



ANNUAL **REPORT** 2018

S & J International Enterprises Public Company Limited

Financial Overview

CONSOLIDATED	2018	2017	2016
Financial Position and Operating Results (Thousand Baht)			
Total Assets	4,876,869	5,054,327	5,428,796
Total Liabilities	992,109	1,230,091	1,736,435
Shareholders' Equity of Parent Company	3,557,236	3,519,928	3,403,712
Sales	4,812,937	4,949,630	5,252,772
Total Revenues	5,078,834	5,116,095	5,379,624
Gross Profit	1,200,737	1,150,912	1,264,858
Profit attributable to equity holders of the parent	347,399	274,436	305,222
Information per Share (Baht)			
Par Value	1.00	1.00	1.00
Book Value	23.73	23.48	22.70
Earnings per share	2.32	1.83	2.04
Market Price at year end date	23.80	22.00	19.00
Dividend payment	1.26*	1.20	1.20
Financial Ratio			
Profitability (%)			
Return on Total Revenues	6.84	5.37	5.67
Return on Equity	9.01	7.30	8.51
Liquidity Ratio (Times)			
Current Ratio	2.46	1.85	1.36
Quick Ratio	1.30	0.95	0.76
Liquidity of Cash Flow from Operation	0.58	0.38	0.37
Efficiency Ratio (%)			
Return on Assets	7.00	5.24	5.68
Return on Fixed Assets	33.87	30.70	33.25
Financial Policy Ratio (Times)			
Debt to Equity Ratio	0.26	0.32	0.47
Interest Coverage	86.61	40.78	36.97
Payout Ratio (%) (The Separate Financial Statements)	50.02*	55.36	56.96

* The Board of Directors resolved to set dividend payment rate at 1.26 per share, for further proposal to the shareholder's general meeting for approval, on April 23, 2019.

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BOARD OF DIRECTORS



Mr.Boonkiet Chokwatana
Chairman



Mrs.Tipaporn Chokwatana
Vice Chairman



Mr.Thirasak Vikitset
Managing Director



Dr.Atthakorn Glankwamdee
Deputy Managing Director



Mr.Amorn Asvanunt
Chairman of Audit Committee



Admiral Apichart Pengsritong
Independent Director

BOARD OF DIRECTORS



Pol.Gen.Somchai Prabhasabhakdi
Director of Audit Committee



Mrs.Pradittha Chongwattana
Director Of Audit Committee



Mr.Surong Ongkosit
Director Of Audit Committee



Mrs.Pismai Chandrubeksa
Independent Director



Mrs.Kaewta Ongsaranakom
Director



Prof.Dr.Malyn Ungsurungsie
Director



Mrs.Chitraporn Vikitset
Director



Mrs.Teerada Ambhanwong
Director



Mr.Suthep Dansiriviroj
Director

Message from the Chairman

During 2018 many challenges arose in the overall business environment as a result of rapid changes in conditions resulting from both internal and external factors, namely political uncertainty, changing economic and financial policies causing currency exchange rate volatility, emerging trade barriers, as well as a number of other contributing events.

Notwithstanding, after fully assessing the current general situation, S&J adopted various new operational processes to increase production efficiency, controlling costs and expenditure to build further competitiveness, and create greater responsiveness to customer requirements. Moreover, the Company resolved to attract new customers both locally and overseas. This resulted in a profit before tax by the Company and its subsidiaries of 433.62 million baht, increasing by 33.34% over last year.

In addition, there was continued strong commitment to enhance transparent sustainable business guided by the respective codes of conduct related to social and environmental responsibilities. This led to being assessed at the level of “Excellent” CG Scoring” in the Corporate Governance Report of Thai Listed Companies 2018, also being in the top quartile of the Market Cap Group of 3,000-9,999 Million Baht.

Moreover, the Company set goals for successfully transforming into a comprehensive “innovation organization”. Hence, to serve customer requirements better with the latest quality products, all employees now can have the opportunity to help contribute to a wide range of new research and development projects. Accordingly, the National Innovation Agency (NIA) assessed S&J as a “Level 5” innovation organization, which is the top level they set jointly with the Stock Exchange of Thailand (SET) and Mahidol University College of Management.

Furthermore, as a result of the Company’s strong commitment to Corporate Social Responsibility (CSR) and Good Corporate Governance it received recognition from the Stock Exchange of Thailand as being a role model sustainable registered company by awarding S&J for the second year running in the SET Sustainability Awards 2018, and in the Thailand Sustainability Awards 2018 for the fourth consecutive year.

On behalf of the Board of Directors I would like to thank shareholders, business partners, company executives and all employees who have supported our business operations throughout, enabling us to increase economic value based on the principles of combining social and environmental responsibility, along with sustainable growth. We therefore hope very much to continue receiving such strong support from all for the future.



(Mr.Boonkiet Chokwatana)

Chairman

The Audit Committee's Report

In summary, The Audit Committee performed its duties and responsibilities as specified in the Audit Committee charter. The Audit Committee consists of knowledgeable and experienced personnel in reviewing financial statements. This year 2018, The Audit Committee consists of:

1. Mr. Amorn	Asvanunt	Chairman of Audit Committee
2. Pol.Gen.Somchai	Prabhasabhakdi	Director of Audit Committee
3. Mrs.Pradittha	Chongwattana	Director of Audit Committee
4. Mr.Surong	Ongkosit	Director of Audit Committee

The Committee held 5 meetings upon consultations with the management, the internal auditor, the external auditor as necessary. The results of each meeting were reported to the Company Board of Directors in order to take appropriate action. The Committee's main activities in 2018 are summarized as follows:

1. Reviewed financial reports to ensure that the financial statements preparation was in conformity with legal requirements and Thai Financial Reporting Standards (TFRS) , reliable and in timely manner, and information was sufficiently disclosed in such statements.
2. Reviewed disclosures of data on related transactions every quarter pursuant to the Notification of the Securities Exchange Commission of Thailand on: Disclosure of Information and Conduct by Listed Companies on Inter-related Transactions to ensure that they are correct and complete.
3. Reviewed in order to ensure that the Company conducted its business according to the Securities and Exchange law, regulations of the Stock Exchange of Thailand, and related laws.
4. Reviewed and assessed the adequacy of the internal control processes and gave recommendations for proper internal control processes and adequate internal auditing including promoting more efficient supervision of operations as well as promoting systematic risk management processes.
5. The external auditors were invited to attend the meeting with the Audit Committee on a quarterly basis to listen to explanation concerning the Auditor's report, results of the audit and review of financial statements, issues ensuing from the audit or review and recommendations on the internal control system and directions of Thai Financial Reporting Standards (TFRS) . The committee also held one meeting with the external auditor without company's management representative attending the meeting.
6. Reviewed annual audit plans, acknowledged the audit report and followed up on corrective actions of issues raised by the report, especially significant to ensure good corporate governance.
7. Considered, selected and proposed the appointment of independent individuals to act as the external auditor and proposed their remuneration prior to the Company's Board of Directors for their further submission to the shareholders for approval.
8. Suggestions and monitoring the improved work flow system that can be counter balance as the circumstance change and followed up on results of audit reports.

The committee has commented that the company has adequate internal control, risk management and internal audit. Also, in place work practices aligning with good governance, complies with laws requirements and obligations related to its businesses.



(Mr.Amorn Asvanunt)

Chairman of the Audit Committee

Corporate Business Policy and Business Overview

Quality Policy

We pledge to be a strong link in the supply chain. To our customers, we are committed to produce correct quality products, deliver them on time, and with competitive price. To our suppliers, we foster win-win partnerships that also enhance customer value. Our action will always be socially responsible and environmental friendly. Each employee will continue to improve and provide greater customer satisfaction through fast, flexible, and precise response.

Overview of Business

Over the past 30 years, S&J has responded to both the market trends and the needs of the cosmetics and beauty market. We provide a full range of services for brands retailers and our innovation has given rise to new market segments. We have been a leader in the business that offers the highest priority to the image in terms of form, design and packaging, efficient factories with high-quality technology. We are recognized and renowned for our expertise, as well as being recognized in the logistics network that is accessible around the world, and also marketing support that creates new standards in this industry.

Vission, Mission, Core Value and Business Development Plan

Vission

- Being a leader in the comprehensive beauty industry inspired by innovation in products and services to meet the direct needs of customers and consumers' behaviour in Thailand, Asia, and other regions.

Mission

- Expand customer base and revenue from the beauty product market to cover more both domestic and international, as well as expand opportunities and growth from new businesses, apart from being a manufacturer and being a leader in the comprehensive beauty industry.
- Expand sales and marketing capabilities both domestically and internationally, allowing target groups to access business and services easily, quickly, efficiently, and able to recognize the expertise and Corporate Brand that is the leader and trusted in the industry.
- Design, research, search, develop innovation, and create additional value for raw materials, packaging, mixed base products and new formulas in the beauty industry from the expertise of Company and partners that can quickly catch up the requirement of the customers behaviours and corresponding to the market.
- Increase efficiency and productivity in production and management with modern technology throughout the supply chain in price competition, quality, speed, safety and value, to create maximum satisfaction for customers.
- Operate the business for sustainable growth under good corporate governance that takes into account benefits, society and the environment, shareholders and all stakeholders, as well as seeking investment opportunities and new business expansion, developing the organization to the digital age to be an innovative organization, coupling with the continuous upgrading of the abilities and capabilities of personnel.

Core Value

- Target Focus
- Challenging ideas
- Success
- Unity
- Ethics

Business Development Plan

- **Short-Term Plan**

The Company will develop work processes to respond the needs of customers and be able to adapt in time to market conditions, product costs, currency fluctuations, customer needs, employees, as well as the requirements of partner countries that will have a significant impact to the Company's performance.

- **Long-Term Plan**

The Company will bring advanced technology to develop systems and processes to achieve fast accuracy to meet customer needs, and competitiveness in the market.

Events and Development Highlights

S & J International Enterprises PCL., started its business in year 1980 with the major shareholder group by SAHA Group, formerly the name of S & J Food Co., Ltd. with primary objective to produce instant food. Later, the company changed its business to manufacturing cosmetics with technical support from the specialists from the United States. In the year 1983, the company changed its name to S & J International Enterprises Co., Ltd. and in year 1988 the company has listed on the Stock Exchange of Thailand. In year 1994, the company registered as a public company in the name of S & J International Enterprises PCL.

- 1988 - Listed on the Stock Exchange of Thailand and Increase its registered capital to 30 million baht.
- 1994 - Registered as a public company and increased its registered capital to 120 million baht.
- 1996 - Established of EF Company Limited, registered capital 1 million, held 49.96% by the company, with business operation as a distributor of Personal Care consumer goods.
- 2001 - EF Company Limited (a subsidiary) increased its share capital from 3 million to of 4 million baht, held 99.99% by the company.
 - Constructed its building on an area of 10,000 square metres for production of Liquid Toiletry.
- 2003 - Changed its par value from 10 bath each to 1 baht each, resulted increase in share capital from 12 million shares to 120 million shares and increased in paid-up share capital from 8 million shares to 80 million shares.
 - Established Wild Life (Thailand) Co., Ltd. (a subsidiary), registered capital of 1 million baht, held 99.99% by the Company, with its business operation as consumer goods distributor of sunscreen and mosquito repellent cream.
- 2004 - Called up its share capital 20 million shares of 100 million baht.
 - Registered the change in paid-up capital from its original 80 million shares of 80 million baht to of 100 million shares of 100 million baht with the Ministry of Commerce on May 9, 2004.
- 2005 - Approved by the ordinary general meeting of shareholders No.26 on April 25, 2005 for the ESOP program and got approval from the Securities and Exchange Commission, on February 20, 2005 for offering new shares to employees of the company.
- 2006 - Issued warrants to purchase common stocks offered to directors and employees of the company and its subsidiaries under the ESOP program for 5 million shares, the proposed sale of securities to directors and employees of the company and its subsidiaries (ESOP), the number of 5 million unit rate. The exercise ratio is 1 unit to 1 common stock at the exercise price of 4 Baht per shares to allocate to exercise of the ESOP project of, 5 million shares for exercise period from March 10, 2006 to March 9, 2009.
- 2009 - Established S & J International (UK) Ltd. (a subsidiary), registered capital of 5 million baht, held 100% by the company, with its business operation to provide for the marketing and distribution of raw materials and packaging.
- 2010 - Constructed its building on an area of 8,000 square meters for producing Lipstick, chemical laboratory and biological microscopically, office and warehouse.

- 2011 - Increased its share capital of 45,186,500 shares by offering to the existing shareholders of the Company in proportion to their shareholding (Right Offering) at the price of 12 baht, in case of the remaining unsubscribed shares were offering to the private placement, The offering price must not lower than 90 percent of the average market share price.
- Constructed Pinthong plant on the space of 9,000 square meters, for manufacturing Liquid, Skin Care and Toiletry products.
- 2015 - Established 4WD Vision Co.,Ltd. (a subsidiary), registered capital of 10 million baht, held by the company at 99.99%, with its business operation of trading.
- Established SAAS co.,Ltd.(a subsidiary), registered capital is 20 million bah, held by the company at 99.99%, with its business operation to research and development of the cosmetic formulation.
- 2016 - Investment in Atika Beauty Manufacturing Sdn. Bhd. (an Associate) in Malaysia with registered capital of 5 million ringgit, held 35% by the company, with its business of manufacturing of halal cosmetics.
- The company has its registered share capital of 200,000,000.00 baht with paid-up share capital of 149,930,828.00 baht.

Moreover, the company has developed the following areas.

Management and Environment.

- 2007 - Established Risk Management Committee in order to manage risk more effectively.
- 2008 - Established Corporate Social Responsibility Committee in order to corporate social responsibility and the environment by focusing on the impact on shareholders and stakeholders.
- 2011 - Received the award for the responsibility of industry standard for society of year 2010 (CSR-DIW) from the Department of Industrial Works.
- Received Certification for Green Industry, level 3 : green system for environmental management system and monitoring the process and reviewed for continuous improvement from the Ministry of Industry.
- 2012 - Received the award for CSRI Recognition - Most Innovative CSR, listed company with innovative social responsibility.
- Received Commemorative Certificate from Chonburi province for the company which operate to promote and improve the quality of life for people with disabilities of year 2007 (2012 – 2015).
- Received the award for the quality safety conscious society (Quality Award) from the Office of the Food and Drug Administration.
- Received award from the Body Shop Best Supply Chain Improvement Award.
- 2013 - Received the SET Awards 2013, listed companies with market capitalization between 2000- 10,000 million baht for outstanding award for Corporate social responsibility.
- Received the award for CSRI Recognition - Most Innovative CSR, listed company with innovative social responsibility.
- Received the rate of "excellent" level in a survey of corporate governance of listed companies for the year 2013, held by Thai Institute of Directors Association (IOD).
- Received the awards from the Body Shop : Best Supplier Award

- 2014**
- Received the SET Awards 2014, listed companies with market capitalization during 2,000- 10,000 million baht, outstanding award for Social Responsibility.
 - Received the award for the CSRI Recognition - Most Innovative CSR, innovative social responsibility listed company.
 - Received the award for the Investors ' Choice Award by received 100 scores for 4 consecutive years (2011- 2014) from Thai Investors Association.
 - Received ESG100 Certificate 2014 which is 1 in 100 listed companies from Thaipat Institute. Outstanding in the business of sustainable environmental, social and corporate governance (Environmental, Social and Governance : ESG100).
 - Improved the evaluation system for personnel in assessment behavior through the process of Competency Model and results of operations through the preparation of strategic KPI.
- 2015**
- Established Corporate Governance Committee, to support the operation of the Board of Directors in corporate governance of the company, which supports various operations to achieving objectives and target which create value added and confidence to shareholders and stakeholders in all sectors.
 - Received Thailand Sustainability Investment award of year 2015 award from the Securities Exchange of Thailand.
 - Received the ESG100 Certificate of year 2015 which is 1 in 100 listed companies from Thaipat Institute, Outstanding in the business of sustainable environmental, social and corporate governance (Environmental, Social and Governance : ESG100).
- 2016**
- Received the ESG100 Certificate 2016 which is 1 in 100 listed companies from Thaipat Institute, Outstanding in the business of sustainable environmental, social and corporate governance (Environmental, Social and Governance : ESG100).
 - Received the Award of establishment under the pilot project for preparation of practical guidelines for Best Practice to Green Supply Chain industry's target for exports, from the Department of Primary Industries and Mines.
 - Certified as a member of Collective Action Coalition Against Corruption (CAC) on October 14, 2016 that reflects business with integrity, transparency, and good internal controls by aware of all stakeholders.
 - Received the SET Awards Innovation of year 2016, Excellent award from the Securities Exchange of Thailand.
 - Received the Sustainability Investment Thailand award of year 2016 from the Securities Exchange of Thailand.
- 2017**
- Received the SET Awards of year 2017, Best Innovative Company Award from the Securities Exchange of Thailand.
 - Received the Outstanding SET Sustainability Award 2017 from the Securities Exchange of Thailand.
 - Received the Sustainability Investment Thailand award of year 2017 from the Securities Exchange of Thailand.
 - Received the ESG100 Certificate of year 2017 which is 1 in 100 listed companies from Thaipat Institute, Outstanding in the business of sustainable environmental, social and corporate governance (Environmental, Social and Governance : ESG100).

- Received "FDA quality awards competition 2017" from the Office of the Food and Drug Administration. This award is intended to recognize establishments to do well, morality and ethics, produce products that are standard and safe for consumers.
 - Received national award for workplace excellence; Occupational Safety, Health, and Environment (Gold Level). The award was given by Department of Labor Protection and Welfare.
- 2018**
- Received "SET Awards of year 2018", Outstanding Innovative Company Awards from the Securities Exchange of Thailand.
 - Received "Outstanding SET Sustainability Award 2018" from the Securities Exchange of Thailand.
 - Received "the Thailand Sustainability Investment award of year 2018" from the Securities Exchange of Thailand.
 - Received "ESG100 Certificate of year 2018" which is 1 in 100 listed companies from Thaipat Institute, Outstanding in the business of sustainable environmental, social and corporate governance (Environmental, Social and Governance : ESG100).
 - Received "TOP INNOVATIVE ORGANIZATION 2018" from National Innovation Agency (Public Organization), the Securities Exchange of Thailand and the College of Management Mahidol University. The company has been assessed to be at level 5, which is the highest level with outstanding development in innovative strategies and create an innovation culture in the organization systematically as well as being able to lead the organization to innovation excellence in a sustainable manner.
 - Received "FDA quality awards competition 2018" from the Office of the Food and Drug Administration. This award is intended to recognize establishments to do well, morality and ethics, produce products that are standard and safe for consumers.
 - Received National award for workplace excellence; Occupational Safety. The award was given by Department of Labor Protection and Welfare.

Internationally Quality standards.

- 1994** - Certified as manufacture cosmetics (GMP) in 1 of the first 9 company by the Office of the Food and Drug Administration, the Ministry of Public Health.
- 1999** - Certified the International Standards ISO 9001: 1994 for Design & Manufacturing of Skin Care, Body Treatment, Toiletries, Colour Cosmetic, Hair Care, Sun Products, Perfume and Baby Products. from RWTUV (Thailand).
- 2002** - The company is certified to international standards ISO 9001: 2000 for Design & Manufacturing of Skin Care, Body Treatment, Toiletries, Colour Cosmetic, Hair Care, Sun Products, Perfume and Baby Products from RWTUV (Thailand).
- 2003** - Certified the environmental management system ISO 14001:1996 for the Manufacturing of Skin Care, Body Treatment, Toiletries, Cosmetic, Sun Care, Hair Colour Products, Perfume and Baby Products from RWTUV (Thailand)
- 2004** - Certified the testing laboratories ISO / IEC 17025: 1999 for determine the Aerobic Bacteria in the category of cosmetic lotion (Deternubation of aerobic bacteria (Spread plate)) from the Department of Medical Sciences, the Ministry of Public Health.

- 2007 - Certified the testing laboratories ISO / IEC 17025: 2005
- 2008 - Expanded the Scope of Accreditation for Testing standards ISO / IEC 17025: 2005 for sunscreen products in powder and lipstick, from Bureau of Laboratory Quality Standards Department of Medical Science.
- Certified the management system for occupational health (BS OHSAS 18001:2007), manufacturing of Skin Care Treatment, Body Manufacturing, Toiletries, Cosmetic, Sun Care, Hair Colour Products, Perfume and Baby Products from RWTUV (Thailand), which is renewed every 3 years.
- 2009 - GMP standards to GMP ASEAN HARMONIZED.
- 2010 - Certified the International Standards, ISO 9001: 2008 for Design & Manufacturing of Skin Care, Body Treatment, Toiletries, Colour Cosmetic, Hair Care, Sun Products, Perfume and Baby Products. The TUV NORD (Thailand).
- Expanded the Scope of Accreditation for Testing standards ISO / IEC 17025: 2005 Preservative Efficacy Test by the European Pharmacopoeia from Bureau of Standards Laboratories.
- 2012 - Expanded the Scope of Accreditation for Testing standards ISO / IEC 17025: 2005, Preservative Efficacy Test, Total Aerobic Plate Count, Yeasts and Molds Count, Gram Negative Bacteria, Staphylococcus aureus, Escherichia coli, Pseudomonas aeruginosa, Clostridium spp. and Candida albicans with the United States Pharmacopoeia from Bureau of Laboratory Quality Standards Department of Medical Science.
- Certified the international standard ISO 22716: 2007 (Cosmetic GMP) from TUV NORD (Thailand).
- 2013 - Certified the cosmetic good manufacturing practice (GMP) of the Food and Drug Administration, the Ministry of Public Health at Pinthong Factory.
- 2016 - Certified the International Standard, ISO 22716: 2007 (Cosmetic GMP) from TUV NORD (Thailand) at Pinthong Factory.
- 2017 - Certified the International Standards, ISO 9001: 2015 for Design & Manufacturing of Skin Care, Body Treatment, Toiletries, Colour Cosmetic, Hair Care, Sun Products, Perfume and Baby Products. The TUV NORD (Thailand).
- Certified the Environmental Management System ISO 14001:2015 for manufacturing of Skin Care, Body Treatment, Toiletries, Cosmetic, Sun Care, Hair Colour Products, Perfume and Baby Products from RWTUV (Thailand)
- 2018 - Recertified the International Standard, ISO 22716: 2007 (Cosmetic GMP) from TUV NORD (Thailand).
- Recertified Thai Labour Standard Certification (TLS.8001:2010) from Department of Labour Protection and Welfare, Ministry of Labour.
- Certified Halal certification mark from the Central Committee Islam of Thailand.

Shareholding structure for companies under S & J

Policy of Dividing The Company's Operations in Group

S & J

The company is responsible for the design, research and development and sourcing of raw materials and packaging. Production is planned with cooperating with customers, and factory production to meet the needs of our customers.

Subsidiaries

A group of companies which supports the business of the company and is significant as its business unit meanwhile the company is their major investor. Affiliates are also a group of companies which is supervised by the company closely in order to ensure the pursuit of the company's policy as well as to have an efficient service. The companies in this type are as follows :

- Top Trend Manufacturing Co., Ltd. (TTM)
- Wildlives (Thailand) Co.,Ltd. (WL)
- EF Co.,Ltd. (EF)
- S & J International (UK) Ltd. (S&J - UK)
Guangzhou S & J Cosmetic Co., Ltd. (S&J - China)
4WD Vision (HK) Co.,Ltd. (4WD - HK)
- 4WD Vision Co.,Ltd. (4WD)
- SAAS Co.,Ltd. (SAAS)

Remark : Shareholding in the company, Guangzhou S & J Cosmetic Co.,Ltd. and 4WD vision (HK) Co.,Ltd. an indirect shareholding of the company through S & J International (UK) Ltd.

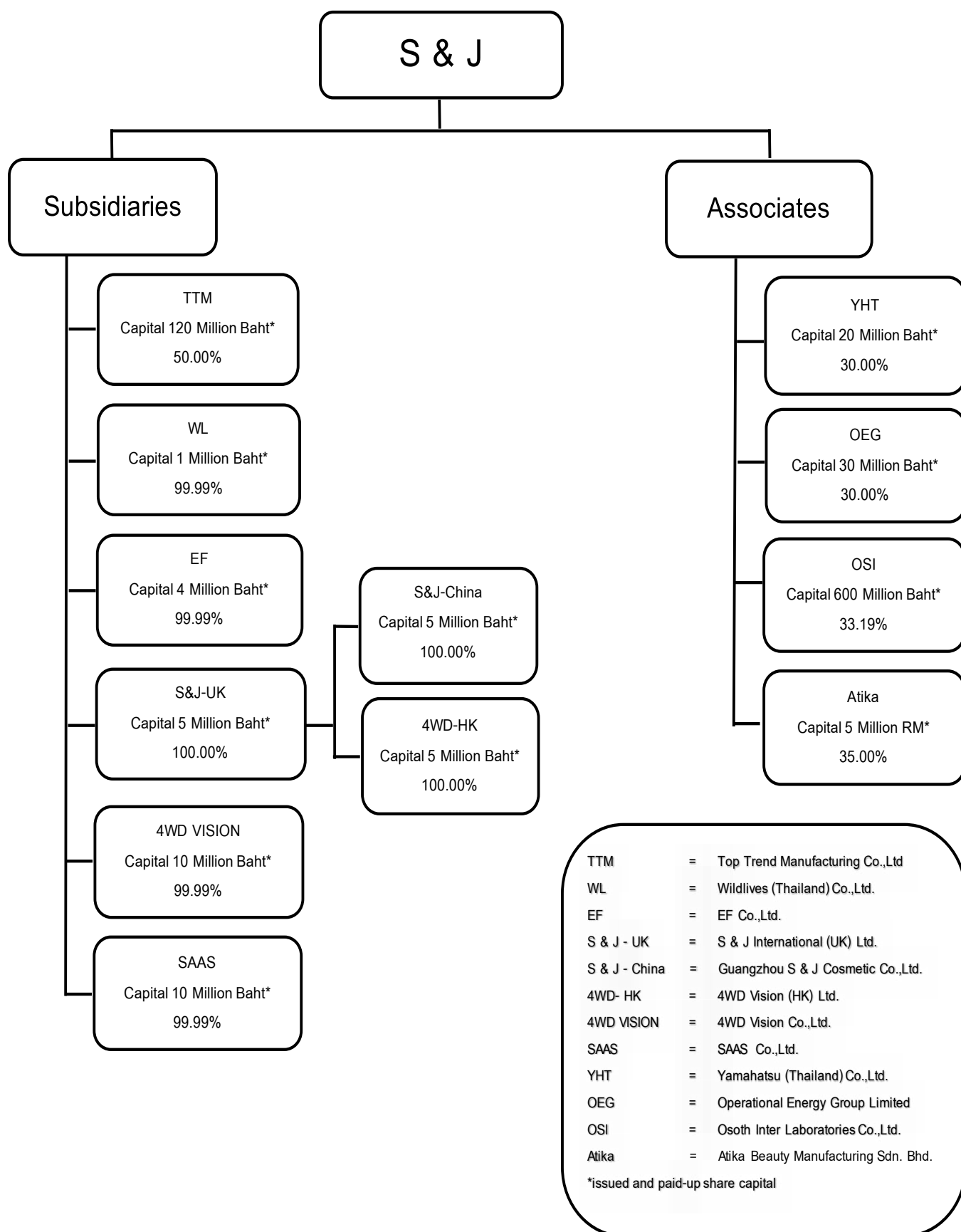
Associates

A group of companies which have investment ratio with its affiliates in order to provide benefits to the company strategically and for business coordination especially in form of various product development besides company's products. The companies in this type are as follows:

- Yamahatsu (Thailand) Co.,Ltd. (YHT)
- Operational Energy Group Limited (OEG)
- Osoth Inter Laboratories Co.,Ltd. (OSI)
- Atika Beauty Manufacturing Sdn. Bhd. (Atika)

The company's operating policy is to establish delegation within the group by each company having their own Board of Director to oversee and be responsible for their own company. Each Board of Directors has freedom to take care and supervise the company's activities under their own authority and designated responsibilities.

Shareholding structure for companies under S & J



Cross-shareholding as of December 31, 2018

While the company allows the structure for cross-shareholding, nevertheless, such cross-shareholding is not of the nature conflicting with nor contradicting to the announcement by The Capital Market Supervisory Board no. Thor Chor 258/2008 regarding “the permission request and the permission to offer newly-issued shares” no. 14. The company has acquired shares because of receiving a good rate of return in dividends payment every year and it is beneficial business to each other.

Company name	Shareholding Percentage	
	Shareholding by the company	Shareholding in the company
1. In the case of over 50% shareholding		
1.1 Other companies holding over 50% shares in the company. Cross-shareholding by the company in other companies is not allowed.	-	-
1.2 The company holding over 50% shares in other companies. Cross-shareholding by other companies in the company is not allowed.	-	-
1. Top Trend Manufacturing Co.,Ltd.	50.00	-
2. Wildlives (Thailand) Co.,Ltd.	99.99	-
3. EF Co.,Ltd.	99.99	-
4. S & J International (UK) Ltd.	100.00	-
5. Guangzhou S & J Cosmetic Co., Ltd. (100% shareheld by S&J UK)	100.00	-
6. 4WD Vision (HK) Co.,Ltd. (100% shareheld by S&J UK)	100.00	-
7. 4WD Vision Co.,Ltd.	99.99	-
8. SAAS Co.,Ltd.	99.99	-
1.3 The company holding over 50% shares in 2 other companies and Cross-shareholding between other such companies is not allowed.	-	-
2. In the case of over 25% shareholding, but not exceeding 50% shareholding		
2.1 Other companies holding over 25% but not exceeding 50% shares in the company. Over 10% cross-shareholding by the company in other companies is not allowed.	-	-
2.2 The company holding over 25% but not exceeding 50% shares in other companies. Over 10% cross-shareholding by other companies in the company is not allowed.	-	-
1. Yamahatsu (Thailand) Co.,Ltd	30.00	-
2. Operational Energy Group Co.,Ltd.	30.00	-
3. Osoth Inter Laboratories Co.,Ltd	33.19	-
4. Atika Beauty Manufacturing Sdn. Bhd.	35.00	-

Company name	Shareholding Percentage	
	Shareholding by the company	Shareholding in the company
3. In the case of not exceeding 25% shareholding		
3.1 Other companies holding not exceeding 25% shares in the company. Over 25% shareholding by the company in other companies is not allowed.	-	-
3.2 The company holding not exceeding 25% shares in other companies. Over 25% shareholding by other companies in the company is not allowed		
1. Saha Pathana Inter-holding Public Company Limited (SPI)	0.32	16.03
2. I.C.C. International Public Company Limited (ICC)	0.35	14.61

Relationship with major shareholder business group

The company was engaged in business transactions with Saha Pathana Inter-Holding Public Company Limited and I.C.C. International Public Company Limited, major shareholder of the company which were normal business transactions.

Corporate Business Nature

Revenue Structure

		%	2018		2017		2016	
Saperated Revenue of each company		Shareholding of Company	Million Baht	%	Million Baht	%	Million Baht	%
Manufacturing and Others Business Income								
Manufacturing of Cosmetic								
S & J International Enterprises PLC.	Domestic	-	1,841.6	31.78	1,884.6	32.10	1,973.0	32.70
	Oversea		1,984.6	34.24	2,179.2	37.12	2,534.6	42.01
Total Manufacturing of Cosmetic			3,826.2	66.02	4,063.8	69.22	4,507.6	74.71
Manufacturing of Packaging								
Top Trend Manufacturing Co.,Ltd.	Domestic	50.00	1,038.5	17.92	942.8	16.06	821.7	13.62
	Oversea		96.1	1.66	106.8	1.82	105.0	1.74
Total Manufacturing of Packaging			1,134.6	19.58	1,049.6	17.88	926.7	15.36
Others Business								
Wildlives (Thailand) Co.,Ltd.	Domestic	99.99	10.3	0.18	10.9	0.18	13.9	0.23
	Oversea		-	-	-	-	-	-
EF Co.,Ltd	Domestic	99.99	20.2	0.35	22.6	0.38	22.8	0.38
	Oversea		-	-	-	-	-	-
S & J International (UK) Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea		264.4	4.56	272.8	4.65	242.2	4.01
Guangzhou S & J Cosmetic Co.,Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea		-	-	-	-	0.2	0.00
4WD Vision (HK) Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea		59.0	1.02	58.0	0.99	64.4	1.07
4WD Vision Co.,Ltd.	Domestic	99.99	64.3	1.11	21.5	0.37	2.8	0.05
	Oversea		2.9	0.05	1.0	0.02	-	-
SAAS Co.,Ltd.	Domestic	99.99	0.7	0.01	0.5	0.01	-	-
	Oversea		-	-	-	-	-	-
Total Others Business			421.8	7.28	387.3	6.60	346.3	5.74
Total Manufacturing and Others Business Income			5,382.6	92.88	5,500.7	93.70	5,780.6	95.8
Other Income			370.3	6.39	302.8	5.16	206.8	3.43
Share of profit of investment in associates			42.4	0.73	66.7	1.14	46.1	0.76
Total Income			5,795.3	100.00	5,870.2	100.00	6,033.5	100.00

Remark : Additional information are disclosed in the Notes to Financial Statements for the year ended December 31, 2018 No.28 :

Financial Information by Segment.

Significant developments during the past year

S & J International Enterprises Public Company Limited.

● Product Design or Service

The Company is a leading manufacturer in the beauty and cosmetic industry for over 30 years providing comprehensive OEM / ODM services. It covers research and development, product research with innovations, product design and packaging, product development according to customer needs, product production with modern and standardized machinery and technology, as well as design concepts with business and marketing strategies to customers both at domestic and abroad and also including start-ups business. In addition, the Company has been certified with world-class quality standards from these quality standards certificates, creating confidence in the quality of products for customers, such as:

- GMP certificates from Food and Drug Administration, Ministry of Public Health .
- ISO 9001 : 2015 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ISO 14001 : 2015 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ISO 17025 cosmetic-lotion from Department of Medical Sciences, Ministry of Public Health.
- OHSAS 18001 : 2007 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- CSR – DIW (Corporate Social Responsibility - Department of Industrial Work) Certificate or equivalent to ISO 26000
- ISO 22716 : 2007 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ESG 100 (Environmental Social Governance 100) certificates from Thaipat Institute
- Halal certification mark from the Central Committee Islam of Thailand
- Thai Labour Standard Certification (TLS.8001:2010)
- Being a member of the Sedex Members Ethical Trade Audit (SMETA) or SEDEX

● Marketing and Competition

Current opportunities and challenges in the changing of consumers who want novelty and modernity at all times, therefore making the product life cycle shorter than before. Besides, consumers can easily access news via various social media, including Real Influencer, as well as the consumer participation in the design and development of the desired product, which sticks the operators to the situation and genuinely understand the needs of customers. Therefore, the Company needs to adjust the way of thinking and new work processes to work in the design of products that are ready for sale and remain in the current, as well as adjusting the work processes to be concise and shorter to meet the digital age marketing demands.

Also, consumers are increasingly interested in natural products that are more environmentally friendly and safe, resulting in research and development of new products that use natural herbs as raw materials for the production of cosmetic products which is likely to grow more rapidly.

The Company uses marketing strategies by emphasizing the quality of products at high standards, including designing packaging of products to be beautiful, modern, convenient to use. In addition, there is research and product development to add new products to meet the needs of such customers and expand the base to new customers to strengthen stability and increase the potential of sustainable business growth. Pricing will take into account the image of

the product, the production cost, and the marketing cost as the basis by emphasizing the suitability of the quality with the price that attracts the attention of the customer and taking into account the highest satisfaction of the customer.

- **Materials Sourcing or Service**

Materials and packaging were sourced from both domestic and foreign suppliers who are specialized in their field. They are equipped with modern production technology and machinery, also having good standards of quality control systems. Raw materials and packaging were ordered and directly shipped to S & J, and our customers gained more confidence in these suppliers. Materials were mainly locally sourced.

- **Trend of Industry and Competitive Condition in Future**

Cosmetic competition for both domestic and overseas is still high, in part due to changing consumer behavior in relation to health more. For hit products, the quality and pricing of the products are major factors in determining the competition. The company continued to emphasize on human resource developments, and overall management in order to create satisfaction and relationship with customers in expanding the market for both domestic and overseas.

Top Trend Manufacturing Co., Ltd.

- **Product Design or Service**

Most of the products are cosmetic and medicine which were produced to meet customer's requirements by selecting common or specific mold. In receiving ISO 9001 : 2000 certificate from BVQI in early 2003 and converted to a Quality Management System ISO 9001:2008 from TUV NORD institutions in late 2012 as well as to be certified adding more to system GMP standard in tube products. This will give customers confidence in the quality of our products and services even more.

- **Market and Competition**

Competition in the plastic packaging in terms of design, pricing, condition of orders and delivery time keep increasing. Top Trend emphasized in efficiency and productivity by developing employee know how in production technique, also letting employees participate in fine tuning new product designs in order to better compete.

- **Materials Sourcing or Service**

The supply of good quality of raw materials at reasonable price is the core of company's sourcing. These materials were mainly locally sourced from domestic producers, and new materials were increasingly sourced that did not effect product quality, but decreased cost of production.

- **Trend of Industry and Future Competition**

Expanding use of domestic packaging is still on an up trend with competition both in pricing and fast service are still the market requirement. Top Trend emphasized human resource development and quality management in order to build up customers' satisfaction, and its relationship in expanding markets both domestic and foreign.

Wildlives (Thailand) Co., Ltd.

- **Product Design or Service**

The company developed "Wild Lives" to market personal care products for protecting UV and insecticide, taking care of, and cleaning the body to be used for travelling, sight seeing and open air activities, and able to use in daily life. In the present, there are two main products group, i.e. sun-protection products and mosquitoes-protection products.

- **Marketing and Competition**

The company expanded its market and distribution channels over last year, especially in tourism areas in the southern and eastern parts of Thailand, in addition to the tourist places in northern part of Thailand, namely Chiang Mai, Chiang Rai, Mae Hong Son, etc. along with market expansion to ASEAN, such as Cambodia, Myanmar, Laos by focusing on drugstores and developing new products and marketing strategies in order to be in a competitive market but still mainly focus on key marketing strategies for success of the company.

- **Materials Sourcing or Service**

Wildlive (Thailand) Co.,Ltd. hired an affiliate company and another non affiliate company, both with ISO9001 and GMP certificates, to manufacture and source out new materials, and develop products to meet requirements of customers who were the target group, and to be in line with the market direction. Therefore, there were no effects on sourcing products as well as its quality.

- **Trend of Industry and Future Competition**

Personal care products for tourism still have a tendency to grow together with the growth of tourism, which is highly supported in Thailand including the behaviors of domestic consumers on use of the products has a trend to use this category of products more that will affect the fierce competition particularly during the Thailand summer with 25% from period of April to May in which the growth is at the maximum of 55% compared to the average sales of the year.

EF Co., Ltd.

- **Product Design or Service**

EF is the distributor of consumer products and industrial supplies, the owner of product brand name "EXFAC" and household product brand name "BIO-EX". Also, personal care products as well as industrial supplies from other traders.

- **Marketing and Competition**

Emphasize to approach customers, in form of meeting, care and good service by dividing into categories as follows:

1. **BIO-EX** – competing at medium level due to other trading firms import products having brand name and none brand name offer to customers. But at present every company accounts for easiness of handling both personnel and sourcing goods. So, the housekeeping company is hired to look after instead.
2. **EXFAC** - Competing at medium level. Most of this group will focus on the shower cream including liquid hand soap which is preferred by customers in the service place group is still possible.
3. **Group of material for manufacturing and transportation** - Competing at a high level as the product is used for consumption and needed of a factory in the industrial area. The requirements will vary with the size of the plant, such as OPP tape, stretch wrapping paper and other.

- **Materials Sourcing or Service**

The Company has appointed/hired qualified manufacturers who have good manufacturing practice and are certified at international standard, both in and outside group to develop and manufacture products to meet the needs of consumers in the target group. The company has capacity in sourcing to supply the needs of their customers and meet the growing market in the future.

- **Trend of Industry and Competitive Condition in Future**

Trend of industry and competitive conditions remain high in terms of pricing. The company emphasized in meeting, approaching and understand the needs of entrepreneurs closely. We account for as consultant rather than goods offering in order to sustain existing markets as well as continuing to expand new markets.

S & J International (UK) Ltd.

- **Product Design or Service**

The main activities of S & J International (UK) Ltd. are providing marketing services coupled with trading of raw materials and packaging relating to cosmetic manufacturing industry and beauty care products.

- **Marketing and Competition**

Main customers are within the cosmetic manufacturing industry, and distributors of beauty care products, for which the company focused on marketing of various raw materials and packaging components. In each case it is important to consider quality, price and quick response to the diverse needs of customers. Additionally, the Company is also providing services to customers, who want to expand their consumer market base in United Kingdom.

- **Materials Sourcing or Service**

There exists a wide variety of manufacturers, and many in United Kingdom and neighboring countries. Hence, the company can select high quality raw materials and packaging for customers, which can be used to produce goods to be sold in markets around the world.

- **Trend of Industry and Competitive Condition in Future**

The competition emphasis on product quality and delivery, therefore United Kingdom is important market for cosmetics and beauty care products. Hence, consumer preferences will set the style, and design for the United Kingdom market, for which the company will closely monitor market trends in order to respond to business needs.

Guangzhou S & J Cosmetic Co., Ltd.

- **Product Design or Service**

The main activities of Guangzhou S & J Cosmetic Co., Ltd. are providing marketing services coupled with trading of raw materials and packaging relating to cosmetic manufacturing industry and beauty care products.

- **Marketing and Competition**

Main customers are within the cosmetic manufacturing industry, and distributors of beauty care products, for which the company focused on marketing of various raw materials and packaging components. In each case it is important to consider quality, price and quick response to the diverse needs of customers. Additionally, the Company is also providing services to customers, who want to expand their consumer market base in China.

- **Materials Sourcing or Service**

There exists a wide variety of manufacturers, and many in China and neighboring countries. Hence, the company can select high quality raw materials and packaging for customers, which can be used to produce goods to be sold in markets around the world.

- **Trend of Industry and Competitive Condition in Future**

The competition emphasis on product quality and delivery, therefore China is important market for cosmetics and beauty care products. Hence, consumer preferences will set the style, and design for the China market, for which the company will closely monitor market trends in order to respond to business needs.

4WD Vision (HK) Ltd.

- **Product Design or Service**

The main activities of 4WD Vision (HK) Ltd. are providing marketing services coupled with trading of raw materials and packaging relating to cosmetic manufacturing industry and beauty care products.

- **Marketing and Competition**

Main customers are within the cosmetic manufacturing industry, and distributors of beauty care products, for which the company focused on marketing of various raw materials and packaging components. In each case it is important to consider quality, price and quick response to the diverse needs of customers. Additionally, the Company is also providing services to customers, who want to expand their consumer market base in Hong Kong.

- **Materials Sourcing or Service**

There exists a wide variety of manufacturers, and many in Hong Kong and neighboring countries. Hence, the company can select high quality raw materials and packaging for customers, which can be used to produce goods to be sold in markets around the world.

- **Trend of Industry and Competitive Condition in Future**

The competition emphasis on product quality and delivery, therefore Hong Kong is important market for cosmetics and beauty care products. Hence, consumer preferences will set the style, and design for the Hong Kong market, for which the company will closely monitor market trends in order to respond to business needs.

4WD Vision Co., Ltd.

Product Design or Service

4WD Vision Co., Ltd. is a fully integrated beauty services trading company, focusing on trading raw materials, packaging, and other beauty related items to be supplied primarily to Thai, and AEC markets.

- **Marketing and Competition**

As a new business, the Company is building a product portfolio to meet the increasing needs of consumers, and manufacturers in the AEC region, with a wide range of beauty products, and services.

- **Material Sourcing or Service**

Initially, 4WD Vision Co., Ltd. is working in close co-operation with other S & J trading entities, to source products and materials from Europe, Asia and America, to build viable supply chain operations for its AEC business.

- **Trend of Industry and Competitive Condition in Future**

Thailand is increasingly a key trading destination in the region, and as respective markets expand, and the inter-country flow of goods, and services become easier to facilitate, it will present significant opportunities for Thai companies to participate in new growth businesses.

SAAS Co.,Ltd.

- **Product Design or Service**

Research and development services, including preparation of the raw material and the product's formula, used with an emphasis on health and beauty products, cosmetics, as well as serving as the primary analysis of this major product with chemical method. Microbiology and wakaiphap cheese. It also serves as the basic formula products Semi-finished product and recipe of cosmetic products in small quantities, list of additional services can be conducted in accordance with the request made.

- **Marketing and Competition**

Research and development is considered as a main strategy in which a competitor in the market related to research and development of products that belong to a private company, then there is very little even in the cosmetics industry. Mostly focuses on impersonation and development. The lack of serious research and development operations are often more than a leader who makes business growth not progressed as expected, while the world's leading industrial companies. Most research and development departments or agencies to bring innovation and knowledge that has been creating and improving our products, including the processes and services that can meet the needs of the market. So a cosmetic business of these companies successful and sustainable progress. For this reason it is a good chance that the company's research and development services provider for responding to the cosmetics industry, both in Thailand and abroad who want to research and develop materials and formulations of cosmetic products that stand out from competitors. Including the quality and price.

- **Material Sourcing or Service**

Because the company's aim to provide research and development as well as preparation of materials and products, recipes, health and beauty care with an emphasis on cosmetic products is primary. In the majority of tasks related to research and development or preparation of raw materials used in products that come from natural sources, to create value for the resources of the country is important. There is also a variety and have a chance to get something of value as desired. This is an action to get what you want from a natural source. Require additional substances to be used in the extraction of the desired message comes out. Which supply these additional substances to look for or produced in the country, Thailand. For the formula of the product. If the customer proposition came from the company itself, the target is focused on containing elements or ingredients, natural ingredients and can supply or production in the countries of Thailand, most. This is to protect the environment and provide benefits to the nation the most. However, if there is a need for components that can not be procured locally. May be imported from foreign parts.

- **Trend of Industry and Competitive Condition in Future**

From the Government's support, said that Project "Thailand 4.0" has forecast to business groups, industries, health and beauty products are subject to research and development, particularly of raw materials that are used as components in products mentioned in this agricultural produce. To maximize the potential of the biological diversity of the country, including academic institutions and research organizations of the State are interested in research and development of products from natural sources, with more biodiversity. Only by adding value as the final output can lead to more business. All of this country's research funding is now several sources highlighting the funding support for research projects that have opportunities or potential leads to economic value added, and some donors emphasize the need to have a partnership with the private sector. So look at dementia research and development in the industry are increasing. Dedicated to cooperation with academic institutions or research organisation of the State in which such dementia will make the company's competitors are more and more competitive environment of companies in the future will be more. Both these alliances have the opportunity to make such a race was reduced.

Operational Energy Group Limited

- **Product Design or Service**

OEG is a service provider for operation and maintenance to private Power Plants as well as local and overseas industrial factories and Leased engine service including Technical Due Diligence of power plant for Financial Advisor.

