

The background of the cover features a blurred image of an open book with its pages fanned out. A large, semi-transparent red circle is centered on the page, serving as a backdrop for the text.

Inspiration Starts Here

Annual Report 2019

SE-EDUCATION PUBLIC COMPANY LIMITED

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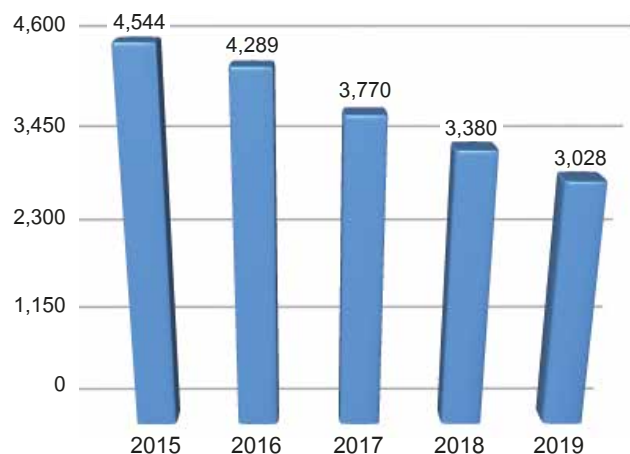


OPERATING

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

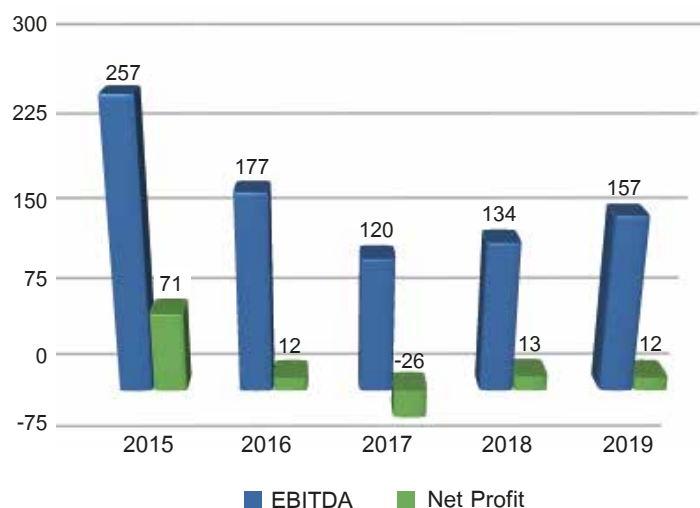
Total Revenue

Million Baht



Net Profit and EBITDA

Million Baht



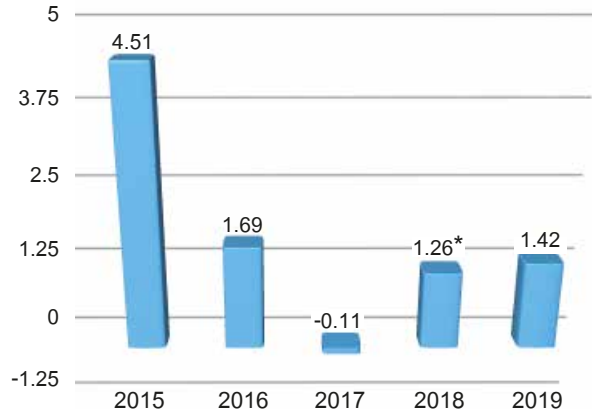
Return on Equity (ROE)

%



Return on Assets (ROA)

%



Remark : * It is the calculation from Consolidated Financial Statement 2018. (Restated).

จุดเด่นในรอบปี

Highlight

หน่วย : ล้านบาท
Unit : Million Baht

งบการเงินรวม

Consolidated Financial Statements

ผลการดำเนินงาน Operating Results	2562 2019	2561 2018 ปรับปรุงใหม่ (Restated)	2560 2017	2559 2016	2558 2015
รายได้รวม Total Revenue	3,027.83	3,380.17	3,769.72	4,289.35	4,544.28
กำไร (ขาดทุน) สุทธิส่วนที่เป็นของผู้ถือหุ้นของบริษัท Profit (loss) attributable to equity holders of the company	11.99	13.21	(25.70)	12.37	70.88
กำไร (ขาดทุน) สุทธิต่อรายได้รวม Net Profit (loss) Margin (%)	0.40	0.39	(0.68)	0.29	1.56
กำไร (ขาดทุน) ต่อหุ้น (บาท) EPS (Baht)	0.03	0.03	(0.07)	0.03	0.18
มูลค่าหุ้นทางบัญชีต่อหุ้น (บาท) Book Value per share (Baht)	3.17	3.14	3.17	2.45	2.54
สินทรัพย์รวม Total Assets	2,472.78	2,574.15	2,739.63	2,588.88	2,588.84
หนี้สินรวม Total Liabilities	1,228.81	1,341.63	1,495.84	1,627.91	1,595.20
ส่วนของผู้ถือหุ้น Shareholders Equity	1,243.97	1,232.52	1,243.79	960.96	922.46
ทุนที่ออกและที่เรียกชำระแล้ว Paid - up Capital	391.94	391.94	391.94	391.94	391.94
อัตราผลตอบแทนต่อสินทรัพย์ ROA (%)	1.42	1.26	(0.11)	1.68	4.51
อัตราผลตอบแทนต่อส่วนของผู้ถือหุ้น ROE (%)	1.03	1.14	(2.52)	1.37	7.69
ณ วันที่ As of	30/12/2562 30/12/2019	28/12/2561 28/12/2018	29/12/2560 29/12/2017	30/12/2559 30/12/2016	30/12/2558 30/12/2015
ราคาล่าสุด (บาท) Last Price (Baht)	1.95	3.06	3.54	4.26	5.25
มูลค่าหลักทรัพย์ตามราคาตลาด Market Cap.	764.29	1,199.35	1,387.48	1,669.68	2,057.71

Remark Certain financial ratios are not consistent with the financial ratios published on the website of Stock Exchange of Thailand because the financial statements were recategorized to comply with the 2018 financial statement.



Financial ratios

LIQUIDITY RATIO

Ratio	งบการเงินรวม		
	2019	2018 Restate	2017
Current Ratio (Times)	0.61	0.60	0.52
Quick Ratio (Times)	0.19	0.21	0.19
Cash Flow Ratio (Times)	0.01	0.04	0.08
Accounts Receivable Turnover (Times)	14.92	12.97	11.08
Average Debt Collection Period (Day)	24	28	33
Inventory Turnover (Times)	5.49	6.42	6.31
Average Selling Period (Day)	67	57	58
Payable Turnover (Times)	2.53	2.50	2.51
Average Payment Period (Day)	144	146	146
Cash Cycle (Day)	(53)	(61)	(55)

PROFITABILITY RATIO

Gross Profit Margin (%)	35.14	34.20	34.27
Operating Profit (loss) (%)	1.21	1.02	(0.09)
Other Profit (%)	2.68	2.29	1.90
Cash to Earnings Ratio (%)	35.26	134.41	N/A*
Net Profit (loss) Margin (%)	0.40	0.39	(0.68)
Return on Equity (%)	1.03	1.14	(2.52)

EFFICIENCY RATIO

Return on Assets (%)	1.42	1.26	(0.11)
Return on Fixed Assets (%)	6.19	6.69	5.64
Assets Turnover (Times)	1.20	1.27	1.41

FINANCIAL POLICY RATIO

Debt to Equity Ratio (Times)	0.99	1.09	1.20
Interest Capability Ratio (Times)	15.48	10.47	6.69
Debt Service Coverage Ratio (Times)	0.07	0.33	0.75
Dividend Payout Ratio (%)	0**	0	0

Remark : * Due to the operation of 2017 had deficits, therefore the Case to Earnings Ratio (%) unable to illustrate.

** To omit of dividend for the operation result of the Company for the year 2019 from net profit in the separate financial statement, which has been proposed from the Board of Directors and waiting for approval from shareholders in the annual general shareholders' meeting No.1/2020, on April 23, 2020.

“ General Information

Name and Location of Head Office and Distribution Center

Name	: SE-EDUCATION Public Company Limited
Abbreviated Name	: SE-ED
Head Office	: 1858/87-90 Interlink Tower, 19 th Floor, Debaratna Road, Bangna Tai, Bangna, Bangkok 10260, Thailand.
Distribution Center	: 118 Moo 1 Tambon Sisa Chorakhe Yai, Amphoe Bang Sao Thong, Samut Prakarn 10540, Thailand.
Website	: www.se-ed.com
Tel.	: 66-2826-8000
Fax.	: 66-2826-8999
E-mail	: Company Secretary cs@se-ed.com Independent Director id@se-ed.com Investor Relations ir@se-ed.com
Business	: Company's business operation consist <ul style="list-style-type: none"> ● Operate bookstores which consist of SE-ED Book Center and network stores and various university bookstores in Bangkok and other provinces as well as the network and sales area in various forms ● Distribute books for both published by SE-ED and other publishers to bookstores all over the country and to other sales channels. ● Book, SE-ED is one of the largest book publishers in Thailand, publishing books for bookstores nationwide. The Company pioneered in publishing knowledge books in several fields ● Plearnpattana School, which operates a private school offering courses for students from pre-kindergarten to Matayom 6. ● BaesLab Co., Ltd., which operates in consulting, provision and distribution of software and hardware business.
Registered No.	: 0107536000285
Registered Capital	: THB 391,944,529 (391,944,529 ordinary shares @ Baht 1 par value each)
Paid-up share capital	: THB 391,944,418 (391,944,418 ordinary shares @ Baht 1 par value each)

Name and Location of Subsidiary Companies

Name	: Plearn Patt Co., Ltd.
Address	: 33/39-40 Moo 17, Suan-Phak Road, Sala Tham Sop, Thawi Watthana, Bangkok 10170, Thailand.
Tel.	: 66-2885-2670-5
Fax.	: 66-2885-2670-5 Ext. 502
E-mail	: webmaster@plearnpattana.com
Website	: www.plearnpattana.com
Business	: Private school, operated by Plearnpattana School, which is a school for pre-kindergarten up to Matayom 6
Registered No.	: 0105545100716
Registered Capital	: THB 151,850,048 (16,947,550 ordinary shares @ Baht 8.96 par value each)
Paid-up share capital	: THB 151,850,048 (16,947,550 ordinary shares @ Baht 8.96 par value each)
SE-ED holds	: 48.97% of shares
Name	: BaesLab Co., Ltd.
Address	: 1858/87-90 Interlink Tower, 19 th Floor, Debaratna Road, Bangna Tai, Bangna, Bangkok 10260, Thailand.
Tel.	: 66-2826-8000
Fax.	: 66-2826-8999
Business	: Provide counseling about selection and distribution of software
Registered No.	: 0105556066298
Registered Capital	: THB 1,000,000 (100,000 ordinary shares @ Baht 10 par value each)
Paid-up share capital	: THB 250,000 (100,000 ordinary shares @ Baht 2.50 par value each)
SE-ED holds	: 60% of shares

Name and Location of Associated Company

Name	: M & E Co., Ltd.
Address	: 77/111 Sin Sathorn Tower Bldg. 26 th Floor, Krung Thonburi Road, Klongtonsai, Klongsarn, Bangkok 10600, Thailand.
Tel.	: 66-2862-1396
Fax.	: 66-2862-1395
Website	: www.me.co.th
Business	: Magazine and Book publishing for Engineer.
Registered No.	: 0105527008994
Registered Capital	: THB 400,000 (4,000 ordinary shares @ Baht 100 par value each)
Paid-up share capital	: THB 400,000 (4,000 ordinary shares @ Baht 100 par value each)
SE-ED holds	: 25% of shares

References

Stock Registrar	: Thailand Securities Depository Co., Ltd.
Address	: 93 The Stock Exchange of Thailand Building, 1 st Floor, Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand.
Tel.	: 66-2009-9000
Fax.	: 66-2009-9991
Call center	: 66-2009-9999
E-mail	: SETContactCenter@set.or.th
Website	: http://www.set.or.th/tsd
Auditor	: Ms. Nanaphat Wannasomboon Auditor ID: 7793 and/or Mr. Peradate Pongsathiansak Auditor ID: 4752 and/or Ms. Sulalit Ardsawang Auditor ID: 7517 and/or the other auditors from Dharmniti Auditing Co., Ltd. to be the auditor of SE-EDUCATION PUBLIC COMPANY LIMITED Other auditors from the same office
Address	: Dharmniti Auditing Co., Ltd. 178 Dharmniti Building, 6 th - 7 th Floor, Soi Permsap (Prachachuen 20), Prachachuen Road, Bangsue, Bangkok 10800
Tel.	: (66) 0-2596-0500
Fax.	: (66) 0-2596-0539
E-mail	: group@dharmniti.co.th
Website	: www.daa.co.th
Legal Consultant	: Chuan and Associates Law Office
Address	: 1153/44 Soi Ladprao 101, Ladprao Road, Klongjun, Bangklapi, Bangkok 10240, Thailand.
Tel.	: (66) 0-2731-5337 and (66) 0-2731-5338
Fax.	: (66) 0-2731-5759
Bond holder Representative	: No bonds

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Message from the Chairman of the Board of Directors



Dear Shareholders,

It has been more than a year since the end of 2018 that I had taken the position of chairman of the board. During that period, the book industry was on the downtrend. The morale of the people in the industry was also dropped. It has been a great challenge for me to try my best to retain SE-ED bookstores to be with Thai society in this rapidly change trend.

I, the board of directors and the management team is committed to effectively and promptly achieve the various missions under key strategies which are:

1. Building morale and equip SE-ED team with skills that are needed for the current era.
2. Differentiate SE-ED Book Center which has the highest number of branches in Thailand. Localized each branch to fit demand and preference of customers.
3. Develop various business units to be more efficiency, especially in publishing and distribution.
4. Invest in digital platform to support the growth of e-commerce, e-book, media and other digital services.
5. Cooperate with other companies and organizations within the industry in order to strengthen the book industry, to promote reading culture and to help small business sector.

One of the early missions that I had started was to inspire and encourage personnel in the organization back to fully energized, especial the remote team that located throughout the nation. The management team and I had visited the total of 338 branches nationwide (the number of branches at that time) within the period of one year. It was the starting point to bring back energy and to spark hope for the team. Furthermore, we had also provided training courses to enhance the ability of the team throughout the country.

The strength of SE-ED is having a strong brand image as a bookstore and having the most branches, with more than 300 branches in the country. Therefore, SE-ED will use this largest network of bookstores in the country for maximum benefit by adjusting our strategies to fit the demand of the community and location (Localization) in order to meet the needs of community, create unique identity and attractive branches in various area.

After I had taken the position of chairman of the board, SE-ED had reached out to more partners in order to seek cooperation for the purpose of easing problem in the industry that occurred, including the problem of disruption, tax, logistic and etc. while also advocate campaigns for both government and Thai society to realize the importance of reading more books.

Today, SE-ED business units have been restructured to buildup efficiency, reduce costs and increase revenue. New digital-related businesses are another aspect that SE-ED has placed great importance on. It is currently in the product development phase. We also partner with other providers in the area of education, content creators and world-class technology leaders.

SE-ED will continue to focus on enlivening STEM Education by collaborating with national agencies in Thailand and international institutes by sorting out courses and classroom learning materials for Thai children to have opportunity to experience world-class learning tools in the classrooms.

SE-ED will continue to adhere and value social responsibility through various CSR projects undertaken throughout the year 2019, which are 1. **“Pay less, Read More” Project**: which has provided opportunity for students to be able to split their book payment to the period of three months 2. **“Friend of SE-ED” Project**: World’s most desirable job for youngsters. One of the candidates were chosen to be new generation representative to promote reading culture among both teens and general public. 3. **“Red Truck, Red Troop” Project**: The mobile library that brings along activities to students and schools with the goal to strengthen reading culture; in addition to donate books to needed school libraries in remoted area. In the year 2020, new CSR projects will be launched; for example, “10 Minute Reading with Joy”: The project that will create joy and indoctrinate the habit of reading starting from kindergarten until elementary level with the specially designed process.

The year 2020 is an important and very challenging year because of COVID-19 effect, economic difficulty, disruption crisis and the changes during the 4th industrial revolution will occur at the same time in Thai society. This will have a severe impact on the Thai society as a whole, including SE-ED. Therefore, SE-ED must adapt as quick and utmost as possible in order to maintain the leading position in book business while remaining to be the country’s largest bookstore. It is a beginning of being a lifelong learning center for both online and offline platforms, in order to make Thai people more proficient and be winners in the future.



Mr. Kasemsant Weerakun

Chairman of the Board of Directors

BOARD OF DIRECTORS
SE-EDUCATION PUBLIC COMPANY LIMITED



Pravit Tantiwasinchai

Yuen Poovarawan

Kasemsant Weerakun

Thanong Chotisorayuth

Wutthiphum Jurangkool

Rungkan Paisitpanichtrakul

Phairat Sittakul

Tippawan Pinvanichkul

Worapote Chutchaikulsi

Kachen Benjakul

Mr. Kasemsant Weerakun

Chairman of the Board of Directors
Authorized Singning Director
Independent Director

- **Age** 56 years old
- **Date of Appoint** 9 Nov 2018
- **Last Appointment** 25 Apr 2019

Highest Qualification

- Researcher, Osaka University
[Japanese Government Scholarship] Osaka University
- Master of Economics, Thammasat University
[English Program]
- Bachelor of Economics, Thammasat University

Training Certified [Director Program] IOD

- Director Accreditation Program [DAP]

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- 16 Aug 2019 - present : Authorized Singning Director, SE-EDUCATION Plc.
- 9 Nov 2018 - present : Chairman of the Board of Directors and Independent Director, SE-EDUCATION Plc.
- 29 Jan 2015 - present : Director, Advance Life Assurance Plc.
- 4 Nov 2014 - 19 Dec 2019 : Chairman of Audit Committee, Siam City insurance Plc.
- 29 Sep 2014 - 19 Dec 2019 : Independent Director, Siam City insurance Plc.

Director Positions in the Present

- In listed companies
- 1 company -
- In non - listed companies
- None -

Mr. Wutthiphum Jurangkool

Director
Authorized Singning Director
Recruitment & Remuneration Committee
Non - Executive Director

- **Age** 40 years
- **Date of Appoint** 26 Feb 2015
- **Last Appointment** 20 Apr 2017

Highest Qualification

- Executive MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Laws, Ramkhamhaeng University

Training Certified [Director Program] IOD

- Director Certification Program [DCP]
- Finance for Director [FFD]

Number of Shares [Proportion]

- 51,550,512 shares [13.1525%]^[1]
- 51,550,512 shares [13.1525%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

- 1 Dec 2018 - present : Authorized Director, SE-EDUCATION Plc.
- 15 Aug 2017 - present : Recruitment and Remuneration Committee, SE-EDUCATION Plc.
- Feb 2015 - present : Director, SE-EDUCATION Plc.
- Jun 2019 - present : Director and Chief Executive Director, Nok Airlines Plc.
- Nov 2018 - present : Director, NokScoot Airlines Co., Ltd.
- Jan 2018 - present : Director and Authorized Signatory, Thai Steel Cable Plc.
- Nov 2015 - present : Director and Authorized signatory, Aspiration One Co., Ltd.
- Dec 2014 - present : Director and Authorized signatory, AIRA & AIFUL Plc.
- 2014 - present : Director and Authorized signatory, Factory Depot Supply Co.,Ltd.
- Feb 2013 - present : Director and Authorized signatory, Summit Keylex [Thailand] Co., Ltd.
- Mar 2012 - present : Director, Executive Director and Authorized signatory, AIRA Factoring Plc.
- Jan 2002 - present : Directors Procurement of the 6 companies.
 - Summit auto body industry co., ltd.
 - Summit auto body industry co., ltd. [Plant 2]
 - Summit laemchabang auto body work co., ltd.
 - Summit laemchabang auto body work co., ltd. [Rayong Branch]
 - Summit auto tech industry co., ltd.
 - Thai auto Industry co., ltd.
 - Summit R & D Center co., ltd.
 - Summit advanced materials co., ltd.

Director Positions in other business

- In listed companies
- 3 companies -
- In non - listed companies
- 11 companies -

Remarks : [1] Number of Shares of directors include shareholding of spouse minor and children and related legal person in section 258.

[2] Number of Shares of director.

Mr. Worapote Chutchaikulsiri

Director
Authorized Signing Director
Deputy Managing Director
Chief Financial Officer
Executive Director

- **Age** 60 years old
- **Date of Appoint** 26 Feb 2015
- **Last Appointment** 20 Apr 2017

Highest Qualification

- MA. Executive Master of Accountancy, Chulalongkorn, University
- BA. Accountancy, Thammasat University

Training Certified [Director Program] IOD

- Director Accreditation Program [DAP]

Training Certified [Other institutions]

- Thailand Securities Institute [TSI], The Stock Exchange of Thailand [SET] : CFO's Orientation course for New IPOs

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- 26 Feb 2020 - present : Chief Financial Officer, SE-EDUCATION Plc.
- 16 Aug 2019 - present : Authorized Signing Director, SE-EDUCATION Plc.
- 10 Aug 2019 - present : Deputy Managing Director, SE-EDUCATION Plc.
- 27 Feb 2015 - present : Director, SE-EDUCATION Plc.
- 27 Feb 2018 - 8 Jul 2019 : Audit Committee, SE-EDUCATION Plc.
- 1 Jan 2018 - 8 Jul 2019 : Independent Director, SE-EDUCATION Plc.
- 2014 - 2015 : Director, Summit Corporation Co., Ltd.
- 2007 - 2012 : Director, International Casting Product Co., Ltd.
- 2006 - 2012 : Vice-President, Finance & Accounting, Somboon Advance Technology Plc.
- 2004 - 2006 : Vice-President, Finance & Administration, Somboon Advance Technology Plc.
- 2002 - 2004 : Executive Director, Bangkok Spring Industrial Co., Ltd.

Director Positions in the Present

- In listed companies
 - None -
- In non - listed companies
 - None -

Mr. Rungkan Paisitpanichtrakul

Director
Authorized Signing Director
Deputy Managing Director
Company's Secretary
Executive Director

- **Age** 44 years old
- **Date of Appoint** 16 Aug 2019
- **Last Appointment** 16 Aug 2019

Highest Qualification

- Master Degree in Telecommunication Management, Webster University, Saint Louis, Missouri, USA.
- Bachelor Degree in Political Science, Major Public Administration, Thammasat University.

Training Certified [Director Program] IOD

- - None -

Training Certified [Other institution]

- Thai Listed Companies Association : Fundamentals for Corporate Secretaries

Number of Shares [Proportion]

- 1,000,000 shares [0.2551%]^[1]
- 1,000,000 shares [0.2551%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

- 16 Aug 2019 - present : Authorized Signing Director, SE-EDUCATION Plc.
- 16 Aug 2019 - present : Director, SE-EDUCATION Plc.
- 16 Aug 2019 - present : Company's Secretary, SE-EDUCATION Plc.
- 10 Aug 2019 - present : Deputy Managing Director, SE-EDUCATION Plc.
- 1 Oct 2019 - present : Head of Business Unit SE-ED Book Center, SE-EDUCATION Plc.
- 1 May 2016 - present : Advisor to Executive Director, Summit Corporation Co., Ltd.
- 2013 - present : Managing Director, Rattana Jarutat Co., Ltd.
- 1 Jan 2005 - 30 Apr 2016 : Business Development Director, Summit Windmill Golf Club Co., Ltd.

Director Positions in the Present

- In listed companies
 - None -
- In non - listed companies
 - 1 company -

Mr. Pravit Tantiwasinchai

Director
Chairman of Audit Committee
Independent Director

- **Age** 63 years old
- **Date of Appoint** 22 Apr 1999
- **Last Appointment** 19 Apr 2018

Highest Qualification

- Bachelor Certificate [Audit], Chulalongkorn University
- Bachelor Degree [Accounting], Chulalongkorn University

Training Certified [Director Program] IOD

- Director Accreditation Program [DAP]

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- 23 Dec 2017 - present : Chairman of Audit Committee, SE-EDUCATION Plc.
- 1999 - present : Audit Committee, SE-EDUCATION Plc.
- 1999 - present : Director and Independent Director, SE-EDUCATION Plc.
- 2012 - present : Director, MK Restaurant Group Plc.
- 2012 - 2016 : Deputy Managing Director of Accounting and Finance Group, MK Restaurant Group Plc.
- 2006 - 2012 : Deputy Managing Director of Accounting and Finance Group, MK Restaurant Co., Ltd.
- 1994 - 2006 : Accounting & Financial Executive Manager, MK Restaurant Co., Ltd.

Director Positions in other business

- In listed companies
 - 1 company -
- In non - listed companies
 - None -

Mr. Kachen Benjakul

Director
Chairman of Recruitment & Remuneration Committee
Audit Committee
Independent Director

- **Age** 42 years old
- **Date of Appoint** 28 Jun 2005
- **Last Appointment** 20 Apr 2017

Highest Qualification

- Master of Arts in International Economic and Finance, Chulalongkorn University
- Bachelor of Industrial Engineering [I.E.], Chulalongkorn University

Training Certified [Director Program] IOD

- Director Accreditation Program [DAP]

Number of Shares [Proportion]

- 473,231 shares [0.1207%]^[1]
- 464,640 shares [0.1185%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

- 9 Nov 2018 - present : Chairman of Recruitment & Remuneration Committee, SE-EDUCATION Plc.
- 27 Feb 2018 - present : Recruitment & Remuneration Committee, SE-EDUCATION Plc.
- Nov 2009 - present : Audit Committee, SE-EDUCATION Plc.
- 2005 - present : Director and Independent Director, SE-EDUCATION Plc.
- 2008 - present : Consultant for Human Resources, Plearn Patt Co., Ltd.
- 2006 - 2008 : Executive Director, Plearn Patt Co., Ltd.
- May 2012 - present : Audit Committee, Project Planning Service Plc.
- 2001 - 2004 : Senior Equity Analyst, Government Pension Fund [GPF]
- 2000 - 2001 : Analyst, Government Pension Fund [GPF]

Director Positions in other business

- In listed companies
 - 1 company -
- In non - listed companies
 - 1 company -

Remarks : [1] Number of Shares of directors include shareholding of spouse minor and children and related legal person in section 258.

[2] Number of Shares of director.

Asst.Prof.Tippawan Pinvanichkul,Ph.D.

Director
Audit Committee
Independent Director

- **Age** 54 years old
- **Date of Appoint** 16 Aug 2019
- **Last Appointment** 16 Aug 2019

Highest Qualification

- Ph.D. in Management of Technology, Asian Institute of Technology [AIT]
- M.B.A. in Management of Technology, Asian Institute of Technology [AIT]
- B.A. in Accounting, Thammasat University

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- - None - ⁽¹⁾
- - None - ⁽²⁾

Relation among family within The Director and Executives

- - None -

Working Background

- 16 Aug 2019 - present : Director, SE-EDUCATION Plc.
- 16 Aug 2019 - present : Director, SE-EDUCATION Plc.
- 16 Aug 2019 - present : Independent Director, SE-EDUCATION Plc.
- 8 Feb 2018 - 29 Nov 2018 : Independent director of SMEs Bank
- 2015 - present : Committee member and Treasurer of Thai Business Incubators and Science Park Association
- July 24, 2014 - present : Director of Nawawiwat Co., Ltd.
- 2013 - present : Independent Director and Audit committee of Mudman Plc.
- 2009 - present : Advisor of Baker Tilly [Thailand] Co., Ltd.

Director Positions in the Present

- In listed companies
 - 1 company -
- In non - listed companies
 - 1 company -

Mr. Phairat Sittakul

Director
Non - Executive Director

- **Age** 70 years old
- **Date of Appoint** 10 Oct 1974
- **Last Appointment** 25 Apr 2019

Highest Qualification

- B.Eng. in Engineering [Electrical], Chulalongkorn University

Training Certified [Director Program] IOD

- Director Accreditation Program [DAP]

Number of Shares [Proportion]

- 8,051,498 shares [2.0542%]⁽¹⁾
- 2,910,310 shares [0.7425%]⁽²⁾

Relation among family within The Director and Executives

- - None -

Working Background

- 1993 - present : Director, SE-EDUCATION Plc.
- 1974 - 1993 : Director, SE-EDUCATION Co., Ltd.
- 2005 - 2011 : Independent Director, SE-EDUCATION Plc.
- May. 2005 - Nov. 2009 : Audit Committee, SE-EDUCATION Plc.
- 2008 - Sep 2010 : Assistant Director of operation and maintenance of electricity generator project, electricity generating Rajburi Co., Ltd.
- 2002 - 2008 : Level 11 Engineer, EGAT.
- 1999 - 2002 : Maintenance Service Bureau - Manager, EGAT.
- 1997 - 1999 : Engineer - Maintenance Service Bureau - Manager, EGAT.

Director Positions in other business

- In listed companies
 - None -
- In non - listed companies
 - None -

Assoc. Prof. Yuen Poovarawan

Director
Non - Executive Director

- **Age** 69 years old
- **Date of Appoint** 10 Oct 1974
- **Last Appointment** 19 Apr 2018

Highest Qualification

- M.Eng. in Industrial Engineering and Management, Asian Institute of Technology (AIT)
- M.Eng. in Engineering (Electrical), Chulalongkorn University
- B.Eng. in Engineering (Electrical), Chulalongkorn University

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- 2,924,224 shares [0.7461%]^[1]
- 1,843,538 shares [0.4704%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

- 1993 - present : Director, SE-EDUCATION Plc.
- 27 Feb 2014 - Aug 2019 : Authorized Signing Director, SE-EDUCATION Plc.
- 1974 - 1993 : Director, SE-EDUCATION Co., Ltd.
- 2003 - present : Consultant, Plearnpattana School, Plearnpatt Co., Ltd.
- 2011 - present : Special Expert, Kasetsart University.
- 2002 - 2011 : Vice - President for Information Technology, Kasetsart University.
- 1991 - 2000 : Director, Office of University Computer Services, Kasetsart University.

Director Positions in other business

- In listed companies
 - None -
- In non - listed companies
 - None -

Mr. Thanong Chotisorayuth

Director
Non - Executive Director

- **Age** 66 years old
- **Date of Appoint** 10 Oct 1974
- **Last Appointment** 19 Apr 2018

Highest Qualification

- Honorary Doctorate in Business Administration, National Institute of Development Administration.
- Master of Education in Educational Administration, Chulalongkorn University
- Bachelor Degree in Engineering [Electrical], Chulalongkorn University

Training Certified [Director Program] IOD

- Director Certificate Program [DCP]

Training Certified [Other institutions]

- Capital Market Academy [CMA] : Executive MBA Class 3

Number of Shares [Proportion]

- 12,142,247 shares [3.0980%]^[1]
- 9,818,122 shares [2.5050%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

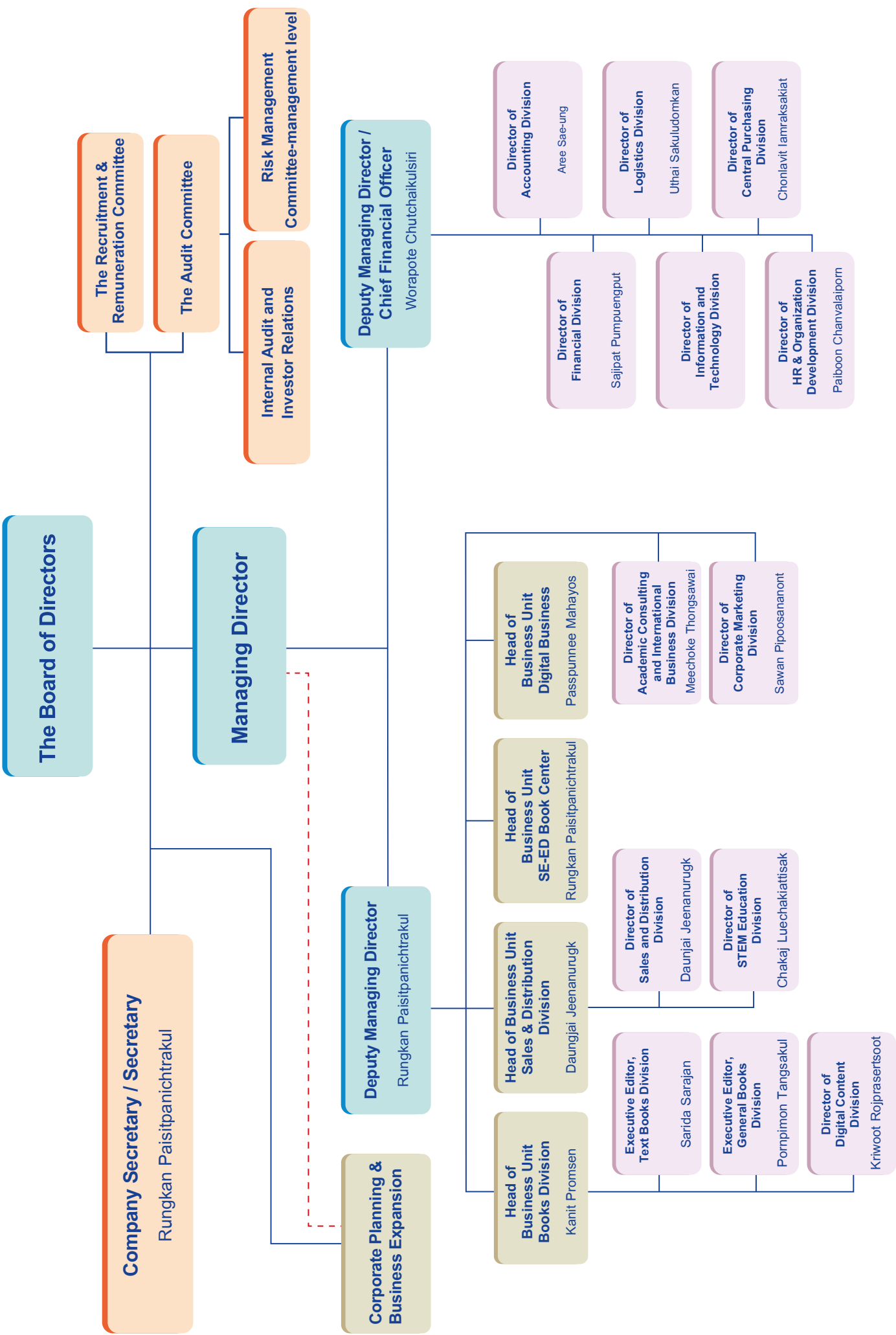
- 1993 - present : Director, SE-EDUCATION Plc.
- 1987 - 30 Nov 2018 : Managing Director, SE-EDUCATION Plc.
- 1974 - 1993 : Director, SE-EDUCATION Co, Ltd.
- 1985 - 1987 : Director and Deputy Managing Director Marketing-Science, SE-EDUCATION Plc.
- 2013 - present : Director, BaesLab Co., Ltd.
- 2001 - present : Director, SE-ED Book Center Co., Ltd.
- 2010 - present : School Director of Plearnpattana School, Plearn Patt Co., Ltd.
- 2006 - present : Chairman of Executive Directors of Plearnpattana School, Plearn Patt Co., Ltd.
- 2003 - 2006 : Executive Director, Plearn Patt Co., Ltd.
- 2003 - present : Director, Plearn Patt Co., Ltd.
- 1984 - present : Director, M&E Co., Ltd.
- 2012 - present : Director, MK Restaurant Group Plc.

Director Positions in other business

- In listed companies
 - 1 company -
- In non - listed companies
 - 3 companies -

Remarks : [1] Number of Shares of directors include shareholding of spouse minor and children and related legal person in section 258.

[2] Number of Shares of director.



Mr. Worapote Chutchaikulsiri⁽³⁾

Director
Authorized Signing Director
Deputy Managing Director
Chief Financial Officer
Executive Director

- **Age** 60 years old
- **Date of Appoint** 26 Feb 2015
- **Last Appointment** 20 Apr 2017

Highest Qualification

- MA. Executive Master of Accountancy, Chulalongkorn, University
- BA. Accountancy, Thammasat University

Training Certified [Director Program] IOD

- Director Accreditation Program [DAP]

Training Certified [Other institutions]

- Thailand Securities Institute [TSI], The Stock Exchange of Thailand [SET] : CFO's Orientation course for New IPOs

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- 26 Feb 2020 - present : Chief Financial Officer, SE-EDUCATION Plc.
- 16 Aug 2019 - present : Authorized Signing Director, SE-EDUCATION Plc.
- 10 Aug 2019 - present : Deputy Managing Director, SE-EDUCATION Plc.
- Feb 2015 - present : Director, SE-EDUCATION Plc.
- 27 Feb 2018 - 5 Jul 2019 : Audit Committee, SE-EDUCATION Plc.
- 1 Jan 2018 - 5 Jul 2019 : Independent Director, SE-EDUCATION Plc.
- 2014 - 2015 : Director, Summit Corporation Co., Ltd.
- 2007 - 2012 : Director, International Casting Product Co., Ltd.
- 2006 - 2012 : Vice-President, Finance & Accounting, Somboon Advance Technology Plc.
- 2004 - 2006 : Vice-President, Finance & Administration, Somboon Advance Technology Plc.
- 2002 - 2004 : Executive Director, Bangkok Spring Industrial Co., Ltd.

Director Positions in the Present

- In listed companies
 - None -
- In non - listed companies
 - None -

Mr. Rungkan Paisitpanichtrakul⁽³⁾

Director
Authorized Signing Director
Deputy Managing Director
Company's Secretary
Executive Director

- **Age** 44 years old
- **Date of Appoint** 16 Aug 2019
- **Last Appointment** 16 Aug 2019

Highest Qualification

- Master Degree in Telecommunication Management, Webster University, Saint Louis, Missouri, USA.
- Bachelor Degree in Political Science, Major Public Administration, Thammasat University.

