total			582,023	195,715	200,000	
Less: Current portion			(289,241)	(59,468)	(200,000)	-
Long-term loans, net of current portion			292,782	136,247	-	-

Movements of long-term loans during the year ended 31 December 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2020	195,715	-
Add: Convert from short-term loan	28,109	-
Add: Additional borrowing during the year	581,078	400,000
Less: Repayment during the year	(226,269)	(200,000)
Translation adjustments	3,390	-
Balance as at 31 December 2020	582,023	200,000
Less: Current portion	(289,241)	(200,000)
Long-term loans - net of current portion	292,782	-

During the year, the Group entered into the Amendment Agreement with financial institutions to the Credit Facility Agreement to extend the repayment period of the outstanding principal for 6 months and one year, starting from 1 April 2020. Therefore, the loans shall be repaid in April 2021.

The long-term loan of the Group is secured by the mortgage of land and warehouse of the Company as disclosed in Note 16 and 17

Long-term facilities of subsidiaries are secured by the mortgage of leasehold rights of subsidiaries as described in Note 24.

The loan agreements contain certain covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

In December 2020, the subsidiary received a waiver letter from two financial institutions, approving a waiver for certain financial conditions including a waiver maintenance of the interest bearing debt to EBITDA ratio and debt service coverage ratio for the year ended 31 December 2020.



## 24. Leases

### 24.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 16 years.

#### a) Right-of-use assets

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

(Unit: Thousand Baht)

	Consolidated financial statements						
	Right-of-use	Building	Furniture and		Leasehold		Total
	building space	improvement	Equipment	office equipment	Motor vehicles	right	
1 January 2020	1,896,443	40,853	317	594	32,564	11,354	1,982,125
Additions	352,398	2,304	-	-	7,437	-	362,139
Disposals/write-off - net book value							
at disposal/write-off date	(140,987)	(4,513)	(27)	(9)	(3,102)	-	(148,638)
Depreciation for the year	(426,187)	(4,205)	(63)	(267)	(15,176)	(1,892)	(447,790)
Translation adjustment	11,873	-	-	-	-	-	11,873
31 December 2020	1,693,540	34,439	227	318	21,723	9,462	1,759,709

The subsidiaries have mortgaged leasehold rights with total net book value as at 31 December 2020 amounting to Baht 6.55 million (2019: Baht 9.56 million) as collateral for long-term loans from financial institutions, as disclosed in Note 23 to the financial statements.

(Unit: Thousand Baht)

	Separate financial statements			
	Land and warehouse	Motor vehicles	Leasehold right	Total
1 January 2020	821,792	12,110	11,354	845,256
Additions	-	5,000	-	5,000
Depreciation for the year	(97,637)	(5,113)	(1,892)	(104,642)
31 December 2020	724,155	11,997	9,462	745,614

**a) Lease liabilities**

Lease liabilities as at 31 December 2020 are as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Lease payments	1,870,362	983,909
Less: Deferred interest expenses	(303,658)	(204,448)
Total	1,566,704	779,461
Less: Portion due within one year	(325,709)	(86,981)
Lease liabilities - net of current portion	1,240,595	692,480

A maturity analysis of lease payments is disclosed in Note 40 under the liquidity risk.

**b) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)	
	For the year ended	
	31 December 2020	
	Consolidated	Separate
	financial statements	financial statements
Depreciation expense of right-of-use assets	446,792	104,641
Interest expense on lease liabilities	86,476	41,741
Expense relating to short-term leases	25,173	-
Expense relating to leases of low-value assets	764	498
Expense relating to variable lease payments	160,939	-

**c) Others**

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 659 million (the Company only: Baht 120 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

## 24.2 Group as a lessor

The Group has entered into operating leases for its investment property portfolio consisting of building and warehouses (see Note 16) of the lease terms are between 1 and 3 years.

The Group has future minimum rentals receivable as at 31 December 2020 and 2019 as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Within 1 year	37,687	26,120	37,687	26,120
Over 1 and up to 3 years	9,388	4,877	9,388	4,877
Total	<u>47,075</u>	<u>30,997</u>	<u>47,075</u>	<u>30,997</u>

## 25. Liabilities under finance lease agreements

Liabilities under financial lease agreements as at 31 December 2019 are shown below

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Liabilities under financial lease agreements	35,334	2,328
Less: Deferred interest expenses	(1,816)	(163)
Total	33,518	2,165
Less: Portion due within one year	(17,159)	(615)
Liabilities under financial lease agreements - net of current portion	<u>16,359</u>	<u>1,550</u>

The Group entered into finance lease agreements with a company for lease of equipment and motor vehicles for use in its operation, whereby it is committed to pay rental on a yearly basis. The terms of the agreements are generally 5 years.

Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	As at 31 December 2019		
	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	18,405	16,929	35,334
Deferred interest expenses	(1,246)	(570)	(1,816)
Present value of future minimum lease payments	17,159	16,359	33,518

(Unit: Thousand Baht)

	Separate financial statements		
	As at 31 December 2019		
	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	697	1,631	2,328
Deferred interest expenses	(82)	(81)	(163)
Present value of future minimum lease payments	615	1,550	2,165

## 26. Long-term debentures

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Face value	947,020	1,100,000	396,200	600,000
Less: Unamortised deferred costs relating to the issuance of debentures	(6,048)	(2,659)	(2,645)	(961)
Net balance	940,972	1,097,341	393,555	599,039
Less: Current portion	(726,060)	(599,039)	(393,555)	(599,039)
Long-term debentures - net of current portion	214,912	498,302	-	-

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balances as at 1 January 2020	1,097,341	599,039
Add: Net cash received from issuance of debenture during the year	606,341	391,708
Amortisation of transaction costs during the year	4,170	2,808
Less: Redemption of debenture during the year	(766,880)	(600,000)
Balances as at 31 December 2020	940,972	393,555

The outstanding balances of debentures of the Company as at 31 December 2020 and 2019 as follows:

No.	Debentures period		Number of unit (Unit)	Amount (Million Baht)	Coupon rate (Percent per annum)	Outstanding balance (Million Baht)	
	Issue Date	Maturity Date				2020	2019
SST209A	21 Sept. 2017	21 Sept. 2020	600,000	600	5.00	-	600
SST21NA	14 May 2020	14 Nov. 2021	396,200	396	5.40	396	-
						396	600
MM217A	26 Jul. 2018	26 Jul. 2021	500,000	500	5.00	333	500
MM237A	1 Oct. 2020	1 Jul. 2023	217,700	218	5.80	218	-
						551	500

On 14 May 2020, the Company issued unsubordinated and unsecured debentures with a name-registered debenture certificate total 396,200 units, at the price of Baht 1,000 per unit, totaling Baht 396.20 million. The debentures is due on 14 November 2021, at the interest rate of 5.70 percent per annum with interest payable quarterly.

On 1 October 2020, the Company issued 217,700 units of debentures by way of private placement to specific institutional investors and/or major investors at a par value of Baht 1,000 each, totaling Baht 217.7 million. The term of the debentures is 2 years and 9 months with the redemption date on 1 July 2023 and the fixed interest at 5.8 percent per annum.

The Group is required to comply with certain financial conditions such as maintaining certain financial ratios.

## 27. Provision for long-term employee benefits

### 27.1 Defined contribution plans

The Group and their permanent employees have jointly registered a provident fund scheme under Provident Fund Act B.E. 2530. Such fund is monthly contributed by both the employees and the Group at rates of 2 percent of the employees' basic salaries. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2020, the contributions of the Group amounting to Baht 7.5 million (2019: Baht 10 million) and of the Company amounting to Baht 2.5 million (2019: Baht 2 million) were recognised as expenses.

### 27.2 Employee joint investment program

Details of Employee Joint Investment Program are as follows:

1) Approved by	The Annual General Meeting of the Company's shareholders in for the 2018
2) Duration of the scheme	2 years, from 1 August 2018 to 31 July 2020
3) Detail of contributions	Employees contribute 5 percent of their monthly base salary and the Company and its subsidiaries additionally contribute 4 percent of employees' monthly base salary
4) Program management	Phillip Securities (Thailand) Public Company Limited

Employee Joint Investment Program for the year 2020, the Company contributed Baht 2 million (2019: Baht 2 million) to the program.