- **Marketing and Competition**

Operation and Maintenance business (O&M) is competitive as there are many local service providers and foreign experts coming into the business. Due to capability of power reserve is at stable condition and power consumption demand has tendency to increase per economic growth, we believe that it is a good opportunity to expand its customer base.

- **Material sourcing or Service**

OEG maintains quality and performance of sourcing products and services by efficiently appraising suppliers, or service providers and looks for new and qualified suppliers with strong management.

- **Trend of Industry and Future Competition**

An expanding of economics that keep increasing effected to the confidence of daily need products manufactures and service providers to invest or increase their capacities resulting to consume more electricity proportionately, caused the state and private industrial producers to expand its capacities. It is company's opportunity to speed up producing results to existing customers and public in order to be used as reference to increase customers in future.

Yamahatsu (Thailand) Co., Ltd.

- **Products Design or Services**

In 2018 the company has increased production, added more model products and new products to replace the original products. By changing manufacture formula and packaging in order to meet market needs of consumers. For foreign customers, the company has expanded more products series.

- **Marketing and Competition**

The company sold thru Hub Distribution Centers in Thailand which its customers in domestic and in several countries in Asia. They have expanded its customer several countries in Asia and update new products per requirement of customer markets resulting in sales increased.

- **Materials Sourcing or Service**

The Company have more selected of raw materials. In addition to improve inventory increased in production enableing the company can reduce the cost of raw materials from the volume of orders increased resulting in cost and price of products are competitive in the market.

Some raw materials especially chemicals that are from the oil group, its price have been increased in accordance with market forces caused the company to use strategies in purchasing such as comparing the purchase price, planning an appropriate order to obtain raw materials at cheap price and good quality standards.

- **Trend of Industry and Future Competition**

The company has been planning the formulation of products by changing formula to high-quality and used raw materials that are not specific to each formula, more than necessary. So that the company don't have to purchase a variety of materials but the purchase of raw materials on a few items at lower prices in order for costs of production can compete in the marketplace. Number of sales order increased in Asia region support the company in enabling to better manage purchase.

Osoth Inter Laboratories Co., Ltd.

- **Products Design or Services**

The company is a manufacturer and distributor of pharmaceuticals including food supplements.

- **Marketing and Competition**

The company put the marketing into 3 channels.

Domestic : Company distribution channels to cover the whole country, such as hospitals, both public and private sectors. Hospitals, clinics and drug stores, focusing on strategies to compete with the production quality. Research and development of new recipes and good service with reasonable price, so that patients can have access to the drug, and the company is also a market leader in cardiovascular medication continuously for a long time.

Oversea : The company is selling in foreign countries such as Myanmar, Laos, Cambodia and plans to expand overseas markets increased because the company has been certified with international manufacturing standards, such as European standards (GMP- PIC/S: Good Manufacturing Practice-Pharmaceutical Inspection Co-operation Scheme) และ ISO 9100 : 2015

OEM: Original Equipment Manufacturing : The company has gained the trust of leading pharmaceutical companies, pharmaceutical and food supplement is a lot for a long time.

Competition

Price competition is also a key factor in the domestic market. The company emphasized quality to produce product strategies and managing the cost, there are numerous so as to compete with rivals.

For the overseas market, the companies focus on quality strategy and global service to allow competition in the global market.

- **Materials Sourcing or Service**

The company has sourcing of raw materials and packaging per consumers' need. The companies as distributors are major raw material suppliers who are certified ISO 9001 and GMP.

- **Trend of Industry and Future Competition**

Pharmaceutical industry is likely to use more advanced medicines.

1. The Government has a policy to use medicines in countries with national health insurance project, all 3 systems of Thai people.

2. The integration of ASEAN (AEC = Asian Economics Community) that result in the registration of medicines in ASEAN, can use the same set of documents. Thus, as a result of the positive export in ASEAN member countries together.

Future Competition

Because the integration of the ASEAN Economic Community (AEC). Cause increased competition from all Member countries, 10 countries that the group will expand the market in Thailand more. The company has prepared a plan to expand into the international market.

Atika Beauty Manufacturing Sdn.Bhd.

- **Product Design or Service**

The company's products under the main objective of the company is the manufacture of cosmetics, makeup categories to be certified under the "HALAL", such as face powder, lipstick, etc. The company focus on developing products according to customer's requirement with machines and technology, modern and standardized which its factories located in Malaysia to provide its products to Muslim consumers in the Southeast Asian and the Middle East.

- **Marketing and Competition**

At present, Muslims cosmetic consumers have increased every year whereas there are only 5 HALAL key manufacturer. Thus, the company's products are able to share the market and meet the needs of consumers to reach the target groups.

The company's marketing strategy emphasized products with a high quality standard, including the packaging of beauty products that are innovative, easy to use, suitable quality and prices to attract the interest of customers by considering customers' satisfaction.

- **Materials Sourcing or Service**

Materials and packaging were sourced from both domestic and foreign suppliers who are specialized in their field. They are equipped with modern production technology and machinery, also having good standards of quality control systems.

- **Trend of Industry and Competitive Condition in Future**

Growing Muslim population and increase in purchasing power drive the demand for Halal colour cosmetic products in the overall Halal cosmetics industry. In addition, the significant improve in interest among Muslim women for makeup products, in particular, cosmetic products has offer potential growth opportunity to the Halal cosmetic manufacturers.

Halal certification and technical know-how are the core strength of Atika for product development. Product development is an important aspect of competitive advantage for Atika to become one of the leading Halal colour cosmetics contract manufacturers in the industry. Atika's marketing strategy will continue to focus on MNC as well as other potential customers locally and globally, to expand and diversify its customer base and improve its profit performance.

Atika has always taken initiative to improve its operational efficiency. One of the steps taken is to implement SAP software system. The implementation of the SAP software system has played an important role in terms of enhancing its production and operational efficiency.

As Halal cosmetics industry is growing. From now on, other manufacturers may enter into the industry and the industry will become more competitive in future. However, with Atika's business growth strategy, Atika believes that it would be able to sustain its business growth and improve its profitability performance in the future, and further strengthen its presence and become a leader in the Halal colour cosmetics industry.

The Risk Management Committee's Report

In 2018 many changes and new situations did occur regarding politics, international trades, rules and regulations, global environmental issues, population structure amidst the rapid and widely spread of Digital Technology, leading to the fast behavior changing among consumers. Such changes have provided new opportunities alongside certain threats towards all current businesses so that the business way forward needs as well rapid adaptation.

The Company, therefore, focuses on those risks which directly affect our business competitiveness and the sustainable growth factors. Accordingly, various risk-impacts have been integrated under the risk mitigation strategy with responses towards new business opportunity following those changes. We concentrate on building various client bases, launching new products, Supply Side Logistics and exchange rate management on top of those various risk management continually handled since the previous year.

Moreover, the Risk Management Committee has reviewed its charter to enhance complete operation and submitted the report of the overall organization risk management to the attention of the Company Board & Directors regularly.



(Dr. Atthakorn Glankwamdee)

Chairman of the Risk Management Committee

Risk Management Policy

S & J International Enterprises Public Company Limited is committed to corporate and business having sustainable development and growth. The risk management policy is as follows.

1. Assign risk management to be part of the job by having staff at all levels to be involved in the risk management that may incur and affect the operation of agencies and organizations.
2. Risk Management Committee to support and promote risk management by providing knowledge in risk assessment, determination of indicators, organize activities to promote and monitor risk management.
3. Continuing operation and risk management to be part of corporate culture.

Announced on August 1, 2016



(Dr. Atthakorn Glankwamdee)

Chairman of Risk Management Committee

Risk Factors

Board of Directors and Management of S&J International Enterprise Public Company Limited is well aware of the responsibility to ensure good corporate governance. In order to maximize the benefits for the shareholders, the Company has assigned the Risk Management Committee to supervise the risk management in order to ensure that the risk management of the Company is sufficiently systematic and continued. The risk management process is as follows: identifying risks and opportunities in business operations, risk assessment and risk occurrence opportunities, measures to manage and resolve, reporting and monitoring risk management results. However, there are still potential risk factors that affect the Company and stakeholders that should be considered as follows.

1. Economic risk

	Risk	Impact	Measures / methods for reducing risk
1.1	<ul style="list-style-type: none"> • Dependency on large customers • Trade War • Tax Flutuations • Exchange rate • Financial / Customer debt Payment 	<ul style="list-style-type: none"> • Sales and profits • Opportunities to invest and sell products • The ability to make profits 	<ul style="list-style-type: none"> • Develop new and existing products together with customer to produce products that meet the needs of customer. • Expand potential new customer base and new high order, both domestic and international. • Improve work efficiency to maintain quality and price competitiveness. • Build and maintain good relationships with customers. • Continuous innovation Development. • Opening an FCD account (Foreign Currency Deposit). • Enter into forward foreign exchange contracts (Forward Contact). • Financial base analysis and customer quality assessment system are used to define and review credit limits, including the payment period of each customer with the Credit Management System.
1.2	<ul style="list-style-type: none"> • Customer want new products in a faster time. 	<ul style="list-style-type: none"> • Cannot create new products to catch up the needs of customers, resulting in loss of sales opportunities. 	<ul style="list-style-type: none"> • Provide outsource supplier with the ability to produce products to meet the situation. • Study the trends of products and new technologies to help develop the product.

	Risk	Impact	Measures / methods for reducing risk
1.3	<ul style="list-style-type: none"> High changes and competition at the national and global levels 	<ul style="list-style-type: none"> Losing sales and customers may move production bases 	<ul style="list-style-type: none"> Find business partners both domestic and abroad. Joint Venture, Take Over
1.4	<ul style="list-style-type: none"> Accidents or natural disasters 	<ul style="list-style-type: none"> Decrease in revenue or profit of the Company. 	<ul style="list-style-type: none"> Provide an emergency response plan so that the business can continue to operate. Provide insurance to protect Company assets that may be damaged by various disasters.
1.5	<ul style="list-style-type: none"> Rules and regulations 	<ul style="list-style-type: none"> Damages according to the Product Liability Law in the case of lawsuits from consumers 	<ul style="list-style-type: none"> Provide insurance on Product Liability. A system of quality management processes prior to delivery to the customer to ensure product quality.
1.6	<ul style="list-style-type: none"> The uncertainty of the price of the main raw material 	<ul style="list-style-type: none"> Cost of products and services 	<ul style="list-style-type: none"> The invention for substitution of raw materials.
1.7	Technological change (Social Media)	<ul style="list-style-type: none"> More market share ratio of competitors in the online market 	<ul style="list-style-type: none"> Finding new business partners and distribution channels.

2. Social Risk

	Risk	Impact	Measures / methods for reducing risk
2.1	<ul style="list-style-type: none"> Accidents / emergencies and various epidemics. 	<ul style="list-style-type: none"> Safety of our employees and the confidence of the community and society. 	<ul style="list-style-type: none"> Develop safety standards according to TIS/OHSAS18001, review, identify and assess hazard, risks from work to create confidence in the work of employees and those operating in the company. Provide a plan for emergency and disaster response plans such as fire, chemical spills, epidemic risks. Provision of security events to raise awareness for employees and contractors who work in the organization.
2.2	<ul style="list-style-type: none"> Consumer safety in using the product. 	<ul style="list-style-type: none"> Some chemicals in certain types of cosmetics may be harmful to consumers. 	<ul style="list-style-type: none"> Education, development, knowledge research, and innovation focus on providing consumers with quality and safe products by increasing the potential of the laboratory to be internationally recognized to support exports by conducting product audit according to ISO/IEC 17025

Risk	Impact	Measures / methods for reducing risk
		<ul style="list-style-type: none"> Policy to reduce or avoid the use of chemicals by using natural extracts for substitution.
2.3	<ul style="list-style-type: none"> Participation in community support and development 	<ul style="list-style-type: none"> Good relations between company and community Participate in activities to acknowledge the needs or necessity of the community and develop various activities that the company can work with both near and far communities. Regular support and participation in activities organized by the community.

3. Environmental risk

Risk	Impact	Measures / methods for reducing risk
3.1	<ul style="list-style-type: none"> Pollution from production 	<ul style="list-style-type: none"> Community environment Measures for environmental surveillance, detection and monitoring of air quality and waste water from production. Implementing the ISO 14001 : 2015 environmental management standard system to control and reduce negative impacts at the source. Designing a community survey to acknowledge the potential impacts and take corrective actions in time.
3.2	<ul style="list-style-type: none"> Wasteful use of natural resources and energy. 	<ul style="list-style-type: none"> Non-cost-effective use of resources. Shortages of water and energy. Policy formulation, environmental goals and environmental projects. Preparation of measures and energy conservation projects. Organizing activities for campaigning and raising awareness for employees. Developing the use of renewable energy.
3.3	<ul style="list-style-type: none"> Climate change 	<ul style="list-style-type: none"> Natural disasters Determining policy to reduce carbon dioxide emissions under the Cool the world project, Green Production project, Transportation project. Reforestation project both forest and mangrove forests.

Emerging Risk

Based on the analysis of corporate risks, economic, social, and environmental risk, it was found that new potential risks are as following:

Risk topics	1. Demographic and environmental changes
Impact on the organization	Demand changes in the types of products and services.
Risk	Develop products and services to meet changing needs.
Risk mitigation measures	New innovations in helping to slow down aging.
Risk topics	2. The rapid change of digital technology
Impact on the organization	Internal and external communication.
Risk	Change of customer buying behavior.
Risk mitigation measures	Improve work systems and products to keep pace with changes.

Dispute

1. The cases which may have the negative impact on the company's assets or its subsidiaries a higher number of 5 percent of the shareholders' equity as of December 31, 2018.
- None -
2. The cases that affect the business of the Company or its subsidiaries significantly but can not assess the impact numbers.
- None -
3. The cases that do not incur from the normal business operations of the company or its subsidiaries.
- None -

General Information and Other Important Information

1. General Information

1.1 General Information

Name	S & J International Enterprises Public Company Limited
Stock Code	S & J
Registered No.	0107537001366
Major Activities	Cosmetics Manufacturing
Share in issuer	
Capital value	200,000,000 common stocks of Baht 1.- par value
Paid-up capital	149,930,828 common stocks of Baht 1.- par value
Address	Office 2 Naradhiwas Rajanagarindra Road, Thungwatdon, Sathorn, Bangkok, 10120, Thailand. Tel. (662) 676-2727, (662) 676-2737 Fax. (662) 676-2726, (662) 373-2747 Factory 1 (Saha Group Industrial Park - Sriracha) 600/4 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand. Tel. (6638) 480-086-89 Fax. (6638) 480-139 Factory 2 (Pinthong Industrial Park) 789/159 Moo 1, Sai Nong Kho-Leamchabang Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand. Tel. (6638) 348-512 Fax. (6638) 348-461
Website	www.snjinter.com

Contact Information

Department	Telephone Number	E-mail Address
Company Secretary	(02) 676-2727 Ext. 2812	sumit_k@snjinter.com
Investor Relation	(02) 676-2727 Ext. 2508	sji_sec@snjinter.com
Head of Internal Audit	(02) 676-2727 Ext. 2784	pannee375@gmail.com

1.2 Investment in other Companies in which the Company Holds 10% or More of Paid-up Shares as of December 31, 2018.

Company/Address	Type of Business	Type of Shares	No. of Paid-up Shares	Shareholding by the Company	
				No. of Shares	%
<u>Subsidiaries</u>					
1. S&J International (UK) Limited 1B Montague Road, Wimbledon, London, SW191TB Tel. (0203) 167 0095 Mobile No. 447 5989 31250 Fax No. 0870 421 5752	Distributing cosmetic products and gift set and marketing service	Common Stock	100,000	100,000	100.00
2. EF Co.,Ltd. 600/4 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. (6638) 480-086-89 Fax. (6638) 480-139	Consumer Products	Common Stock	40,000	39,994	99.99
3. Wildlives (Thailand) Co.,Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. (662) 676-2727 Fax. (662) 676-2726,(662) 676-4493	Consumer Products	Common Stock	100,000	99,993	99.99
4. 4WD Vision Co., Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. (662) 676-2727 Fax. (662) 676-2726	Import Export and Trading of chemicals, packaging and cosmetic products	Common Stock	1,000,000	999,997	99.99
5. SAAS Co., Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. (662) 676-2727 Fax. (662) 676-2726	Research and development of cosmetic formulations	Common Stock	200,000	199,997	99.99
6. Top Trend Manufacturing Co.,Ltd. 334, Moo 1, Sriracha Industrial Zone, Sukaphiban 8 Road, Boun, Sriracha, Chonburi 20230 Tel. (6638) 760-763, (6638) 480-851 Fax. (6638) 760-763	container	Common Stock	1,200,000	600,000	50.00

Company/Address	Type of Business	Type of Shares	No. of Paid-up Shares	Shareholding by the Company	
				No. of Shares	%
<u>Associates</u>					
7. Atika Beauty Manufacturing Sdn. Bhd. Suite 12-A, Level 12 Menara Northam, No. 55 Jalan Sultan Ahmad Shah 10050, Penang, Malaysia.	Manufacturing and distribute cosmetic products	Common Stock	5,000,000	1,750,000	35.00
8. Osoth Interlaboratories Co.,Ltd. 600/9, Moo 11, Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. (6638) 480-766-7 Fax. (6638) 480-828	Manufacturing Phamaceutical	Common Stock	6,000,000	1,991,440	33.19
9. Operational Energy Group Limited. 170/14 Floor 6th Ocean Tower 1 Building New Ratchadapisek Road, Klongtoey, Bangkok Tel. (662) 661-8990 Fax. (662) 661-8991	Servicing to operate the power plant	Common Stock	3,000,000	899,999	30.00
10. Yamahatsu (Thailand) Co.,Ltd. 600/48 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. (6638) 320-100 Fax. (6638) 320-111	Hair products	Common Stock	2,000,000	599,995	30.00
<u>Related companies</u>					
11. B.K.C. International Marketing Co.,Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. (662) 676-2727 Fax. (662) 676-2726, (662) 676-4493	Consumer Products	Common Stock	1,000,000	189,999	19.00
12. E.P.F. Co.,Ltd. 549/2 Soi Saengsuk, Sathupradith Rd., Chongnonthri, Yannawa, Bangkok Tel. (662) 294-0091-4 Fax. (662) 294-4479	Consumer Products	Common Stock	65,000	11,700	18.00
13. Sahacogen (Chonburi) Plc. 636 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. (6638) 481-552-5 Fax. (6638) 481-551	Generating and distributing electricity	Common Stock	955,000,000	142,255,960	14.90

Company/Address	Type of Business	Type of Shares	No. of Paid-up Shares	Shareholding by the Company	
				No. of Shares	%
<u>Related companies</u>					
14. Train Time Test Co.,Ltd. 530 Soi Sathupradith 58, Bangpongpan, Yannawa, Bangkok 10120 Tel. (662) 293-9000	Training	Common Stock	200,000	28,000	14.00
15. T-Way Co.,Ltd. 549/2 Soi Saengsuk, Sathupradith Rd., Chongnonthri, Yannawa, Bangkok Tel. (662) 294-0091-4 Fax. (662) 294-4479	Tourism, hotel, buying and trading	Common Stock	16,000,000	1,920,000	12.00

1.3 Other Personnel Reference

Security Registra

Thailand Securities Depositary Co., Ltd.

The Stock Exchange of Thailand Building
93 Ratchadaphisek Road, Dindaeng, Dindaeng,
Bangkok 10400, Thailand
Tel. (662) 009-9000 Fax. (662) 009-9991

Legal Consultant

Vira Law Office Co.,Ltd.

548/14-15 Soi Sathupradith 58 Yak 18, Bangpongpan
Yannawa, Bangkok 10120
Tel. (662) 683-8023, (662) 683-8843 Fax. (662) 683-8843

Financial Consultant

None

Consultant or Contract Manager

None

Auditor

Dr.Virach Aphimeteetamrong

Certified Public Accountant No. 1378

Mr.Chaiyakorn Aunpitipongsa

Certified Public Accountant No. 3196

Mr.Apiruk Ati-anuwat

Certified Public Accountant No. 5202

Dr.Preecha Suan

Certified Public Accountant No. 6718

Dr.Virach & Associates Office Co.,Ltd.

518/3 Panunee Building 7th Floor Ploenchit Road,
Lumpinee District, Khet Patumwan, Bangkok, 10330.
Tel./Fax. (662) 252-2860, (662) 255-2518,
(662) 254-1210, (662) 250-0634, (662) 254-8386-7

2. Other Important Information

- None -

Property and Shareholders Information

Registered capital and paid-up capital

The company was listed in the Stock Exchange of Thailand in 1994 under the name of S&J International Enterprises Public Company Limited with the company's symbol "S & J" in issuing securities. The company has total registered capital of Baht 200,000,000.00 (Two hundred million baht) to be composed of 200,000,000 common stocks of 1 Baht per share, issued and paid-up share capital of Baht 149,930,828.00 with 149,930,828 shares of common stocks.

The company has not issued other types of shares having the rights or terms different from common stocks. Moreover, the company has never issued any securities other than the common stocks.

Shareholders

10 Major shareholders as of December 31, 2018

Name	No. of shares	%
1. Saha Pathana Inter-Holding Public Company Limited*	24,036,971	16.03
2. I.C.C. International Public Company Limited*	21,897,781	14.61
3. I.D.F. Company Limited*	16,269,802	10.85
4. Vittayasith Company Limited*	13,039,447	8.70
5. Mr.Boonkiet Chokwatana	10,298,408	6.87
6. Mr.Virapat Poonsakudomsin	7,430,144	4.96
7. Mr.Samrerng Manoonpol	5,119,821	3.42
8. Mr.Boonsithi Chokwatana	3,452,374	2.30
9. Mrs. Tipaporn Chokwatana	2,725,652	1.82
10. Mr.Thanapon Punsak-Udomsin	1,800,000	1.20
Total 10 Major Shareholders	106,070,400	70.76
Total Shareholders	149,930,828	100.00

Note : * Saha Group Companies

Shareholding structure classified by shareholding party categories (As of December 31, 2018)

Shareholder Category	Number	No. of shares	%
Legal entity			
Thai nationality	35	82,080,934	54.75
Foreign nationality	3	398,488	0.27
Total legal entity	38	82,479,422	55.02
Ordinary person			
Thai nationality	782	67,012,721	44.69
Foreign nationality	13	438,685	0.29
Total Ordinary person	795	67,451,406	44.98
Total	833	149,930,828	100.00

Shareholding structure classified by shareholding ratio (As of December 31, 2018)

Shareholder Category	Number	No. of shares	%
Legal entity			
Holding shares over 0.5%	9	80,604,964	53.76
Holding shares not over 0.5% but not less than 1 board lot	27	1,874,408	1.25
Holding shares less than 1 board lot	2	50	0.00
Total legal entity	38	82,479,422	55.01
Ordinary person			
Holding shares over 0.5%	17	45,540,812	30.38
Holding shares not over 0.5% but not less than 1 board lot	668	21,908,678	14.61
Holding shares less than 1 board lot	109	1,916	0.00
Total Ordinary person	822	67,451,406	44.99
Total	833	149,930,828	100.00

Distribution Information Shareholdings (Free Float)

As of March 28, 2018, the closing date of the company entitled to attend the Annual General Meeting of Shareholders No.39 on April 24, 2018 which the company's minor shareholders holding is 36.09%.

Agreement between major shareholders.

There is no agreement between the group of major shareholders of the company (Shareholders Agreement) or with a company in matters affecting the issuance and sale of securities or management of the company.

Issuance of other securities

- None-

Dividend Policy

Policy of the company

The company has a policy to pay dividends to shareholders at the rate of 20-80% of net profit of the company's separate financial statement. However, this rate principally depends on economic conditions and business performance of the company as well as the resolution of the shareholders' meeting. Dividend payment will comply with clause 56-58 of the Articles of Association of the company. The stated clauses have an essential stipulation that dividends must be paid on the basis of profit only but not from other incomes. In case the company has deficit, it is prohibited to pay dividend. Dividend will be calculated on the amount of shares basis, each share has an equal dividend. The dividends must be paid within one month after the date of the Shareholders' or Board of Directors' meeting has a resolution. The board may pay interim dividends to shareholders if the board regards that the company has a sufficient profit and report to shareholders in the next meeting.

Dividend payments for 5 latest fiscal years are as follows:

Year of Announcement	2017	2016	2015	2014	2013
1. Profit for the year (Million Baht)	324.98	315.84	237.46	202.02	196.23
2. Number of Share (Million share)	149.93	149.93	149.93	149.93	149.93
3. Earnings per Share (Baht / Share)	2.17	2.11	1.58	1.35	1.31
4. Rate of Dividend per share (Baht)	1.20	1.20	1.00	0.85	0.80
5. Dividend Paid (Million Baht)	179.92	179.92	149.93	127.44	119.94
6. Payout ratio (%)	55.36	56.96	63.14	63.08	61.12

Note : The Board of Directors meeting No 2/2019 held on February 26, 2019 had the resolution to propose to the shareholders meeting scheduled on April 23, 2019 in order to approve for dividend payment baht 1.26 per share in accordance with the dividend payment policy of the company.

Policies of subsidiaries

Dividends payment of subsidiaries, the company has not determined the ratio of dividend payment of the subsidiaries to the company which based on the results of operations and cash flows of each subsidiary. If the subsidiary has enough cash flow and made provision under the law, the Subsidiary's Board of Directors will consider the dividend payment on case by case basis. However, dividend payment will not exceed the unappropriated retained earnings of subsidiaries.

The Nominating Committee's Report

S & J International Enterprises Public Company Limited has appointed the Nominating Committee, with 5 members as follows:

1. Mr.Boonkiet	Chokwatana	Chairman
2. Mr.Thirasak	Vikitset	Member
3. Dr.Atthakorn	Glankwamdee	Member
4. Mrs.Kaewta	Ongsaranakom	Member
5. Mrs.Chitraporn	Vikitset	Member

The Nominating Committee has carried out the duties as assigned by the Board of Directors which is specified in the Charter of The Nominating Committee. Its duties are to select suitable candidates with proper qualifications, knowledge and expertise in various professions, to serve as company directors and top management.

The Nominating Committee has determined the criteria and methods for nominating which conform to the Charter and the Good Corporate Governance Principles including related regulations by considering basic qualifications and qualities that are in accordance with the strategy of the company's business operation. Moreover, the nominated persons must be the person with leadership, vision, morality, ethics, and transparent work experience as well as no characteristics as forbidden by laws and the Articles of Association of the company. The company has provided opportunity for minor shareholders to participate in nominating candidates to be appointed as company directors prior to the Annual General Meeting of Shareholders. In 2018, none of the shareholders nominated any candidates to be considered as company directors.

In 2018, The Nominating Committee held 2 meetings to carry out duties as assigned. The Nominating Committee, excluding the members having possible conflict of interests, considered the qualifications of 5 persons who had been nominated to serve as company directors replacing the directors who retired by rotation at the 39th General Meeting of Shareholders, which were Mr.Atthakorn Glankwamdee, Mrs.Kaewta Ongsaranakom, Admiral Apichart Pengsritong, Mrs.Pismai Chandrubeksa and Pol.Gen.Somchai Prabhasabhakdi to become company directors for another term. Moreover, the Charter of The Nominating Committee is also reviewed annually to comply with the related practice guidelines, while The Nominating Committee has performed its duties as assigned discreetly and reasonably.



(Mr.Boonkiet Chokwatana)

Chairman of the Nominating Committee

The Remuneration Committee's Report

The S & J International Enterprises Public Company Limited has appointed the Remuneration Committee with 4 members as follows:

1. Mr.Boonkiet	Chokwatana	Chairman
2. Mr.Thirasak	Vikitset	Member
3. Mrs.Kaewta	Ongsaranakom	Member
4. Mrs.Pismai	Chandrubeksa	Member

The Remuneration Committee has performed its duties as assigned by the Board of Directors, which is specified in the Charter of the Remuneration Committee. Its duties are to determine remuneration to company directors, others various committees and top management at the appropriate level, and to create incentive to obtain work efficiency as well as retain knowledgeable and capable persons to work with the company and propose to the Board of Directors' Meeting.

The Remuneration Committee has determined the remuneration policy and criteria for company directors, based on the authority, assigned responsibility, and operating results, as well as growth and the company's performance, business liquidity and factors which may affect the company or overall economic situation. The methods are in accordance with the Charter and related regulations.

In 2018, The Remuneration Committee held 2 meetings to perform its assigned duties by consideration and review of annual remuneration of the company directors, other various committees and the managements. The remunerations has been disclosed the remunerations in this Annual Report and Form 56-1. The Remuneration Committee has considered its appropriate for their responsibilities in accordance with the company policy.



(Mr.Boonkiet Chokwatana)

Chairman of the Remuneration Committee

The Executive Board's Report

S & J International Enterprises Public Company Limited established the Executive Board in the capacity as a Management Committee, responsible for the overall management of the Company's business operations as assigned by the Board of Directors and in accordance with the Charter of the Executive Board.

During 2018, the Executive Board held a total of 22 meetings, in order to discharge its duties in undertaking the assigned responsibilities and activities, as summarized below:

1. Proposed, to the Board of Directors, the annual target business strategies and action plan as well as undertook its responsibilities to manage and implement various business activities in accordance with the agreed policies, strategic directions and corporate objectives by monitoring the operations of the company every month.

2. Approved the annual investments budget of the Company, that are aimed at developing and expanding its business operations in the agreed strategic directions, with regards to production technology, information technology, together with other investments to support ongoing development of the potential capabilities of its human resources so that the Company's Staff, at all levels, are prepared to compete, in better manner and long term, in the various targeted businesses.

3. Ensure that the various financial reports are prepared and ready for the external Auditor to review, audit and to give their opinions before these financial reports are submitted to the Audit Committee and the Board of Directors respectively.

4. Reviewed and considered, with all due care, any proposed connected transactions together with proposed acquisitions or dispositions of any assets of the Company, so that these transactions are undertaken in a reasonable manner, at the appropriate prices, and under the most appropriate terms and conditions, through always taking into consideration the best interests of the Company and its Shareholders; whereby any Board Members who having interests are not allowed to participate in deciding on such matters. Thereafter, the Executive Board submitted, for consideration and concurrence, by the Audit Committee and also for final consideration and approval by the Board of Directors depending upon the total value and/or degree of significant importance to the Company of the proposed transactions.

5. Supported and promoted Staff members to undertake research and develop any potential products innovation including new product and new work process on continuing basis, in order to effectiveness in job development.

6. Provided training to develop knowledge in business strategic plan for sustainable growth.

7. Reviewed the existing Charter for the Executive Board, in order for operating guidelines in suitable for current situation or business environment. Additionally, reviewed the existing internal operating procedures of the Company to comply with the changes.

The Executive Board is fully committed to managing and conducting the Company's businesses so as to enable the Company to achieve its stated Vision and Mission together with the agreed corporate objectives and business strategies; whereby this will be done within the established framework of good corporate governance as well as in a fully transparent and accountable manner, coupled with taking into account its corporate social responsibility and responsibility to the environment so as to enable the Company to continue to grow both in a stable manner and on a sustainable basis.



(Mr. Thirasak Vikitsat)

Chairman of The Executive Board and Managing Director

Management Structure

1. The Board of Directors

1.1 The Board of Directors

At present, The Board of Directors consisted of 15 members, classified into :

- 5 executive directors
- 10 non-executive directors (including 6 independent directors)

Name list of the Board of Directors

	Name	The Board of Directors	The Audit Committee	The Nomination Committee	The Remuneration Committee	The Risk Management Committee	The Corporate Social Responsibility Committee	The Corporate Governance Committee	The Executive Board
1	Mr.Boonkiet Chokwatana	Chairman	-	Chairman	Chairman	-	-	-	-
2	Mrs.Tipaporn Chokwatana	Vice Chairman	-	-	-	-	-	-	-
3	Mr.Thirasak Vikitset	Managing Director	-	Director	Director	-	-	-	Chairman
4	Dr..Atthakorn Glankwamdee	Deputy Managing Director	-	Director	-	Chairman	-	-	Director
5	Admiral Apichart Pengsritong	Independent Director	-	-	-	-	Director	-	-
6	Mrs.Kaewta Ongsaranakom	Director	-	Director	Director	-	-	Director	Director
7	Prof.Dr.Malyn Ungsurungsie	Director	-	-	-	-	Chairman	-	Director
8	Mrs.Chitraporn Vikitset	Director	-	Director	-	-	-	-	Director
9	Mrs.Teerada Ambhanwong	Director	-	-	-	-	-	-	-
10	Mrs.Pismai Chandrubeksa	Independent Director	-	-	Director	-	-	-	-
11	Mr.Suthep Dansiriviroj	Director	-	-	-	-	-	-	-
12	Mr.Amorn Asvanunt	Independent Director	Chairman	-	-	-	-	-	-
13	Mrs.Pradittha Chongwattana	Independent Director	Director	-	-	-	-	-	-
14	Mr.Surong Ongkosit	Independent Director	Director	-	-	-	-	-	-
15	Pol.Gen.Somchai Prabhasabhakdi	Independent Director	Director	-	-	-	-	Chairman	-

Remark : Qualification standards for independent director and the Audit Committee members were in accordance with the provisions set forth in related announcements.

Directors representing the company

To represent the company, 2 out of the following 9 directors are required to sign their names, together with the affixing of company seal, namely :

1. Mr.Boonkiet	Chokwatana
2. Mrs.Tipaporn	Chokwatana
3. Mr.Thirasak	Vikitset
4. Mr.Atthakorn	Glankwamdee
5. Mrs.Kaewta	Ongsaranakom
6. Mrs.Malyn	Ungsurungsie
7. Mrs.Chitraporn	Vikitset
8. Mrs.Teerada	Ambhanwong
9. Mr.Suthep	Dansiriviroj

1.2 Personal information of company directors

The details of personal information of company directors were display per the section “Personal information of company directors and management members”.

1.3 The number of Directors’ meetings

During 2017, The Board of Directors and other committees regularly held their meetings, with the attendance record by each directors were summarized as follows :

Name		Directors' Meeting								General Shareholders' Meeting
		The Board of Directors	The Audit Committee	The Nomination Committee	The Remuneration Committee	The Risk Management Committee	The Corporate Social Responsibility Committee	The Corporate Governance Committee	The Executive Board	
		6 times / year	5 times / year	2 times / year	2 times / year	2 times / year	4 times / year	4 times / year	22 times / year	
1 Mr.Boonkiet	Chokwatana	6/6	-	2/2	2/2	-	-	-	-	1/1
2 Mrs.Tipaporn	Chokwatana	4/6	-	-	-	-	-	-	-	1/1
3 Mr.Thirasak	Vikitset	6/6	-	2/2	2/2	-	-	-	17/22	1/1
4 Dr..Atthakorn	Glankwamdee	5/6	-	2/2	-	2/2	-	-	17/22	1/1
5 Admiral Apichart	Pengsritong	6/6	-	-	-	-	4/4	-	-	1/1
6 Mrs.Kaewta	Ongsaranakom	6/6	-	2/2	2/2	-	-	4/4	18/22	1/1
7 Prof.Dr.Malyn	Ungsurungsie	6/6	-	-	-	-	4/4	-	15/22	1/1
8 Mrs.Chitraporn	Vikitset	4/6	-	1/2	-	-	-	-	17/22	1/1
9 Mrs.Teerada	Ambhanwong	5/6	-	-	-	-	-	-	-	1/1
10 Mrs.Pismai	Chandrubeksa	5/6	-	-	2/2	-	-	-	-	1/1
11 Mr.Suthep	Dansiriviroj	5/6	-	-	-	-	-	-	-	1/1
12 Mr.Amorn	Asvanunt	6/6	5/5	-	-	-	-	-	-	1/1
13 Mrs.Pradittha	Chongwattana	6/6	5/5	-	-	-	-	-	-	1/1
14 Mr.Surong	Ongkosit	6/6	5/5	-	-	-	-	-	-	1/1
15 Pol.Gen.Somchai	Prabhasabhakdi	6/6	5/5	-	-	-	-	4/4	-	1/1
16 Miss.Sumeth	Surachartchairit	-	-	-	-	-	-	-	21/22	1/1
17 Mr.Varith	Tritrapun	-	-	-	-	-	-	-	-	1/1
18 Mrs.Patchara	Pongwichan	-	-	-	-	-	-	4/4	20/22	1/1
19 Mrs.Thongsuk	Upathamhakul	-	-	-	-	-	4/4	-	20/22	1/1

Name			Directors' Meeting							General	
			The	The	The	The	The	The	The	Shareholders' Meeting	
			Board of	Audit	Nomination	Remuneration	Risk	Corporate	Corporate		Executive
			Directors	Committee	Committee	Committee	Management	Social	Governance		Board
			6 times / year	5 times / year	2 times / year	2 times / year	2 times / year	Committee	Responsibilit		Committee
20	Mrs.Daranee	Ajjaneeyakul	-	-	-	-	2/2	-	-	19/22	1/1
21	Mr.Pattara	Vikitset	-	-	-	-	1/2	-	-	-	1/1
22	Mrs.Suthanya	Sumana	-	-	-	-	2/2	-	-	21/22	1/1
23	Mrs.Rujapa	Srisurang	-	-	-	-	-	4/4	-	-	1/1
24	Mrs.Tanyanan	Tantikovit	-	-	-	-	-	4/4	-	-	1/1
25	MissThatsruang	Saengwichian	-	-	-	-	-	1/4	-	-	1/1
26	Mrs.Worawan	Tantrasadatee	-	-	-	-	-	-	4/4	-	1/1
27	Mr.Sumit	Khopaiboon	-	-	-	-	-	-	3/4	22/22	1/1
28	Miss.Yaowaluk	Potinimit	-	-	-	-	-	4/4	-	-	1/1
29	Mr.Marote	Vananan	-	-	-	-	-	-	-	5/22***	-
30	Mrs.Jariya	Thamvachirapom	-	-	-	-	-	-	-	20/22	1/1
31	Miss Kitsanarut	Rassameesuriyan	-	-	-	-	-	-	-	21/22	1/1
32	Dr.Kirtkiat	Srisempoke	-	-	-	-	2/2	-	-	-	-
33	Assoc.Prof.Nares	Kesaprakorn	-	-	-	-	2/2	-	-	-	-

Remark : *** Retired on May 10, 2018

1.4 Controller

The company does not have any controller who has the influence over the company's management policy, or its operations , in such manner deemed as significant.

2. The Management

2.1 The Management

At present, there were 10 company's management members in accordance with the definition of the management set by The Securities and Exchange Commission. The management were authorized by the company to carry out duties in accordance with the company's policies.

Name list of the Management as of December 31, 2018

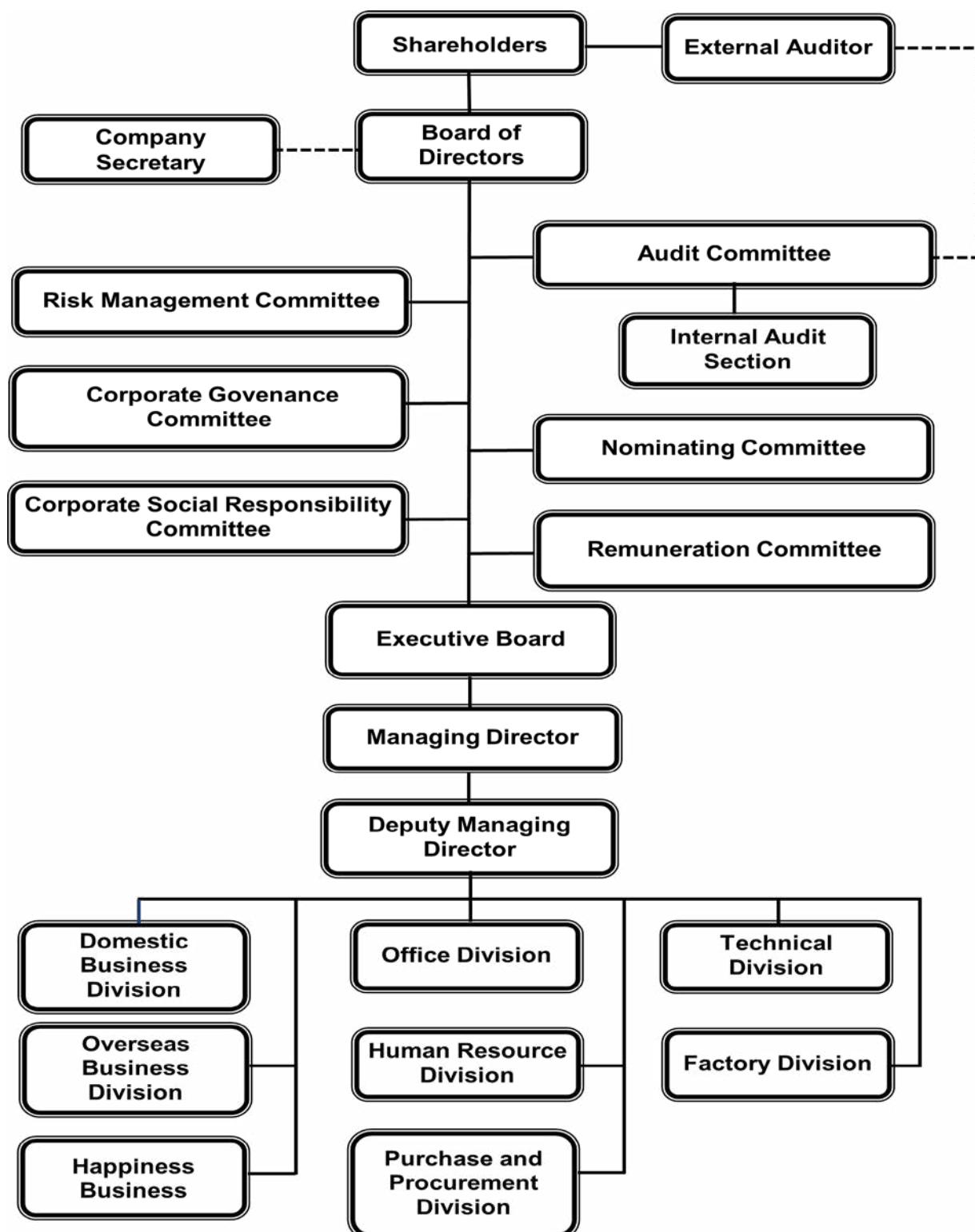
	Name	Position
1. Mr.Thirasak	Vikitset	Managing Director / Director which are Management
2. Dr.Atthakorn	Glankwamdee	Deputy Managing Director / Director which are Management
3. Mrs.Kaewta	Ongsaranakorn	Director / Director which are Management
4. Prof.Dr.Malyn	Ungsurungsie	Director / Director which are Management
5. Mrs.Chitraporn	Vikitset	Director / Director which are Management
6. Mr.Simon Rhoderick Knight		Overseas Business Division Manager
7. Miss Sumeth	Surachartchairit	Factory Division Manager

	Name	Position
8.	Mrs.Thongsuk Upathambhakul	Domestic Business Division Manager
9.	Mr.Varith Tritrapun	Office Division Assistant Manager (Accounting & Finance)
10.	Mrs.Patchara Pongwichan	Human Resource Division Assistant Manager

2.2 Personal information of management members

The details of personal information of management members were display per the section “personal information of company directors and management members”.

2.3 Organization Structure as of December 31, 2018



3. Company Secretary

The Board of Directors has appointed Mr. Sumit Khopaiboon, who was duly qualified, with knowledge and experiences, as the Company Secretary effective from February 24, 2016 (See the details on his education and career background under the heading “Details relating to management and authorized personnel”, having the duties and responsibilities as specified in The company directors, Securities and Exchange Act (no. 4) B.E. 2551, together with other duties assigned by The Board of Directors.

Company Secretary Profile

Name / Position	Education Level	Training Course
Mr.Sumit Khopiboon Company Secretary	Bachelor Degree	- Company Secretary Program Class 83/2017 :
	Administration (Accounting)	Thai Institute of Directors (IOD)
	Ramkhamhaeng University	- Guideline for disclosure of CG CODE according to apply or explain basis (Thai Listed Companies Association)
		- Big Data (I.C.C.)
		- ACEFAPSI Business Strategy No.18 (T-way Co.,Ltd)
		- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd)

The Company Secretary was assigned the following responsibilities:

1. To provide preliminary advice to the company directors on laws, regulations and articles of the company, and to monitor properly and regular compliance, as well as to report substantive changes to the directors.
2. To coordinate between the company directors and the management, to supervise and coordinate matters pertaining to the relevant laws and regulations, including proceedings to ensure compliance with resolutions of The Board of Directors.
3. To organize the shareholders' meeting and the Board of Directors' meeting in accordance with laws, company articles and code of conduct.
4. To record minutes of the shareholders' meeting and The Board of Directors' meeting as well as to monitor compliance with their resolutions of the shareholders' meeting and The Board of Directors' meeting.
5. To oversee the disclosure of information and file the relevant reports under the rules and regulations of The Securities and Exchange Commission and the Stock Exchange of Thailand.
6. To prepare and keep the following documents:
 - Company directors' register
 - Notice of the Board of Directors' meeting/minutes of the Board of Directors' meeting
 - Notice of the shareholders' meeting/minutes of shareholders' meeting
 - Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2)
7. To keep hold reports of interests of Directors or Executives, as well as sent copies to the President and Chairman of the Audit Committee within 7 days from the day of receiving the report.

8. To organize orientations with guidelines to newly appointed board members.
9. To communicate with general shareholders to ensure that they have complete and continual knowledge of their rights including the Company's news and information.
10. To undertake other responsibilities as regulated by SEC and others as assigned by the Company.

4. Remuneration for the directors and management

4.1 Remuneration criteria for the directors and management

The Board of Directors set up a policy on the determination of the director's remuneration in a fair and reasonable manner and assigned the Remuneration Committee to be responsible for setting the budget and allocation criteria for the directors, on a comparative basis with other companies in the same business category. Consideration were given to such areas as, expansion in the company's business activities, business growth rate, operating results, together with proper reference to the authority, duty, responsibility scope, the financial liquidity position, the possible factors impacts on both the company and overall economic situation, and performances by the directors. The Remuneration Committee set the criteria on meeting allowance and yearly remuneration. The said resolution would be proposed to the Board of Directors' meeting for their consideration prior to propose to the shareholders' meeting for final approval of said remuneration budget.

Whereas the remuneration authorization for top management and other management members would be required to follow the criteria set forth by the company, in term of the duty and responsibility scope, as well as the individuals' performance evaluation by said top management and management members, who would be entitled to such same remuneration criteria.

4.2 Remuneration amount

(A) Remuneration for company directors

The shareholders' meeting approved annual remuneration budget for company directors for total amount not exceeding 15 million baht per year as the prior year, until further changes. The disbursement of said remuneration budget required the consideration by the Remuneration Committee, and the approval of the Board of Directors, with such disbursement not exceeding the budget amount earlier approved by the shareholders' meeting and compared with other group of companies in the same level. This is not inclusive of remuneration or welfare to which the directors are entitled to in the capacity as a staff member or and employee of the company.