Training Certified [Director Program] IOD

- - None -

Training Certified [Other institution]

- Thai Listed Companies Association : Fundamentals for Corporate Secretaries

Number of Shares [Proportion]

- 1,000,000 shares [0.2551%]^[1]
- 1,000,000 shares [0.2551%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

- 16 Aug 2019 - present : Authorized Signing Director, SE-EDUCATION Plc.
- 16 Aug 2019 - present : Director, SE-EDUCATION Plc.
- 16 Aug 2019 - present : Company's Secretary, SE-EDUCATION Plc.
- 10 Aug 2019 - present : Deputy Managing Director, SE-EDUCATION Plc.
- 1 Oct 2019 - present : Head of Business Unit SE-ED Book Center, SE-EDUCATION Plc.
- 1 May 2016 - present : Advisor to Executive Director, Summit Corporation Co., Ltd.
- 2013 - present : Managing Director, Rattana Jarutat Co., Ltd.
- 1 Jan 2005 - 30 Apr 2016 : Business Development Director, Summit Windmill Golf Club Co., Ltd.

Director Positions in the Present

- In listed companies
 - None -
- In non - listed companies
 - 1 company -

Remarks : [1] Number of Shares of executives include shareholding of spouse minor and children and related legal person in section 258.
[2] Number of Shares of executive.
[3] The executive managers defined by SEC's announcement.

Ms. Sajipat Pumpuengput⁽³⁾

Director of Financial Division

- **Age** 56 years old

Highest Qualification

- BBA. [Management], Sukhothai Tammatirat University

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- 2004 - present : Director of Financial Division, SE-EDUCATION Plc.
- 1991 - 2003 : Financial Manager, SE-EDUCATION Plc.

Director Positions in other business

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

Ms. Aree Sae-ung⁽³⁾

Director of Accounting Division

- **Age** 48 years old

Highest Qualification

- Certified Accounting Auditor
- MBA, Burapha University
- Bachelor Certificate [Audit], Thammasat University
- BBA [Accounting], Rajamangala Institute of Technology

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- 2004 - present : Director of Accounting Division, SE-EDUCATION Plc.
- 2001 - 2003 : Accounting Manager, SE-EDUCATION Plc.
- 2000 - 2001 : Internal Audit Manager, SE-EDUCATION Plc.
- 1994 - 2000 : In - charge, AMC Co., Ltd.

Director Positions in other business

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

Mrs. Kanit Promsen⁽³⁾

Head of Business Unit Books Division

- **Age** 52 years old

Highest Qualification

- Master of Business Administration, Ramkhamhaeng University
- Bachelor of Science, Plant Pathology, Chiang Mai University

Training Certified [Director Program] IOD

- - None -

Training Certified [Other institutions]

- MINI MBA, University of Thai Chamber of Commerce
- MINI MBA, Chulalongkorn University

Number of Shares [Proportion]

- 7,166 shares [0.0018%]^[1]
- 7,166 shares [0.0018%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

- 6 Sep 2018 - present : Head of Business Unit Books Division
- 2005 - present : Executive Editor, General Books Division, SE-EDUCATION Plc.
- 1992 - 2005 : Assistant Managing Editor, General Books Division, SE-EDUCATION Plc.
- 1991 - 1992 : Office Administrator, PAC RIM GROUP
- 1990 - 1991 : Cultural Orientation Teacher, The American Consortium

Director Positions in other business

- In listed companies
 - None -
- In non - listed companies
 - None -

Ms. Daungjai Jeenanurugk⁽³⁾

Head of Business Unit Sales & Distribution Division

- Age 51 years old

Highest Qualification

- Master of Economic (Business Economics), Kasetsart University, Si Racha Campus
- BBA (Accounting), Ramkhamhaeng University

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- 432 shares [0.0001%]^[1]
- 432 shares [0.0001%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

- 6 Sep 2018 - present : Head of Business Unit Sales & Distribution Division, SE-EDUCATION Plc.
- 2011 - present : Sales & Distribution Division, SE-EDUCATION Plc.
- 1999 - 2011 : Distribution Division Manager, SE-EDUCATION Plc.
- 1996 - 1998 : Sales and Distribution Manager, Nation Multimedia Group Plc.
- 1993 - 1996 : Shop Manager, McThai Co., Ltd.
- 1991 - 1993 : Accountant, Loxley Aluminum and Engineering Co., Ltd.

Director Positions in other business

- In listed companies
 - None -
- In non - listed companies
 - None -

Mrs. Passpunnee Mahayos⁽³⁾

Head of Business Digital Business

- Age 50 years old

Highest Qualification

- Master Degree of Applied Statistics, NIDA
- Bachelor Degree of Science, Mahidol University

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- 28 Oct 2019 - present : Head of Business Digital Business, SE-EDUCATION Plc.
- 1 Feb 2015 - 31 Dec 2015 : Managing Director, Oriental City Group Co., Ltd.
- 19 Sep 2013 - 15 Jan 2015 : Chief Executive Officer, GHIL ePayments Co., Ltd.
- 1 Aug 2011 - 15 Jan 2015 : Chief Operating Officer, GHIL (Thailand) Co., Ltd.

Director Positions in the Present

- In listed companies
 - None -
- In non - listed companies
 - None -

Ms. Sarida Sarajan

Executive Editor, Text Books Division

- Age 59 years old

Highest Qualification

- Master of Economics [M.Econ.], Ramkhamhaeng University
- Master of Business Administration [M.B.A.], Ramkhamhang University
- Bachelor of Arts [Political Science], Ramkhamhaeng University

Training Certified [Director Program] IOD

- - None -

Training Certified [Other institutions]

- MINI MBA, Chulalongkorn University

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- 2005 - present : Executive Editor, Text Books Division, SE-EDUCATION Plc.
- 1999 - 2005 : Managing Editor, Text Books Division, SE-EDUCATION Plc.
- 1992 - 1999 : Deputy Managing Editor, Text Books Division, SE-EDUCATION Plc.
- 1983 - 1992 : Assistant Managing Editor, Text Books Division, SE-EDUCATION Plc.

Director Positions in other business

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

Remarks : [1] Number of Shares of executives include shareholding of spouse minor and children and related legal person in section 258.
 [2] Number of Shares of executive.
 [3] The executive managers defined by SEC's announcement.

Ms. Pornpimon Tangsakul

Executive Editor, General Books Division

- Age 49 years old

Highest Qualification

- Animal Husbandry, Faculty of Agriculture, Kasetsart University

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- 274,791 shares [0.0701%]^[1]
- 274,791 shares [0.0701%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

- 1 Jul 2019 - present : Executive Editor, General Books Division, SE-EDUCATION Plc.
- 1 Jan 2014 - 30 Jun 2019 : Freelance
- 1 Apr 1992 - 30 Dec 2013 : Managing Editor, SE-EDUCATION Plc.

Director Positions in the Present

- In listed companies
 - None -
- In non - listed companies
 - None -

Mr. Kriwoot Rojprasertsoot

Director of Digital Content Division

- Age 45 years old

Highest Qualification

- Bachelor of Telecommunications Engineering
- King Mongkut's Institute of Technology Ladkrabang

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- 118 shares [0.0000%]^[1]
- 62 shares [0.0000%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

- Apr 2019 - present : Director of Digital Content Division, SE-EDUCATION Plc.
- Feb 2015 - Mar 2019 : Director of R&D of Innovation Educational Project & Director of Magazines Division, SE-EDUCATION Plc.

Director Positions in the Present

- In listed companies
 - None -
- In non - listed companies
 - None -

Mr. Chakaj Luechakiattisak

Director of STEM Education

- Age 51 years old

Highest Qualification

- Bachelor Degree of Science in Industrial Education [Electrical Engineering], King Mongkut's Institute of Technology North Bangkok

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- 7,906 shares [0.0020%]^[1]
- 7,906 shares [0.0020%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

- 1 Jan 2019 - present : Director of STEM Education in Sales & Distribution department, SE-EDUCATION Plc.
- 1 Jan 2017 - 31 Dec 2018 : Director of STEM Education in Magazines department, SE-EDUCATION Plc.
- 1 Jan 1997 - 1 Dec 2016 : Special Book Editor, SE-EDUCATION Plc.
- 1 Jan 2536 - 11 Dec 1996 : Editor of HOBBY ELECTRONICS Magazine, SE-EDUCATION Plc.

Director Positions in the Present

- In listed companies
 - None -
- In non - listed companies
 - None -

Meechoke Thongsawai, Ph. D.

Director of Academic Consulting and
International Business Division

- **Age** 49 years old

Highest Qualification

- Doctor of Philosophy Degree field of study Educational Communications and Technology, Faculty of Education, Chulalongkorn University
- MBA, Assumption University
- BBA, Assumption University

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- 121,000 shares [0.0309%]^[1]
- 121,000 shares [0.0309%]^[2]

Relation among family within The Director and Executives

- - None -

Working Background

- 2011 - present : Director of Academic Consulting and International Business Division, SE-EDUCATION Plc.
- 2001 - 2011 : Foreign Books Division Manager, SE-ED Book Center, SE-EDUCATION Plc.

Director Positions in other business

- In listed companies
 - None -
- In non - listed companies
 - None -

Ms. Sawan Pipoosananont

Director of Corporate Marketing Division

- **Age** 48 years old

Highest Qualification

- Master of Public Administration [MPPM], NIDA
- Bachelor of Communication Arts, Chulalongkorn University

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- Jun 2019 - present : Director of Corporate Marketing Division, SE-EDUCATION Plc.
- Feb 2015 - present : Director, Me Prime Co. Ltd.
- 19 Apr 2001 - Jan 2015 : Executive Editor, Post International Media Co. Ltd.

Director Positions in the Present

- In listed companies
 - None -
- In non - listed companies
 - None -

Mr. Uthai Sakuludomkan

Director of Logistics Division

- **Age** 46 years old

Highest Qualification

- M.Eng. [Engineering Management], Kasetsart University
- Bachelor of Engineering in Electronics Engineering, King Mongkut's Institute Technology Ladkrabang

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- 10 Jun 2019 - present : Director of Logistics, SE-EDUCATION Plc.
- Aug 2017 - Mar 2019 : Supply Chain Specialist, True Distribution & Sale Co., Ltd.
- Feb 2013 - July 2017 : Planning & Logistics Development Section Head, Green Spot Co., Ltd.
- Oct 2004 - Jan 2013 : Distribution Center Section Head, Green Spot Co., Ltd.
- Jun 1997 - Sept 2004 : Product Engineer & Design Engineer, Sony Technology [Thailand] Co., Ltd.

Director Positions in the Present

- In listed companies
 - None -
- In non - listed companies
 - None -

Remarks : [1] Number of Shares of executives include shareholding of spouse minor and children and related legal person in section 258.
[2] Number of Shares of executive.
[3] The executive managers defined by SEC's announcement.

Mr. Paiboon Chanvalaiporn

Director of
HR & Organization Development Division

- **Age** 55 years old

Highest Qualification

- Master Degree in Public Administration, Burapha University
- Bachelor Degree in Business Administration, Sukhothai Thammathirat University

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- 1 Oct 2018 - present : Director of HR & Organization Development Division, SE-EDUCATION Plc.
- 1 Dec 2016 - 30 Sep 2018 : HR & GA Manager, Jinpao Precision Industry Co., Ltd.
- 1 May 1990 - 30 Nov 2016 : Human Resources Manager, Philips Electronics [Thailand] Ltd.

Director Positions in the Present

- In listed companies
 - None -
- In non - listed companies
 - None -

Mr. Chonlavit Iamraksakiat

Director of Central Purchasing Division

- **Age** 42 years old

Highest Qualification

- Master of Science, Applied Statistics, National Institute of Development Administration
- Bachelor of Engineering, Mechanical Engineering, Chulalongkorn University

Training Certified [Director Program] IOD

- - None -

Number of Shares [Proportion]

- - None -

Relation among family within The Director and Executives

- - None -

Working Background

- 16 Sep 2019 - present : Director of Central Purchasing Division, SE-EDUCATION Plc.
- 1 Nov 2018 - 15 Sep 2019 : Director of Strategic Information Administration Division, SE-EDUCATION Plc.
- 2012 - 31 Oct 2018 : Assistant Director in Strategy Analysis and Business Improvement, SE-ED Book Center, SE-EDUCATION Plc.
- 2012 - 2013 : Manager of Internal Audit and Investor Relations Department, SE-EDUCATION Plc.
- 2010 - 2012 : Manager of Internal Audit and Business Efficiency Development, SE-EDUCATION Plc.
- 2007 - 2010 : Project Manager, Business Efficiency Development, SE-ED Book Center, SE-EDUCATION Plc.

Director Positions in other business

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

2019 Operation Report

- Publishing Business in 2019
- Industry Overview and Competition
- Business Direction
- Important Development and Changes in 2019
- CSR : Corporate Social Responsibility



Publishing Business in 2019

An overall situation of publishing industries in 2019 was still struggling due to economic recessions, increasing household debts, and less spending and transaction to save up. All these factors affect the sales of book business to drop in every region. Many publishers were forced out of business, especially the small ones. As a result, the new book numbers declined over a year.

Moreover, rapid technological advances were one of the factors that change the customer's reading behavior. They tended to read online media and their lifestyles were changed accordingly. However, some book trends still survived and shown a good sign, for example, children's books, tutoring books, self-help books, financial books and fiction books, especially the great success books in an international level.

The publisher needed to adapt itself to the current situations by covering more genres and selecting the most potential titles for the needs of the customer with high-quality production. As shown in the study about the reason why people read more, there should be new genres in the customer's interests available.

In the meantime, the digital content production was increased as alternatives to the customer, for example, e-book, audiobook, and videobook. The digital content growth rate were steadily rising and shown a sign to keep going. Further, the Company had improved its e-commerce system to be more convenient and faster for online shopping in order to be impressive to the customer.

Industry Overview and Competition

In 2019 the book business was affected by economic stagnant. A decrease of consumers' power of purchase yielded in the decline of sales in every part of the country. Therefore the Company decided to close down unprofitable branches, adjust products proportion in stores, and promote e-commerce in order to provide more channels for customers, catching up with changing consumer trends

In 2019, the Thai government issued the tax policy "Shop Chuay Chart" to promote economic expansion and domestic consumption of the nation. Economic expansion, in general, is one of the positive factors to publishing business. However, customer's behavior recently had changed, they would spend more time with distractors. It was likely to spend less time in reading in the future.

Even though e-books are popular in foreign markets because of the growth in e-book reader and tablet sale, Thailand's e-book market is comparatively small. There are not many e-books in Thai language available in the market and the current Thai e-books are not as easy to read. It is expected that in Thailand it will take some time before e-books will significant affect the print book sale. However, Thai e-magazines are becoming more popular; there are already substantial e-magazine sales. The Company, has adapted to the changes and prepared adequate facilities to support both e-book and print book sale and become the biggest online bookseller in the country

Key Success Factors The factors that contribute to the Company's current leading position and the Company's more important role in the future book business can be summarized as follows :

- **Business policy is evidently conducive to national development** Since the beginning the Company has all along adhered to its business in knowledge dissemination, with a view to developing the full potential of Thai people in areas essential to the national development. The Company's continued growth is in line with the national development, and fortunately, not severely affected by the economic slump. Besides, its corporate image is clear, well received, and trusted by every party concerned.
- **Tools and business components for future business operation** Nowadays, the Company's different business divisions support one another efficiently and render more opportunities for success.
 1. The Company has its own largest distribution channel and network store, SE-ED Book Center. The stores spread into major communities all over the country and the Company is always the first to receive offers to select new locations for new branches. As a result, the distribution business had more chances to grow while the bookstore business's cost was lower. Moreover, it allows more possibilities of success for book publishing, as there are direct distribution channels that allowed the customers to receive the products faster and more conveniently.
 2. The Company also has its own media and PR tools, including www.se-ed.com, m.se-ed.com for smartphone or tablet, for being channel and support marketing activities.

Quantity and Size of Competitors

The Company as the market leader and receiving great acceptance by general readers and being ready to expand new branches, the Company can keep a big step ahead by taking advantage of first priority to choose new location and has the lower operating investment. In the future the books business is expected to grow out of a few large firms who are well prepared to face the competition

Moreover, as the Company's business model covers publishing, distributing and bookstores, the company always benefits from the new comers in the book business, as the result the effect of competitors is slightly.

Market Share Although the Company is the market leader in 3 important businesses : the leading retailer in bookstores chain and book distributor (or wholesaler), and books publishers.

as book business has limitation in terms of completeness of database which makes the market share estimation in each segment contains some errors.

For retail bookstore business, the Company believes the network of SE-ED Book Center is the one of the major players who posses quite a large proportion of the market share.

For the business of distributing book to booksellers, the Company becomes the largest distributor in the market, but the proportion is still not high, due to the fact that market share in book business is less concentrated.

For publishing business, the Company always ranks between numbers 1 to 3 in the book market, depending upon which publishing, in each year, produces the best selling tittles more or less, but in general the market share is not that significant because it is less concentrated than usual.

Substitution products Advances in the fields of technology, industry, and business required us to always learn new things in order to gain advantages in competition. Though communication technology and computer keep running, books are still the only medium that can be read any time and any place. It is durable and costs less money. However the Company also focuses at reading habits on smartphones and tablet devices. Its application on various platforms has been developed to be one of the choices for consumers to access knowledge regardless of formats.

Bargaining power of buyers and sellers As the books business has a standard trading condition structure with several traders in which nobody can evidently dominate the market and the needs to be interdependent of each other, there are not many problems in bargaining. However, due to the fact that new large retailers in other businesses expand into the books business and may cause bargaining with publishers and distributors according to the general retail business nature but is still not much effect of the over all business as their market share is still not significantly large enough at present.

Business Direction

The Company has set a long-term direction and marketing strategy which can be briefly described as follows :

Vision : SE-ED shall be a leader in providing easy and convenient access to knowledge to Thai people.

Mission : SE-ED seeks to do business in the areas that promote education for knowledge that is necessary to the development of the nation. It operates the business that will make **‘Thais smarter’** by developing the sustainable business with a continuous earning growth at the above the industry’s average, being a role-model company that can create work result deems beneficial and accepted by society at large with the happy staff, and able to deliver and maintain an attractive long-term investment returns at the satisfactory level.

Strategies : To achieve the stated vision and mission, the Company stresses the readiness in several areas to develop quality service which responds to the needs of target customers. The Company will make e-book and other services available in www.se-ed.com, m.se-ed.com and SE-ED Application in order to accommodate the lifestyle change of customers. Lastly, the Company aims to expand its educational business in the future. Thus, the Company will concentrate on the following marketing strategies :

1. The Company aimed to open the branches in each province to cover the country and be the bookstore with the most branches. This went along with the branch innovation plan. To differentiate its bookstores, the new branches would use a modern yet localized design. The digital technology would be employed to improve the products and operation in the branches in order to be the leading knowledge provider.
2. The Company developed its e-commerce to be more effective and innovative since the website had been visited most and had the most various books available. The Company aimed to be the life-long learning center.
3. The Company developed and customized book, e-book, audiobook and videobook to suit the new generation’s way of life which rapidly changes and to be inspiration to others.
4. The Company improved the operation process and services according to the new needs of educational market by offering learning material suitable for educational institutes.
5. The Company uses an integrated marketing communication model by developing suitable tools and channels to promote products, and reinventing itself with several models towards relentless promotional activities. That is to say the Company is stressing the importance of marketing activities as a value creation for business. With this, the Company also directs all of its efforts to the target customers, and in addition, directly respond to the customers’ need, which allows success for most of the newly-launched products;
6. The Company promotes customer’s relationship and business alliances that work closely together. The Company is committed to treating customers as promised, under the etiquette of business operation. The Company also seeks to work on the basis of mutual business success, for the Company opens to the exchange of views in doing business to seek ways in resolving conflicts and difficulties that might occur. For the better cooperation, the information learned can be used to improve the product development and management process to meet the unwavering standard and this should benefit all parties involved.

7. The Company understands the importance of excellent services and the promotion of Company's image, by concentrating on staff and team's consistent development, and also create professional working attitude to the staffs to really take care of each customer in more detail aspects, leading to the better customer's satisfaction.

Policy and Marketing Pricing Policy : Pricing policy is set to meet the purchasing power of each target group, and the production costs, while maintaining reasonable profits in a long run.

Sales and Distribution Channels : The Company distributes books and magazines through networks of SE-ED Book Center, and other bookshops in Bangkok and other provinces by managing the distribution channels according to customers, products and services as follows :

1. **Books Retail Customers** The customers are general readers and working people. The Company distributes books through the network of SE-ED Book Center which the centers of books and entertainment for family and working people, located in shopping centers and supercenter in Bangkok and other provinces and also in the higher educational institutes.
2. **Books Wholesale Customers** This group of customers is accounted for around 762 different stores. For Books stores in Bangkok and around its vicinity using its own transportation for distribution, the Company utilizes the 'Standing Order' distribution system, a combination of consignment and non-returnable sales system. For most of booksellers in other provinces the Company uses private transportation company for distribution, a non-returnable sales system has been applied with a limit of returnable quantity

Partnership Code : the Company intensely focused in selecting its business alliances and would like ensure that selecting process and business partners were treated equally and fairly. The Company always realized the importance of working with credible, ethical, professional, being social and environmental awarenesses, and free from breaching any labor and environment laws partners. These requirements were stipulated in its procurement contract. The Company also emphasized on encouraging and supporting anti-corruption with its business partners and worked closely to develop business.

1. To operate its business, the Company strictly conformed with the Trade Competition Act B.E.2549 which its regulations and criteria between the retailer, producer, and distributor based on the Trade Competition Act B.E.2542. To operate its business smoothly according the said Act, the Company and its business partners had agreed to revise the contract template to be more precise and detailed. The Company treated its business partners as we shared ownership. For the Company's special requirements can be listed as follows:
2. The business partner must have financial creditability and potential to grow up along with the Company in the long run. The production process must be considerate of society and environment according the related law and regulations.
3. The business partner must produce and distribute the quality goods without copyright or trademark infringement. All accounts can be inspected.
4. The business partner must be supportive in promotions and after sale service for customer.

Important Development and Changes in 2019

Apart from a normal business operation, the Company had some important development and changes in 2019, as in the following :

- The Company renovated the existing stores that had a potential by enlarging them to create better sales and better modernization and considered to close the branch is not profitable. The details are as follows :
 - Renovated 3 branches, were modernized to have a more attractive look.
 - Closed 41 branches that cannot profitable and small size to enhance profitability. To suit the current economic conditions.
- The IOD has appraised SE-ED to be excellent (5 stars) level in Corporate Governance Report of Thai Listed Companies 2019 appraisal for 12 consecutive years (2008-2019). The Company is the only company from the publishing business category in the service industry to be evaluated 'excellent' for 12 consecutive years.

CSR : Corporate Social Responsibility

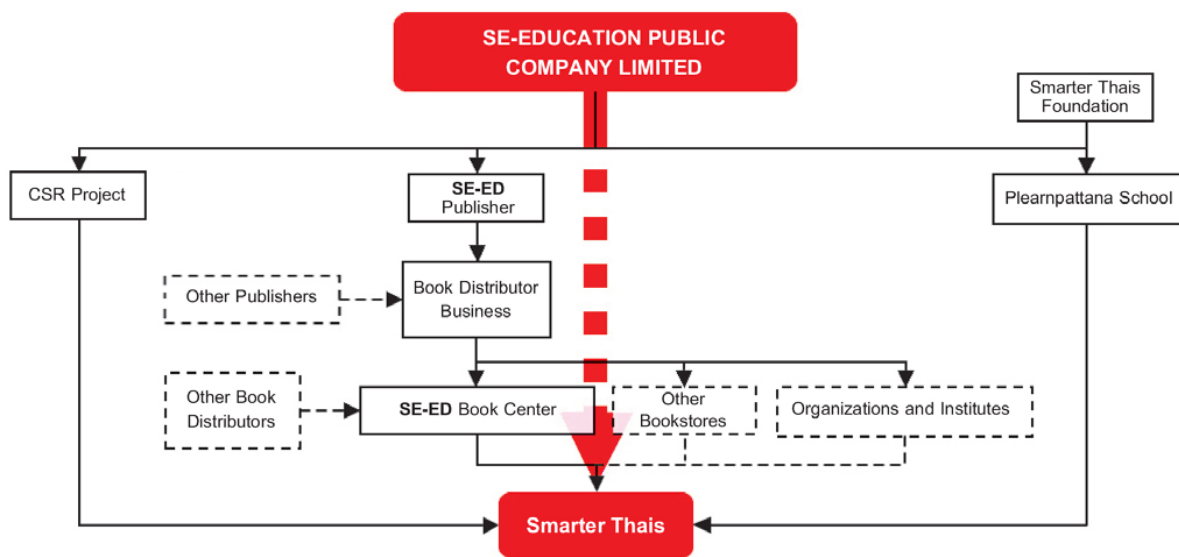
The Company was established by a group of ten electrical engineers. Each of them had experiences in knowledge promoting activities from their participation in Academic Club as a student at the Faculty of Engineering, Chulalongkorn University. They realized that Thailand needed to develop many more of academic resources but no one had been interested in the academic development. Thus, the Company was established in 1974 under the objective 'to do business in knowledge dissemination, with a view to developing the fullest potential of Thai people in areas essential to the national development'. The Company's name also emphasizes the objective. 'SE-ED' is derived from the words **S**cience, **E**ngineering and **E**Ducation because engineering, science and education are vital fields needed for the development of the country. The Company's vision and mission reflect the strong determination to be a part of Thailand's sustainable development.

Vision : SE-ED shall be a leader in providing easy and convenient access to knowledge to *Thai people*.

Mission : SE-ED seeks to do business in the areas that promote education for knowledge that is necessary to the development of the nation. It operates the business that will make '**Thais smarter**' by developing the sustainable business with a continuous earning growth at the above the industry's average, being a role-model company that can create work result deems beneficial and accepted by society at large with the happy staff, and able to deliver and maintain an attractive long-term investment returns at the satisfactory level.

Sustainability Framework :

The Company can sustainably operate a business that grows alongside the society while being able to survive in the long term if the executives and employees share the commitment and inspiration to drive the organization into becoming the 'knowledge provider' who makes Thai people smarter. From the past up to present, the Company has seriously operated the business along with creating new innovations to serve the mission 'to make Thais smarter'. The Company's business operation can be summarized into the following chart :



The operation chart displays many activities that have been integrated into the Company's business operation as in the following:

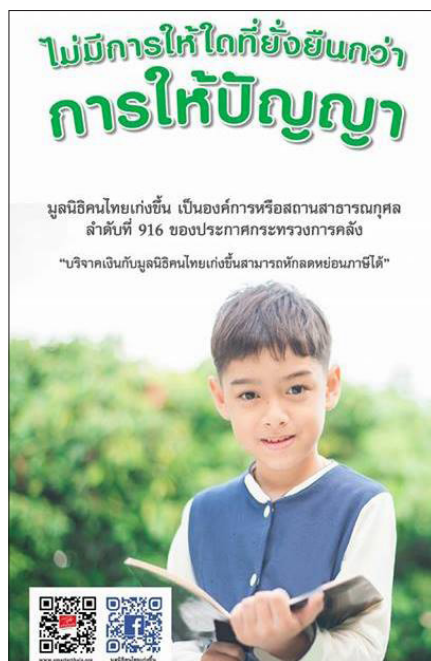
- **SE-ED Publisher:** The publishing unit is responsible for publishing books and other education resources to help Thai people improve their potentials. The unit has been active since 1974.
- **Book Distribution Business :** As a distributor SE-ED has distributed good books from both in house publications and other publishers' to SE-ED Book Center and other bookstores across the country. The distribution unit began its operation since 1998.
- **SE-ED Book Center:** The Company's bookstore business has been in operation since 1991 with the determination to expand branches across the country, giving convenient access to knowledge and good books for Thai people. Books sold in SE-ED Book Center are of mixed varieties and exclude any books that contain inappropriate contents, encourage violence, violate laws or contradict to the moral value of Thai society.
- **Plearnpattana School:** This is an alternative school that takes students from pre-kindergarten to Matayom 6. SE-EDUCATION PUBLIC COMPANY LIMITED is one of the founders. The school has been in operation since the 2004 academic year onwards. The school's curriculum is designed to equip students with knowledge skill, working skill and life skill that will support students to develop their full potential and become an eligible adult who possesses a voluntary mind, good moral and awareness of his/her social responsibility.





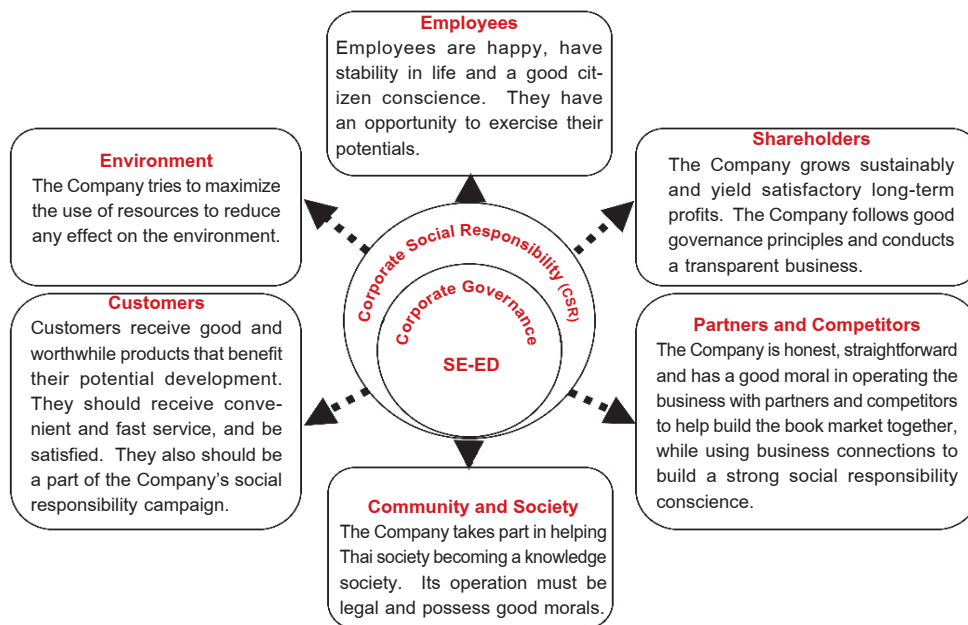
- CSR Project:** The Company takes its corporate social responsibility as a part of the driving strategy and business operation. CSR, or 'CSR in Process', has become the core operation of the organization, in which there is no department directly responsible for CSR activities. However, the Company had been involved in many activities that required cooperation and operation to enhance the effectiveness of CSR activities. Thus the Company decided to set up CSR Department in 2009 to support the Company's CSR activities. This department focuses on helping children and insufficient communities to access to knowledge easier by donating books and educational media to schools in rural areas, donating book shelves to make school libraries well organized and attract students to libraries so they can improve their life-long reading habits.
- Smarter Thais Foundation:** The Company's 'Smarter Thais Foundation' was officially established on September 23, 2011. The foundation's objective is to initiate activities that support the development of Thai people's potentials that will allow them to be a valuable human asset and possess a better life quality so that they can apply their potentials in developing and driving the country to be competitive in the international community. The foundation will work closely and effectively with the Company's CSR project to help Thai people smarter and build a sustainable society, can be competitive in the international community. The foundation will work closely and effectively with the Company's CSR project to help Thai people smarter and build a sustainable society, mostly pilot projects, or projects that give opportunities to children in need must be able to operate in the long term with financial support from 'Changes for Kids' donation from SE-ED Book Center's customers and every Thai people. The donation will be used in Thai people's potential and value development projects.

In addition, Smarter Thais Foundation was considered to legally be a public charitable organization no. 916, according to the notification from the Ministry of Finance about Income Tax and Value Added Tax (notification no. 648) issued on 5th January 2016.



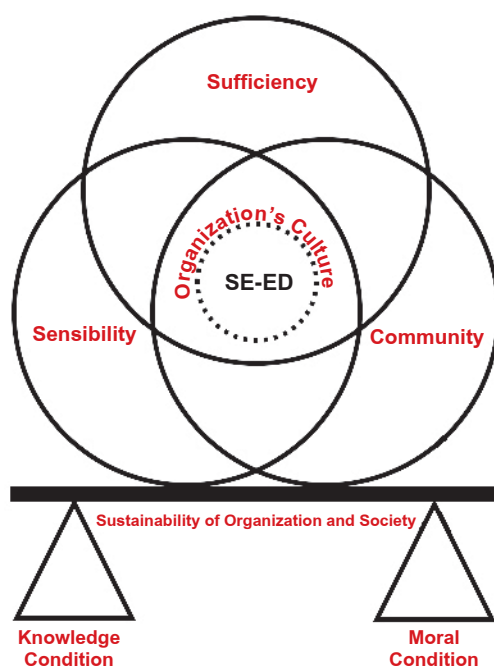
It can be concluded from the above that the Company's business operation has a role in solving major problems of the country and driving the country to a sustainable development. The Company is also the mechanism that supports the development of Thai people's potential until they can become a valuable human asset for the nation's sustainable development. As a result, the corporate social responsibility along with the faithfulness to business ethics and determination to being a good role model become the important mission that the Company has to strictly hold firm too.

The Company has adopted the principles of Corporate Responsibility and Corporate Governance, which become the Company's strategy. The Company's business operation also needs to take into account the balance satisfaction of stakeholders including customers, employees, business partners, shareholders, communities, society, and environment, which are appropriately prioritized in the following :



Moreover, the Company has adopted the principle of sufficiency economy into its business operation so that the Company can run its operation reasonably and sufficiently, with immunity. It needs to be assured that the Company has used IT information and knowledge in different areas to make operational decisions with the principles of good morals and ethics as the guideline.

Moreover, when considering the Organization's 'culture' that the Company has tried to impose on every employee, it can be found that the culture of the organization is in line with the sufficiency economy philosophy as shown in the following chart :



The Company realized that it could only maintain the sustainable operation by promoting a positive working culture for every employee. A good culture will produce shared values and positive attitudes in work and life among employees. A good organizational culture will also continuously bring about success factors that answer to the objectives and business nature of the organization. Such culture is a drive force to creating pioneer works that require strong cause, ideology and determination. It is a work that is not only creative but beneficial to the country at large. Every employee is ready to adapt to changes and listen to reasons with open mind. They focus on their productivity to make profits and sustainability for the organization and society. A culture that has been planted into the attitudes of every employee will become a common work ethic shared through team working experiences within the organization. The Company is confident that every employee is ready to apply the philosophy of sufficient economy in their own lives effectively. The organizational culture of SE-EDUCATION PUBLIC COMPANY LIMITED is illustrated in the following :

Operation Philosophy and Driving Force

- We will take on our ideology and turn it into our profession. We will produce creative and pioneer works with happiness because we believe that we can transform our dreams into something great for Thai society.
- We will think big, never think small.

Transparency and Moral Values

- We will be a good role model as a company.
- We will not cheat or violate the law. We will be fair and maintain our work ethics and social responsibility.
- We will have a moral standard in treating our customers, business partners, competitors and colleagues.

Adaptability

- Every rule can be changed with reason and as long as the change will improve our employees and does not cause any negative effect on the Company.
- We are ready to change anything. We will listen, think, learn, and improve for better. We will not feel humiliated and be chained to the traditional framework. We will break through any problems or obstacles.
- Nothing is perfect at SE-ED.
- Employees will be given an opportunity to work on what they truly like.

Personal Ethics

- Be economical, humble and self-sufficient.
- Be down to earth and treat everyone with respect.
- Spend money and resources reasonably when it is needed without being stuck to the old tradition. Every money spent is worthwhile and benefits the works. It is known as the Zero-Based Budgeting.

Common Values

- Be positive towards life and obstacle.
- Be understanding and believe in the goodness in people
- Ignore showing off but care only what matters.

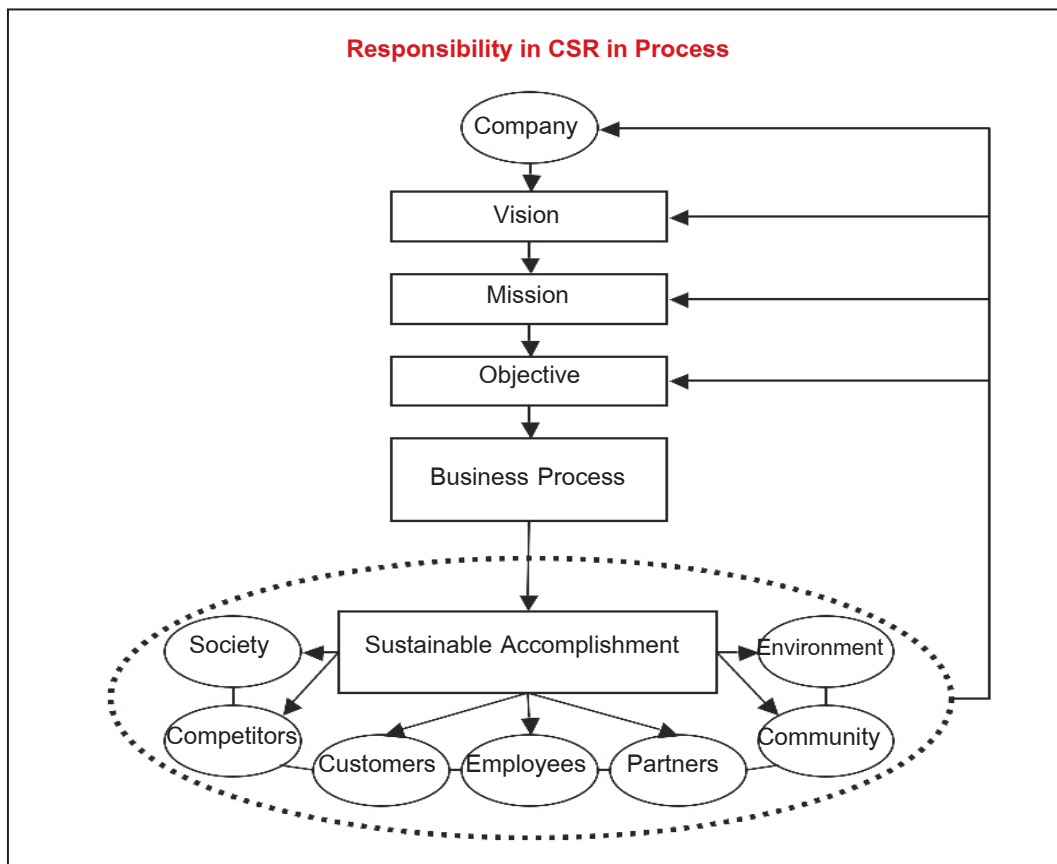
- Creating positive working atmosphere that encourages people to work hard and have fun with the challenging works.
- Live and love as one family.