### 27.3 Defined benefit plans employee benefits

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

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Provision for long-term employee benefits at beginning of year</b>	53,273	36,815	10,121	8,979
Included in profit or loss:				
Current service cost	7,712	9,282	1,879	1,423
Interest cost	1,303	965	268	226
Past service costs and gains or losses on settlement	-	6,548	-	584
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	(3,959)	6,108	-	-
Financial assumptions changes	(3,762)	-	-	-
Experience adjustments	(15,982)	-	-	-
Benefits paid during the year	(2,547)	(6,445)	(104)	(1,091)
Translation adjustments	(688)	-	-	-
<b>Provision for long-term employee benefits at end of year</b>	<u>35,350</u>	<u>53,273</u>	<u>12,164</u>	<u>10,121</u>

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Group has additional long-term employee benefit liabilities of Baht 6.55 million (the Company only: Baht 0.58 million) as a result. The Group has reflected the effect of the change by recognising past service costs as expenses in the comprehensive income statement for the year 2019.

The Group expects to pay Baht 3.78 million for long-term employee benefits during the next year (separate financial statements: Baht 2.68 million) (2019: Baht 2.11 million, separate financial statements: Baht 0.33 million).



As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefits of the Group is 9 - 23 years (Separate financial statements: 23 years) (2019: 6 - 24 years, separate financial statements: 24 years).

Significant actuarial assumptions are summarised below.

(Unit: % per annum)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Discount rate	1.35 - 2.68	1.97 - 3.51	2.68	1.97
Future salary increase rate (depending on age of employees)	2.50 - 6.00	3.79 - 8.16	6.00	6.14
Turnover rate	0 - 73	0 - 69	0 - 15	0 - 15

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

#### 2020

(Unit: Thousand Baht)

	Mudman Group		Sub Sri Thai Group	
	Increase 0.5%	Decrease 0.5%	Increase 1%	Decrease 1%
Discount rate	(837)	894	(859)	1,007
Future salary increase rate	864	(817)	1,144	(994)
Turnover rate	(949)	936	(937)	663

#### 2019

(Unit: Thousand Baht)

	Mudman Group		Sub Sri Thai Group	
	Increase 0.5%	Decrease 0.5%	Increase 1%	Decrease 1%
Discount rate	(838)	948	(774)	905
Future salary increase rate	903	(770)	918	(801)
Turnover rate	(1,576)	1,696	(843)	587

## 28. Other non-current provisions

Other non-current provisions are provision for dismantling and restoring cost.

Movements in the provision for dismantling and restoring cost for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2020</u>	<u>2019</u>
Balance as at 1 January	49,756	51,904
Add: Increase during the year	2,199	3,769
Less: Disposal/written-off during the year	(5,611)	(5,917)
Balance as at 31 December	<u>46,344</u>	<u>49,756</u>

## 29. Share capital

The 2020 Annual General Meeting of Shareholders held on 28 April 2020, passed the resolutions as follows:

- 1) Approved the distribution of share dividend of the Company at 10 ordinary shares for 1 dividend share not exceeding 45,580,782 shares at par value of Baht 1 each to the shareholders of the Company or equivalent to dividend rate at Baht 0.10 per share.
- 2) Approved the decrease of register capital of the Company from Baht 759,678,577 to Baht 486,193,885 by reducing the ordinary shares reserved for the increase of registered capital under a General Mandate which have not been allocated in the whole amount of 273,484,692 shares at par value of Baht 1 each.
- 3) Approved the increase of the Company's registered capital from Baht 486,193,885 to Baht 808,297,965 by issuing new ordinary share of 322,104,080 shares at par value of Baht 1 each.
- 4) Approved the allotment of the additional ordinary shares of the Company as follows:
  - (1) Allotment the newly issued ordinary shares to existing shareholders at their shareholding percentage not exceeding 45,580,782 shares at par value of Baht 1 each to support share dividend.
  - (2) Allotment the newly issued ordinary shares not exceeding 3,038,606 shares at par value of Baht 1 each to support the adjustment of exercise of warrant to purchase the ordinary shares of the Company (SST-W2).

(3) Allotment the newly issued ordinary shares to existing shareholders at their shareholding percentage not exceeding 273,484,692 shares at par value of Baht 1 each to support the increase in registered capital under the General Mandate as follows:

- Allotment the newly issued ordinary shares to existing shareholders at their shareholding percentage not exceeding 136,742,346 shares to support the transferable subscription right (TSR).
- Allotment the newly issued ordinary shares to the general public not exceeding 91,161,564 shares.
- Allotment the newly issued ordinary shares to specific persons not exceeding 45,580,782 shares.

5) Approved the issuance of the transferable subscription right (TSR) in the amount not exceeding 136,742,346 units to existing shareholders at their shareholding percentage according to allocate newly issued ordinary shares under a General Mandate.

The Company had finished its registration of the decrease of register capital, the increase of register capital and paid-up share capital with Ministry of Commerce in May 2020.