- Annual Remuneration is paid to all directors. The Remuneration Committee will allocate the remuneration on basis of principle, operational results and propose to the Board of Directors.
- Meeting fee, is paid to attending directors only. In case of there is a meeting more than 1 times in each month, it accounts to receive the meeting fee not exceeding 1 time.
- Remuneration of other sub-committees which organized by the Board will be in the consideration of the Remuneration Committee by considering in accordance with appropriateness, and to be in line with duties and responsibilities.

Details of meeting allowance payments were as follows:

	2018 (baht / time)	2017 (baht / time)
The Board of Directors		
The Audit Committee		
● Chairman	12,000	12,000
● Director	9,000	9,000
The Nominating Committee		
The Remuneration Committee		
The Risk Management Committee		
The Corporate Social Responsibility Committee		
The Corporate Governance Committee		
● Chairman	10,000	10,000
● Director	8,000	8,000

For year 2018, the company authorized payments for meeting allowance baht 1,259,000 and remuneration baht 11,450,000 totalling baht 12,709,000.

Details of remuneration received by each company directors in 2018 are as follows:

Unit : baht

Name	Directors fee	Meeting fee							Total Directors fee
		The Board of Directors	The Audit Committee	The Nomination Committee	The Remuneration Committee	The Risk Management Committee	The Corporate Social Responsibility Committee	The Corporate Governance Committee	
1 Mr.Boonkiet Chokwatana	1,200,000.00	72,000.00	-	20,000.00	20,000.00	-	-	-	1,312,000.00
2 Mrs.Tipaporn Chokwatana	1,100,000.00	36,000.00	-	-	-	-	-	-	1,136,000.00
3 Mr.Thirasak Vikitset	2,500,000.00	54,000.00	-	16,000.00	16,000.00	-	-	-	2,586,000.00
4 Dr.Atthakorn Glankwamdee	400,000.00	45,000.00	-	16,000.00	-	20,000.00	-	-	481,000.00
5 Admiral Apichart Pengsritong	400,000.00	54,000.00	-	-	-	-	32,000.00	-	486,000.00
6 Mrs.Kaewta Ongsaranakorn	900,000.00	54,000.00	-	16,000.00	16,000.00	-	-	32,000.00	1,018,000.00
7 Prof.Dr.Malyn Ungsurungsie	900,000.00	54,000.00	-	-	-	-	40,000.00	-	994,000.00
8 Mrs.Chitraporn Vikitset	900,000.00	36,000.00	-	8,000.00	-	-	-	-	944,000.00
9 Mrs.Teerada Ambhanwong	400,000.00	45,000.00	-	-	-	-	-	-	445,000.00
10 Mrs.Pismai Chandrubeksa	400,000.00	45,000.00	-	-	16,000.00	-	-	-	461,000.00
11 Mr.Suthep Dansiriviroj	500,000.00	45,000.00	-	-	-	-	-	-	545,000.00
12 Mr.Amorn Asvanunt	600,000.00	54,000.00	60,000.00	-	-	-	-	-	714,000.00
13 Mrs.Pradittha Chongwattana	400,000.00	54,000.00	45,000.00	-	-	-	-	-	499,000.00
14 Mr.Surong Ongkosit	400,000.00	54,000.00	45,000.00	-	-	-	-	-	499,000.00
15 Pol.Gen.Somchai Prabhasabhakdi	450,000.00	54,000.00	45,000.00	-	-	-	-	40,000.00	589,000.00
Total	11,450,000.00	756,000.00	195,000.00	76,000.00	68,000.00	20,000.00	72,000.00	72,000.00	12,709,000.00

(B) **Remuneration for management** Referred to the remuneration for the 5 executive directors who were non-management members and 5 company's management members in accordance with the definition of the management set by The Securities and Exchange Commission, altogether totaling 10 persons. The remuneration details were classified into salary, bonus, allowance, and meeting allowance accorded their status as company employees.

Remuneration details for management members

Remuneration	2018		2017	
	Number of persons	Amount (baht)	Number of persons	Amount (baht)
Salary and bonus	10	39,945,380	10	45,991,525
Meeting fee	10	487,000	10	582,000
Total		40,432,380		46,573,525

4.3 Other Remuneration

The company does not have the policy to provide any extra benefits to its executives, whether in term of shares, debentures, other than those remuneration normally accorded the directors and company employees.

(A) **Other remuneration for company directors**

- None -

(B) **Other remuneration for management members**

The Company has established a provident fund to management by subscribing to be provident fund membership. The company has contributed at rate of 3 percent of salary.

In 2018, the Company does not have a contribution to the provident fund for the first 4 executives according to the definition of the Securities and Exchange Commission (SEC) because such executives have already retired and received compensation from the fund.

5. Employees

The company has focus on the allocation of manpower suitable for its division and arrange it for the future plans. As at December 31, 2018 and 2017, the Company had total staffs of 1,839 and 2,070 persons respectively, divided into 6 main departments as follows :

Main Division	2018 (Persons)	2017 (Persons)
Customer Service	195	201
Office	96	84
Human Resource	127	139
Technical	300	283
Factory	1,119	1,361
Internal Audit	2	2
Total	1,839	2,070

Human Resource Management

The company's human resource management is to focus on the recruitment, selection and development to meet the organizational context to create good people to society. The process of recruiting, selecting good people and developing people in the organization to be a good one. It will help the organization to gain competitive advantage amidst the changing conditions of today's business.

In 2018 the corporate policy that focus on growth with the creation of new businesses and the creation of new innovations in both products and services. Human resources is subject to the company's priority response to such business proposition. The company has set the direction for the management of human resources by the start of the corporate restructuring to clear up. The recruitment, selection, new staffs in management level to participate in various positions. Therefore, the personnel resource development process, so it is important that the processes need to be modified to comply with the policy and business strategy by major development topics that focus on creating attitudes and ideas to create new innovations in the organization. Development supervisor, is a leader in the creation of man. Create professional, as well as the artistic concept of virtue. Ethics in business required organizations through activities in various forms to the base to accommodate the expansion of the business in the future.

Compensation management and employee retention.

Good and standard compensation management will help to support employees who are capable of sharing the driving organizations effectively. Keeping good staff and good with the company. The Company has set to pay the remuneration to the employees according to qualifications, skills and work experience. The minimum salary of the employee is based on the minimum wage-set by the government. The company considers the salary adjustment and bonus once a year by assessment based on the Competency Model and Key performance Indicator (KPI). The company has a compared and improved the management of the remuneration with the return paid to leading companies annually.

Staff Benefit	2018 (Million baht)	2017 (Million baht)
Employee benefit expenses	698.7	710.2
Provident fund	9.2	9.4

In addition, the company has paid other compensation of employee as Provident Fund for employees at all levels by the company contribution rate at 3 percent of salary, Savings Cooperative, employee retirement plan, employee awards 30-year 20-year 10-year, employee awards, who have no statistics for absent, leave and late, etc.

The company recognizes the importance of human resource in the organization who drive sustainable growth. Hence, knowledge, ability of personnel are essential that organization needs to develop a system of care and to encourage a positive attitude at work place from beginning of being employee through the activities and processes. Learning in different ways both in and outside the classroom, such as training, teaching, job assignment to work tasks, work observation etc. During the past year, there were no changes in number of employees or labour dispute significantly.

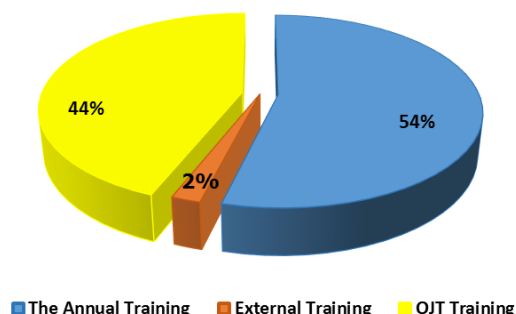
The development and employee training.

Each year, the company is planning to develop the skills and abilities of the employees in the various aspects of both the Soft side and Hard side, both the Class room and Non Class Room, which is consistent with the direction and strategy of the organization. To provide employees with career advancement and training employees to realize the core

value of the Organization and encourage all employees to operating with integrity, do not seek personal interests that may conflict of interests of the company and its stakeholders. It can be driven organization to the target and sustainable success in the long run.

Human Resource Development Process		
1.The Annual Training and Development	2.OJT Training	3.External Training

The graph show % of each type of training 2018



1. The Annual Training

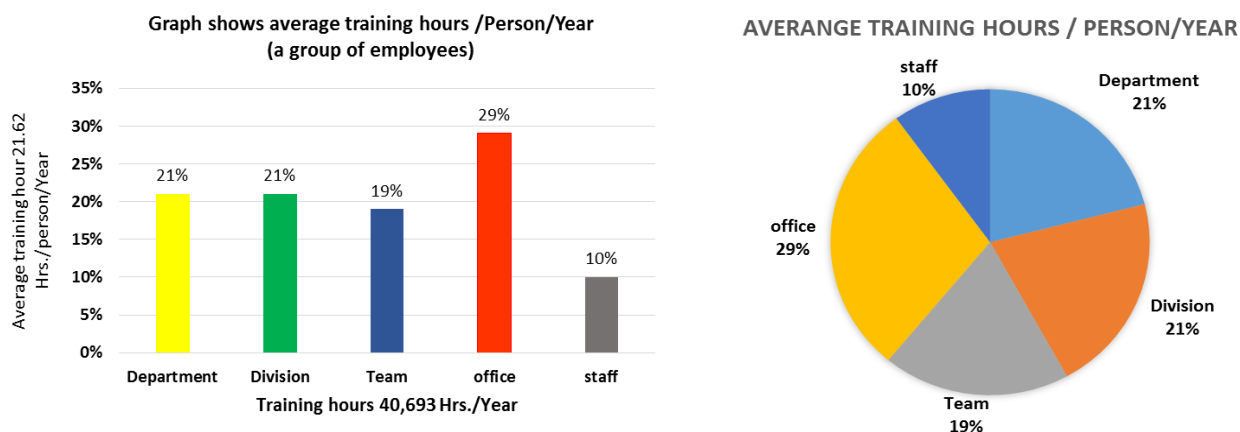
The company is planning, personnel development and training according to the annual course evaluations from the policy and business strategy as well as to explore and analyze the training needs of the various agencies on each side. From the information collected can be summarized that the categories of primary necessity that affects business processes and relationships with key stakeholders: employees, customers, consumers, will be security courses. Quality courses, Technical courses and Management courses required attention to processes, leadership development, leadership changes and to support the business growth of the company in the future.

5 Categories for Development

Basic Category	Focus on creating knowledge, understanding of work, and living together in the organization.
Management Category	Focus on knowledge development / management skills to provide good leadership to the organization.
Quality and Environment Category	Focus on managing and solving quality problems.
Safety Category	Focus on preventive safety training.
Technical Category	Focus on creating specialized knowledge that all departments must learn together.

Basic Knowledge	Management	Quality and Environment	Safety	Technical
<ul style="list-style-type: none"> Number 2 Courses Accounting for 4% 	<ul style="list-style-type: none"> Number 7 Courses Accounting for 13% 	<ul style="list-style-type: none"> Number 20 Courses Accounting for 36% 	<ul style="list-style-type: none"> Number 25 Courses Accounting for 45% 	<ul style="list-style-type: none"> Number 1 Courses Accounting for 2%

Graph shows the number of HR training year during 2018 by a group of employees as follows

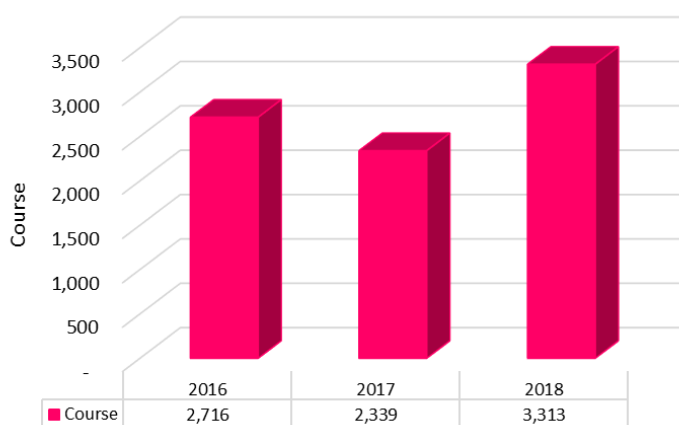


2. OJT Training

It is a training that focuses on the technical skills taught by the supervisor in each department, so that the employees under such department shall have sufficient knowledge and skills to perform their duties effectively. The nature of On the Job Training is divided into 2 types as following:

- On the Job Training for new employees during the probation period, called as OJT Record, takes no more than 2 months.
- On the Job Training for employees that have already been put in a position, called as OJT Plan, which the agency has to plan for continuous training each year.

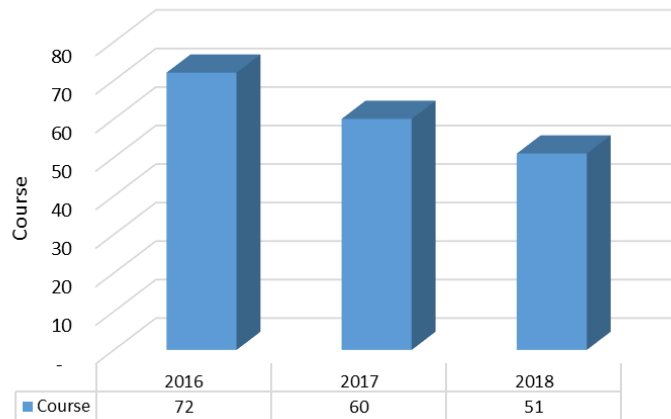
Graph show number of OJT training courses



3. External training

The Company sends personnel to external training in specific courses that are required by each department so that employees have the opportunity to fulfill their knowledge / skills to perform more tasks. Most of the courses that the Company sends outside for training will focus on legal knowledge, accounting, and new knowledge that needs to be continuously updated to enable personnel to keep up with the changing situations both in terms of economy, society and environment.

Graph shows number of external training courses



From sending employees to training and development courses in both inside and outside the company, which is in accordance with policy or the need for the division itself, causing a positive impact on our employees in terms of their skills / knowledge that can be applied. In management and problem solving of divisions as well as developing various techniques that contribute to achieving the division. There is also a positive impact on the business aspects of the experience helpful which can be used to develop or continue business with a stable and more sustainable.

Knowledge management in the organization

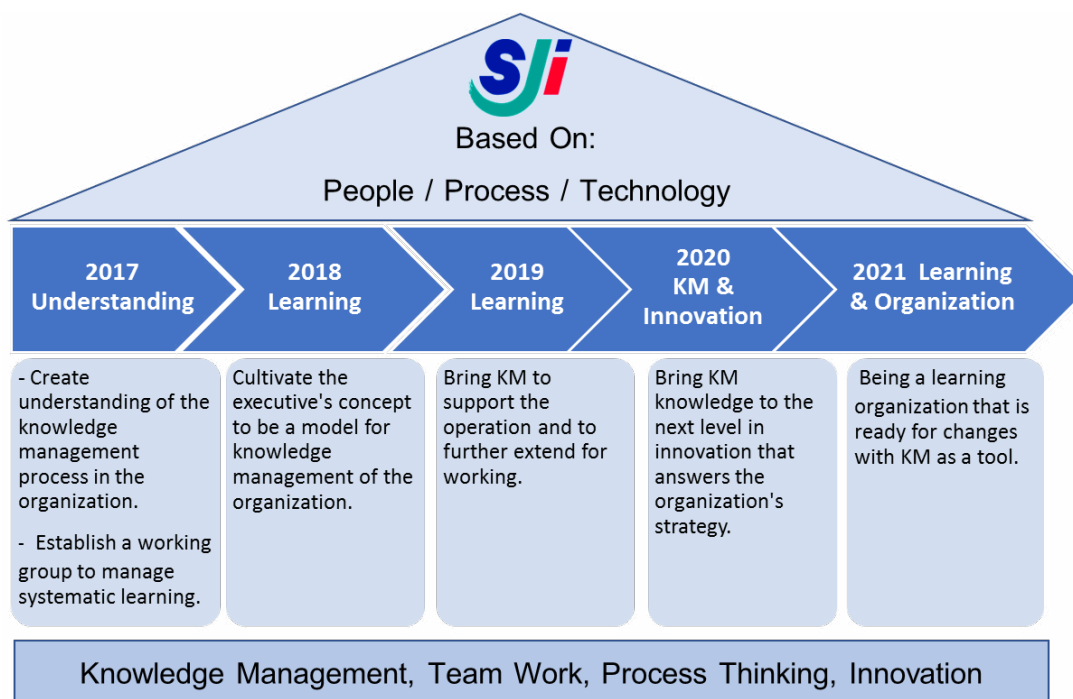
The Company with the policy and commitment of high-level executives to drive the organization to be a completely innovative organization has continuously implemented knowledge management (KM) since 2017 until now, which will result in a sustainable competitive advantage in business and to become an innovation organization.

Vision

The Company focuses on the management of knowledge in all processes of the organization in order to increase the ability to solve problems and develop new things to be the innovation of the organization.

Mission

- | | |
|-------------------|---|
| PEOPLE | <ul style="list-style-type: none"> • Establish a vision and create an attitude to exchange for learning for employees. • Cultivate a culture of exchange for learning in the work process. • Use Best Practice and Lesson Learn as a beginning for learning. |
| PROCESS | <ul style="list-style-type: none"> • Create a process to gain access to deep knowledge and transform into clear knowledge. |
| TECHNOLOGY | <ul style="list-style-type: none"> • Use information technology systems to create, store, and apply knowledge to be a knowledge base of the organization. |

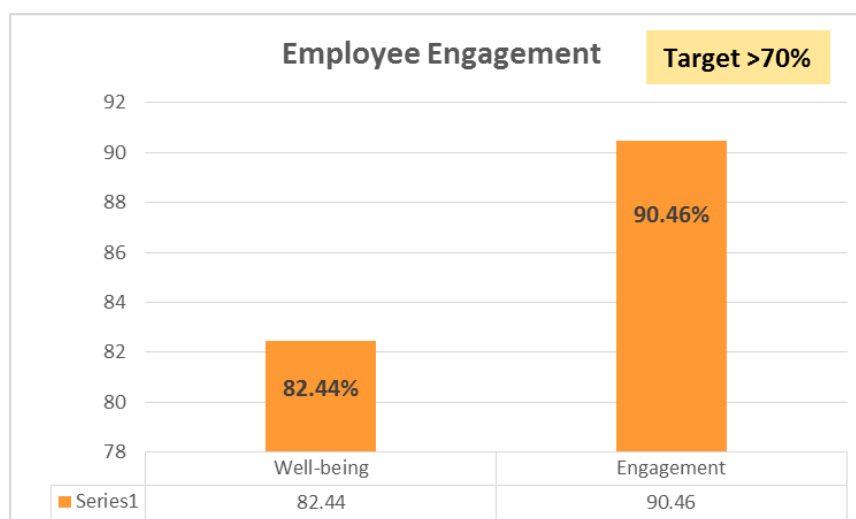


Operations of the organization's knowledge management in 2018

- Collect the Explicit Knowledge that is available in the organization and review it to be fully written form, with the collection of 1,988 topics.
- Review, understand and teach the process of COPs to bring Tacit Knowledge into written form, which targets 300 subjects and actually achieves 528 subjects.
- Create a program to store and process knowledge sharing in the organization in order to apply knowledge to further extend the improvement and development of the work.

Employee Engagement Assessment

In the year 2018, the Company assessed the engagement of supervisors at the unit level and department which is considered an important mechanism for driving the entire organization in the number of 180 people with the following results.



Based on the results of employee engagement assessments, the issues that need to be developed in 2018 are as follows:

Issues	Improvement guidelines	Expected period
1. Learning resources that are suitable for learning	● Create a course with an atmosphere to exchange learning	Q1/2019
2. Satisfaction with premises and general environment	● Expand the area and adjust the landscape of the offices in Bangkok	Q2/2019
3. Environment and general atmosphere at work		

In addition, the company is also the leading principles of health promotion in organizations (Happy Workplace) to be operated through various projects on an ongoing basis in order to create a loving bond to the employee as follows:

Happy Body	The project was held for healthcare employee and create a career for employees including people in the communities such as fitness room project, the health market project which held 2 times per month, annual health check up project, check for cervical cancer screening in women project.
Happy Brain	Knowledge/skill development projects in various fields to promote the employees have the opportunity to develop themselves, which will lead to steady and progress in the work, such as Leaders Potential Development Course, Happy in work Course, The Modern Supervisor Course etc.
Happy Family	The project is to cultivate love and warmth in the family, such as the project on educating mothers about pregnancy, childbirth preparation after birth and caring for babies. In the year 2018, there were 2 training sessions with 32 mothers attending.
Happy Heart	A project is established as a fund to help suffering employees and to encourage generosity in the workplace, such as the Friends Help Friends Project No. 4, in 2018, donating money to the project at the amount of 141,945 baht.
Happy Money	The project aims to instill employees to know how to use and save money by providing a savings deposit service of the Government Savings Bank in 2018 with the total amount of deposits of 1,379,691.50 baht, and savings cooperative projects of the Saha Group with the total amount of deposit of 13 million baht.
Happy Relax	The project is designed to create a fun atmosphere, relieve fatigue, work stress, and give employees the opportunity to build good relationships with each other, such as organizing activities on Songkran, New Year's Day, and important religious days, including exercise in the workplace to reduce fatigue and prevent office syndrome.
Happy Society	Company established the project to build the relationship and live together happily between the company and the surrounding community, such as Mobile public health project, Volunteer local development project, Seniors school project, etc.
Happy Soul	Projects that promote moral ethics of collaboration in the organization and encourage employees to merit the holy days, such as The project good started for good life, Good morning Dharma projects and prayer evening project..

Human rights and labor practices

The Company recognizes the human rights and equality are equal. Workers are treated fairly regardless of differences in age, sex, race, color, religion, language, caste, disability, including failure to use child labor and forced labor.

The company, given the guidelines fairly towards all employees according to the framework of the code of conduct and ethical business conduct, including the implementation of the labor standard system, Thailand. With the election and appointment of the Welfare Committee in the establishment. The Safety Board to represent the employees consulted and offered comments on the Company's Executive Board. Employees were given opportunity to express opinions through various channels such as the box, meeting reviews satisfaction evaluation activities in order to bring about improvement and continuous development.

Remark : More details can be found at “Sustainable Development Report 2018 : Good People”

The Corporate Governance Committee's Report

S&J International Enterprises Public Company Limited has appointed the Corporate Governance Committee, comprised of the following 5 members:

1.	Pol.Gen.Somchai	Prabhasabhakdi	Chairman
2.	Mrs.Kaewta	Ongsaranakom	Member
3.	Mrs.Patchara	Pongwichan	Member
4.	Mr.Sumit	Khopaiboon	Member
5.	Mrs.Worawan	Tantrasadetee	Member

The Corporate Governance Committee discharged its duties and responsibilities as assigned by the Board of Directors and specified in the Charter of the Corporate Governance Committee. The Committee is responsible for overseeing that the company's business operations are in full compliance with the principles of good corporate governance and that its management practices are transparent with full disclosures and accountability together with equitable treatment for all stakeholder groups, as well as for ensuring the company's continued growth on a sustainable basis.

During 2018, the Corporate Governance Committee held a total of 4 meetings in order to follow up activities in relation to good corporate governance which summarized as follows:

1. Reviewed and revised the Charter for the Corporate Governance Committee for appropriate and relevant to the good corporate governance principles and the current situation.
2. Reviewed and revised the draft "Good Corporate Governance Principles" of the Company so as to ensure the compliance with the Corporate Governance Code for listed companies in 2017 according to the announcement of the Securities and Exchange Commission (SEC) and to enhance the principles of good corporate governance by focusing on the implementation of the principles to the company proper practices and to make valuable benefit and sustainable growth for corporate.
3. Approved for the individual Board of Director assessment and the assessment of all 7 Sub-Committees.
4. Oversaw and supported the company in complying with the principles of good governance, that resulted in the company receiving, a 'Excellent' CG score in the annual CG practices survey of Thai listed companies by the Thai Institute of Directors Association, in 2018 as well as in the company being placed, in the 'Top Quartile' of those listed companies having a market capitalization value of Baht 3,000 - 9,999 million.

5. Reviewed and revised the Anti-Corruption Compliance, and Rule of practices in order to be the guidelines for directors, executives and employees to conduct and comply with the anti-corruption policy as corporate culture to not accept any forms of corruption whether direct or indirect for business transparency.

The Corporate Governance Committee is confident that the company has conducted its business operation in accordance with the good corporate governance principles and committed to further developing good corporate governance practices, which is a key factor to support business operation together with promoting trustworthy from the stakeholders as a basis for sustainable growth of the company.



(Pol.Gen.Somchai Prabhasabhakdi)

Chairman of the Corporate Governance Committee

Anti-Corruption Policy

The Board of Directors of S & J International Enterprises Public Company Limited has approved the signing of the declaration of intention alignment private practice Thailand in the fight against corruption on February 24, 2015. So in order to comply with the requirements set out in the Corporate Governance of the company as well as to the spirit and responsibility to society as a whole, the company's policy to comply with the law against corruption. It prohibits directors, management and employees accept or support corrupt all forms both direct and indirect in written the following are guidelines.

1. The company will not be a party to pay bribes. In case of contributions to charity, to political parties as well as offering gifts in a business manner, this must be transparent, explainable and audited.
2. Supporting enhancement of awareness and value for anti-corruption among the company directors, executives and employees to perform duties in accordance with relevant laws, notifications and regulations by preparing such manual for guidelines.
3. The company directors, executives and employees must not act as an intermediary in demanding and accepting gifts or benefits from government sectors or private sector, which induces to violate the laws. Moreover, it is illegal to use positions and/or duties to use the company's data to seek benefits for oneself or others.
4. Setting the system to report financial status transparently and accurately, providing an efficient and effective internal control system, and controlling check-and-balance system to be appropriate in order to prevent conducting any fraud or taking part in any fraud and corruption.
5. Monitoring and reviewing the anti-corruption policy, guidelines and regulations consistently for operation in order to adjust with business changes, laws and regulations.
6. Opening channel for reporting any suspected activity and ensuring that such reporters receive protection.

The policy against corruption has been passed a resolution by the Board of Directors No.1 on February 24, 2015 and become effective since February 24, 2015.



(Mr.Boonkiet Chokwatana)

Chairman

Corporate Governance

Corporate Governance Policies

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

In pursuance thereof, the Board of Directors thereby prescribed the following corporate governance policies as a practice guideline for the company and the subsidiaries' directors, Executives and all employees.

1. Company Directors, Executives and all employees are fully committed to the application of corporate governance principles, business ethics and Codes of Conduct for Company Directors, Executives and employees to Company operations.
2. Company Directors, Executives and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles and Notifications.
3. Actions shall be taken to ensure that the Company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committees and Executives.
4. An internal control system shall be installed and risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
5. Information shall be disclosed in a sufficient, reliable and timely manner to the extent that the legitimate interests of the Company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.
7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment.
8. There shall be a determination to strive towards business excellence with commitment to the creation of customer satisfaction by receiving comments and self-assessments in order to enhance management capabilities and continually promote productive creativity.
9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of personnel.
10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.
11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the Company's interests.

With this regard, the company has revealed corporate governance policies, business ethics, and code of conduct for company directors, the management and employees to employees, shareholders, and general public via the company website, under the heading "Investor relations: Corporate Governance".

Sub committees

The Board of Directors appointed the committees comprising of competent and experienced members, to supervise over each particular aspect of company operations, to ensure careful and effective management and operations for the company. Those committees consisted of The Executive Board, The Audit Committee, The Nominating Committee, The Remuneration Committee, The Risk Management Committee, The Corporate Social Responsibility Committee and The Corporate Governance Committee.

The Board of Directors clearly laid down the authority and responsibility scope for each committee per the charter for said committee. The chairman of every other committee was responsible for supervising the operations in accordance with the policies of The Board of Directors and reported the operating results annually to the Board of Directors' meeting.

1. The Board of Directors

At present, The Board of Directors consisted of 15 members, classified into :

- 10 non-executive directors accounting for 66.67%
- 5 executive directors accounting for 33.33%

There are 10 non-executive directors of whom 6 are independent directors or equal to 40.00% of the total number of the Board. And among 6 independent directors, 4 of them are members of the Audit Committee. The Chairman shall not be the same person who is taking an office of Managing Director.

Name list of the Board of Directors

	Name	Position
1	Mr.Boonkiet Chokwatana	Chairman
2	Mrs.Tipaporn Chokwatana	Vice Chairman
3	Mr.Thirasak Vikitset	Director
4	Dr.Atthakorn Glankwamdee	Director
5	Mrs.Kaewta Ongsaranakom	Director
6	Prof.Dr.Malyn Ungsurungsie	Director
7	Mrs.Chitraporn Vikitset	Director
8	Mrs.Teerada Ambhanwong	Director
9	Mr.Suthep Dansiriviroj	Director
10	Admiral Apichart Pengsritong	Independent Director
11	Mr.Amorn Asvanunt	Independent Director
12	Mrs.Pradittha Chongwattana	Independent Director
13	Mr.Surong Ongkosit	Independent Director
14	Mrs.Pismai Chandrubeksa	Independent Director
15	Pol.Gen.Somchai Prabhasabhakdi	Independent Director
	Mr.Sumit Khopaiboon	Company Secretary

Term for company directors

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

1. At each annual shareholders' general meeting, one-third of the sitting directors are required to retire from directors, whereas if the number of directors cannot be divided into 3 equal portions, the closet to such number shall apply. Retiring directors are eligible for re-election. At present, The Board of Directors had 15 members, therefore each director shall have a 3-year term.
2. Apart from retiring upon term completion, the company director shall also relieved of his/her position upon resignation or death or having disqualifications as prohibited by laws or the resolution adopted by the shareholders' meeting to remove that person from the position, or court ruling remove that person from the position.
3. In the case where the position of Board member is left vacant due to reasons other than term completion, with such remaining term not less than 2 months, The Board of Directors are required to appoint other persons having full qualifications to succeed in that position. In such case, the newly-appointed Board member may only serve out the term remaining for the person he/she succeeds.
4. The company director resigning from the position before term completion is required to submit his/ her resignation letter to the company, with such resignation coming into effect on the date of said submission.
5. The shareholders' meeting may vote for any of director to be out before retiring upon term completion, by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and the total number of shares being not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.

Authority of the Board of Directors

1. To appoint, remove and authorize consultants to the Board of Directors, and/or to other individuals.
2. To approve loans, of the amount greater than the authority of the Executive Board, to companies with a business relation to the company as shareholders or to companies with a trading relation or other companies.
3. To approve guarantee of loan, of the amount greater than the authority of the Executive Board, to companies with a business relation with the company as shareholders or to companies with a trading relation or other companies.
4. To approve engagement in a legal act, this is not a financial transaction, of the amount greater than the authority of the Executive Board.
5. To approve acceptance or cancellation of loans of the amount greater than the authority of the Executive Board.
6. To approve investment, sale of investment capital in ordinary shares and/or any other securities of the amount greater than the authority of the Executive Board.
7. To approve sourcing and investment in fixed assets of the amount greater than the authority of the Executive Board.
8. To approve the payment for, or disposal or transfer of fixed assets that exceeds the authority of the Executive Board.

9. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, deteriorated and out of date, which are of the amount greater than the authority of the Executive Board.
10. To approve modification, change of price and destruction of raw materials and/or remaining inventories which are deteriorated or out of date, which are of the amount greater than the authority of the Executive Board.
11. To approve compromise or settlement of dispute by arbitration, complaint, filing of lawsuits and /or any legal proceeding on behalf of the company on matter which are not/or normal business course with an amount exceeding the authority of the Executive Board.
12. To propose to shareholders an increase or a decrease of capital, a change of share value: modification of memorandum, articles of association and /or objectives of the company.
13. To approve incorporation, merger or dissolution of subsidiaries.
14. To authorize to management, managerial employees of the company, or any other individual to act on their behalf.
15. To invite member of the management, executives, or relevant employees to provide explanations, opinions or documents as necessary.
16. To consult with specialist or company consultants (if any) or hire third-party consultant or outside specialist if necessary at the expense of the company.
17. To appoint and remove a company secretary.

Duty and responsibility scope of the Board of Directors

1. To establish directions, goals and business policies of the company.
2. To approve plans and annual budgets; including to supervise the performance of the management in order to ensure effectiveness and compliance with the laws and established policies and plans.
3. To encourage the development of the policy of corporate governance, ethics and business code of ethics in written in order for company directors, executives and employees to use as guideline in the conduct of the business and follow up its real practice.
4. To arrange for a sufficient internal control system in order to ensure that transactions are approved by authorized individuals, examined and prepared accurate accounting reports; and, to implement various systems preventing inappropriate use of company assets.
5. Transactions with possible conflict of interests must be carefully reviewed, with a definite guideline to ensure the interests of the company and the shareholders. Individuals with interests may not be involved in the decision-making process. They must observe the requirements on the proper procedure and disclosure of transactions with possible conflict of interests.
6. To approve the reviewed and/or audited financial reports, which have been approved by the Audit Committee.
7. To be equally responsible to all shareholders, and, to correctly, basely and transparently disclose information to shareholders and investors.
8. To acknowledge business management reports from the Executive Board.

9. To convene shareholders meeting by specified date, time, place and agenda as well as dividends (if any) and to provide shareholders with opinions of the Board of Directors on the matters proposed to the shareholders. During the twenty-one days prior to each shareholder meeting, the company may stop share transfer registration by informing the shareholders at the headquarters and the branch offices at least fourteen days prior to the day of share transfer registration suspension. Alternatively, a record date (RD) may be determined no longer than two months prior to the day of any shareholders meeting, to determine the right to attend shareholders meeting and to receive dividends.
10. To prepare the Report on the company Board of Directors' Responsibilities for Financial Statements and disclose it in the annual report of the company (56-2 Form) and the annual disclosure report (56-1 Form).
11. To follow up on documents to be submitted to relevant regulatory agencies, in order to ensure that the statements or the items are correct as per the data appearing in the account books, the registration or any other document of the company.
12. To approve the charter of the Board of Directors and/or other committees.
13. To Review, revise and amend the Charter of the Board of Directors at least once a year.
14. To engage in any other action, which is beyond the authority of the Executive Board, or which the Board of Directors deems appropriate.

During 2018, The Board of Directors convened total 6 meetings, whereby the meeting dates had been earlier decided throughout the entire year. Furthermore, additional meeting could also be summoned according to necessary circumstances. Details appear in the category "Management Structure".

2. The Audit Committee

The Board of Directors has approved the appointment of the Audit Committee with the qualifications specified under the conditions of security law and Stock Exchange of Thailand. Such the committee must consist of at least 3 independent directors and at least 1 director must be qualified in accounting and finance, and whose term in 1 year from May 2018 – May 2019. In 2018 the total amount of the Audit Committee was 4 persons.

Name list of the Audit Committee

	Name		Position
1	Mr.Amorn	Asvanunt*	Chairman
2	Mrs.Pradittha	Chongwattana	Director
3	Mr.Surong	Ongkosit	Director
4	Pol.Gen.Somchai	Prabhasabhakdi	Director
	Mrs.Panee	Chantavaralak	Secretary to The Audit Committee

Remark : * Well knowledgeable and experienced in accounting & finance.

Authority of the Audit Committee

1. Coordinate to facilitate common understanding to be in the same direction among the certified public accountant, The Board of Directors, and the internal control office.
2. To invite the management, or company relevant employees to provide clarification and comment, to take part in meetings, and to submit documents deemed necessary. As well as having the authority to access corporate documents of all levels.
3. Authorized to carry out investigation on concerned persons relating to such matters lying within the authority and duty scope of The Audit Committee.
4. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

The Responsibilities of the Audit Committee

1. To review that the company has accurate and adequate financial reporting.
2. To review that the company has suitable and efficient internal control system and internal audit.
3. To review that the company comply with laws concerning securities and stock exchange, the Stock Exchange's regulations, and other laws related to the company's business.
4. To review the compliance of the anti-corruption policy.
5. To encourage the company to have an efficient risk management system and follow up on it.
6. To ensure the company has a management system with the Good Corporate Governance principles.
7. To approval and monitor the progress made in relation to the internal audit plan.
8. To consider independence of the internal audit including agreement of appointment, transfer and dismissal of the chief of the internal audit office or any other unit in change of internal audit.
9. To consider, select, nominate for approval for the persons with independence of performing the duties of external auditors for the Company including the proposed termination of auditor and propose the remuneration of such external auditors to the Board of Director and jointly attend the meeting with the external auditors, at least once a year, without the attendance of the Company's management.
10. Review connected transactions or transactions with possible conflict of interests, to ensure that they follow the laws, the regulations of The Stock Exchange of Thailand, and the Notification of The Capital Market Supervisory Board, and that they are justified and are of maximum benefits to the company.
11. To disclose the Audit Committee's Report in the Company's Annual Report, consist of at least the following information.
 - a. An opinion on the accuracy, completeness and reliability of the Company's Financial Report.
 - b. An opinion on the adequacy of the Company's Internal Control System.
 - c. An opinion on compliance with the laws concerning securities and stock exchange, the Stock Exchange of Thailand's regulations, or other laws relating to the company's business.
 - d. An opinion on the suitability of the Auditor.
 - e. An opinion on transactions that may have conflicts of interests.
 - f. The number of the Audit Committee Meetings, and its attendance record of each committee member.
 - g. An opinion or overview comment that the Audit Committee perceived from its performance under the charter.

- h. Other information that the shareholders and general investors should know under its scope of duties and responsibilities assigned by the Company's Board of Directors.
12. In carrying out the Audit Committee's duties, if it found or has any suspects that there are transactions or the following doings which may have a considerable impact on the company's financial status and performance; it should report them to the Board of Directors in order to correct them within a suitable time frame set by the Audit Committee.
 - a. Transactions causing conflicts of interests.
 - b. Fraud or irregularity or have key mistakes in the internal control system.
 - c. Breach of laws concerning securities and stock exchange, regulations of the Stock Exchange of Thailand, and other laws related to the company's business.

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

13. To review, improve and amend the Charter of the Audit Committee and present it to the Company's Board of Directors for approval.
14. To perform any other matters as assigned by the Company's Board of Directors with the Audit Committee's agreement under the Company Regulations and laws.

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

In 2018, the Audit Committee convened total 5 times. The meeting dates had been earlier decided throughout the entire year. The Audit Committee regularly reported its findings to the Board of Directors, and also attended joint meeting with the Company's auditor and the Chief Financial Officer each quarter, to review the Company's quarterly financial statements.

3. The Nominating Committee

The Board of Directors appointed 5 company directors to serve as members of The Nominating Committee, by the non-executive director, 2 persons are member, which including the Chairman of the Nominating Committee. Its term is 1 year from May 2018 – May 2019.

Name list of the Nominating Committee

	Name		Position
1	Mr.Boonkiet	Chokwatana	Chairman
2	Mr.Thirasak	Vikitset	Director
3	Dr.Atthakorn	Glankwamdee	Director
4	Mrs.Kaewta	Ongsaranakom	Director
5	Mrs. Chitraporn	Vikitset	Director

Authority of The Nominating Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any) , or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Nominating Committee

1. Set the criteria and method in selecting the persons to be nominated as directors.
2. Review the background and relevant information of the persons to be nominated as directors, by considering their knowledge, experiences, and expertise from various professions, so as to secure qualified persons according to the selection criteria, company regulations, and related laws.
3. Select the persons to be nominated as company directors, for The Board of Directors to consider and approve. However, in the case of the directors retiring upon term completion, such nomination needs to be submitted to the shareholders' meeting for approval.
4. Prepare comment and suggestion to serve as references for The Board of Directors' consideration.
5. Review and revise the charter for The Nominating Committee, to be proposed to The Board of Directors for consideration and approval.
6. Engage in other acts as assigned by The Board of Directors.

During 2018, The Nominating Committee held its meeting 2 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

4. The Remuneration Committee

The Board of Directors appointed 4 company directors to serve as members of The Remuneration Committee, by the non-executive director, 2 persons are member, which including the Chairman of the Remuneration Committee. Its term is 1 year from May 2018 – May 2019.

Name list of the Remuneration Committee

	Name		Position
1	Mr.Boonkiet	Chokwatana	Chairman
2	Mr.Thirasak	Vikitset	Director
3	Mrs.Kaewta	Ongsaranakom	Director
4	Mrs.Pismai	Chandrubeksa	Director

Authority of The Remuneration Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any) , or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Remuneration Committee

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

During 2018, The Remuneration Committee held its meeting 2 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

5. The Risk Management Committee

The Board of Directors appointed 6 members to serve as members of The Risk Management Committee, by the non-executive officer 5 persons and executive officer, 1 persons, which including the Chairman of the Risk Management Committee. Its term is 1 year from May 2018 – May 2019.

Name list of the Risk Management Committee

	Name		Position
1	Dr.Atthakorn	Glankwamdee	Chairman
2	Assoc.Prof.Nares	Kesaparakorn	Director
3	Dr.Kirtkiat	Srisempoke	Director
4	Mrs.Suthanya	Sumana	Director
5	Mrs.Daranee	Ajjaneeyakul	Director
6	Mr.Pattara	Vikitset	Director
	Mrs.Suthanya	Sumana	Secretary to the Risk Management Committee

Authority of the Risk Management Committee

1. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.
2. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
3. To set-up a working committee, to monitor and evaluate risk management activities throughout the overall organization.

Duty and responsibility scope of the Risk Management Committee

1. To determine policies, targets and plans of corporate risk management systems clearly and consistently and keeping close communication with the Audit Committee.
2. To encourage and stimulate at all levels cooperation in company risk management.
3. To supervise corporate risk management appropriately and effectively.
4. To develop corporate risk management systems with efficiency and consistency.
5. Supervise the compilation of The Report by The Risk Management Committee, for disclosure in the annual report compilation by the company, whereby the Chairman of The Risk Management Committee is duly required to affix his signature in verification of said report.
6. To review ,revise and amend the charter for The Risk Management Committee, and submit to The Board of Directors for approval.
7. Other duties as assigned by the Board of Directors.

During 2018, The Risk Management Committee held total 2 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

6. The Corporate Social Responsibility Committee

The Board of Directors appointed 7 members to serve as members of The Corporate Social Responsibility Committee, by company directors and executives with the knowledge and experience. Its term is 1 year from May 2018 – May 2019.

Name list the Corporate Social Responsibility Committee

Name			Position
1	Prof.Dr.Malyn	Ungsurungsie	Chairman
2	Admiral Apichart	Pengsritong	Director
3	Mrs.Thongsuk	Upathambhakul	Director
4	Mrs.Rujapa	Srisurang	Director
5	Mrs.Tanyanan	Tantikovit	Director
6	MissThatsruang	Saengwichian	Director
7	Miss.Yaowaluk	Potinimit	Director
Mrs.Rujapa			Secretary to the Corporate Social Responsibility Committee

Authority of the Corporate Social Responsibility Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any) , or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Corporate Social Responsibility Committee

1. Set up policy and framework of activities for the Company's Corporate Social Responsibility.
2. Review and screen the activities and policies on social and environment responsibility in order to propose to the Board of Directors.

3. Review and approve strategies and activities of the company in order to achieve the objectives and policies on social and environment responsibility.
4. Review and screen annual plan and budget for activities on social and environment responsibility to propose to the Board of Directors.
5. Review and monitor the progress of activities on social and environment responsibility and assess their achievement in addition to quality of related projects.
6. Suggested corporate governance policies and business ethics including employees ethics of the company.
7. Other duties as assigned by the Board of Directors.

During 2018, The Corporate Social Responsibility Committee held total 4 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

7. The Corporate Governance Committee

The Board of Directors appointed 5 members, with independent directors serving as the Chairman and committee member, further joined by members representing The Executive Board, having a 1 year term, from May 2018 - May 2019.

Name list of the Corporate Governance Committee

	Name		Position
1	Pol.Gen.Somchai	Prabhasabhakdi	Chairman
2	Mrs.Kaewta	Ongsaranakom	Director
3	Mrs.Patchara	Pongwichan	Director
4	Mrs.Worawan	Tantrasadetee	Director
5	Mr.Sumit	Khopai boon	Director
	Mr.Sumit	Khopai boon	Secretary to the Corporate Governance Committee

Authority of The Corporate Governance Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.
3. To set up the working group to process the corporate governance activities at all levels.

Duty and responsibility scope of The Corporate Governance Committee

1. Set up, review and revise the policy of corporate governance, the principles of Corporate Governance, Business Ethics, Code of Conduct for Company Directors, Executives and Employees and Policy against Corruption, regulations, work practices and announcements, rules and relevant laws consistency.
2. Set up work practices according to the principles of Corporate Governance, Policy against Corruption ,also monitor and evaluate them consistency.
3. Promote and encourage company directors, executives and employees to practice according to the principles of Corporate Governance and Policy against Corruption.

4. Supervision and support of anti-corruption measures by risk management risk assessment of anti-corruption measures, including a review of corruption risk management measures to adequately report the Board of Directors at least 1 time per year.
5. To disclose the Corporate Governance Committee's Report in the Company's Annual Report.
6. To review, revise and amend the charter for The Corporate Governance Committee, to be proposed to The Board of Directors for consideration and approval.
7. Other duties as assigned by the Board of Directors.

During 2018, The Corporate Governance Committee held total 4 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

8. Executive Board

The Board of Directors sets up the Executive Board to support its administration as assigned by the Board. The Executive Board comprises 11 persons with 1 year term, from May 2018 - May 2019, and shall be nominated by the resolution of the meeting of the Board held after the Annual General Meeting of Shareholders.