Operation and Reporting

It could be said that the Company's business objective comes from the country's problem in developing the human resources and the Company's social ideology. Such objective will allow the Company, stakeholders and the whole society grow together with sustainability. From the first day of establishment the objective has been carried on and seen through with determination. It has been passed on through the culture of the Company, through the attempt to become a 'good role model' in every aspect, through the works produced and through the growth in different areas.

The Company believes that the corporate social responsibility means that the Company must operate its business with ethics. Success of the Company must go along with the improvement of society. Every stakeholder is focused and treated with balance.

To achieve the above objective, the Company must make the Corporate Social Responsibility (CSR) the work and responsibility of every employee. It is in compliance with the objective of the establishment and usual business operation. CSR must be a part of the business process. CSR must not cost more than an ordinary process. CSR must involve employees. CSR must be in the actual work process. This is the reemphasis on the Company's management philosophy that we will not do anything differently from a normal business operation. We only change the '*way of thinking*' and operate the normal business with '*different methods*'.



Every business of the Company is aimed to answer the original objective of establishment. Books and educational resources are produced to benefit Thai society that still needs those materials. Distributing books for our publishers give a chance to good books to be widely distributed while publishers can survive, stay stronger and be ready to produce even more good books. The increase of SE-ED Book Center to different communities allow people to have an easy access to books that are selected and displayed in a way that suits the lifestyle in each area. The development of purchasing and ordering books give an opportunity to people from anywhere in the country to learn and develop equally. Moreover, training courses and seminars for general public to improve their working skills in different areas and increase their productivity. Moreover, the Company took an important role in founding and operating **‘Plearnpattana School’**, which is an alternative school aiming to produce quality human resources for the country in the future. The school focuses on promoting knowledge skill, working skill, life skill, voluntary mind and awareness of the social responsibility. Responsibility to society, community and environment is not just an additional work but the core of the business operation, the breath of SE-ED family who are creators, initiators and role models. Every employee in the Company is a part of this responsibility in one way or another.

The Company could be claimed to have a vital role in breaking through the overall book business and quickly expanding the market for educational resources.

The Company believes that a sustainable organization can be developed from not only the ability to yield reasonable profits and growth rate for shareholder but also from the ability to improve itself to become a good role model that create works beneficial and acknowledgeable to the society at large. The Company’s employees stay happy. Environmental awareness is a part of the business operation. The Company, thus, has operated the business on the interrelation of sustainable development with society and environment, with the founding belief that ***‘Good Will shall lead to growth, leading to profits, to strength and eventually to sustainability’***.

According to the Form 56-1, the Company annually submitted the Sustainability Report under the concept of disclosure of social responsibility to SET. The Sustainability Report was also included in the Thai and English annual reports.

Procedures of Corporate Social Responsibility of SE-EDUCATION PUBLIC COMPANY LIMITED

The Company has 3 main procedures to fulfill the corporate social responsibility :

1. General CSR activities of the Company must include all stakeholders who are customers, employees, business partners (and competitors), shareholders, communities, society, and environment. Every parties must be prioritized with balance so that everyone can be fully satisfied and accomplish together.
2. The Company focuses on CSR in Process. That means any CSR activities are a part of the responsibility of every employee in order to avoid creating a burden on top of the usual routines. ‘Social Responsibility’ then becomes the habit of every employee.
3. The Company determines to take on the problem of the country in education and potential development of Thai people. The Company tries to find a solution to the key problems including proficiency English in, Math, Science knowledge, and implanting in Thai children desirable qualities needed for the development of the country and sustainable society.

Activities for Social and Environment

Library for Employees Project:

The Company had a commitment to “empower Thais’ potential and skills” by encouraging its employees to read. To access all the books easily and conveniently, the Company provided the library in the head quarter and distribution center for its employees. Further, the employees can borrow the books. It was for the employees to improve their skills together with their families.



Books and Media Production for Country's Development:

Since the establishment until now, the Company unwaveringly fixed to its policy to produce books and media which help country's development. To be specific, the publications and innovation will benefit the youth as the resources for finding their own paths. This would lead to the basic learning method called STEM Education (integrating Science, Technology, Engineering and Mathematics in learning). The young learners will not only learn theories but also get hand on practice. They can apply this method to their ideas, imagination, and inspiration in the future.

Audiobook Project:

Since technology keeps advancing, inevitably reader behavior is affected and it keeps changing. To cope with changing, the Company has converted some print books into "audiobooks" or "digital audio files" in the mp3 format to be available on CDs, DVDs, and for downloading. The Company selected the interesting content from bestselling business books for this audiobook project. The audiobook can reach every targeted reader, especially senior customers, customers with vision impairments, customers who listen to the CDs while driving. The audiobooks in the CD format are available in SE-ED Book Center and other bookstores. Both online downloading and CD/DVD copies can be purchased through the Company's e-commerce channel.



QR BOOK HIGHLIGHT:

To help the customer decide quicker and easier, the Company had developed the system to shortly introduce books via QR Code and it was available in English, central Thai dialect, northern Thai dialect, northern-east Thai dialect, and southern dialect. This system also showed the reviews from all around the country.



White Bookstore:

The Company has bookstores nationwide as the provider to Thai society to fulfill the satisfaction of the customers so they can shop at the nearest store at their most convenience and to create equally opportunity for Thai people to seek for source of knowledge. Have policy of providing good, ethical selection of books and products. We offer a wide range and variable genres of books and our stores will have no unethical, immoral, improper or culturally unacceptable in Thai society.



Improving English Proficiency of Thai Youth:

The Company had researched that reading an English graded reader under the concept of an extensive reading can significantly help the young learner to improve their English proficiency. Therefore, the Company started the project called SE-ED: Enjoy Reading in 2008 according to the research. In this project, books with various genres and levels were provided. The Company experimented this project with poor schools first. As a result, the achievement in improving English proficiency was in a satisfactory level. Then the Company expanded to train the keypersons and English language teachers across the country. With endorsement from Office of the Basic Education Commission (OBEC) and Office of the Private Education Commission (OPEC), the Company held the teacher trainings under the concept “Total Solution to English Proficiency”, aiming to uplift a whole education system.

For the teacher assessment, the students’ learning achievement and competency will be measured. The objectives are to develop and improve the learning management system where teachers can effectively teach English language by Communication Language Teaching (CLT). The four English learning skills (listening, speaking, reading, and writing) will be greatly improved when using CLT with academic English learning, for example, science, mathematics and other subjects.

“Raising Learning Achievements by Smarter Thais Foundation” Project:

This Project was a cooperation between Smarter Thais Foundation and a group of schools with determination to improve their teaching capability beyond impoverished limits and/or the same old teaching framework order to concretely increase learning achievements. The massively scalable process was applied in this project in search of the best practice for teachers to easily follow in a short time with limited resources. The Foundation sought the methods and techniques for training the teachers and academic departments. All techniques and methods were meant to solve learning problems that Thai education was still struggling with, for example, reading and writing skills, critical thinking skills, English communication skills, mathematic skills for everyday life, innovation skills, and required characteristics and attitudes for 21st century. In 2019, the Smarter Thais Foundation visited and followed up with the students’ learning achievements from nine schools in this project.



Developing websites supporting retail and wholesale systems:

With technological advances in communication nowadays and increasing trust in online purchasing, online shopping was growing greatly. The Company therefore developed its website: www.se-ed.com and m.se-ed.com to accommodate the new requirements: faster, easily searching and shopping. Online and offline shopping systems are integrated. Also, the e-book management system was upgraded to support its publisher partners and turn into a channel for independent writers to present and sell their work directly to the customer in both print and e-book formats.

Further, to expand to e-book market and satisfy rapid growth of e-book readers, the Company increased the number and variety of e-books from its publishing house and other publishers.

Integral developing logistics system:

The Company strongly paid attention to develop its logistics system to distribute the products effectively. The Company also emphasized on the resources and power consumption by employing power saving campaigns. For example, digitalizing the distribution process can save 500,000 sheets of paper per month and limiting lights where they were only needed.



Change for Kids Project:

This project enables SE-ED customers and others to participate in the donation activity through donation box at all SE-ED Book Center branches or by the donation bank account. This project will be operated under 'Smarter Thais Foundation (Khon Thai Keng Kheun Foundation)'. Every penny of the donation is determined to organize activities that aim to develop proficiency, ability and life value of Thai people. We believe that this sustainable project will result in making Thai realizing their potential for this country.

Building Libraries for Underprivileged Schools:

About this Project, the Company has donated book shelves and renovated In 2019, the Company had renovated 79 school libraries in Thailand.

Cultivating a Reading Society project:

- **“Pay Less, Read More”** “Pay Less, Read More” Project is encouraging reading habits in students in primary and secondary levels by paying for the books in installments. With this way, the young learners can read as much as they want. They can go to the nearest branches of SE-ED Book Centers to join this project. Moreover, this project included the members of The Government Pension Fund of Thailand (GPF) and will be expanded to include more members in the future.
- **“Friend of SE-ED : the most enjoyable job for teenagers”** It was the first time ever in Thailand for the event like “Friend of SE-ED” to look for the great inspiring reader. The winner would be the first Brand Ambassador of SE-ED and have the one year privilege with complimentary books. The Company opened up for applicants not older than 18 year old. The applicants can participate by sharing their passion in reading and their inspiration to inspire other readers.
- **The Greatest Readers in “Read A Thon by SE-ED” event.** This event was the competition starting from midday to midnight with the candidates more than 215 candidates from every corner of the country, divided into 43 teams. All these candidates were “The Greatest Readers” that will lead the bookworm society together with SE-ED



- **Read for Books “Reading is Giving” through Bookmobile “Red Truck of Red Troop”** Books are knowledge resources. The reason why SE-ED created the bookmobile was to be the trucks with an easy access to books and learning material under the concept of Reading is Giving. Reading is Giving means the more you read, the more you give. It was the donation to all the libraries nationwide without any charges. The readers can turn their time reading books into a point. Every 10 minutes of reading equals one point and 10 points can be converted to one book for donation.

The books which the Company donated were from the partner publishers in Thailand with various genres of books. SE-ED was responsible for book selection for each library. Therefore, the “Red Truck of Red Troop” was practical medium that can approach the target readers directly.





- The Large Print Project** Thailand was entering the aging society. In order to support the elders and people who have eyesight problems to easily read more books, SE-ED started the Large Print Project. The Large Print Project was the book with a larger font. They were the books that already published. The Company also used eye-friendly papers for printing. The elders would be comfortable reading this edition and they can read longer.





Corruption-connected Protection:

The Company had strongly determined to legally conduct the business with transparency to be a good role model. Also, the Company had committed not to support all kinds of corruption in order to align with the Corporate Governance (CG). Apart from this, the Company had the policies to encourage the employees to be a good citizen of the nation, transparently operate business, and encourage business partners to do the same. The Company had tried its full capabilities to create a network in an industrial level to move forward businesses together without corruption. The Company was fully concerned that corruption is the great danger and threat to the country development and the obstacle to the maintenance of the country. Therefore, the Company issued an “Anti-Corruption Policy” to be its protocol operation.

Anti-Corruption Policy

The Directors and employees of the Company are prohibited to engage in any kinds or any forms of corruption in every business activities both directly and indirectly. In case of charity, business gifts exchange or sponsor, the Company must operate it transparently without intentions to exchange of reciprocal benefits or to convince the government officers or private units to operate inappropriately. By this, the Company has thoroughly defined the procedures against corruption with a mean to regularly review these procedures in order to be consistent with changes in business, rules, regulations, and law.

Anti-Corruption Operation

The Company gives emphasis on carrying out the anti-corruption policy. In 2012 the Company avowed to join the Collective Action Coalition against Corruption (CAC) and always sends its staff to join the anti-corruption trainings in order to improve the knowledge about the issue, and the Company was certified to be a member of the Private Sector Collective Action Coalition against Corruption Council as of August 18, 2017 by the Thai Institute of Directors (IOD)

Rewards of being a good governance

- Was evaluated **Excellence or 5 Stars**, from Corporate Governance Evaluation for 12 consecutive years (2008 - 2019). From Thai Institute of Directors (IOD).
- **Outstanding Investor Relations Award**, in SET Awards 2017 by Stock Exchange of Thailand (SET).
- **Honor Trophy for being a private organization with excellence in Corporate Social Responsibility**, from Ministry of Social Development and Human Security (MSDHS) in the 15th Anniversary of MSDHS. (2017).
- **The 6th Tara Award (2017)**, a prize for individuals or organizations with the Heart of Bodhisattva and perform a good deed for society in a micro level (family, community, and local) and in a macro level (Thai and international societies).
- **SET Social Enterprise Investment Awards**, from SET in SET Sustainability Awards 2015.
- **SET Award of Honor**, in Corporate Governance for the four time from SET Awards 2014. The award is for the excellence in corporate governance for 6 consecutive years.
- Was evaluated **5 TIA**, in organizing the Annual General Shareholders Meeting for 7 consecutive years (2009 - 2015). From Thai Investors Association (TIA).
- **Investors' Choice Award**, for receiving 100% scores from the evaluation of the Annual General Shareholders Meeting for 6 consecutive years (2009 - 2014). From Thai Investors Association (TIA).
- **Board of the Year for Distinctive Practices Award 2006/2007 and 2010/2011**, from Thai Institute of Directors (IOD).
- **Outstanding Corporate Social Responsibility Awards**, from the SET Awards 2011.
- **Princess Cup from Her Royal Highness Prince Maha Chakri Sirindhorn**, for being a large organization which applied sufficiency economy philosophy with business operation (from Sufficiency Economy Contest 2nd) in 2010.
- **CSR Awards 2009 - 2010**, (awarded for outstanding listed company who operates responsibly toward society and environment).
- **The Top Corporate Governance Report Awards 2009 - 2010**, (Outstanding in Good Governance Report).
- **Best Shareholder Treatment Awards 2008**
- **Outstanding network bookstore 2002 - 2003**
- **Excellence bookstore of the decade (year 2004)**



Company Background and Management

- Background
- The Proportion of Shareholding in the Company's Group and the Inter-Business Group
- Shareholding and Management Structure
- Recruitment & Remuneration Committee's Report
- Audit Committee's Report
- Risk Factors
- Good Corporate Governance
- Report of the Board of Directors Responsibilities for Financial Statements
- Remuneration of Auditor



Background

Changes in capital structure

SE-EDUCATION Public Company Limited (SE-ED) was established on October 10, 1974 with a registered capital of THB 99,000. Their objective was to do business in knowledge dissemination, with a view to develop the fullest potential of Thai people in areas essential to the national development.

In 2001, at the Annual General Shareholders Meeting 1/2001, dated April 30, 2001, the shareholders approved of additional shares registered by the amount of THB 137,141,560 by divided into the following :

- Warrants offered to shareholders are numbered at 10,549,356 shares, where the proportion of right to exercise per 1 unit can be used to buy common stock of 1 share at the price of THB 16.50 per share, with validity lasting for 5 years, from the date of issuing the paper, allowable for exercise every 3 months and the right to exercise is expired on December 15, 2006.
- Warrants offered to company's directors, staffs, sub-agents are 3,164,800 shares, where the proportion right exercise per 1 unit can be used to buy common stock of 1 share at the price of THB 10 per share, with validity lasting for 5 years from the issuing date listed on the paper, allowable for exercised with the duration of 1 year per warrant and each warrant for every 3 months, with each warrant allowed to buy common stock at the rate of 10, 10, 10, 30 and 40 of the total warrants respectively, and the last date to exercise is on January 14, 2008.

As of 2003, at the Annual General Shareholders Meeting 1/2003, dated April 23, 2003, shareholders have agreed to approve the change of share value (share dilution) from previously THB 10 to THB 1, which the Company has proceeded to register with the Commerce Ministry on May 22, 2003.

In addition, in 2004, at the Board of Directors' meeting as of 1/2004, dated February 4, 2004, the board resolved to allow the Company to re-purchase the shares, for the purpose of monetary management. As the Company had over-excess liquidity of 19,783,600 shares (total worth of THB 122.64 Million, re-purchase value of THB 6.20 per share) which according to the Ministerial rule with regards to 'outline and method of share re-purchase, selling of re-purchase shares and cut-off for the Company's re-purchase shares', stipulated that the Company must sell the re-purchased shares within 3 years after date ending of share re-purchase activity, which was due on September 11, 2007. The Company could not finish the re-purchasing of shares as committed by the Board of Directors resolution. Therefore, to follow the guideline of Ministerial rule, the Board of Directors' meeting as of 4/2007 dated on September 19, 2007, approved the capital reduction by way of reducing the share repurchase by 19,783,600 shares, resulting in the remaining capital of 328,345,090 shares. The Company registered the reduction of registered capital on October 24, 2007.

In 2011, during the 1/2011 general shareholders meeting on April 28, 2011, it was approved that the Company's authorized capital was reduced in order to comply with the paid-in capital. As a result, the Company's authorized capital remains 323,921,130 shares. The Company registered the reduction of registered capital on May 11, 2011.

In 2012, at General Shareholders Meeting No.1/2012 on April 26, 2012, it was resolved to approve the stock dividends to be issued at the rate of 10 existing shares per 1 dividend share in order to increase the company's stock liquidity and maintain the liquidity of the working capital to support future investments and expansions. It was approved to increase the Company's share capitals to support the aforementioned stock dividends. Therefore, the Company's share capital has increased to 356,313,243 shares. The Company registered change of the capital increase on May 8, 2012.

In the General Shareholders Meeting No. 1/2013 convened on April 25, 2013, there was a resolution to decrease the Company's authorized capital to correspond with the paid-up capital; and another resolution to increase the company's authorized capital to support the stock dividend payment in the ration 10 original shares per 1 dividend stock. As a result, the company's authorized capital increased to 391,944,529 shares. The company registered the increase capital on May 22, 2013.

Important Changes and Developments

At the beginning, the Company published the monthly magazine 'Semiconductor Electronics' and was the distributor of electronic devices from abroad.

In 1978, the Company published the monthly magazine 'Taksa, Science and Technology Edition' for the general and young readers whose interests are in the areas of science and technology.

In 1979, the Company launched the monthly magazine 'Miti Tee See' that aimed at the creativity and imagination and, particularly, for those who don't like the heavy science, hoping to gain readers attention in science.

In 1980, the Company started to publish the engineering and scientific textbooks which were later became the textbook and academic books division.

In 1983, the Company published the monthly magazine 'Microcomputer' and began to publish the books about microcomputer. At the same time, the Company set up the management books division for the purpose of publishing the books that can help people work more efficiently rather than publishing books that can only be sold in a short period of time.

In 1985, the Company adapted and introduced the Standing Order Distribution System and merged the magazine 'Taksa, Science and Technology Edition' with 'Miti Tee See' which resulted in the new magazine called 'Rou - Rorb -Tua' magazine which was later transformed and changed its name into what is today called 'UpDATE' magazine. In the meantime, the Company's Children Book division was born in 1986 and 'Wittayasat Arn Sanook' - the first finest set of cartoon books aiming at teaching young learners - was published and warmly welcomed by general public.

The Company continued to take its lead in publication of magazines and educational books, becoming the forefront in knowledge publishing firm in the country with the best distribution system in the book business. The Company also became the book distributor for other publishers producing books in the same fields.

In 1990 the Company was permitted to be listed on the Stock Exchange of Thailand and started the 'SE-ED Book Center' project that allows Thai people to get access to books and to support the future growth of overall book market by focusing on opening branches in various leading shopping centers. SE-ED Book Centers will sell both books from its publications and also from the others. The first branch of bookcenter for family and working people opened in late 1991 at Fortune Town Shopping Center.

In the third quarter of 1996, SE-ED opened SE-ED Book Center in supercenters. The first branch was at Lotus Supercenter, Pattaya with strong belief that supercenters would be the new trend going forward and also suitable locations for the long - term business.

In 2008, the Company opened SE-ED Learning Center with the space of 600 square meters, located at Chamchuri Square building - a part of Chulalongkorn University, to facilitate the expansion of youth activities in different forms in the future. This includes the training for professional activities to increase the potential of Thai people in different fields for the general public. In addition, the Company's new business strategies included the development of two supplementary curricular aiming to increase children's potential and intelligence in mathematics and English. The curricular are as follows :

- FAN Math is a supplementary mathematics program for kindergarten 3 to primary 6 levels. Teaching and learning materials are presented in animation format.
- ACTive English is a supplementary English program for kindergarten 2 to primary 6 levels. Teaching and learning materials are mainly interactive multimedia and consistent with the Common European Framework of Reference for Languages (CEFR).

Because the SE-ED Learning Center was not profitable anymore, the Company closed down the center in 2018 in order to cut down its operational cost.

In 2014, the Company has officially opened the Book Distribution Center and warehouse, which can service up to 600 bookstore branches. The Book Distribution Center is not only designed to be more spacious for storing, but also has functionality and utility, it will enhance the performance to service and do the distribution for 480 point of sales at the same time. In addition, the work model is developed to be more accurate, functional, and faster by improving the distribution process to be the Digital Assorting System. This system supports the circular of the products in the bookstore and stimulates to have more various kinds of products for our customers.

Nature of Business

Company's business operation consist of 5 parts as the following :

1. Bookstore Business : SE-ED has operated SE-ED Book Center and network stores which consist of many university bookstores in Bangkok and other provinces as well as the network and sales area in various forms.

2. Distribution Business : SE-ED distributes both books published by SE-ED and other publishers to bookstores all over the country and to other sales channels.

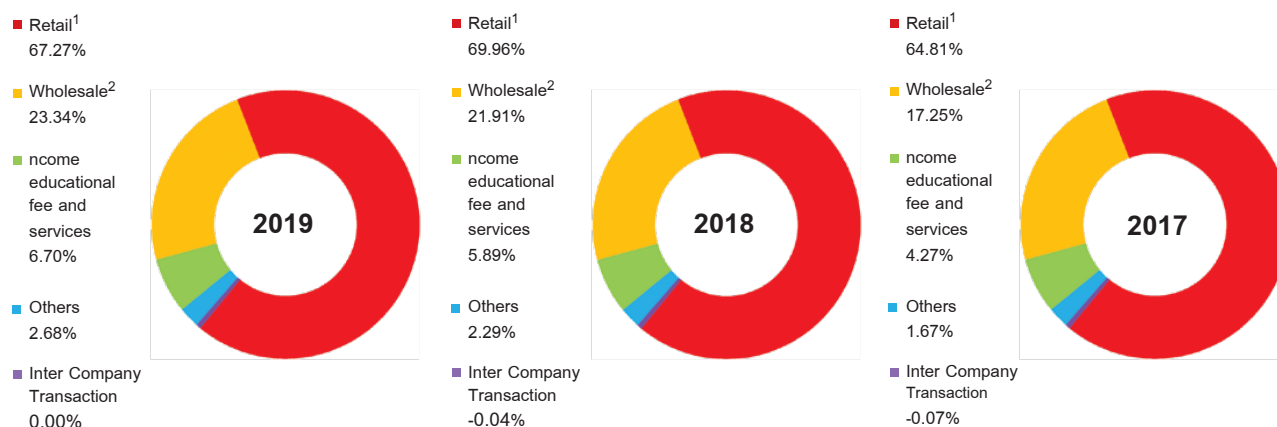
3. Publishing Business : publishes knowledge and educational content in various categories and audio books in the CD format, especially in a self-development category. Printing by demand is also offered.

4. Plearnpattana School is a joint investment to build an alternative school from pre-kindergarten to Matayom 6. The curriculum offers a flexibility in learning experience to encourage the full potential development for students who will become important for the development of the country in the future.

5. BaesLab Co.,Ltd. is a consulting, software and hardware designing and developing bushess, the company focuses on developing digital contents, programs and IT facilities for digital contents management.

SE-ED continues to be a leader in the bookstore, distribution and publishing businesses while all five businesses work well in supporting and encouraging one another, resulting in the achievement of a competitive advantage, as well as increasing the Company's overall value added.

Total Revenue from Main Products Categorized by Sales Channels



- Remark**
- ¹ Retail - revenue from SE-ED Book Center and e-commerce
 - ² Wholesale - revenue from book published sales, and distributed to bookstores and other sales channels : such as education institution and library etc.
 - ¹ and ² - total sales of Company's own publications in 2019, 2018, 2017 represents 10.17%, 9.93% and 7.79% of sales revenue respectively.

Major Products and Services

The Company's products and services are the following :

- 1. Books** Currently, SE-ED is one of the largest book publishers in Thailand, publishing books for bookstores nationwide. The Company pioneered in publishing knowledge books in several fields; such as administration, management, self-development, psychology, engineering in various fields, youth development books, language and dictionary, parenting, food and health, maps, non-book products (e.g. CD) which help to promote the development in many aspects.
- 2. Distribution** The Company distributes books published by SE-ED and other publishers including the companies whose publishing is in the Company's direction, by distributing books to small and large scale stores nationwide roughly around 539 stores. And, the Company also sells directly to the educational institutions.

The Company has been appointed as Thailand's sole distributor of Oxford University Press (OUP) for books and related media for English language teaching and learning from January 1st 2007 onward. Under this agreed cooperation between SE-ED and OUP, the business activities of production and distribution associated with English language learning will be increased through the company's distributing channel which promptly allows SE-ED to share some responsibility of resolving the country's problem with regards to English language learning in Thailand in the much greater extent.

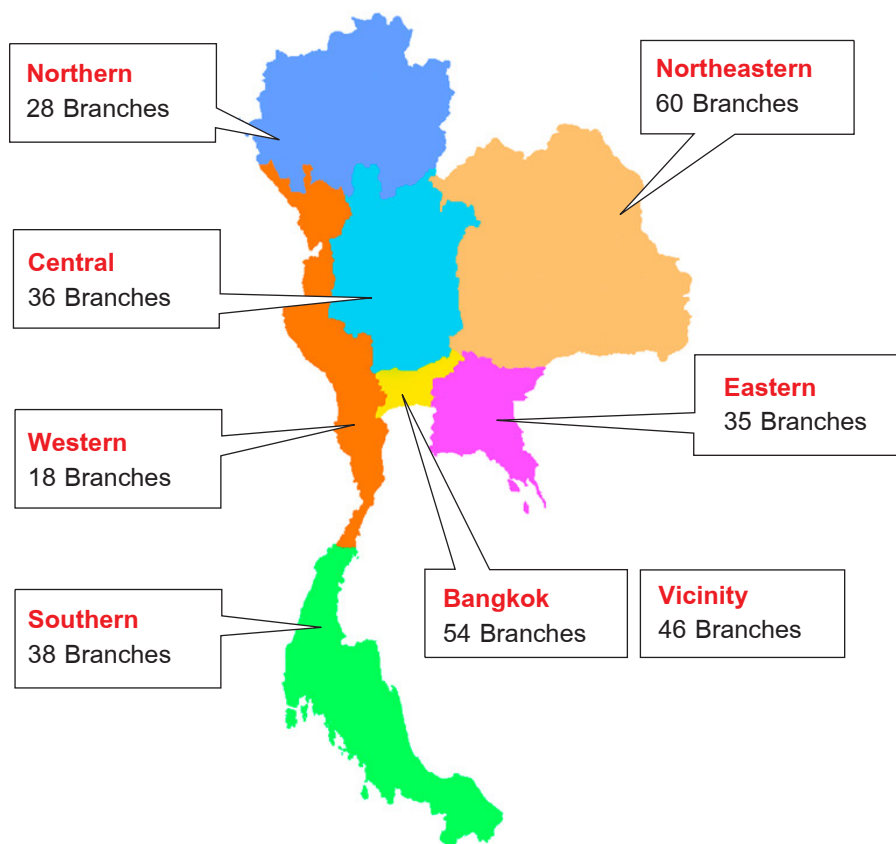
Presently, the Company is the largest book distributor to the chain bookstores. Books which were self-published by the Company is around 1,740 titles, while also help distributing 2,785 titles from other several publishers and organizations.

- 3. Bookstore Business (SE-ED Book Center)** SE-ED operates SE-ED Book Center and network stores and 'University bookstores' all located both in Bangkok and other provinces, including managing space in the selling areas in different models.

SE-ED Book Centers designed with modern designs and good layout plans, efficiently selling and emphasizing being located in convenient locations for people to come to buy books. The main locations are located in leading supercenters (such as Tesco Lotus, Big C, etc.) leading shopping malls (such as Central, The Mall, Future Park, Seacon Square, provincial leading shopping centers, etc.) and education institutes (such as National Institute of Development Administration, Siam University and Srinakharinwirot prasanmit University) in different models both in Bangkok and other provinces.

By the end of 2019, SE-ED has already opened 531 branches of SBC. From this mentioned figure, there are 315 branches in operation, with 100 branches in Bangkok and nearby provinces, and 215 branches in other provinces. With 314 bookstores operated by the Company, the other 1 branche is SE-ED Network Bookstore (SE-ED does not fully support, since the shop owners can order books by themselves). Total 1 sale. Today, SE-ED Book Center is the complete chain of bookstores with the highest sales in Thailand.

The number of SE-ED Book Center as of December 31, 2019 Total 315 Branches



4. SE-ED Kiddy Camp The Company had designed the learning model to enhance problem-solving skills for young generation and students through various activities as follows:

- SE-ED iKids' Young Thinker & Inventor Program is the new way to encourage kids to learn how to invent and create robots by themselves through multimedia and books. Moreover, this program provides kids with knowledge of Science, Technology, Engineering, and Mathematics or STEM. In the program, kids will be stimulated to systematically act out, think, analyze, and solve the problems. In addition, with this knowledge integration, this program will help kids easily apply their knowledge to their everyday lives and easily connect them to technology nowadays.
- SE-ED Kiddy Camp for 8-14 years-old kids is organized on school vacation and has many options for kids; they can choose to go camping or go day camping. The goal of the camp is to encourage kids to learn with fun, to strengthen them with knowledge, and to encourage them to be brave to learn new things. Moreover kids will able to learn science, electronic invention, teamwork, leadership, self-study independence, basic knowledge for living, morals, and especially friendship. Kids will enjoy many activities, for example, the Young Explorer; a rally; exercises.

5. Plearnpattana School SE-ED's proportion in the joint investment on Plearnpattana School accounts for 48.97% SE-ED has cooperated on administration for providing resources and knowledge in order to establish Plearnpattana School as an alternative school. Plearnpattana School is expected to develop Thai youth's potential, through its flexible curriculum, to be the mainspring of the nation in the future. Plearnpattana School takes children from pre-nursing through Matayom 6.

According to past three academic years, the number of Plearnpattana School students each year can be seen as follows :

(unit : person)

Academic year	2019	2018	2017
The number of students	1,298	1,282	1,243

6. BaesLab Co.,Ltd. BaesLab is a consulting, software and Hardware designing and developing business.

Procurements of Products and Services

Products from other publishers : in general, consists of 2 parts.

- **Books for distribution :** At present the books that are distributed to all bookstores through out the country come from the Company's own publishing house and other who decide to grant the Company as their distributors to distribute their book nationwide. The Company will consider only the products which are in accordance with the Company's marketing direction and have an opportunity to sell.
- **Books and other goods SE-ED Book Center sells directly :** SE-ED Book Center receives goods from 2 main channels: the Company's distribution business unit and the other channel SE-ED Book Center in charge of consideration and selection of products for sales in the Company bookstores.

Relation with suppliers and the effect of losing them :

For value of products bought for reselling from each distributor will not be more than 30% of total selling cost, whereby the proportion of product value purchased from the 10 first largest trading partners against the cost of goods sold for the past 3 years is illustrated as follows :

(Unit : Million Baht)

Item	Year 2019		Year 2018		Year 2017	
	Value	%	Value	%	Value	%
Value of reselling products from the first 10 largest trading partners	739.34	42.04	809.58	41.12	846.78	38.56
Total cost of goods sold	1,758.52	100	1,968.97	100	2,196.18	100

In 2019, there is no specific revenue from sales considered to have severe effect on the Company. In addition, the Company is not involved, in any way, with the particular seller and has no obligation to place any order in the future.

Books published by SE-ED : Books published by the Company are the responsibility of the book publishing departments to prescribe the direction and selection of original manuscripts to publish including the production process of printing into complete copy before handover to the Company distribution group for distribution.

Production utilization ratio : As the Company does not own a printing press, the production of books are in the responsibility of in-house work groups to take care of the production throughout the complete cycle and spread the printing jobs to several printers matched with the schedule. Therefore the real production can be increased or decreased without any unnecessary delay.

Raw materials and suppliers : Paper is the main raw material which the Company purchases from local distributors in lump sums. The types of paper used in the production of books mostly are wood-free, newsprint, coated and cover coated.

Relation with raw material suppliers and the effect of losing them : For the purchasing value of paper, the Company has no particular relation with these suppliers and has no binding obligation to buy from them in the future. In the case that these suppliers can not provide the Company with paper, the Company can still procure them from other suppliers. The total value the Company expenses for raw materials and finished goods to suppliers was 19.71% of the cost of products in 2019 or 1.53% of cost of goods sold, which can be considered that no specific supplier can cause severe effect to the Company.

Process and production technology : Production process for a new book starts from editorial teams calling for meetings to plan and consider the selection of manuscripts. This manuscript may come from the self-proposed original writer, or from the Company-assigned writer or translator in accordance with the Company's determined guidelines. Then, the editorial team will consider the content, correctness, and readability of the books which also include the activity involved, re-evaluating and opinionating the books in terms of marketability by Company's respectable book advisors who possess knowledge and interest in particular subject areas. After the team agrees on the book, the content may be re-adjusted and formatted at a suitable level for the market, and the use of copyright contract may be signed with a writer, a translator, or a foreign publisher.

In the mean time, the artwork team will start to design the book cover and when the finished manuscript is ready for print, the computer artwork will later take on its duty. After finishing the artwork, the step of proof-reading activity will be taken and corrected until the content and art design are completed. In the case of books, there will be additional step that are the naming of the book and pricing, which also involves the related marketing work that is suitable for the target audiences.

For book manuscript works, the Company uses Macintosh computers and PC along with all other related tools and equipments, whereby all this computer technology shows sign of having higher efficiency but becoming less expensive. In addition, the editorial staff in the team are very experienced and posses expertise in writing. They come from people in the editorial team and also general writers.

After the manuscript is done, the Company will pay for the printer to print, while paper is supplied directly by the Company. The paper Company then delivers paper straight to the printing press at the determined time so that each manuscript is printed into book.

Capability, necessity, and expenses in modifying machines to be able to compete : As the Company does not own a printing press, there is no need for the Company to invest in the machinery and equipment in printing. It becomes unnecessary for the Company to develop machinery and equipment. And due to the competitive environment of the printing press business, it equips the Company with bargaining power and, with this, the Company is always allowed to have choices of printing press companies to choose from.

Environmental Impact : The core production team for the Company is actually the editorial team. Therefore, production process is only concerned the production of manuscript and coordination within offices of the Company. Such activity will not result in pollution that can affect the environment and the Company's business is not under the direct control of any government agency.

The Proportion of Shareholding in the Company's Group and the Inter-Business Group

In 1984, the Company invested in 25% of the shares in M&E Co., Ltd. with a paid-up share capital of THB 400,000. The M&E Co., Ltd. prints and publishes technical magazines, EC magazine and engineering manuals, distributed by SE-ED.

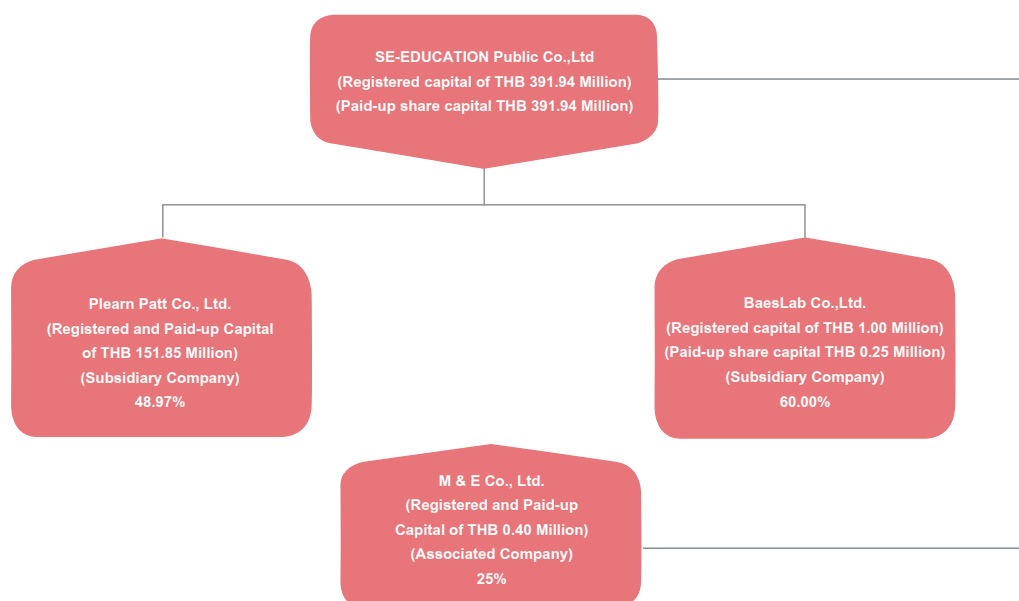
The Company has 99.93% share in SE-ED Book Center Company Limited (founded on May 11, 2011), that has a paid-up capital in the amount of THB 100,000. The company does not operate any business; it is founded to prevent other people to use the name SE-ED Book Center and to form another company and cause confusion. Later, the Company increased its shareholding in SE-ED Book Center Co., Ltd. to 99.99%, with the paid-up capital in the amount of THB 1,000,000. The Board of Directors' Meeting 4/2018 on November 9, 2018 approved to terminate the joint venture and register the liquidation of SE-ED Book Center, Co., Ltd. and the procedure had been completed on June 20, 2019.