### **30. Treasury stocks of subsidiary**

On 23 May 2019, the Board of Directors' meeting of Mudman Plc., the subsidiary of the Company, approved the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 100 million or approximately 20 million shares, which is approximately 1.9 percent of total issued shares at par value of Baht 1 per share by repurchase in the Stock Exchange of Thailand, which the repurchase price shall not be exceeding 115 percent of the average closing stocks price prior to 5 working days on date of sale of treasury stock.

The above subsidiary has to disclose the proposed share repurchase not later than 14 days prior to the date on which the shares will be repurchased. The implementation period shall not exceed 6 months. The subsidiary's Board of Directors has delegated the Executive committee to disclose the share repurchase period. The Executive Committee determined the repurchase period from 24 September 2019 to 24 March 2020. The subsidiary's Board of Directors would reconsider the periods of stocks resell within 6 months from the date of complete repurchasing the stocks but not more than 3 years. The reselling price would not be less than 85 percent of the average closing stocks price prior to 5 working days on date of sale of treasury stocks.

As at 24 March 2020, the share repurchase period approved by the subsidiary's Board of Directors has been expired. The subsidiary had an outstanding treasury stocks of 1,615,500 shares in the account with an average cost of Baht 2.44 per share. The total cost was Baht 3,941,136. The treasury stocks of 1,615,500 shares have a par value of Baht 1.00 per share with Baht 3,941,136 had been appropriated from retained earnings to reserve for treasury stocks. The subsidiary can hold treasury stocks not longer than three years after repurchase period finished.

### 31. Statutory reserve

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

### 32. Finance cost

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2020	2019	2020	2019
Interest expenses on borrowings	97,529	66,917	51,430	31,387
Interest expenses on lease liabilities	79,993	2,334	41,741	66
Interest expenses on debentures	2,808	1,272	2,808	1,272
<b>Total</b>	<b>180,330</b>	<b>70,523</b>	<b>95,979</b>	<b>32,725</b>

### 33. Expenses by nature

Significant expenses classified by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2020	2019	2020	2019
Salaries, wages and other employee benefits	887,460	1,168,764	127,673	125,449
Depreciation and amortisation expenses	624,758	220,194	123,670	22,942
Rental expenses from operating leases	329,412	701,359	498	133,535
Franchise fees	47,684	61,144	-	-
Transportation expenses	40,323	74,874	9,597	12,621
Utility expenses	88,012	105,424	5,402	6,052
Marketing expenses	37,452	44,187	128	341
Repair and maintenance expenses	23,268	32,115	4,718	5,456
Raw materials and consumables used	603,688	760,040	7,979	9,411
Changes in inventories of finished goods and work in progress	(1,466)	2,194	-	-
Impairment loss on assets	200,000	-	-	-
Allowance for expected credit losses	816	248	819	109
Other operating expenses	57,022	228,425	41,410	49,499

### 34. Income tax

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

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Current income tax:</b>				
Current income tax charge	6,952	28,004	4,530	13,272
Adjustment in respect of income tax of previous year	255	-	255	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(29,251)	(20,564)	(16,715)	(7,033)
<b>Income tax reported in the profit or loss</b>	<u>(22,044)</u>	<u>7,443</u>	<u>(11,930)</u>	<u>6,239</u>

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

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax relating to				
Change in value of available-for-sale investments	-	3,328	-	-
Revaluation surplus on land	6,893	-	6,893	-
Actuarial gain (loss)	5,473	(1,287)	-	-
<b>Income tax charged to other comprehensive income</b>	<u>12,366</u>	<u>2,041</u>	<u>6,893</u>	<u>-</u>

The reconciliation between accounting profit (loss) and income tax for the years ended 31 December 2020 and 2019 is presented below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2020	2019	2020	2019
Accounting profit (loss) before tax	(467,919)	32	(7,460)	65,052
Applicable tax rate	15%, 17%, 20%, 28%	15%, 17%, 20%, 28%	20%	20%
Accounting profit before tax multiplied by income tax rate	(93,584)	6	(1,492)	13,010
Adjustment in respect of income tax of previous year	255	-	255	-
Effects of:				
Income not subject to tax	-	-	(7,864)	(8,312)
Non-deductible expenses	2,494	12,869	251	1,779
Additional expense deductions allowed	(63,078)	(18,079)	(3,080)	(238)
Utilised tax loss	(6,032)	(3,556)	-	-
Unrecognised deferred tax on temporary and unused tax losses	137,901	16,203	-	-
Total	71,285	7,437	(10,693)	(6,771)
Income tax reported in the profit or loss	(22,044)	7,443	(11,930)	6,239