Name list of the Executive Board

	Name		Position
1	Mr.Thirasak	Vikitset	Chairman and Management Director
2	Dr.Atthakorn	Glankwamdee	Director
3	Mrs.Kaewta	Ongsaranakom	Director
4	Prof.Dr.Malyn	Ungsurungsie	Director
5	Mrs.Chitraporn	Vikitset	Director
6	Miss.Sumeth	Surachartchairit	Director
7	Mrs.Thongsuk	Upathambhakul	Director
8	Mrs.Patchara	Pongwichan	Director
9	Mrs.Suthanya	Sumana	Director
10	Mrs.Daranee	Ajjaneeyakul	Director
11	Mrs.Jariya	Thamvachiraporn	Director
12	Mr.Sumit	Khopaiboon	Director
13	Miss.Kitsanarut	Rassameesuriyan	Director
	Mrs.Patchara	Pongwichan	Secretary to The Executive Board

Authority of the Executive Board

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

3. To issue regulations and announcement on performance of duties: to assign authority to members of the Executive Board and/or employees serving managerial posts: and, to execute authorization on company assets.
4. To approve loans to related companies as shareholders or the company as trading parties or other companies, provided that the amount does not exceed the limited amount 20 million baht per company.
5. To approve guarantee of loan to related companies as shareholders or the company as trading parties or other companies, provided that the amount does not exceed the limited amount 20 million baht per company.
6. To approve engagement in non-financial juristic actions provided that the amount does not exceed the limited amount 20 million baht per case.
7. To approve acceptance or cancellation of loans provided that the amount does not exceed the limited amount 20 million baht per case.
8. To approve investment, sale of investment capital in ordinary shares and/or any other securities, provided that the amount does not exceed the limited amount 20 million baht per case.
9. To approve sourcing and investment in fixed assets, provided that the amount does not exceed the limited amount 20 million baht per case.
10. To approve a payment for, disposal or transfer of fixed assets, provided that each transaction amount does not exceed 20 million baht.
11. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost destroyed, deterioration and out of date, provided that the book value does not exceed the limited amount 20 million baht per case.
12. To approve modification, change of price and destruction of raw materials and/or remaining inventory which are deteriorated or out of date, provided that the book value does not exceed the limited amount 20 million baht per case.
13. To approve compromise or settlement of disputes by arbitration, complaint, filling of lawsuits and/or any legal proceeding on behalf of the company on matters which are not normal business course of the value not exceeding the specified amount. In such case of a normal business course, the amount must not exceed the limited amount 20 million baht.
14. To authorize executive of the company or other individuals to act on their behalf.
15. To invite members of the management or relevant employee to provide explanations, opinions or documents as necessary.
16. To consult with specialists or company consultant (if any) or hire third-party consultant or outside specialists if necessary at the expense of the company.
17. To stipulate any other regulations as deemed appropriate.

Duty and responsibility scope of The Board of Directors

1. Present the company's objectives, policy, plan, and annual budget to The Board of Directors.
2. Managing company's operations in order to comply with the direction, target, and business policy of the company.

3. Promote the competitiveness of the company, while encouraging consistent innovation development activities.
4. Supervise company operations to comply with the laws, objectives, company regulations, resolutions by the shareholders' meeting, resolutions by The Board of Directors, as well as other standard practices concerned.
5. The Executive Board members may allocate work responsibilities among themselves, whereby they are required to report the progress of own responsible work to The Executive Board.
6. Supervise the compilation of financial statements, for review and/or verification by the certified public accountant, prior to submitting to The Audit Committee, and The Board of Directors, for endorsement respectively.
7. Review the matters to be submitted to The Board of Directors for further acknowledgment or approval.
8. To disclose the Executive Board 's Report in the Company's Annual Report.
9. To review, revise and amend the charter for The Executive Board, to be submitted to The Board of Directors for further approval.
10. Engage in other acts as assigned by The Board of Directors.

During the previous year, the Executive Board consists of 5 Executive Directors leading by the Managing Director for the execution of management planning to comply with the policies of the Board of Directors. The Executive Directors also participated in stipulating business goal together with the Board of Directors.

In 2018, the Executive Board convened total 22 times, and subsequently reported the result to the Board of Directors. The meeting dates had been earlier decided throughout the entire year.

9. The Chairman

The authorities and responsibilities of the Chairman as a guideline to serves as the Chairman are described as below:

The Authorities and Responsibilities of the Chairman

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

10. Managing Director

The Board of Directors has clearly assigned the authority, duty and responsibility of the Managing Director as a guideline to serve as the Managing Director. The details are as follows:

The Authorities and Responsibilities of the Managing Director

1. Manage company operations so as to well comply with the laws, objectives, company regulations, resolutions by the shareholders' meeting, resolutions by The Board of Directors, resolutions by The Executive Board, and other standard practices concerned.
2. Instruct or engage in necessary and appropriate acts, so as to achieve those purposes laid down in above item 1. Should the matter be deemed significant, the Managing Director is required to report said matter to The Board of Directors and/or The Executive Board.
3. Review and approve the recruitment, appointment, transfer, and dismissal of employees, granting approval to the promotion or disciplinary action against employees, as well as deciding on the remuneration and welfare benefits for employees. However, such action must not contradict with the authority and the decision by The Executive Board.
4. Set company regulations regarding work practice, which must not contradict with the policies, regulations, provisions, instructions, or resolutions, set forth by the shareholders' meeting, The Board of Directors' meeting, and/or The Executive Board's meeting.
5. Authorize and/or assign other persons to carry out specific assignment on own behalf.
6. Promote and encourage company operations to be carried out with morality, to well comply with the laws, ethics, and cultures, based on good governance principles.
7. The exercise of authority by the Managing Director shall not be permitted, if he/she is deemed to have interests at stake, or have conflict of interests with the company.
8. In the exercise of authority by the Managing Director, should there arise any doubt or unclear aspect regarding such action, the matter shall be forwarded to The Board of Directors for consideration and conclusion.
9. Engage in other acts as assigned by The Board of Directors, and/or The Executive Board.

The selection and appointment of the directors and chief executive officer

1. The selection method of persons to be appointed directors and independent directors

Criteria for the selection of directors

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

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

5. In case of the selection of persons to be appointed independent directors, they must have the qualifications required for independent directors, in accordance with The Notification by The Capital Market Supervisory Board.

Process for the selection of director

1. The Nominating Committee has been assigned to select qualified persons having appropriate qualifications to be nominated as company directors for consideration by The Board of Directors, prior to submitting to the shareholders' meeting for approval by the majority votes of the shareholders present at the said meeting. In the case where the retirement took place prior to term completion with the remaining term being not less than 2 months, the Board of Directors' meeting shall then be authorized to select the persons from the candidates proposed by The Nominating Committee, for further appointment as company directors, by the majority votes of not less than 3/4 of the remaining directors. In such case, the newly-appointed directors shall serve out the remaining term of their predecessors.
2. The Nominating Committee considered about the knowledge, ability and experience that are beneficial to the duties of Directors and in accordance with the strategy in business.
3. The company provides an opportunity for stakeholders to participate in the nomination of qualified directors. Including the Nominating Committee also considered the person to be nominated to serve as directors apart from List of professional directors of the Thai Institute of Directors Association (IOD).

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

Independent director's qualifications

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

1. Holding shares not exceeding 1 percent of the total number of voting rights of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, including the shares being held by related persons of independent directors.
2. Neither being nor having been an executive director, employee, staff, or advisor who received regular salaries, or being a controlling person of the company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholders or persons having supervision authority over the company, unless the foregoing status ended not less than two years prior to the date of their appointments as independent directors. Nevertheless, such prohibited nature would not apply in the case of these independent directors having earlier served as government officials, or advisors to government agency acting as major shareholder in the company or having supervision authority over the company.
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executive, major shareholder, controlling person, or person to be nominated as executive or as controlling person of the company or its subsidiary.
4. Not having business relationship with the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, in such manner likely to interfere with own independent

judgement, and neither being nor having been a significant shareholder or person having supervision authority over the person who has business relationship with the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, unless the foregoing relationship ended not less than two years prior to the date of appointment as independent director.

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

5. Neither being nor having been an auditor of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.
6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority or partner of the professional advisor, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.
7. Not being a director who has been appointed as the representative of the company's director, major shareholder, or being a shareholder who is related to the major shareholder.
8. Not engaging in business operations of the same business nature or in competition against the business operations of the company or its subsidiaries, nor serving as a significant partner in a limited partnership or otherwise serving as a director participating in the management, or serving as employee or consultant receiving regular salary or holding over 1% shares out off total shares in other companies engaging in the same business nature or in competition against the company and its subsidiaries.
9. Not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

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

After being appointed independent director having qualifications complying with the criteria under item 1 to 9, the independent director may then be assigned by The Board of Directors to participate in the decision-making procedures for the company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholders or controlling person of the company on the condition that such decision must be a collective one.

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

2. The rights accorded minor shareholders regarding director(s) appointment

Nomination of Directors

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

Vote-casting method for director appointment

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

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

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

The selection of the management

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

Those employees so selected and trained by the company would be assigned to work in the positions having higher authority and responsibility scope. As general practice, the company regularly carries out training programs seeking to upgrade employees' potentials to a higher level, so as to be well-prepared to take up further significant positions when they become vacant.

The selection of the Chief Executive Officer

With the regard of selection methods for the company's Chief Executive Officer, The Nominating Committee shall consider and select from the current management or others, with qualified knowledge and abilities, who understand the company's business very well, as well as be able to manage to achieve the objectives and targets set by The Board of

Directors, and also not be prohibited by laws. Accordingly, such person is then proposed to The Board of Directors for consideration of appointment.

Supervising the operations of subsidiaries and associates

The company's directors were assigned to hold a joint meeting to consider selecting the person to be the company's representative. The number of individual that the company nominated and voted to appoint as director in subsidiaries and associates is in accordance with the company's proportion of shareholding. The person who was appointed as a director in subsidiary or associated companies was entitled to perform the operations for the best interests of their subsidiaries or associate, unless it is important policies affecting the company's business operations. The company required the appointed person to be approved by The Executive Board prior to cast a vote.

The company has laid down the policy for subsidiaries and associate that are the company's main business to have proper and adequate internal control systems. The internal control systems of subsidiaries were monitored by the Internal Audit Office of the company annually.

Furthermore, the company has assigned the person who was appointed by the company to oversee its subsidiaries to operate and disclose significant information according to the rules in the same way as the company performed, such as making connected transaction, the acquisition or disposition of assets, or making other important transactions, including to supervise the information storage and bookkeeping of the subsidiaries for the company, so that it can be reviewed and collected for financial statements in due time.

The company had no agreements between the company and other shareholders in the management of Subsidiaries due to the company is a major shareholder and no other persons holding shares more than 10% of the shares with voting rights of subsidiaries. In addition, the company had no agreements between the company and other shareholders in sharing returns beyond normal returns according to proportion of their shareholding in subsidiaries.

Inside information supervision

The company placed much emphasis on the protection and supervision over inside information, by clearly specifying in the business ethics and code of conduct for company directors, management members and employees that directors, management members and employees perform their duties with responsibility, carefulness and honesty, as well as consider the interests of the company as the most important. The significant policies can be summarized as follows.

1. The company prohibited company directors, management members, and company employees having access to inside information, from engaging in any act in exploitation of such information, particularly those information not yet disclosed to the general public. Any violation would be deemed as a disciplinary offence of company regulations. Furthermore, for the period of 1 month prior to the disclosure of financial statements to the public and 24-hour after disclosure of financial statements, the company sent out related circular to the directors, the management, and the employee having access to inside information, instructing them to refrain from any purchase or sales transaction of company shares during said period.

During 2018, the company directors, management members, and company employees were not found to have committed any authority abuses related to inside information.

2. The company informed company directors, management members to acknowledge of duty to report their shareholding status, as well as those by spouses and children not yet reaching legal maturity, within 30 days from the day of their appointments to become directors or management members. Furthermore, in the case of any change occurring

to their shareholding status, they were required to report such change details within 3 days from the day of change to The Securities and Exchange Commission according to article 59 of The Securities and Exchange Act B.E. 2535. Furthermore, The Board of Directors was regularly informed each quarter. of the securities holding status by the directors and management member.

3. The company has set a policy for directors and top management to inform of the company's securities trading to the company secretary at least 1 working day prior to trading.

In 2018, the company directors and the management who had the company's securities trading strictly followed the above policy by informing their trading to the company secretary at least 4 – 6 days prior to trading.

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

5. The company developed internal control system regarding inside information, by applying information technology system to classify inside information access level for each employee level, through the setting of ID code for accessing such information.

In 2018, the company did not receive a caution offences by the Securities and Exchange Commission (SEC).

Auditor's remuneration

In 2018, the shareholders approved the appointment of Dr. Virach & Associates Office Company Limited as the external auditor of the company with independent and reliable and did not have any relations and/or interests with the company, its subsidiaries, directors, executives, major shareholders or related parties

1. Audit fee

The company and its subsidiaries paid audit fees, according to the details as follows:

Unit : baht

Audit remuneration	2018	2017
S & J International Enterprises Plc.	1,375,000	1,375,000
5 Subsidiary companies	1,010,000	1,010,000
Total	2,385,000	2,385,000

2. Non-audit fee

The company and subsidiary companies paid for other services as following:

Unit : baht

Non-audit fee	2018	2017
Observation on destruction of goods	61,545	83,415
Other service for reviewing the work of other auditors	130,000	90,000
Total	191,545	173,415

Corporate Governance Code for Listed Companies in 2017

The Board of Directors has established the corporate governance policies, corporate governance principles, business ethics, code of conduct for company directors, the management, and employees by written. The Company has established the good corporate governance principle according to the corporate governance principles for listed companies. In addition, the Company has arranged the practices in compliance with the laws, rules, regulations and guidance required by the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC). The good corporate governance principle (Revised edition 1) had been approved by the Board of Directors meeting no.1/2014. The revised edition was approved on February 25, 2014. In 2018, the Board of Directors assigned the Corporate Governance Committee to arrange the new good corporate governance code by applying the 2017 corporate governance code for listed companies according to the announcement of the Securities and Exchange Commission (S.E.C). The revised corporate governance code of the company have been was approved by the Board of Directors meeting no.1/2019 on January 24, 2019 to replace the previous version, consisting of followings:

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

See more details with new Good Corporate Governance Code in company's website under "Investor Relations : Corporate Governance"

In 2018, the company has been followed to the 2012 Good Corporate Governance for Listed Companies as guidelines by the Stock Exchange of Thailand.

Corporate Governance Practice classified as 5 sections as follows:

Section 1 : The Rights of Shareholders

The Board of Directors appreciates and respects the ownership rights of shareholders. No actions are taken to violate or infringe the rights of shareholders. Neither the interests of shareholders are fairly safeguarded and the exercise of rights by all shareholder groups are supported and promoted, whether domestic or foreign, major shareholders, minority shareholders or institutional shareholders, incorporating both the basic rights of shareholders, and the other rights to determine directions for operations and decisions on matters having a significant impact on the company, as follows:

1.1 Basic rights

Referred to the right for shares transaction, the right to receive equitable profits allocation in term of dividend payment, the right to access company information in sufficient, timely, and equitable manner, the right to attend and cast votes at the shareholders' meeting, the right to elect individual company director and approve directors' remuneration, the right to appoint company auditor and approve audit remuneration, and the right to appoint proxy to attend and cast vote on his/her behalf.

1.2 The right to significant information access

Shareholders were entitled to access information on an equitable basis. In that regard, the company facilitated information distribution in both Thai and English languages, via the channels of The Stock Exchange of Thailand and company website (www.snjinter.com), to provide shareholders with additional access channel. Such information included performance results, connected transactions, changes in the funding structure, changes in supervisory control, transactions of significant company assets, and other information essential for decision-making by shareholders.

1.3 The right to attend the shareholders' meeting

The company has a policy to support and facilitate the shareholders, including institutional investors to attend the shareholders' meetings by holding its annual shareholders' meeting regularly each year, within 4 months after completing its accounting year. In order to allow shareholders to participate in monitoring the company's performance, the company set appropriate date, time, place, and method. In case of emergency which the company needs to propose special agenda regarding shareholders' benefit, regulations or related laws which need to be approved by shareholders, the company shall call for an extraordinary shareholders' meeting. In 2018, the company convened the shareholders' general meeting once, without convening any shareholders' extraordinary meeting, according to the following details:

- **Prior to the shareholders' meeting**

In 2018, the Company conducted the 39th General Shareholder's Meeting on Tuesday 24 April 2018.

(1) The company provided the shareholders with the opportunity to propose meeting agenda prior to the meeting date for 2018, during the period of November 15 – December 31, 2017, by providing related conditions on company website on November 10, 2017 together with news channel of The Stock Exchange of Thailand. Nevertheless, there were no shareholders proposing any meeting agenda during the said specified period.

(2) Shareholders were notified of the Board of Directors' resolution determining the date of 39th shareholders' meeting 41 days prior to the meeting date, namely on March 14, 2018, through the Stock Exchange of Thailand's website and the company's website so as to enable the shareholders to set aside time for attending the meeting.

(3) The meeting notice together with all relevant documents in both Thai and English were published on the Company website on March 19, 2018, which was 36 days prior to the meeting date.

(4) The same information was sent to the Thailand Securities Depository Company Limited, the Company's Share Registrar, for forwarding to shareholders in document format on April 9, 2018 or 15 days prior to the meeting date in order to give the shareholders sufficient time to study the meeting documents.

(5) The notice of the meeting were also advertised in daily newspapers for a period of 3 consecutive days, and 14 days prior to the meeting date, namely on April 10 – 11, 17, 2018.

(6) Prior to the meeting date, the Company had provided an opportunity for shareholders who may have queries regarding agenda to send them in advance during period March 19 – April 17, 2018, via company's website. The procedure of sending questions was also mailed together with the notice of shareholder's meeting. In 2018, there were no questions received in advance.

(7) The documents sent out to the shareholders were, the meeting invitation letter providing details on the rationale for each meeting agenda, together with related opinions by The Board of Directors and the documents in support of the voting decision by the shareholders for each meeting agenda. Furthermore, the documents also included the annual report publication, profile of the persons nominated as directors replacing those due to retire upon term completion, definition of independent director, profile of independent directors proposed as proxies by the shareholders, company regulations regarding the shareholders' meeting, the documents and evidences required for the shareholders to present for meeting attendance, meeting regulations, procedures for shareholders to post advance questions prior to the shareholders meeting, meeting procedures, the map of the meeting venue, and the registration form. Other documents were the proxy appointment letter form B for voting in line with the shareholders' decision, or the proxy appointment letter either Form A and C which shareholders could download from company website.

With this regard, the company published the annual report within 120 days from the end of accounting period (December 31) via company website (March 19, 2018) and sent the annual report to the shareholders by mail (April 9, 2018).

- **On the day of the shareholders' meeting**

(1) The company decided to set the meeting date, time, and venue in such manner being most convenient and not posing problems to the shareholders to attend. For 2018, the company held the shareholders' meeting on Tuesday, April 24, 2018, at 13.00 p.m., at The Montien Riverside Hotel, started registration at 11.00 a.m..

(2) The shareholders were allowed to register by barcode system not less than 2 hours prior to the meeting, and continued until the meeting completion. At the registration desk, the company prepared sufficient personnel to take care of the registration, as well as providing stamp service for proxy appointment forms authorized by the shareholders. Furthermore, the company handed out vote placard and vote-casting ballot to each shareholder.

In case that shareholders appointed proxies to attend the meeting instead, the company gave the right to the proxies and treated as shareholders.

(3) The Board of Directors placed much emphasis on the shareholders' meeting, by considering as their obligations to always attend the meeting in person unless facing inevitable circumstances or becoming seriously ill.

For the shareholders' meeting for the year 2018, 15 directors (100%) attended the said meeting, including Chairman of the Board and Chairman of sub committees. Furthermore, the meeting was also attended by the Managing Director, the Chief Financial Officer, Executive Directors, as well as the company auditor, so as to provide shareholders with the opportunity to ask questions related to the meeting agenda in progress. In addition, the company also invited representatives from the company's audit office of Dr. Virach & Associates Office Co., Ltd., and Vira Law Office Co., Ltd., to act as meeting observers during vote tallying for each meeting agenda, to ensure that the meeting was conducted in a transparent manner, complying with legal and company articles requirements.

(4) Prior to meeting commencement, the Company Secretary informed the meeting of the meeting quorum, the vote-casting and vote-counting methods for each meeting agenda according to laws and company regulations. In the case where some shareholders joined the meeting after the meeting commencement, the company still allowed said

shareholders to cast votes for the remaining agenda not yet considered and voted upon by including them as the meeting quorum.

(5) During the meeting, The Chairman proceeded with the meeting agenda in such order earlier set forth in the meeting invitation letter without adding any further agenda or altering any significant information without prior notice to the shareholders, while allowing equal opportunity for all shareholders to present question, comment or suggestion for each meeting agenda.

In that regard, for the shareholders' meeting in 2018, there was no any question or comment from shareholders.

(6) The Company has adopted Barcode system used to sum up votes on each meeting agenda and displayed resolution of the screen in the meeting room and acknowledged by the shareholders simultaneously in order to provide fast and accurate results which being announced promptly after the end of each agenda. The Company has used ballot item on the agenda of appointment of directors and permit the shareholders to elect directors individually. For transparency, the company kept the said ballots at the Bangkok office for checking after finishing the meeting.

The summary of voting in each agenda on the General Meeting of Shareholders No.39 held on Tuesday, April 24, 2018 as follows ;

Agenda	Approve			Disapprove			Abstention		
	No. of Shareholder	Shares	%	No. of Shareholder	Shares	%	No. of Shareholder	Shares	%
1	103	128,538,499	99.9958	-	-	-	1	5,357	0.0042
3	103	128,538,499	99.9958	-	-	-	1	5,357	0.0042
4	103	128,538,499	99.9958	-	-	-	1	5,357	0.0042
5.1 – 5.2	103	128,538,499	99.9958	-	-	-	1	5,357	0.0042
5.3 – 5.4	102	128,538,489	99.9958	1	10	0.0000	1	5,357	0.0042
5.5	103	128,538,499	99.9958	-	-	-	1	5,357	0.0042
6	103	128,538,499	99.9958	-	-	-	1	5,357	0.0042
7	103	128,538,499	99.9958	-	-	-	1	5,357	0.0042
8	103	128,538,499	99.9958	-	-	-	1	5,357	0.0042

Remark : No voided ballot

- **Subsequent to the shareholders' meeting**

(1) The company disclosed the resolutions adopted by the shareholders' meeting, together with the voting results for each meeting agenda, in both Thai and English, via the news channel of The Stock Exchange of Thailand, and the company website, on the following day.

(2) The company compiled the meeting minutes subsequent to the shareholders' meeting, by incorporating all essential details and summarizing voting results for each meeting agenda, classified as approve, disapprove, abstention and voided ballot votes, together with the record on the discussion and conclusion regarding significant topics. Said minutes was submitted to The Stock Exchange of Thailand and The Securities and Exchange Commission within 14 days subsequent to the meeting, and disseminated on the company website, in both Thai and English, so as to enable the shareholders to review said minutes content without having to wait until the next shareholders' meeting. Also, sent the reports to the Ministry of Commerce within time set forth by law.

(3) The company recorded the meeting on VDO, for further distribution to the shareholders upon request.

(4) After the shareholders' meeting approved dividend payment, company shall inform the resolution including dividend payment's details via SET news and cooperate with the registrar of Thailand Securities Depositories Co., Ltd. to ensure all shareholders receiving payment correctly and completely. Including the notice in daily newspapers for a period of 3 consecutive days on 2 - 4 May 2018.

In recognition of its consistent efforts dedicated to holding the general shareholders' meeting efficiently on a continuous basis resulting, the company was awarded the "Excellent" appraisal result in 2018 for the quality of its shareholders' meeting by the Thai Investors Association.

Section 2 : Equitable Treatment of Shareholders

The Company attaches importance and ensures that all shareholders are treated equally and fairly either they are major shareholders, minority shareholders, overseas shareholder or institute investors as following :

2.1 The shareholders' meeting

(1) The company provided the minority shareholders with the opportunity to nominate candidates as directors prior to holding the shareholders' meeting in 2018, during the period of November 15 - December 31, 2017. For such purpose, the company compiled the nomination conditions and disseminated them on the company website, as well as notifying the shareholders via the news channel of The Stock Exchange of Thailand. Nevertheless, there was no shareholder nominating any candidate for consideration as company directors.

(2) The allocation of votes in the meeting was based on the number of shares being held by each shareholder, with 1 vote representing 1 share with no shareholding any special privilege in restricting the right of other shareholders.

(3) In the case of foreign shareholders, the company sent out meeting invitation letter in English, to facilitate the understanding by foreign shareholders, as well as disseminating said information on company website www.snjinter.com in both languages 30 days before the meeting date.

(4) In the case where shareholders could not attend the meeting in person, the company provided opportunity to shareholders to assign any person or independent director of the company as their proxy to attend the meeting and exercise the rights on their behalf. The company provides information concerning all 4 members of Audit Committee by informing name, age and address attaching to the letter of invitations in addition to identifying the documents, evidences and instructions on procedure of the assignment of proxy to all shareholders in order that they can arrange appropriately and do not have any problem for the attendance of proxy.

In the 39th Annual General Meeting of Shareholder held on Tuesday April 24, 2018, 9 shareholders who possesses 14,746,422 shares assigned the proxy to member of the Audit Committee who was the independent director of the company and delegated their vote to him.

(5) The exercise of vote must be done openly and ballot box must be prepared for each and every agenda. The counting of vote is done on the no consent votes and/or abstaining only. These numbers will be deducted from the total votes presenting in the meeting, the remaining numbers will be regarded as consent votes. The company implemented the barcode system to count the votes and display on screens available in the meeting room immediately for the transparency and check.

2.2 Supervision over inside information

The company has laid down the policy safeguarding against inside information abuse, by stating in writing in the business ethics manual, and the code of conduct for company directors, the management and employees, not allowing company directors, the management, and employees, to exploit the information or assets belonging to the company, or accorded own position, in such manner seeking unjust gains for own self or for others. In relation to this, the company handed out relevant manuals to company directors, the management, and the employees, to serve as guidelines for their business operations and assignments, while also disseminating those information on company website.

Furthermore, the company also incorporated above information into company regulations, together with the penalty provision. During 2018, the directors, the management, and the employees strictly followed those company policies on a consistent basis. The company did not encounter the case where its directors and the management traded their securities by using inside information.

2.3 Supervision over the transaction of company securities

(1) The company clearly specified conditions regarding the transaction of company securities in its business ethics, by forbidding the directors, the management, and the employees working in those departments accessible to inside information, to engage in the transaction of company securities, during the period of 1 month before the disclosure of such information to the public and 24-hour after disclosure of financial statements. The company distributed said instructions in circular to all concerned parties each quarter.

In 2018, all the company directors and management members strictly followed accordingly, without engaging in such transactions during said period.

(2) The company informed company directors and the management to acknowledge of duty to report their first securities holding, together with any subsequent change in securities holding, to The Securities and Exchange Commission, in accordance with article 59 of The Securities and Exchange Act B. E. 2535. Furthermore, the company provided for the report on securities holding by the directors and their spouses, as a regular item in The Board of Directors' meeting

(3) The company has set a policy for directors and top management to inform of the company's securities trading to the company secretary at least 1 working day prior to trading. In 2018, the directors and the management have strictly followed the above policy by informing to the company secretary 4 - 6 days prior to trading.

2.4 Treatment of conflict of interests

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

Furthermore, the company held The Board of Directors' meeting subsequent to the shareholders' meeting each year, to decide on the approval criteria for business transactions under normal business term, conducted between the company and the directors, management members, or connected persons.

2.5 Supervision over assets transaction

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

Section 3 : Consideration of The Roles of Stakeholders

Based on its recognition of the rights of stakeholders, The Board of Directors duly laid down relevant policies and guidelines in the company's business ethics manual, and distributed them to the directors, management members and the employees, to be followed as practice guidelines, to ensure that all stakeholders receive fair and equitable treatment.

3.1 Shareholders

The company duly respected the basic rights accorded the shareholders in accordance with the laws, regulations, and business ethics of the company. At the same time, the company had proper mechanism in place to ensure that the shareholders receive accurate and reliable information, having proper measures safeguarding against conflict of interests, and against the exploitation of inside information for personal gain. Furthermore, the company also aimed to generate justifiable return for the shareholders, by laying down appropriate dividend payment policy on a consistent basis.

In year 2018, the company paid the dividend from the result of business performance of year 2017 at rate of 1.20 Baht per share. The total dividend was equal to 55.36% of net profit of the separate financial statements by setting the date of payment on May 23, 2018. We have paid the dividend to shareholders for 39 years consecutively and this is accounted as real long-term wealth for all shareholders. Each and every shareholder is invited to attend the Annual General Meeting of Shareholders of Year 2018 and has right of vote for each and every important agenda item as well as receive the important information through various medias, e.g. pamphlet and e-information. Besides, the company also reports the business performance at every quarter and disclose the transactions done with related persons in the same condition as that done with external persons for their awareness via the news system of the Stock Exchange of Thailand and the company's website.

3.2 Company employees

In the company's recognition of company employees as its valuable human resources playing the critical role in leading the organization toward success, The Board of Directors therefore set the company's policy to devote its best efforts to develop and upgrade the employees' potentials on a consistent basis. At the same time, the company sought to provide job security and advancement opportunities to all employees based on their own potentials, as well as encouraging the employees to play a part in charting the company policies. At the same time, the company laid down its remuneration policy toward the employees by providing the employees with fair and reasonable remuneration commensurate with the capability, responsibility, and performance results for each employee, which is in line with the compensation of the same industry. (See details under the heading "Management Structure" on employees).

The company provide benefits to promote quality of life and well-being, such as Provident Fund, Retirement gratuities to employees, Nursing room, Annual health check, product purchase welfare rates, Uniform, Loans for housing project, etc. Also has established welfare committees the opportunity to engage employees in welfare administration. As well as promoting the preparation of activities to engage employees, such as “Pheun Chuay Pheun Project”, “Dharma Sa-buy Jai Project”, New year activity.

At the same time, the company is also taking into consideration the safety of life, health and property of employees defined as Occupational Health and Safety Policy as follow:

1. Compliance with the law, Occupational Safty, Health and Environment, including a business deal for both current and future.
2. To manage for committed to prevent injuries and reduce the accident rate to zero, including improved working environment to be safe.
3. Committed to developing performance management system in occupational health, safety continuously.
4. Support adequate resources in management to control and prevent danger from work of workers.
5. To cultivated conscious mind for everyone to recognize the safety to work by considering to be the primary function of all.

This policies encourage and support employees and workers outside to safety working and reduce the risk of accidents or of disease from working to enable employees to work efficiently. With both the Committee and the security agencies to work up to this work, including in particular follow-up and continuous operation as well as the label shows the statistics of accidents of work by the company. In 2018, the company had safty training total 24 courses such as Training for safety working for new employees, new supervisor and new executives. “Emergency training plan for Boiler explosion and fire on LPG tank”. Course "Chemical Spill Management". Courses "basic and advanced fire fighting". 5 Sor. Week for Safety on environmentally conscious. Including creating recognition and awareness of safety for employees by creating a plan to inspect the area to assess operational risks provide a safety workplace project, such as a project to reduce the risk of disease from work. Safety awareness campaign, Zero accident, KYT, safety driving campaign. Outstanding Employee in Safety Program and the Safety working area project etc.

The company has targeted the Occupational Health and Safety for year 2018 in order for each agency to design operating plan and achieve goals as follow:

1. No accident until working 3 days, continuously 1,000 days.
Result No accident until working 3 days, continuously 1,095 days.
2. No injury due to work.
Result Injury severity rate (in case of absence) 0 case.

From the said policy resulting the company received National award for workplace “Excellent”; in Occupational Safety, Health and Environment. The award was given by Department of Labor Protection and Welfare. See more details in “Sustainable Development Report 2018 : Good people”

3.3 Customer

The Board of Directors recognizes that the customer satisfaction and confidence is success of the company for sustainable company policy and guideline to consistent with the integrity and do not take any action to be a violation the rights of the customer, we focuses on the service provider that impressed by creating the satisfaction in the products and

services to customers by offering a quality product in a reasonable price to allow the customer to get the most out of both quality and price, we also operates its business with a commitment to develop products and services to devise new innovations that add value and services to products for meet the needs of customers, along with providing the information is necessary to decisions without obscuring or misrepresentation of facts, in addition the production and services must be safe for consumers and environment friendly as well as maintain the confidentiality of the customer not used to the benefits of their own or that those involved an improperly, as well as the care and perform a fair of complaints from customer we have customer service team for more information and comment of multiple channels including over telephone number 02) 676-2727 Fax (02) 676-2726 or E-Mail : sjoffice@snjinter.com.

The evaluation of customer satisfaction report compares year 2016 - 2018

	2018	2017	2016
Local-Customer	83%	89%	86%
Overseas-Customer	84%	80%	82%

Customer satisfaction in domestic decreased due to price competitiveness. To increase confidence to customers, the company's sales department has analyzed the cause of the problem and determined solutions with the relevant business units to increase the effectiveness of production through cost reduction project, Research and development processes in the Fast track product, and PK Liabrary to speed out the goods.

In 2018, the company received confidence from customers and consumers and got the Best Selling Award for Treatment Wax and Hair Treatment products.

3.4. The Competitor

The Board of Directors operates business in accordance with the provisions of law. In this regard, the following policies and guidelines have been prescribed :

1. The Company shall conduct its business within the rules of fair competition with due regard to business ethics and trading laws competition of various countries in which the company operates.
2. The Company will not damage the reputation of its trade competitors.

In addition to these policies. The company did not seek the confidential information of competitors by dishonest or inappropriate ways. We considered competitors take part in empowering your organization's stability and even stronger. Throughout the period of the past, we never had any disputes with competitors.

3.5. Trading Partner

The company treats trading partners equitably and takes into account mutual interests by prescribing the following polocies and guidelines :

1. The company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards, and friendliness to the enviroment. Trading parters are treated on the basis of fair competition, equality and mutual respect.
2. The confidentiality of secrets or communications of trading partners are maintained and not exploited for wrongful gains of oneself or of others.
3. Relationships and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and services are jointly undertaken to promote mutual growth.

4. The Company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the company will expeditiously engage in early negotiations with trading partners in order to reach a mutual remedy and loss prevention solution.

5. The company does not demand, receive or consent to the receipt of properties or any other benefits outside trade agreements.

In addition, the company have a policy for selection of trading partners that recognizes its responsibility and environment, encourage partners to develop a process that takes regard to human rights, not using forced labor and regard to children rights. As well as offering products and service that take into consideration the environmental impact and the safety of consumers. As well as improving process of work to prevent pollution and impacts on the environment along with conservation of natural resources, reduce energy consumption and eliminate the risk of unsafe conditions, including got certified of quality standards ISO9001:2008 , ISO 14001:2004.

Selection Criteria and Trading Partners Evaluation

The Company set up partner selection system based on the ability to manufacture products that satisfy the needs of the customer, the quality of business partners, production capacity, standard system, availability of services, transportation, safety, health, including operation of business partners who be responsible for social and environment, by using the questionnaire in the preliminary assessment and follow up to ensure that business partner are sufficient ability and reliable.

In which year 2018, there is no event that we do not abide by the contract partner.

Remark : More detail in “Sustainable Development Report 2018 : Supply chain management.”

3.6. Creditors

The company's policy of treating all creditors equally and fairly by complying with the contract or the terms strictly creditors to disclose financial position correctly, on time, and in the case that cannot abide by any one institution that let the creditor know in advance in order to jointly find solutions and prevent damage.

For The Creditors, the company provides can be billed on the 1st to the 6th of each month and payable every 25th of every month by means of bank transfer in Media Clearing, Which are the facilities for the creditors.

In the year 2018 The Company pays to the trade meets Credit Term agreed in advance, without payment of any company's business been adhered to competition in good faith and fairness under the framework of the law strictly.

3.7 Community and society.

The Board of Directors is aware of the responsibility toward the community and the society to define policies, there is a strong responsibility to the community and society, formed within the company, and employees at all levels as well as support activities beneficial to the community and society as a whole.

Social Responsibility Policy

S & J aim to a good model to operate in according with corporate governance. Proceed to social activities without force. Participate in society other than the pursuit of profit. Focus on the existence of the business coupled with value creation and corporate social responsibility from the process all section within the organization.

The company has appointed corporate social responsibility Committee, also set the corporate social responsibility policies and practices in the different activities, such as reducing or avoiding the use of chemicals prohibited

in using renewable natural extract, which is good for consumer. The generate of develop a successor fair to help disadvantaged, elderly, reforestation, conservation of animals. Disaster restoration, etc., based on the principles of care or promote community. Create an atmosphere of coexistence of people in the community and the company can live together happily. Create awareness in the context of sustainability to self-reliance, to recognize helping to each other.

The company has the commitment by continuously operation as above, result in year 2018, the company received award of "FDA quality awards competition 2018" from the Offices of the Food and Drug Administration, which is an award that glorify establishments that produce quality products and doing business with integrity and social responsibility, for 6 consecutive years.

Remark : More detail in "Sustainable Development Report 2018 : Good Society."

3.8 Environment.

The Board of Directors of the company are aware of the responsibility for the environment. The policy is one of the mission of the company's governance and ethics in the operations. The company are aware for the impact on the natural resources and the environment.

The company has appointed a working group on environmental and conservation of energy in order to work in accordance with the laws and systems for environmental standards ISO 14001:2015 along with policy and planning environmental projects to reduce the negative impact that sources since in the process including. Waste disposal based on the 3R were Reduce : reducing resource usage, Reuse : reuse worthy and Recycle : recycled process standard. As well as a support and rehabilitation in emergency situations.

Environment Policy

S & J International Enterprises Public Company Limited is focused on producing quality products. By focusing on the importance of risk that has impact on the environment and the resources arising from the sources of the raw materials, production process, storage and delivery of the goods.

Company focused on maintaining environmental quality under the intention as follows.

1. Compliance with legal, the customer requirements, the Treaty and environmental standards both in the present and might have in the future.
2. Focus on management to prevention, reduction, reuse, recycle. Including getting rid of things that pollute the environment.
3. Strive to improve and developed environmental performance continuously for environmental sustainability
4. Promote to the consideration of life cycle to achieve maximize efficient use of resources.
5. To cultivated conscious mind of the employees to realize and participate in the prevention of problems that affect the environment.

The company also has environmental surveillance measures, such as to measure and track air quality, lighting, sound, and water waste within the company for assign the proactive measures, such as the Working Group of structures with energy to approval reduce CO2 emissions and indirect projects, for example set up Solar roof, Improve water quality after treatment for reuse, Improve the production process in order to reduce energy consumption, etc. All of this performance and measurement of environmental quality and safety will be systematically stored and has been monitoring compliance with safety and quality Department regularly.

In addition, the company has opened a channel of complaint for the community if it has been affected due to the company's business operations, which in the past year, the company has not received complaints about the impact of the operation on the environmental.

Remark : More detail in "Sustainable Development Report 2018 : Environmental Management"

3.9 Social Responsibility Reporting

The Board of Directors is aware of social responsibility by providing an Sustainable Development Report to disclose its business practices, in accordance with the Code of Conduct and results of the implementation of the policies and guidelines for sustainable development of the company both on economic, social and environment.

"Sustainable Development Report" of the Company have been prepared in accordance with International Standards of "Global Reporting Initiatives Guideline: GRI (G4 Guidelines)" has the analysis and link to the company's performance relative to the strategies and objectives of sustainable development of the company by further disseminating innovation in business and society. Including the implementation of against corruption consistent with the reporting guidelines of the Stock Exchange of Thailand.

The company has the commitment and work in this continuously, result in year 2018, the company received awards from organizations as follows.

- The award of " Outstanding SET Sustainability Award 2018" from the Stock Exchange of Thailand which is a reward for the company that are outstanding role models in sustainable business practices.
- The award of "Thailand Sustainability Investment 2018" from the stock exchange of Thailand which is a reward for the listed companies that have business operations in accordance with good corporate governance, social responsibility and the environment. The company has received 4 consecutive years.

The company has delivered Sustainable Development Report 2018 to shareholders on QR Code together with invitation letter of The Annual General Meeting of Shareholders for the year 2019 and published the report for those interested on the company website "www.snjinter.com" under the topic "Investors Relation : Publication".

3.10 Encouraged to use resources efficiently.

The Committee recognizes the value of the resources. To achieve efficient use of resources coupled with business operations, the company has appointed a working group on environmental and energy conservation for up acting in accordance with the policies and work practices that conform to environmental standards (ISO 14001:2015), which is one of the established practice is to "promote the use of resources in the production process economically and efficiently." The company has training and awareness campaign on energy saving approach to resource use and achieve the best value for money in all activities of the organization coverage the use of electrical energy, water, paper and other consumables.

The company has implemented an energy conservation in various aspects, such as Solar cell energy, Waste water treatment, Reduction of pressure in the pipe water, Reduce water consumption, Compensable from chiller system supply for cooling Vacuum Pump, etc.

Remark : More detail in "Sustainable Development Report 2018 : Environmental Management"

3.11 Educating and training employees on environmental.

The board of directors encourage the employees to realize the importance of the environment. The Company provides dissemination environment to employees through computer system, manage the Information board and publicity through the sound cable. Activities about nature conservation and the environment, as well as encouraging employees to increase their knowledge training in environmental matters continuously.

In 2018, the company provided training environment as follow.

1. Basic knowledge of ISO14001/OHSAS18001
2. Aspect & Risk Assessment
3. How to Energy Saving.

3.12 Supporting and Participation in Community Development.

The company gives priority to business of social responsibility and the environment. In addition to conducting business without creating a negative impact on society and the environment, then. Engagement and social assistance, sustainable growth along the way. That is what the company has been addressed with its actions. It can be seen from the policy and guidelines on how to conduct activities that are clearly defined in various ways, as follows:

Children and Youth 3 projects	<ul style="list-style-type: none">● Gift for Children Day project● The Smart Science Teacher in Eastern Region project● Youth Yathaphuttra project : India - Nepal
Elephant and Other Animals 2 projects	<ul style="list-style-type: none">● Free the Life of Elephant Project.● the Elephant's Clinic project and Mobile Animal Care project.
Religious charities 4 projects	<ul style="list-style-type: none">● Chanting evening● Good Start Good Life project● Kathin Ceremony● Offering Robes to Buddhis
Enviromental 1 project	<ul style="list-style-type: none">● Afforest for Pracharath
Community and Underprivileged 5 projects	<ul style="list-style-type: none">● School for Elder People project● Look Good Feel Better project● Sharing Heart to HIV House and Nursing Home● Health Mobile project● Community Market for Employee

Remark : More detail in "Sustainable Development Report 2018 : Good society.

3.13 Policies and practices regarding unrelated to human rights violations.

The company, give priority to the fundamental rights of humanity. Conduct business in compliance with laws and principles of human rights. Not all discrimination is sex discrimination. Religion, political rights or other matters, such as the employment of people with disabilities to encourage persons with disabilities were employed, including the company's policy not to take any action or do not support Parties that violate human rights.

The company has prepared the human rights policy, and is published by the training for employees, since beginning work. This is to ensure all agencies are operating according to the principles of human rights laws and regulations relating to employees, and about basic human rights according to international standards also must comply with a standard system, labor, Thailand TLS.8001:2010 which the company has been certified in a highest complete level from the Department of labour protection and welfare, Ministry of labour, on May 20, 2018 effective through May 19, 2021. Over a period of time that the company has never been a history or a court case about violation of human rights.

Remark : More detail in “Sustainable Development Report 2018 : Good people.”

3.14 The policies and practices of non-infringement of intellectual property or copyright.

The company adheres to our policy on business operations that are not related to intellectual property violations by imitators or take other people's intellectual property used in the business without permission. But we developed a new raw material, goods and services, the company continuously research and development team, more than 150 people sharing valuable innovation of business enterprise. By realizing corporate social responsibility and the environment proactively until the company can bring to a patent to be protected of creative concept of the company.

In addition, the company also encourages employees to continuous innovation in both product production by Small Group Activity through projects or suggestions that will help-system as a mechanism to store employee of innovation in the practice and delivery of various innovative projects competition in the Saha group, continuous innovation and awarded annually.

The company has the commitment to continuous innovations, result in year 2018, the company received various awards as follows :

- “TOP INNOVATIVE ORGANIZATION 2018” from National Innovation Agency (Public Organization), the Securities Exchange of Thailand and the College of Management Mahidol University. The company has been assessed to be at level 5, which is the highest level with outstanding development in innovative strategies and create an innovation culture in the organization systematically as well as being able to lead the organization to innovation excellence in a sustainable manner.
- Received “SET Awards of year 2018”, Outstanding Innovative Company Awards from the Securities Exchange of Thailand.

In the year 2018, the company was not associated with abuse of any copyright and/or other intellectual property.

Remark : More detail in “Sustainable Development Report 2018 : Business and Social Innovation”

3.15 Measures against corruption and bribery

The company has set anti-corruption policy and prepared a manual for anti-corruption measures for Directors, Executives and employees to use as guidelines. The key focus of such policy and measures is to prevent and corruption in all forms whether directly or indirectly. The company will not participate in any bribery or corruption to government officials, public as well as private sectors in order to gain or maintain competitive advantage. In addition, the company have set the practice guidelines for activities with potential risk of corruption in order to clear guidelines in the doing business and reduce the risk of corruption with totally 6 Editions as follows.

- Rule of practices for political support.
- Rule of practice for donation and public interest.
- Rule of practice for give or obtain gift and entertainment.
- Rule of practice in the give and get support.
- Rule of practices for Business Operation in sales and marketing.
- Rule of practices for business operation in procurement.

The Anti-Corruption Policy and Practices 6 editions are "Documents of Anti-Corruption" and provide to the Board of Director, Executives and other units within the organization to compliance guidelines in case of doubt in regard to corruption. In addition, there has been published on the company's website (www.snjinter.com) under the heading investor relations: Corporate Governance: Anti-Corruption Documents.

In 2018, the Corporate Governance Committee, which established the anti-corruption guidelines have reviewed and revised the compliance with anti-corruption policy in order to be consistent with the operation of the company and easier to understanding. The compliance with the anti-corruption policy has been approved by the Board of Directors Meeting No. 1/2019 on January 24, 2019.

Corruption risk assessment

The company requires units whose transactions may create corruption risks of all 9 units which contact the government department, such as Engineering department, accounting and finance, import-export and regulation department, to conduct corruption risk assessment. Cause and chances of the corruption risks in the entire business process, from project development to project financing, project and power plant management and organizational administration, are identified while practice guidelines, regulations and rules used for control such risks are prepared.

Corruption Risk Assessment showed that the Company has effective risk prevention, such as prevention, whistleblowing system, control and monitoring. Chances of such risks are very low. Although the assessment also showed that some anti-corruption guidelines are already in writing, such as gifting, entertainment, internal control, human resource management and procurement, some other practices, including sponsorship, training and communications, remain not clear. The Management and employees however have correctly, properly and transparently performed, which is a strong organizational culture. To support effective implementation and provide clear guidelines, the Company has improved and put in writing those guidelines by preparing the "Anti-corruption Measures Manual". The manual has been disseminated throughout the entire Organization via internal communication channels and to outsiders via the company website under Corporate Governance.

Implementation of Anti-Corruption Policy and Measures.

- The Anti-Corruption Policy and the Anti-Corruption Measure Manual are published on the Company's website and distributed to the board of director, Executive and all of department of company.
- Anti-corruption Policy and Practices are regularly communicated within the Organization 2 times per day and disseminated through internal communication channel and posters in office where outsiders can also see and become aware of company commitment. The company will provide the detail of anti-corruption policy for new employee in Employee Manual.
- The company encourages and supports its subsidiaries to concretely implement anti-corruption by communicating the anti-corruption policy and practices to directors of subsidisries for adaptation and implementation.
- The Board encourages Directors, Executives and employees were attend trainings and seminars on anti-corruption held by various organizations, including:
 1. The training "SJI cooperation for Anti-Corruption " for managers and supervisors, which has invited guest speakers who are competent external training at Bangkok and Sriracha office.
 2. Orientation for new employees, which have content policies and guidelines, operating for anti-corruption, to cultivate the consciousness from the start.
- The Company has notified its policy to its trading partners by sending a notice informing the anti-fraud policy. In cooperation, if found guilty person in the organization. In addition, the company has prepared the memorandum committing to Anti-Corruption for the represent of the company to provide customers and partners to realize in this matter.
- The company has set the notification letter policy stopped accepting gift from business partner every year.