In 2003 the Company acquired 28.75% of the shares of Plearn Patt Co., Ltd. (founded on September 25, 2002) with the paid-up capital in the amount of 80,000,000 Baht. Later in 2005 the Company's share percentage increased to 48.82% with the authorized capital and paid-up capital in the amount of 170,000,000 Baht. The authorized capital and paid-up capital was decreased and remained in the amount of 169,475,500 Baht, representing the shareholding ratio of 48.97%. In the fourth quarter of 2009 Mr. Thanong Chotisorayuth, Managing director, took up the position of the acting Director of Plearnpattana School and became the Director of the school in 2010 after receiving approval from the Board of Director. 2009 is also the year that the Company consolidated the financial statement of Plearn Patt Co., Ltd. (subsidiary) and the Company takes part in overseeing the operation of this business. Later on May 18, 2017, Plearnpatt Co., Ltd. had lowered its capital from THB 169,475,500 with THB 10 per share to THB 151,850,500 with THB 8.96 per share.

The registering name of Plearn Patt Co., Ltd. is the name of the school called 'Plearnpattana School', located at Bhuddhamonthon 2 Road, enrolling students from pre-kindergarten year up to twelfth grade. The first academic year started in 2004. This was the important gathering of more than 70 education-loving enthusiasts from several groups of people such as parents, teachers, academics and school executives, in collaboration with private organizations who played a significant role towards family institutions and education to create new concept schools, that aim to to create quality children for the country.

In 2013 the Company has 60% share in BaesLab Company Limited (founded on April 22, 2013), with the paid-up capital in the amount of THB 250,000. BaesLab is a consulting, software and hardware designing and developing business.

Shareholding structure of SE-EDUCATION PUBLIC COMPANY LIMITED, its subsidiaries and associates



As of December 31, 2019, the major shareholders of Plearn Patt Co., Ltd. were :

Major Shareholders	2019		2018		2017	
	Number	%	Number	%	Number	%
1. SE-EDUCATION Public Company Limited	8,300,000	48.97	8,300,000	48.97	8,300,000	48.97
2. Mr. Rit Thirakomen	2,000,000	11.8	2,000,000	11.80	2,000,000	11.80
3. RAK LUKE GROUP Co., Ltd.	700,000	4.13	700,000	4.13	700,000	4.13
4. Mr. Wasin Donrudech	442,000	2.61	415,000	2.45	415,000	2.45
5. Mrs. Tida Pitaksinsuk	420,000	2.48	400,000	2.36	400,000	2.36

As of December 31, 2019 the major shareholders of BaesLab Co., Ltd. were :

Major Shareholders	2019		2018		2017	
	Number	%	Number	%	Number	%
1. SE-EDUCATION Public Company Limited	60,000	60.00	60,000	60.00	60,000	60.00
2. Mr. Preecha Boonsong	32,500	32.50	32,500	32.50	32,500	32.50
3. Mrs. Jitra Jandrakul	7,500	7.50	7,500	7.50	7,500	7.50

Inter-Company Transaction

Related party transaction between the Company and probable conflicted persons appeared in the notes to financial statements : Related party transactions.

Need and reasons of related party transactions Transactions amongst the Company, associated companies and related parties shall be approved by the Audit Committee in the meeting, for fair transactions and appropriate costs compared to other persons' transactions and no interest transfers between the Company subsidiaries, associated companies and other related companies and individuals.

The Board of Directors approved the principles and suggestion of the Office of Securities and Exchange Commission in accordance with the Section 89/12 (1) of Securities and Exchange Act (No.4) B.E. 2551 to allow the company management to enter in to any business transaction between the Company and its subsidiaries and directors, executives or related persons. The transaction has the same commercial terms as those an ordinary person would agree to, with any unrelated counterparty under similar circumstances, on the basis of business negotiation which is without any influence directly resulted from the company's positions of director, executive, or related person. However, the Board of Directors has assigned the Audit Committee the task to present the items which may pose a conflict of interest and any related items for the transaction over 2 Million Baht per quarter and reports it directly to the Board of Directors to acknowledge in a quarterly basis.

Policy and trend of future transactions The Company may have transactions with major shareholders and executives in the future which are in the forms of leasing, service providing, and copyright contracts for the mutual benefit of the Company by disclosure of the types and amount of related transactions between the Company and probable conflicted persons in accordance with the promulgations and regulations of the Office of Securities and Exchange Commission (SEC).

Shareholding and Management Structure

Major Shareholders

The List of the top 10 shareholders, according to article 258, Securities and Exchange Commission Act (B.E. 2535), as of March 12, 2020 (latest share register closed date) are as follows:

No.	Shareholders	Number of Shares	% of Paid-up Capital
1	Jurangkool Group	209,356,412	53.41
	Mr. Taweechat Jurangkool	97,950,000	24.99
	Mr. Wuthiphum Jurangkool	51,550,512	13.15
	Mr. Natthapol Jurangkool	44,671,300	11.40
	Mrs. Hathairat Jurangkool	15,145,100	3.86
	Mr. Sunsurin Jurangkool	39,500	0.01
2	Poovarawan Group	25,214,456	6.43
	Ms. Nawan Poovarawan	8,230,973	2.10
	Ms. Nanjana Poovarawan	7,343,919	1.87
	Mr. Nutch Poovarawan	6,715,340	1.71
	Assoc. Prof. Yuen Poovarawan	1,843,538	0.47
	Ms. Wanna Poovarawan	1,080,686	0.28
3	Chotisorayuth Group	24,325,421	6.20
	Mr. Thanong Chotisorayuth	9,818,122	2.50
	Mr. Touchchai Chotisorayuth	9,361,407	2.39
	Mr. Thanachote Chotisorayuth	2,710,967	0.69
	Mrs. Montalee Chotisorayuth	2,324,125	0.59
	Ms. Chotiga Chotisorayuth	110,600	0.03

No.	Shareholders	Number of Shares	% of Paid-up Capital
4	Sittakul Group	10,279,857	2.62
	Ms. Vanwimol Siitakul	5,141,188	1.31
	Mr. Phairat Siitakul	2,910,310	0.74
	Mr. Vitawat Sittakul	1,390,879	0.35
	Ms. Patcharawan Sittakul	837,480	0.21
5	DBS BANK LTD	18,377,800	4.69
6	Mr. Pongsak Sivapatrakumpol	13,129,518	3.35
7	Mr. Ratchapon Pitisukdanont	6,843,524	1.75
8	Mr. Rit Thirakomen	5,899,525	1.51
9	UOB KAY HIAN PRIVATE LIMITED	5,000,000	1.28
10	Mr. Niti Aosatanukrau	4,421,219	1.13
	Total	322,847,532	82.37

Remarks

- The paid-up capital, as of March 12, 2020 is THB 391,944,418 (Latest share register closed date)
- Investors can view the current Shareholder's information from the Company's website before the date of the annual Shareholder's meeting.

Distribution of Shares

Distribution of shareholding as on March 12, 2020 (Book closing date of the last registration).

Item	Share Distribution						Total		
	Individual			Juristic individual					
	Number	Shares	%	Number	Shares	%	Number	Shares	%
Thai shareholders	3,058	365,225,925	93.19	8	3,067,704	0.78	3,066	368,293,632	93.97
Foreign shareholders	5	63,015	0.01	3	23,587,771	6.02	8	23,650,786	6.03
Total	3,063	365,288,943	93.20	11	26,655,475	6.80	3,074	391,944,418	100.00

The major shareholder who practically have material influence in prescribing the company's management policy operation. is Mr. Wutthiphum Jurangkool, Director Recruitment & Remuneration Committee, and being the one of the Authorized Signing Director with three persons out of two-four persons can sign together to authorize.

Management Structure

The Board of Directors consists of 3 Boards : The Board of Directors, The Audit Committee and the Recruitment & Remuneration Committee. The authorizations are as follows :

The Board of Directors has the duty to make recommendations and to draw Company policy, working strategy and other visions of the Company's operation. As of now the Board consisted of the following 10 members :

No	Name	Position	Type of Directors	First Appointment	Last Appointment
1	Mr. Kasemsant Weerakun	Chairman of The Board of Directors Authorized Signing Director	Independent Director	November 9, 2018	April 25, 2019
2	Mr. Wutthiphum Jurangkool	Director Authorized Signing Director Recruitment & Remuneration Committee	Non - executive Director	February 26, 2015	April 25, 2019
3	Mr. Worapote Chutchaikulsiri	Director Authorized Signing Director Deputy Managing Director, Chief Financial Officer	Executive Director	February 26, 2015	April 20, 2017
4	Mr. Rungkan Paisitpanichtrakul	Director Authorized Signing Director Deputy Managing Director, Company Secretary	Executive Director	August 16, 2019	-
5	Mr. Pravit Tantiwasinchai	Director Chairman of Audit Committee	Independent Director	April 22, 1999	April 19, 2018
6	Mr. Kachen Benjakul	Director Chairman of Recruitment & Remuneration Committee Audit Committee	Independent Director	June 28, 2005	April 20, 2017
7	Asst.Prof.Tippawan Pinvanichkul Ph.D.	Director Audit Committee	Independent Director	August 16, 2019	-
8	Mr. Phairat Sittakul	Director	Non - executive Director	October 10, 1974	April 25, 2019
9	Assoc. Prof. Yuen Poovarawan	Director	Non - executive Director	October 10, 1974	April 19, 2018
10	Mr. Thanong Chotisorayuth	Director	Non - executive Director	October 10, 1974	April 19, 2018

The resignation of Directors during A.D. year 2019 as below ;

No	Name	Position	Type of Directors	Effective Date
1	Mr. Viboolsak Udomvanich	Director Authorized Signing Director Deputy Managing Director, Company Secretary	Executive Director	August 16, 2019

The shares held by the Board of Directors in 2019 and 2018 include shares held by spouses and minor children. Shareholders under the Securities and Exchange Commission Act (B.E. 2535) section 258 are shown as follow :

No.	Name-Last name	December 31, 2019		December 31, 2018		Increase (Decrease)
		Number of shares	Proportion	Number of shares	Proportion	
1	Mr. Kasemsant Weerakun	- None -	0.00%	- None -	0.00%	-
2	Mr. Wutthiphum Jurangkool	51,550,512	13.15%	51,550,512	13.15%	-
3	Mr. Worapote Chutchaikulsiri	- None -	0.00%	- None -	0.00%	-
4	Mr. Rungkan Paisitpanichtrakul	1,000,000	0.26%	1,000,000	0.26%	-
5	Mr. Pravitt Tantiwasinchai	- None -	0.00%	- None -	0.00%	-
6	Mr. Kachen Benjakul	464,640	0.12%	464,640	0.12%	-
	Spouse	8,591	0.00%	8,591	0.00%	-
7	Asst.Prof.Tippawan Pinvanichkul Ph.D	- None -	0.00%	- None -	0.00%	-
8	Mr. Phairat Sittakul	2,910,310	0.74%	2,910,310	0.74%	-
	Spouse	5,141,188	1.31%	5,141,188	1.31%	-
9	Assoc. Prof. Yuen Poovarawan	1,843,538	0.47%	1,843,538	0.47%	-
	Spouse	1,080,686	0.28%	1,080,686	0.28%	-
10	Mr. Thanong Chotisorayuth	9,818,122	2.50%	9,818,122	2.50%	-
	Spouse	2,324,125	0.59%	2,324,125	0.59%	-
Total number of shares by Director		67,587,122	17.24%	67,587,122	17.24%	-
Total number of shares by Director include person in section 258		76,141,712	19.42%	76,141,835	19.43%	-

The Directors who are authorized to sign on behalf of the Company are the Directors who was appointed to be the authorized signatories from the Board of Directors, with signatures of at least two-fourths of the authorized Directors and stamp of Company's seal of approval.

Scope of Duties of the Board of Directors : The Board of Directors has duties to make decisions and supervise the operation of the Company as follows:

1. To determine the vision, mission, and strategy of the Company that includes the objective and financial target to support the stability, balance and sustainable benefit for all elements concerned. This also includes the continuous value adding to the share holder.
2. To practice according to the laws, stipulations, and regulations associated with business activity and also shareholders' resolution, so that the Company's business interest will be maintained as to not result in conflict of interest which may affect the interested groups.
3. To determine the management guideline and overall risk management, as effective risk management procedure may be realized.
4. To assign the task of reports on financial status and ensure the openness, clarity, transparency, and reliability of such reports in accordance with the rules related to each department.
5. To supervise on the suitable communication channels between the Company and the shareholders and also the interested groups.
6. To ensure the availability of the suitable system or mechanism of executives' remunerations, creating a proper work incentive.
7. To approve budgets for the financial activity such as budgets for stock investments and loans, that will not result in the conflicts of interest toward any Committee member.

With exception, the following matters are required for the Committee to have approval from the shareholders' meeting prior to undertaking the plan.

1. Issues prescribed by law have to be approved for the resolution of general shareholders.
2. Issue of related-party transactions with the value of items needed to be approved from the resolution of general shareholders according to the regulation or promulgation of the Stock Exchange of Thailand about related-party transaction of listed companies.
3. Issue of buying or selling significant assets with the value needed to be approved from the resolution of general shareholders according to the regulation or promulgation of the Stock Exchange of Thailand about acquisition and disposal of assets of listed companies.

There was a review of duties of the Board of Directors in order to harmonize with the Good Corporate Governance Policy.

Moreover, the Company realized the importance of good supervision, as the result, 8 out of 10 Directors (80.00%) completed the Director Accreditation Program (DAP), Director Certification Program (DCP), Finance for Director (FFD), Advanced Audit Committee Program (AACP) and Company Reporting Program (CRP) organized by Thai Institute of Directors Association.

Recruitment of Directors According to the Company's regulations, the number of Directors will consist of No less than 5 persons and at least half of whom must have residence in the Kingdom, method of Recruiting Individual to be nominated as Director is as follow :

1. The Recruitment & Remuneration Committee determine the structure, size and constituents of the Board of Directors, and stipulate the quality of Directors to be replaced in terms of overall knowledge, experience, and expertise in compliance with the element and quality stated in the related laws/regulations.
2. The Recruitment & Remuneration Committee determine the method of nominating qualified candidates, including the procedure of nominating the qualified candidates in advanced from the minor shareholders. Shareholders can submit the name of a qualified candidate in advance, at least 3 months prior to the

last date of the fiscal year. Shareholders will receive information from Stock Exchange of Thailand, the investor relation website of the company, and other investors' websites on which a nomination form will be available.

3. The Recruitment & Remuneration Committee begin the search and consider the name of suitable candidates for Directors.
4. The Recruitment & Remuneration Committee select the best candidate to be Directors and the recruitment result and nominate the name of the person who is judged as the best candidate to be the Company's Director, together with the reasons and propose to the Board of Directors through the Company's secretary.
5. The Board of Directors considers the selection of suitable candidates who possess the right quality as proposed by the Recruitment & Remuneration Committee and present the candidate in the shareholder's meeting for consideration.

Election of Directors in Annual General Meeting

As for the Directors' vote, the shareholder's meeting will elect Directors, whereby each shareholder has an equal voting right of 1 share per vote. The recruitment of each director must receive more than half of the number of votes from the present shareholders with the rights to vote.

In voting for the Directors, the vote to elect a Director must be voted one Director at a time.

Persons who receive the maximum number of votes that are ranged according to the order of each candidates' score received from the vote will be elected as Directors, with the number of Directors equal to the number of Directors needed at the time of election. If too many candidates receive equal votes, they will draw for the raffle ticket to determine final selection.

At general annual meetings, one-third of Directors will be retired. If the number of Directors cannot be divided into three equal parts, the number of retirements may be calculated to the nearest one-third.

Directors are not allowed to operate in any other business, or to become partners or shareholders in another company that operates in the same business and compete with the Company, unless they have informed in the shareholders' meeting prior to the appointment.

Directors must inform the Company immediately if he or she benefits from the contract signed with the Company, or from their decrement and increment of bonds and shares of the Company and affiliates companies.

The signatures of 2 out of 4 Directors, who have been appointed and approved at the meeting of Board of Directors, together with the stamp of the Company's seal of approval, are thus resulted in a legal binding for the Company. The Board of Directors can identify the name of Director who will have the signing authority together with stamp of Company's seal of approval for any Company's legal binding documents.

Directors Representing Main Shareholders: as of December 31, 2019 the company had one director representing from Major Shareholders is Mr. Wutthiphum Jurankool, Director, Recruitment & Remuneration Committee and Authorized Signing Director.

Company Secretary/Secretary to the Boards of Directors: The Board of Directors' Meeting No. 3/2019 dated August 16, 2019 appointed Mr. Rungkan Paisitpanichtrakul, a Director, to be the Company secretary whose completed a training course called "Fundamentals for Corporate Secretaries class no. 2/2019" by The Thai Listed Companies Association for the responsibility in monitoring the Company to comply with the rules and the Company's regulations and also in line with principles of Good Corporate Governance to allow effective management.

Scope of Duties of Company's Secretary/Secretary to the Boards of Directors

1. To give initial recommendations to the Directors concerning the issues of legality, regulations, and a number of different kinds of company information, and follow through to ensure that all regulations properly adhere, including the report concerning changes which are deemed significant.
2. To organize shareholders' meetings and the Board of Directors' meeting in accordance with the law and Company's rule.
3. To record and report the issues in the shareholders' and the Board of Directors' meeting, and also keep track of activities that have been decided in the shareholders' and the Board of Director's meeting.
4. To ensure the openness of information, which is in accordance with the Stock Exchange of Thailand, Securities and Exchange Commission and other supervisory authority.
5. To communicate with the shareholders, investors and supervisory authority, including the dissemination of information to the interested public and other interest groups.
6. To perform any other assignments that delegated by the Board of Directors.

The Audit Committee

The Audit Committee consisted of the following 3 members and 1 Secretary of the Audit Committee which consists of 3 independent Directors, where 3 of the Directors possess the direct knowledge and understanding or experience in accounting or finance, as the names are shown below :

No	Name	Position	Type of Directors	First Appointment	Last Appointment
1	Mr. Pravit Tantiwasinchai	Chairman of Audit Committee	Independent Director with accounting or finance experience	December 22, 1999	November 10, 2019
2	Asst.Prof.Tippawan Pinvanichkul Ph.D.	Audit Committee	Independent Director with accounting or finance experience	August 16, 2019	November 10, 2019
3	Mr. Kachen Benjakul	Audit Committee	Independent Director with accounting or finance experience	November 12, 2009	November 10, 2019

Mr. Wichian Rungpoonsap, Internal Audit and Investor Relations Department Manager, is the secretary of the Audit Committee.

Scope of Duties of the Audit Committee

1. Ensure the accuracy and adequacy of financial reports.
2. Ensure the suitability and effectiveness of Internal Control and Internal Audit systems and examine the independence of Internal Audit, including the approval of position transfer, hiring termination of the head of Internal Audit or other division responsible for Internal Audit.
3. Reassure that the Company has the proper, suffice, and effective risk assessment and management.
4. Ensure the Company's practice is in compliance with regulation Security and Exchange Commission and relevant law concerning the Company's business.

5. Consider, select and propose the nomination of independent person to perform the duty of the Company's Accounting Auditor and suggest remuneration for such a person, including: attending the meeting with Accounting Auditors without the presence of management by at least once a year.
6. Consider related items and disclose them in accordance with the law and regulation of the Security and Exchange Commission. This is to ensure that said items are reasonable and most beneficial to the Company.
7. Prepare report of Audit Committee and disclose the information in the Company's Annual Report under which the report be signed by the Audit Committee as follows:
 - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report.
 - (b) an opinion on the adequacy of the Company's internal control system.
 - (c) an opinion on the proper, suffice, and effective risk assessment and management system.
 - (d) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business.
 - (e) an opinion on the suitability of an auditor.
 - (f) an opinion on the transactions that may lead to conflicts of interests.
 - (g) the number of the audit committee meetings, and the attendance of such meetings by each committee member.
 - (h) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.
 - (i) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
8. Take any action as assigned by the company under the approval of Audit Committee.

Recruitment, Appointment and Term of Audit Committee

The Company's Board of Directors appointed the Audit Committee as proposed by the Recruitment and Remuneration Committee in which the consideration criteria is made from Company's Independent Directors and at least 1 Director must have accounting and finance knowledge, with the term of 2 years. The Audit Committee whose term is expired is permitted to be re-appointed to the position once again.

The Recruitment & Remuneration Committee: are appointed by the Board of Directors. Their duty is to search and recruit individuals to be the board of director, the selection process must be based on both consideration of the director pool and on the board skill matrix, which set up to encourage diversity in not only sexes, but also knowledge, ability, experience, leadership and vision in the Company. Furthermore, any crucial skills that the existing Board of Directors misses will be considered in selecting. The qualifications of the Board of Directors must be in line with the Company's business strategies while the selection process must be transparent and also to follow up on succession plan to select individuals suitable for higher executive position and reports directly to the Board of Directors for approval, or to advise to the shareholders in some cases. Moreover, the Committee also review the annual remuneration for the management team to be commensurate with the responsibility and comparable to the outside labor market of the same industry, including the remuneration at the appropriate level with respect to the business growth, the operation result rate of increase in profit margin, as well as task and responsibility of committee, sub-committee, and the Company executives, to submit the proposal at the shareholder's meeting.

The Recruitment & Remuneration Committee comprised of 2 respectable individuals, 1 from the independent Director and 1 Director :

No	Name	Position	Qualification	First Appointment	Last Appointment
1	Mr. Kachen Benjakul	Chairman of Recruitment & Remuneration Committee	Independent Director	February 27, 2018	November 9, 2018
2	Mr. Wutthiphum Jurangkool	Recruitment & Remuneration Committee	Non - executive director	August 15, 2017	November 9, 2018

Scope of Duties of the Recruitment & Remuneration Committee

1. To short-list and select the candidates to be appointed in the position of Managing Director, Deputy Managing Director and senior executives in financial & accounting and also follow up on succession plans to recruit the suitable individuals for the position of high executive when the term is expired.
2. To determine methods and criteria in recruiting the Directors Managing Director, Deputy Managing Director and senior executives in financial & accounting so that the process remains transparent.
3. To stipulate method and criteria short-listing of the candidates who possess the quality in advance from minority shareholders so as to treat all shareholders with fairness.
4. To present the policy and criteria on payment of the remuneration for the Directors, Managing Director, Senior Executives, Advisors to the Board of Directors, Committee appointed by the Board of Directors and Employees.
5. To consider the annual remuneration of the Directors, Managing Director, Senior Executives, Advisors to the Board of Directors and the Committee appointed by the Board of Directors and Employees.
6. Review the scope of authority of the Company to be practically reasonable and submit it to the Committee for their approval.
7. To have legitimate power in calling for documents or individuals related to the case in point for consideration.
8. To perform the scope of duties as assigned by the Board of Directors.

Recruitment, Appointment, Term of the Recruitment & Remuneration Committee

The Board of Directors appointed Recruitment & Remuneration Committee for 2 years term.

As such, the method of candidate selection has been stipulated. Nevertheless, criteria to determine the method of recruiting managing director have been identified as follows:

1. The Recruitment & Remuneration Committee determine the structure, size and constituents of the Board of Directors, and stipulate the quality of Directors to be replaced in terms of overall knowledge, experience, and expertise in compliance with the element and quality stated in the related laws/regulations.
2. The Recruitment & Remuneration Committee determine the method of nominating the qualified candidate, including the procedure of nominating the qualified candidate in advanced from the minority shareholders.

3. The Recruitment & Remuneration Committee begin the search and consider suitable candidate for Directors.
4. The Recruitment & Remuneration Committee select the best candidate to be Directors and the recruitment result nominates the name of the person who is judged as the best candidate to be the Company's Director, together with the reasons and propose it to the Board of Directors through the Company's secretary.
5. The Board of Directors selected suitable candidates who possess the right qualities as proposed by the Recruitment and Remuneration Committee and present the candidate in the shareholder's meeting for consideration.

The Recruitment & Remuneration Committee's have, in advance, identified the method of nomination from the minority shareholders for the qualification and quality of candidates that must be met, as can be summarized below :

1. An individual who nominates the qualified person to be Directors must be a shareholder of the Company, which may be a single or consolidation of multiple shareholder(s) who own(s) a number of shares according what has been specified by the Recruitment & Remuneration Committee - that is to have the proportion of minimum share with no less than 5 percent of paid-up stocks and must hold shares at the date of nomination at the meeting or nominate the name of Directors together with certified documents that show the ownership of shares from the security company, other documents from Stock Exchange of Thailand or other documents which show the ownership of shares, and the consent document showing the name of the nominated individual to be submitted to the secretary of the Board of Directors.
2. The nominated candidates must possess all required qualifications and are not prohibited by public laws, securities and exchange laws and Good Corporate Governance practices.
3. Secretary of the Board of Directors presents the list of names to the Recruitment & Remuneration Committee for consideration of the suitability.

Board of Directors' Meeting

The Board of Directors had a policy about the minimum attendance in the meeting; that is a minimum of two third of directors must be present. In case a director cannot attend the meeting, it is possible to use a conference call technology. This is to show that the Board of Directors will always advise the Company in its operation, supervise the works of the management, and maintain its accountability for the Company and shareholders.

The Board of Directors has set in advance and held special meeting as necessary, by clear advance meeting date and has set regular follow-up on operation period. The Chairman of the Board of Directors and the Managing Directors jointly considered the meeting calendar, by considering important case. The each Director is permitted to present the issues in the meeting as needed. The secretary will prepare invitation letter along with meeting schedule and details prior to the actual meeting at least 7 days to allow time for the Board of Directors to peruse the information prior to the meeting.

In each meeting, the Chairman of the Board of Directors allocated adequate and long enough to allow Directors to clarify problematic issues prudently. Moreover, the Chairman of the Board of Directors and the Board of Directors invited high level executive to the Board of Directors' meeting to request for more information and recorded in minutes of the meetings that were filed and certified by the Board of Directors for the Board of Directors and involved parties to view.

The Board of Directors assigned the management executives to regularly prepare operation report to the Board of Directors on a monthly basis to allow the Board of Directors to follow up on the operation progress of the Company.

In 2019 the Board of Directors met in total of 4 times with the average meeting length of 5 hours. In each meeting, The percentage of all the Board of Directors attended the meeting was 94% and each Director was 95% attending rate per year, there are an executive director from accounting division, there are an executive director from accounting division, executives from the division, and executives from Internal Audit & Investor Relations Division attending in sharing additional information, and the Board of Directors agreed on joint meetings for non-executive Directors, during the Board of Directors meetings no. 4/2019 on November 8, 2019, before the Board of Directors meeting, non-executive Directors and Independent Directors convened without the management's attendance to discuss general problems of the Company's management and corporate governance, then inform the President so that the management may take due action.

The Audit Committee held a regular meeting by at least once every quarter with the outside accounting audit, and also the accounting department, and also report directly to the Board of Directors. Moreover, the Board of Directors has pressed the emphasis on the importance of being transparent and verifiable, therefore, it requests the Audit Committee to hold joint meetings with the accounting department and the internal audit department without the presence of management division at the meetings, acknowledgement and Audit Committee meeting of 4/2019 on Wednesday November 6, 2019 was a meeting between Audit Committee, internal audit division and auditor without the presence of management division once.

The Recruitment & Remuneration Committee held a total of 5 meetings

The Annual General Meeting of Shareholders held 1 meeting.

The details of the Board of Directors meeting and Sub-Committee Meeting in 2019 are as follows :

Name of Directors	The Board of Directors' Meeting	The Audit Committee' Meeting	The Recruitment & Remuneration Committee' Meeting	General Shareholders' Meeting 2019
	Number of Meeting (4 Times)	Number of Meeting (5 Times)	Number of Meeting (5 Times)	Number of Meeting (1 Time)
1. Mr. Kasemsant weerakun	4/4	-	-	1/1
2. Mr. Wutthiphum Jurangkool	3/4	-	5/5	0/1
3. Mr. Worapote Chutchaikulsiri	4/4	2/2 ⁽²⁾	-	1/1
4. Mr. Rungkan Paisitpanichtrakul	1/1 ⁽¹⁾	-	-	-
5. Mr. Pravit Tantiwasinchai	4/4	5/5	-	1/1
6. Mr. Kachen Benjakul	4/4	5/5	5/5	1/1
7. Asst.Prof.Tippawan Pinvanichkul Ph.D	1/1 ⁽¹⁾	1/1 ⁽³⁾	-	-
8. Mr. Phairat Sittakul	4/4	-	-	0/1
9. Assoc. Prof. Yuen Poovarawan	3/4	-	-	1/1
10. Mr. Thanong Chotisorayuth	4/4	-	-	1/1

Remarks : (1) Appoint Mr. Rungkan Paisitpanichtrakul and Asst.Prof.Tippawan Pinvanichkul to fulfill the position vacated earlier, effective on August 16, 2019 onward and the meeting remain from the meeting plan in 2019 is 1 time.

(2) Mr. Worapote Chutchaikulsiri resigned from the Audit Committee, effective on August 8, 2019 onward and during held the position he attended the meeting complete.

(3) Appoint Asst.Prof.Tippawan Pinvanichkul Replace Mr. Worapote Chutchaikulsiri, effective on August 16, 2019 onward and the meeting remain from the meeting plan in 2019 is 1 time.

Company's Executives as of December 31, 2019 with the total of 16 individuals, as follows:(The executive's positions are ranked from 1 to 7 in accordance with the definition of SEC promulgation)

No.	Name	Position
1	Mr. Worapote Chutchaikulsiri	Director / Authorized signing director / Deputy Managing Director / Chief Financial Officer
2	Mr. Rungkan Paisitpanichtrakul	Director / Authorized signing director / Deputy Managing Director / Company Secretary
3	Ms. Sajipat Pumpuengput	Director of Financial Division
4	Ms. Aree Sae-ung	Director of Accounting Division
5	Mrs. Kanit Promsen	Head of Business Unit Books Division
6	Ms. Daungjai Jeenanurugk	Head of Business Unit Sales and Distribution Division / Director of Sales and Distribution Division
7	Mrs. Passpunnee Mahayos	Head of Business Unit Digital Business
8	Ms. Sarida Sarajan	Executive Editor, Text Books Division
9	Ms. Pornpimon Tangsakul	Executive Editor, General Books Division
10	Mr. Kriwoot Rojprasertsoot	Director of Digital Content Division
11	Mr. Chakaj Luechakiattisak	Director of STEM Education Division
12	Meechoke Thongsawai,Ph.D.	Director of Academic Consulting & International Business
13	Mrs. Sawan Pipoosananont	Director of Corporate Marketing Division
14	Mr. Uthai Sakuludomkan	Director of Logistics Division
15	Mr. Paiboon Chanvalaiporn	Director of HR & Organization Development Division
16	Mr. Chonlavit Iamraksakiat	Director of Central Purchasing Division

The retired of Executive during A.D. year 2019 as below;

No.	Name	Position	Effective Date
1	Mr. Viboolsak Udomvanich	Deputy Managing Director	August 16, 2019
2	Mr. Apichit Suananuntapoom	Director of Logistics	May 1, 2019

Report on changes of shares of Company's Executives, dated on December 31, 2019

No.	Name	Number of shares	Number of shares	Increase (Decrease) during the year
		December 31, 2019	December 31, 2018	
1	Mr. Worapote Chutchaikulsiri	- None -	- None -	-
2	Mr. Rungkan Paisitpanichtrakul	1,000,000	1,000,000	-
3	Ms. Sajipat Pumpuengput	- None -	- None -	-
4	Ms. Aree Sae-ung	- None -	- None -	-
5	Mrs. Kanit Promsen	7,166	7,166	-
6	Ms. Daungjai Jeenanurugk	432	432	-
7	Mrs. Passpunnee Mahayos	- None -	- None -	-
8	Ms. Sarida Sarajan	- None -	- None -	-
9	Ms. Pornpimon Tangsakul	274,791	274,791	-
10	Mr. Kriwoot Rojprasertsoot	62	62	-
	Spouse	56	56	-
11	Mr. Chakaj Luechakiattisak	7,906	7,906	-
12	Meechoke Thongsawai, Ph.D.	121,000	121,000	-
13	Mrs. Sawan Pipoosananont	- None -	- None -	-
14	Mr. Uthai Sakuludomkan	- None -	- None -	-
15	Mr. Paiboon Chanwalaiporn	- None -	- None -	-
16	Mr. Chonlavit Iamraksakiat	- None -	- None -	-

The Board of Director and management of the Company have qualifications in compliance with the article 68 of Public Company Limited Act (B.E. 2535) and possess no prohibited quality stipulated in the regulation of Security Exchange Commission concerning the request and permission to sell new shares. Moreover, no criminal records have been found for the past 10 years.

Scope of Duties for Managing Director : The managing director is empowered to act on behalf of all Directors in the following matters :

1. To administer Company affairs, follow objectives and obligations, including procedures and resolutions issued by the Committee and assume authority to direct all professional staff and employees. In managing Company business, the managing director is directly responsible on behalf of the Committee.
2. To hire, position, appoint, and punish professional staff and discontinue employment of staff and employees, including the promotion, or salary adjustment. This directive excludes professional staff and employees who are employed, positioned, and punished and dismissed by a Committee, or procedural regulations.
3. To determine the conditions of employment of professional staff and employees, to order or announce the procedure of administration and operation which does not obstruct the Company's regulations, the Committee's agreements, the labor law or other related laws.

4. To operate any other business following Company regulations and the Committee's agreement, including assigning operational functions to the Company's officers and employees.
5. To act and commit for endorsement of contracts permitted under license and any other contracts involving licenses with appropriate and careful consideration to prevent any violation of a licenses held by others.
6. For any business related to external sources, the managing director and authorized directors have the authority to act and commit within the scope of the authority, specified in regulation No.1, except any business in which the managing director and Authorized Directors might be in disagreement, or have some benefit from that business, or conflict with the Company or Company's subsidiaries. Conclusions should be reached when the Committee meeting includes the independent Directors. To achieve success, the managing director and the authorized Directors will assign any person as a representative to respond to that particular duty.
7. In absence or unavailability of managing directors, the deputy managing director will act on his or her behalf for general routine work and report to the managing director afterwards, other than that, the deputy managing director will request permission to proceed from the Chairman. When there is a vacancy for the position of Managing director, the acting Managing director will be selected from the list of directors or shareholders approved by the Recruitment and Remuneration Committee.
8. The approval of over-budget item beyond what has earlier been agreed upon by the Board of Directors must be presented in the meeting of Board of Directors for considerations and approvals according the Company's regulation or stipulated laws.

Recruitment of Managing Director and Executives

For the position of Managing Director, Deputy Managing Director and senior executive in financial & accounting, the Recruitment & Remuneration Committee will select the best suitable candidate whose knowledge, ability, experience, and understanding of the book business are essential. Moreover, the candidate must manage to achieve objective or the Board of Directors pre-determined goal, whereby the Recruitment and Remuneration Committee will propose to the Board of Directors for appointment.

For executive positions from the position of department directors, the management will be responsible for recruitment consideration of the most suitable person according to the Human Resource management regulation, and report to the Board of Directors to acknowledge, except when there is an appointment of head of the Internal Audit team, it must first be approved by the Audit Committee.

Management Committee

Currently, the driving group of the Company, which play an important role in planning and running strategies according to the Board of Directors and the management, follows:

The scope of responsibilities of the Corporate Planning and Business Expansion (CPBE)

1. To operate business under guidance and directions of the Change Management
2. Plan the business strategies of the business cores and new businesses in the future under policies and directions from the Board of Directors, the management, and business lines of the Company in order to develop business in a solid, reasonable, fast way, conforming to the directions and main strategies of the Company.

3. Develop the Company's projects in response to business's growth and changes by using innovation, technology and creativity to enhance business potential.
4. Operate the organization under the Company's policies and guidance from the Board of Directors to drive and empower the human resources in the Company and change the organization in a concrete way.

Remuneration for Director and Executives

(1) Cash Compensation

The remuneration for Directors of the board and managing director, the Board of Directors has appointed the Recruitment & Remuneration Committee to consider the appropriateness and responsibility of each director and managing director, circumstance, economic environment, and relative compliance with other business within a similar industry. Moreover, the Recruitment and Remuneration Committee had proposed the remuneration policy and guidelines for considering the remuneration rate for each committee and propose to the general shareholders' meeting to review and approve annually. However, the compensation of the Director of the Board of Directors, Sub-committee to the board has already been approved at the shareholder's general meeting.

(a) Compensation for the Company's Directors The resolution from shareholders' general meeting number 1/2019, dated Thursday April 25, 2019, has approved the compensation for directors as in the following details:

The salary compensation consists of

- Chairman of the Board: 25,000 Baht per month.
- Independent Director and Director: 15,000 Baht per month.

Meeting allowances are only for those directors who attend the meeting. However, in the Board of Directors or Sub-committee of the Board of Directors meeting, the Sub-committee may decide not to receive the allowance in a particular meeting, which depends upon the judgment and collective decision of the Sub-committee.

- Allowance for Chairman of the Board for each director: 20,000 Baht per meeting.
- Allowance for the Board of Directors for each director: 10,000 Baht per meeting.
- Allowance for Sub-committee to the Board of Directors.
 - Chairperson of each Sub-committee 10,000 Baht per meeting.
 - Each Sub-committee member 7,000 Baht per meeting.

The Annual General Shareholder's 1/2019, the Director Compensation of the 2019 was approved at the amount of THB 5 million in total and Recruitment & Remuneration Committee was appointed to properly allocate and notify the shareholders about the allocation in the Shareholder Meeting next year. For the second Meeting Recruitment & Remuneration Committee of the 2020 on February 21, 2020, it was agreed to omit the Director Compensation of the 2019.