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

(Unit: Thousand Baht)

	Statements of financial position as at 31 December			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Deferred tax assets</b>				
Provisions for long-term employee benefit	5,935	7,614	2,433	2,591
Deferred income	563	2,789	-	-
Provision for decommissioning	1,915	1,765	-	-
Loss from classification of available-for-sales investment in associate	3,640	3,640	3,640	3,640
Lease	10,988	-	8,755	-
Others	179	2,766	-	2,596
<b>Total</b>	<b>23,220</b>	<b>18,574</b>	<b>14,828</b>	<b>8,827</b>
<b>Deferred tax liabilities</b>				
Intangible assets	(146,283)	(159,039)	-	-
Depreciation	(1,200)	(2,725)	-	-
Amortisation	(29,475)	(29,475)	-	-
Revaluation surplus on land	(58,533)	(51,641)	(58,533)	(51,641)
Fair value adjustment of investment properties	(58,805)	(65,793)	(58,805)	(65,793)
Fair value adjustment of investment properties - transfer to property, plant and equipment	(7,433)	(7,345)	(7,433)	(7,345)
Share of profit from investment in an associate	(2,200)	-	-	-
Others	(360)	-	(360)	-
<b>Total</b>	<b>(304,829)</b>	<b>(316,018)</b>	<b>(125,131)</b>	<b>(124,779)</b>
<b>Net deferred tax assets (liabilities)</b>	<b>(281,069)</b>	<b>(297,444)</b>	<b>(110,303)</b>	<b>(115,952)</b>

As at 31 December 2020, the subsidiaries have deductible temporary differences and unused tax losses totaling Baht 348 million (2019: Baht 688 million). No deferred tax assets have been recognised on these amounts as the management of the subsidiaries believes that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.



As at 31 December 2019, the subsidiaries have unused tax losses amounting to Baht 313 million which will expire by 2021 - 2025.

### 35. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the average number of ordinary shares in issue during the year and adjusting the change in the number of ordinary shares resulting from the distribution of share dividends to the shareholders (see Note 29) as if such change had occurred at the beginning of the earliest reporting period.

The following table sets forth the computation of basic earnings (loss) per share:

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit (loss) for the year (Thousand Baht)	(280,008)	5,930	4,471	58,813
Weighted average number of ordinary shares (Thousand shares)	501,388	501,388	501,388	501,388
Earnings (loss) per share (Baht/share)	(0.56)	0.01	0.01	0.12

As the exercise price of the warrants is higher than the market price, the diluted earnings per share is not presented.

### 36. Operating segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on their products and services. The Company and its subsidiaries have the following three reportable segments:

1. The food and beverage segment produces and distributes snacks, drinks, ice cream and restaurants.
2. The warehouse and wharf segment provides warehouse rental, document and electronic media storage and wharf services.
3. Garment segment produces and distributes clothing and leather work.

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

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit (loss) information regarding the Company's and its subsidiaries' operating segments for the years ended 31 December 2020 and 2019, respectively.

(Unit: Million Baht)

	For the years ended 31 December						Consolidated	
	Food and beverage		Warehouse and wharf		Garment segment		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Revenue</b>								
Sales and service income	2,017	2,768	400	400	149	145	2,566	3,313
<b>Operating result</b>								
<b>Segment income (loss)</b>	(276)	(98)	71	47	(22)	(36)	(227)	(87)
Other income							164	213
Loss from impairment of assets							(200)	-
Loss from revaluation of investment properties							(44)	-
Share of profit (loss) from investment in an associate							19	(55)
Finance cost							(180)	(71)
<b>Loss before income tax</b>							(468)	-
Income tax							22	(7)
<b>Loss for the year</b>							(446)	(7)

### Geographic area information

Financial information by geographic area for the years ended 31 December 2020 and 2019 of the Group is as follows:

(Unit: Million Baht)

	For the years ended 31 December					
	Domestic		Overseas		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue from external customers	2,454	3,123	112	190	2,566	3,313

## Disaggregation of revenue

The Group derives its revenue from the sales of goods and services over time and at a point in time in the following major product lines. This is consistent with the revenue information that is disclosed for each reportable segment under TFRS 8 “Operating Segments”.