Whistleblowing

The company encourages its employees and stakeholders to participate in monitoring the actions in compliance with related laws, regulations rules, corporate governance practice and business ethics and report or complain on breach of laws, ethics or malpractice that may involve corruption. Measures for whistleblower protection are also put in place so as to keep reported information confidential and will be acknowledged only be relevant parties to provide whistleblowers with full confidence and protection.

The company provides a channel for all stakeholder groups to report or complaint that may cause damage to the Company. Wrongful action against related laws, regulations and business ethics or Corruption and bribery or suspected actions that may involve money laundering, wrongful actions related to accounting, finance, control and auditing. Issues to be reported directly by telephone or e-mail as following:

Division	Telephone number	E-mail address
Human Resource Division Manager	(02) 676-2727 Ext. 2208	patchara@snjinter.com
Company Secretary	(02) 676-2727 Ext. 2812	sumit_k@snjinter.com

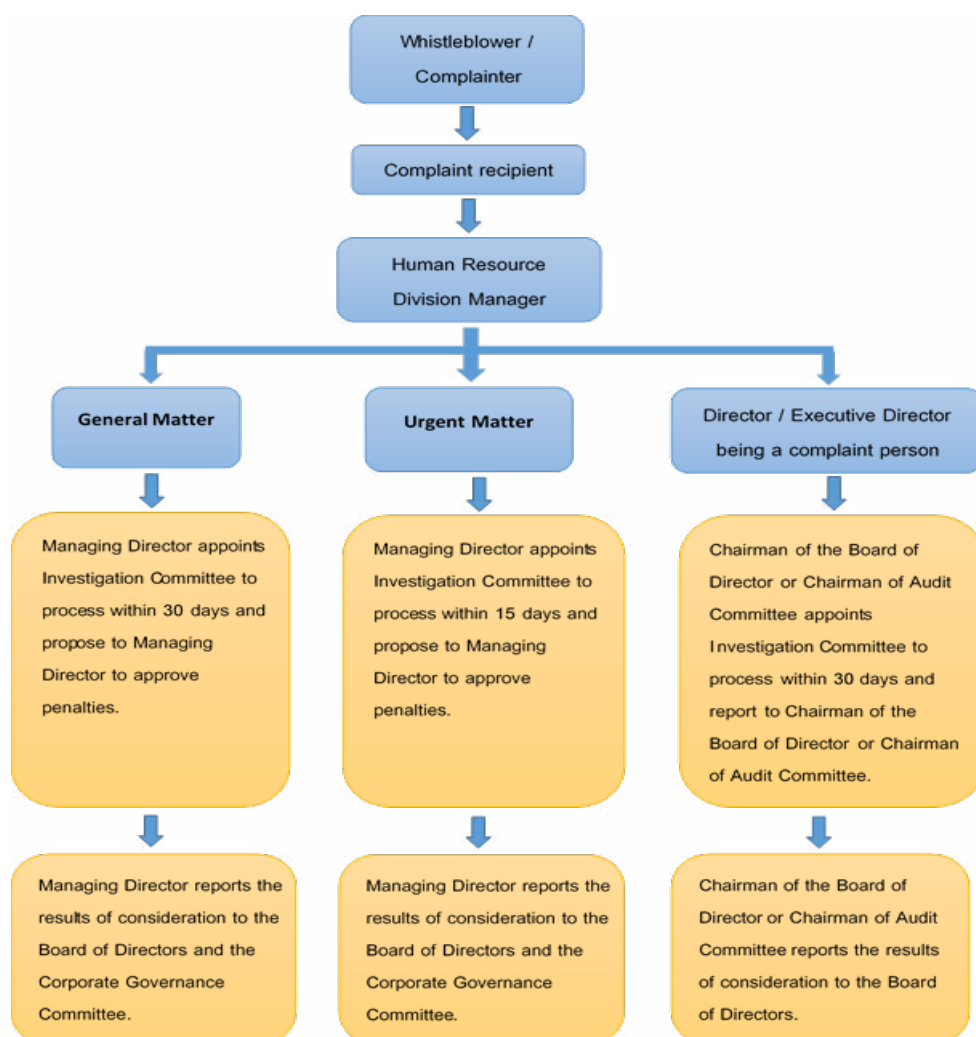
Or send a registered mail to Chairman of the Audit Committee or Chairman of the Corporate Governance Committee or Human and Resource Division Manager or Head of Internal Audit or Company Secretary at the following address :

S & J International Enterprises Public Company Limited

2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok, 10120

Process of whistleblowing and complaints

The company conducted the investigation with fairness, transparency, prudence and fairness to the complainant, as following :



The protection of the whistleblower and complainter

The company will protect the whistleblower and complainter made by fide intent by concealing the name or any information that could identify the whistleblower and complainter and maintain the information of whistleblower and complainter to be confidential by limited to those who have a responsibility to investigate complaints only.

The protection of employees

The company will provide care and protect employees who comply with Anti-corruption policy and regulation by protection complainter set in Code of conduct the Board of Directors, executives and employees. Including the company give justice and protection to employee. By employee will not be punished, or reduce position, if denied the corruption acts, even though such actions would cause the company to lose business opportunities.

The company has set whistleblowing process and protection of whistleblowers and those being complained as well as penalty and clue reporting; and clearly published such details in the Anti-corruption Manual. In 2018, there were complaints about a violation of work regulations for 3 cases which had been investigated the causes for disciplinary action with related persons. In previous year, the company did not receive any complaints about corruption.

Monitoring, Reviewing and Assessment

The company has a process to review, monitoring and assessment of the risks of corruption, as well as programmes for preventing such risks. The supervisory board governance is the risk assessor in corruption and coordination with internal audit checks and presentation at the meeting of the Audit Committee to review the internal control and internal audit follow-up. In the case of fraud, internal audit work unit will report directly to the Audit Committee and the Audit Committee will report to the Board of Directors, respectively.

In 2018, the Corporate Governance Committee has reviewed policy and practices relating against corruption, to review policies and practices for improvement by cooperating with the Internal audit to follow up the adoption of practices with the annual audit plan. The report to the Audit Committee and the Board of Directors by quarterly.

3.16 Communication Channel

Stakeholders are able to provide their recommendations and concerns to company via the following channels:

Channel	Telephone number	E-mail address
Company Secretary	(02) 676-2727 Ext. 2812	sumit_k@snjinter.com
Investor Relations	(02) 676-2727 Ext. 2508	sjicac@snjinter.com
Human Resources Division	(02) 676-2727 Ext. 2208	patchara_p@snjinter.com

The mailing address is S & J International Enterprises Public Company Limited 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok, 10120.

The Company Secretary is responsible for sending documents directly to the Board and then forwarding them to relevant committees or directors. Issues and recommendations will be summarized and submitted to the Board on a quarterly basis. In 2018, the company did not received neither complaint nor involved recommendations from stakeholders.,

Section 4 : Information Disclosure and Transparency

The Board of Directors duly recognized the importance of disclosing significant company information relating to both financial and non-financial topics, which was regarded as one of the company's policies regarding good corporate governance. The company ensured that the shareholders and investors receive such information, in a fast, accurate, and equitable manner, through such channels as, the annual report, annual information disclosure form 56-1, news distribution channel of The Stock Exchange of Thailand, and The Securities and Exchange Commission, as well as the company website, in both Thai and English (www.snjinter.com), with those information being regularly updated.

In 2018, the company facilitated information disclosure in accordance with the requirements of The Stock Exchange of Thailand, as well as disclosing other significant information, in display of transparency toward its business operations as follows:

4.1 Corporate governance : The company prescribed and disclosed its corporate governance policies, corporate governance principles, business ethics, code of conduct for company directors, the management, and employees, Anti-Corruption Policy and guideline of anti-corruption. Also provided information board.

In 2018, the company has reported compliance with corporate governance policy. This is consistent with good corporate governance principles for listed companies on the Stock Exchange of Thailand. By publishing the Annual Report Form (56-1), annual reports (56-2) and the Company's website.

4.2 Social and environmental management policy : The company incorporated these topics under mission and the policies on corporate governance and business ethics with regard to the society and environments, can be found more detail at “Sustainable Development Report 2018”.

4.3 Risk management policy : The company has set up Risk Management Committee to supervise risk management of the organization in a systematic and effective manner, and cover all areas appropriately, as well as assign risk management policies, according to the details under the heading “Risk Factors”.

4.4 Shareholding structure : The company disclosed the names of the top 10 shareholders on December 31, 2018 under the heading “Property and Shareholders Information” and company's website www.snjinter.com menu “Investor Relation” topic “Shareholding Structure”

4.5 The Board of Directors' responsibility report toward financial statements : The Board of Directors recognized the importance of compiling financial statements in such manner deemed accurate and reliable, accompanied by preparing in accordance with accounting standards, to serve as references for decision-making by the investors, by displaying said report together with the certified public accountant's report in the annual report publication. Furthermore, in 2018, the Company's Audited Financial Statements were certified with clean audit opinion by auditor and submitted to The Stock Exchange of Thailand and The Securities and Exchange Commission within the timeframe required, and never subject to any instruction to revise its financial statements.

4.6 Duty performances by The Board of Directors and various committees : The company disclosed the details on the roles and authority of The Board of Directors and other committees, the number of meetings held, the number of meeting attendance by each director during the past year, details under the heading “Management structure”, and “Corporate Governance” on sub-committees.

4.7 Shareholding by the directors and the management : The company annually disclosed shareholding and changes of the company's shareholding of the directors and the management both directly and indirectly in the annual report. Details are under the heading “Personal information of company directors and management members” on report on changes in securities holding by company directors and management members

4.8 The remuneration for the directors and the management : The company disclosed the policy regarding the remuneration for directors and the management, the nature and number of remuneration accorded the directors for The Board of Directors and other committees are individual, under the heading “Management structure”, on the remuneration for the directors and management members.

4.9 The policy to report possible conflict of interests by the directors : The Board of Directors laid down the policy requiring company director and management member to report to the company each time possible conflict of interests arose by either themselves or connected persons, within 3 month of that event causing an appointment or change. Regarding this, the company secretary was required to submit related report to The Chairman and The Audit Committee Chairperson within 7 days after the company learned of such event. During 2018, company directors and management members strictly followed said policy, by not taking part in such meeting agenda having possible conflict of interests. Moreover, the company facilitated information disclosure pertaining to any conflict of interests by company director or management member, via the letter informing the meeting's resolution to the news system of The Stock Exchange of Thailand.

4.10 Development for the directors and the management : The company disclosed the development and training of directors and the management. Details are under the heading "Personal information of company directors and management members" and "Corporate governance" on Section 5 : Responsibilities of The Board of Directors, no. 5.7.

4.11 Relating transaction The Board of Directors laid down the policy for the company to comply with the regulations of the Capital Market Supervisory Board. In the case of important relating transaction; although the approved amount of money is under the executive director supervising the division, the company shall present to the Executive Board for consideration and/or approval depending on the case. After that, the company will bring the significant volume transaction to The Audit Committee's meeting and The Board of Directors' meeting for consideration respectively, so The Audit Committee can comment in case there are different opinions, and the directors and the management can acknowledge the details before the company informs the Stock Exchange of Thailand. Details are under the heading "Relating Transaction".

4.12 Quarterly Performance Report : In the case of total revenue or net profit according to last financial statement changed from the financial statements in the same period last year more than 20 percent, the company has revealed the explanation of the operation's results for the quarter on the website of the Stock Exchange of Thailand and the company website.

In 2018, the company has disclosed the quarterly operating result report for 3 times.

4.13 Management and operation of the company : The company has its tax policy with a strong tax management in order to protect the reputation and image of the company in a tax-related issues, including promoting the maximum added value to shareholders. Tax policy gets approval from senior management, according to the code of ethics in the company's business operations.

Tax policy of the company

Tax policy adheres to principles of integrity, transparency, by providing accurate, timely taxation according to law, to build credibility for the company by conducting a performance tax, legal and tax benefits to achieve optimum performance under the terms of the law, including compliance with legal regulations on financial disclosure and the tax authorities or related organizations including the public. This is consistent with the business strategy to provide maximum benefit to shareholders, and maintain good relations with government officials and customers.

Tax policy compliance

The company had a tax compliance and tax news and new laws closely, including the review process by senior executives, internal auditors regularly according to the annual internal audit plans to follow up the operation consistency, including a review of the external auditor in order to be compliance with tax effectively, transparency and legality.

In addition, the company has defined Rule of practices for donation and public Interest, Rule of practices for give or obtain gift and entertainment, Rule of practices for political support, Rule of practices for Business Operation in Sales and Marketing and Rule of practices for Business Operation in Procurement in accordance with the guidelines of the relevant law, including laws, taxation. All processes are approved by the company's management and has carefully considered under the tax laws.

4. 14 Whistle Blowing Policy : The Board of Directors gives employees and stakeholders an opportunity to give information or file a complaint on a matter which could constitute a violation of the law, dishonest or wrongful act of an employee, including irregular behavior which could cause a problem or loss to the company. The company also receives complaints on cases where the rights of an employee or stakeholder has been infringed or where they have been treated unfairly. Suitable channels and procedures have been provided by the company in this regard.

4. 15 The relationship with investors : The company earlier set up Company Secretary and Investor Relation Department, to serve as the center in communicating and distributing significant information useful to the investors and other parties concerned. Interested person could view the company's latest developments via the company website, under the heading "Investor Relations", and the news system of The Stock Exchange of Thailand. Investors and related persons may contact Company Secretary and Investor Relation Department represented by:

Mr.Varith Tritrapun

Investor Relation

Tel. (662) 676-2727 ext. 2508

E-mail : sji_sec@snjinter.com

or

Mr.Sumit Khopaiboon

Company Secretary

Tel. (662) 676-2727 ext. 2812

E-mail : sumit_k@snjinter.com

In 2018, the company and the Saha Group together with the SET hold "investors and analysts meet Saha Group" No.10 at 22th Saha Group Fair at Bangkok International Trade & Exhibition Centre (BITEC) to en-close investors, analysts and the media met with the Board and management closely. Deputy Managing Director provided the information about the business, operations, industry, economic outlook and key developments including answers and question. The company prepared book summarizes the history and key operational results distributed to investors, analysts and media at the event as well as all of them have visited product and innovative of companies in the group that was on display at the 22th Saha Group Fair. An opportunity to purchase product at special price which has been received very well with attendance increasing every year. This caused investors, analysts and the media learned an overview of the business of the Saha Group, and more published through the Stock Exchange and the company's website (www.snjinter.com).



Section 5 : Responsibilities of The Board of Directors

The Board of Directors had important responsibility in setting the direction for the company's business operations, following up on the work results by its management members, and being responsible for their duties to contribute to the best interests of the shareholders and the company.

5.1 Structure of The Board of Directors

1. Composition of The Board of Directors

The Board of Directors comprised	15	directors, classified into:
- Non-executive directors	4	persons
- Executive directors	5	persons
- Independent directors	6	persons

The Board of Directors consisted of qualified directors with knowledge, proficiency, and various experiences in accounting, finance, management, marketing, laws and science, as well as no gender discrimination. There are 10 Non-executive directors of whom 6 are Independent directors or equal to 40.00 % of the total number of the Board. And among 6 Independent Directors, 4 of them are members of the Audit Committee. The Chairman shall not be the same person who is taking an office of Managing Director.

All directors have a determination to perform their duty as trusted by the Board of Directors and shareholders. They are all independent in expressing their idea, considering and approving any issue by regarding the optimum benefit to the company.

2. Independent director's qualifications

Every member of the company's independent directors is fully qualified to serve as an independent director under the rules set by the company. Independent directors who are women are accounted for 2 persons or 33.33 percent of all independent directors. None of independent directors take a position as director in more than 5 listed companies.

The Board of Directors resolved to adopt the definition for "independent director" having qualifications in accordance with the notification of The Capital Market Supervisory Board. Nonetheless, practically the independent directors of the company are truly independent from the management and major shareholders of the company. Independent directors and the person being involved held not more than 1% of the total voting share of the company and have no shareholding in the parent company, subsidiaries, associates, major shareholders, or person in authority of the company.

3. Directors selection process

The Board of Directors appointed The Nominating Committee, to supervise the director selection process to be carried out in a transparent manner (See the details under the heading "Corporate Governance", on the selection and appointment of the directors and chief executive officer).

4. The number of companies served by each director

The company disclosed the information regarding the holding of directorship by each company director in other companies in the heading "Personal information of company directors and management members". At present, none of the company's directors serve as director in more than 5 listed companies.

In addition, The Board of Directors assigned a policy to appoint the Managing Director as directors in its subsidiary companies and affiliate companies, so as to facilitate smooth and consistent operations management for these companies.

5. The separation of the positions of Chairman from the Chief Executive Officer

Directors and the Chief Executive Officer, the company therefore specified the Chairman of The Board of Directors and the Managing Director to be different persons, so as to clearly separate the supervision and management authority for the company, and contributing to proper authority balance in company management within the company. In relation to this, the company has set up The Board of Directors Charter, setting the authority and duty scope for each committee, Chairman of the Board of Directors and Managing Director.

6. Company Secretary

The Board of Directors resolved to appoint Mr. Sumit Khopaiboon, Account and Finance Section Manager, as the Company Secretary, having the duties and responsibilities as specified by the company. (See the details under the heading “Management structure” on company secretary.)

5.2 Sub-committees

The Board of Directors appointed several sub-committees comprising of competent and experienced members to supervise over each particular aspect of company operations, and clearly laid down the authority and responsibility scope for each committee per the charter for said committee. (Additional details are under the heading “Corporate Governance” on various committees and “Management structure” on The Board of Directors)

Furthermore, the directors and senior executives of the company have never been employees or partners of outside auditing companies that serviced the company in the past 2 years.

5.3 The roles, authority, and responsibility scope of The Board of Directors

1. Leadership and vision

The Board of Directors consisted of members who had extensive capabilities and experiences beneficial to company management, together with leadership and independent decision-making qualities, necessary to supervise company operations in such manner best contributing to the objectives and goals of the company and shareholders.

The Board of Directors were obliged to assign the vision and mission of the company, with yearly revision, in which in 2018, The Board of Directors’ meeting had considered and reviewed that vision and mission were still appropriate with current business engagement. Moreover, The Board of Directors also approved strategy, target, plan, and annual budget of the company proposed by the management. At the same time, they were required to ensure that there were adequate mechanisms in supervising, monitoring the implementation of the company’s strategies, and evaluating performances by the management, so as to meet the targets contributing to further value and wealth for both shareholders and the company, while properly safeguarding the interests of all stakeholders concerned.

2. Good corporate governance

In due recognition of the importance of good corporate governance practice, The Board of Directors therefore laid down good corporate governance policy in writing, consisting of 4 parts of information which are corporate governance policies, corporate governance principles, business ethics, and code of conduct of the company’s directors, the management and employees. The good corporate governance principles were prepared in three languages : Thai,

English, and Japanese. There was evaluation of compliance and review of good corporate governance principles annually, and revealed through the company website. The manual was distributed to directors, the management, and employees, which required that all of them comply with such manual strictly. The ethics and code of conducts also being presented to the management and employees in animated cartoon for easy understanding.

In 2018, the company has revised and amended the corporate governance code by applying the 2017 corporate governance code for listed companies according to the announcement of the Securities and Exchange Commission (SEC) to apply and covering the operation of the company appropriately for the benefit of creating sustainable value for the company.

The Board of Directors followed the measures of good corporate governance to strengthen its management and business engagement transparency, and those who do not comply with such measures will be appropriately punished and might be prosecuted in the case of law violation. If the employees are in doubt and cannot comply or make decision, they shall consult with sequence supervisor. In the case of dispute, the judgment from the Managing Directors, The Executive Board and The Board of Directors will be considered as final order. (See full details of corporate governance policies, business ethics, and code of conduct for company directors, the management and employees on the company website).

3. The policy regarding possible conflict of interests

The Board has a clear guideline for care. To eliminate conflicts of interest with prudence for the benefit of the Company and its shareholders. The item may have a conflict of interest. The company has informed the meeting about these transactions for transparency in accordance with the Capital Market Commission, Directors who have conflict of interest were out of the meeting and abstained on the agenda for independent of the company's decision. In addition, the company do not to provide financial assistance except in the case of loans or loan guarantees in proportion to their shareholding by preparing report in the Annual Report (56-2) and annual information form (56-1).

4. Supervision over internal control and audit systems

The Board of Directors address on the systems overseeing financial control, company management, and corporate supervision, by assigning The Internal Audit Office to supervise over the audit, review, and monitoring of those operations results. Furthermore, The Internal Audit Office also provided recommendations to ensure independent and effective practices according to those guidelines in an independent and balanced manner.

Accordingly, The Board of Directors instructed The Internal Audit office to directly report to The Audit Committee every quarter, so as to allow the Committee to review and ensures sufficient internal control practice. At The Board of Directors' meeting no.2/2019, also attended by The Audit Committee members, the meeting together reviewed the adequacy of the internal control system and risk management system, and then concluded that the company had adequate internal control system in place. (The details are disclosed under the heading "Internal control and risk management").

With this regard, The Audit Committee is responsible for considering and giving approval for the appointment, transfer and dismissal of the head of internal audit office. Currently, the head of the company's internal audit office is Mrs. Pannee Chantavaralak, who has good quality of knowledge, abilities and experiences in internal audit.

5. Risk management

The Board of Directors places emphasis on risk management affecting the organization's goals by having risk management process in a systematic and in compliance with the company's policies.

The Board of Directors appointed The Risk Management Committee to supervise the risk management to be effective and meet the standard with risk assessment and monitoring risk management plan, as well as reporting to the Board of Directors. (See the details on risk management for each area of the company under the heading “Risk factors”).

5.4 The Board of Directors’ meeting

The Board of Directors scheduled the meeting for the whole year and notified the directors in advance in which the meeting will be held at least every quarter with additional meeting if necessary as specified in the Charter of Board of Directors. For each meeting and agenda for The Board of Directors’ meeting, each director was able to propose agenda, and the Chairman together with the Managing Director shall consider the matter to be brought into the meeting. After that, the Company Secretary sent out meeting invitation letter, meeting agenda, and relevant meeting documents, to the directors not less than 7 days in advance, to allow them sufficient time to review the information prior to the meeting.

All directors considered as their duties to attend the meeting each time, unless unable to do so due to significant obligation or illness. During the meeting, The Chairman allowed the directors to present opinions and comments freely. The company has set a policy of minimum quorum of the committee to vote at the meeting of the Committee that must have directors not less than 2 out of 3 of all members. while those directors having conflict of interests would not be allowed to attend or cast votes at such meetings. The Company Secretary recorded the meeting minutes and then classified those minutes in a systematic manner, to facilitate easy references.

The Board of Directors supported the joint meeting between The Board of Directors and The Executive Board at least once a year, to deliver yearly strategic targets and operation plans of the company, as well as to build good relationships between directors and executives. In addition, Chief Financial Officer has joined The Board of Directors’ meeting at all times.

The Audit Committee has scheduled meetings with external auditors and report this to the Board of Directors every quarter.

During 2018, The Board of Directors held 6 meetings altogether and having the Directors attending the meeting more than 90% of the meeting whole year. (See the details about the meetings under the heading “Management structure” on The Board of Directors, no. 1.3 the number of directors’ meeting).

In addition, in 2018 has set scheduled of the Board of Director meeting for the year 2019 in advance (this schedule is subject to change.) excluding the agenda of the special meeting as follows:

Number	The Board of Director Meeting
1	January 24, 2019
2	February 26, 2019
3	May 13, 2019
4	August 6, 2019
5	October 11, 2019
6	November 14, 2019
7	December 13, 2019

5.5 Evaluation of The Board of Directors

The evaluation of the Board of Directors performance for the year 2018 has been carry out, in which the evaluation was set to conduct yearly. Each of the directors will be given opportunity to assess the performance both individuals and the board as a whole to review performance results, problems, and obstacles faced during the past year, in order to contribute to better effective performances by The Board of Directors.

There is a process in which the evaluation as follows: the Company Secretary sent out an evaluation of the performance of the Board of Directors form, an evaluation of the performance of the directors individually form, and an evaluation of the performance of the Sub-Committees Directors form (Only directors who are members of the committees of the Board) to all directors. Every director was independent in taking such evaluation. The evaluation form was returned to the Company Secretary once completed to be collected, summarized, and reported to The Board of Directors at The Board of Directors' meeting.

The percentage score criteria was set as follows:

Criteria	Score
Excellent	Over 80 percent
Good	Over 70 percent
Fair	Over 60 percent
Improve	Over 50 percent
Poor	Less than 50 percent

Yearly Performance Evaluation of The Board of Directors

The Board of Directors carried out the board's performance evaluation, which divided in to 3 aspects as follows:

1. Role, Duty, and Responsibility of the board
2. Independence of director
3. Relationship with the management and stakeholders

In 2018, the evaluation result was in "Excellent" criteria with the average score of 87%

Yearly Performance Evaluation of The Individual Director

The Board of Directors carried out the individuals' performance evaluation, which divided in to 3 aspects as follows:

1. Role, Duty, and Responsibility of director
2. Duty fulfilment of director
3. Self-development of director

In 2018, the evaluation result was in "Excellent" criteria with the average score of 86%

Yearly Performance Evaluation of The Various Committees

The Board of Directors has set the evaluation of performance of every various committees in 2018 that each member of the various committees evaluated the work of his/her various committees as a whole. The result can be summarized as follows:

The Sub-Committees	Evaluation Result
The Audit Committee	89%
The Nominating Committee	73%
The Remuneration Committee	75%
The Risk Management Committee	81%
The Corporate Social Responsibility Committee	90%
The Corporate Governance Committee	95%
The Executive Board	78%

With regard to the appraisal of the performances of the Managing Director, this would be carried out by the Chairman and the Board of Director, by considering and assesment the performances result from target of company every year.

5.6 Directors' remuneration

The Board of Directors appointed The Remuneration Committee, to supervise and ensure that the remuneration process for directors and senior executives were carried out in a transparent manner (See the regulations and criteria on remuneration policy for directors and the management under the heading "Management structure", on remuneration for the directors and management members).

5.7 Board and Management Development

The Board of Directors has set up a policy to promote and support those training activities seeking to promote further knowledge for the directors, managers, and all parties concerned on a consistent basis. So, as to gain better effective skills and understanding regarding their duty assignments. These activities included the programs organized by Thai Institute of Directors Association (IOD) and other agencies concerned (See the details under the heading "Board of Directors Information"), as well as the meeting to exchange opinions with The Board of Directors and the managers of other organizations, in order to apply the knowledge and experience gained to develop the Company.

The Board of Directors participated in training programs organized by Association of Thai Institute of Directors (IOD).

	NAME	DAP	DCP	RCC	RMP	RCP	ACP
1. Mr.Boonkiet	Chokwatana	3/2003	41/2004	-	-	-	-
2. Mrs.Tipaporn	Chokwatana	3/2003	68/2005	-	-	-	-
3. Mr.Thirasak	Vikitset	3/2003	68/2005	-	-	-	-
4. Dr..Atthakorn	Glankwamdee	3/2003	68/2005	-	-	-	-
5. Admiral Apichart	Pengsritong	82/2010	-	-	-	-	-
6. Mrs.Kaewta	Ongsaranakom	-	27/2003	10/2010	-	-	-
7. Prof.Dr.Malyn	Ungsurungsie	17/2004	-	-	-	-	-
8. Mrs.Chitraporn	Vikitset	66/2007	-	-	-	-	-
9. Mrs.Teerada	Ambhanwong	3/2003	51/2004	-	-	-	-
10. Mrs.Pismai	Chandrubeksa	82/2010	-	-	-	-	-
11. Mr.Suthep	Dansiriviroj	32/2005	60/2005	-	5/2014	-	-

NAME		DAP	DCP	RCC	RMP	RCP	ACP
12. Mr.Amorn	Asvanunt	4/2003	-	-	-	-	-
13. Mrs.Pradittha	Chongwattana	-	5/2001	-	-	-	-
14. Mr.Surong	Ongkosit	12/2004	68/2005	-	-	-	-
15. Pol.Gen.Somchai	Prabhasabhakdi	25/2004	51/2004	-	-	12/2005	2/2004

The Company directors and managers paid much attention to attend training courses or seminars designed to promote their management abilities.

Training and seminar attended by the Board of Directors and Managers in 2018

Name		Training Course / Seminar
Mr.Thirasak	Vikitset	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - ACEFAPSI Business Strategy No.18. (T-way Co.,Ltd)
Mrs.Kaewta	Ongsaranakom	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - ACEFAPSI Business Strategy No.18. (T-way Co.,Ltd) - Sustainable growth in the information era based on understanding of accounting and taxation - Guideline for disclosure of CG CODE according to apply or explain basis (Thai Listed Companies Association)
Prof.Dr.Malyn	Ungsurungsie	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd)
Mrs.Chitraporn	Vikitset	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - ACEFAPSI Business Strategy No.18. (T-way Co.,Ltd)
Miss Sumeth	Surachartchairit	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - ACEFAPSI Business Strategy No.18. (T-way Co.,Ltd) - Sustainable growth in the information era based on understanding of accounting and taxation
Mrs.Thongsuk	Upathambhakul	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - ACEFAPSI Business Strategy No.18. (T-way Co.,Ltd) - Sustainable growth in the information era based on understanding of accounting and taxation
Mrs.Patchara	Pongwichan	- Strategic Business Goal Plan and Action for 3 years. (T-way Co.,Ltd) - The Future of HR Saha Group - Guideline for disclosure of CG CODE according to apply or explain basis (Thai Listed Companies Association)

Orientation for new directors

The company hosted the orientation course for new directors, to properly prepare them for director assignments. The company arranged factory tour, organized presentations on company background, business perspective and business policies for these new directors. The company also provided them with the manual for directors for listed company, clearly summarizing and comparing the provision in the company regulations, with those in The Securities and Exchange Act, The Public Company Act, Good Governance Practice Principles, as well as the charter for each respective Committee and the corporate governance policies, corporate governance principles, business ethics, and code of conduct for the company directors, the management, and employees, anti-corruption policy and other regulations. In addition to related regulations issued by concerned agencies in supervising over listed companies, to serve as their practice guidelines during the directorship term.

5.8 Plan for Successors

The company has plans for successors to be ready for in case the executives are unable to work. The details are as follows

1. To provide opportunity for middle management to work closely with senior management.
2. To prepare having senior management be ready to take up other functions if necessary.
3. To prepare specialized personnel to be able to take up higher management positions.
4. To establish various committees for development of works and potentials of flame works in a systematic process.
5. To encourage middle management to propose their various plans.
6. To provide training courses for middle management to take up high posts.
7. To organize a training course for senior and middle management to promote common awareness for accountability, integrity and corporate image as a whole.
8. To provide executive training for each department for higher potential, advance planning in addition to systematic thinking to middle managements.
9. To enhance charitable spirit and activities among executives at all levels for promoting happy living in societies.

Compliance with good corporate governance principles in other matters

The Board of Directors have placed much emphasis on building good corporate governance practice, and upgrading those practice on continuous basis, to enable company operations to be carried out in a transparent and effective manner, leading to further growth and stability for the company. Furthermore, such practice was aimed at contributing to further economic value and long-term wealth for the shareholders, while providing fair treatment to all stakeholders concerned. The company has set the policy to achieve balanced business operations under changing social and economic environments, based on sufficiency economy principles, and in compliance with good governance practice principles for listed companies.

The consistent development of good corporate governance principles to comply with the criteria of ASEAN CG Scorecard, which is a more intensive criteria of survey, has resulted in the company receiving an “Excellent CG” score in the annual good corporate governance practices assessment of Thai listed companies for 2018 and the company also

received certificate of ESG100 company from Thaipat Institute as one of the top 100 listed companies with outstanding environmental, social and governance (ESG) operation.

Details of Corporate Governance Evaluation;

Categories	2016 (%)	2017 (%)	2018 (%)
1. Right of Shareholders	92	92	92
2. Equitable Treatment of Shareholders	98	99	93
3. Role of Stakeholders	93	94	94
4. Disclosure and Transparency	89	92	94
5. Responsibilities of the Board	69	83	85
Score Average	83	89	90

In case of the part that company had not practiced complying with good corporate governance principles for listed companies, the company would take into account to apply appropriately such as:

Non - practiced aspects	Reasons
1. The Board of Directors has specified the number of listed companies that each director hold directorship for not more than 5 places in the company's corporate governance policy.	The Board of Directors has not specified the number of listed companies that each director hold directorship for not more than 5 places, since The Board of Directors believed that each director's business expertise and capabilities should not be restricted by the number of companies said director served, as long as he/she proved to be capable and devoted enough to carry out own assignments in fulfilling the expectations by The Board of Directors and shareholders. At present, none of the company's directors serve as director in more than 5 listed companies.
2. The Board of Directors's policy has specified the limit of the number of years on the tenure of independent directors not exceeding 9 years.	The Board of Directors's policy does not limit the number of years on the tenure of independent directors since the company's independent directors continue to perform their duties with independence and without private interests that may conflict with the interests of the company, as well as make decisions by taking into account the best interests of the company. They are also independent from the management and major shareholders of the company.
3. The Board of Directors has no independent director appointed as the company's director for more than 9 years.	The Board of Directors has four independent directors appointed as the company's director for more than 9 years because they are fully qualified per definition of company's independent directors, while duly processing such sound knowledge, professional expertise, and work experiences, beneficial to the company's business operations.

Non - practiced aspects	Reasons
4. The Chairman of The Board of Directors is independent director.	The Board of Directors has appointed non-executive director serving as the Chairman of The Board of Directors due to his ability and expertise in the company's business. Furthermore, despite the Chairman of The Board of Directors not being an independent director, nevertheless, the Chairman of The Board of Directors duly carried out his assignments in an independent manner, and providing opportunities to all directors to act freely in expressing own opinions and suggestions contributing to the best interests of the organization.
5. The Chairman of The Nominating Committee and the Chairman of The Remuneration Committee are independent directors and The Nominating Committee and The Remuneration Committee mainly comprise independent directors.	Although the Chairman of The Nominating Committee and the Chairman of The Remuneration Committee are not independent directors, all of them are directors with knowledge and experience who served the positions for a long period of time. They have performed their duties with responsibility and honesty, while never voted when they have conflict of interests.

Internal control and risk management

Opinion of the Board of Directors on the adequacy and appropriateness of the internal control system.

The company recognizes the importance of the system of internal control which all employees of the company have joint roles and responsibilities together by assigning the duties and responsibilities, operating power on administrative and operation level is written clearly, covers financial control, operations, management, governance, compliance with the relevant laws and relating regulations to ensuring accomplishment of the objectives of the company will be achieved as follows:

1. Strategies and goals are clearly defined, consistent and support mission of the company.
2. Achieve the performance objectives with an efficient and cost effective resource management.
3. Report significant information both financial, administrative and implementation are accurate and reliable.
4. Implementation and practicing are in consistent with policies, rules and regulations set forth with the law and other regulations related to business.
5. Has the safety of personnel, property including data in information systems.
6. Has suitable oversight and management of the effectiveness.
7. Continuing in improving operational quality.

The Board of Directors Meeting No. 2/2019 held on February 26, 2019 by a committee of 4 members attended the meeting. The Board of Directors reviewed the system of internal control by asking for assessment of internal controls. The overall conclusion based on the evaluation of internal control systems in different 5 elements as follows.

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

The management is appropriate confident in the company's internal control system is strong enough to carry out such an effective way to protect the property from damage that may occur from use or disposal without permission and monitoring of the operations of the subsidiary. The assets of the company and its subsidiaries caused by the director or executive deployed without adequate power.

The company's internal audit department is responsible and accountable for ensuring an independent assessment of the internal control system, risk management and Corporate governance together with reviews the company's compliance with regulations especially the connected transaction.

In 2018, the internal audit have a plan policies and guidelines to determine in advance and believes that the internal controls are appropriate and adequate. To operate in accordance with the objectives and requirements of the relevant legislation and regulations, asset protection from fraud accounting and reporting accuracy and reliability. Although there may be some aspects of performance that should be considered and revised in a way, if considered as a whole can be assured that it will be able to achieve the following objectives of the organization as follows:

1. Control Environment

The Company has its policy and target for doing business. The policy and business goals are clear, regard to fairness to employees, customers, business partners including responsible to the shareholders, society and the environment. Review of the performance to meet defined goals regularly in order to comply with the conditions at that time. Prepare organizational structure and a charter of various committees including the duties and responsibilities of the Managing Director in writing to define authority clearly, in addition, setting policies of governance, ethics in business and conduct of directors management and staff in writing to guide the conduct of directors, management and staff which makes the system of internal control operates more effectively. It also records check, which is overseen by the Audit Committee, the approval of financial transactions, procurement regulations to be made in writing to prevent of using assets with abuse of power. The company provides training both internal and external to develop staff skills, have the knowledge and appropriate ability to operate in each position.

2. Risk Assessment

The company assesses type of the risk, cause of the risk factors, opportunities and possible impacts to provide to prevent plan and manage the possible risks that may arise as to the acceptable level as well as informed to the management and employees to minimize and prevent risks that may occurred. The internal audit has its process to monitor each operational unit and aware of the possible risks that may arise with supporting by the Board of Directors and the Audit Committee.

3. Control Activities

The company granted the scope of authority and approval level amount to each level of management clearly in writing. Including segregation of the roles and responsibilities of each working unit for check and balance. In the case of transactions with major shareholders, the Directors, management or related to such persons including connected transactions, the company has complied with the process of the Capital Market Commission and will conclude the said transaction as a normal business transaction in order to report to the Board of Directors. If not, it will be proposed to approve the procedure and inform the Stock Exchange of Thailand. The Company shall follow-up, review of the results of operations of the company on monthly basis and monitor the operation of the company in accordance with resolution of the Board of Directors, Shareholders and related laws. In the event of approval of the transaction in a manner that is binding the company long-term period, the company shall monitor to comply with the agreed conditions and reviewing the appropriateness of the contract in accordance with the situation. Also to highlight the clear duty of the employees to be legitimate, the company has determined that employee must abide by the rules and regulations of the company and laws strictly under the principles of corporate governance.

4. Information and Communication

The company provides both internal and external communications effectively. Accounting documents are kept in full by category and use accounting policies generally accepted accounting principles in the communications for financial information or other information that is accurate, current to people involved for making decision. There is a storage system that can monitor the accuracy and security of data and information effectively. In a proposal to the Board for consideration, there is sufficient information to make decision, prepare minute of meeting, comments, questions or comments observations of Directors of the company in the consideration (if any) and resolution which can be verified.

5. Monitoring Activities

The company's operating results is monitored on a monthly basis and is compared with the performance in the prior year to analysis of the causes of differences and adjust their strategies to meet the needs in order to achieve a goal. In addition to having adequate internal control by requiring internal audit to do the audit, analyze and evaluate the internal control of various internal control system and monitor performance continuously by report directly to the audit committee if any significant defects are found, Audit Committee has to report to the Board of Directors for corrective action and to monitor progress in improving deficiencies regularly.

From the assessment of the internal controls of the company in 5 various aspects of the above, the Board of Directors including the 4 members of the Audit Committee concluded that the internal controls are appropriate and sufficient. The Board recognizes that any system of internal control may not be ensured against all damages resulting from significant mistakes, but it can be prevented or acceptable at reasonable level.

Opinion of the Audit Committee in case of having different opinion from Board of Directors.

- No difference –

Auditors of the company is the office of Dr.Virach & Associated Office Co.,Ltd. who audited financial statements quarterly and the year 2018 give an opinion on the internal control system as follows:

Translation

February 26, 2019

To: The Board of Directors of S & J International Enterprises Public Company Limited.

Dr. Virach & Associates Office Co., Ltd. (Office) has examined the Financial Statements of S & J International Enterprises Public Company Limited. for the year ended December 31, 2018 in accordance with Financial Reporting Standards including test of accounting transactions and other necessary audit procedures which the audited report dated on February 26, 2019 was already issued. To perform audit work, Office have studied and evaluated the effectiveness of internal control of the company on accounting to determine the nature, timing and scope of the audit, to express an opinion on the financial statements of the company.

Please be informed that, Office did not examine all transactions, but only provided testing methods. In addition, the study and evaluation of the effectiveness of internal control in accounting for limited purposes as mentioned. Therefore, there may not be found any significant weaknesses that may exist in the internal accounting control system. However, in auditing did not find any significant weaknesses in the internal accounting control system.

Office would like to thank you the management who gave us the opportunity to serve the company. Office also thank you the management officers of the company for their co-operation and all kind support.

Yours truly,

Dr. Virach & Associates Office Co., Ltd.



(Dr.Virach Aphimeteetamrong)

Authorized Auditor Registration No. 1378

Chief of internal audit's information

At the meeting of the Audit Committee Meeting No. 1/2018 held on 26 February, 2018 appointed Mrs. Pannee Chantavorakit to be chief internal auditor in addition to Secretary of the Audit Committee of the company since February 26, 2018 due to a highly qualified individuals knowledge experience could be used her experiences for the internal audit work of the company with the great success.

The scope and responsibilities as follows:

1. Planned annual audit according to the standards of professional conduct internal audit.
2. Determeaning step, process guidelines and audit procedures of the internal audit.
3. Supervision of the internal audit to be planned.
4. Evaluate performance of the audit.
5. Present the audit results to the Audit Committee.
6. Served as secretary of the Audit Committee.
7. Coordinate with all staff, including the CPA.

Name / Position	Highest Education Level	Training Course
Mrs.Pannee Chantavaralak	Bachelor Degree	- Company Secretary Program
- Internal Audit Manager	Faculty of Commerce and	# 11/2005 (Thai Institute of Directors
- Secretary of Audit Committee	Accountancy	(IOD))
	Thammasat University	- Discosure for New CG Code (SET)
		- Enhancing Good Corporate
		Governance based on CGR
		Scorecard (SET)
		- Good IT Governance : Risk
		Management and Data
		Responsibility (SEC)
		- Road to Certify (IOD)
		- Building Trust in Transforming
		Economy (SEC)

As such, to consider and approve the appointment, transfer and dismissal of the incumbent head of the internal audit must be approved by the Audit Committee and be submitted to the Board for approval as stated in the Charter of the Audit Committee.

Information for bookkeeper

The company's bookkeeper under the accounting Act AD 2000 is Mr. Sumit Khopaiboon as the Finance and Account Section Manager supervised the preparation of the financial statements and the disclosure of information of a company to be complete and accurate with qualification of the bookkeeper as follow :

Name / Position	Highest Education Level	Training Course
Mr.Sumit Khopaiboon	Bachelor Degree	- CFO Getting Together 2018 : SET
- Finance and Account	Administration (Accounting)	- Sustainable growth in the of
Section Manager	Ramkhamhaeng University	information era based on
		understanding of accounting and
		taxation.
		- Financial Reporting Standard No.16

Relating Party Transactions

Information disclosure for relating transaction

In year 2018, the company and its subsidiaries entered into related party transactions with parties with possible conflict of interests, according to the details as follows:

1. Normal business transactions, normal business support transactions, rental or lease transaction for immovable property (not more than 3 years), and transactions related to assets and services.

(Unit : Thousand baht)

Name	Relation ship	Shareholding by the company (%)	Significant item	Relating transaction amount
1. Top Trend Manufacturing Co.,Ltd.	A	50.00	- Purchase of products / Service	187,190.05
			- Other expenses	205.27
			- Service income	6.76
			- Other income	44.11
2. EF Co.,Ltd.	A	99.99	- Purchase of products / Service	3,546.65
			- Other expenses	7,005.26
			- Sale of products	1,533.43
			- Immovable property rental income	183.00
			- Service income	2,381.00
			- Other income	1.17
3. Wildlives (Thailand) Co.,Ltd.	A	99.99	- Purchase of products / Service	3.52
			- Other expenses	0.49
			- Sale of products	486.89
			- Immovable property rental income	245.28
			- Service charge	3,829.65
			- Other income	1.09
4. S & J International (UK) Ltd.	A	100.00	- Purchase of products / Service	218,152.25
			- Sale of products	47,496.57
			- Other income	728.76
5. 4WD Vision Co.,Ltd.	A	99.99	- Purchase of products / Service	54,551.94
			- Sale of products	7.50
			- Immovable property rental income	119.14
			- Service income	1,858.48
			- Other income	140.67
6. SAAS Co.,Ltd.	A	99.99	- Purchase of products / Service	76.19
			- Immovable property rental income	486.32
			- Other income	357.83

Name	Relation ship	Shareholding by the company (%)	Significant item	Relating transaction amount
7. Yamahatsu (Thailand) Co.,Ltd.	B	30.00	- Sale of products	2,411.55
			- Immovable property rental income	29,231.20
			- Other income	8.40
8. Osoth Inter laboratories Co., Ltd.	B	33.19	- Immovable property rental income	2,220.00
			- Service income	1,927.78
			- Other income	164.88
9. Atika Beauty Manufacturing Sdn.Bhd.	B	35.00	- Other expenses	31.43
			- Sale of products	578.00
			- Other income	674.15
10. I.C.C. International Plc.	C,E	0.35	- Purchase of products / Service	26,544.83
			- Royalty fee expenses	39.10
			- Other expenses	194.94
			- Sale of products	30,172.38
			- Immovable property rental income	196.74
			- Other income	328.52
11. Saha Pathana Inter-Holding Plc.	C,E	0.32	- Immovable property rental expenses	7,200.62
			- Utility charges expenses	51,905.57
			- Service fee expenses	2,558.59
			- Royalty fee expenses	119.86
			- Other expenses	5,631.58
12. People's Garment Plc.	D,E	-	- Purchase of products/ Service	2,886.85
			- Sale of products	(113.27)
13. Saha Pathanapibul Plc.	D	-	- Purchase of products/ Service	25.90
			- Other expenses	8.47
			- Sale of products	4,443.06
14.Thai Wacoal Plc.	D	0.08	- Sale of products	11,732.19
			- Immovable property rental expenses	398.20
			- Royalty fee expenses	7.79
			- Utility charges expenses	142.51
15. E.P.F Co., Ltd.	D	18.00	-Sale of products	707.74
16. Thai Lotte Co.,Ltd.	D	0.27	- Immovable property rental income	85.71
			- Utility charges income	7.72
17. Worldclass Rent a Car Co.,Ltd.	D	-	- Sale of products	180.80

Name	Relation ship	Shareholding by the company (%)	Significant item	Relating transaction Value
18. Better Way (Thailand) Co., Ltd.	E	-	- Purchase of products / Service	5.56
			- Service fee expenses	9.69
			- Sale of products	1,034,312.57
			- Other income	1,432.87
19. International Laboratories Crop.,Ltd.	E	-	- Purchase of products / Service	14.55
			- Service fee expenses	487.87
			- Sale of products	19,520.83
20. Vitayasithi Co.,Ltd.	E	-	- Immovable property rental expenses	863.00
			- Utility charges expenses	350.61
			- Other expenses	84.59
21. O.C.C. Plc.	E	-	- Sale of products	14,514.95
22. Oriental Salon Business Co.,Ltd.	E	-	- Sale of products	3,821.08
			- Other income	10.20
23. H&B Intertex Co.,Ltd.	E	-	- Purchase of products/ Service	11,111.20
			- Other expenses	39.41
			- Sale of products	732.66
24. Shop Global (Thailand) Co.,Ltd.	E	-	- Sale of products	299.78
25. Make up Technique International Co.,Ltd.	E	-	- Sale of products	4,067.87
			- Other income	16.00
26. I.S.B.M. Co.,Ltd.	E	-	- Sale of products	10,340.93
			- Other income	25.00
27. Shaldan (Thailand) Co.,Ltd.	E	-	- Sale of products	37.96
			- Immovable property rental income	112.63
			- Service income	3,739.23
			- Other income	511.27
28. Cake & Bakery Co.,Ltd.	E	-	- Purchase of products/ Service	6.48
			- Other expenses	1.13
29. Shiseido Professional(Thailand) Co.Ltd.	E	-	- Other expenses	4.94
			- Sale of products	1,107.09
			- Other income	2.00
30. Better Leasing Co., Ltd.	E	-	- Immovable property rental income	30.00
31. T-Way Co.,Ltd	E	12.00	- Sale of products	24.63
			- Other expenses	362.00

(Unit : Thousand baht)

Name	Relation ship	Shareholding by the company (%)	Significant item	Relating transaction Value
32. Sahachol Food Supplies Co.Ltd.	E	-	- Other expenses	3.06
33. PBBC Intertrade Co.,Ltd.	E	-	- Sale of products	6.56
34. Kewpie (Thailand) Co.,Ltd	E	-	- Sale of products	684.50
35. B.K.C. Internation Marketing Co.,Ltd.	E	-	- Purchase of products/ Service	24.73

Relationship	A = Subsidiary	B = Associate
	C = The company's major shareholders	D = The company's major shareholder with over 10%
	E = Director	shareholding

Pricing Policy The company set selling price, by considering product design, complexity level of production process, sales forecast, sales volume, and production cost. Which is the same price level with the general customers.