Remuneration of the Board of Directors consisting for 10 persons as of year 2019 is in the following :

(Unit : Baht)

Name of Directors	Position	Meeting allowance			Emoluments	Remuneration From 2018 operation (paid in 2019)	Total
		The Board of Directors	The Audit Committee	The Recruitment & Remuneration Committee			
1. Mr. Kasemsant Weerakun	Chairman of the Board Of Directors Authorized Signing Director Independent Director	80,000	-	-	300,000	-	380,000
2. Mr. Wutthiphum Jurangkool	Director Recruitment & Remuneration Committee Authorized Signing Director Non - executive Director	30,000	-	21,000	180,000	-	231,000
3. Mr. Worapote Chutchaikulsiri	Director Authorized Signing Director Deputy Managing Director Chief Financial Officer Executive Director	40,000	14,000*	-	180,000	-	234,000
4. Mr. Rungkan Paisitpanichtrakul	Director Authorized Signing Director Deputy Managing Director Company Secretary Executive Director	10,000	-	-	67,742	-	77,742
5. Mr. Pravit Tantiwasinchai	Director Chairman of Audit Committee Independent Director	40,000	40,000	-	180,000	-	260,000
6. Mr. Kachen Benjakul	Director Chairman of Recruitment & Remuneration Committee Audit Committee Independent Director	40,000	28,000	30,000	180,000	-	278,000
7. Asst.Prof.Tippawa Pinvanichkul Ph.D.	Director Audit Committee Non - executive Director	10,000	7,000	-	67,742	-	84,742
8. Mr. Phairat Sittakul	Director Non - executive Director	40,000	-	-	180,000	-	220,00
9. Assoc. Prof. Yuen Poovarawan	Director Non - executive Director	30,000	-	-	180,000		210,000
10. Mr. Thanong Chotisorayuth	Director Non - executive Director	40,000	-	-	180,000	-	220,000
Total		360,000	89,000	51,000	1,695,484	-	2,195,484

Remark * Mr. Worapote Chutchaikulsiri resigned from the Audit Committee, effective on July 8, 2019 onward.

The Remuneration of Director's resignations during A.D. Year 2019 as below;

Name of Directors	Position	Meeting allowance			Emoluments	Remuneration from 2018 operation (paid in 2019)	Total
		The Board of Directors	The Audit Committee	The Recruitment & Remuneration Committee			
1. Mr. Viboolsak Udomvanich	Director Authorized Signing Director Deputy Managing Director Company Secretary Executive Director	30,000	-	-	112,258	-	142,258
Total		30,000	-	-	112,258	-	142,258

(b) Executives' Compensation

The Recruitment & Remuneration Committee will be a group to assess the performance of managing director and also consider the determination of compensation for managing director according to the said criteria. For the result of managing director' assessment, the Recruitment and Remuneration committee will be submitted to the Board of Directors to acknowledge and approve.

The Compensation of managing director

The Recruitment & Remuneration Committee will evaluate the performance of each managing director so as to consider the remuneration of managing director according to specified criteria. Once the evaluation of managing director is finalized, the Recruitment & Remuneration Committee will submit the Board of Directors for consideration and approval.

For the Compensation of top executives

The Recruitment & Remuneration Committee will determine the criteria and structure of executives compensation, which will consider them according to the principle and policy specified by the Board of Directors and also in accordance with the Company performance as well as the performance of each director. The managing director will be the person to consider the appropriateness in identifying the compensation of each individual staff and also the annual pay-rise of salary for high executives, and report all the reasonable compensation increase to the Board of Directors for later acknowledgment.

As of December 31, 2019 Remuneration for Management Directors and Management Executives for the first 4 executives next to the position of Managing Director and every executive in the same level as fourth management executive in total of 6 executives (in exclusion of the director of financial division and the director of accounting division) which can be illustrated in the table below.

Items	Cash Remuneration 2019
	Total (Baht)
Salary	6,615,636
Bonus	-
Other Remunerations :	
- Contributions for the Provident Fund	250,102
- Long-term benefits	-
- Other	351,995
Total	7,217,733

Remark Including Compensation of retired 's executives during A.D. year 2019 are below;
- Mr. Viboolsak Udomvanich, Effective date on August 16, 2019 onward.

The Company has paid a total remuneration to the Directors and executives (as defined by SEC in total of 8 individual, include Finance Director and Accounting Director) in 2019 totaling 10.58 Million Baht.

(2) Other Remunerations

The expenses of seminars, trainings in IOD Curriculum and other related institutes

Personnel : The Company and its subsidiary has permanent employees as of December 31, as follows :

(Unit : person)

Items	2019	2018	2017
SE-EDUCATION PLC * :			
Head office staff	638	678	743
Branch staff	836	1,018	1,063
Plearn Patt Co., Ltd. (Subsidiary) :			
Teachers	239	230	224
Other staff	101	104	103
BaesLab Co., Ltd. (Subsidiary) **: 			
Staff	-	9	9
Total	1,814	2,039	2,142

Remark * Excluding Outsourced Workers

** Stop to operate the business since April 2019.

The Company offered compensation in the forms of salary, wage, and benefits of employees (Consolidated financial statements). In 2019, 2018 and 2017 the compensation accounted for a total of THB 540.03 million, THB 578.22 million and THB 648.34 million respectively.

The Company also has policy to compensate staff by considering the suitability and compliance with those of average in the similar industry. This includes the staff compensation should be in line with the business expansion and the Company's growth.

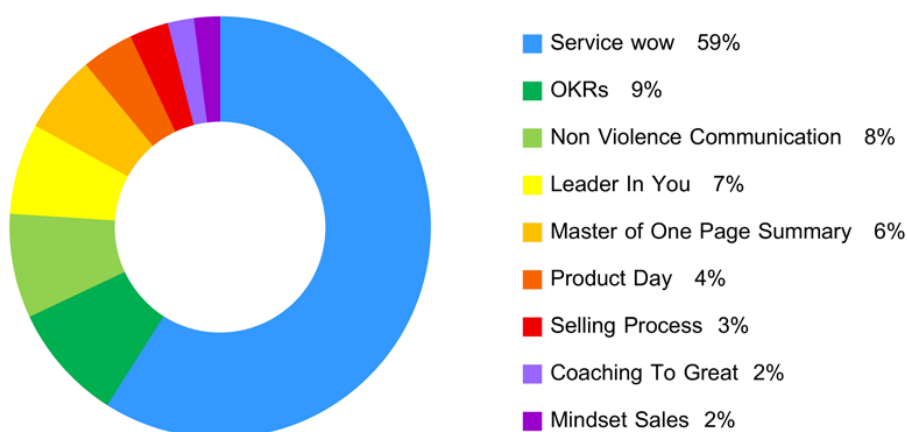
As the Company compensated staff with salary, bonuses and provident funds, it also has other welfare schemes to all staffs, such as healthcare reimbursable expense, annual health check-up, accommodation and travel expenses during trips to other provinces, insurance, bookstore branch uniforms, fund for employees who suffer from a disaster, living expense fund and other relief fund including award to diligent staffs who work for 10, 20 and 30 years as an incentive to comfort staffs' morale and spirit in building up the Company's long-term growth.

Personnel Development Policy The Company has a policy to enhance the potential and efficiency of its staff on a regular basis with a view to better preparing them of global change in both competitiveness and new technology. It is the Company's mission to make employees happy as the Company believes that happy employees will work more effectively, with more creativity and dedication to the work, resulting in the Company's sustainable growth.

Employment Development Training

Level of Employee	Training Hours	Objectives
Executive	18	To set and achieve the goals of every unit to align with the organization's. To drive the Company to achieve those goals.
Manager	12	To set the goals of his/her unit. To encourage his/her leadership. To build effective communication and presentation skills.
Operation Staff	6	To develop his/her job training skills. To increase strong customer service mind-set for creating excellent customer relationships. To be able to provide product's info and give recommendations to customer. To effectively increase sales.

Employee Training Programs in 2019



Dividend Payment Policy

Dividend Payment Policy of the Company

The Company declared a policy to pay dividend no less than 50% of the net profit after the deduction of the corporate income tax based on the separate financial statements. However, the dividend payment is subject to change depending on operating performance, financial position, liquidity, the need for working capital, investment and business expansion plans, suitability, and other factors relating to the Company's operations and management. This is contingent upon the condition that it will result in the maximum benefit of the shareholders as the Board of Directors deems appropriate. With respect to annual dividend, after the resolution of the Board of Directors to pay dividend, the Board shall submit to the shareholders for an approval at the Shareholders Annual General Meeting. Except the interim dividend, the Board is able to approve to pay an interim dividend and will report to the shareholders at the next Shareholders Meeting.

Dividend Payment Policy of the Subsidiary (Plearn Patt Co., Ltd.)

The Company can pay dividend payment from the subsidiary when the Company withholds the capital reserve of no less than 5% of the annual total profit, deducted by the accumulated deficit (if any) until the reserve capital is accounted for no less than 10% of the registered capital. The Company may not pay dividends from other sources except for the profit money. In case the Company has an accumulated deficit, the Company may not pay dividends. The dividends will be divided by the numbers of shares evenly. However, the committee may pay occasional interim dividends if the profit amount is sufficient to appropriately do so and the committee will report it in the coming meeting. The dividend can be paid within one month from the shareholders' meeting date on the date of the committee's approval.

In addition, according to the Bill of Private Schools B.E. 2007 Section 45, the annual profits from the operation of schools in the system can be allocated by the committee as follows:

1. Schools in the system which are supported by the government allocate no more than 3% of the profit to the system's school support fund assigned by the committee.
2. No less than 10% of the profit is allocated to the capital reserve.
3. No more than 40% of the profit is allocated to the licensee.
4. In case there are other funds, the profit may be located to such funds. In case of no other funds available, the remaining profits may be allocated to the capital reserve.

Dividend Payment Policy of the Subsidiary (BaesLab Co., Ltd.)

On every dividend payment, the Company must withhold the capital reserve 1 of 20 of the annual total profit from the Company business operation, unless the capital reserve will have 1 of 10 of the company registered capital or more.

Recruitment & Remuneratio Committee's Report

The recruitment & remuneration committee has within its authority and capacity, duty and responsibility, as delegated by the board of directors which constitutes the task of setting procedures for recruitment of directors, managing director and also arrange a succession plan, as well as decisions on remuneration policy for management and employees. In 2019, the recruitment & remuneration committee held 5 meetings

On the recruitment of directors and executives, the recruitment & remuneration committee has proceeded to search and recruit suitable candidates in accordance with the criteria set by the board of directors and does not violate the regulations stipulated by supervisory authority. In 2019, the recruitment & remuneration committee presented the re-appointment of the Board of Directors and Audit committee retiring to the consideration of the Board of directors. Moreover, the committee provided a channel for minority shareholders to submit names of qualified persons for directorship to be considered by the committee.

In setting the remuneration for the board of directors, the executives and employees, details of which have been declared in the annual report, the committee has considered the remuneration that is commensurate with their responsibility, skills, performance and taken into account the economic conditions and peer factors.

The recruitment & remuneration committee acted with circumspection, prudence and independence for the maximum benefit of the stakeholders.



(Mr. Kachen Benjakul)

Chairman of Recruitment & Remuneration committee

March 11, 2020

Audit Committee's Report

The Board of Directors of SE - EDUCATION Public Company Limited resolved in the appointment of the Company's Audit Committee, which consists of 3 independent Directors, where 3 of the Directors possess the direct knowledge and understanding or experience in accounting or finance, each member in the Committee possesses the qualifications required by the Office of Securities and Exchange Commission and the Stock Exchange of Thailand.

In 2019, the Audit committee held 5 meetings. Moreover, The Audit committee also held 1 internal meeting among committee members, independent members, and higher executives involving in accounting, finance, internal audit, in absence of management directors, but, they were well-informed and acknowledged the issues discussed in the meeting.

Audit Committee has performed the duty independently, within a certain authority and capacity limit, required by the Charter of Audit Committee, and assigned by the Board of Directors with the cooperation of all parties involved. The Audit committee understands the significance of internal audit, risk management, good corporate governance to ensure sufficient internal control, adequate and acceptable level of risk management, proper supervision, as well as proper and trustworthy financial report. The Audit Committee had a discussion with the board of management, top executives, internal auditors and auditors every quarter. The works of the Committee in the year 2019 can be summarized as follow:

1. Review annual financial report for year 2019 : The Audit committee has reviewed financial statements on a quarterly basis and annual financial reports for the year 2019 of the Company and its subsidiary prior to submitting the document This includes a proper, timely release of financial information, through cooperative meeting among accounting audit, management, accounting department, and internal audit department in considering the consolidated financial statement on quarterly basis and annual financial report to enquire upon complete, correct practice of generally accepted accounting principle, the selection of accounting policy, and proper openness, including the utilizing the observation suggestions from accounting auditor to improve and correct the preparation of the Company's financial statement. The Audit committee agreed with accounting auditors that the Company's financial statement is in accordance with General Accepted Accounting Principles and has disclosed the information accurately and adequately.

2. Supervision of Good Corporate Governance : The Audit Committee realized the importance of good governance and reviewed the good governance policy of the Company annually. The Committee also encouraged executives and employees to adopt the principle of good governance until it became the culture of the organization. The business is operated on the moral value, transparency and social responsibility. As a result the Company was evaluated excellent in Corporate Good Governance for 12 consecutive years (2008 - 2019) by Institution of Directors (IOD).

3. Review of risk management : In overseeing the risk management, the Committee continued to ensure that the Company and its subsidiary's risk was at an acceptable level. The Committee reviewed the Company's risk management plan and acknowledged the report of the risk management practices, periodically. The Audit committee agreed that the Company has risk management at an acceptable level.

4. Review of abiding of Security and Exchange laws, as well as the regulations stipulated by Stock Exchange of Thailand, and also other related laws related to the Company such as Revenue Code, and Public Company Act : The Audit Committee had reviewed to ensure that law and related regulations of stock exchange of Thailand and other concerned business units are properly abided. Based on the audit committee's opinion, there was no essential issue related to the issue of violation of laws and regulations stipulated by Stock Exchange of Thailand and other related Government supervision agencies.

5. Review and provide opinions toward related items and items that may post a possible conflict of interest which includes the afore-mentioned information disclosure : The Audit committee agreed that the Company has disclosed information completely and correctly as said in the regulations of Securities and Exchange of Thailand, and the items are ordinary items that are appropriate and beneficial to the Company.

6. Review of internal audit control assessment and internal audit : The Committee had reviewed the Company's internal audit control to ensure that it is properly conducted and sufficiently effective for the usage of resources and business operation. The Audit Committee was reported the operation of the internal audit department in every quarter and gave advice for improvement as well as following up on the areas that need to be developed. The Audit Committee reviewed the audit plan of 2020 and realized there could be risks affected the operation and financial status of the Company. The Committee also emphasized the internal audit as a mean to enhance the business performance, increase revenues and decrease operation cost.

7. Selection and proposal of the Auditor : The Audit Committee selected the Auditor by considering the Auditor's integrity, competency in auditing, all staff members of the auditors in his/her office, and the appropriate compensation. On the February 26, 2020, the Audit Committee had selected and proposed to designate the Auditor from Dharmniti Co.,Ltd. to be the Company's in the Annual General Shareholders' Meeting No. 1/2020, in order to get approval.

The Audit Committee had performed the required duties in accordance with regulations stipulated by authority. Their performance was careful and sufficiently independent. They received good corporations from the management team, employees and all related parties. The Audit Committee agreed that the Company's directors, managing directors and all employees emphasized on operating effectively, productively, transparently, and reliably under the principle of good corporate governance to provide confidence for shareholders, investors and all related parties.



(Mr. Pravit Tantiwasinchai)

Chairman of the Audit Committee

March 11, 2020

Risk Factors

The Board of Directors of SE-Education Public Company (Limited) was well aware of the responsibilities it takes to run a good-governance operation in order to maximize the benefits to the shareholders of the Company. Thus, the Company systematically and continuously provided the risk management of its operation to reduce all risks to be in the acceptable level, for example, business risk, operational risk, financial risk, and legally and regulation risk.

The Board of Directors of the Company therefore assigned the Audit Committee to manage all risks. By this Audit Committee, an operational level committee was set up which included the high-level executives of the Company. All matters reported to the Audit Committee to make sure that the Company has a proper, acceptable risk management. However, there were possible risk factors that should be considered as follows:

Operation Risk

• Risk from the Conflicts over the Important Operational Place

- **The Distribution Center and Warehouse** All of the Company's publications and consigned products were solely stored at its Distribution Center and Warehouse at Bangna-Trad Rd., km.21 and then distributed to the SE-ED Book Center Branches, general bookstores, and other institutes. Therefore, the warehouse was an important place for operating business of the Company.
- **Plearnpattana School** accounted as an important place to operate the business of its subsidiary company. Currently, the subsidiary company located on Phutthamonthon Sai 2 Rd., and covered 20 rai. The 14 rai rented from one of the shareholder of the subsidiary company and had two contracts valued THB 10 MB in total and covered 30 year period for an educational purpose. The terms and conditions in said contracts enforced the landlord not to sell or rent the land to any parties without the consent from the subsidiary company. In case the landlord was in utmost need and absolutely cannot find the solution, the landlord must to offer the subsidiary company first at the same price offered to other parties. If the subsidiary fails to accept the said offer within 60 days from the first day receives the notice, the landlord can precede with the transaction with other parties. Nevertheless, the subsidiary company had reconsidered to revise the terms and conditions of above contracts in order to prevent the expected risk in the future.

The Company had strongly emphasized on its prevention policy and raising awareness about place management better than rectifying the situation when damage is done. For the risk from natural disasters, accidents or other unforeseeable causes, it will definitely affect the operation of the Company and its subsidiary company. Therefore, the Company had insured the assets and goods thoroughly and regularly adapt the insurance limit to align with the value of the goods.

Further, the Company had developed the spare working system when the warehouse system is down or unable to work. Also, the ability to temporarily open the warehouse was enhanced in order to receive the goods from publishers and distributors and distribute them all over the country

- **Risk from Fire and Power Failures** Being in the publishing business, the Company's assets and products can be easily damaged and broken from various causes, which can potentially harm the business operation of the Company. Even though the Company and its subsidiary have adequate insurance coverage, the Company has always improved the precautionary measures against such dangers.

To reduce any risk from fire and to limit the fire spread, the new distribution center and warehouse had been equipped with the automatic fire alarm system and the automatic sprinkler system on the ceiling and between the shelves aisles. Further, the Company provided the employees the annual basic firefighting and evacuation fire drill training, along with the manual of fire safety emergency plan. Also, the protocol and responsible team had been assigned in case of fire emergency.

To reduce any risk from power failure, the uninterruptable power supplies had been provided in order to eliminate waste of operational time. Also, the preventive maintenance system had been employed to check up on the transformers, consumer units, and the uninterruptable power supplies.

- **Risk from IT System and Computer System Problems** Nowadays, IT system and computers were widely brought in as the important tools to business operation and competition. It also needed the constant risk management of security and system protection in order to operate smoothly and efficient.

Therefore, the Company issued the policy to govern IT system and practice guideline for usage, control, and security. To reduce and prevent any mistakes or computer system problems in the branches, warehouse, headquarter, and subsidiary company, trainings on technologies, social media responsibility, and computer regulations were provided to the employees.

Moreover, the Company and subsidiary company had developed the whole system to have a high availability which was a system to support larger transactions and high number of website visitors, including the anti-virus system. Since technologies changed rapidly, the Company would keep updating the whole system to be steady and ready to support the business expansion. In 2012, the Company had upgraded the network from Multiprotocol Label Switching or MPLs (128/128kbps) to Asymmetric Digital Subscriber Line or ADSL (1024/512kbps). The connection efficiency had improved greatly as a result.

- **Risk of Lacking of Specialists** Human resources with a specific set of skills were important to the Company and subsidiary company. Publication and teaching aspects or even in business creation aspect were needed because all the current businesses the Company and subsidiary company operated were from the start.

To continuously enhance potential and efficiency of human resources, the Company had reviewed the compensation of its employees to align with the average in the same industry in terms of salary, bonus, benefit, and training. Moreover, the Company planned to make employees can work as substitutes for themselves. The manual guide of the important roles will be provided for the new employees to easily learn and understand their tasks.

Business Risk

- **Risk from Replaceable Products and Reading Behavior Changes** The Company's policy had been updated to develop and produce digital content, for example, e-book and audiobook. Currently they are available in many online channels.

To increase sales channels and reach the online customers, the Company's website: www.se-ed.com and SE-ED application provide are for a faster and more convenient access to product information and marketing activities.

- **Risk from Copyright Infringements** Since the Company strongly supports the ant copyright infringement policy, all foreign books will be licensed legally with the proprietors and checked the right availabilities in the territory before proceeding. Also, the Company always acquires the agreement and/or permission letter for any licensed content and illustrations.

Further, the authors or proprietors are required to enter the contract to legally confirm and grant the rights of the content to the Company to publish, distribute, and deliver a consignment.

Financial Risk

- **Risk from Bad Debts of Uncollectible Account Receivables** The Company's policy on the credit limit of its clients was to inspect theirs financial status based on the Company's standard. To adjust the credit limit aligning with current economic situation, the Company employed the debt recovery system and annually reviewed the clients' statuses and credit limits

- **Risk from Foreign Exchange Rate** TSince the Company had entered the contract to be an exclusive distributor of ELT books of Oxford University Press (OUP) and acquired the rights to distribute and sell said books in Cambodia, Laos, and Indonesia, the Company exposed to risk of exchange rate volatilities. It was obligated and inevitable to buy and sell in the foreign currencies. In order to reduce risk of the Company to be at an acceptable level, the Company issued the policy entering into a forward contract with the banks and always approving by the Management

Production Risk

- **Risk from Material Shortage in Publication** In order to adequate stocking up for production in a reasonable price, the Company always has the publication plan in advance and keeps update on the price trends of material.

Good Corporate Governance

The Board of Directors has appointed the Audit Committee who are instrumental and a driving force in auditing all Company's operations and administration up to the acceptable standard and in the right direction, by revising all policies in relation to Good Corporate Governance and ethical code book to suit the environment and being abreast of the times. This also includes the duty of reviewing the policy on Corporate Good Governance and regularly report to the Board of Directors with regards to the action taken to meet the stated policy as mentioned in Corporate Good Governance policy.

As the company stressed the importance of developing good corporate governance, the determination to participate in business transparently has resulted in 2019, in winning Corporate Governance Report of Thai Listed Companies in 2019 as an "excellent" or "five-star" listed company assessed by Thai Institute of Directors (IOD), Stock Exchange of Thailand (SET), and Securities and Exchange Commission, Thailand (SEC). The Company was the only one listed company from service industry under publishing business classified in a level of "excellence" for 12 years consecutively.

Policy on Good Corporate Governance

The Board of Directors is aware of the importance of good corporate governance policy to increase transparency, competitiveness and confidence to the shareholders, the investors and the involved parties. So, it has prescribed in written format the policy on Good Corporate Governance and also revised and updated the policy on Good Corporate Governance and business ethics handbook that are suitable for the business environments and more international, by stipulating that the revision of Good Corporate Governance policy shall be made once a year.

The Board of Directors has prescribed the policy of good corporate governance as follows:

1. The Board of Directors, all management and staffs are determined to engage in practicing Good Corporate Governance in the Company and organize management structure that offers linkage between the Board of Directors, management, shareholders and stakeholders.
2. Shareholders will be treated with fairness and have their rights in access to information and available channel of communication with the Company.
3. The Board of Directors will facilitate all minority shareholders in permission to add number of minority shareholders' meeting prior to the date of shareholders' meeting, which also includes a clear guideline of practice.
4. The Board of Directors will engage in the release of business information with regards to finance and non-finance information adequately, reliably, timely, transparently, fairly to all shareholders, investors and Company's Stakeholders.
5. The Board of Directors will establish a unit in the Company to deal with shareholders, investors, auditing the business communication with good governance office.
6. The Board of Directors will promote the co-operation between the Company and the Stakeholders, and also determines the communication channel between them.
7. The Board of Directors may appoint other Committee(s) to consider the monitoring of task as suitable.

8. The Board of Directors has the role in determining the vision, mission, financial target, risk, work plan, and also monitor and control the work in accordance with the policy and plan as effectively prescribed.
9. The Board of Directors has the role in promoting the business ethics in written form and also promotes the activity that supports good ethical conduct of Directors, management, and staffs.
10. The Board of Directors will conduct the annual self-evaluation activity to create auditing framework of the Board of Directors.
11. The Board of Directors will organize a recruitment System for individuals who will be responsible for management position through transparent and sufficient process of selection.

Moreover, in 2009, the Company also prepared an English version of policy on Corporate Good Governance to inform investors. For the principle of good practices, and business ethics for Corporate Good Governance, please search and view the information from Investor Relations website (<http://corporate.se-ed.com>).

The Audit Committee and the Board of Directors reviewed and improved the contents in the handbook of principle of Corporate Good Governance, guidelines, ethics, and environment and social policy completely and accurately and complies to the regulations of Security and Exchange Commission and also follows the principle of Good Corporate Governance for listed company 2006 which is illustrated in 5 different sections which are :

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Roles of Shareholders
4. Disclosure and Transparency
5. Board Responsibilities

The Board of Directors is aware of the importance of promoting the duty and responsibility of Directors, executives, and staff to be in accordance with the principle of Good Corporate Governance, as stipulated by the Board of Directors. Thus, the Board of Directors has undertaken a communication of Good Corporate Governance policy and business ethics, and policies on environmental and social issues to the management and staff through communication channels in a consistent fashion.

- Employee Handbook.
- Handbook 'Policy for Good Corporate Governance'.
- Annual staff conference.
- Annual planning conference.
- Company intranet system and investor relation website.
- Company's e-mail.
- Company's public relation sign board.

Rights of Shareholders

The Company's Board of Directors is aware of ownership rights in controlling the company through appointment of the Board of Directors to act on behalf of shareholders and maintains the right to decide on the major change of the Company's Board of Directors. Therefore, it seeks to support the shareholders to exercise their rights as

bestowed upon by the stipulated basic shareholders' right which are the rights to buy-sell, or transfer stocks, sharing profit, receipt of adequate information regarding the business, and the shareholders should learn about the rule and procedure in attending the shareholders' meeting and permitting adequate information for consideration before the meeting. This also includes the opportunity to query the Directors both during the meeting or in advance submission of query request. The Company's Board of Directors is aware and put the emphasis on the importance of shareholders' right. It seeks not to infringe upon or evict the shareholders' rights.

The Board of Directors has set a schedule for an annual shareholders' meeting within 4 months from the end of accounting's year. And in case of necessity for special meetings which may arise from the needs to resolve the issue that may affect the interest of shareholders with regards to laws, regulations that must be approved by shareholders, the Board of Directors will call for an extra meeting for Shareholders.

In organizing shareholders' meeting, the Company's Board of Directors stresses the importance of shareholders' rights, beginning with the date of meetings which are not a long holiday or national holiday and appointment time for meeting should not be too early or too late in the evening and the meeting place should be held in a place where transportation is relatively convenient. Moreover, the Company proceeds to send the invitation with the details of meeting agendas, along with Directors' opinions, the details of agendas to consider the important reasons, positive and negative impact in each agenda, authorization documents in 3 formats as defined by laws, and list of independent Directors along with suggestions for proxy authorization procedures so that the shareholders can assign proxy on behalf of them to attend the meeting and declared the preparation of customs stamps to serve the proxy without charge. This includes the map of place for meeting for shareholders for at least 21 days in advance before the meeting day, and also announced through daily newspaper for a minimum of 3 consecutive days, and 3 days before the meeting day, to allow time for shareholders of the incoming meeting.

Shareholders: Rights of Shareholder and Equal Treatment Practice

Shareholders' Meeting

In the shareholder's meeting of 2019, the Board of Directors has appointed the Company's secretary to inform the shareholders through Stock Exchange of Thailand and Company's investor relations website that the shareholders can request for additional meeting agenda, nomination of candidate for the post of managing director, as well as the advance inquiry. The Company's directors allow any inquiry to be submitted from September 30, 2018 to December 31, 2018 directly to Company's secretary, investor relation division, or through website, by proposing the meeting agenda, and name of person for the position as directors at least 3 months prior to the last date of the fiscal year. However, there was no shareholder who requested additional meeting agenda, nomination of candidate for the managerial position. For the advance inquiry, the Company has allowed the acceptance of inquiry till the day of shareholders' meeting.

And in the shareholder's meeting of 2020. The Board of Directors has specified the date of request from September 30, 2019 to December 31, 2019, which can be requested directly to Company's secretary, investor relation division, or through website, by proposing the meeting agenda, and name of person for the position as Directors at least 3 months prior to the last date of the fiscal year and the Company have illustrated the principles and methods used on the website of investor relations since September 30, 2019.

However, there was no shareholder who requested additional meeting agenda, nomination of candidate for the managerial position. For the advance inquiry, the Company has allowed the acceptance of inquiry till the day of shareholders' meeting.

Delivery of meeting invitation documents

In the shareholders' meeting, the Board of Directors has placed priority to the Shareholder's right, by sending the meeting invitation letter with meeting details, objectives and reasons, along with the Committee's opinion to consider the noteworthiness of inquiry, the positive and negative effect in each period of meeting, authorization letter, and name of independent Director(s) together with advice in authorization paper that allow shareholder choices to choose someone to represent them in the Shareholder's meeting. This includes the map of the place for meeting for shareholders. and also announced through daily newspaper for a minimum of 3 consecutive days, and 3 days before the meeting day, to allow time for alarming shareholders of the incoming meeting. It must be noted that for the general shareholders' meeting in 2019, the Company will openly post an invitation message, annual report for 2019 and all related documents in Thai and English version be fully released calling for a shareholders' meeting on the Company's website over 30 days in advance., and invitation message to shareholders via stock registrar in advance no less than 21 days.

Date of Shareholders' Meeting and Meeting Procedure

The Company attempted to improve the process of shareholders' meeting to ensure the suitability consistently, particularly after 2005 onward. It adheres to the principle that every shareholder should have equal opportunity in receiving the information and also equal chance for shareholders' right, including the right to voice opinion or to offer suggestions that are beneficial to the Company.

To register for the meeting, the Company will allow registration for at least 2 hours prior to the beginning of actual meeting and continue to do so until the meeting is over - a regular practice since 2005. In addition to that, the Board of Directors will also seek to serve the shareholders with the staffs and adequate number of computer. In the general shareholders' meeting 2007, the Company, for the first time, started using a barcode system for registration purposes to facilitate the shareholders, as well as an arrangement to print voting cards in each meeting agenda for every shareholder.

The Company prepared staff to serve shareholders in acquiring information and serve the query points. Moreover, a welcoming meal is organized for attended shareholders. The Annual General Shareholders Meeting 2019 was convened in Meeting Room 11A, Interlink Tower, 9th Floor, (originally Nation Tower). The Company reserved sufficient parking space for the shareholders and provided maps with information about public transportation that was attached to the invitation letter.

For those shareholders who were available to attend the meeting by themselves, the Company allowed the shareholders to authorize an independent Director for at least 1 individual or the Company's secretary to attend the meeting and vote in representation.

Prior to the meeting, the Company played a DVR introducing the Company history, its annual operating results to all shareholders to learn about the Company information before the start of the meeting. There was also another video presentation about the promotion of the corporate governance related to shareholders' meetings of listed companies. Before the meeting really begins, the Chairman will explain the method of voting and counting. The counting of votes will be illustrated and the results of every step in the meeting room will also be summarized. In case the shareholders cannot attend the meeting, the Company allows the shareholder to authorize someone, independent Director(s), or Company's secretary representing them in the meeting. During the meeting, the Company provides adequate time and allows a fair chance for shareholders to ask questions. The Directors who are related to that question, particularly Chairman of auditor Committee, Chairman of Committee and Managing Directors, including the high-level executives in the area of accounting, finance, internal audit and accounting audit to attend the meeting at the same time to answer some of the questions in the meeting. The Chairman will moderate the meeting according to the scheduled meeting agenda. But such meeting will not allow an un-announced meeting agenda, with the total time of 2 hours and a half or more.

The Board of Directors put the emphasis on attendance of the Annual General Shareholders Meeting in order to receive questions and feedbacks. In the Annual General Shareholders Meeting 2019, 7 out of 9 (77.78%) directors attended the meeting. However, Acting Chairman of the Board Directors, Managing Director, and Chairman of every subcommittee attended the meeting. The Company's executives in accounting, finance, Internal Auditor and auditors were also in attendance to answer questions of the shareholders. In addition, the Company invited a neutral auditor, Mr. Somjit Kanokseriwong from Chuan and Associates Law Office to supervise the vote counting.

The significant agendas for shareholders' meeting are as follows :

- **Operating result :** The Company has declared the details of the information about the Company's operating result, profit, revenue, expenses, and summary of operation on the chart.
- **Appointment of the Board of Directors :** The Company allows opportunity for shareholders to select the Directors of the Board of each individual, by providing biography information, education history and work experience and inform shareholders about the vision of each director before voting begin. In case of former directors being the candidate, the details of the board meeting participation will also be fully provided.
- **Auditors Appointment :** SE-ED details the name of auditors, auditor's office, remuneration, the reason for auditors selection, the past year's performance quality and Company's relationship.
- **Profit Allocation :** The Company supplies details on profit allocation and reserve funds, dividends regarding the Company's dividend payment policy as well as the registered book closing date in order to give right of receiving dividend.
- **Board of Directors' Remuneration :** The Company provides offered remuneration details which are based on policies and conditions of the Board of Directors' remuneration. Those aspects are considered by Committee regarding remuneration

In the voting, the shareholders used voting cards to vote deploying barcode systems to count vote more rapidly and efficiently. The Company will collect the voting card only in case there are shareholders who vote against or abstain from voting, but for the Board of Directors' election, to be in line with the best practice of shareholders' meeting, the Company collected the voting cards from the each of the participated shareholders and voting of Directors will be voting for each Director. Moreover, the Company has requested a law consultant to join the vote counting procedure and confirmed the result with accuracy, transparency, and in accordance with the Company's regulation. For the result of voting in each agenda, the Company immediately announced the result of the vote in each agenda of each shareholder's resolution regardless of whether the vote result shows on the outcome of agree, disagree, abstention and Invalid ballot immediately.

After the meeting, the Board of Directors will allow chance for shareholders, analysts and general investors to answer to the inquiry, by having the Chairman, Sub-committee chairman, managing director, and senior executives in accounting and finance to jointly answer. However, in replying to the inquiry, the Board of Directors will adhere to the equal opportunity to the Company's information.

After the meeting day

The Company's directors assigned the secretary to disclose resolutions and voting results from the shareholders meetings on the day after through the Stock Exchange of Thailand and the Company's website. During the shareholders meeting, the company's secretary has recorded important questions, and remarks from the meeting, counting votes and concluding resolutions. The number of votes for each agenda is clearly recorded Which agree, disagree, abstention and invalid ballot. Shareholders meeting reports along with pictures and audio records will be posted on the Company's website Investor Relations (<http://corporate.se-ed.com>) within 14 days from the meeting date.

Equitable Treatment of Shareholders

The Company's Board of Directors is aware of the equal and just treatment to all shareholders.

1. The Board of Director assigned the Company's secretary to announce to the shareholders through the communication channel of Stock Exchange of Thailand and investor websites for shareholders to propose meeting agenda, lists of persons to be positioned as Directors and submit questions in advance. The Board of Directors determines the time to receive the request directly to the Company's secretary, investor relation, independent Directors or via website by proposing the meeting agenda and name of the person to be positioned as Directors at least 3 months prior to the last date of the fiscal year, in which criteria of consideration is posted on the website of investor relation. The Company's secretary will propose the name as proposed by shareholders to the Recruitment and Remuneration Committee to examine the qualifications and then propose it to the Board of Directors and then to the shareholders' meeting. The Board of Directors will examine the suitability whether to add the agenda as requested by shareholders to the meeting or not based on said criteria, by allowing shareholders to propose names of candidates to be positioned as Director and propose the agenda in advance which has been a normal practice since 2006.
2. The Board of Directors proposes the name of 1 Independent Director as a choice for proxy of shareholders who holds the proxy authorization to exercise the right in the meeting and voting for each agenda. In general shareholders' meeting 2019, the Board of Directors proposed the names of 4 independent Directors.
3. The Board of Directors moderate the shareholders' meeting according to the agenda announced earlier in the meeting's invitation document, and will not add any agenda to the meeting without informing shareholders in advanced, so that the shareholders have enough chance to study the information of the operation performance to be considered in each agenda adequately and suitably.
4. The Company's Board of Directors prepares the voting cards for all agendas. The Company has used the barcode system for recording and displaying the voting result since 2006, while preparing staff to facilitate the collection of voting cards in the meeting room, which except in the case of voting to elect Directors, the staff will collect voting cards whether they be yes, no, or absentee' votes. And after the meeting, staff will collect the voting card for all agenda. Moreover, the Board of Directors arranges to have legal consultant to witness the voting count for transparency.
5. The Company's Board of Directors assigns the Company's secretary to prepare and write the meeting report accurately and completely, and then disseminate the meeting report to all shareholders through investor relation website and the Company also submitted the report to the Stock Exchange of Thailand no more than 14 days after the date of the meeting. Moreover, the Company also broadcasts audio and video of the shareholders' meeting on the investor relation website to allow interested shareholders to view the past meeting.
6. The Company determines preventive measures to tackle the use of inside information to benefit Directors by announcing to all parties concerned to be aware of role and duty to report the status of security holdings of each individual, spouse and minor children and acknowledge the change in security prepared reports for each time there is a buy, sell, transfer or receive of security to the Security and Exchange Commission according to the Article 59 of Security and Exchange Commission Act. (B.E. 2535) within 3 days after the date of purchase, sell, transfer or receive the transfer of security and notify the company's secretary to inform the Board of Directors in respectively. The Company always alerts in the meeting of Board of Directors and all management committee. Moreover, the Directors and management also acknowledges the duty and responsibility as stipulated and penalty as stated in Security and Exchange

Commission Act (B.E. 2535), and the Company prohibits the management who know the inside information of the Company to not violate article 241 of the already-mentioned law, including the related regulation.

7. To prevent conflict of interest, the Board of Directors carefully supervises. When there is an item that may result in a conflict of interest, the Company seeks to stipulate the policy and procedure of the related item approval in written form, including the policy and method of supervision so that the management and related persons will not use inside information to their own benefit, as follows :

Roles of Stakeholders

The Board of Directors: The Company has given priority to all groups, regardless of being internal vested interests such as the employees or the management of the Company or external vested interests such as trade partners, competitors, writers, translators, public servants and other involved parties. Since the Company realizes that support from vested interests can help in competitiveness and profitability of the Company, they are regarded as important to the long-term success of the Company. The Company has identified the guideline of practice in written form in the good corporate governance policy that the Board of Director supports the cooperation between the company and the stakeholders. The Company also developed an employee manual about business ethics and morality. This manual is to become the regulations and rules that need to be strictly followed by directors, executive staff and every employee. It also seeks to determine the communication channels. Moreover, the Company will take care of stakeholders according to the relevant laws, and, by no means, act in violation of stakeholders' rights, which can be described as below.