(Unit: Million Baht)

	For the years ended 31 December							
	Food and beverage		Warehouse		Garment segment		Consolidated	
	segment		and wharf				financial statements	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>Timing of revenue recognition</b>								
At a point in time	1,940	2,716	-	-	148	145	2,088	2,861
Overtime	78	52	400	400	-	-	478	452
Total revenue	<u>2,018</u>	<u>2,768</u>	<u>400</u>	<u>400</u>	<u>148</u>	<u>145</u>	<u>2,566</u>	<u>3,313</u>

## Major customers

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

## 37. Dividends

Dividend declared for the years ended 31 December 2020 and 2019 consist of the following:

### The Company

	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)	Paid on
<u>2020</u>				
Dividend for the year 2019	Annual General Meeting of the shareholders on 28 April 2020	5.07	0.01	27 May 2020
Total		<u>5.07</u>	<u>0.01</u>	
<u>2019</u>				
Dividend for the year 2018	Annual General Meeting of the shareholders on 24 April 2019	22.79	0.05	24 May 2019
Total		<u>22.79</u>	<u>0.05</u>	

The subsidiary - Mudman Public Company Limited

	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)	Paid on
<u>2020</u>				
Dividend for the year 2019	Annual General Meeting of the shareholders on 28 April 2020	61.09	0.058	20 May 2020
Total		<u>61.09</u>	<u>0.058</u>	
<u>2019</u>				
Dividend for the year 2018	Annual General Meeting of the shareholders on 23 April 2019	58.02	0.055	21 May 2019
Total		<u>58.02</u>	<u>0.055</u>	

**38. Commitments and contingent liabilities****38.1 Capital commitments**

As at 31 December 2020, the Group had capital commitments of Baht 40 million (2019: Baht 40 million), relating to the improvement of buildings and acquisition of equipment and furniture.

**38.2 Lease of low-value assets and service commitments**

The Group entered into long-term lease agreements in respect of lease of the low-value assets and other service agreements.

As at 31 December 2020, the Group had future minimum leases required under such contracts were as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Payable:		
In up to 1 year	35.7	5
In over 1 year and up to 5 years	10.4	1

**38.3 Franchise agreements**

38.3.1 On 10 March 1981, a subsidiary entered into a master franchise agreement with Dunkin' Donuts of America Inc. Under the agreement, the subsidiary has been granted the franchise to open bakery shops in Thailand. Such agreement will be terminated on 15 December 2021. Under such agreement, the subsidiary has been granted the franchise to operate bakery shops for 20 years after the opening date of each shop and the right to extend the agreement period for another 20 years. The subsidiary is obliged to pay the franchisor a franchise fee calculated at a percentage of sales as stipulated in the agreement.

On 22 October 2019, the subsidiary entered into a supplement agreement to revise the content of the master franchise agreement with Dunkin' Donuts of America Inc. which determines the expiration date of the master franchise agreement to be the last shop operated under the former agreement and those shops have been granted to operate for 20 years after the opening date of each shop.

38.3.2 On 1 April 2006, a subsidiary entered into a master franchise agreement with ABP Corporation for a period of 28 years. Under the agreement, the subsidiary, which has been granted the franchise to operate bakery shops in Thailand, is obliged to pay the franchisor a franchise fee calculated at a percentage of sales as stipulated in the agreement.

38.3.3 On 2 July 2012 a subsidiary entered into a master franchise agreement with Baskin-Robbins Franchising LLC. in the United States of America for a period of 10 years. Under the agreement, the subsidiary, which has been granted the franchise to operate ice cream shops in Thailand, is obliged to pay the franchisor a franchise fee.

#### **38.4 Guarantees**

38.4.1 As at 31 December 2020 and 2019, the Group has jointly guaranteed the revolving credit facilities of the Group amounting to but not exceeding Baht 365 million (2019: Baht 350 million).

38.4.2 As at 31 December 2020, the Group has outstanding bank guarantees issued or behalf of the Group of Baht 36 million (2019: Baht 58 million), to guarantee for rental payments and electricity use. Such amounts included the letters of guarantee of Baht 2.53 million (2019: Baht 2.42 million), which the deposit at bank was used as collateral.