Remuneration Policy The company carried out relating transactions with other companies, on a fair business practice basis, based on market prices and normal business terms being applied to those transactions conducted with unconnected outside business parties or persons.

Item	Remuneration Policy
- Immovable property rental fees	Fees depending on the location, surrounding, building condition, and utilization purpose for said assets
- Service charges	The remuneration of the service provider, the difficulty of the task, without compensation, as well as other persons or other parties that are not involved.
- Utility charges	According to the rates announced by Saha Group Industrial Park, based on actual units or volume used
- Other expenses	According to the actual rate.

2. Transaction in providing or receiving financial assistance

Unit : Million Baht

Company name	Loan Extension				
	Balance as of Dec. 31, 17	Additions	Settlements	Balance as of Dec. 31, 18	Interest Rate %
1.Wildlives (Thailand) Co.,Ltd.	4.0	-	-	4.0	3.0

Loan Providing The company and the subsidiaries had not provided additional loan to related parties during year, 2018. (Please see note to financial statements no.7). In 2018, the Company had interest income amount of Baht 0.1 Million.

Necessity and rational of transaction with related personnel

The Board of Directors has its opinion on related party transactions that is the normal course of doing business. This is the same as recording transactions with other personnel in the industry relating with the business. Determining buying - selling prices is corresponding to normal practice. It is not for transferring company's benefits to related personnel.

The related transaction is made for the benefit of the company and shareholders as a whole in order to sustain growth and grow the business for long term. Teaming-up with an alliance is for mutual strengthening in doing business in order to maximize benefits to all parties concerned.

Criteria or process of authorization in recording related transactions

For unusual transactions, if the size of transactions are not in the level with no need to get approval from a shareholder's meeting. Under SET's regulations, the transactions will be considered and approved by the Executive Board of Directors without get approval from the interested persons. If the size of the transactions are larger than approval, the Executive Board of Directors will obtain a resolution from the Executive Board and propose the resolution to the Board of Directors to gain further approval without gaining an approval from the interested persons. Also, the Audit Committee shall review the paid transaction and disclose it every quarter to avoid conflict of interest.

In the related transaction between, the company have policy and terms of the transaction such as buying price, selling price, value of the related transaction between the company is subject to normal course of business.

Related party transactions are conform with the regulations of the Stock Exchange of Thailand and propose to the Audit Committee for consideration and follow the steps to the reasonableness of the transaction and is in the best interests of the company. The Audit Committee will review such prices or rates of the transaction with the staff of the company and internal auditors that the price is reasonable and disclosures in the financial statements are correct.

The company have the process of approving the related party transaction between the company in the same way as the procurement of the company and the executives or shareholders have no interest in the transaction, and not to the approval of such matters.

To enter into the related transaction between the company, the company have complied with the requirements and regulations of the Stock Exchange of Thailand. The Audit Committee will provide an opinion on the suitability of the item and the fair price in order to maximize benefit of the company.

The company complies with the standards of the Stock Exchange of Thailand on the related transaction and / or the acquisition or disposition of assets of the company which will be amended to include the practices disclosed to the shareholders of the company. The Investors and related agencies, including the Stock Exchange of Thailand and will be approved by the Board of Directors and / or the Annual General Meeting of Shareholders, as defined by the Stock Exchange of Thailand.

Comments of Audit Committee relating to the transactions incurred.

The Audit Committee had considered the 2018 connected transactions with comment of no deviation from Board of Directors' resolution.

Policy and trend of making related transactions in future.

Recording related transactions will be continued. Number of transactions will vary depending on economic conditions since personnel who may have conflict are the company's supply chain. Flexibility and convenience of being part of the supply chain will benefit in the competing business and to the shareholders. The company realizes its responsibility to the shareholders, employees and all parties concerned under good corporate governance.

The Board of Directors' Responsibility Report towards Financial Statements

The Board of Directors duly recognized their obligations and responsibilities in their status as the directors of listed company, with regard to the compilation of financial statements for S & J International Enterprises Public Company Limited and its subsidiaries. The said financial statements were prepared in accordance with Thai Financial Reporting Standards, based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimates.

Furthermore, the adequate significant information was disclosed in notes to the financial statements, together with necessary clarification and analysis regarding the financial positions and performances by the company and its subsidiaries, so as to contribute to the interests of the shareholders and general investors. Moreover, the said financial statements were duly audited with unqualified audit opinion by independent certified public accountants.

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

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

Accordingly, the Board of Directors concluded that, the good corporate governance principle, the risk management system, as well as the internal control system of the company, were well adequate and sufficient, reasonably providing sufficient confidence to all the concerned parties that, the financial statements of the company and its subsidiaries ending December 31, 2018, were prepared and presented in substantial context, in an accurate and reliable manner.



Mr.Boonkiet Chokwatana
Chairman



Mr.Thirasak Vikitset
Managing Director

AUDITOR'S REPORT

To The Shareholders of S & J International Enterprises Public Company Limited

Opinion

I have audited the consolidated financial statements of S & J International Enterprises Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2018, the related consolidated statements of income, 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 S & J International Enterprises Public Company Limited for the same period.

In my opinions, the financial statements referred to above present fairly, in all material respects, the financial position of S & J International Enterprises Public Company Limited and its subsidiaries and S & J International Enterprises Public Company Limited as at December 31, 2018, 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.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, 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.

1. Valuation of inventories

As at December 31, 2018, the Group companies have inventories after deduction of allowance for diminution in inventories in the consolidated financial statements, amount of Baht 698.05 million and the separate financial statements, amount of Baht 609.75 million, were disclosed in Note 8 to the financial statements, which are significant to the financial statements. Inventories of the Group companies are cosmetic products, which may be obsolete or deteriorated

or expected to be unsaleable. Therefore, management has to make judgment in the estimation of allowance for diminution in inventories, which based on the condition of goods, analysis of the movement of goods and historical experience.

My audit procedures included evaluating the internal control system of inventories management, observing the physical checking of inventories. Comparing the cost of inventories against expected net realizable value calculating from the selling price after year ended less selling expenses. Randomly testing provision for diminution in value of inventories and testing the validity of the preparation of the Company's production costs. To ensure accurate unit costs and allocation of related expenses to such products properly.

The results of the audited are satisfactory, and in my opinions, the valuation of inventories is appropriate as stated.

2. Transactions with related parties

The Group companies have transactions with several related parties, which were disclosed in Note 29 to the financial statements. The Group companies have to determine how to gather information to be disclosed in the notes to the financial statements are complete and accurate. The pricing policy is based on the trading price of normal business.

My audit procedures included evaluating and testing of control and effectiveness of the internal control system and collect information about transactions with related parties. I randomly checked transactions with related parties by inspection report transactions with related parties. I have audited the types of relationships with related parties, the documentation for the accounting recorded of income and expenses from related parties, the Company's accounting policy in setting trading price and comparative analysis of unusual items.

The results of the audited are satisfactory, and in my opinions, I did not find unusual items that material misstatement.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the 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, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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



(Dr. Virach Aphimeteetamrong)

Certified Public Accountant Registration No. 1378

February 26, 2019

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

		BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
Notes		2018	2017	2018	2017
ASSETS					
Current Assets					
Cash and cash equivalents	4.2 and 5	53,014,504	42,135,808	8,374,982	5,290,681
Short-term investments-					
Certificates of deposits		8,000,000	6,500,000	-	-
Trade accounts receivable	4.3 and 6	890,604,468	869,232,843	707,387,795	673,736,484
Other receivables					
Advance payment for inventories		29,087,280	15,938,777	23,523,898	13,793,863
Prepaid expenses		6,501,084	54,380,683	1,406,965	3,422,904
Others		6,475,867	3,134,862	12,318,347	5,423,514
Total other receivables		42,064,231	73,454,322	37,249,210	22,640,281
Short-term loans to subsidiary	7	-	-	4,000,000	4,000,000
Inventories	4.4 and 8	698,048,495	684,793,013	609,750,112	547,654,071
Other current assets		88,817,334	89,324,595	81,794,688	73,071,803
Total Current Assets		1,780,549,032	1,765,440,581	1,448,556,787	1,326,393,320
Non-Current Assets					
Investments in available-for-sale securities	4.5 and 9	998,748,082	1,142,594,755	998,748,082	1,142,594,755
Investments in associates	4.5 and 10	279,071,412	338,707,903	213,618,532	213,618,532
Investments in subsidiaries	4.5 and 11	-	-	154,903,416	154,903,416
Investments in related companies	4.5 and 12	65,219,380	66,951,062	61,635,380	63,271,062
Investments in other companies	4.5 and 13	5,000,000	5,000,000	5,000,000	5,000,000
Investments in convertible debentures	4.5 and 14	-	19,456,000	-	19,456,000
Long-term loans to other company	15	16,142,400	16,257,300	16,142,400	16,257,300
Investments property	4.6 and 16	91,441,371	95,426,061	91,321,371	95,306,061
Property, plant and equipment	4.7 and 17	1,570,763,417	1,562,864,227	998,246,620	1,086,955,407
Leasehold right	4.8 and 18	527,649	1,269,853	-	-
Intangible assets	4.9 and 19	34,695,938	29,114,764	33,265,721	26,975,225
Other non-current assets		34,710,409	11,244,476	10,783,018	8,685,060
Total Non-Current Assets		3,096,320,058	3,288,886,401	2,583,664,540	2,833,022,818
TOTAL ASSETS		4,876,869,090	5,054,326,982	4,032,221,327	4,159,416,138

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

Notes	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Bank overdrafts and short-term borrowings				
from financial institutions	20	138,742,726	440,426,146	60,000,000
Trade accounts payable		327,636,199	307,942,430	331,415,762
Other accounts payable				
Accrued expenses		36,551,025	32,552,704	29,222,027
Accrued bonus		104,334,505	87,348,001	79,854,765
Asset payable		9,479,354	4,855,217	7,831,462
Others		51,043,709	57,361,180	29,733,114
Total other accounts payable		201,408,593	182,117,102	146,641,368
Accrued corporate income taxes		45,355,726	22,335,642	41,853,852
Accrued interest expenses		158,471	222,355	17,702
Other current liabilities		10,622,045	3,426,833	8,558,613
Total Current Liabilities		723,923,760	956,470,508	588,487,297
Non-Current Liabilities				
Provision for long-term				
employee benefits	4.11 and 21	185,844,481	161,249,740	154,523,809
Deferred tax liabilities	4.12 and 22	81,981,125	112,083,121	87,160,766
Other non-current liabilities		359,471	287,602	251,471
Total Non-Current Liabilities		268,185,077	273,620,463	241,936,046
TOTAL LIABILITIES		992,108,837	1,230,090,971	830,423,343

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

	Note	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2018	2017	2018	2017
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
Shareholders' Equity					
Share capital					
Authorized share capital					
200,000,000 common stocks of					
Baht 1 par value		200,000,000	200,000,000	200,000,000	200,000,000
Issued and paid-up share capital					
149,930,828 common stocks at					
Baht 1 each		149,930,828	149,930,828	149,930,828	149,930,828
Premium on common stocks		724,763,392	724,763,392	724,763,392	724,763,392
Retained earnings					
Appropriated					
Legal reserve	23	20,000,000	20,000,000	20,000,000	20,000,000
Unappropriated					
Other components of the shareholders' equity					
Total Shareholders' Equity of Parent Company					
Non-controlling interests					
Total Shareholders' Equity					
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2018

	Notes	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2018	2017	2018	2017
Sales		4,812,937,357	4,949,629,817	3,826,232,796	4,063,842,449
Cost of sales		3,612,200,240	3,798,717,541	2,848,298,792	3,109,227,217
Gross profit		1,200,737,117	1,150,912,276	977,934,004	954,615,232
Other incomes					
Dividend income		34,407,937	34,195,274	147,114,198	176,639,546
Gain on disposal of investments		87,240,000	39,364,693	87,240,000	39,364,693
Gain on exchange rates		17,225,910	-	16,182,247	-
Reversal loss on diminution of investment in related companies		23,200,000	962,037	23,200,000	1,378,037
Reversal loss on capital decrease of investment in related company		12,000,000	-	12,000,000	-
Others		91,822,634	91,942,694	84,590,812	86,793,441
Total other incomes		265,896,481	166,464,698	370,327,257	304,175,717
Profit before expenses		1,466,633,598	1,317,376,974	1,348,261,261	1,258,790,949
Selling expenses		157,536,282	140,229,299	120,066,876	97,615,859
Administrative expenses		866,391,167	878,666,926	753,203,644	770,870,405
Loss on exchange rates		-	13,413,969	-	13,057,259
Loss on diminution of investment in related companies		129,552	-	33,552	-
Loss on dissolution of investment in related companies	12	31,310,832	-	31,310,832	-
Directors' remuneration		14,050,000	14,140,000	11,450,000	12,500,000
Finance costs		5,974,298	12,472,514	4,068,737	10,705,397
Total expenses		1,075,392,131	1,058,922,708	920,133,641	904,748,920
Share of profit from investments in associates	10	42,381,937	66,748,012	-	-
Profit before income tax		433,623,404	325,202,278	428,127,620	354,042,029
Income tax expenses	4.13 and 22	55,807,782	31,505,872	50,436,246	29,058,131
Profit for the years		377,815,622	293,696,406	377,691,374	324,983,898
Profit attributable to					
Equity holders of the parent		347,399,317	274,436,423	377,691,374	324,983,898
Non-controlling interests		30,416,305	19,259,983	-	-
		377,815,622	293,696,406	377,691,374	324,983,898
Earnings per share to equity holders of the parent					
Basic earnings per share	4.14	2.32	1.83	2.52	2.17
Issued and paid-up 149,930,828 common stocks					

Notes to the financial statements form an integral part of these statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2018

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Profit for the years	377,815,622	293,696,406	377,691,374	324,983,898
Other comprehensive income (loss) :				
Components of other comprehensive income				
that will be reclassified to profit or loss :				
Translation of financial statement differences	(3,132,194)	(4,336,581)	-	-
Gain (loss) from the remeasuring of investments in available-for-sale securities	(71,802,648)	43,750,762	(71,802,648)	43,750,762
Components of income tax	14,360,530	(8,750,152)	14,360,530	(8,750,152)
Gain (loss) from the remeasuring of investments in available-for-sale securities-net of tax	(57,442,118)	35,000,610	(57,442,118)	35,000,610
Reversal on gain from the remeasuring of investments in available-for-sale securities from disposal	(87,000,000)	(11,970,000)	(87,000,000)	(11,970,000)
Components of income tax	17,400,000	2,394,000	17,400,000	2,394,000
Reversal on gain from the remeasuring of investments in available-for-sale securities-net of tax	(69,600,000)	(9,576,000)	(69,600,000)	(9,576,000)
Total gain (loss) from the remeasuring of investments in available-for-sale securities-net of tax	(127,042,118)	25,424,610	(127,042,118)	25,424,610
Components of other comprehensive income that will not be reclassified to profit or loss :				
Actuarial gain from employee benefit plan of associate-net of tax	-	607,973	-	-
Total other comprehensive income (loss) for the years	(130,174,312)	21,696,002	(127,042,118)	25,424,610
Total comprehensive income for the years	247,641,310	315,392,408	250,649,256	350,408,508
Total comprehensive income attributable to				
Equity holders of the parent	217,225,005	296,132,425	250,649,256	350,408,508
Non-controlling interests	30,416,305	19,259,983	-	-
	247,641,310	315,392,408	250,649,256	350,408,508

Notes to the financial statements form an integral part of these statements.

CONSOLIDATED

Notes to the financial statements form an integral part of these statements.

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2018

THE SEPARATE FINANCIAL STATEMENTS

BAHT

	Notes	Issued and paid-up share capital	Premium on common stocks	Retained earnings		Other components of the shareholders' equity		Total shareholders' equity	
				Appropriated	Unappropriated	Other comprehensive income (loss)	Investments in available-for-sale securities		
<u>Year 2017</u>									
Beginning balances, January 1, 2017		149,930,828	724,763,392	20,000,000	1,445,839,184	620,040,802		2,960,574,206	
Comprehensive income for the year 2017					324,983,898	25,424,610		350,408,508	
Dividend payment	24				(179,916,993)			(179,916,993)	
Ending balances, December 31, 2017		149,930,828	724,763,392	20,000,000	1,590,906,089	645,465,412		3,131,065,721	
<u>Year 2018</u>									
Beginning balances, January 1, 2018		149,930,828	724,763,392	20,000,000	1,590,906,089	645,465,412		3,131,065,721	
Comprehensive income (loss) for the year 2018					377,691,374	(127,042,118)		250,649,256	
Dividend payment	24				(179,916,993)			(179,916,993)	
Ending balances, December 31, 2018		149,930,828	724,763,392	20,000,000	1,788,680,470	518,423,294		3,201,797,984	

Notes to the financial statements form an integral part of these statements.

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (1/3)

FOR THE YEAR ENDED DECEMBER 31, 2018

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	433,623,404	325,202,278	428,127,620	354,042,029
Adjustment to reconcile profit before income tax expenses to cash provided from (used in) operation :				
Bad debts - trade accounts receivable	11,901	264,684	-	-
Decrease in doubtful debts - trade accounts receivable	(365,331)	(257,880)	(490,301)	(100,000)
Decrease in provision for diminution in inventories	(385,457)	(35,952,392)	(2,783,573)	(36,925,908)
Loss on destruction of inventories	24,870,003	65,853,431	24,827,991	64,325,908
Depreciation	218,954,655	251,512,160	126,507,561	162,136,290
Amortization of intangible assets	6,336,235	6,698,343	5,554,014	5,440,966
Amortization of leasehold right	742,204	760,308	-	-
Finance costs	5,974,298	12,472,514	4,068,737	10,705,397
Amortization of unearned rental	(15,047)	(15,047)	(15,047)	(15,047)
Loss on diminution of investments in related companies	129,552	-	33,552	-
(Reversal) loss on diminution of investments in related companies	(23,200,000)	(962,037)	(23,200,000)	(1,378,037)
(Reversal) loss on capital decrease of investments in related companies	(12,000,000)	-	(12,000,000)	-
Gain on disposal of investments in available-for-sale securities	(87,240,000)	(39,364,693)	(87,240,000)	(39,364,693)
Loss on dissolution of investment in related companies	31,310,832	-	31,310,832	-
Dividend income from investments in associates	-	-	(101,999,605)	(135,899,524)
Dividend income from investments in subsidiaries	-	-	(10,706,656)	(6,544,748)
Dividend income from investments in available-for-sale securities and other companies	(32,105,869)	(34,195,274)	(32,105,869)	(34,195,274)
Dividend income from investments in related companies	(2,302,068)	-	(2,302,068)	-
Gain on disposal investments property	-	(1,091,505)	-	(1,091,505)
(Gain) loss on disposal and unused equipment	(1,449,244)	(3,974,148)	(273,575)	(3,656,694)
Amortization of assets under construction and installation to expenses	898,560	63,977	-	63,977
Unrealized (gain) loss on forward exchange contracts	638,872	(965,870)	645,710	(970,159)
Unrealized loss on exchange rates	1,983,244	2,024,881	1,976,097	2,010,342
Interest income	(1,205,701)	(475,133)	(1,158,238)	(341,426)
Write-off of prepaid income tax	50,481	70,518	-	-
Long-term employee benefits expenses	30,924,794	28,236,761	24,947,102	22,940,312
Share of profit from investments in associates	(42,381,937)	(66,748,012)	-	-
Profit from operation before changes in operating assets and liabilities items	553,798,381	509,157,864	373,724,284	361,182,206

Notes to the financial statements form an integral part of these statements.

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (2/3)

FOR THE YEAR ENDED DECEMBER 31, 2018

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Trade accounts receivable	(23,715,691)	134,809,923	(35,830,220)	191,216,961
Other receivables	8,610,024	(32,445,620)	(14,608,929)	12,914,228
Inventories	(37,740,028)	75,714,545	(84,140,459)	72,398,565
Other current assets	(4,396,676)	(37,457,766)	(8,487,410)	(36,550,487)
Other non-current assets	(2,393,197)	(274,949)	(2,097,958)	(281,800)
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade accounts payable	20,519,182	(38,410,257)	28,622,890	(58,283,248)
Other accounts payable	10,436,021	(72,636,707)	1,284,452	(80,748,833)
Other current liabilities	7,195,212	(476,030)	6,915,878	(370,770)
Provision for long-term employee benefits	(6,330,053)	(15,980,408)	(5,755,495)	(13,059,743)
Other non-current liabilities	86,916	(3,934)	86,916	(3,934)
Cash provided from operation	526,070,091	521,996,661	259,713,949	448,413,145
Interest expenses paid	(6,038,182)	(12,706,343)	(4,127,240)	(10,955,350)
Proceeds from refund income tax	1,656,990	-	-	-
Income tax expenses paid	(31,161,928)	(38,864,142)	(24,642,094)	(35,384,775)
Translation of financial statement differences	(3,080,607)	(3,889,014)	-	-
NET CASH PROVIDED FROM OPERATING ACTIVITIES	487,446,364	466,537,162	230,944,615	402,073,020
CASH FLOWS FROM INVESTING ACTIVITIES				
(Increase) decrease in certificate of deposits	(1,500,000)	13,500,000	-	15,000,000
Increase in short-term loans to subsidiary	-	-	-	(4,000,000)
Interest income	305,626	505,747	277,053	370,820
Purchase of investments in convertible debentures	-	(19,456,000)	-	(19,456,000)
Purchase of investments in related companies	(30)	(4,200,000)	(30)	(4,200,000)
Purchase of property, plant and equipment	(209,954,586)	(157,749,478)	(26,657,701)	(60,102,493)
Purchase of intangible assets	(11,917,409)	(3,051,377)	(11,844,510)	(2,192,270)
Proceeds from disposal of investments in available-for-sale securities	91,740,000	59,644,693	91,740,000	59,644,693
Proceeds from capital decrease of investments in other companies	-	672,000	-	672,000
Proceeds from capital decrease of investments in related companies	1,602,160	-	1,602,160	-
Proceeds from dissolution of investments in related companies	3,889,168	-	3,889,168	-
Proceeds from return of investment from transferred convertible debentures to common stocks	25	-	25	-
Proceeds from disposal of investments property	-	3,953,873	-	3,953,873
Proceeds from disposal of equipment	1,660,324	5,324,525	436,316	4,997,879
Dividend income from investments in associates	101,999,605	135,899,524	101,999,605	135,899,524
Dividend income from investments in subsidiaries	-	-	10,706,656	6,544,748
Dividend income from investments in available-for-sale securities and other companies	32,105,869	34,195,274	32,105,869	34,195,274

Notes to the financial statements form an integral part of these statements.

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (3/3)

FOR THE YEAR ENDED DECEMBER 31, 2018

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividend income from investments in related companies	2,302,068	-	2,302,068	-
Payment for share subscription of associate	-	(2,813,125)	-	(2,813,125)
Payment for share subscription of subsidiary	-	-	-	(7,499,977)
Increase in long-term loans to other company	-	(17,540,000)	-	(17,540,000)
NET CASH PROVIDED FROM INVESTING ACTIVITIES	12,232,820	48,885,656	206,556,679	143,474,946
CASH FLOWS FROM FINANCING ACTIVITIES				
Decrease in bank overdrafts and short-term borrowings				
from financial institutions	(301,683,420)	(410,446,875)	(254,500,000)	(414,227,033)
Proceeds from capital increase in non-controlling interests	-	23	-	-
Subsidiary's dividend paid to non-controlling interests	(7,200,075)	(3,600,072)	-	-
Dividend payment	(179,916,993)	(179,916,993)	(179,916,993)	(179,916,993)
NET CASH USED IN FINANCING ACTIVITIES	(488,800,488)	(593,963,917)	(434,416,993)	(594,144,026)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	10,878,696	(78,541,099)	3,084,301	(48,596,060)
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	42,135,808	120,676,907	5,290,681	53,886,741
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	53,014,504	42,135,808	8,374,982	5,290,681
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS :				
NON-CASH FLOWS ITEMS COMPRISE :				
Increase in equipment from asset payable	8,859,209	4,540,192	7,319,124	2,169,627
Gain (loss) from the remeasuring of investments in				
available-for-sale securities	(71,802,648)	43,750,762	(71,802,648)	43,750,762
Reversal on gain from the remeasuring of investments				
in available-for-sale securities	(87,000,000)	(11,970,000)	(87,000,000)	(11,970,000)
Decrease investments in associates due to translation of				
financial statements differences on exchange rate	(18,823)	(447,567)	-	-
Increase in accrued corporate income taxes due to translation				
of financial statements differences on exchange rate	(32,764)	-	-	-
Transferred other current assets to equipment	(5,165,000)	-	-	-
Transferred other current assets to other non-current assets	(140)	(1,702,950)	-	-
Transferred other receivables to other non-current assets	(22,780,067)	-	-	-
Transferred investments in other companies to				
investments in related companies :-				
- Cost	-	(11,739,970)	-	(11,739,970)
- Provision for diminution in investments	-	2,747,184	-	2,747,184
Transferred convertible debentures to common stocks	(19,455,975)	-	(19,455,975)	-
Effect of adjustment of actuarial estimates from employee benefit plan				
of associate :-				
- Increase in investments in associate	-	607,973	-	-
- Increase in retained earnings	-	607,973	-	-

Notes to the financial statements form an integral part of these statements.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2018

1. GENERAL INFORMATION

1.1 Legal status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.
1.2 Company location	
- Head office/factory	600/4 Moo 11, Sukapiban Road 8, Tambol Nhongkharm Amphur Sriracha, Chonburi, Thailand.
- Branch	2 Naradhiwas Rajanakarindra Road, Kwaeng Tungwatdon, Khet Sathorn, Bangkok, Thailand.
- Branch	662/4-6 Moo 11, Sukapiban Road 8, Tambol Nhongkharm, Amphur Sriracha, Chonburi, Thailand.
- Branch	19/43 Moo 7 Bangna-Trad Km. 17, Tambol Bangchlong, Amphur Bangplee, Samut Prakan , Thailand.
- Branch	679 Moo 11, Tambol Nhongkharm, Amphur Sriracha, Chonburi, Thailand.
- Branch	789/159 Moo 1, Sainongkho-Laemchabang Rd., Tambol Nongkham, Amphur Sriracha, Chonburi, Thailand.
1.3 Type of business	(1) Manufacturing all type of cosmetics. (2) Investing in its associates and subsidiaries which carry on business according to Notes 10 and 11 to the financial statements, respectively.

2. BASIS FOR FINANCIAL STATEMENT PRESENTATION

2.1 The consolidated and the separate financial statements are prepared in accordance with the Accounting Standards and Financial Reporting Standards issued by Federation of Accounting Professions under the Accounting Profession Act, B.E. 2547 (2004), and the Accounting Act, B.E. 2543 (2000) and the Notification of the Office of the Securities and Exchange Commission. Except the financial statements of subsidiaries, S & J International (UK) Limited

are prepared in accordance with the accounting standards of England and the financial statements of Guangzhou S & J Cosmetics Company Limited, the financial statements of 4WD Vision (HK) Limited, are prepared in accordance with the accounting standards of the People Republic of China. And the financial statements of associate, Atika Beauty Manufacturing Sdn. Bhd. are prepared in accordance with the accounting standards of Malaysia. In preparation of the consolidated financial statements, they are adjusted to be under the same accounting policies as parent company.

- 2.2 These consolidated financial statements included the financial statements of S & J International Enterprises Public Company Limited with its subsidiaries and the equity in associates as follows:

SUBSIDIARIES

COMPANIES	% HOLDING		ESTABLISHED IN
	2018	2017	
<u>SUBSIDIARIES DIRECTLY HELD BY THE COMPANY</u>			
E F Co., Ltd.	99.99	99.99	Thailand
Top Trend Manufacturing Co., Ltd.	50.00	50.00	Thailand
Wildlives (Thailand) Co., Ltd.	99.99	99.99	Thailand
4WD Vision Co., Ltd.	99.99	99.99	Thailand
SAAS Co., Ltd.	99.99	99.99	Thailand
S & J International (UK) Limited	100.00	100.00	England
<u>SUBSIDIARIES HELD BY</u>			
<u>S&J INTERNATIONAL (UK) LIMITED</u>			
Guangzhou S & J Cosmetics Company Limited	100.00	100.00	China
4WD Vision (HK) Limited	100.00	100.00	China

ASSOCIATES

COMPANIES	% HOLDING		ESTABLISHED IN
	2018	2017	
Yamahatsu (Thailand) Co., Ltd.	30.00	30.00	Thailand
Operational Energy Group Limited	30.00	30.00	Thailand
Osoth Interlaboratories Co., Ltd.	33.19	33.19	Thailand
Atika Beauty Manufacturing Sdn. Bhd.	35.00	35.00	Malaysia

2.3 Inter-company balances and significant transactions of the Company and its subsidiaries have been eliminated in the consolidation.

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

3. The accounting standards that became effective in the current accounting year are as follows:

Thai Accounting Standards (TAS)

1. TAS 1 (revised 2017)	Presentation of Financial Statements
2. TAS 2 (revised 2017)	Inventories
3. TAS 7 (revised 2017)	Statement of Cash Flows
4. TAS 8 (revised 2017)	Accounting Policies, Changes in Accounting Estimates and Errors
5. TAS 10 (revised 2017)	Events After the Reporting Period
6. TAS 11 (revised 2017)	Construction Contracts
7. TAS 12 (revised 2017)	Income Taxes
8. TAS 16 (revised 2017)	Property, Plant and Equipment
9. TAS 17 (revised 2017)	Leases
10. TAS 18 (revised 2017)	Revenue
11. TAS 19 (revised 2017)	Employee Benefits
12. TAS 20 (revised 2017)	Accounting for Government Grants and Disclosure of Government Assistance
13. TAS 21 (revised 2017)	The Effects of Changes in Foreign Exchange Rates
14. TAS 23 (revised 2017)	Borrowing Costs
15. TAS 24 (revised 2017)	Related Party Disclosures
16. TAS 26 (revised 2017)	Accounting and Reporting by Retirement Benefit Plans
17. TAS 27 (revised 2017)	Separate Financial Statements
18. TAS 28 (revised 2017)	Investments in Associates and Joint Ventures
19. TAS 29 (revised 2017)	Financial Reporting in Hyperinflationary Economies
20. TAS 33 (revised 2017)	Earnings Per Share
21. TAS 34 (revised 2017)	Interim Financial Reporting
22. TAS 36 (revised 2017)	Impairment of Assets
23. TAS 37 (revised 2017)	Provisions, Contingent Liabilities and Contingent Assets
24. TAS 38 (revised 2017)	Intangible Assets
25. TAS 40 (revised 2017)	Investment Property
26. TAS 41 (revised 2017)	Agriculture

Thai Financial Reporting Standards (TFRS)

27. TFRS 2 (revised 2017)	Share-based Payment
28. TFRS 3 (revised 2017)	Business Combinations
29. TFRS 4 (revised 2017)	Insurance Contracts
30. TFRS 5 (revised 2017)	Non-current Assets Held for Sale and Discontinued Operations
31. TFRS 6 (revised 2017)	Exploration for and Evaluation of Mineral Resources
32. TFRS 8 (revised 2017)	Operating Segments
33. TFRS 10 (revised 2017)	Consolidated Financial Statements
34. TFRS 11 (revised 2017)	Joint Arrangements
35. TFRS 12 (revised 2017)	Disclosure of Interests in Other Entities
36. TFRS 13 (revised 2017)	Fair Value Measurement

Thai Accounting Standard Interpretations (TSIC)

37. TSIC 10 (revised 2017)	Government Assistance - No Specific Relation to Operating Activities
38. TSIC 15 (revised 2017)	Operating Leases - Incentives
39. TSIC 25 (revised 2017)	Income Taxes - Changes in the Tax Status of an Entity or Its Shareholders
40. TSIC 27 (revised 2017)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
41. TSIC 29 (revised 2017)	Service Concession Arrangements: Disclosure
42. TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
43. TSIC 32 (revised 2017)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (TFRIC)

44. TFRIC 1 (revised 2017)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
45. TFRIC 4 (revised 2017)	Determining Whether an Arrangement Contains a Lease
46. TFRIC 5 (revised 2017)	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
47. TFRIC 7 (revised 2017)	Applying the Restatement Approach under TAS 29 (revised 2017) Financial Reporting in Hyperinflationary Economies
48. TFRIC 10 (revised 2017)	Interim Financial Reporting and Impairment
49. TFRIC 12 (revised 2017)	Service Concession Arrangements
50. TFRIC 13 (revised 2017)	Customer Loyalty Programmes
51. TFRIC 14 (revised 2017)	TAS 19 (revised 2017) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction

- | | |
|-----------------------------|---|
| 52. TFRIC 15 (revised 2017) | Agreements for the Construction of Real Estate |
| 53. TFRIC 17 (revised 2017) | Distributions of Non-cash Assets to Owners |
| 54. TFRIC 18 (revised 2017) | Transfers of Assets from Customers |
| 55. TFRIC 20 (revised 2017) | Stripping Costs in the Production Phase of a Surface Mine |
| 56. TFRIC 21 (revised 2017) | Levies |

These accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations do not have any significant impact on the financial statements.

The Federation of Accounting Professions has issued the new accounting standards but not yet effective.

Effective for fiscal years beginning on or after January 1, 2019 are as follows:

Thai Accounting Standards (TAS)

- | | |
|---------------------------|--|
| 1. TAS 1 (revised 2018) | Presentation of Financial Statements |
| 2. TAS 2 (revised 2018) | Inventories |
| 3. TAS 7 (revised 2018) | Statement of Cash Flows |
| 4. TAS 8 (revised 2018) | Accounting Policies, Changes in Accounting Estimates and Errors |
| 5. TAS 10 (revised 2018) | Events After the Reporting Period |
| 6. TAS 12 (revised 2018) | Income Taxes |
| 7. TAS 16 (revised 2018) | Property, Plant and Equipment |
| 8. TAS 17 (revised 2018) | Leases |
| 9. TAS 19 (revised 2018) | Employee Benefits |
| 10. TAS 20 (revised 2018) | Accounting for Government Grants and Disclosure of Government Assistance |
| 11. TAS 21 (revised 2018) | The Effects of Changes in Foreign Exchange Rates |
| 12. TAS 23 (revised 2018) | Borrowing Costs |
| 13. TAS 24 (revised 2018) | Related Party Disclosures |
| 14. TAS 26 (revised 2018) | Accounting and Reporting by Retirement Benefit Plans |
| 15. TAS 27 (revised 2018) | Separate Financial Statements |
| 16. TAS 28 (revised 2018) | Investments in Associates and Joint Ventures |
| 17. TAS 29 (revised 2018) | Financial Reporting in Hyperinflationary Economies |
| 18. TAS 33 (revised 2018) | Earnings Per Share |
| 19. TAS 34 (revised 2018) | Interim Financial Reporting |
| 20. TAS 36 (revised 2018) | Impairment of Assets |
| 21. TAS 37 (revised 2018) | Provisions, Contingent Liabilities and Contingent Assets |

- | | |
|---------------------------|---------------------|
| 22. TAS 38 (revised 2018) | Intangible Assets |
| 23. TAS 40 (revised 2018) | Investment Property |
| 24. TAS 41 (revised 2018) | Agriculture |

Thai Financial Reporting Standards (TFRS)

- | | |
|----------------------------|--|
| 25. TFRS 1 | First-time Adoption of Thai Financial Reporting Standards |
| 26. TFRS 2 (revised 2018) | Share-based Payment |
| 27. TFRS 3 (revised 2018) | Business Combinations |
| 28. TFRS 4 (revised 2018) | Insurance Contracts |
| 29. TFRS 5 (revised 2018) | Non-current Assets Held for Sale and Discontinued Operations |
| 30. TFRS 6 (revised 2018) | Exploration for and Evaluation of Mineral Resources |
| 31. TFRS 8 (revised 2018) | Operating Segments |
| 32. TFRS 10 (revised 2018) | Consolidated Financial Statements |
| 33. TFRS 11 (revised 2018) | Joint Arrangements |
| 34. TFRS 12 (revised 2018) | Disclosure of Interests in Other Entities |
| 35. TFRS 13 (revised 2018) | Fair Value Measurement |
| 36. TFRS 15 | Revenue from Contracts with Customers |

Thai Accounting Standard Interpretations (TSIC)

- | | |
|----------------------------|--|
| 37. TSIC 10 (revised 2018) | Government Assistance - No Specific Relation to Operating Activities |
| 38. TSIC 15 (revised 2018) | Operating Leases - Incentives |
| 39. TSIC 25 (revised 2018) | Income Taxes - Changes in the Tax Status of an Entity or Its Shareholders |
| 40. TSIC 27 (revised 2018) | Evaluating the Substance of Transactions Involving the Legal Form of a Lease |
| 41. TSIC 29 (revised 2018) | Service Concession Arrangements: Disclosure |
| 42. TSIC 32 (revised 2018) | Intangible Assets - Web Site Costs |

Thai Financial Reporting Standard Interpretations (TFRIC)

- | | |
|-----------------------------|--|
| 43. TFRIC 1 (revised 2018) | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| 44. TFRIC 4 (revised 2018) | Determining Whether an Arrangement Contains a Lease |
| 45. TFRIC 5 (revised 2018) | Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| 46. TFRIC 7 (revised 2018) | Applying the Restatement Approach under TAS 29 (revised 2018) Financial Reporting in Hyperinflationary Economies |
| 47. TFRIC 10 (revised 2018) | Interim Financial Reporting and Impairment |

- | | |
|-----------------------------|--|
| 48. TFRIC 12 (revised 2018) | Service Concession Arrangements |
| 49. TFRIC 14 (revised 2018) | TAS 19 (revised 2018) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction |
| 50. TFRIC 17 (revised 2018) | Distributions of Non-cash Assets to Owners |
| 51. TFRIC 20 (revised 2018) | Stripping Costs in the Production Phase of a Surface Mine |
| 52. TFRIC 21 (revised 2018) | Levies |

Effective for fiscal years beginning on or after January 1, 2020 are as follows:

Thai Accounting Standards (TAS)

- | | |
|-----------|-------------------------------------|
| 1. TAS 32 | Financial Instruments: Presentation |
|-----------|-------------------------------------|

Thai Financial Reporting Standards (TFRS)

- | | |
|-----------|------------------------------------|
| 2. TFRS 7 | Financial Instruments: Disclosures |
| 3. TFRS 9 | Financial Instruments |

Thai Financial Reporting Standard Interpretations (TFRIC)

- | | |
|-------------|---|
| 4. TFRIC 16 | Hedges of a Net Investment in a Foreign Operation |
| 5. TFRIC 19 | Extinguishing Financial Liabilities with Equity Instruments |

Management of group companies is evaluating the impact of such accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations on the financial statements in the year when they are adopted.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and expenses recognition

The Company recognized revenues and expenses from the following bases :

- | | |
|-------------------------------|--|
| Sales | - Recognized as revenues whenever goods are delivered, the significant risks and rewards have been transferred to the buyer. |
| Sales of goods on consignment | - Recognized as revenues whenever the consignment goods are sold to the third parties. |
| Dividend income | - Recognized when the shareholder's right to receive is established. |
| Rental income | - Recognized over the lease period. |
| Other income | - Recognized on the accrual basis. |
| Interest income | - Recognized on the accrual basis based on effective interest rate. |
| Expenses | - Recognized on the accrual basis. |

4.2 Cash and cash equivalents

Cash and cash equivalents are cash on hand, fixed deposits at financial institutions due not more than 3 months from the date of acquisition with no obligation.

4.3 Allowance for doubtful accounts

The Company and subsidiaries provide allowance for doubtful accounts for the estimated losses that may be incurred from the uncollected accounts receivable based on past experience in debt collection.

4.4 Inventories

Inventories are stated at cost or net realizable value, whichever is the lower. Cost is determined by the weighted average method.

The Company set up provision for diminution in value of obsolete, deteriorated inventories which are expected to be unsalable by considering the current condition of inventories.

4.5 Investments

Investments in available-for-sale securities are investments in listed securities stated at fair value with the objective for long-term investments. The Company recognized its revaluation in available-for-sale securities as separate item in other comprehensive income, under the caption “gain (loss) from the remeasuring of investment available-for-sale securities”.

The Company calculated cost of the disposed securities during the years by the weighted average method.

Associates mean those companies in which the parent in the group companies has shareholding from 20% to 50% of the total voting rights or has significant influence over the associates, that is the parent in the group companies has power to participate in determining relating to the financial and operating policies of the enterprise but not up to the level of governing such policies. Investments in associates are stated by equity method for consolidation and cost method for the separate financial statements.

Subsidiaries mean those companies in which the parent in the group companies, directly or indirectly, has power more than one half of the total voting rights or power to govern the financial and operating policies of subsidiaries. Investments in subsidiaries in the separate financial statements are stated at cost after deduction of provision for diminution in investment.

Investments in related companies mean those companies in which the group companies have its shareholding less than 20% and/or the companies which directly or indirectly have some common management, major shareholders or such related persons. Investments in related companies are stated at cost after deduction of provision for diminution in investment.

Investments in other companies mean those companies in which the group companies have shareholding but have no power to govern or participate in setting up any policy. Investments in other companies are stated at cost after deduction of provision for diminution in investment.

Investments in convertible debentures are stated at cost after deduction of provision for diminution in investments, if any.

4.6 Investments property

Investments properties mean properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purpose.

Investments property include property and building at acquisition cost less accumulated depreciation. Depreciation of building is calculated by the straight-line method based on the estimated useful life of assets within 20 years.

4.7 Property, plant and equipment

Property, plant and equipment are stated at cost. Plant and equipment are stated at acquisition cost less accumulated depreciation and provision on impairment of assets.

Depreciation is calculated by the straight-line method based on the estimated useful life of the following assets:

	<u>Years</u>
Building and improvement	20 - 25
Machineries	5 - 10
Office furniture, fixtures and equipment	5 - 10
Vehicles	5 - 8

Interest expenses incurred from loans obtained for building construction project are capitalized until such building is ready for use as intended.

Expenditures for additions, renewals or betterments which affected the significant increment in value of assets will be capitalized, considered as capital expenditures. Regarding repair and maintenance costs are recognized as expenses during the accounting periods when incurred.

4.8 Leasehold right

Leasehold right is stated at acquisition cost less amortization by using the straight-line method over the leases period.

4.9 Intangible assets

Computer softwares are stated at acquisition cost less amortization by using the straight-line method based on the estimated useful life of 10 years.

4.10 Operating leases

Leases where most of substantial risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to expenses in the statements of income over the lease term.

4.11 Employee benefits

Short-term employee benefits

The Company and its subsidiaries recognized salaries, wages, bonuses and contributions to the social security fund as expenses when incurred.

Long-term employee benefits

Defined contribution plan

The Company and its subsidiaries provide a provident fund, which is a defined contribution plan, the assets of which are held in a separate trust fund and managed by the external fund manager. Such provident fund is contributed by payments from employees and the Company. Contributions to the provident fund are charged to the statements of income in the incurred period.

Defined benefit plan

The provision for employee retirement benefits is recognized as an expense of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at

the reporting date. The calculation is performed by a qualified actuary using the Projected Unit Credit Method.

The Company provides other long-term benefits to the eligible employees in return for their service in the current and prior periods before one's retirement. In the financial statements, the obligations represent the present value of the other long-term employee benefits. The obligations are calculated on the same basis as the defined benefit plan.

4.12 Deferred tax assets/liabilities

Deferred tax assets/liabilities are recognized for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the statements of financial position date. They will be realised in future period when the income is realised, or the expenses provided for are actually incurred and considered deductible for income tax purposes.

Deferred tax assets are recognized for deductible temporary differences or additional tax are deferred tax liabilities if it is highly probable that the Company will generate sufficient taxable profits from its future operations to utilise these assets.

As each statements of financial position date, the Company reviews and reduces the carrying amount of deferred tax assets/liabilities to the extent that it is no longer probable that sufficient taxable profit be available to allow all or part of the deferred tax asset or deferred tax liabilities to be utilised.

4.13 Income tax expenses

Income tax expenses from profit/loss for the year consist of current income tax and deferred tax. Income tax expenses recognized in statement of income unless part of transaction recorded in shareholders' equity recorded directly to equity.

4.14 Earnings per share

Basic earnings per share is calculated by dividing profit for the year with the number of common stocks held by outsiders by the weighted average method.

4.15 Foreign currency transactions

Foreign currency transactions incurred during the years are recorded in Baht at the rate ruling on the date of transactions. Outstanding foreign currency assets and liabilities on the statements of financial position date are converted to Baht at the rate of exchange in effect on that date.