Stakeholders	Policy Good Corporate Governance
Shareholder(s)	The Company determines to operate in the business with honesty, direct, and verifiable, by adhering to the sustainable business development, with continuous average growth that is higher than industry average. It is committed to be a role model Company and can generate satisfied return on investment in long term.
Business Partner(s)	The Company will treat all business partners with fairness and equality on the basis of mutual benefit between the two parties.
Competitor(s)	The Company will treat all competitors under the rule of laws for proper conduct of business competition and will not attempt to damage the name and goodwill of competitors by wrongful accusation.
Creditor(s)	The Company promises to strictly abide by the contracts or condition agreed and promptly notify the partners if the agreements cannot be honored in order to find a reasonable remedy.
Customer(s)	The Company determines to produce products and appropriate services at the right price and is also satisfied by customers.
Staff(s)	The Company will support the working development and promote staff happiness.
Society	The Company will focus on the important of knowledge development to the children and society by strictly abided by the Company's aspiration.

Moreover, the Company has set a policy in good governance for all stakeholders through the Company's Sustainable Balance Report. As the Company considers corporate social responsibility for community and environment its main mission, the Company has focused on its corporation with every stakeholder to promote the sustainable growth of the Company. Anyhow, Environment and Society Policy of the Company can be viewed in Corporate Social Responsibilities (CSR) Section.

In 2011 there was an announcement of Safety and Health Care in the Workplace policy, Human Rights Policy, Anti-Corruption Policy, Anti-Copyright Violation Policy and other policies that may affect all interested parties. These policies will draw a clear guideline and support the business operation that is moral, just, transparent and appropriate.

Cases of Workplace Accidents in 2019

Nature of Accident	No. of Injured Person (s)
Slightly injured without leaving	1
Injured with three-day leaving or less	-
Injured with leaving more than three days	1

The Company decided to reduce the risk of accidents at work by not ignoring any accidents or unsafe situations affected health and safety of its employees. The Company will help its employees and tackle the problems immediately. To prevent the accidents to happen again, the investigation and resolution will take place accordingly.

Regarding Human Rights Policy, the Company realized every employee is entitled to work in a clean and safe environment, as well as without any human rights abuses. The Company also supports employees to perform their potential and self-esteem that are parts of organization's sustainable development. Therefore, the Company has a set of policies that every executive and employee have to abide by. The Company is committed to fairly and honestly manage remunerations, welfares, benefits, and employment conditions that are in line with same industry norms, where the Company provides higher benefits than the legal requirement. The Company has also set up a provident fund to promote saving for that employees can have a happy retirement life annual health check-up,etc. In 2019, the Company did not receive any complaints against the human rights abuses from employees, business partners, and local communities.

Regarding the Anti-Bribery and Corruption Policy, the Company has intention to operate its business transparently and legally in order to be one of the exemplar companies in Thailand. To align with corporate governance (CG), the Company pledged not to participate or support any kinds of corruption. Further, the Company not only supports every employee to live and behave legally as a good citizen of Thailand, but also supports its business partners to operate their businesses transparently and legally. By this, the Company created the network of cooperation in industrial level to develop business procedures transparently and legally. Since the Company is truly aware that corruption is the great obstacle in developing the country and national security, its anti-corruption policy in writing is launched to be guidance in its operating businesses, the Company was certified to be a member of the Private Sector Collective Action Coalition against Corruption Council as of August 2017. The Punishment Measure is also strictly implemented against the executives and the employees involving in internal fraud, bribery, and corruption. In addition, the Fraud and Corruption Assessment is annually conducted and the result is presented to the audit committee and the board committee respectively. The principles are also emphasized through training and meetings to ensure that every employee is aware of the importance of honesty.

Regarding Intellectual Property Infringement, the Company has tremendous spirit against copyright infringement, the Company clearly announced its determination to strictly follow the Intellectual Property law and will never commit any violation on rights, patents, trademarks, or software. In 2019, the Company was not claimed to be engaged in any copy dispute with any stakeholders.

In addition, the Board of Directors also determines the communication channel with the independent Directors via postal mail or email to permit reporting channels and suggestions so that instruction on the information examination process can be made.

For the report on any illegal activity: The Board of Directors also provides procedures and a channel of copyright infringement and appeal, by post and email:

Registered mails	Independent Directors, SE-EDUCATION Public Co., Ltd. 1858/87-90, Interlink Tower Building, 19 th Floor, Debaratna Road, Bangna Tai, Bangna, Bangkok, 10260
E-mail	id@se-ed.com

Employees own rights to directly inform and report corruption, code of conduct violation, and rights abuse to the directors, or their secretary, or to a department that has set up to be responsible for it. Employees are also able to express and share their opinion and suggestion about the operation of the Company. However, the Company has already set up the Department of Internal Audit and Investor Relations that is responsible for receiving all complaints from employees. Besides, employees also directly send a complaint e-mail to the Independent Directors. Every complaint and suggestion will be decided on a case-by-case basis. All complaint and those who complain will be entirely secured, therefore, there is no harm or effect on them.

Disclosure and Transparency

The Board of Directors has a policy of the Company as a role model in operating on the basis of transparency, verifiable, adequate disclosure of information for all parties concerned, monitoring to ensure the disclosure of accurate information with trustworthiness, completeness, timeliness, and equal access of information to everyone.

The Board of Directors has a policy for the directors with potential of conflicts of interest to report the ownership of assets of the directors, spouses and minor children annually.

The Board of Directors has a policy for related transactions by allowing transactions with conventional conditions. As for transactions between the Company and its subsidiary with the directors, the executives or related parties, the transaction agreements must be what a reasonable man should achieve with any ordinary contract partner in the same situation. Any negotiation must be without influence from the directorship status or the status of an executive or a related party. The Board of Directors assigns the Audit Committee to investigate any transaction with potential conflicts of interest or any related transaction that is worth more than 2 million Baht per quarter and report to the Board of Directors' meeting in every quarter.

The Board of Directors already disclosed the role and duty of the Board of Directors and sub-committee and number of times the Directors attended the meeting under the topic 'The management', and disclose the Directors and high executives compensation policy under the topic compensation.

Directors' Report The Board of Directors is responsible for the financial statements of the Company and financial information, appeared in the annual report. The financial statements are prepared according to generally accepted accounting principles in Thailand, using the accounting policy that is suitable as practice regularly and with careful discretion together with the best projections in the preparations, including disclosure of important data adequately in the added notice section supplementing the financial statements.

The Board has provided and maintained all necessary requirement of the internal audit with effectiveness, to ascertain with rationality that the accounting records are correct, complete and sufficient to maintain the assets and to learn of any weakness so that any significant irregularity can be prevented.

The Board of Directors of SE-EDUCATION Public Co., Ltd. has appointed the Audit Committee consisting of non-management Directors to supervise the quality of the financial report and internal control, as well as the opinions of the Audit Committee regarding this issue. Comments concerning this matter appear in the report of the audit Committee, already shown in the annual report.

The Board of Directors considers overall internal control of SE-EDUCATION Public Co., Ltd. to be satisfactory, and is trustworthy for the reliability of the financial statement of SE-EDUCATION Public Co., Ltd. as on December 31, 2019.

Relations with Investors The Board of Directors is aware that data concerning the Company's finance and non-finance aspects all play certain roles in the investor's decision-making process and vested interests. It therefore ensured that the management who has implemented matters concerning disclosure of data was complete, accurate, reliable, consistent, timely, and equal to that which the management has always given priority and upheld all along.

In disclosing important information of the Company both financial and non-financial, the Company used the Stock Exchange of Thailand as a channel. Moreover, the Company also discloses the information through the Company's investor relation website both in Thai and English, for example, Basic information about the Company, annual report, annual information disclosure report, financial ratios, historical data on dividends payout, shareholders and investors information dissemination, and non-monetary information such as, Corporate Governance policy, public relation, this information is always updated on a continual basis.

The Board of Directors has set up a business unit for investor relation to support the direct communication with investors, institution, shareholders, analysts, and related governmental sector. The investors can directly contact for more information by Mr. Wichian Rungpoonsap at tel. 66-2826-8000 ext. 8, 66-2826-8690, fax. 66-2826-8699, or e-mail us at : ir@se-ed.com and also click on website <http://corporate.se-ed.com>. Moreover, the investor relation has also been a member of Thai Investor Relations Club since 2006. In 2019 have no local investor and foreign investor asked to meet up the management.

Furthermore, the department of investor relation has set time duration of non-disclosure practices of information relating to the earning result to shareholders, investor, and analyst 7 days prior to the date that the Company submits the report of the earning result to the SET.

Not only the information is being disclosed, as stipulated by law of supervising body, the Company's Board of Directors also assigned the managing director, deputy managing director, accounting department director, finance department director, and Company's secretary to participate in activity of investor relation for its highest effectiveness for shareholders and investors. Moreover, the Company's Board of Directors also assigned the Audit Committee and the Company's secretary to monitor the annual operation plan, budgeting, manpower, and acknowledge the work result of investor relation divisions through Investor Relation Internal Report, which collects all data from different sources, opinions, and suggestions from questionnaires collected. At the same time, the Audit committee and Company's secretary also reported to the Board of Director on a regular basis in each quarter.

Board Responsibilities

For the act of duty for Directors, all the stated principles will be of honestly, directness and abiding by the rule of laws and regulations of the Company. By adhering to the principles for every business activity, all decisions and transactions made will be processed with honesty at its core.

The Board of Directors shall consider prescribing and separating the duty and responsibility between the Directors and the management clearly including communicating the roles, duties and responsibilities to the Directors, the management and the employees of the Company regularly.

The Board of Directors already disclosed the role and duty of the Board of Directors and sub-committee and number of times the Directors attended the meeting under the topic 'Shareholding and Management Structure'.

Policy for the Company's Directors and Executives in other firms

In 2007, the Audit Committee reviewed the principle of Good Corporate Governance which has been revised for the fifth time since 2001 to be submitted to the Board of Directors to consider a policy to allow the Company's Directors to hold positions in other companies listed in the Stock Exchange of Thailand no more than 5 companies, and in 2010 there was an adjustment in the policy that only allows directors to take a position at no more than 3 listed companies in the Stock Exchange of Thailand in order to comply with the advice of Stock Exchange of Thailand.

Moreover, The Board of Directors stipulated that the managing director and high executives can also hold the posts of Director in other companies as seen necessary and does not affect the duty and responsibility of the Company but must be approved by the Board of Directors or Authorized person.

The Board of Directors has not determined the term of Directors and Independent Directors, since the Company's Board of Directors believes that the expertise in the book business and other matters concerned does not depend on the number of terms in the position, but the director should have the ability and time to dedicate for the Company to their best ability in coming up with strategy, creative vision, and offering consultations to business operations. The decision to select individuals for the positions in the Board of Directors is totally the shareholders' right.

Balance of Power for Non-Executive Directors The Board of Directors consists of 10 members :

- Directors that are in the management team : 2 person
- Directors that are not in the management team : 4 persons
- Independent Directors : 4 persons

Therefore, the 4 Independent Directors which are accounted for 44.44% of all Directors which is still lower than the suggestion that the Board of Directors of a listed company should consist of more than 50% of Independent Directors, according to the survey of corporate governance of Thai listed companies by Thai Institute of Directors. However, the Company's definition of an Independent Director is more strict than the definition set forth by the Office of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand. Thus, the Stakeholders can be sure to allow these Directors to represent the shareholders independently, resulting in check and balance for management.

The Board of the Company is responsible for performing its duties according to legality, objectives and company regulations and shareholders' resolution with integrity for the Company's best interest. The Board of the Company has an exact amount of time to be in office, which is consistent with the Company's regulations which stated that one-third of Committee who have the longest term in position must accept the resignation in each annual general meeting.

The Board of Directors has sought to prescribe the definition of the term 'Independent Director' during the Board of Directors' meeting number 3/2009 which is stricter than minimum frame of definition of Independent Directors announced by the Security and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). In the Board of Directors meeting no. 3/2012, the definition of 'independent director' was revised to be consistent with the definition from the Stock Exchange of Thailand, in 'Independent Directors Handbook' dated March 29, 2012 as follows :

1. Holds shares not exceeding 0.5% of the total shares with voting right of the applicant, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the applicant, provided that the shares held by the related parties of such independent director shall be included.
2. Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling parties of the applicant, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the applicant unless the foregoing status ended for at least 2 years.
3. Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brother, sister or children. The prohibitive persons also include spouses of daughters and sons of management, major shareholders, controlling party or the person who is in the process of nomination to be the management or controlling party of the applicant or its subsidiary.
4. Have not or never had business relationships with the applicant, its parent company, subsidiaries, associates, major shareholders or controlling parties of the applicant in respect to holding the power which may cause an obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended for at least 2 years.
5. Is not or has never been the auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended for at least 2 years.
6. Is not or has never been the professional service provider, including but not limited to legal service or financial advisor and received a service fee more than 2 Million per year from the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms unless the foregoing status ended for at least 2 years.
7. Is not the director who is nominated to be the representative of the directors of the applicant, major shareholders or any other shareholder related to the major shareholder.
8. Does not operate a similar business which can significantly compete with the Company and its subsidiary's businesses. Does not have a significant amount of shares of a partnership or take a position of a director with an active managing responsibility. Is not an employee or a consultant who receives regular salaries or holds more than one percent of the voting stocks of other companies who operate a similar business and can significantly compete with the Company and its subsidiary's businesses.
9. Is not any otherwise which is unable to have the independent opinion regarding the business operation of the applicant.
10. After being appointed as the independent director in accordance with the conditions under the article (1) - (9), such independent director may be assigned by the board of directors to make decisions in respect to business operation of the applicant, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of applicant.

However, the independent Directors had examined the qualifications of independent Directors in an annual basis, and the Board of Directors trusted that the stipulated qualifications of 'independent Directors' which is stricter than guideline of Security and Exchange Commission (SEC) and Stock Exchange of

Thailand (SET) minimum frame of reference will be adequate for the Company's selected independent Directors to be truly independent and appropriate for the particular characteristics of the Company.

Position Combination or Separation : The Company has made this a policy that the Chairman of the Board of Directors shall not be the same individual who positions as the managing director, to ensure the check and balance and, so, made reviewing of work more transparent.

The Chairman of the Board of Directors comes as independent Director and is the leader and meeting moderator who controls the flow of the Board of Directors' meeting in effective and efficient manner. In each meeting, all Directors are urged to actively participate, as well as raising essential questions. Directors also occasionally meet to advice and help the business management with the managing director. At the same time, the Board is to stay away from routine day-to-day operations or business activities responsible by management, where the managing director is the head of the management team. The Board of Directors has authorized the managing director or the authorized person to sign in binding document as has been directly authorized. The Managing director then effectively authorizes and empowers the high executives with the tasks which are clearly marked in term of line of duty and responsibility. Therefore, the authority and role of the Board and that of the management are clearly defined and separated.

Sub-Committee

The Board of Directors appointed Directors who have the qualifications suitable to undertake, study and analyze details of various matters as assigned by the Board of Directors for sub-committee to take charge. Moreover, the Board of Directors also stipulated the qualification, elements, term and duty of sub-committee in a clear manner. Most sub-committee members consist of independent Directors and Chairman of each sub-committee who is also an independent Director. The Chairman of the Board of Directors will not perform a role as Chairman of sub-committee. The sub-committee reported each of the result of meeting and assignment to the Board of Directors on a regular basis, including the report on operations result to inform shareholders in the annual report.

Presently, the Company has 2 sub-committee, consisting of :

1. The Audit Committee
2. The Recruitment & Remuneration Committee

The details of name list, responsibility of the Board of Directors and each sub-committee, and the experience in auditing financial statements of the Audit Committee are disclosed under the topic 'Shareholding and Management Structure'.

Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors consists of people who are knowledgeable, competent, skillful, experienced in business operation and understand very well the role and duty. This makes the work more effective.

As such, the Board of Directors participates in the vision, mission, strategy, target and business plan of the Company and also monitor, follow up and assess the result of business management and operation to be in line with objective and business plan worked effectively, according to rule, laws and regulations of each business unit under supervision and also related governmental unit, and also according to the resolution(s) from the Shareholder's meeting to maximize the economic value added to the business and also stability to the Shareholders, while at the same time take into account of all stakeholders at best. In 2019, the Board of Directors has reviewed and approved the Company's vision, mission and strategy 2 times.

The Company is committed to doing the right things as a guideline for business of all the Directors and employees. The Company has announced the enforcement of business and employee ethics for the Directors, the executives and all the employees to uphold as guideline in performing according to duty with loyalty, honesty and justice. In addition, this also includes conduct with the Company and vested interests, the public and society. The Company has assigned the internal audit and investor relations section to continuously follow up on compliance with ethics, and prescribes disciplinary actions in case of violations.

The Board of Directors has confidence that a good corporate governance process can help to promote the operations of the Company, and is the heart of achieving the fundamental objective to optimize value for the shareholders. The values the Company aims and expects for all the Directors and employees to do in all missions are:

- Giving highest priority to building satisfaction for customers
- Having confidence in working together
- Dedication towards work with virtue and professionalism
- Upholding the principles of good procedure and discipline
- Readily responding to all uneventful situations

The Board of Directors understands the business operation, the responsibility to the Stakeholders, staff, environment and society. The Board has prepared the spread of business ethics, policies on social and environmental issues through several communication channels such as the public relation activities and staff's meetings. It also includes the follow up on the ethical conduct of business and stipulates the penalty measures.

Besides, in the beginning of 2011 the Company avowed the intention to join the Collective action Coalition to fight against corruption in Thailand's private sector together with Thai Institute of Directors, Thai Chamber of Commerce, Thai Banker's Association, International Chamber of Commerce and Thai Listed Companies Association. The Company avows that it will operate a transparent and legal business; it will not support corruption and will adhere to the good corporate governance principles. In 2017, the Company was certified to be a member of the Private Sector Collective Action Coalition against Corruption Council as of August 2017.

For prevention of conflict of interest the Board of Directors has paid special interest to items that may have conflicts of interest. By prescribing policies and procedures on approval of the connected items in writing, including prescribing the policy and supervision method so the management and the involved parties cannot use insider information for personal interest as follows:

Items that may have conflict of interest : The Company's Board of Directors carefully monitors to avoid any conflict of interest that may arise and also look into the related items, by stipulating in the policy and steps of approval for each item in written notice. Moreover, the Audit Committee proposes to the Company's Board of Directors regarding the items that could cause conflict of interest. The Company's Board of Directors has been particularly careful when consideration is made, in accordance with criteria stipulated by stock exchange through the determination of price and condition as if such items are dealt with the outsiders (Fair and at Arm's Length) and disclose the inter-related items which are significance, item value, counterparty, reason/necessity in the annual report and annual information disclosure report.

The Board of Directors approved the principles and suggestion of Securities and Exchange Commission in accordance with the Section 89/12 (1) of Securities and Exchange Act (No.4) B.E. 2551 to allow the company management to enter in to any business transaction between the Company and its subsidiaries and directors, executives or related persons. The transaction with the same commercial terms as those an ordinary person would agree with any unrelated counterparty under the similar circumstances, on the basis of business negotiation which is without any influences directly resulted from the company's positions of director, executive, or

related person. However, the Board of Directors has assigned the Audit Committee the task to present the items which may pose a conflict of interest and any related items for the transaction over 2 Million Baht per quarter and reports it directly to the Board of Directors to acknowledge in a quarterly basis.

In the meeting of Board of Directors, should the Directors have interest in the decision, the Chairman of the Board will request for Directors to abiding to the regulation and have Director informed to the meeting and is asked not to vote or voice opinion for the matter.

Supervision on the of insider information : The monitoring of policy and measures are in written format with respect to the Corporate Good Governance and handbook for the Board of Directors which has already been discussed in the Board meeting. The top management of the Company have also been informed about the announcement of Securities and Exchange Commission which stated that the management (including the spouse and minor children - or, in other words, not yet 20 years of age) must report the change of stock ownership to the Securities and Exchange Commission as stipulated in the law called Securities and Exchange Commission Act B.E. 2535 in the section 59 within 3 days after the change of ownership of Securities taken place, and also report to the Company's secretary for acknowledgement so as to later inform to The Board of Directors. Moreover, the management in the meeting has also been informed about the penalty imposed upon those who violate the laws.

The Company has the policy that set the guideline for the practice of Corporate Good Governance, ethical practices of the Board of Directors, including the regulation that prohibit the staff from take Company's document or information for personal use, or bring outside the Company, without asking for permission. This also includes exposure of financial document or other related documents for outsider, and also prohibits the trading activity within 1 month prior to public release of financial information. If done so, the act can be considered 'misconduct' to the Company's rule of conducts. Should the management or staffs learn about significant insider information with regard to anyone who may violate such rule of conducts, the penalty can be ranged from warning, fine, work suspension, work without pay, job termination.

Controlling System and Internal Audit

1. Control and Internal Audit System, the Company sees the importance of internal control at the management and the operation level, so it has clearly prescribed duties and powers on the operation of the operators and the management, specifically in writing. There is a control on the use of the assets of the Company to the highest benefit, and there is the separation of duty between the operators, the controllers and evaluation, for suitable check and balance among each other. Moreover, there is internal control on the financial system and the Company has prepared the financial report for submission to the responsible management line of duty.

The Company has an internal audit unit responsible to reassure that the main practices and essential financial activities of the Company are in line with the guideline and are operated with effectiveness. It includes audit on legal compliance and compliance control as well as the independent internal audit and investor relations unit who is capable of independently performing the check and balance. Therefore, the Board of Directors has designated that the internal audit and investor relations unit to report the results of the audit directly to the Audit Committee and is also evaluated by the Audit Committee.

2. Risk Management, the risks are regularly evaluated against business risk on the internal and external factors. The working Committee consist of management and high level executives in the line of work associated with each risk involved. The supervisor in each work unit related directly to this aspect and internal control unit will work towards analyzing the cause of risk factors and determine relevant measures to manage the risk, and also keep track on the operation of risk management plan and report the result back to Audit Committee to present the finding to the Board of Directors.

The Board of Directors put forth the important of internal control system and risk management to build confident and trust that the risk is at the acceptable level and allocation and usage of resource can be correctly utilized and maximized, resulting better reliable financial information.

Self-Evaluation of Directors

The Board of Directors arranged an annual self-evaluation session for individual, group, and sub-committee evaluation to permit the Directors to reconsider the past works, problems, and difficulties that each faced during the past year to understand the need to improve or correct to increase the work performance by evaluation the result of work in aggregate view, by using evaluation guidelines recommended by the Stock Exchange of Thailand, but readjusted the format slightly to best suit the Company's business environment and use the evaluation result - in chart format - to review and revise, so as to increase work efficiency.

With this, The assessment as referred to 6 topics, such as the structure and qualifications of the Board of Directors, duty and responsibility of the Board of Directors, the Board of Directors' meeting, performance of Directors, relationships with the management, self-development of Directors and management development. The score result from assessment of the Board of Directors can be divided in 5 levels, score of 5 = Excellent, 4 = Good, 3 = Standard, 2 = Adequate, 1 = Severely needed improvement.

- The evaluation of the Board of Director received the average score of 4.53 out 5, which is considered to be in an Excellent level.
- The evaluation of the Audit Committee received the average score of 4.61 out of 5, which is considered to be in an Excellent level.
- The evaluation of the Recruitment & Remuneration Committee received the average score of 4.45 out of 5, which is considered to be in an Excellent level.
- The individual (self) evaluation of the directors received the average score of 4.62 out of 5, which is considered to be in an Excellent level.
- The individual (self) evaluation of the Audit Committee received the average score of 4.53 out of 5, which is considered to be in an Excellent level.
- The individual (self) evaluation of the Recruitment & Remuneration Committee received the average score of 4.17 out of 5, which is considered to be in a Good level.

Directors' Development

The Company understands the importance of Directors' development. The Board of Directors has specified in the principle of Corporate Good Governance that the Company will promote and facilitate a continuity of training of Directors from supervisory units, where the Board of Directors appointed the Company's secretary to be the coordinator with the Directors in keeping them informed about the training courses and seminars.

In 2019 the directors attended trainings to improve their knowledge and understanding in the role of a director to increase the effectiveness in their works, the details are follow;

1. Joined the seminar in the program "Preparing and Understanding for apply the Auditor quality management and Audit office to enforce" by Asst.Prof.Tippawan Pinvanichkul Ph.D.
2. Joined the seminar in the program "TFRS16 LEASE" by Asst.Prof.Tippawan Pinvanichkul Ph.D.
3. Joined the seminar in the program "Thai Accounting Standards class no. 2/2019" by Asst.Prof.Tippawan Pinvanichkul Ph.D.

4. Observational study and International conference at the Nantes, France, “ IASP Word Conference 2019, THE 4th INDUSTRIAL REVOLUTION : AREAS OF INNOVATION AND SCIENCE PARKS AS KEY BOOSTERS FOR A SUCCESSFUL TRANSITION”, Asst.Prof.Tippawan Pinvanichkul Ph.D.

5. Joined the seminar in the program “All TFRS in 2019 class no. 2/2019 (sub-course 602)” by Asst.Prof. Tippawan Pinvanichkul Ph.D.

6. Joined the seminar in the program “Actuarial Valuation of Employee Benefits” by Asst.Prof.Tippawan Pinvanichkul Ph.D.

Orientation for New Directors in the Board : the Board of Directors appointed the Company's secretary to brief all related information to the new directors through the director's handbook which has been prepared and submitted to directors each year to be used as a complete and up-to-date reference and also arranged a visitation of the Company's business operation, facilitating a better understanding of the Company's business.

Inside the Director's handbook, a comprehensive briefing of all contents relating to the Company and data deemed important to the Directors are all included, for instance: History of the Company, Organization structure, Company's businesses, Company's regulation, the Board meeting, principle of Corporate Governance, ethics for directors, executives, and staffs, related item, the release of stockholding, related rules, etc.

Succession Plan : The Board of Directors assigned managing director and executives to prepare a succession plan for different levels of executive positions in management and main line of duty, by considering work profiles and potential of each individual and determine the readiness for work replacement, ability development, and necessary skills. Moreover, the Board of Directors assigned managing director to report to the Board of Directors to acknowledge the readiness plan in case the executives can not perform their duty.

Internal Control

The Board of Directors and management has continued to stress the importance of internal control, by emphasizing on the adequate internal control system for business operation to maximize management as well as assets monitoring, reduction in possible errors, the Company's damage prevention, financial management, risk management, operation supervision, which reasonably ensures that the Company can operate as expected and maximized the added value in long run. In addition, The Board of Directors has made certain that all operations are within the rules and regulations stipulated by the laws to prevent any possible damage to the Company.

The Audit Committee has performed its duties within the framework of responsibilities assigned by the Company's Board of Directors, which is also consistent with the Stock Exchange of Thailand's stipulation. In the fiscal year 2019, there were 5 Audit Committee meetings in which attended along with the executives, auditors, accounting department and internal audit department. The remarks about the sufficiency of the internal audit system can be summarized as follows :

Part 1 Control Environment The Company determines business goals which are accurate, clear, possible and measurable. Moreover, the Company's structure supports the goals. There are regulations and penalties to prohibit executives and employees from possible conflict of interest. The Company, however, is in the stage of establishing policies and regulations about financial, purchasing and administrative transactions. All policies are based on fair business with partners for long-term benefit.

Part 2 Risk Assessment The Company always went through the risk assessment, both internal and external business risks. The working group consisting of the Managing Director, Deputy Managing Director, and assistant Managing Director related to the risk in each line of duty, and each division and department managers will analyze risk factors, as well as the control and follow-up action for risk administrative plans.

Part 3 Control Activities Executive Performance The administrative responsibilities include authorization, considering proper credit limit to be approved by executives in each level accounting and information booking and asset keeping. To authorize any transaction, 2 Directors have to co-sign documents.

Transaction authorization between the Company and major Shareholders, Director, executives, and related persons are regarded for these advantages, as with any external transactions with others.

Part 4 Information and Communications The Company provides enough information for Directors' decisions. However, in case of the change in last updated information, the Company may not be able to submit a financial statement with the meeting letter 7 days before the meeting, but it can be proposed just a day before, or at the meeting room.

Accounting documents are filed systematically in accordance with the accounting system for the purposes of business policy.

Part 5 Monitoring Activities The Company uses a follow up system comparing each quarter's goal, which is examined by the internal audit, by reporting the performance directly to the Audit Committee. When significant errors are encountered, the Internal Audit must immediately inform the Committee concerned, as well as the updated error correction report.

Moreover, the Audit Committee has found that there were not any significant weaknesses, from effectiveness assessment, in the accounting control system.

Good Corporate Governance Principle that the Company Cannot Comply

In 2019 the Company is able to follow the principles of corporate governance of Thai listed companies issued by Thai Institute of Directors. However, the Company cannot adhere to some principles as follows:

The Board of Directors should limit the term of independent committee to a maximum of 9 years without exception; preferably the maximum term should be 6 years without exception: As the Company's main business is retailing which requires special expertise in products such as books, the Board of Directors do not limit the term of independent directors. After consideration, it is agreed that experience and expertise in book business is needed in order to provide a policy, strategy, vision and advice for the Company's direction. Anyhow, the Board of Directors do not overlook the disclosure of the date each independent director took up the position and the length of term that each independent director has been in the office so far; this information is disclosed in the invitation to the General Shareholders Meeting so that it can be used as a reference in the meeting.

Anyhow, the Company's regulation indicates that in every general shareholders' meeting, one third of the directors need to leave the office, which is the director who has the longest term. The Company also gives an opportunity to the shareholders to nominate the person who is qualified to be appointed a director at least 3 months before the end of the accounting year. Because of the procedure that the Company follows in selecting the person to be the director, it can be said that the Company does not overlook the suggestion to limit the term of independent directors; the independent directors are also a member of the Board of Directors, one third of which are required to leave the office every year.

The company should form the CG Committee: Even though the Company does not form the CG Committee as shown in the organizational structure, the Audit Committee consistently perform the task in checking the good corporate governance under the scope of duties specified in the Audit Committee's Charter and duties assigned by the Board of Directors.

Report of the Board of Directors Responsibilities for Financial Statements

The Board of Directors of SE-EDUCATION Public Co., Ltd. has stressed the importance of duties and responsibilities towards Good Governance by following the objective guidelines of the Company regulation, laws, and stipulated policy and procedures of the auditing body to ensure that the financial report of the Company is proper and a complete accounting record. This enables it to reflect the true financial and operation of the Company for the benefit of shareholders and investors in a transparent fashion.

The Board of Directors is responsible for the Company's financial statements and financial information presented in this annual report. The Board of Directors agreed that the aforementioned financial statements, for the year 2019 of the Company and its subsidiary company are created in accordance with the generally accepted accounting standards, using appropriate accounting policy measures consistently employed by SE-ED as well as applying careful judgment and assessment. Essential information is adequately disclosed in the addendum notes to financial statements.

The Board of Directors has provided and maintained an efficient internal control system to ensure that accounting records are accurate, complete and adequate to protect its assets and disclose weaknesses in order to prevent fraud or materially irregular operation.

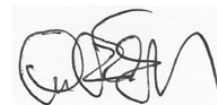
To accomplish this task, the Board of Directors has appointed an audit Committee, which consists of Non-Executive Directors responsible for the quality of financial statements and internal control system, whose comments on these issues are readily included in the Audit Committee Report in this annual report.

The Board of Directors has agreed that SE-ED's overall internal control system is functioned up to the satisfactory level and rendered credibility and reliability to the SE-ED financial statements for the year ended December 31, 2019.



Mr. Kasemsant Weerakun

Chairman of the Board of Directors



Mr. Worapote Chutchaikulsiri

Deputy Managing Director

Chief Financial Officer

Remuneration of Auditor

The Company and its associated companies have paid the auditing fee for the period of fiscal year 2019 to the DHARMNITI Office Limited in the amount of THB 1,200,000 (excluding traveling/accomodation fees, and expenses in witnessing the stock counting) The Auditor doesn't have any relation with the Company other than auditing service only.

Other Service Fee

The Company and its associated companies don't pay any other service fee to the DHARMNITI Office Limited for the fiscal year 2019.

Interpretation & Analysis of Financial Position and Results of Operations and Financial Statements

- Interpretation & Analysis of Financial Position and Results of Operations 2019
- Auditor's Report
- Financial Statements



Interpretation & Analysis of Financial Position and Results of Operations 2019

Profitability and Operation Efficiency

	Consolidated financial statements			Separate financial statements		
	2019	2018 (Restated)	2017	2019	2018	2017
Total revenue (Million Baht)*	3,027.83	3,380.18	3,768.76	2,812.79	3,181.33	3,585.88
Growth from the last year (%)	(10.42)	(10.31)	(12.10)	(11.58)	(11.28)	(12.84)

* The total revenue is from financial statement that combines the profit share from the associate, which is in accordance with the total revenue information from the Stock Exchange of Thailand.

For Year 2019, the Company was getting well adapted in every aspect as follows:

- Continuous financial cutbacks in every dimension, especially reorganizing the employee structure in order to achieve effectiveness, and shutting unprofitable 41 branches, to make better expense control for the Company. As of 31 December, 2019 the 314 branches are active.
- The new market penetration like the institute market had clearly been well welcomed along with products for improving English proficiency of the educational officers and students. It allows the Company to meet the institutes' needs more precisely and aligned with national policies on education. For example, course books from Oxford University Press with its curriculum in improving English teachers and criteria for evaluating 4 skills based on CEFR (Common European Framework of Reference for Languages) and an assessment tool for improving English proficiency (Cambridge Assessment), including the digital self-learning media for improving English proficiency which are available anywhere and anytime.
- Better product mix ratio that served the right targets of each branch. The Company also launched new imprints to reach the new audience, which are 1) Change+ for self-development books 2) Fukurou for tutoring and examination in a secondary level 3) Wisdom World for tutoring and entrance examination in a university level 4) Life+ for health, food, and lifestyle 5) Unicorn Books for fiction. They helped improving profitability of the Company.
- Better creative marketing promotions regarding the Government's national policy on shopping which was one of the factors that helped thriving book business.

In consolidated financial statements of 2019, net profit of the Company was THB 11.99 million and profit decreased by THB 1.22 million or 9.24%. The net profit in separate financial statements was THB 2.92 million, profit decreased by THB 10.97 million or 78.98% due to a retail recession in overall. This was in accordance with a decline of purchasing powers of the lower-middle class whose incomes come from agricultural products that needed a commercially encouragement from the government sector. Further, the household debts were not seemingly to be lightened, directly affecting the purchasing power. This also caused economic recessions widely and took a long time to recover.

Even though, the Company had received the insurance's compensation of THB 18.6 million from the politic turmoil back in 2010.

Operating performance for year 2019 over the same period last year

(Unit : Million Baht)

Revenues	Consolidated financial statements			
	For the year ended 31 December		Change	
	2019	2018 (Restated)	Increase (Decrease)	(%)
Revenues				
Revenues from sales	2,748.16	3,117.51	(369.35)	(11.85%)
Tuition fees income	198.38	184.29	14.09	7.65%
Interest and dividend income	1.11	1.24	(0.13)	(10.69%)
Other income	80.16	76.13	4.03	5.29%
Total revenues	3,027.81	3,379.17	(351.36)	(10.40%)
Expenses				
Cost of sales	1,764.01	2,032.01	(268.00)	(13.19%)
Cost of tuition fees	147.00	140.50	6.50	4.63%
Selling expenses	664.45	759.81	(95.36)	(12.55%)
Administrative expenses	416.56	414.33	2.23	0.54%
Finance costs	12.17	14.87	(2.70)	(18.13%)
Total expenses	3,004.19	3,361.52	(357.33)	(10.63%)
Gross profit	1,035.53	1,129.29	(93.76)	(8.30%)
Gross Margin (%)	35.14%	34.20%		0.94%
EBITDA	156.62	133.99	22.63	16.89%
Profit from operation accordance with Cash Flow Statement	168.71	134.41	34.30	25.52%
Net profit(loss) of shareholders' equity of parent company	11.99	13.21	(1.22)	(9.24%)
EPS (Baht)	0.03	0.03	-	-

OPERATING RESULTS For the year ended December 31, 2019 the financial information can be summarized as follows:

- **The total revenue** from the consolidated financial statement decreased by 10.40% from the previous year. The total revenue from the separate financial statement decreased by 11.58% which primarily caused by the revenue from the Company's retail business declined due to customer traffic lessened and customers spent more time on social media for information, negatively affected retail business in overall. Also, this decrease of sales was affected by closing down unprofitable branches.
- **The selling and administrative expenses** decreased by 7.93% due to better stock management, improved working performance, and well costs and expenses control.
- **Finance cost** decreased by THB 2.70 million because the Company paid the long-term loan on time.

EBITDA increased by THB 22.63 million due to expenses in accounting numbers in 2019, for example, an increase of THB 14.48 million in reserving the long-term employee benefits and pensions in accordance with the new Labor Law and an increase of THB 16.47 million of loss from product destruction.

Statement of financial position As at 31 December 2019 and 2018

(Unit : Million Baht)

	Consolidated financial statement			
	2019	2018 (Restated)	Increase (decrease)	%
Current assets	563.16	591.84	(28.68)	(4.85%)
Non-current assets	1,909.62	1,982.31	(72.69)	(3.67%)
Total assets	2,472.81	2,574.15	(101.36)	(3.94%)
Current liability	917.70	986.11	(68.41)	(6.94%)
Non-current liability	311.11	355.52	(44.41)	(12.49%)
Total liability	1,228.81	1,341.63	(112.82)	(8.41%)
Total shareholder's equity	1,243.97	1,232.52	11.45	0.93%
Total liability and shareholder's equity	2,472.78	2,574.15	(101.37)	(3.94%)

Current assets decreased by THB 28.68 million or 4.85% as follows:

- Cash and cash equivalents decreased by THB 27.98 million or 20.06% resulted from paying off the loans and paying to retail payables whose terms and conditions were changed in order to maintain the Company's maximum benefit.
- Trade receivables and other receivables decreased by THB 5.16 Million or accounted for 8.20% which mainly are educational institutes' receivables.
- Inventories decreased by THB 7.50 million or 2.24% due to a decrease of sales from bookstores and from closing-down 41 branches in 2019. This resulted in a decrease of goods purchasing.
- Current investments increased by THB 6.10 million from investing in a fixed deposit account for seven months of its subsidiary company.