### 39. Fair value hierarchy

As at 31 December 2020 and 2019, the Group had the assets and liabilities that were measured at fair value based on levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	Level 2		Level 3		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Assets measured at fair value</b>						
Financial assets measured at FVTPL						
Debt investments	30	-	-	-	30	-
Available-for sales investments	-	8	-	-	-	8
Investment properties	-	-	334	378	334	378
Land	442	408	-	-	442	408
<b>Liabilities measured at fair value</b>						
Long-term debentures	941	1,097	-	-	941	1,097

(Unit: Million Baht)

	Separate financial statements					
	Level 2		Level 3		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Assets measured at fair value</b>						
Financial assets measured at FVTPL						
Debt investments	20	-	-	-	20	-
Investment properties	-	-	334	378	334	378
Land	440	406	-	-	440	406
<b>Liabilities measured at fair value</b>						
Long-term debentures	394	599	-	-	394	599

## 40. Financial instruments

### 40.1 Financial risk management objectives and policies

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

#### **Credit risk**

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

#### ***Trade receivables***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. The Group does not hold collateral as security. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and not subject to enforcement activity.

#### ***Financial instruments and cash deposits***

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

## Market risk

### *Foreign currency risk*

The Group's exposure to the foreign currency risk relates primarily to purchasing goods, the payment of franchise fees and the receipt of franchise income that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate.

As at 31 December 2020, the Group has no outstanding of financial assets and liabilities in foreign currencies.

### *Interest rate risk*

The Group's exposure to interest rate risk relates primarily to its short-term loans, short-term borrowings, long-term borrowings, long-term debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group's policy is to maintain borrowings at fixed rates of interest of not more than 50%, excluding borrowings that relate to discontinued operations.

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



(Unit: Million Baht)

## Consolidated financial statements as at 31 December 2020

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective	
	Within		Over 5				interest rate	interest rate
	1 year	1 - 12 years	years					(% per annum)
<b>Financial assets</b>								
Cash and cash equivalents	-	-	-	145	118	263	0.05 - 2.00	
Trade and other receivables	-	-	-	-	186	186	-	
Restricted bank deposits	-	-	-	-	30	30	-	
Other financial assets	1	-	-	-	-	1	0.05 - 0.20	
<b>Financial liabilities</b>								
Short-term loans from financial institutions	115	-	-	60	-	175	2.00 - 3.55, MLR - 2.50	
Trade and other payables	-	-	-	-	455	455	-	
Liabilities under lease agreements	325	940	301	-	-	1,566	4.50 - 5.5	
Long-term loans	289	166	-	127	-	582	1.00 - 8.0, MLR - 1.00 to 2.00	
Debentures	726	215	-	-	-	941	5.00 - 5.80	

(Unit: Million Baht)

## Consolidated financial statements as at 31 December 2019

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective
	Within 1 year	1 - 5 years	Over 5 years				interest rate
	(% per annum)						
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	90	86	176	0.10 - 0.85
Trade and other receivables	-	-	-	-	8	8	-
	-	-	-	-	203	203	-
Restricted bank deposits	1	-	-	-	-	1	0.38 - 1.38
<b>Financial liabilities</b>							
Short-term loans from financial institutions	77	-	-	-	-	77	3.55 - 4.25, MLR - 2.5
Trade and other payables	-	-	-	-	371	371	-
Liabilities under lease agreements	17	16	-	-	-	33	2.50 - 3.30
Long-term loans	-	-	-	196	-	196	1.00 - 5.13, MLR - 1 to MLR - 1.5
Debentures	599	498	-	-	-	1,097	5.00

(Unit: Million Baht)

## Separate financial statements as at 31 December 2020

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 8 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	93	1	94	0.125 - 2.00
Trade and other receivables	-	-	-	-	51	51	-
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	89	89	-
Lease liabilities	87	391	301	-	-	779	5 - 5.5
Long-term loans	200	-	-	-	-	200	8
Debentures	394	-	-	-	-	394	5.7

(Unit: Million Baht)

## Separate financial statements as at 31 December 2019

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	17	-	21	0.70 - 0.95
Trade and other receivables	-	-	-	-	-	64	-
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	84	84	-
Liabilities under financial lease agreements	1	2	-	-	-	3	3.30
Debentures	599	-	-	-	-	599	5.00

*Interest rate sensitivity*

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans from affected as at 31 December 2020.

Currency	Consolidated financial statements	
	Interest rate	Effect on loss before tax
	Increase/decrease	Increase/decrease
	(%)	(Thousand Baht)
Baht	0.5	935

## Liquidity risk

The Group monitors the risk of shortage of liquidity through the use of bank loans and lease contracts. Approximately 48% of the Group's debts will mature in less than one year at 31 December 2020 (2019: 53%) (the Company only: 49%, 2019: 84%).