Gains or losses on exchange rate fluctuation are credited or charged to operations during the years.

For preparation of the consolidated financial statements, the financial statements of the subsidiary denominated in foreign currencies are converted to Baht based on the following exchange rates:

- Assets and liabilities were translated by the average exchange rates at the end of the year.
- Shareholders' equity and depreciation were translated by the exchange rate in effect on the transaction dates.
- Revenues and expenses were translated by the average exchange rates for the year.

The translation of financial statement differences in foreign currencies was shown under other comprehensive income.

4.16 Forward exchange contracts

Foreign currency transactions which are covered by forward exchange contract, the Company will record at fair value. Gains or losses on exchange rates are credited or charged to operations of each year.

4.17 Significant accounting judgments and estimates

In preparation of financial statements in accordance with generally accepted accounting principles requires management to use judgments on various estimates and assumptions that will affect the reported amounts of revenues, expenses, assets and liabilities including the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and assumptions are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions of significant accounting relate primarily to allowance for doubtful accounts, provision for diminution in value of inventories, provision for diminution in investment, allowance for depreciation of investments property, allowance for depreciation of plant and equipment, allowance for amortization of intangible assets and provision for long-term employee benefits. All other estimates mentioned above are further disclosed in the corresponding notes to the financial statements.

5. CASH AND CASH EQUIVALENTS

BAHT

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Cash	649,841	657,394	450,000	450,000
Cash at Bank	47,227,127	37,302,434	7,617,019	4,220,812
Cheque on hand	5,137,536	4,175,980	307,963	619,869
Cash and cash equivalents	53,014,504	42,135,808	8,374,982	5,290,681

6. TRADE ACCOUNTS RECEIVABLE

BAHT

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
<u>Trade accounts receivable of related parties</u>				
Trade notes receivable	1,706,045	2,213,283	1,706,045	2,213,283
Trade accounts receivable				
Current	177,461,656	220,175,121	164,125,794	195,028,503
Overdue within 3 months	17,915,581	26,798,927	2,360,531	12,287,495
Overdue between 3 to 6 months	449,339	44,462	83,495	14,432
Overdue between 6 to 12 months	683,377	210,921	665,437	210,921
Overdue more than 12 months	702,563	387,782	691,981	184,731
Total	198,918,561	249,830,496	169,633,283	209,939,365
<u>Trade accounts receivable of other companies</u>				
Trade notes receivable	4,482,508	28,627,159	527,623	24,318,328
Trade accounts receivable				
Current	517,860,985	434,894,761	420,299,048	356,129,779
Overdue within 3 months	142,140,276	147,970,722	98,852,152	79,316,151
Overdue between 3 to 6 months	17,114,344	5,823,370	12,213,377	2,244,814
Overdue between 6 to 12 months	7,196,993	1,381,782	5,173,105	1,083,493
Overdue more than 12 months	15,164,912	13,343,995	12,684,143	13,189,791
Total	703,960,018	632,041,789	549,749,448	476,282,356
<u>Less</u> Allowance for doubtful accounts	(12,274,111)	(12,639,442)	(11,994,936)	(12,485,237)
Trade accounts receivable of other companies - net	691,685,907	619,402,347	537,754,512	463,797,119
Trade accounts receivable - net	890,604,468	869,232,843	707,387,795	673,736,484

7. SHORT-TERM LOANS TO SUBSIDIARY

BAHT

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS		INTEREST RATES (%) PER ANNUM	
	2018	2017	2018	2017
Wildlives (Thailand) Co., Ltd.				
Beginning balances	4,000,000	-		
Increase during the year	-	4,000,000		
Ending balances	4,000,000	4,000,000	3.00	3.00

Short-term loans to subsidiary are unsecured loans.

8. INVENTORIES

BAHT

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Finished goods	242,964,671	207,217,629	200,228,662	169,338,891
Goods in process	77,154,641	117,270,035	66,380,745	66,008,793
Raw materials	178,797,967	186,440,267	137,422,965	135,383,652
Materials and goods in process in transit	29,904,847	30,324,321	28,548,713	28,386,510
Packagings	186,692,454	160,054,857	187,223,443	160,036,768
Consumed supplies	1,314,239	2,651,685	1,314,239	2,651,685
Total	716,828,819	703,958,794	621,118,767	561,806,299
<u>Less</u> Allowance for diminution in inventories	(18,780,324)	(19,165,781)	(11,368,655)	(14,152,228)
Inventories - net	698,048,495	684,793,013	609,750,112	547,654,071

9. INVESTMENTS IN AVAILABLE-FOR-SALE SECURITIES

Investments in available-for-sale securities are listed securities on the stock exchange.

BAHT

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	% Holding		Investment Value		Dividends	
	2018	2017	2018	2017	2018	2017
Related Companies						
1. Boutique New City Plc.	0.02	0.02	124,000	124,000	1,000	1,500
2. Far East Fame Line DDB Plc.	0.01	0.01	40,000	40,000	6,000	4,200
3. I.C.C. International Plc.	0.35	0.35	26,704,590	26,704,590	1,130,239	1,181,614
4. President Bakery Plc.	0.67	1.00	9,000,000	13,500,000	6,930,000	7,290,000
5. Sahacogen (Chonburi) Plc.	14.90	14.90	235,104,546	235,104,546	21,338,394	19,915,834
6. Saha Pathana Inter-Holding Plc.	0.32	0.28	47,911,012	28,455,037	1,138,786	1,081,389
7. Thai Wacoal Plc.	0.08	0.08	5,037,947	5,037,947	150,000	130,000
Total cost			323,922,095	308,966,120	30,694,419	29,604,537
<u>Add</u> Gain from the remeasuring of investments in available-for-sale securities			654,509,801	811,394,279		
Investments in available-for-sale securities - related companies - fair value			978,431,896	1,120,360,399		
Other Companies						
1. Nation Multimedia Group Plc.			21,796,170	21,796,170	-	-
2. Bangkok Bank Plc.			5,000,700	5,000,700	411,450	411,450
Total cost			26,796,870	26,796,870	411,450	411,450
<u>(Less)</u> loss from the remeasuring of investments in available-for-sale securities			(6,480,684)	(4,562,514)		
Investments in available-for-sale securities - other companies - fair value			20,316,186	22,234,356		
Investments in available-for-sale securities - fair value			998,748,082	1,142,594,755	31,105,869	30,015,987

RELATED COMPANIES	TYPE OF BUSINESS	RELATIONSHIP	ISSUED AND PAID - UP SHARE CAPITAL	
			2018	2017
1. Boutique New City Plc.	Garment	Co-shareholders	120,000,000	120,000,000
2. Far East Fame Line DDB Plc.	Advertising and agency	Shareholders / co-directors	77,499,500	75,000,000
3. I.C.C. International Plc.	Commerce	Shareholders / co-directors	290,633,730	290,633,730
4. President Bakery Plc.	Food	Co-shareholders	450,000,000	450,000,000
5. Sahacogen (Chonburi) Plc.	Generating and distributing electricity	Shareholders / co-directors	955,000,000	955,000,000
6. Saha Pathana Inter-Holding Plc.	Investment	Shareholders / co-directors	571,515,007	494,034,300
7. Thai Wacoal Plc.	Finished garment - products, ladies' lingerie	Co-shareholders	120,000,000	120,000,000

In November 2018, the Company has sold investment in President Bakery Plc. with acquisition cost of investment amount Baht 4,500,000. The Company obtained proceed from disposal amount of Baht 91,740,000 and recognized gain on disposal of investment amount of Baht 87,240,000 in statements of income.

In June 2018, the Company exercised the conversion right convertible debentures of Saha Pathana Inter-Holding Public Company amount of Baht 19,455,975 to 432,355 common stocks. (See Note 14)

In December 2017, the Company has sold investment in Saha Pathana Inter Holding Plc. with acquisition cost of investment amount Baht 20,280,000. The Company obtained proceed from disposal amount of Baht 59,644,693 and recognized gain on disposal of investment amount of Baht 39,364,693 in statements of income.

10. INVESTMENTS IN ASSOCIATES

BAHT

ASSOCIATES	% Holding		CONSOLIDATED (Equity Method)		THE SEPARATE FINANCIAL STATEMENTS (Cost Method)	
	2018	2017	2018	2017	2018	2017
Yamahatsu (Thailand) Co., Ltd.	30	30	21,753,929	48,922,281	5,999,950	5,999,950
Operational Energy Group Limited	30	30	62,084,684	82,533,933	13,150,567	13,150,567
Atika Beauty Manufacturing Sdn. Bhd.	35	35	8,341,448	11,317,022	15,274,015	15,274,015
Total			92,180,061	142,773,236	34,424,532	34,424,532
Osoth Interlaboratories Co., Ltd.	33.19	33.19	186,891,351	195,934,667	201,994,000	201,994,000
<u>Less</u> Allowance for loss on capital decrease			-	-	(2,850,000)	(2,850,000)
Provision for diminution in investments in associates			-	-	(19,950,000)	(19,950,000)
Investments in Osoth Interlaboratories Co., Ltd. - net			186,891,351	195,934,667	179,194,000	179,194,000
Investments in Associates - net			279,071,412	338,707,903	213,618,532	213,618,532

BAHT

ASSOCIATES	TYPE OF BUSINESS	ISSUED AND PAID - UP SHARE CAPITAL		DIVIDENDS	
		2018	2017	2018	2017
Yamahatsu (Thailand) Co., Ltd.	Hair products	20,000,000	20,000,000	38,999,675	44,999,625
Operational Energy Group Limited	Servicing to operate the power plant	30,000,000	30,000,000	62,999,930	90,899,899
Osoth Interlaboratories Co., Ltd.	Medicine	600,000,000	600,000,000	-	-
Atika Beauty Manufacturing Sdn. Bhd.	Manufacturing and distribute cosmetic products	42,600,883 (MYR 5,000,000)	42,600,883 (MYR 5,000,000)	-	-
Total				101,999,605	135,899,524

In June 2017, the Company paid for shares subscription to Atika Beauty Manufacturing Sdn. Bhd., worth amount Baht 2,813,125 (As at amount Malaysian Ringgit 350,000), from called for shares subscription of common stocks that are not fully paid in the amount of 1,000,000 shares at Malaysian Ringgit 1 each, which the said associate has fully paid - up share capital amount of 5,000,000 shares at Malaysian Ringgit 1 each, existing paid - up share capital amount of 4,000,000 shares at Malaysian Ringgit 1 each.

The financial statements of associates which are applied for recording the investments in associates by the equity method for the years ended December 31, 2018 and 2017, based on the financial information audited by other certified public accountants.

The share of profit (loss) from investments for using the equity method which are recorded in the consolidated statements of income for the years ended December 31, 2018 and 2017, as follows :

SHARE OF PROFIT(LOSS) FROM INVESTMENTS FOR USING THE EQUITY METHOD FOR THE YEARS ENDED DECEMBER 31,	CONSOLIDATED	
	2018	2017
Yamahatsu (Thailand) Co., Ltd.	11,831,323	17,796,810
Operational Energy Group Limited	42,550,681	45,017,725
Osoth Interlaboratories Co., Ltd.	(9,043,316)	6,667,630
Atika Beauty Manufacturing Sdn. Bhd.	(2,956,751)	(2,734,153)
Total	42,381,937	66,748,012

Summarized financial information of associates

Financial information of the associates are summarized, as follow:

MILLION BAHT

Company's name	Total assets		Total liabilities		Total revenues		Profit (loss) for the years	
	2018	2017	2018	2017	2018	2017	2018	2017
Yamahatsu (Thailand) Co., Ltd.	345	439	273	276	915	1,088	39.44	59.32
Operational Energy Group Limited	343	422	136	146	624	642	141.84	150.06
Osoth Interlaboratories Co., Ltd.	631	625	143	108	418	437	(27.25)	20.09
Atika Beauty Manufacturing Sdn. Bhd.	33	34	10	3	16	2	(8.45)	(7.81)

11. INVESTMENTS IN SUBSIDIARIES

BAHT

SUBSIDIARIES	% Holding		THE SEPARATE FINANCIAL STATEMENTS (Cost Method)	
	2018	2017	2018	2017
E F Co., Ltd.	99.99	99.99	4,005,696	4,005,696
Top Trend Manufacturing Co., Ltd.	50.00	50.00	124,824,970	124,824,970
Wildlives (Thailand) Co., Ltd.	99.99	99.99	999,930	999,930
4WD Vision Co., Ltd.	99.99	99.99	9,999,970	9,999,970
SAAS Co., Ltd.	99.99	99.99	9,999,850	9,999,850
S&J International (UK) Limited	100.00	100.00	5,073,000	5,073,000
			(GBP100,000)	(GBP100,000)
Total Investments in Subsidiaries			154,903,416	154,903,416

SUBSIDIARIES	TYPE OF BUSINESS	ISSUED AND PAID - UP SHARE CAPITAL		DIVIDENDS	
		2018	2017	2018	2017
<u>SUBSIDIARIES DIRECTLY HELD BY THE COMPANY</u>					
E F Co., Ltd.	Consumer products	4,000,000	4,000,000	479,928	479,928
Top Trend Manufacturing Co., Ltd.	Plastic containers	120,000,000	120,000,000	7,200,000	3,600,000
Wildlives (Thailand) Co., Ltd.	Consumer products	1,000,000	1,000,000	-	-
4WD Vision Co., Ltd.	Import and export, buying and selling as trading such as chemicals, packaging products and cosmetic products	10,000,000	10,000,000	500,000	-
SAAS Co., Ltd.	Research and development of cosmetic formulations	10,000,000	10,000,000		-
S&J International (UK) Limited	Distributing cosmetic products, gift set and marketing service	5,073,000	5,073,000	2,526,728	2,464,820
<u>SUBSIDIARIES HELD BY S&J International (UK) Limited</u>					
Guangzhou S&J Cosmetics Company Limited	Distributing materials and packaging	4,711,857	4,711,857	-	-
4WD Vision (HK) Limited	Distributing materials and packaging	5,372,068	5,372,068	-	-
Total				10,706,656	6,544,748

TRANSACTIONS OF SUBSIDIARIES

SUBSIDIARIES DIRECTLY HELD BY THE COMPANY

4WD Vision Company Limited

In January 2017, 4WD Vision Company Limited, a subsidiary of the Company, called for shares subscription of common stocks that are not fully paid, which the said subsidiary has an authorized share capital of Baht 10 million (divided 1 million shares at Baht 10 each) existing paid-up shares of Baht 2.50 each and called for additional shares subscription of Baht 7.50 each the amount of Baht 7.50 million. The Company paid for the additional shares subscription amount of Baht 7,499,977.

S & J International (UK) Limited and Subsidiaries held by S & J International (UK) Limited

The financial statements of subsidiaries in the foreign countries were audited by other certified public accountants, and were used to prepare consolidated financial statements as at December 31, 2018 and 2017, by having financial information of the subsidiaries in the foreign countries are summarized, as follow:

MILLION BAHT

Company's name	Total assets		Total revenues		Profit (loss) for the years	
	2018	2017	2018	2017	2018	2017
S&J International (UK) Limited	130.30	153.48	269.60	277.24	0.31	2.53
<u>Subsidiaries held by</u>						
<u>S & J International (UK) Limited</u>						
Guangzhou S&J Cosmetics	4.03	4.54	5.68	6.27	(0.35)	1.11
Company Limited						
4WD Vision (HK) Limited	16.78	14.79	59.18	66.40	4.55	3.72

12. INVESTMENTS IN RELATED COMPANIES

BAHT

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	% Holding		Investment Value		Dividends	
	2018	2017	2018	2017	2018	2017
1. General Glass Co., Ltd.	-	16.00	-	* 35,200,000	-	-
2. Thai Lotte Co., Ltd.	0.27	0.27	* 8,000,000	* 8,000,000	-	-
3. H & B Kabinburi Co., Ltd.	9.00	9.00	1,350,000	1,350,000	67,500	67,500
4. Thai Cubic Technology Co., Ltd.	5.00	5.00	2,000,000	2,000,000	200,000	200,000
5. Train Time Test Co., Ltd.	14.00	14.00	175,000	175,000	-	-
6. B.K.C. International Marketing Co., Ltd.	19.00	19.00	949,995	949,995	-	-
7. United Utility Co., Ltd.	5.71	5.71	20,598,600	20,598,600	-	1,000,000
8. Eastern Rubber Co., Ltd.	1.50	1.50	* 450,000	* 450,000	-	-
9. Advantage Footwear Co., Ltd.	0.38	0.38	1,387,500	1,387,500	32,606	34,687
10. Treasure Hill Co., Ltd.	2.00	2.00	* 4,000,000	* 4,000,000	-	-
11. Tipvarin Wattana Co., Ltd.	7.50	7.50	1,233,000	1,233,000	493,200	369,900
12. T-Way Co., Ltd.	12.00	12.00	* 19,207,500	* 19,207,500	-	-
13. K. Commercial & Construction Co., Ltd.	2.20	2.20	3,277,670	3,277,670	-	110,000
14. E. P. F. Co., Ltd	18.00	18.00	702,000	702,000	959,400	1,134,000
15. Pan Land Co., Ltd.	1.00	1.00	* 3,000,000	* 3,000,000	-	-
16. American Food Co., Ltd.	3.00	3.00	4,200,000	4,200,000	-	-
17. Sahapat Properties Co., Ltd.	2.50	2.50	500,000	500,000	40,000	20,000
18. Thanara Co., Ltd.	0.83	0.83	750,000	750,000	-	-
19. Thai Herbal Products Co., Ltd.	1.50	1.50	1,200,000	1,200,000	30,000	43,200
20. Saha Sehwa Co., Ltd.	3.48	3.48	3,587,240	* 5,049,970	179,362	-
21. Sriracha Aviation Co., Ltd.	3.64	3.64	2,000,000	2,000,000	300,000	200,000
22. Waseda Education (Thailand) Co., Ltd.	7.14	7.14	1,428,600	1,568,000	-	-
Total cost			79,997,105	116,799,235	2,302,068	3,179,287
<u>Less</u> Allowance for loss on capital decrease in General Glass Co., Ltd.			-	(12,000,000)		
Allowance for loss on capital decrease in Advantage Footwear Co.,Ltd.			(1,040,625)	(1,040,625)		
Provision for diminution in investments in related companies			* (17,321,100)	* (40,487,548)		
Total Investments in Related Companies - net (Separate financial statements)			61,635,380	63,271,062		
SUBSIDIARY INVESTED IN						
23. Treasure Hill Co., Ltd.	1.00	1.00	* 2,000,000	* 2,000,000		
24. T-Way Co., Ltd.	4.00	4.00	* 6,400,000	* 6,400,000		
Total cost			8,400,000	8,400,000		
<u>Less</u> Provision for diminution in investments in related companies			* (4,816,000)	* (4,720,000)		
Total Investments in Related Companies of the Subsidiary - net			3,584,000	3,680,000		
Total Investments in Related Companies - net (Consolidated)			65,219,380	66,951,062		

RELATED COMPANIES	TYPE OF BUSINESS	RELATIONSHIP	ISSUED AND PAID - UP SHARE CAPITAL	
			2018	2017
1. General Glass Co., Ltd.	Glass bottles	Shareholders / co - directors	-	145,000,000
2. Thai Lotte Co., Ltd.	Chewing gum	Co - shareholders	3,013,000,000	3,013,000,000
3. H & B Kabinburi Co., Ltd.	Cloth toy and ware	Co - directors	15,000,000	15,000,000
4. Thai Cubic Technology Co., Ltd.	Plate and varnish	Shareholders / co - directors	40,000,000	40,000,000
5. Train Time Test Co., Ltd.	Training and seminar	Co - directors	1,250,000	1,250,000
6. B.K.C. International Marketing Co., Ltd.	Consumer products	Co - directors	5,000,000	5,000,000
7. United Utility Co., Ltd.	Real estate	Shareholders / co - directors	350,000,000	350,000,000
8. Eastern Rubber Co., Ltd.	Rubber production	Shareholders / co - directors	30,000,000	30,000,000
9. Advantage Footwear Co., Ltd.	Footwear manufacturing	Shareholders / co - directors	91,750,000	91,750,000
10. Treasure Hill Co., Ltd.	Golf course	Shareholders / co - directors	200,000,000	200,000,000
11. Tipvarin Wattana Co., Ltd.	Mineral water	Co - directors	16,440,000	16,440,000
12. T-Way Co., Ltd.	Tourism, hotel, buying and selling as trading such products	Co - directors	160,000,000	160,000,000
13. K. Commercial & Construction Co., Ltd.	Contruction	Shareholders / co - directors	50,000,000	50,000,000
14. E. P. F. Co., Ltd.	Consumer products	Shareholders / co - directors	3,900,000	3,900,000
15. Pan Land Co., Ltd.	Property leasing, buying, selling and renting property	Shareholders / co - directors	300,000,000	300,000,000
16. American Food Co., Ltd.	Manufacturing and distribute ice cream	Co - shareholders	140,000,000	140,000,000
17. Sahapat Properties Co., Ltd.	Investing in other companies, renting property	Co - shareholders	20,000,000	20,000,000
18. Thanara Co., Ltd.	Real estate	Co - shareholders	90,000,000	90,000,000
19. Thai Herbal Products Co., Ltd.	Manufacturing and distribute herbal medicine	Shareholders / co - directors	80,000,000	80,000,000
20. Saha Sehwa Co., Ltd.	Manufacturing plastic electronic parts	Co - shareholders	103,000,000	145,000,000
21. Sriracha Aviation Co., Ltd.	Retail fuel, lubricant and parts for flight school	Co - shareholders	55,000,000	55,000,000
22. Waseda Education (Thailand) Co., Ltd.	Japanese language and culture school	Co - shareholders	20,000,000	21,952,000

In January 2018, Saha Sehwa Company Limited has reduced its capital from 14,500,000 shares at Baht 10 par value to 10,300,000 shares at Baht 10 par value. The Company has recorded decrease in proportion of investment refund from investment in the amount of Baht 1,462,760.

In June 2018, Waseda Education (Thailand) Company Limited has reduced its capital from 219,520 shares at Baht 100 par value to 200,000 shares at Baht 100 par value. The Company has recorded decrease in proportion of investment refund from investment in the amount of Baht 139,400.

Investment in General Glass Company Limited with its cost amounted to Baht 35,200,000, has provided provision for diminution of investment in full amount. In September 2018, General Glass Company Limited has been liquidated. Therefore, the Company received cash from liquidation of Baht 3,889,168 (2,320,000 shares at Baht 1.68) and recorded loss on liquidation of the said company of Baht 31,310,832.

In November 2017, the Company has invested in American Food Co., Ltd., amount of 420,000 common stocks shares at Baht 10 each, worth amount Baht 4,200,000.

In July 2017, Waseda Education (Thailand) Company Limited has reduced its capital from 313,600 shares at Baht 100 par value to 219,520 shares at Baht 100 par value. The Company has recorded decrease in proportion of investment refund from investment in the amount of Baht 672,000.

13. INVESTMENTS IN OTHER COMPANIES

BAHT

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	% Holding		Investment Value		Dividends	
	2018	2017	2018	2017	2018	2017
1. Thai Yukilon Co., Ltd.	6.94	6.94	5,000,000	5,000,000	1,000,000	1,000,000

14. INVESTMENTS IN CONVERTIBLE DEBENTURES

In June 2017, the Company has invested in convertible debentures of Saha Pathana Inter-Holding Public Company Limited as according to the proportion of shareholding in such company.

The details are as follows:

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	AMOUNT OF UNIT (UNIT)		INVESTMENT VALUE (BAHT)	
	2018	2017	2018	2017
Related Company Convertible Debentures of Saha Pathana Inter-Holding Public Company Limited No. 1/2017 Due 2024 (At face value of Baht 1,000)	-	19,456	-	19,456,000
TYPE OF CONVERTIBLE DEBENTURES	The Convertible Debentures are issued in registered form, unsecured, unsubordinated, associated with the rights of conversion into the newly issued common stocks of the Company and with a debenture holders' representative.			
TENOR (YEARS)	7			
INTEREST RATE (%) PER ANNUM	0.70			
INTEREST PERIOD	Interest is receivable 4 times per annum on 29 every March, June, September and December of each year during the terms of the Convertible Debentures.			
CONVERSION PRICE (BAHT : COMMON STOCKS)	45 : 1			
CONVERSION RATIO (CONVERTIBLE DEBENTURES : COMMON STOCKS)	1 : 22.222222			
CONVERSION DATE	4 times per annum, in March, June, September and December of each year. The first conversion date is in June 2018.			

On June 29, 2018, the Company has exercised the conversion right convertible debentures of Saha Pathana Inter-Holding Public Company, conversion price 45 Baht per 1 common stock resulting in the increase amount of Baht 19,455,975 the investments in available for-sale securities. (432,355 shares) (See Note 9)

15. LONG-TERM LOANS TO OTHER COMPANY

BAHT

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017
ELLA CORA, INC.		
Beginning balances (USD 500,000)	16,257,300	-
Increase during the year (USD 500,000)	-	17,540,000
<u>Less</u> Unrealized loss on exchange rates	(114,900)	(1,282,700)
Ending balances	16,142,400	16,257,300

In March 2017, the Company has entered into loan agreement with ELLA CORA, INC., which established under the Law of the United States of America, in the amount of USD 0.5 million as a secured convertible promissory note for a period of 3 years with interest rate equal to the greater of 3% p.a. or the Applicable Federal Rate and no repayment of principal or interest until the maturity date. The loan is secured by a security interest in all of the assets of the said company. After maturity date, the loan shall be extended not exceeding for a period of 2 years and the loan and its interest shall be converted to voting preferred stocks of the said borrower company under the conditions as specified in the promissory note.

16. INVESTMENTS PROPERTY

BAHT

CONSOLIDATED	Property	Building and improvement	Total
<u>Cost</u>			
January 1, 2017	50,498,609	94,367,402	144,866,011
Disposal	(1,872,000)	(1,267,448)	(3,139,448)
December 31, 2017	48,626,609	93,099,954	141,726,563
December 31, 2018	48,626,609	93,099,954	141,726,563
<u>Accumulated depreciation</u>			
January 1, 2017	-	42,579,870	42,579,870
Depreciation for the year 2017	-	3,997,712	3,997,712
Disposal	-	(277,080)	(277,080)
December 31, 2017	-	46,300,502	46,300,502
Depreciation for the year 2018	-	3,984,690	3,984,690
December 31, 2018	-	50,285,192	50,285,192
<u>Net book value</u>			
December 31, 2017	48,626,609	46,799,452	95,426,061
December 31, 2018	48,626,609	42,814,762	91,441,371
<u>Fair value</u>			
December 31, 2017	71,421,784	77,218,929	148,640,713
December 31, 2018	71,421,784	77,218,929	148,640,713

Assets fair value are appraised by independent appraiser by using cost approach and market comparative approach.

THE SEPARATE FINANCIAL STATEMENTS	Property	Building and improvement	Total
<u>Cost</u>			
January 1, 2017	50,378,609	94,367,402	144,746,011
Disposal	(1,872,000)	(1,267,448)	(3,139,448)
December 31, 2017	48,506,609	93,099,954	141,606,563
December 31, 2018	48,506,609	93,099,954	141,606,563
<u>Accumulated depreciation</u>			
January 1, 2017	-	42,579,870	42,579,870
Depreciation for the year 2017	-	3,997,712	3,997,712
Disposal	-	(277,080)	(277,080)
December 31, 2017	-	46,300,502	46,300,502
Depreciation for the year 2018	-	3,984,690	3,984,690
December 31, 2018	-	50,285,192	50,285,192
<u>Net book value</u>			
December 31, 2017	48,506,609	46,799,452	95,306,061
December 31, 2018	48,506,609	42,814,762	91,321,371
<u>Fair value</u>			
December 31, 2017	71,301,784	77,218,929	148,520,713
December 31, 2018	71,301,784	77,218,929	148,520,713

Assets fair value are appraised by independent appraiser by using cost approach and market comparative approach.

The Company, related company jointly invested in land with structures amount of Baht 30.36 million with the proportion of investment as follows:

	Amount (Million Baht)	Ratio of Ownership
Vitayasithi Co., Ltd.	14.93	76.57
S & J International Enterprises Plc.	9.95	51.05
K. Commercial & Construction Co., Ltd.	5.48	28.08
	30.36	155.70

17. PROPERTY, PLANT AND EQUIPMENT

BAHT

CONSOLIDATED	Land and improvement	Building and improvement	Furniture and fixtures	Office equipment	Machineries and equipment	Vehicles	Assets under construction and installation	Total
Cost								
January 1, 2017	303,000,034	1,153,904,149	367,853,356	150,310,414	2,336,975,358	52,975,976	93,832,710	4,458,851,997
Increase	-	10,675,377	3,893,369	12,323,675	102,815,957	-	32,581,292	162,289,670
Disposal/write off	(31,500)	(708,500)	(1,310,574)	(2,733,526)	(36,455,287)	(13,835,614)	-	(55,075,001)
Transferred to expenses	-	-	-	-	-	-	(63,977)	(63,977)
Transferred to/from	-	1,860,000	-	61,419	82,168,443	-	(84,089,862)	-
December 31, 2017	302,968,534	1,165,731,026	370,436,151	159,961,982	2,485,504,471	39,140,362	42,260,163	4,566,002,689
Increase	-	9,764,006	996,069	7,713,778	113,743,169	-	91,761,773	223,978,795
Disposal/write off	-	-	(1,214,446)	(2,940,399)	(22,268,698)	(1,464,137)	-	(27,887,680)
Transferred to expenses	-	-	-	-	-	-	(898,560)	(898,560)
Transferred to/from	-	1,175,490	2,502,300	195,300	76,874,519	-	(80,747,609)	-
December 31, 2018	302,968,534	1,176,670,522	372,720,074	164,930,661	2,653,853,461	37,676,225	52,375,767	4,761,195,244
Accumulated depreciation								
January 1, 2017	-	339,388,979	319,528,224	113,076,389	1,987,211,594	47,943,452	-	2,807,148,638
Depreciation for the year 2017	-	49,508,835	26,264,163	12,771,991	157,665,479	1,303,980	-	247,514,448
Disposal/write off	-	(485,911)	(1,296,572)	(2,733,402)	(35,379,429)	(13,829,310)	-	(53,724,624)
Transferred to/from	-	-	-	9,129	(9,129)	-	-	-
December 31, 2017	-	388,411,903	344,495,815	123,124,107	2,109,488,515	35,418,122	-	3,000,938,462
Depreciation for the year 2018	-	50,882,443	14,042,590	13,105,045	136,068,601	871,286	-	214,969,965
Disposal/write off	-	-	(1,212,263)	(2,939,173)	(22,061,032)	(1,464,132)	-	(27,676,600)
December 31, 2018	-	439,294,346	357,326,142	133,289,979	2,223,496,084	34,825,276	-	3,188,231,827
Provision for impairment of assets								
December 31, 2017	-	-	-	-	-	-	2,200,000	2,200,000
December 31, 2018	-	-	-	-	-	-	2,200,000	2,200,000
Net book value								
December 31, 2017	302,968,534	777,319,123	25,940,336	36,837,875	376,015,956	3,722,240	40,060,163	1,562,864,227
December 31, 2018	302,968,534	737,376,176	15,393,932	31,640,682	430,357,377	2,850,949	50,175,767	1,570,763,417

THE SEPARATE FINANCIAL STATEMENTS	Land and improvement	Building and improvement	Furniture and fixtures	Office equipment	Machineries and equipment	Vehicles	Assets under construction and installation	Total
Cost								
January 1, 2017	201,844,778	962,328,118	199,082,006	123,847,127	1,246,173,966	33,910,334	10,736,282	2,777,922,611
Increase	-	10,355,378	2,047,235	11,340,020	32,146,176	-	6,383,311	62,272,120
Disposal/write off	(31,500)	(708,500)	(1,149,423)	(2,472,496)	(32,070,785)	(12,241,453)	-	(48,674,157)
Transferred to expenses	-	-	-	-	-	-	(63,977)	(63,977)
Transferred to/from	-	1,860,000	-	-	81,544	-	(1,941,544)	-
December 31, 2017	201,813,278	973,834,996	199,979,818	132,714,651	1,246,330,901	21,668,881	15,114,072	2,791,456,597
Increase	-	9,097,006	973,069	6,158,767	12,669,167	-	5,078,816	33,976,825
Disposal/write off	-	-	(220,131)	(2,394,222)	(3,305,103)	(153,315)	-	(6,072,771)
Transferred to/from	-	-	-	-	1,663,335	-	(1,663,335)	-
December 31, 2018	201,813,278	982,932,002	200,732,756	136,479,196	1,257,358,300	21,515,566	18,529,553	2,819,360,651
Accumulated depreciation								
January 1, 2017	-	277,067,182	165,545,170	89,666,314	1,029,311,395	29,905,523	-	1,591,495,584
Depreciation for the year 2017	-	40,327,692	18,050,914	11,442,576	87,444,404	872,992	-	158,138,578
Disposal/write off	-	(485,911)	(1,135,428)	(2,472,399)	(30,997,784)	(12,241,450)	-	(47,332,972)
December 31, 2017	-	316,908,963	182,460,656	98,636,491	1,085,758,015	18,537,065	-	1,702,301,190
Depreciation for the year 2018	-	41,697,271	9,963,170	11,751,934	58,239,210	871,286	-	122,522,871
Disposal/write off	-	-	(220,093)	(2,393,331)	(3,143,293)	(153,313)	-	(5,910,030)
December 31, 2018	-	358,606,234	192,203,733	107,995,094	1,140,853,932	19,255,038	-	1,818,914,031
Provision for impairment of assets								
December 31, 2017	-	-	-	-	-	-	2,200,000	2,200,000
December 31, 2018	-	-	-	-	-	-	2,200,000	2,200,000
Net book value								
December 31, 2017	201,813,278	656,926,033	17,519,162	34,078,160	160,572,886	3,131,816	12,914,072	1,086,955,407
December 31, 2018	201,813,278	624,325,768	8,529,023	28,484,102	116,504,368	2,260,528	16,329,553	998,246,620

18. LEASEHOLD RIGHT

BAHT

PARTICULARS	CONSOLIDATED	
	2018	2017
Beginning balances leasehold right - net	1,269,853	2,030,161
<u>Less</u> Amortization for the years	(742,204)	(760,308)
Ending balances leasehold right - net	527,649	1,269,853

19. INTANGIBLE ASSETS

BAHT

PARTICULARS	CONSOLIDATED			THE SEPARATE FINANCIAL STATEMENTS		
	Computer softwares	Computer softwares installation	Total	Computer softwares	Computer softwares installation	Total
<u>Cost</u>						
January 1, 2017	81,906,524	-	81,906,524	58,181,359	-	58,181,359
Increase	3,051,377	-	3,051,377	2,192,270	-	2,192,270
December 31, 2017	84,957,901	-	84,957,901	60,373,629	-	60,373,629
Increase	4,744,655	7,172,754	11,917,409	4,671,756	7,172,754	11,844,510
December 31, 2018	89,702,556	7,172,754	96,875,310	65,045,385	7,172,754	72,218,139
<u>Accumulated amortization</u>						
January 1, 2017	49,144,794	-	49,144,794	27,957,438	-	27,957,438
Amortization for the year 2017	6,698,343	-	6,698,343	5,440,966	-	5,440,966
December 31, 2017	55,843,137	-	55,843,137	33,398,404	-	33,398,404
Amortization for the year 2018	6,336,235	-	6,336,235	5,554,014	-	5,554,014
December 31, 2018	62,179,372	-	62,179,372	38,952,418	-	38,952,418
<u>Net book value</u>						
December 31, 2017	29,114,764	-	29,114,764	26,975,225	-	26,975,225
December 31, 2018	27,523,184	7,172,754	34,695,938	26,092,967	7,172,754	33,265,721

20. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

BAHT

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Bank overdrafts	1,638,704	23,816,001	-	-
Short-term borrowings from financial institutions	137,104,022	416,610,145	60,000,000	314,500,000
Total	138,742,726	440,426,146	60,000,000	314,500,000

Bank overdrafts and short-term borrowings from the financial institutions of the Company and subsidiary are unsecured loans.

21. PROVISION FOR LONG - TERM EMPLOYEE BENEFITS

BAHT

PARTICULARS	CONSOLIDATED		
	Provision for employee retirement benefit under labor law	Other long-term employee benefits	Total
<u>Defined benefit obligation</u>			
Balances as at January 1, 2017	143,853,247	5,140,140	148,993,387
<u>Add</u> Current service cost	23,457,928	1,145,554	24,603,482
Interest cost	3,507,136	126,143	3,633,279
<u>Less</u> Benefits paid during the year	(15,025,228)	(955,180)	(15,980,408)
Balances as at December 31, 2017	155,793,083	5,456,657	161,249,740
<u>Add</u> Current service cost	25,604,598	1,284,044	26,888,642
Interest cost	3,897,336	138,816	4,036,152
<u>Less</u> Benefits paid during the year	(6,032,928)	(297,125)	(6,330,053)
Balances as at December 31, 2018	179,262,089	6,582,392	185,844,481

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS		
	Provision for employee retirement benefit under labor law	Other long-term employee benefits	Total
<u>Defined benefit obligation</u>			
Balances as at January 1, 2017	121,255,577	4,196,056	125,451,633
<u>Add</u> Current service cost	19,030,643	833,664	19,864,307
Interest cost	2,969,265	106,740	3,076,005
<u>Less</u> Benefits paid during the year	(12,821,906)	(237,837)	(13,059,743)
Balances as at December 31, 2017	130,433,579	4,898,623	135,332,202
<u>Add</u> Current service cost	20,616,062	951,010	21,567,072
Interest cost	3,258,814	121,216	3,380,030
<u>Less</u> Benefits paid during the year	(5,458,370)	(297,125)	(5,755,495)
Balances as at December 31, 2018	148,850,085	5,673,724	154,523,809

The principle assumptions used in determining the employee benefit liabilities are shown as follows:

PARTICULARS	CONSOLIDATED	% (per annum)
		THE SEPARATE FINANCIAL STATEMENTS
Discount rate	2.53 - 2.55	2.55
Salary increase rate (depends on the age)	2.67 - 5.00	2.67 - 5.00
Average staff turnover rate (depends on the age)		
- Monthly staff	0.00 - 39.00	0.00 - 34.00
- Daily staff	0.00 - 68.00	0.00 - 68.00

Sensitivity analysis on key assumption changes are as follows:

BAHT

PARTICULARS	2018	
	CONSOLIDATED	THE SEPARATE FINANCIAL STATEMENTS
Discount rate -1.0%	200,162,185	166,503,999
Discount rate (base)	185,844,481	154,523,809
Discount rate +1.0%	173,307,858	144,084,832
Expected rate of salary increase -1.0%	168,100,979	140,181,360
Expected rate of salary increase (base)	181,503,594	150,829,385
Expected rate of salary increase +1.0%	196,156,573	162,814,952

On December 13, 2018, the National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate. This change is considered a post-employment benefits plan amendment. The Company and its subsidiaries have additional liabilities for long-term employee benefits. The Company and its subsidiaries have not recorded the effect of the change.

22. INCOME TAX EXPENSES

Corporate income taxes of the Company and subsidiaries for the years ended December 31, 2018 and 2017 were calculated from accounting profit and adjusted with other revenues and some expenses which are exempted from income tax, such as dividend income, or being disallowable expenses in income taxes computation purposes such as doubtful debts.

The corporate income tax of the Company is calculated at the rate of 20 percent.

The corporate income taxes of subsidiaries established under Thai law are calculated at the rate of 10, 15 and 20 percent.

The corporate income taxes of subsidiaries established under foreign law are calculated at the rate of 10, 16.50, 19 and 20 percent.

Income taxes expenses recognized in statements of income consist:

BAHT

PARTICULARS FOR THE YEARS ENDED DECEMBER 31,	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
The corporate income tax for the years	54,149,248	26,096,829	46,715,644	23,159,424
Amortization and reversal of temporary differences assets/liabilities on temporary differences	1,658,534	5,409,043	3,720,602	5,898,707
Income tax expenses	55,807,782	31,505,872	50,436,246	29,058,131

As at December 31, 2018 and 2017, the deferred tax assets/liabilities arose from the following temporary differences:

BAHT

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Accumulated temporary differences in the statements of income				
Tax rate of 10%				
Unused tax losses	-	5,453,952	-	-
Tax rate of 15%				
Allowance for doubtful trade accounts receivable	62,166	-	-	-
Unused tax losses	6,511,027	-	-	-
Tax rate of 20%				
Allowance for doubtful trade accounts receivable	3,655,771	3,929,063	3,438,762	3,929,063
Provision for diminution in inventories	18,780,324	19,165,781	11,368,655	14,152,228
Unrealized gain on forward exchange contracts	(464,704)	(1,103,576)	(467,664)	(1,113,374)
Provision for long-term employee benefits	185,844,481	161,249,740	154,523,809	135,332,202
Allowance for loss on capital decrease and provision for diminution in investments	23,177,725	58,248,173	41,161,725	76,328,173
Provision for impairment of assets under construction	2,200,000	2,200,000	2,200,000	2,200,000
Total	239,766,790	249,143,133	212,225,287	230,828,292
Temporary differences in the statements of comprehensive income				
Tax rate of 20%				
- recognized in other components of the shareholders' equity				
Unrealized gain on remeasuring available-for-sale securities	(648,029,117)	(806,831,765)	(648,029,117)	(806,831,765)
Total	(408,262,327)	(557,688,632)	(435,803,830)	(576,003,473)
Deferred tax liabilities	(81,981,125)	(112,083,121)	(87,160,766)	(115,200,694)

23. LEGAL RESERVE

In compliance with the Public Company Act, B.E. 2535 (1992), the Company has to set up legal reserve at least 5 % of annual net profit less deficits brought forward (if any) until meet 10% of authorized share capital. Such legal reserve is not allowed to pay for dividend. The Company has completely appropriated for legal reserve in compliance with the legal requirement.

24. DIVIDEND PAYMENT AND DIRECTORS' REMUNERATION

On April 24, 2018, the Ordinary General Shareholders' Meeting for 2018 was held and approved a resolution to pay dividends for the results of 2017 operation to the shareholders of 149,930,828 shares at Baht 1.20 per share, totaling Baht 179.92 million. The dividend payment was made on May 23, 2018 and approved a resolution to pay directors' remuneration at the maximum of Baht 15 million per year.

On April 24, 2017, the Ordinary General Shareholders' Meeting for 2017 was held and approved a resolution to pay dividends for the results of 2016 operation to the shareholders of 149,930,828 shares at Baht 1.20 per share, totaling Baht 179.92 million. The dividend payment was made on May 23, 2017 and approved a resolution to pay directors' remuneration at the maximum of Baht 15 million per year.

25. EXPENSES BY NATURE

PARTICULARS	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
(Increase) decrease changes of finished goods and work in progress	4,368,352	92,475,921	(31,261,723)	76,155,172
Raw material and consumables used	2,198,371,789	2,288,620,525	2,323,291,115	2,374,122,582
Purchase of inventories	458,169,049	446,704,538	106,871,401	148,129,458
Directors and management benefit expenses	56,230,380	65,146,093	51,882,380	59,294,493
Employee benefit expenses	1,059,575,666	1,034,629,455	698,747,126	710,158,044
Depreciation	218,954,655	251,512,160	126,507,561	162,136,290
Amortization expenses	7,078,439	7,458,651	5,554,014	5,440,966
Loss on diminution of investments in related companies	129,552	-	33,552	-
Loss on dissolution of investments in related companies	31,310,832	-	31,310,832	-
Other expenses	653,403,657	670,130,869	455,496,175	477,161,095
Total	4,687,592,371	4,856,678,212	3,768,432,433	4,012,598,100

26. EMPLOYEE PROVIDENT FUND

The Company and its subsidiary have set up and registered provident fund in accordance with the Provident Fund Act, B.E. 2530 (1987). In order to be the savings and welfare promotion, as well as the fringe benefits upon resignation or retirement to its employees according to the Company's regulation, with one part of contribution from the employees and another part from the Company at the rate of 3% on their basic salaries. The Company has appointed the CIMB-Principal Asset Management Company Limited to be the fund manager.

Provident fund contributions made by the Company and its subsidiary for their employees are recorded as expenses in the statements of income for the years ended December 31, 2018 and 2017 as follows:

MILLION BAHT

Company's name	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
S & J International Enterprises Plc.	9.22	9.40	9.22	9.40
Top Trend Manufacturing Co., Ltd.	2.22	2.13	-	-
Total	11.44	11.53	9.22	9.40

27. FOREIGN CURRENCY TRANSACTIONS

27.1 The Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies as follows :-

AMOUNT IN THOUSAND

CONSOLIDATED	2018		2017	
	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht
Assets				
USD	8,060.78	260,241	6,119.97	198,988
JPY	5,317.21	1,538	136,457.04	39,024
GBP	462.64	18,754	127.62	5,556
Total assets		280,533		243,568

AMOUNT IN THOUSAND

CONSOLIDATED	2018		2017	
	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht
Liabilities				
USD	1,459.38	47,580	782.47	25,702
JPY	25,804.45	7,663	3,792.40	1,113
GBP	2.95	122	0.90	40
EUR	17.56	652	10.70	421
CHF	-	-	1.33	45
CNY	672.85	3,219	-	-
Total liabilities		59,236		27,321

AMOUNT IN THOUSAND

THE SEPARATE FINANCIAL STATEMENTS	2018		2017	
	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht
Assets				
USD	7,975.26	257,480	6,077.16	197,597
JPY	5,317.21	1,538	136,457.04	39,024
GBP	488.81	19,851	285.00	12,405
EUR	19.80	728	-	-
Total assets		279,597		249,026
Liabilities				
USD	1,594.92	52,001	698.93	22,958
JPY	25,804.00	7,663	3,792.40	1,113
GBP	368.97	15,320	288.65	12,831
EUR	523.39	19,615	316.92	12,484
Total liabilities		94,599		49,386

27.2 The Company and subsidiaries have made selling forward exchange contracts with the local commercial bank for hedging in exchange rate fluctuation which might affect Baht received from export trade accounts receivable that can be summarized as follows :-

CONSOLIDATED	Amount in thousand	Fair value (Thousand Baht)	Delivery dates
<u>Year 2018</u>			
USD	2,202.75	71,341	June 2019 - July 2019
JPY	215,404.88	63,117	March 2019 - December 2019
<u>Year 2017</u>			
USD	4,779.16	155,707	June 2018
GBP	286.12	12,595	January 2018 - June 2018
JPY	237,287.89	68,833	May 2018 - June 2018
EUR	26.50	1,037	March 2018

THE SEPARATE FINANCIAL STATEMENTS	Amount in thousand	Fair value (Thousand Baht)	Delivery dates
<u>Year 2018</u>			
USD	2,202.75	71,341	June 2019 - July 2019
GBP	215,404.88	63,117	March 2019 - December 2019
<u>Year 2017</u>			
USD	4,779.16	155,707	June 2018
GBP	286.12	12,595	January 2018 - June 2018
JPY	237,287.89	68,833	May 2018 - June 2018

27.3 The Company and subsidiaries have made buying forward exchange contracts with the local commercial bank for hedging in exchange rate fluctuation which might affect Baht payable to the foreign accounts payable that can be summarized as follows :-

CONSOLIDATED	Amount in thousand	Fair value (Thousand Baht)	Delivery dates
<u>Year 2018</u>			
USD	0.82	27	January 2019
EUR	7.88	293	February 2019
<u>Year 2017</u>			
USD	82.52	2,682	February 2018 - June 2018

THE SEPARATE FINANCIAL STATEMENTS	Amount in thousand	Fair value (Thousand Baht)	Delivery dates
<u>Year 2017</u>			
USD	62.52	2,029	June 2018

28. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries' financial information by segment in the consolidation for the years ended December 31, 2018 and 2017 are as follows:

BAHT

Year 2018	Cosmetics	Containers	Others	Inter-company transactions		Total
				Debit	Credit	
Sales	3,826,232,796	1,134,638,275	421,824,645	569,758,359	-	4,812,937,357
Operating result by segments	104,663,486	49,413,363	3,045,949	571,314,037	591,000,907	176,809,668
Other incomes	370,327,257	16,796,199	4,628,561	125,855,536	-	265,896,481
Profit attributable to equity holders of the parent						347,399,317
Property, plant and equipment-net	998,246,620	509,358,768	63,158,029	-	-	1,570,763,417

BAHT

Year 2017	Cosmetics	Containers	Others	Inter-company transactions		Total
				Debit	Credit	
Sales	4,063,842,449	1,049,591,615	387,391,422	551,195,669	-	4,949,629,817
Operating result by segments	86,128,968	31,615,329	2,992,251	557,326,766	568,606,269	132,016,051
Other incomes	304,175,717	11,479,515	5,235,161	154,425,695	-	166,464,698
Profit attributable to equity holders of the parent						274,436,423
Property, plant and equipment-net	1,086,955,407	407,751,299	68,157,521	-	-	1,562,864,227

The financial information by geographical areas can be classified to local and export sales in the consolidation for the years ended December 31, 2018 and 2017 as follows:

BAHT

Particulars	Local		Export		Total	
	2018	2017	2018	2017	2018	2017
Sales	2,721,114,220	2,648,260,546	2,091,823,137	2,301,369,271	4,812,937,357	4,949,629,817
Operating result by segments	77,351,145	23,698,980	99,458,523	108,317,071	176,809,668	132,016,051

29. TRANSACTIONS WITH RELATED PARTIES

The Company has certain business transactions with its related parties which are related through, shareholding or having shareholders or some co-directors. The effects of these transactions were reflected in the accompanying financial statements in normal business and general trading conditions.