Non-current assets decreased by THB 72.69 million or 3.67% due to periodic depreciation of building and equipment.

Current liability decreased by THB 68.41 million or 6.94% as follows:

- Trade account payables and other payables decreased by THB 143.62 million due to paying to retail account payables.
- Overdraft and short-term loan from financial institutes increased THB 63.03 million.

Non-current liability decreased by THB 44.41 million or 12.49%

- Long-term loans decreased by THB 70.86 million from paying off the due loan.
- Retirement money reservation of the employees increased THB 21.46 million due to the new employment act.

Shareholder's equity increased by THB 11.45 million or 0.93% because net profit increased by THB 22.26 million and decreased by THB 10.81 million from reserving the employees' benefits in accordance of the new Labor Law of THB 10.81 million.

Statement of cash flows of 2019 and 2018

(Unit : Million Baht)

	Consolidated financial statement			
	2019	2018 (Restated)	Increase (decrease)	%
Cash flows from (used) operation activities	12.62	45.07	(32.45)	(72.00%)
Cash flows from (used) investing activities	(43.02)	26.82	(69.84)	(260.40%)
Cash flows from (used) financing activities	2.42	(78.29)	80.71	103.09%
Cash flows Increase (decreased)	(27.98)	(6.40)	(21.58)	(337.19%)

Cash flows from operation activities in 2019 was THB 12.62 million

- Profit in the form of cash from operation was THB 168.71 million.
- Operational assets decreased by THB 3.04 million due to a decrease of trade receivables in educational institutes and schools.
- Operational liabilities decreased by THB 131.78 million because of paying off the retail payables to renegotiate for the new terms and conditions in order to maintain the Company's maximum benefit.
- Cash decreased from paying employees' long-term benefits for THB 7.09 million in the form of the honor rewards program for employees and the remuneration for retired employees.
- Cash decreased by THB 12.21 million from paying an interest of the long-term loans.

Cash flows used in investing activities in 2019 was THB (43.02) million.

- Cash decreased by THB 42.11 million from renovating the kitchen and sport field of the Company's subsidiary, purchasing computers, and renovating the branches.

Cash flows from financing activities in 2019 was THB 2.42 million.

- Cash increased from short-term loans from financial institutes by THB 40 million.
- Cash increased from withdrawal THB 23.03 million overdrafts.
- Cash decreased from repaying a long-term loan to financial institutes by THB 60.61 million.

Financial ratio of 2019 and 2018

(Unit : Million Baht)

Financial ratios		Consolidated financial statement	
		For the year ended	
		2019	2018 (Restated)
Return On Equity (ROE)	%	1.03	1.14
Return on Asset (ROA)	%	1.42	1.26
Debt to Equity Ratio	times	0.99	1.09
Interest Coverage Ratio	times	15.48	9.56

Note:

- ROE (Return on Equity) = Net profit (Parent Company only) divided by shareholder's equity (averaged) from Parent Company only
- ROA (Return on Assets) = Net profit before financial and tax expenses divided by total assets (averaged)
- Debt to Equity ratio = total debts divided by shareholder's equity (minor shareholder's equity included)
- Debt service Coverage Ration = Profit from operating activities before changes in operating assets and liabilities + interest + income tax expenses divided by interest from operation and investment

Return on Equity (ROE) and Return on Assets (ROA) Return on Equity (ROE) was 1.03% decreased by 0.11% while Return on Assets (ROA) was 1.42% increased by 0.16% because of revising profit in 2018 in accordance with the new Thai Financial Reporting Standards on acknowledging the admission fees of the Company's subsidiary. As a result, profit in 2018 decreased by THB 2.88 million.

Debt to Equity Ratio was 0.99 times, decreased by 0.10 times due to paying long-term liabilities which was due.

Interest Coverage Ratio was 15.48 times, increased by 5.92 times due to a decrease in interest in accordance with the principle portion.

Independent Auditor's Report

To the Shareholders and Board of Directors of SE-EDUCATION PUBLIC COMPANY LIMITED

Opinion

I have audited the consolidated financial statements of Se-Education Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2019, and 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 I have audited the separate financial statements of Se-Education Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2019, and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of Se-Education Public Company Limited and its subsidiaries as at December 31, 2019, its consolidated financial performance and cash flows for the year then ended and the separate financial position of Se-Education Public Company Limited as at December 31, 2019, and its 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 and the Company in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are matters that are most significant to my professional judgment in auditing the consolidated and separate financial statements for the current period. I have considered these matters under the context of the overall audit of the consolidated and separate financial statements. In the expression of my opinion, I do not express a separate opinion on these matters.

Revenue recognition from sales

Revenue from sales is a transaction with the significant value in the financial statements and also has a direct effect on the performance that the users of the financial statements pay attention to. I consider that the revenue recognition is a significant risk in the audit. Therefore, I have paid special attention on such revenue recognition regarding the accuracy and completeness of the revenue transactions recorded in the account.

I have audited the revenue recognition from sales by understanding and evaluating the effectiveness of significant internal controls related to sales revenue cycle and randomly testing compliance with the control system designed by the Company by testing from the sales process until the end of the process and evaluating the efficiency of the computer system that the Company uses to retrieve all the information related to sales reports, checking sales revenue recognition to be consistent with the Company's revenue recognition policy, randomly checking of sales documentation that incurred during the year and near the end of the accounting period, reviewing of credit memos issued by the Company after the end of the accounting period and analysing income by comparing historical data and industrial data, and checking potential irregularities that may incur in sales transactions especially the accounting transactions are made through journal vouchers.

Estimation of allowance for declining in value of inventories

As the reduction condition of the print and online media industry get more involved in the business, such change has affected the media and publishing services business. Therefore, the Company has a risk in the value of inventories higher than the net realizable value. However, the consideration of the net realizable value requires the considerable judgment of the management including the related assumptions. Therefore, I have paid special attention on the use of the management judgment regarding such estimation.

I have made the understanding policies and methods used by the management to estimate the net realizable value of inventories, using the methods to assess the net realizable value of inventories, randomly testing transactions in the report to separate age and net realizable value with relevant documents, assessing the reasonableness of the assumptions used by the management in determining sales at a price lower than cost to consider the appropriateness of the declining value of inventories, testing the accuracy of calculating the net realizable value of inventories and considering the appropriateness of the main assumptions the Company used as well as referencing internal and external data, considering the operational plan, including the analysis of past trends and considering the adequacy of disclosure according to Thai Financial Reporting Standards.

Other Matters

The consolidated statement of financial position of Se-Education Public Company Limited and its subsidiaries (the Group) and the statement of financial position of Se-Education Public Company Limited (the Company) as at December 31, 2018 (before adjust), which are included as comparative information, were audited by another auditor who expressed an unqualified opinion thereon in her report dated February 22, 2019.

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 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 will 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 identified above when it becomes available 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 in order for those charged with governance to correct 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 consolidated financial statements and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Nannaphat Wannasomboon.



(Miss Nannaphat Wannasomboon)

Certified Public Accountant

Registration No. 7793

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 26, 2020

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of financial position

As at 31 December 2019

		ASSETS			
		Baht			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Notes			(Restated)		
Current assets					
Cash and cash equivalents	6	111,493,330	139,466,326	48,092,145	85,531,195
Current investments	7	6,100,034	-	100,034	-
Trade and other receivables	5, 8	57,788,888	62,950,818	54,698,912	57,944,984
Short-term loan to subsidiary	5	-	-	-	1,800,000
Inventories	9	327,591,960	335,088,836	326,305,959	330,431,836
Other current assets	10	60,188,609	54,337,972	57,737,310	51,548,192
Total current assets		563,162,821	591,843,952	486,934,360	527,256,207
Non-current assets					
Restricted bank deposits and other investments	11	12,932,664	13,413,204	12,932,664	13,413,204
Investment in associated company	12	24,365,699	25,338,779	100,000	100,000
Investment in subsidiary companies	13	-	-	69,482,091	70,294,511
Property, plant and equipment	14	1,721,405,271	1,776,901,991	1,448,714,369	1,510,771,934
Leasehold rights on land	15	5,524,264	5,809,523	-	-
Leasehold rights on buildings	16	30,318,461	40,042,081	30,318,461	40,042,081
Intangible assets	17	2,943,182	3,616,984	2,814,524	3,495,072
Prepaid book copyright and translation fee		21,018,667	17,599,460	21,018,667	17,599,460
Rental guarantee and deposit		82,076,781	89,950,768	82,076,781	89,950,768
Deferred tax assets	24	-	131,341	-	-
Other non-current assets		9,036,382	9,501,708	8,748,312	9,102,305
Total non-current assets		1,909,621,371	1,982,305,839	1,676,205,869	1,754,769,335
Total assets		2,472,784,192	2,574,149,791	2,163,140,229	2,282,025,542

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

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries
Statement of financial position (continued)
As at 31 December 2019

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes		(Restated)		
Current liabilities					
Overdraft and short-term loan from financial institution	18	63,032,754	-	63,032,754	-
Trade and other payables	19	682,463,899	826,276,136	669,536,070	810,979,636
Income received in advance recognisable					
within one year	20	59,377,559	64,003,222	-	-
Current portion of long-term loans	22	70,658,000	60,408,000	60,408,000	60,408,000
Income tax payable		490,503	390,635	-	-
Current portion of long-term					
employee benefits obligations	23	8,663,271	5,793,411	8,663,271	5,793,411
Other current liabilities	21	33,019,447	29,242,839	31,115,826	24,095,474
Total current liabilities		917,705,433	986,114,243	832,755,921	901,276,521
Non-current liabilities					
Income received in advance	20	41,584,581	35,670,524	-	-
Long-term loans	22	133,984,000	204,842,000	87,784,000	148,192,000
Deferred tax liabilities	24	48,881,557	50,622,606	44,813,003	46,152,480
Long-term employee benefits obligations	23	76,787,568	55,326,216	68,350,960	48,486,491
Other non-current liabilities		9,868,240	9,057,239	7,412,680	8,001,240
Total non-current liabilities		311,105,946	355,518,585	208,360,643	250,832,211
Total liabilities		1,228,811,379	1,341,632,828	1,041,116,564	1,152,108,732

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

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Notes		(Restated)		
Shareholders' equity				
Share capital				
Authorized share capital				
391,944,529 ordinary shares of Baht 1 each	391,944,529	391,944,529	391,944,529	391,944,529
Issued and paid-up				
391,944,418 ordinary shares of Baht 1 each	391,944,418	391,944,418	391,944,418	391,944,418
Share premium	149,420,558	149,420,558	149,420,558	149,420,558
Retained earnings				
Appropriated to legal reserve				
Company	39,194,453	39,194,453	39,194,453	39,194,453
Subsidiaries	631,994	631,994	-	-
Unappropriated	199,142,940	196,830,800	170,864,714	178,188,073
Other components of shareholders' equity	380,896,491	382,025,642	370,599,522	371,169,308
Total shareholders' equity of parent	1,161,230,854	1,160,047,865	1,122,023,665	1,129,916,810
Total non-controlling interests of the subsidiaries	82,741,959	72,469,098	-	-
Total shareholders' equity	1,243,972,813	1,232,516,963	1,122,023,665	1,129,916,810
Total liabilities and shareholders' equity	2,472,784,192	2,574,149,791	2,163,140,229	2,282,025,542

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

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of income

For the year ended 31 December 2019

		Baht			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Notes			(Restated)		
Revenues					
Revenues from sales		2,748,158,649	3,117,513,466	2,743,678,523	3,104,385,137
Tuition fees income		198,378,893	184,287,434	-	-
Interest income		1,108,256	1,240,896	1,806,982	9,419,708
Other income		80,157,373	76,127,728	67,303,142	67,530,033
Total revenues		3,027,803,171	3,379,169,524	2,812,788,647	3,181,334,878
Expenses					
Cost of sales		1,764,009,458	2,032,012,451	1,757,992,499	2,021,492,954
Cost of tuition fees		147,003,972	140,495,738	-	-
Selling expenses		664,452,916	759,806,448	664,398,126	759,674,710
Administrative expenses		416,564,598	414,331,572	376,864,232	375,946,691
Finance costs		12,170,312	14,865,816	9,254,618	11,869,495
Total expenses		3,004,201,256	3,361,512,025	2,808,509,475	3,168,983,850
Profit before share of gain from investments					
in associates and income tax revenue (expenses)		23,601,915	17,657,499	4,279,172	12,351,028
Share of gain from associated company		26,920	1,006,772	-	-
Profit before income tax revenue (expenses)		23,628,835	18,664,271	4,279,172	12,351,028
Income tax revenue (expenses)	28	(1,363,554)	1,868,216	(1,362,886)	1,534,996
Profit for the year		22,265,281	20,532,487	2,916,286	13,886,024
Profit attributable to					
Equity holders of the parent		11,992,420	13,205,044	2,916,286	13,886,024
Non-controlling interests of the subsidiaries		10,272,861	7,327,443	-	-
		22,265,281	20,532,487	2,916,286	13,886,024
Basic earnings per share					
Equity holders of the parent	29	0.03	0.03	0.01	0.04

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

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2019

		Baht			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
			(Restated)		
Notes					
	Profit for the year	22,265,281	20,532,487	2,916,286	13,886,024
	Other comprehensive income:				
	Item that will be reclassified to profit or loss				
	Gain (loss) on changes in value of				
	available-for-sale investments, net from tax expenses	27	(5,357)	27	(5,357)
	Item that will not be reclassified to profit or loss				
	Actuarial gain (loss) arising from past-employment benefit,				
	net from tax expense	(10,809,458)	6,230,149	(10,809,458)	6,488,289
	Other comprehensive income (loss) for the year	(10,809,431)	6,224,792	(10,809,431)	6,482,932
	Total comprehensive income (loss) for the year	11,455,850	26,757,279	(7,893,145)	20,368,956
	Total comprehensive income (loss) attributable to				
	Equity holders of the parent	1,182,989	19,561,565	(7,893,145)	20,368,956
	Non-controlling interests of subsidiaries	10,272,861	7,195,714	-	-
		11,455,850	26,757,279	(7,893,145)	20,368,956

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

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2019

	Baht											
	Consolidated financial statements											
	Total shareholders' equity of parent											
	Issued and paid-up share capital	Share premium	Other components of equity								Total shareholders' equity	
			Retained earnings				Surplus on changes in value of available-for-sale investments		Surplus on revaluation of assets			Total other components of shareholders' equity
			Appropriated to legal reserve		Unappropriated	Total equity attributable to shareholders of the parent	Equity attributable to non-controlling interests of the subsidiaries					
			Company	Subsidiary								
Notes	391,944,418	149,420,558	39,194,453	631,994	145,234,144			5,357	428,867,985	428,873,342	1,155,298,909	88,492,609
4	-	-	-	-	(14,812,609)	-	-	-	(14,812,609)	(15,435,724)	(30,248,333)	
Balance as at January 1, 2018 - before adjust	391,944,418	149,420,558	39,194,453	631,994	130,421,535	5,357	428,867,985	428,873,342	1,140,486,300	73,056,885	1,213,543,185	
Cumulative effect of change in accounting policy for income	-	-	-	-	13,205,044	-	-	-	13,205,044	7,327,443	20,532,487	
Balance as at January 1, 2018 - as restated	-	-	-	-	6,361,878	(5,357)	-	(5,357)	6,356,521	(131,729)	6,224,792	
Profit for the year	-	-	-	-	19,566,922	(5,357)	-	(5,357)	19,561,565	7,195,714	26,757,279	
Other comprehensive income (loss) for the year	-	-	-	-	-	-	-	-	-	(7,783,501)	(7,783,501)	
Total comprehensive income (loss) for the year	-	-	-	-	-	-	-	-	-	-	-	
Subsidiary paid dividend to non-controlling interest of subsidiary	-	-	-	-	-	-	-	-	-	-	-	
Transferred surplus on revaluation of assets to retained earnings	-	-	-	-	46,842,343	-	(46,842,343)	(46,842,343)	-	-	-	
Balance as at December 31, 2018	391,944,418	149,420,558	39,194,453	631,994	196,830,800	-	382,025,642	382,025,642	1,160,047,865	72,469,098	1,232,516,963	
Profit for the year	-	-	-	-	11,992,420	-	-	-	11,992,420	10,272,861	22,265,281	
Other comprehensive income for the year	-	-	-	-	(10,809,458)	27	-	-	(10,809,431)	-	(10,809,431)	
Total comprehensive income for the year	-	-	-	-	1,182,962	27	-	-	1,182,989	10,272,861	11,455,850	
Transferred surplus on revaluation of assets to retained earnings	-	-	-	-	1,129,178	-	(1,129,178)	(1,129,178)	-	-	-	
Balance as at December 31, 2019	391,944,418	149,420,558	39,194,453	631,994	199,142,940	27	380,896,464	380,896,491	1,161,230,854	82,741,959	1,243,972,813	

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

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

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of cash flows

For the year ended 31 December 2019

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018 (Restated)	2019	2018
Cash flows from operating activities				
Profit before income tax revenue (expenses)	23,628,835	18,664,271	4,279,172	12,351,028
Adjustments to reconcile profit before income tax revenue (expenses) to net cash provided by (use in) operating activities:				
Gain on disposal of temporary investments	(499,004)	(845,344)	(499,004)	(845,344)
Share of gain from associated companies	(26,920)	(1,006,772)	-	-
Loss from impairment of investment in associated companies	-	580,000	-	-
Allowance for doubtful accounts and estimated goods return (reversal)	(3,004,469)	(119,834)	(3,003,804)	(562,939)
Adjustments from reconcile account receivable	(43,581)	(626,401)	(43,581)	(626,401)
Expense from loss of inventories	5,977,539	7,948,912	5,977,539	7,948,912
Allowance for loss of inventories, dilapidated and slow moving (reversal)	(22,462,865)	(25,326,949)	(22,456,029)	(25,326,949)
Expense for donation of goods and equipment	11,930,655	6,568,193	11,930,655	6,568,193
Expense from donate property	234,555	-	234,555	-
Loss on destroy inventories	24,169,410	7,699,350	24,169,410	7,699,350
Depreciation and amortization	88,841,366	100,264,918	71,815,063	84,040,281
Allowance for impairment of assets (reversal)	(1,251,830)	(322,720)	(1,251,830)	(322,720)
Loss on sales and written-off equipment	7,551,149	5,181,158	6,823,790	4,511,909
Gain on sale of land	-	(9,567,949)	-	(9,567,949)
Loss from impairment of investment in a subsidiary (reversal)	-	-	(187,510)	-
Loss from dissolution of a subsidiary company	-	-	217,543	-
Amortized leasehold rights on land and buildings	10,008,879	11,031,752	9,723,620	10,746,494
Adjustment from clearing long outstanding payable	(5,310,181)	(2,749,684)	(5,310,181)	(2,749,684)
Long-term employee benefits expenses	7,154,194	3,416,610	6,505,687	2,661,125
Past service costs	10,753,924	-	9,674,086	-
Interest income	(1,108,257)	(1,240,848)	(806,982)	(949,660)
Interest expenses	12,170,312	14,865,816	9,254,618	11,869,495
Dividend received	-	-	(1,000,000)	(8,470,000)

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

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2019

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018 (Restated)	2019	2018
Profit from operating activities before changes in operating assets and liabilities	168,713,711	134,414,479	126,046,817	98,975,141
Operating assets (increase) decrease				
Trade and other receivables	8,209,980	16,821,936	6,293,457	16,925,387
Inventories	(12,117,863)	(7,576,629)	(15,495,698)	(8,825,748)
Prepaid expense	(355,813)	1,043,593	(591,577)	516,366
Other current assets	2,392,943	(3,524,224)	2,353,763	(3,718,395)
Prepaid book copyright and translation fee	(3,419,207)	(1,908,129)	(3,419,207)	(1,908,129)
Rental guarantee and deposit	7,873,987	8,656,825	7,873,987	8,656,825
Other non-current assets	465,326	164,441	353,993	342,176
Operating liabilities increase (decrease)				
Trade and other payables	(137,662,944)	(85,879,268)	(134,703,772)	(91,451,083)
Deferred unearned income	1,288,394	(75,244)	-	-
Other current liabilities	3,776,608	3,871,244	7,020,352	7,633,681
Other non-current liabilities	811,001	711,000	(588,560)	(345,000)
Cash received (paid) from in operating activities	39,976,123	66,720,024	(4,856,445)	26,801,221
Cash paid for long-term employee benefit	(7,088,729)	(6,838,430)	(6,957,267)	(6,838,430)
Cash received for income tax	-	6,983,233	-	6,859,171
Cash paid for interest expenses	(12,206,650)	(14,908,928)	(9,290,956)	(11,912,607)
Cash paid for income tax	(8,058,804)	(6,887,947)	(7,983,975)	(6,705,666)
Net cash provided by (used in) operating activities	12,621,940	45,067,952	(29,088,643)	8,203,689
Cash flows from investing activities:				
(Increase) decrease in current investments	(5,600,996)	19,721,722	399,004	19,721,722
Cash received from loans from subsidiary companies	-	-	1,800,000	-
Cash received from dissolution of subsidiaries	-	-	782,386	-
(Increase) decrease in restricted bank deposits and other investments	480,540	(19,460)	480,540	(19,460)
Cash paid for purchase of property, plant and equipment	(42,113,375)	(41,040,394)	(17,578,846)	(31,598,204)

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

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2019

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018 (Restated)	2019	2018
Cash paid for purchase of intangible assets	(52,473)	-	(52,473)	-
Cash received from sale of equipment	2,158,357	1,921,832	1,354,580	1,891,892
Cash received from sale of land	-	44,000,000	-	44,000,000
Dividend received	1,000,000	1,000,000	1,000,000	8,470,000
Interest income	1,108,257	1,240,848	839,648	949,660
Net cash flows provided by (used in) investing activities	(43,019,690)	26,824,548	(10,975,161)	43,415,610
<u>Cash flows from financing activities</u>				
Increase in bank overdrafts	23,032,754	-	23,032,754	-
Cash received from short-term loans	-	300,000	-	-
Cash paid for short-term loans	-	(300,000)	-	-
Cash received from short-term loans from financial institution	210,000,000	30,000,000	210,000,000	30,000,000
Cash paid for short-term loans from financial institution	(170,000,000)	(30,000,000)	(170,000,000)	(30,000,000)
Cash paid for long-term loans	(60,608,000)	(70,508,000)	(60,408,000)	(60,408,000)
Dividend paid	-	(7,782,795)	-	-
Net cash flows provided by (used in) financing activities	2,424,754	(78,290,795)	2,624,754	(60,408,000)
Net decrease in cash and cash equivalents	(27,972,996)	(6,398,295)	(37,439,050)	(8,788,701)
Cash and cash equivalents at beginning of year	139,466,326	145,864,621	85,531,195	94,319,896
Cash and cash equivalents at end of year	111,493,330	139,466,326	48,092,145	85,531,195
<u>Supplemental cash flows information</u>				
<u>Non-cash transactions</u>				
Recognized (gain) loss in revaluation surplus on changes in value of available-for-sale investments	(34)	6,697	(34)	6,697
Decrease in purchase fixed assets payables	(802,774)	(2,376,403)	(1,393,275)	(2,181,186)
Actuarial (gain) loss	-	7,852,221	-	8,110,361
Decrease in deposit received from sale of land	-	(16,000,000)	-	(16,000,000)

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

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Notes to the financial statements

31 December 2019

1. GENERAL INFORMATION

1.1 Address and legal status

Se-Education Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company listed on the Stock Exchange of Thailand on 29 April 1993.

The address of its registered office is as follows:

Head office : located at 1858/87-90, Debaratana Road, Bangna South Sub-District, Bangna District, Bangkok.

Distribution center : located at 118 Moo 1, Tambon Sisa Chorakhe Yai, Bang Sao Tong District, Samutprakarn.

1.2 Nature of the Company’s business and shareholder

The Group operate their businesses in Thailand and are authorised to engage in the following:

1. Operate bookstores which consist of SE-ED Book Center and network stores and various university bookstores in Bangkok and other provinces as well as the network and sales area in various forms.
2. Distribute books for both published by SE-ED and other publishers to bookstores all over the country and to other sales channels.
3. Publish books as well as academic and educational journals and provide services for display advertisements to be published in the Company’s monthly magazine.
4. Plearnpattana School, which operates a private school offering courses for students from pre-kindergarten to Matayom 6.
5. BaesLab Co., Ltd., which operates in consulting, provision and distribution of software and hardware business.

2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

2.1 Basis for preparation of the financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with Thai Financial Reporting Standards.

The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re: the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

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

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

2.2 Basis of consolidated interim financial statements preparation

2.2.1 The consolidated financial statements are prepared by including the Company's financial statements and its subsidiaries financial statements as follows:-

Subsidiary companies' name	Nature of business	Country of incorporation	Shareholding percentage	
			2019	2018
SE-ED Book Center Co.,Ltd.	Operate bookstores (Completion of liquidation on June 20, 2019)	Thailand	-	99.99
BaesLab Co., Ltd.	Operates in consulting, provision and distribution of software and hardware business.	Thailand	60.00	60.00
Plearn Patt Co.,Ltd.	Private school	Thailand	48.97	48.97

2.2.2 The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

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

2.2.4 The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

2.2.5 Material balances and transactions between the Group companies have been eliminated from the consolidated financial statements.

2.2.6 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

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

2.4 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

Excepted TFRS 15 Revenue from Contracts with Customers TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

From January 1, 2019, the subsidiary has been affected from the transaction of revenues recognition on the school entrance fee in order to recognize the obligation to comply with the period as deferred income in accordance with the rules prescribed. The subsidiary has adjusted such transaction in this current year and restated the prior year's financial statements, presented for comparative purposes, as though the subsidiary had initially recognized such effects. The cumulative effect of the change is described in Note 4 to the financial statements.

2.5 Financial reporting standards that will become effective in the future

During the year, the Federation of Accounting Professions issued a number of the revised and new financial reporting standards, interpretations and the accounting guidance, which are effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. Except, the new standard involves changes to key principles, as summarized below.

Financial reporting standards related to financial instruments:

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

Financial Reporting Standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting Standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

TFRS 16 Leases

These TFRSs supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value. Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

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

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues recognition

- 3.1.1 Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts except for consignment where the revenue from consignment is recognized when the event of either the sales report is received or the payment is received first
- 3.1.2 Advertising service revenue is recognized when services have been rendered taking into account the stage of completion.
- 3.1.3 Service income is recognized when services have been rendered taking into account the stage of completion.

- 3.1.4 The original entrance fee income is recognized as total amount of income when the student rights have incurred and from January 1, 2019, the Company has recognized the entrance fee for the period of rights specified by the students' status.
- 3.1.5 Education supporting fees are recognized as income of the school term to which they relate.
- 3.1.6 Interest income is recognized on an accrual basis based on the effective interest rate.
- 3.1.7 Dividends are recognized when the right to receive the dividends is established.

3.2 Cash and cash equivalents

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

3.3 Trade and other receivables/Allowance for doubtful accounts and returned goods

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

Allowance for returned goods is based on the percentage of the average returned goods for the year of accounts receivable at the end of the period

3.4 Inventories/Allowance for dilapidated, slow moving and loss of inventories

Finished goods are valued at the lower of cost (weighted average) and net realisable value. Cost includes all production costs and attributable overheads.

Work in process are valued at the lower of standard cost (which approximates actual cost) and net realisable value.

Raw materials are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

Allowance for dilapidated and slow moving is based on the percentage of the inventory turnover in conjunction with the consideration of the book editor.

Allowance for lost goods are charged based on percentage of sales of each branch. The reversal of such allowance incurred when the inventory taking and inventories lost actually at the branch.

3.5 Investments

- 3.5.1 Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income and will be recorded in profit or loss when the securities are sold.
- 3.5.2 Investments in debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity

3.5.3 Investment in associate are accounted for in the consolidated financial statements using the equity method.

3.5.4 Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method net of provision for impairment of investments (if any).

The fair value of unit trusts is determined from their net asset value of the last working day of the year.

The weighted average method is used for computation of the cost of investments.

3.6 Property, plant and equipment/Depreciation

Land and building and improvement are stated at revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made every 5 years to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

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

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

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

Depreciation of building and equipment is calculated by reference to their costs or the revalued amount, on the straight-line basis over the following estimated useful lives:

	<u>Useful lives</u>
Land improvement	10 - 50 years
Buildings and building improvement	5 - 50 years
Building decorations	5 - 6 years
Office equipment and air conditioners	5 - 10 years
Motor vehicles	5 - 10 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

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

3.7 Intangible assets

Intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortized on a systematic basis over the economic useful line and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense are included in determining income.

A summary of the intangible assets with finite useful lives is as follows.

	<u>Useful lives</u>
Computer software	5 - 10 years
Book copyright and translation fee	Amortised per number of book sold

3.8 Leasehold rights on land and buildings and Amortisation

Leasehold rights on land and buildings are stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any). Amortisation of leasehold rights on land and buildings calculate base on the straight-line basis over the lease term.

The amortisation expense are included in determining income.

3.9 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel directors, and officers with authority in the planning and direction of the Company's operations.

3.10 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the asset.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

3.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period

Gains and losses on exchange are included in determining income.

3.12 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss. However, in cases where property plant and equipment were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation. In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

3.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred

Post-employment benefits (Defined contribution plans)

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treat these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary, based on actuarial techniques, using the projected unit credit method

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income. are recognised immediately in other comprehensive income and other long-term benefits are recognised immediately in profit and loss.

3.14 Provisions

Provisions are recognized when the Group have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.15 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

3.16 Fair value measurement

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

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

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

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

Level 3 - Use of unobservable inputs such as estimates of future cash flows At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

3.17 Significant accounting judgements and estimates

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

Consolidation of subsidiaries that the Company holds less than half of shares

The management of the Company determined that the Company has control over Plearn Patt Company Limited, even though the Company holds 48.97% of shares and voting rights that is less than half of shares and voting rights. This is because the Company is a major shareholder and has the ability to direct the significant activities, while other shareholders are only minor shareholders. As a result, Plearn Patt Company Limited is deemed to be a subsidiary of the Company and has to be included in the consolidated financial statements from the date on which the Company assumed control.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Provision for diminution in value of inventories

In determining of provision for diminution in value of inventories (allowance for dilapidated, slow moving and lost goods), the management needs to make judgement and estimates based upon, among other things, past goods returned history, inventory turnover, the consideration of the book edition and past good lost history.

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land and buildings at revalued amounts such amounts are determined by the independent valuer using the market approach for land and the cost approach for buildings. The valuation involves certain assumptions and estimates as described in Note 14.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

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

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increases rate and staff turnover rate.

4. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARD

As described in Note 2.4 to the financial statements, during the year, the subsidiary has adopted TFRS 15 using the modified retrospective method of adoption. The subsidiary has used this accounting policy in this current year and restated the prior year's financial statements, presented for comparative purposes, as though the subsidiary had initially recognized such effects. The change in accounting policies has been affected as follows:

	Baht	
	Consolidated financial statements	
	As at December	As at January
	31, 2018	1, 2018
Impact on retained earnings		
Entrance fees income	(33,127,333)	(30,248,333)

The amounts of adjustments affecting the transactions in the statements of financial position as at December 31, 2019 and 2018 are stated as follows:

	Baht					
	Consolidated financial statements					
	2019			2018		
	Previous accounting policy	Increase (decrease)	TFRS 15	Previous accounting policy	Increase (decrease)	TFRS 15
Statements of financial position						
Liabilities						
Income received in advance recognizable						
within one year	53,205,893	6,171,666	59,377,559	57,248,222	6,755,000	64,003,222
Income received in advance	21,383,914	20,200,667	41,584,581	9,298,191	26,372,333	35,670,524
Shareholders' equity						
Retained earnings						
- Company	212,057,471	(12,914,531)	199,142,940	213,053,255	(16,222,455)	196,830,800
- Non-controlling interests of subsidiaries	96,199,761	(13,457,802)	82,741,959	89,373,976	(16,904,878)	72,469,098
	<u>308,257,232</u>	<u>(26,372,333)</u>	<u>281,884,899</u>	<u>302,427,231</u>	<u>(33,127,333)</u>	<u>269,299,898</u>

The amounts of adjustments effecting the transactions in the statements of income and the statements of comprehensive income for the years ended December 31, 2019 and 2018 are as follow:

	Baht					
	Consolidated financial statements					
	2019			2018		
	Previous accounting policy	Increase (decrease)	TFRS 15	Previous accounting policy	Increase (decrease)	TFRS 15
Statement of income						
Tuition fees income	191,623,893	6,755,000	198,378,893	187,166,434	(2,879,000)	184,287,434
Total revenues	3,021,048,171	6,755,000	3,027,803,171	3,382,048,524	(2,879,000)	3,379,169,524
Profit before share of gain from investments in associates and income tax revenue (expenses)	16,846,915	6,755,000	23,601,915	20,536,499	(2,879,000)	17,657,499
Profit before income tax revenue (expenses)	16,873,835	6,755,000	23,628,835	21,543,271	(2,879,000)	18,664,271
Profit for the year	15,510,281	6,755,000	22,265,281	23,411,487	(2,879,000)	20,532,487
Profit attributable to						
Equity holders of the parent	8,684,496	3,307,924	11,992,420	14,614,890	(1,409,846)	13,205,044
Non-controlling interests of the subsidiaries	6,825,785	3,447,076	10,272,861	8,796,597	(1,469,154)	7,327,443
	15,510,281	6,755,000	22,265,281	23,411,487	(2,879,000)	20,532,487
Basic earnings per share						
Equity holders of the parent	0.02	0.01	0.03	0.04	(0.01)	0.03
Statement of comprehensive income						
Total comprehensive income for the year	4,700,850	6,755,000	11,455,850	29,636,279	(2,879,000)	26,757,279
Total comprehensive income attributable to						
Equity holders of the parent	(2,124,935)	3,307,924	1,182,989	20,971,411	(1,409,846)	19,561,565
Non-controlling interests of subsidiaries	6,825,785	3,447,076	10,272,861	8,664,868	(1,469,154)	7,195,714
	4,700,850	6,755,000	11,455,850	29,636,279	(2,879,000)	26,757,279

5. TRANSACTIONS WITH RELATED PARTIES

The Company had significant business transactions with related parties. These parties are directly or indirectly related through common shareholding and/or directorship. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

The related companies include the following:

Company	Relationship
SE-ED Book Center Co.,Ltd.	Subsidiary company by direct shareholders (Completion of liquidation on June 20, 2019)
Pleam Patt Co.,Ltd.	Subsidiary company by direct shareholders
BaesLab Co., Ltd.	Subsidiary company by direct shareholders
M AND E Co., Ltd.	Associated company by direct shareholders

The significant transactions with related parties for the years ended December 31, 2019 and 2018, can be summarized as follows:

Transfer Pricing Policy		Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
<u>Transactions in the statements of income</u>					
<u>Subsidiary companies</u>					
Sales of goods	Market price	-	-	141,933	608,976
Service expenses	Mutually agreed agreement	-	-	117,196	422,784
Interest income	MOR per annum	-	-	86,282	129,600
Service revenue	Mutually agreed agreement	-	-	76,682	224,299
Dividend income	As declared	-	-	-	7,470,000
<u>Transactions in associate company</u>					
Dividend income	As declared	-	-	1,000,000	1,000,000
<u>Related companies</u>					
Service revenue	Mutually agreed agreement	4,260,950	201,869	4,260,950	201,869
Purchases of goods	Market price	3,056,024	484,753	3,056,024	484,753
<u>Shareholder and directors of subsidiary companies</u>					
Lease land	Mutually agreed agreement	1,116,555	1,015,050	-	-
Amortised leasehold rights on land	Mutually agreed agreement	285,259	285,258	-	-
Interest expenses	5% - 6% per annum	60,000	60,000	-	-

As at December 31, 2019 and 2018 Significant outstanding balances with related companies are as follow:

	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<u>Outstanding balances at the statements of financial position</u>				
<u>Subsidiary companies</u>				
Trade and other receivables	-	-	14,925	25,846
Short-term loans	-	-	-	1,800,000
Interest receivable	-	-	-	32,666
Prepaid expenses	-	-	-	436,257
<u>Related companies</u>				
Trade and other receivables	1,495,068	3,353,197	1,495,068	3,353,197
Trade payable	1,137,794	1,508,183	1,137,794	1,508,183
<u>Shareholder and directors of subsidiary companies</u>				
Leasehold rights on land	5,524,264	5,809,523	-	-

Short-term loans to subsidiary which is due within 1 year. The subsidiary obtained such loan for the purpose of funding product development. Interest is charged at MOR per annum of a commercial bank.

Directors and management's benefits

For the years ended December 31, 2019 and 2018, the Group had employee benefit expenses payable to their directors and management as below.