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

	(Unit: Million Baht)			
	Consolidated financial statements			
	Less than 1	1 to 5		
	year	years	> 5 years	Total
<b>Non-derivatives</b>				
Short-term loans from financial institutions	175	-	-	175
Trade and other payables	449	-	-	449
Lease liabilities	356	871	340	1,567
Long-term loans	289	269	24	582
Debentures	726	221	-	947
<b>Total non-derivatives</b>	<b>1,995</b>	<b>1,361</b>	<b>364</b>	<b>3,720</b>

	(Unit: Million Baht)			
	Separate financial statements			
	Less than 1	1 to 5		
	year	years	> 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	89	-	-	89
Lease liabilities	87	503	189	779
Long-term loans	200	-	-	200
Debentures	394	-	-	394
<b>Total non-derivatives</b>	<b>770</b>	<b>503</b>	<b>189</b>	<b>1,462</b>

## 40.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

#### 41. Capital management

The primary objective of the Group's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Group's debt-to-equity ratio was 1.48:1 (2019: 0.72:1) and the Company's was 0.78:1 (2019: 0.41:1).

#### 42. Events after the reporting period

42.1 On 12 January 2021, the meeting of the Board of Directors of a subsidiary No. 1/2021 passed the following resolutions.

- To approve the reselling of 98,500 treasury shares which are shares repurchased before the commencement of the project and could not be registered for capital reduction. The shares were resold on the Stock Exchange of Thailand, with incurred loss of Baht 43,120.
- To approve the reduction in the subsidiary's registered share capital of Baht 1,517,000 from Baht 1,054,903,750 (1,054,903,750 ordinary shares of Baht 1 each) to Baht 1,053,386,750 (1,053,386,750 ordinary share of Baht 1 each) in order to cut the subsidiary's registered shares that had been repurchased.

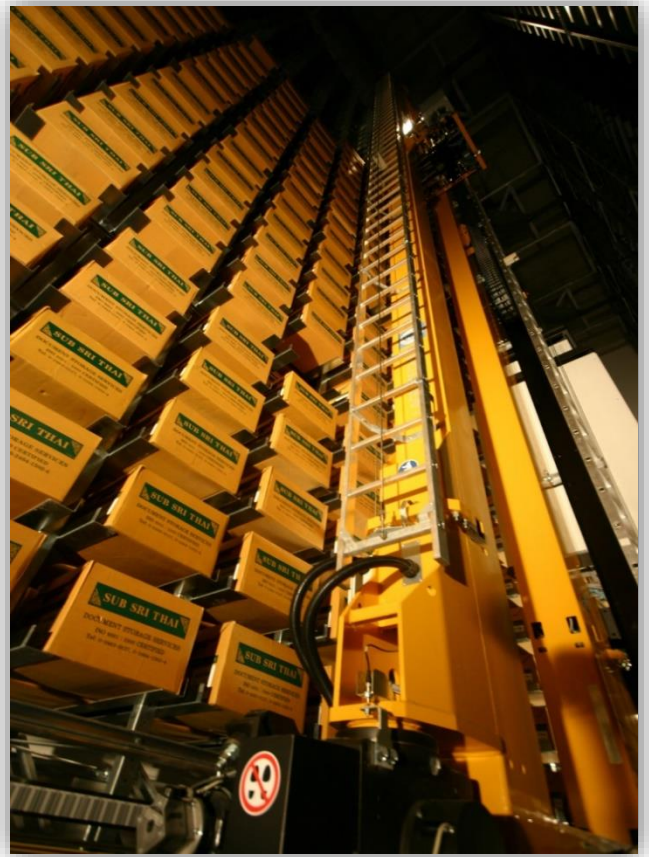
42.2 On 24 February 2021, the meeting of the Board of Directors of a subsidiary No. 2/2021 passed the following resolutions.

- To approve the increase in the subsidiary's registered share capital from Baht 1,053,386,750 million (1,053,386,750 ordinary shares of Baht 1 each) to Baht 1,685,418,800 million (1,685,418,800 ordinary shares of Baht 1 each) by issuing 632,032,050 million new ordinary shares with a par value of 1 each.
- To approve the change the company's name from "Mudman Public Company Limited" to "Mud & Hound Public Company Limited".

#### 43. Approval of financial statements

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







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