COMPANIES	RELATIONSHIP
Associates	See Note 10
Subsidiaries	See Note 11
Related companies	See Note 12
Far East Fame Line DDB Plc.	Shareholders / co - directors
I.C.C. International Plc.	Shareholders / co - directors
Sahacogen (Chonburi) Plc.	Shareholders / co - directors
Saha Pathana Inter-Holding Plc.	Shareholders / co - directors
Shop Global (Thailand) Co., Ltd.	Shareholders / co - directors
Worldclass Rent A Car Co., Ltd.	Shareholders / co – chief executive
Better Way (Thailand) Co., Ltd.	Co - directors
International Laboratories Corp., Ltd.	Co - directors
Vitayasithi Co., Ltd.	Co - directors
O.C.C. Plc.	Co - directors
Oriental Salon Business Co., Ltd.	Co - directors
H & B Intertex Co., Ltd.	Co - directors
People 's Garment Plc.	Co - directors
AANC Co., Ltd.	Co - directors
I.S.B.M. Co., Ltd.	Co - directors
Shaldan (Thailand) Co., Ltd.	Co - directors
Kewpie (Thailand) Co., Ltd.	Co - directors
Make Up Technique International Co., Ltd.	Co - directors
Shiseido Profession (Thailand) Co., Ltd.	Co - directors
PBBC Intertrade Co., Ltd.	Co - directors
Better Leasing Co., Ltd.	Co - directors
Cake & Bakery Co., Ltd.	Co - directors
Sahachol Food Suppliers Co., Ltd.	Co - directors
Saha Pathanapibul Plc.	Co - shareholders
Boutique New City Plc.	Co - shareholders
President Bakery Plc.	Co - shareholders
Thai Wacoal Plc.	Co - shareholders
Erawan Textile Co., Ltd.	Related company is major shareholders

The significant transactions with related parties are as follows:

BAHT

Transactions in statements of financial position	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
<u>Trade accounts receivable</u> (Note 6)				
- Subsidiaries	-	-	2,886,240	8,169,766
- Associates	6,070,799	6,630,581	392,309	1,982,647
- Related companies	192,847,762	243,199,915	166,354,733	199,786,952
Total	198,918,561	249,830,496	169,633,282	209,939,365
<u>Other receivables</u>				
- Subsidiaries	-	-	6,142,985	4,321,191
- Associates	1,237,972	19,143	1,236,972	19,143
- Related companies	1,145,343	629,702	1,145,343	629,702
Total	2,383,315	648,845	8,525,300	4,970,036
<u>Short-term loans</u> (Note 7)				
- Subsidiary	-	-	4,000,000	4,000,000
<u>Other current assets - Accrued interest</u>				
- Related company	-	1,119	-	1,119
<u>Investments in available-for- sale securities - fair value</u> (Note 9)				
- Related companies	978,431,896	1,120,360,399	978,431,896	1,120,360,399
<u>Investment in convertible debentures</u> (Note 14)				
- Related company	-	19,456,000	-	19,456,000
<u>Other non-current assets - Rental guarantee</u>				
- Related companies	5,036,175	5,046,175	4,492,120	4,492,120
<u>Disposal of equipment</u>				
- Associate	-	150,000	-	150,000
<u>Trade accounts payable</u>				
- Subsidiaries	-	-	68,482,120	61,469,303
- Related companies	17,553,584	16,366,495	12,521,811	16,360,346
Total	17,553,584	16,366,495	81,003,931	77,829,649
<u>Other accounts payable</u>				
- Subsidiaries	-	-	759,894	501,304
- Related companies	3,883,113	8,426,137	3,742,361	3,398,188
Total	3,883,113	8,426,137	4,502,255	3,899,492
<u>Other non-current liabilities</u>				
- Related companies	6,793	21,840	6,793	21,840

Transactions in statements of income for the years ended December 31,	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2018	2017	2018	2017
<u>Sales</u>				
- Subsidiaries	-	-	49,524,392	38,277,111
- Associates	16,022,377	26,124,242	2,989,554	11,342,473
- Related companies	1,334,386,938	1,515,655,586	1,136,594,340	1,327,449,180
Total	1,350,409,315	1,541,779,828	1,189,108,286	1,377,068,764
<u>Rental income</u>				
- Subsidiaries	-	-	1,033,736	429,230
- Associates	31,451,200	29,973,600	31,451,200	29,973,600
- Related companies	425,079	579,985	425,079	579,985
Total	31,876,279	30,553,585	32,910,015	30,982,815
<u>Other incomes</u>				
- Subsidiaries	-	-	9,469,533	6,881,194
- Associates	2,775,217	366,833	2,775,217	366,833
- Related companies	6,486,901	7,780,805	6,139,601	7,726,134
Total	9,262,118	8,147,638	18,384,351	14,974,161
<u>Purchase of goods and service</u>				
- Subsidiaries	-	-	463,520,613	492,909,301
- Associates	-	4,149,968	-	4,149,968
- Related companies	40,756,243	86,907,024	40,620,109	86,820,478
Total	40,756,243	91,056,992	504,140,722	583,879,747
<u>Rental expenses</u>				
- Related companies	8,461,824	8,677,724	8,461,824	8,677,724
<u>Other expenses</u>				
- Subsidiaries	-	-	7,211,023	8,159,126
- Associates	31,428	-	31,428	-
- Related companies	125,937,216	126,901,430	61,951,731	64,461,460
Total	125,968,644	126,901,430	69,194,182	72,620,586

Revenues from sales, purchase of goods and services, other income and expenses as shown in the statements of income are in accordance with general trading conditions under fixing price or at market price compensation. For the transactions with no reference of market price, the agreed prices according to the agreement are applied.

30. COMMITMENT AND CONTINGENT LIABILITIES

BAHT

PARTICULARS	December 31, 2018	
	CONSOLIDATED	THE SEPARATE FINANCIAL STATEMENTS
1. Commitment under letters of guarantee issued by commercial banks	26,664,798	18,316,098
2. Royalty fees are payable by calculating from percentage of sales at the rate as fixed in the agreement.		
3. The Company and subsidiaries have commitment to pay future monthly rental and services for lease and service contracts for the office, warehouse and advisory contract from January 1, 2019 as follows:		
<u>CONTRACT PERIOD</u>	<u>CONSOLIDATED</u>	<u>THE SEPARATE FINANCIAL STATEMENTS</u>
Current portion	41,190,318 Baht	27,871,446 Baht
Over 1 year but not over 5 years	19,682,092 Baht	16,809,055 Baht

31. FINANCIAL INSTRUMENTS

The Company and subsidiaries have information relating to financial instruments both in and off statements of financial position, as follows:

31.1 Accounting policies and procedure

- See Note 4.

31.2 Risk from breach of contracts

- Due to the contracting party does not follow the requirement in the contract which caused damage to the Company and subsidiaries.
- The credit risk with respect to the concentration of trade accounts receivable, consists of
 - a) Portion of sales to customers that are related companies. (See Note 29)
 - b) Another portion of sales to other customers that are numerously.
- For the financial assets shown in the statements of financial position, the book value of such assets is net from various provisions to be estimated fair value. Such provisions are assumed to be the highest value of risk incurred from breach of contracts.

31.3 Risk relating to interest rate

Risk from the fluctuation of interest rate may have negative effect to the Company and subsidiaries for the current and the following years. The Company and subsidiaries expect that they can manage the contingent risk, due to they have set up a plan and follow up the situation closely.

31.4 Risk from exchange rate

The Company and subsidiaries have risk from the fluctuation of foreign exchange rates, due to some debtors and creditors arisen from the trading in foreign currencies. The Company will make the forward exchange contract, in case of Baht currency is highly fluctuated and it is appropriate for the situation.

31.5 Fair value of financial instruments

The Company and subsidiaries have used the following methods and assumptions to estimate the fair value of financial instruments:

- Financial assets shown at book value which are equal to the estimated fair value.
- Financial liabilities shown at book value which are equal to the estimated fair value, due to such liabilities will be matured in short term.

32. EVENTS AFTER THE REPORTING PERIOD

On February 26, 2019, the Board of Directors' Meeting No. 2/2019 was held and passed a resolution to pay the dividends for the results of 2018 operation to the shareholders of 149,930,828 shares at Baht 1.26 per share, totaling Baht 189 million and approved a resolution to pay directors' remuneration at the maximum of Baht 15 million per year. The Company will request for the approval to pay the dividend in the annual general meeting of shareholders.

33. RECLASSIFICATION

The Company certain accounting transactions in statements of income for the year ended December 31, 2017 have been reclassified to conform to statements of income for the year ended December 31, 2018. The reclassifications had no effect to previously reported profit or shareholders' equity.

34. FINANCIAL STATEMENTS APPROVAL

These financial statements are duly approved by the Company's directors on February 26, 2019.

Management Discussion and Analysis (MD&A)

Financial Ratio Table

	Consolidated Financial Statement			
	2018	2017	2016	
LIQUIDITY RATIO				
Current Ratio	2.46	1.85	1.36	Times
Quick Ratio	1.30	0.95	0.76	Times
Current Cash Flow Ratio	0.58	0.38	0.37	Times
Receivable Turnover	5.39	5.21	5.62	Times
Average Collection Period	67	69	64	Days
Inventory Turnover	16.05	15.44	15.08	Times
Inventory Turnover Period	22	23	24	Days
Payable Turnover	11.37	11.61	11.77	Times
Payment Period	32	31	31	Days
Cash Cycle	57	61	57	Days
PROFITABILITY RATIO				
Gross Profit	24.95	23.25	24.08	%
Operating Profit	3.67	2.67	4.36	%
Operating Cash Flow Turnover	275.69	353.39	248.4	%
Net Profit	6.84	5.37	5.67	%
Return on Equity	9.01	7.30	8.51	%
EFFICIENCY RATIO				
Return on Total Asset	7.00	5.24	5.68	%
Return on Fixed Asset	33.87	32.31	35.39	%
Total Asset Turnover	1.02	0.98	1.00	Times
FINANCIAL POLICY RATIO				
Debt to Equity	0.26	0.32	0.47	Times
Interest Coverage	86.61	40.78	36.97	Times
Payout Ratio (The Separate Financial Statements)	50.02	55.36	56.96	%

Factors that could affect operating results and financial position in future.

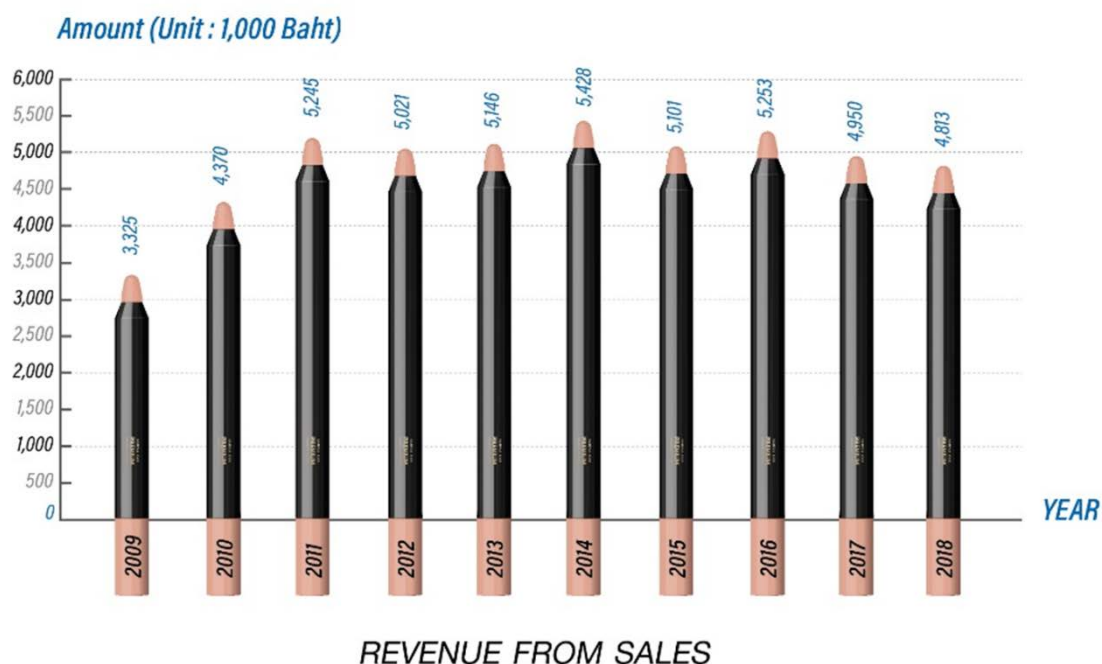
- Nil -

Overview of Business Operations

Doing Business in year 2018 was changing rapidly due to factors from both local and overseas not only political, economic and fiscal policies but also fluctuation in foreign currencies, trade barrier and other factors. However, the company and its subsidiaries have been adjusted themselves to get along with the changes, Changes in operation process and others by increasing productivity together with cost saving and reduce expenses for increasing business competition, serving the needs of customers and acquiring the new customers both local and foreign country. As a result, overview of business operation of the company and its subsidiaries had in profit before income tax of Baht 433.62 million increased from the previous year by 33.34%.

Financial performance and financial position

In 2018, the company and its subsidiaries had profit attributable to equity holders of the parent of 347.40 Million Baht, increased from prior year of 72.96 Million Baht or 26.59 % by material analysis as follows:



Revenue from sales

In 2018, the company and its subsidiaries had revenue from sales of 4,821.94 Million Baht, decreased from prior year of 136.69 million baht or 2.76 % due to decrease in export sales of 209.55 Million Baht or 26.09 % from decrease in market share in cosmetic products whereas increase in local sales of 72.85 Million Baht or 2.75 % from increase in market share in food packaging products.

Gross profit

In 2018, the company and its subsidiaries had gross profit of 24.95 % of revenue from sales increased from prior year of 1.7% due to be able to increase in profitability in cosmetic products and packaging products.

Other income

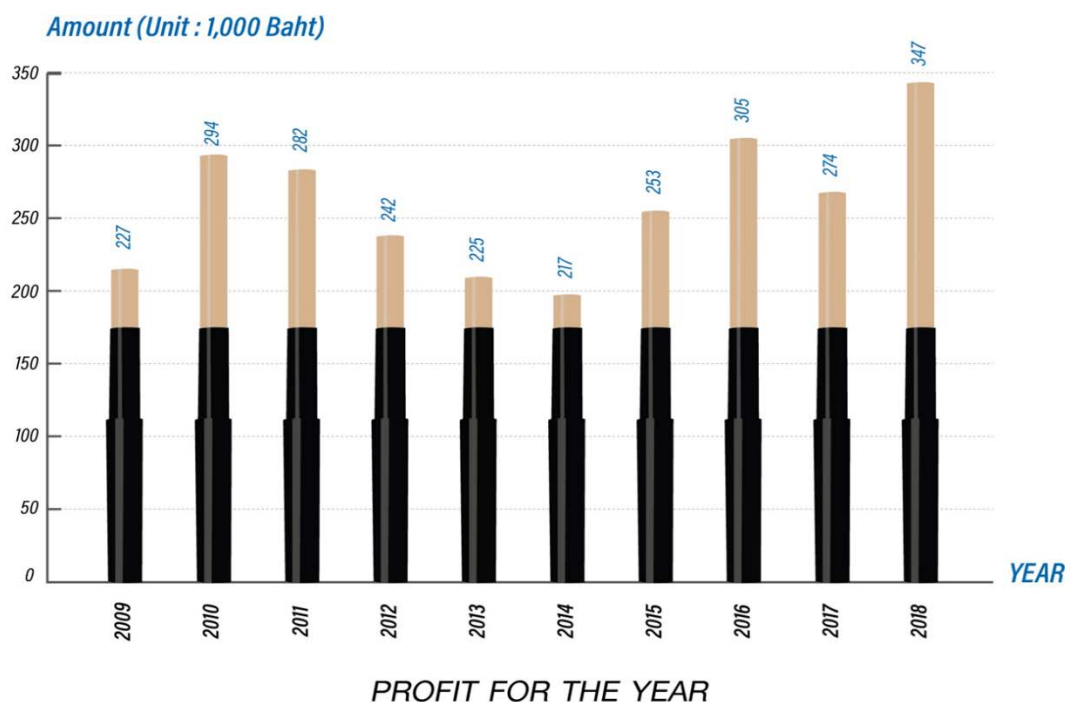
In 2018, the company and its subsidiaries had other income of 265.90 Million Baht increased from prior year of 99.43 Million Baht or 59.73 % due to gain on disposal of investment in available-for-sale securities of 87.24 Million Baht.

Administrative expenses

In 2018, the company and its subsidiaries had administrative expenses 866.39 Million Baht, decreased from prior year 12.27 Million Baht or 1.4% due to decrease in rental expenses from area management for optimization, meanwhile controlling overall expenses properly.

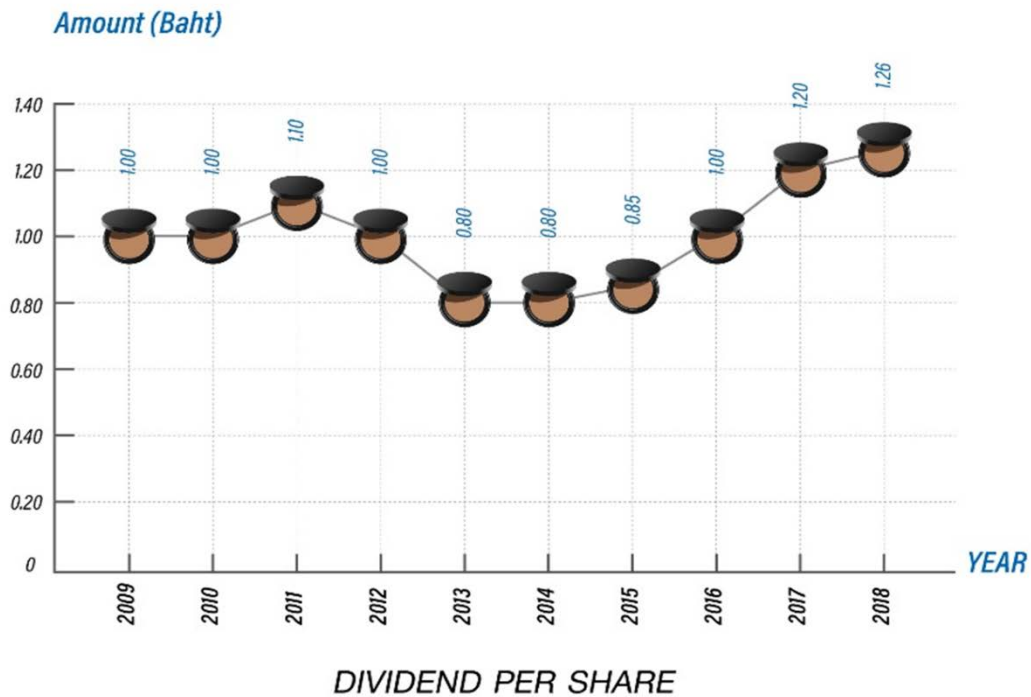
Finance costs

In 2018, the company and its subsidiaries had finance costs 5.97 Million Baht, decreased from previous year 6.50 Million Baht or 52.1 % due to decrease in short-term borrowing from financial institution from repayment during the year and more liquidity in their financial performance together with following up the payment of customers closely.



Profit attributable to equity holders of the parent

In the consolidated financial statements of year 2018, the company and its subsidiaries had net profit attributable to equity holders of the parent company 347.40 Million Baht, increased from prior year of 72.96 million baht or 26.59 % due to increase in profitability from overall control in cost and expenses to be decreased together with selling and administrative expenses as well as finance cost as the above said.



Return on Equity

In the consolidated financial statements of year 2018, The company and its subsidiaries achieved a Return on Equity of 9.01 % ,increased from prior year 23.42% due to increase in profit for the year. The company has a policy to pay dividend to shareholders at 20-80 percent of profit for the year of the company's separate financial statement (under the cost method). However, this rate principally depends on economic conditions and operational results of the company. In 2018, the company had profit for the year of 377.69 Million Baht. The company had the resolution of the Board of Directors' Meeting No. 2/2019 held on February 26, 2019 which will be proposed at the shareholders' ordinary meeting for their approval on April 23, 2019 to pay dividend at the rate of 1.26 Baht per share from the 2018 financial performance, totally 188.91 Million Baht. The proposed dividend payment is equal to 50.02 % of profit for the year of the separate financial statement and will be paid on May 22, 2019.



STATEMENTS OF FINANCIAL POSITION

DESCRIPTION \ YEAR	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
EQUITY	1,924	2,118	2,901	3,581	3,149	3,480	3,481	3,692	3,824	3,885
LIABILITIES	1,068	1,667	2,137	2,390	2,434	2,203	1,828	1,736	1,230	992
ASSETS	2,992	3,785	5,038	5,971	5,583	5,683	5,310	5,429	5,054	4,877

Financial position

Total Assets : In 2018, the company and its subsidiaries had total assets amounting to 4,876.87 million baht, decreased from prior year of 177.46 Million Baht or 3.51 % due to material changes as follows:

1. Increase in trade accounts receivable - net of 21.37 million baht due to increase in revenue from sales for the forth quarter.
2. Decrease in available-for-sale securities of 14.84 Million Baht due to decrease in share price of securities and sold part of investment.
3. Decrease in investment in associate companies of 59.64 Million Baht due to decrease in share profits and dividend from associates.

Total Liabilities : In 2018, the company and its subsidiaries had total liabilities amounting to 992.11 Million Baht, decreased from prior year of 237.98 Million Baht or 19.35 % due to material changes in liabilities as follows:

1. Decrease in bank overdraft and short-term borrowing from financial institutions of 301.68 Million Baht due to increase in liquidity in result to decrease in borrowings.
2. Decrease in deferred tax liabilities of 28.04 Million Baht due to decrease in unrealized gain on remeasuring available-for-sale securities.

Shareholders' Equity : In 2018, the company and its subsidiaries had shareholders' equity amounting to 3,884.76 Million Baht, increased from prior year of 60.52 Million Baht or 1.58 % due to material changes in shareholders' equity as follows:

1. Increase in other components of shareholders' equity of 130.17 Million Baht due to gain from the remeasuring of investments available for sale securities (net of tax) of 127.04 Million Baht and translation of financial statement differences of 3.13 Million Baht.
2. Increase in unappropriated retained earnings of 167.48 Million Baht due to profit attributable to equity holders of the parent of 247.64 Million Baht and dividend payment of 179.92 Million Baht .
3. Increase in Non-Controlling Interests of 23.21 Million Baht.

Liquidity

1. Cash flows in 2018, the company and its subsidiaries had net increase in cash and cash equivalent of 10.88 million baht by separated activities as follows:

	(Unit : Million Baht)		
	2018	2017	2016
Cash Flows provided from Operating Activities	487.45	466.54	568.31
Cash Flows provided from (used in) Investing Activities	12.32	48.89	(221.43)
Cash Flows used in Financing Activities	(488.80)	(593.96)	(319.18)
Net Increase (Decrease) in Cash and Cash Equivalent	10.88	(78.54)	27.69

The material changes in cash flows in 2018 are as follows:

- Increase in cash flows provided from operating activities of 20.91 Million Baht due to increase in net cash provided from sales.
- Decrease in cash flows provided from investing activities of 36.57 Million Baht due to decrease in dividend received from investment in associates.
- Decrease in cash flows used in financing activities of 105.16 Million Baht due to decrease in short-term borrowings from financial institution from more liquidity.

2. Sufficiency of liquidity

	2018	2017	2016	
Current Ratio	2.46	1.85	1.36	Times
Quick Ratio	1.30	0.95	0.76	Times
Current Cash Flow Ratio	0.58	0.38	0.37	Times
Debt to Equity ratio	0.26	0.32	0.47	Times

In 2018, the company and its subsidiaries had more liquidity reflecting from the above Current Ratio of 2.46 times and increase in quick ratio from prior year which were a result of efficiency of debt collection together with most customers are good and made their payment on time , together with cash received from investing activities as above said. Whereas, Debt to Equity Ratio of 0.26 times, decreased from prior year reflecting overall adequacy of business liquidity.

Personal Information of Company Directors and Management Members

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
1. Mr.Boonkiet Chokwatana - Chairman - Chairman of the Nominating Committee - Chairman of the Remuneration Committee April 22, 1980	71	- Honorary Doctorate Degree in Business Faculty of Management and Information Sciences, Naresuan University. - Honorary Doctorate Degree in Business Administration (Management), Sripatum University - Honorary Doctorate Degree in Business Administration College of Commerce , Burapha University - B.S.Engineering - Worcester Polyteching Institute, Massachusets, U.S.A. Thai Institute of Directors Association (IOD) -Director Accreditation Program (DAP) 3/2003 -Director Certification Program (DCP) 41/2004	8.69%	Other Listed Company : 5 companies - President, Executive Chairman, Chairman of the Remuneration Committee and Nominating Director : I.C.C. International PCL. - Chairman : People's Garment PCL. PAN Asia Footwear PCL. - Director and Nominating and Remuneration Director : Sahacogen (Chonburi) PCL. - Director : Saha Pathana Inter Holding PCL. Other Non-Listed Company : 56 companies
2. Mrs.Tipaporn Chokwatana - Vice Chairman April 24, 1995	72	- BA.- Ramakhamhaeng University - Secretary - Pitman London Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005	8.69%	Other Listed Company : 1 company - Director : O.C.C. PCL. Other Non-Listed Company: 25 companies
3. Mr.Thirasak Vikitset - Managing Director - Chairman of the Executive Board - Nominating Director - Remuneration Director April 30, 1985	67	-MBA, Clark University Worcester, Massachusets, U.S.A. -B.D. Engineering, Worcester Polytechnic Institute, Massachusets, U.S.A. Thai Institute of Directors Association (IOD) -Director Accreditation Program (DAP) 3/2003 -Director Certification Program (DCP) 68/2005	1.77%	Other Listed Company : 1 company - Director : Sahacogen (Chonburi) PCL. Other Non-Listed Company : 20 companies

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
4. Dr.Atthakorn Glankwamdee - Deputy Managing Director - Chairman of the Risk Management - Executive Director - Nominating Director April 22, 1991	70	- Ph.D. University of Illinois@Urbaha U.S.A. Thai Institute of Directors Association (IOD) -Director Accreditation Program (DAP) 3/2003 -Director Certification Program (DCP) 68/2005	0.31%	Other Listed Company : 1 company - Director : Sahacogen (Chonburi) PCL. Other Non-Listed Company : 12 companies
5. Admiral Apichart Pengsritong - Independent Director - CSR Director November 12, 2009	69	-The State Private & Political Sectors Course, National Defense College (Class of 15th) - Bachelor of Engineering in Electrical Engineering, Royal Thai Naval Academy Thai Institute of Directors Association (IOD) -Director Accreditation Program (DAP) 82/2010	0.06%	Other Listed Company : 3 companies - Chairman and Independent Director : JKN Global Media PCL. T.A.C. Consumer PCL. Muangthai Leasing PCL. Other Non-Listed Company : -None-
6. Mrs.Kaewta Ongsaranakom - Director - Executive Director - Nominating Director - Remuneration Director - Corporate Governance Director June 22, 1987	62	- Bachelor of Political science From Thammasat University Thai Institute of Directors Association (IOD) -Director Certification Program (DCP) 27/2003 -Role of the Compensation Committee (RCC) 10/2010	0.67%	Other Listed Company : -None- Other Non-Listed Company : 10 companies
7. Prof.Dr.Malyn Ungsurungsie - Director - Chairman of CSR Committee - Executive Director April 26, 2004	68	- Doctor of Philosophy (Microbiology) From Mahidol University - B.Sc. In Pharm From Chulalongkorn University - Certificate in Management of Higher Education from Galilee College, Israel and Harvard University Extension School, USA. Thai Institute of Directors Association (IOD) -Director Accreditation Program (DAP) 17/2004	0.12%	Other Listed Company : -None- Other Non-Listed Company : 4 companies

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
8. Mrs.Chitraporn Vikitset - Director - Executive Director - Nominating Director April 23, 2007	67	- Master Degree of Early Childhood Education From Worcester College, U.S.A. Thai Institute of Directors Association (IOD) -Director Accreditation Program (DAP) 66/2007	1.77%	Other Listed Company : -None- Other Non-Listed Company : 6 companies
9. Mrs.Teerada Ambhanwong - Director April 26, 1998	48	- MBA. From Sasin Thai Institute of Directors Association (IOD) -Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 51/2004	0.58%	Other Listed Company : 2 companies - Managing Director : O.C.C. PCL. - Director : People's Garment PCL. Other Non-Listed Company : 16 companies
10. Mrs.Pismai Chandrubeksa - Independent Director - Remuneration Director April 28, 2009	70	-Cambridgeshire College of Arts & Technology, Catering Diploma England Cambridge, Hotel & Restaurant Management Thai Institute of Directors Association (IOD) -Director Accreditation Program (DAP) 82/2010	0.06%	Other Listed Company : -None- Other Non-Listed Company : -None-
11. Mr.Suthep Dansiriviroj - Director April 22, 2014	70	- Bachelor of Accountancy (Honors) of Thammasat University Thai Institute of Directors Association (IOD) -Risk Management Committee Program (RMP) 5/2014 -Director Accreditation Program (DAP) 32/2005 -Director Certification Program (DCP) 60/2005	None	Other Listed Company : 1 company - Director, Executive Director and Chairman of the Risk Management : Sahacogen (Chonburi) PCL. Other Non-Listed Company : 2 companies

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
12. Mr.Amorn Asvanunt - Independent Director - Chairman of Audit Committee April 24, 2017	70	- Master Degree of MBA, Bowling Green State University, Ohio, U.S.A. - Bachelor of .Accountancy, Chulalongkorn University Thai Institute of Directors Association (IOD) -Director Accreditation Program (DAP) 4/2003	None	Other Listed Company : 4 companies - Independent Director, Chairman of Risk Management Committee and Audit Committee Director : I.C.C. International PCL. - Independent Director and Audit Committee Director : Sahacogen (Chonburi) PCL. Far East Fame Line DDB PCL. - Independent Director, Risk Management Director and Chairman of Nominating and Remuneration Committee : Krungdhep Sophon PCL. Other Non-Listed Company : 1 company
13. Mrs.Pradittha Chongwattana - Independent Director - Audit Committee Director April 22, 2002	69	- Faculty of Law, Thammasat University - MINI MBA, Thammasat University - Management Construction (6 months), Chulalongkorn University Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 5/2001	0.11%	Other Listed Company : -None- Other Non-Listed Company : 2 companies
14. Mr.Surong Ongkosit - Independent Director - Audit Committee Director April 22, 2008	67	- Master Degree (Mechanical) Lamar University, Beaumont, Texas, U.S. - Bachelor Degree(Mechanical) Chulalongkorn University Thai Institute of Directors Association (IOD) -Director Accreditation Program (DAP) 12/2004 -Director Certification Program (DCP) 68/2005	None	Other Listed Company : -None- Other Non-Listed Company : -None-

Name / Position Date of appointment	Age (years)	Highest Educational Level and Training Course	% Share holding*	Working Experiences
15. Pol.Gen.Somchai Prabhasabhakdi - Independent Directors - Audit Committee Director - Chairman of Corporate Governance committee April 28, 2015	76	- Master of Public Administration (M.P.A.), National Institution of Development Administration. - Branches of public administration, Royal Police Cadet Academy. Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) 25/2004 - Director Certification Program (DCP) 51/2004 - Role of the Chairman Program (RCP) 12/2005 - Audit Committee Program (ACP) 2/2004	None	Other Listed Company : 1 company - Independent Director & Audit Committee Director : Sahacogen (Chonburi) PCL. Other Non-Listed Company : -None-
16. Mr.Simon Rhoderick Knight - Overseas Business Division Manager	64	- Bachelor Degree of Economics & Mathematics Sheffield University	0.08%	Other Listed Company : -None- Other Non-Listed Company : 4 companies
17. Miss Sumeth Surachartchairit - Executive Director - Factory Division Manager	63	- Bachelor Degree (Chemical Engineering), King Mongkut's University of Technology Thonburi.	0.14%	Other Listed Company : -None- Other Non-Listed Company : 4 companies
18. Mrs.Thongsuk Upathambhakul - Executive Director - CSR Director - Domestic Business Division Manager	59	- Bachelor Degree (Economics) Thammasat University	0.09%	Other Listed Company : -None- Other Non-Listed Company : 2 companies
19. Mr.Varith Tritrapun - Office Division Assistant Manager (Accounting & Finance) - Chief Financial Office (CFO)	74	- Master degree (Managerial Economic) University of Wisconsin, USA.	0.16%	Other Listed Company : -None- Other Non-Listed Company : 3 companies
20. Mrs.Patchara Pongwichan - Executive Director - Corporate Governance Director - Human Resource Division Assistant Manager	59	- Bachelor Degree (Liberal Arts) Thammasat University	0.08%	Other Listed Company : -None- Other Non-Listed Company : 1 company

Remark : * Including shareholding by spouse and underage children

Offence record of the company directors, the management, and the controlling parties

During the past 5 years, there were no offence record committed by the company's directors or other management members, in violation of the provisions under The Securities and Exchange Act B.E. 2535, and The Derivatives Act B.E. 2546.

Report on the change in shareholding of the Directors and the Management as of December 31, 2018

Name			Common share 2017	Increase (Decrease) During the year	Common share 2018	Shareholding ratio (%)	2018	
							Director	Spouse
1.	Mr.Boonkiet	Chokwatana	12,901,051	123,009	13,024,060	8.69	10,298,408	2,725,652
2.	Mrs.Tipaporn	Chokwatana	12,901,051	123,009	13,024,060	8.69	2,725,652	10,298,408
3.	Mr.Thirasak	Vikitset	2,646,174	15,000	2,661,174	1.77	1,701,051	960,123
4.	Dr.Atthakorn	Glankwamdee	470,774	-	470,774	0.31	470,774	-
5.	Admiral Apichart	Pengsritong	85,714	-	85,714	0.06	85,714	-
6.	Mrs.Kaewta	Ongsaranakom	989,709	15,000	1,004,709	0.67	771,149	233,560
7.	Prof.Dr.Malyn	Ungsurungsie	177,284	-	177,284	0.12	177,284	-
8.	Mrs.Chitraporn	Vikitset	2,646,174	15,000	2,661,174	1.77	960,123	1,701,051
9.	Mrs.Teerada	Ambhanwong	867,857	-	867,857	0.58	867,857	-
10.	Mrs.Pismai	Chandrubeksa	84,285	-	84,285	0.06	84,285	-
11.	Mrs.Pradittha	Chongwattana	168,548	-	168,548	0.11	167,857	691
12.	Mr.Amorn	Asvanunt	-	-	-	-	-	-
13.	Mr.Surong	Ongkosit	-	-	-	-	-	-
14.	Mr.Suthep	Dansiriviroj	-	-	-	-	-	-
15.	Pol.Gen.Somchai	Prabhasabhakdi	-	-	-	-	-	-
16.	Mr.Simon Rhoderick Knight		116,142	-	116,142	0.08	116,142	-
17.	Miss Sumeth	Surachartchairit	203,212	-	203,212	0.14	203,212	-
18.	Mrs.Thongsuk	Upathambhakul	136,178	-	136,178	0.09	136,178	
19.	Mr.Varith	Tritrapun	245,383	-	245,383	0.16	245,383	-
20.	Mrs.Patchara	Pongwichan	120,178	-	120,178	0.08	120,178	-

Remark : The company has issued and paid-up share capital 149,930,828 stocks. The Board of Directors and the Management, which included the shares of spouse and children underage, were 12.92% number of shares issued and paid-up.

Position assignments for the directors and management members for the subsidiary, associate and related companies.

Name of Directors and Management	S&J International Enterprises Pcl.	Subsidiaries						
		Top Trend Manufacturing Co.,Ltd.	EF Co.,Ltd.	Wildlives (Thailand) Co.,Ltd.	S & J International (UK) Ltd.	Guangzhou S&J Cosmetics Ltd.	4WD Vision (HK) Ltd.	4WD Vision Co.,Ltd.
Mr.Boonkiet Chokwatana	XXX	XXX	XXX	XXX	XXX	XX	XX	XXX
Mrs.Tipaporn Chokwatana	XX				XX		/	
Mr.Thirasak Vikitset	/	/	/	/	/	XXX	XXX	/
Dr.Atthakorn Glankwamdee	/	/	/					
Admiral Apichart Pengsritong	/							
Mrs.Pismai Chandrubeksa	/							
Mrs.Kaewta Ongsaranakorn	/	/	/	/				
Prof.Dr.Malyn Ungsurungsie	/				/			/
Mrs.Chitraporn Vikitset	/	/		/				
Mrs.Teerada Ambhanwong	/							
Mr.Amorn Asvanunt	/							
Mrs.Pradittha Chongwattana	/							
Mr.Surong Ongkosit	/							
Mr.Suthep Dansiriviroj	/							
Pol.Gen.Somchai Prabhasabhakdi	/							
Mr.Simon Rhoderick Knight				/	/	/	/	/
Miss Sumeth Surachartchairit						/		
Mrs.Thongsuk Upathambhakul		/						
Mr.Varith Tritrapun		/						
Mrs.Patchara Pongwichan		/						

XXX = Chairman XX = Vice Chairman / = Director

Name of Directors and Management	Associates				Related Companies				
	Yamahatsu (Thailand) Co.,Ltd.	Operational Energy Group Limited.	Osoth Interlaboratories Co.,Ltd.	Artika Beauty Manufacturing Sdn.Bhd	H&B Kabinburi Co.,Ltd.	Thai Cubic Technology Co.,Ltd.	Train Time Test Co.,Ltd.	BKC International Marketing Co.,Ltd.	United Utility Co.,Ltd.
Mr.Boonkiet	Chokwatana	/			XXX	XXX	/		XXX
Mrs.Tipaporn	Chokwatana				/		/	XXX	
Mr.Thirasak	Vikitset	XX	/	XX	/				
Dr.Athakorn	Glankwamdee								
Admiral Apichart	Pengsritong								
Mrs.Pismai	Chandrubeksa								
Mrs.Kaewta	Ongsaranakom				/		/	/	
Prof.Dr.Malyn	Ungsurungsie		/						
Mrs.Chitraporn	Vikitset	/						/	
Mrs.Teerada	Ambhanwong						/		
Mr.Amorn	Asvanunt								
Mrs.Pradittha	Chongwattana							/	
Mr.Surong	Ongkosit								
Mr.Suthep	Dansiriviroj								
Pol.Gen.Somchai	Prabhasabhakdi								
Mr.Simon Rhoderick Knight									
Miss Sumeth	Surachartchairit	/	/	/					
Mrs.Thongsuk	Upathambhakul								
Mr.Varith	Tritrapun								
Mrs.Patchara	Pongwichan								

XXX = Chairman XX = Vice Chairman / = Director

Name of Directors and Management	Related Companies										
	Eastern Rubber Co.,Ltd	Advantage Footwear Co.,Ltd.	Treasure Hill Co.,Ltd.	Tipvarin Wattana Co.,Ltd.	T-way Co.,Ltd.	K. Comercial & Constructi on Co.,Ltd.	E.P.F Co.,Ltd.	Pan Land Co.,Ltd.	Thai Herbal Products Co.,Ltd.	Far East Fame Line DDB Plc.	I.C.C. International Plc.
Mr.Boonkiet Chokwatana		XXX	/	/	/	XXX		/			XXX
Mrs.Tipaporn Chokwatana	/			XXX	XXX	/	XXX				
Mr.Thirasak Vikitset	/			/	/	/					
Dr.Atthakorn Glankwamdee											
Admiral Apichart Pengsritong											
Mrs.Pismai Chandrubeksa											
Mrs.Kaewta Ongsaranakorn				/	/						
Prof.Dr.Malyn Ungsurungsie								/			
Mrs.Chitraporn Vikitset											
Mrs.Teerada Ambhanwong											
Mr.Amorn Asvanunt										/	/
Mrs.Pradittha Chongwattana						/					
Mr.Surong Ongkosit											
Mr.Suthep Dansiriviroj											
Pol.Gen.Somchai Prabhasabhakdi											
Mr.Simon Rhoderick Knight											
Miss Sumeth Surachartchairit											
Mrs.Thongsuk Upathambhakul											
Mr.Varith Tritapun											
Mrs.Patchara Pongwichan											

XXX = Chairman XX = Vice Chairman / = Director

Name of Directors and Management	Related Companies										
	Sahacogen (Chonburi) Plc.	Saha Pathana Inter- Holding Plc.	People's Garment Plc.	O.C.C. Plc.	Better Way (Thailand) Co.,Ltd.	International Laboratories Crop.,Ltd.	Vitayasithi Co.,Ltd.	Oriental Salon Business Co.,Ltd.	H&B Intertex Co.,Ltd.	Shop Global (Thailand)	Make up Technique International Co.,Ltd.
Mr.Boonkiet	/	/	XXX		XXX			XXX	XXX	XXX	XXX
Mrs.Tipaporn				/	/	XX	XXX		/		XX
Mr.Thirasak	/										
Dr.Athakom	/										
Admiral Apichart	Pengsritong										
Mrs.Pismai	Chandrubeksa										
Mrs.Kaewta	Ongsaranakom				/			/			/
Prof.Dr.Malyn	Ungsurungsie										
Mrs.Chitraporn	Vikitset										
Mrs.Teerada	Ambhanwong		/	/	/			/			
Mr.Amorn	Asvanunt	/									
Mrs.Pradittha	Chongwattana										
Mr.Surong	Ongkosit										
Mr.Suthep	Dansiriviroj	/									
Pol.Gen.Somchai	Prabhasabhakdi	/									
Mr.Simon Rhoderick Knight											
Miss Sumeth	Surachartchairit										
Mrs.Thongsuk	Upathambhakul										
Mr.Varith	Tritrapun										/
Mrs.Patchara	Pongwichan										

XXX = Chairman XX = Vice Chairman / = Director

Name of Directors and Management	Related Companies									
	I.S.B.M. Co.,Ltd.	Shaldan (Thailand) Co.,Ltd.	Cake & Bekery Co.,Ltd.	Shiseido Professional (Thailand) Co.,Ltd.	Better Leasing Co.,Ltd	Sahachol Food Supplies Co.,Ltd.	Impact Solar Co.,Ltd	AANC Co.,Ltd.	Kewpie (Thailand) Co.,Ltd	PBBC Intertrade CO.,Ltd.
Mr.Boonkiet		Chokwatana	XXX		XXX	/				/
Mrs.Tipaporn		Chokwatana	/		/				/	
Mr.Thirasak	/	Vikitset					XXX			
Dr.Athakom		Glankwamdee	/					/		
Admiral Apichart		Pengsritong								
Mrs.Pismai		Chandrubeksa								
Mrs.Kaewta		Ongsaranakom	/							
Prof.Dr.Malyn		Ungsurungsie								
Mrs.Chitraporn		Vikitset	/							
Mrs.Teerada		Ambhanwong		/						
Mr.Amorn		Asvanunt								
Mrs.Pradittha		Chongwattana								
Mr.Surong		Ongkosit								
Mr.Suthep		Dansiriviroj								
Pol.Gen.Somchai		Prabhasabhakdi								
Mr.Simon Rhoderick Knight										
Miss Sumeth		Surachartchairit								
Mrs.Thongsuk	/	Upathambhakul								
Mr.Varith		Tritrapun								
Mrs.Patchara		Pongwichan								

XXX = Chairman XX = Vice Chairman / = Director

PROUDLY AWARDS



Top Innovative Organization 2018

*The National Innovation Agency (NIA)
and The Stock Exchange of Thailand*

SET Award 2018

(Innovation : 4 Queen Multi Lip Color)

The Stock Exchange of Thailand

SET Award 2017

(Best Innovative Company Awards :

Encapsulation Technology)

The Stock Exchange of Thailand

Outstanding Innovative Company Awards 2017

The Stock Exchange of Thailand



SET Sustainability Awards 2017-2018

Outstanding Sustainability Awards

The Stock Exchange of Thailand



Thailand Sustainability Investment (THSI) 2017-2018

The Stock Exchange of Thailand



บริษัท เอส แอนด์ เจ อินเตอร์เนชั่นแนล เอนเตอร์ไพรส์ จำกัด (มหาชน)

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