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Short-term employee benefits	22,982,402	18,703,382	19,737,210	15,846,113
Post-employment benefits	2,332,510	231,676	2,166,378	85,386
Total	25,314,912	18,935,058	21,903,588	15,931,499

6. CASH AND CASH EQUIVALENTS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash	16,302,807	18,179,870	16,132,211	18,007,367
Bank deposits - current accounts	5,017,520	13,856,298	4,876,810	12,131,789
Bank deposits - saving accounts	90,173,003	107,430,158	27,083,124	55,392,039
Total	111,493,330	139,466,326	48,092,145	85,531,195

7. CURRENT INVESTMENTS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Investment in available for sale securities in unit trust - at cost	100,000	-	100,000	-
<u>Add</u> : Unrealized gain on changes in the value of investments	34	-	34	-
Investment in available-for-sale securities - at fair value	100,034	-	100,034	-
Fixed deposits - 7 Months	6,000,000	-	-	-
Current investments	6,100,034	-	100,034	-

8. TRADE AND OTHER RECEIVABLES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<u>Trade receivables - Related parties</u>				
Classified by aging				
Not yet due	1,495,068	3,352,859	1,509,993	3,378,706
Total	1,495,068	3,352,859	1,509,993	3,378,706
<u>Trade receivables - Other companies</u>				
Classified by aging				
Not yet due	35,893,833	34,867,399	35,893,833	34,867,399
0 - 6 months	18,451,668	24,526,288	16,505,498	20,439,867
6 - 12 months	3,754,317	2,704,842	2,802,632	1,738,143
Over 12 months	3,462,611	4,784,850	2,170,816	3,510,504
Total	61,562,429	66,883,379	57,372,779	60,555,913
<u>Less</u> Allowance for doubtful debts	(6,149,513)	(8,024,787)	(4,405,426)	(6,280,035)
Allowance for goods return	(2,760,638)	(3,889,833)	(2,760,638)	(3,889,833)
Total	52,652,278	54,968,759	50,206,715	50,386,045
Total trade receivable	54,147,346	58,321,618	51,716,708	53,764,751
<u>Other receivables</u>				
Advances	535,952	752,817	508,965	710,080
Others	3,105,590	3,876,383	2,473,239	3,470,153
Total other receivables	3,641,542	4,629,200	2,982,204	4,180,233
Total trade and other receivables - net	57,788,888	62,950,818	54,698,912	57,944,984

The movements in transactions of allowance for doubtful accounts and allowance for goods return for the year ended December 31, 2019, as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	Allowance for doubtful debts	Allowance for goods return	Allowance for doubtful debts	Allowance for goods return
Beginning balance	8,024,787	3,889,833	6,280,035	3,889,833
<u>Add</u> Allowance doubtful debts and goods return during the year	506,220	-	-	-
<u>Less</u> Allowance doubtful debts and goods return reversed during the year	(2,381,494)	(1,129,195)	(1,874,609)	(1,129,195)
Ending balance	6,149,513	2,760,638	4,405,426	2,760,638

9. INVENTORIES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Raw material	1,073,796	1,217,152	1,073,796	1,217,152
Work in process	7,195,136	10,167,249	7,043,776	8,470,057
Finished goods	487,878,038	514,722,310	486,643,812	511,656,081
Total	496,146,970	526,106,711	494,761,384	521,343,290
<u>Less</u> Allowance for loss of inventories	(2,766,575)	(4,952,841)	(2,766,575)	(4,952,841)
Allowance for dilapidated and slow moving	(165,788,435)	(186,065,034)	(165,688,850)	(185,958,613)
Inventories - net	327,591,960	335,088,836	326,305,959	330,431,836

Movements in transactions of allowance for loss of inventories and dilapidated and slow moving are summarized as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Beginning balance	191,017,875	216,344,823	190,911,454	216,238,403
Increase	8,791,589	2,306,187	8,791,590	1,071,680
Decrease	(31,254,454)	(27,633,135)	(31,247,619)	(26,398,629)
Ending balance	168,555,010	191,017,875	168,455,425	190,911,454

10. OTHER CURRENT ASSETS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Supplies	18,616,162	20,392,222	17,895,191	19,640,421
Prepaid expenses	14,056,602	13,700,789	12,448,651	11,857,074
Other current assets	27,515,845	20,244,961	27,393,468	20,050,697
Total	60,188,609	54,337,972	57,737,310	51,548,192

11. RESTRICTED BANK DEPOSITS AND OTHER INVESTMENTS

This account consisted of:

	Baht	
	Consolidated/Separate financial statements	
	2019	2018
Fixed deposits with 12 months maturity	8,000,000	8,000,000
Saving bonds with 7 years maturity	4,932,664	5,413,204
Total	12,932,664	13,413,204

As at December 31, 2019 and 2018, the fixed deposits with 12 months maturity, with the bearing of 1.85 % and 0.80% - 1.85%, respectively and savings bonds with 7 years maturity, face value Baht 5.50 million and in the amount of Baht 5.00 million, respectively, with the bearing of 3.625% and 3.625%, respectively, has been used to guarantee electricity use, rental of space and dealers (Note 32.2 to financial statements).

12. INVESTMENTS IN AN ASSOCIATE

12.1 This account consisted of:

Company's name	Nature of business	Shareholding percentage (%)	Baht							
			Consolidated financial statements				Separate financial statements			
			At equity method		Allowance for impairment of investments		At equity method - Net		At cost method	
			2019	2018	2019	2018	2019	2018	2019	2018
M AND E Co., Ltd.	Painting office production of technical	25	24,365,699	25,918,779	-	(580,000)	24,365,699	25,338,779	100,000	100,000
Total	magazines and engineering manuals		24,365,699	25,918,779	-	(580,000)	24,365,699	25,338,779	100,000	100,000

12.2 Share of comprehensive income and dividend received

During the years, the Company has recognized its share of profit from investments in associate in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company's name	Baht			
	Consolidated financial statements		Separate financial statements	
	Share of gain from investment in associate		Dividend received	
	2019	2018	2019	2018
M and E Co., Ltd.	26,920	1,006,772	1,000,000	1,000,000
	26,920	1,006,772	1,000,000	1,000,000

12.3 Summarized financial information of associate

Financial information of the associated company is summarized below.

Company's name	Baht									
	Paid-up capital		Total assets		Total liabilities		Total revenues		Profit for the year ended	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
M and E Co., Ltd.	400,000	400,000	88,912,373	100,553,175	1,035,232	949,812	735,054	7,178,773	107,680	4,027,087

13. INVESTMENTS IN SUBSIDIARIES

13.1 Investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	Baht											
	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net		Dividend received during the year	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(Thousand Baht)	(Thousand Baht)	(%)	(%)								
SE-ED Book Center Co.,Ltd.	-	1,000	-	99.99	-	1,000,000	-	(187,580)	-	812,420	-	-
BaesLab Co., Ltd.	250	250	60.00	60.00	150,000	150,000	-	-	150,000	150,000	-	-
Plearn Patt Co.,Ltd.	151,850	151,850	48.97	48.97	83,000,000	83,000,000	(13,667,909)	(13,667,909)	69,332,091	69,332,091	-	7,470,000
Total					83,150,000	84,150,000	(13,667,909)	(13,855,489)	69,482,091	70,294,511	-	7,470,000

SE-ED Book Center Co.,Ltd.

According to the Extraordinary Shareholders' Meeting No. 1/2018 dated December 7, 2018, SE-ED Book Center Co.,Ltd. had a special resolution to dissolve the company and the company had registered for the dissolution with Ministry of Commerce on December 21, 2018. The liquidation had been completed on June 20, 2019. And on July 31, 2019, such subsidiary had repaid the investment to the Company amounted Baht 0.78 million.

13.2 Details of investments in subsidiaries that have material non-controlling interests

Company's name	Proportion of equity interest held by non-controlling interests		Baht					
			Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2019	2018	2019	2018	2019	2018	2019	2018
	(%)	(%)						
Plearn Patt Co., Ltd.	51.03	51.03	82,741,962	72,469,098	10,209,833	8,654,661	-	7,470,000

13.3 Summarized financial information that based on amounts before inter-company elimination about Plearn Patt Co., Ltd. that have material non-controlling

	Baht	
	2019	2018 (Restated)
Current assets	75,700,678	60,802,186
Non-current assets	279,892,961	273,031,687
Current liabilities	84,609,298	82,313,545
Non-current liabilities	102,877,750	104,484,378
Revenue	212,243,278	196,834,602
Profit	20,849,159	14,794,393
Other comprehensive income (loss)	221,482	(36,658)
Total comprehensive income	21,070,641	14,757,735
Cash flow from operating activities	40,995,135	38,636,391
Cash flow used in investing activities	(29,987,557)	(9,350,166)
Cash flow used in financing activities	(200,000)	(25,352,795)
Increase in cash and cash equivalents - net	10,807,578	3,933,430

14. PROPERTY, PLANT AND EQUIPMENT

This account consisted of:

	Baht			
	Consolidated financial statements			
	Balance as at	Transaction during the year		
	December 31, 2018	Additions	Deduction	Transfer In (out)
				December 31, 2019
<u>Cost</u>				
Land and land improvement	478,320,312	313,200	-	373,800
Building and building improvement	807,294,249	1,457,288	(1,302,087)	13,196,972
Building and building decorations	439,708,135	984,873	(46,547,915)	3,757,875
Office equipment	658,979,090	15,164,006	(99,729,779)	1,511,320
Motor Vehicles	38,238,496	389,762	(4,246,753)	1,301,783
Construction in progress	3,035,955	23,001,472	-	(20,141,750)
Total	2,425,576,237	41,310,601	(151,826,534)	-
<u>Less Accumulated depreciation</u>				
Land and land improvement	24,157,109	2,731,804	-	-
Building and building improvement	188,669,890	22,802,832	(459,239)	-
Building and building decorations	369,636,964	22,289,770	(43,251,639)	-
Office equipment	527,444,471	37,063,902	(94,092,799)	-
Motor Vehicles	34,340,736	1,086,692	(4,078,797)	-
Total	1,144,249,170	85,975,000	(141,882,474)	-
<u>Allowance for impairment</u>				
Building and building decorations	2,166,821	57,328	(1,309,158)	-
Total	2,166,821	57,328	(1,309,158)	-
<u>Appraised value - net</u>				
Land and land improvement	454,263,154	-	-	-
Building and building improvement	43,478,591	-	(2,140,091)	-
Property, plant and equipment appraised value - net	497,741,745	-	(2,140,091)	-
Property, plant and equipment - net	1,776,901,991			

Baht

Consolidated financial statements

	Balance as at	Transaction during the year			Balance as at
	December	Additions	Deduction	Transfer In (out)	December
	31, 2017				31, 2018
<u>Cost</u>					
Land and land improvement	472,727,608	1,499,429	-	4,093,275	478,320,312
Building and building improvement	807,399,330	309,462	(414,543)	-	807,294,249
Building and building decorations	470,815,422	3,561,159	(41,968,462)	7,300,016	439,708,135
Office equipment	684,697,762	22,257,405	(48,675,936)	699,859	658,979,090
Motor Vehicles	46,178,502	-	(7,940,006)	-	38,238,496
Construction in progress	4,571,066	10,558,039	-	(12,093,150)	3,035,955
Total	2,486,389,690	38,185,494	(98,998,947)	-	2,425,576,237
<u>Less Accumulated depreciation</u>					
Land and land improvement	21,508,792	2,648,317	-	-	24,157,109
Building and building improvement	166,433,353	22,377,641	(141,104)	-	188,669,890
Building and building decorations	378,622,697	29,552,538	(38,538,271)	-	369,636,964
Office equipment	533,105,282	41,374,140	(47,034,951)	-	527,444,471
Motor Vehicles	39,552,258	1,449,151	(6,660,673)	-	34,340,736
Total	1,139,222,382	97,401,787	(92,374,999)	-	1,144,249,170
<u>Allowance for impairment</u>					
Building and building decorations	2,489,041	1,882,422	(2,204,642)	-	2,166,821
Total	2,489,041	1,882,422	(2,204,642)	-	2,166,821
<u>Appraised value - net</u>					
Land and land improvement	454,263,154	-	-	-	454,263,154
Building and building improvement	45,620,642	-	(2,142,051)	-	43,478,591
Property, plant and equipment appraised value - net	499,883,796	-	(2,142,051)	-	497,741,745
Property, plant and equipment - net	1,844,562,063				1,776,901,991

Baht					
Separate financial statements					
	Balance as at	Transaction during the year			Balance as at
	December	Additions	Deduction	Transfer In (out)	December
	31, 2018				31, 2019
<u>Cost</u>					
Land and land improvement	364,160,894	-	-	-	364,160,894
Building and building improvement	553,793,229	-	-	-	553,793,229
Building and building decorations	438,924,135	984,873	(45,762,409)	3,757,875	397,904,474
Office equipment	587,411,869	7,179,531	(95,971,048)	-	498,620,352
Motor Vehicles	35,547,231	389,762	(3,252,588)	1,301,783	33,986,188
Construction in progress	-	7,631,406	-	(5,059,658)	2,571,748
Total	1,979,837,358	16,185,572	(144,986,045)	-	1,851,036,885
<u>Less Accumulated depreciation</u>					
Land and land improvement	4,800,641	868,049	-	-	5,668,690
Building and building improvement	70,436,804	13,247,802	-	-	83,684,606
Building and building decorations	369,313,138	22,185,243	(42,823,835)	-	348,674,546
Office equipment	465,671,809	33,211,339	(90,664,652)	-	408,218,496
Motor Vehicles	32,067,328	857,343	(3,084,633)	-	29,840,038
Total	942,289,720	70,369,776	(136,573,120)	-	876,086,376
<u>Allowance for impairment</u>					
Building and building decorations	2,166,821	57,328	(1,309,158)	-	914,991
Total	2,166,821	57,328	(1,309,158)	-	914,991
<u>Appraised value - net</u>					
Land and land improvement	453,344,554	-	-	-	453,344,554
Building and building improvement	22,046,563	-	(712,266)	-	21,334,297
Property, plant and equipment					
appraised value - net	475,391,117	-	(712,266)	-	474,678,851
Property, plant and equipment - net	1,510,771,934				1,448,714,369

	Baht				
	Separate financial statements				
	Balance as at	Transaction during the year			Balance as at
	December	Additions	Deduction	Transfer In (out)	December
	31, 2017				31, 2018
<u>Cost</u>					
Land and land improvement	364,160,894	-	-	-	364,160,894
Building and building improvement	553,793,229	-	-	-	553,793,229
Building and building decorations	470,051,916	3,540,665	(41,968,462)	7,300,016	438,924,135
Office equipment	615,697,999	18,151,795	(46,942,467)	504,542	587,411,869
Motor Vehicles	43,487,237	-	(7,940,006)	-	35,547,231
Construction in progress	559,043	7,245,515	-	(7,804,558)	-
Total	2,047,750,318	28,937,975	(96,850,935)	-	1,979,837,358
<u>Less Accumulated depreciation</u>					
Land and land improvement	3,932,592	868,049	-	-	4,800,641
Building and building improvement	57,189,002	13,247,802	-	-	70,436,804
Building and building decorations	378,453,872	29,397,537	(38,538,271)	-	369,313,138
Office equipment	473,543,458	37,855,581	(45,727,230)	-	465,671,809
Motor Vehicles	37,508,198	1,219,806	(6,660,676)	-	32,067,328
Total	950,627,122	82,588,775	(90,926,177)	-	942,289,720
<u>Allowance for impairment</u>					
Building and building decorations	2,489,041	1,882,422	(2,204,642)	-	2,166,821
Total	2,489,041	1,882,422	(2,204,642)	-	2,166,821
<u>Appraised value - net</u>					
Land and land improvement	453,344,554	-	-	-	453,344,554
Building and building improvement	22,760,789	-	(714,226)	-	22,046,563
Property, plant and equipment					
Appraised value - net	476,105,343	-	(714,226)	-	475,391,117
Property, plant and equipment - net	1,570,739,498				1,510,771,934

The Group arranged for an independent professional value to appraise the value of certain assets in 2017 on an asset-by-asset basis (Level 3).

The basis of the revaluation was as follows:

Land was revalued using the Market approach.

Buildings were revalued using the Cost approach, which represents the estimated cost to construct a new building at the current replacement cost less depreciation based on useful life.

As at December 31, 2019 and 2018, certain building and equipment were fully depreciated but are still in use of the Group. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted Baht 574.68 million and Baht 748.40 million respectively, (Separate financial statements Baht 518.41 million and Baht 695.30 million, respectively).

The Company mortgaged the land and constructions thereon where the distribution centre is situated to secure against credit facilities granted by a commercial bank (Notes 18, 22 and 33 to the financial statements).

15. LEASEHOLD RIGHTS ON LAND

This account consisted of:

	Baht			
	Consolidated/Separate financial statements			
	Balance as at	Transaction during the year		Balance as at
	December	Additions	Deduction	December
	31, 2018			31, 2019
<u>Cost</u>				
Leasehold rights on land	10,030,858	-	-	10,030,858
<u>Less</u> Accumulated amortization	4,221,335	285,259	-	4,506,594
Leasehold rights on land - net	5,809,523			5,524,264

	Baht			
	Consolidated/Separate financial statements			
	Balance as at	Transaction during the year		Balance as at
	December	Additions	Deduction	December
	31, 2017			31, 2018
<u>Cost</u>				
Leasehold rights on land	10,030,858	-	-	10,030,858
<u>Less</u> Accumulated amortization	3,936,077	285,258	-	4,221,335
Leasehold rights on land - net	6,094,781			5,809,523

The whole amount of the leasehold rights consisted of two land lease agreements which the subsidiary entered into with its shareholders totalling Baht 10 million. It is related to the lease of land area of approximately 20 rais for the period of 30 years for the purpose of operating an education institute.

16. LEASEHOLD RIGHTS ON BUILDINGS

This account consisted of:

	Baht			
	Consolidated/Separate financial statements			
	Balance as at	Transaction during the year		Balance as at
	December	Additions	Deduction	December
	31, 2018			31, 2019
<u>Cost</u>				
Leasehold rights on buildings	214,870,600	-	-	214,870,600
<u>Less</u> Accumulated amortization	174,828,519	9,723,620	-	184,552,139
Leasehold rights on buildings - net	40,042,081			30,318,461

	Baht			
	Consolidated/Separate financial statements			
	Balance as at	Transaction during the year		Balance as at
	December	Additions	Deduction	December
	31, 2017			31, 2018
<u>Cost</u>				
Leasehold rights on buildings	214,870,600	-	-	214,870,600
<u>Less</u> Accumulated amortization	164,082,025	10,746,494	-	174,828,519
Leasehold rights on buildings - net	50,788,575			40,042,081

The whole amount of the leasehold on buildings represented leased areas in leading shopping centers in order to open SE-ED Book Center. The terms of these leaseholds range between 10 to 30 years.

17. INTANGIBLE ASSETS

This account consisted of:

	Baht		
	Consolidated financial statements		
	Balance as at	Transaction during the year	Balance as at
	December	Additions	Deduction
	31, 2018		31, 2019
<u>Cost</u>			
Computer program	48,606,624	52,473	-
<u>Less Accumulated amortization</u>	44,989,640	726,275	-
Intangible assets - net	3,616,984		2,943,182

	Baht		
	Consolidated financial statements		
	Balance as at	Transaction during the year	Balance as at
	December	Additions	Deduction
	31, 2017		31, 2018
<u>Cost</u>			
Computer program	48,178,624	428,000	-
<u>Less Accumulated amortization</u>	44,268,563	721,077	-
Intangible assets - net	3,910,061		3,616,984

	Baht		
	Separate financial statements		
	Balance as at	Transaction during the year	Balance as at
	December	Additions	Deduction
	31, 2018		31, 2019
<u>Cost</u>			
Computer program	48,213,192	52,473	-
<u>Less Accumulated amortization</u>	44,718,120	733,021	-
Intangible assets - net	3,495,072		2,814,524

	Baht			
	Separate financial statements			
	Balance as at	Transaction during the year		Balance as at
	December	Additions	Deduction	December
	31, 2017			31, 2018
<u>Cost</u>				
Computer program	48,213,192	-	-	48,213,192
<u>Less</u> Accumulated amortization	43,981,390	736,730	-	44,718,120
Intangible assets - net	4,231,802			3,495,072

18. OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at December 31, 2019, the Company had the overdrafts amounted Baht 23.03 million with carried MOR% per annum and the short-term loans are in the form of promissory notes in the amount of Baht 250.00 million not over 3 months in the amount of Baht 40.00 million with interest rate of 3% per annum and guaranteed by mortgaging the land with buildings (Note 33 to the financial statements).

19. TRADE AND OTHER PAYABLES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade payable - related parties	1,137,794	1,508,183	1,137,794	1,508,183
Trade payable - other companies	594,559,079	703,433,609	593,935,758	702,428,336
Accrued expenses	66,101,878	86,100,114	54,567,349	72,005,277
Other payables for purchase of assets	2,196,330	2,999,104	1,426,351	2,819,626
Notes payable	3,077,511	6,030,063	3,077,511	6,013,151
Other payables	15,391,307	26,205,063	15,391,307	26,205,063
Total	682,463,899	826,276,136	669,536,070	810,979,636

20. INCOME RECEIVED IN ADVANCE

This account consisted of:

	Baht	
	Consolidated financial statements	
	2019	2018
		(Restated)
Income received in advance - not yet recognized	100,962,140	99,673,746
<u>Less</u> Income received in advance recognizable within one year	(59,377,559)	(64,003,222)
Net	41,584,581	35,670,524

Movements of income received in advance for the years ended December 31, 2019 and 2018, as follows:

	Baht		
	Consolidated financial statements		
	Initial entrance fee	Education supporting fee	Total
Balance as at January 1, 2018 - before adjust	37,171,333	62,577,657	99,748,990
<u>Add</u> Increase during the year	9,162,000	176,398,826	185,560,826
<u>Less</u> Income recognition during the year	(7,084,500)	(177,182,934)	(184,267,434)
<u>Less</u> Returned due to resignation of students	(70,500)	(1,298,136)	(1,368,636)
Balance as at December 31, 2018	39,178,333	60,495,413	99,673,746
<u>Add</u> Increase during the year	14,726,000	186,970,301	201,696,301
<u>Less</u> Income recognition during the year	(7,816,375)	(190,562,518)	(198,378,893)
<u>Less</u> Returned due to resignation of students	(187,000)	(1,842,014)	(2,029,014)
Balance as at December 31, 2019	45,900,958	55,061,182	100,962,140

21. OTHER CURRENT LIABILITIES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Coupon and prepaid card payable	19,849,706	15,315,568	19,849,706	15,315,568
Accrued withholding tax	1,592,519	3,349,353	1,425,793	1,603,499
Unearned income	3,175,014	4,134,137	2,174,517	1,540,768
Advance received for purchasing books	5,418,593	2,783,869	5,418,593	2,783,869
Others	2,983,615	3,659,912	2,247,217	2,851,770
Total	33,019,447	29,242,839	31,115,826	24,095,474

22. LONG-TERM LOANS

This account consisted of:

			Baht			
			Consolidated financial statements		Separate financial statements	
			2019	2018	2019	2018
Loans	Interest rate (%)	Repayment schedule				
1	THBFD	Monthly instalment as from July 31, 2014				
	3M+3.85*	with the last instalment in September 30, 2021	53,320,000	89,080,000	53,320,000	89,080,000
2	MLR-1.5	Monthly instalment as from November 30, 2014				
		with the last instalment in December 31, 2023	94,872,000	119,520,000	94,872,000	119,520,000
3	6.00 - 7.50 **	Settlement at maturity date of the contracts	56,450,000	56,650,000	-	-
Total			204,642,000	265,250,000	148,192,000	208,600,000
<u>Less</u> Current portion due within one year			(70,658,000)	(60,408,000)	(60,408,000)	(60,408,000)
Long-term loans - net			133,984,000	204,842,000	87,784,000	148,192,000

* Interest expense rate in swap transaction agreements

** Long-term loan of shareholder/directors of subsidiary

The long-term loans were guaranteed with the land and buildings that was the location of the distribution center to guarantee any liabilities or obligations either already exist at the moment or will be held under such agreement (Note 33.3 to the financial statements).

Under such long agreement, the Company had to comply with some certain financial conditions specified in the agreement such as to maintain the debt ratio with interest to equity and leverage ratio, etc.

The Company had entered into the interest rate swap agreement of the credit limit loan No. 1 with the lender bank to exchange interest rate as specified in the loan agreement as floating interest rate plus the specified rate (Note 32.4 to the financial statements).

23. LONG-TERM EMPLOYEE BENEFIT OBLIGATIONS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Provision for compensation on employees'	60,467,986	37,422,468	52,031,378	30,698,647
Provision for long service awards	24,982,853	23,697,159	24,982,853	23,581,255
Total	85,450,839	61,119,627	77,014,231	54,279,902

Movements of the long-term employee benefit obligations account are as follows:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Long-term employee benefit obligations				
at beginning of the year	61,119,627	72,393,669	54,279,902	66,567,569
Included in profit or loss :				
Past service cost recognition	10,753,924	-	9,674,086	-
Current service cost recognition	5,271,998	5,168,716	4,817,198	4,564,041
Cost of interest	1,882,196	1,565,380	1,688,489	1,414,570
Actuarial (gain) loss of other long-term benefits				
recognized - other long - term benefits	2,666,923	(3,317,486)	2,666,923	(3,317,486)
Included in other comprehensive income :				
Experience adjustment	4,392,762	(7,699,393)	4,392,762	(7,957,533)
Demographic assumption change	-	1,989,230	-	1,989,230
Financial assumption changes	6,452,138	(2,142,059)	6,452,138	(2,142,059)
Benefit paid during year	(7,088,729)	(6,838,430)	(6,957,267)	(6,838,430)
Net long-term employee benefit obligations				
at the end of the year	85,450,839	61,119,627	77,014,231	54,279,902

Long-term employee benefit expenses are recognised in profit or loss are as follows.

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cost of sales	2,091,859	888,278	1,299,602	543,089
Selling and administrative expenses	15,816,259	2,528,332	14,880,171	2,118,036
Total expenses recognised in profit or loss	17,908,118	3,416,610	16,179,773	2,661,125

As at December 31, 2019 and 2018, the Group expects to pay Baht 8.66 million and Baht 5.80 million, respectively of long-term employee benefits during the next year, (Separate financial statements Baht 8.66 million and Baht 5.80 million, respectively.)

As at 31 December 2019 and 2018, the weighted average duration of the liabilities for long-term employee benefit is 7 - 10 years and 8 - 14 years (Separate financial statements 7 - 14 years and 8 - 14 years, respectively.)

Significant actuarial assumptions are summarised below.

	Percent			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate	1.71 - 2.65	2.30 - 3.30	1.71	2.30 - 3.00
Salary increase rate	4.00	4.00 - 5.00	4.00	4.00
Staff turnover rate*	0.00 - 45.84	0.00 - 45.84	3.82 - 45.84	3.82 - 45.84

* Percentage change in the number of employees with high turnover rates are only part of the branches employees which rate is as well as the retail sector with an average turnover rate of approximately 30% to 60% per year.

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2019 and 2018 are summarised below.

	Baht			
	2019			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5%)	(3,728,858)	4,013,567	(3,447,560)	3,716,106
Salary increase rate (1%)	6,680,307	(5,849,920)	5,935,279	(5,178,034)
Staff turnover rate (20%)	(9,836,193)	12,678,778	(9,072,072)	11,555,396

	Baht			
	2018			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5%)	(2,574,763)	2,764,110	(2,328,721)	2,502,322
Salary increase rate (1%)	4,583,697	(3,986,524)	4,016,381	(3,477,574)
Staff turnover rate (20%)	(8,427,716)	11,048,327	(7,856,842)	10,222,224

In 2019, the obligation under the defined benefit plan is calculated by a qualified independent actuary. The effect resulted in actuarial loss arising from post-employment benefit-net income tax expense in the amount of Baht 10.81 million, the Company are recognized in other comprehensive income.

On April 5, 2019, the Labour Protection Act has been enacted in the Royal Gazette. The Labour Protection Act includes a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of 20 years or more, receives severance payment of 400 days of wages at the most recent rate, which is increased from the current maximum rate of 300 days. This Act shall come into force after the expiration of thirty days from the enacted date in the Royal Gazette onwards.

This change is considered a post-employment benefits plan amendment and the Group has additional liabilities for long-term employee benefits. The Group has recorded the effect of the change by recognising past service costs as expenses in the income statement for the year 2019.

24. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities are as follows:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Deferred tax assets	50,238,773	49,057,085	50,122,773	48,925,743
Deferred tax liabilities	(99,120,330)	(99,548,350)	(94,935,776)	(95,078,223)
Deferred tax asset (liabilities) - net	<u>(48,881,557)</u>	<u>(50,491,265)</u>	<u>(44,813,003)</u>	<u>(46,152,480)</u>

The components of deferred tax assets and liabilities are as follows:

	Baht			
	Consolidated financial statements			
	Balance as at	Revenue (expenses) during the year		Balance as at
	December	In profit or loss	In other	December
	31, 2018		comprehensive	31, 2019
			income	
Deferred tax assets:				
Allowance for doubtful accounts	2,033,973	(600,758)	-	1,433,215
Allowance for dilapidated and slow moving	35,602,426	(2,498,713)	-	33,103,713
Allowance for assets impairment	433,364	(250,365)	-	182,999
Provision for impairment of investment in associate	116,000	-	-	116,000
Employee benefits obligations	10,871,322	4,531,524	-	15,402,846
Total	49,057,085	1,181,688	-	50,238,773
Deferred tax liabilities:				
Unrealized gains from changes in investment values	-	-	7	7
Surplus on revaluation of assets	99,548,350	-	(428,027)	99,120,323
Total	99,548,350	-	(428,020)	99,120,330

	Baht			
	Consolidated financial statements			
	Balance as at	Revenue (expenses) during the year		Balance as at
	December	In profit or loss	In other	December
	31, 2017		comprehensive	31, 2018
			income	
Deferred tax assets:				
Allowance for doubtful accounts	2,146,561	(112,588)	-	2,033,973
Allowance for dilapidated and slow moving	42,345,708	(6,743,282)	-	35,602,426
Allowance for assets impairment	497,908	(64,544)	-	433,364
Provision for impairment of investment in associate	-	116,000	-	116,000
Employee benefits obligations	13,327,497	(2,456,175)	-	10,871,322
Total	58,317,674	(9,260,589)	-	49,057,085
Deferred tax liabilities:				
Unrealized gains from changes in investment values				
Surplus on revaluation of assets	109,120,345	-	(9,571,995)	99,548,350
Total	109,120,345	-	(9,571,995)	99,548,350

Baht				
Separate financial statements				
	Balance as at December 31, 2018	Revenue (expenses) during the year		Balance as at December 31, 2019
		In profit or loss	In other comprehensive income	
Deferred tax assets:				
Allowance for doubtful accounts	2,033,973	(600,758)	-	1,433,215
Allowance for dilapidated and slow moving	35,602,426	(2,498,713)	-	33,103,713
Allowance for assets impairment	433,364	(250,365)	-	182,999
Employee benefits obligations	10,855,980	4,546,866	-	15,402,846
Total	48,925,743	1,197,030	-	50,122,773
Deferred tax liabilities:				
Unrealized gains from changes in investment values	-	-	7	7
Surplus on revaluation of assets	95,078,223	-	(142,454)	94,935,769
Total	95,078,223	-	(142,447)	94,935,776

Baht				
Separate financial statements				
	Balance as at December 31, 2017	Revenue (expenses) during the year		Balance as at December 31, 2018
		In profit or loss	In other comprehensive income	
Deferred tax assets:				
Allowance for doubtful accounts	2,146,561	(112,588)	-	2,033,973
Allowance for dilapidated and slow moving	42,345,708	(6,743,282)	-	35,602,426
Allowance for assets impairment	497,908	(64,544)	-	433,364
Employee benefits obligations	13,313,514	(2,457,534)	-	10,855,980
Total	58,303,691	(9,377,948)	-	48,925,743
Deferred tax liabilities:				
Unrealized gains from changes in investment values	1,339	-	(1,339)	-
Surplus on revaluation of assets	104,364,654	-	(9,286,431)	95,078,223
Total	104,365,993	-	(9,287,770)	95,078,223

25. SURPLUS ON REVALUATION OF ASSETS

This represents surplus arising from revaluation of land and buildings. The surplus is amortized to retained earnings on a straight-line basis over the remaining life of the related assets.

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Beginning balance of the year	382,025,642	428,867,985	371,169,308	417,458,614
Revaluations for the year	-	-	-	-
<u>Less: Amortization for the year</u>	<u>(1,129,178)</u>	<u>(46,842,343)</u>	<u>(569,813)</u>	<u>(46,289,306)</u>
Ending balance of the year	<u>380,896,464</u>	<u>382,025,642</u>	<u>370,599,495</u>	<u>371,169,308</u>

Surplus on revaluation of assets can neither be offset against deficit nor used for dividend payment.

26. STATUTORY RESERVE

The Company

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

Subsidiary

According to the Thai Civil and Commercial Code, the subsidiary is required to set aside to a statutory reserve an amount equal to at least 5% of its net profit each time the Company pay out a dividend, until such reserve reaches 10% of its registered share capital. The statutory reserve cannot be used for dividend payment

27. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Salary and wages and other employee benefits	540,038,062	578,221,142	416,313,912	457,732,893
Depreciation and amortization	103,230,244	111,838,225	85,994,383	95,328,328
Rental, service and utilities expenses	315,929,047	344,379,370	310,150,644	338,793,563
Provision for diminution in value of receivables and inventories (reversal)	2,322,159	(2,271,772)	2,322,159	(2,271,772)
Purchase of goods and raw materials used	1,681,684,762	1,910,988,081	1,646,270,770	1,878,266,015
Changes in inventories of finished goods and work in process	(26,892,089)	(14,091,149)	(26,344,344)	(12,216,522)
Expense variable by sales	63,728,761	77,377,009	63,673,971	77,257,328

28. INCOME TAX

This account consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Income tax expense shown in profit or loss :				
Current income tax :				
Current income tax for the year	99,869	67,946	-	-
Adjustment in respect of income tax of previous year	-	(225,139)	-	(4,441)
Deferred tax:				
Changes in temporary differences relating to the original recognition and reversal	1,263,685	(1,711,023)	1,362,886	(1,530,555)
Total	1,363,554	(1,868,216)	1,362,886	(1,534,996)

The reconciliation between accounting profit and income tax expense is shown below.

	Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Accounting profit (loss) before income tax	23,628,835	18,664,271	4,279,172	12,351,028
Applicable tax rate	0%, 20%	0%, 20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	885,854	2,347,786	855,834	2,470,206
Temporary differences and taxable loss not recorded as deferred tax assets	(478,135)	366,404	(437,253)	366,404
Adjustment in respect of income tax of previous year	-	(4,441)	-	(4,441)
Effects of:				
Income not subject to tax	(200,000)	(1,694,000)	(200,000)	(1,694,000)
Non-deductible expenses	5,224,869	6,270,954	5,211,339	6,269,454
Additional expense deductions allowed	(4,085,482)	(4,151,939)	(4,085,482)	(4,151,939)
Taxable loss deductible by law	-	(5,404,344)	-	(5,404,344)
Others	16,448	401,364	18,448	613,664
Total	477,700	(4,216,002)	507,052	(4,005,202)
Income tax (revenues) expense reported in the statement of income	1,363,554	(1,868,216)	1,362,886	(1,534,996)

29. BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
		(Restated)		
Profit for the year				
Equity holders of the parent (Baht)	11,992,420	13,205,044	2,916,286	13,886,024
Weighted average number of ordinary shares (shares)	391,944,418	391,944,418	391,944,418	391,944,418
Basic earnings per share (Baht/share)	0.03	0.03	0.01	0.04

30. OPERATION SEGMENT

Operating segment information is reported in a manner consistent with the internal reports of the Group that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The businesses of the Group is ship builder and ship repairer, manufacturing and trading marine equipment with the main operation in the single geographic area in Thailand. Segment performance is considered by revenue and gross profit and is also measured based on the Group's operating profit or loss, on a basis consistent with that used to measure the operating profit or loss in the financial statement.

The Group's revenue and gross profit information for the years ended December 31, 2019 and 2018 by segments are as follows:

	Million Baht							
	Retail business segment		Other distribution channels		School business segment		Total	
	2019	2018	2019	2018	2019	2018 (Restated)	2019	2018 (Restated)
External revenue	1,975.81	2,292.98	772.35	824.59	198.38	184.28	2,946.54	3,301.85
Total revenues	<u>1,975.81</u>	<u>2,292.98</u>	<u>772.35</u>	<u>824.59</u>	<u>198.38</u>	<u>184.28</u>	<u>2,946.54</u>	<u>3,301.85</u>
Gross profit from operating according to the segment	<u>739.82</u>	<u>828.20</u>	<u>246.10</u>	<u>253.28</u>	<u>49.60</u>	<u>47.81</u>	<u>1,035.52</u>	<u>1,129.29</u>
Unallocated income and expenses:								
Other income							81.27	77.37
Selling expenses							(664.45)	(759.81)
Administrative expenses							(416.57)	(414.33)
Finance costs							(12.17)	(14.87)
Share of gain from associated companies							0.03	1.01
Income tax revenue (expenses)							(1.36)	1.87
Profit for the year							<u>22.27</u>	<u>20.53</u>
<u>As at December 31,</u>								
Property, plant and equipment							1,721.41	1,776.90
Intangible assets							2.94	3.62
Leasehold rights on land and buildings							35.84	45.85
Rental guarantee and deposit							82.08	89.95
Other assets							<u>630.51</u>	<u>657.83</u>
Total assets							<u>2,472.78</u>	<u>2,574.15</u>

The basis of pricing between the Group is consistent with that for third party transactions.

31. PROVIDENT FUND

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by CIMB - Principal Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules.

The Group has contributed to the fund for the years, ended December 31, 2019 and 2018 in the amount of Baht 14.37 million and Baht 14.50 million, respectively (The Separate amount of Baht 13.99 million and 14.50 million, respectively).

32. COMMITMENTS AND CONTINGENT LIABILITIES

32.1 Operating lease commitments

32.1.1 As at December 31, 2019, the Company has entered into space rental agreements for use as branch offices, totalling 310 branches. The lease periods ranged from 1 to 20 years. For the year ended December 31, 2019 the total rental and utility fees were approximately Baht 289.70 million per annum. Some of rental fees were calculated from the percentage of sales amounts of that branch, while others were fixed rate.

32.1.2 As at December 31, 2019, the Group have entered into several lease agreements in respect of the lease of land, office building, warehouses, vehicles and costs service related with the operations. The terms of the agreements are generally between 1 and 30 years.

As at December 31, 2019 the Group, future minimum lease payments required under operating leases contracts as follow:

	Baht	
	Consolidated financial statements	Separate financial statements
Payable:		
Up to 1 year	88,299,339	86,917,425
Over 1 and up to 5 years	92,252,970	86,467,784
Over 5 years	28,081,485	6,159,390
Total	208,633,794	179,544,599

32.2 Guarantees

As at December 31, 2019, the Company has pledged the bank deposit of Baht 4.10 million to guarantee contractual performance and guarantee rental. In addition, other investments of Baht 1.10 million were pledged to guarantee the electricity usage and rental of head office.

32.3 Long-term service commitments

- 32.3.1 The Company entered into agent appointment agreement with a foreign company for the contractual period of three years commencing from May 31, 2019 to October 31, 2022. Upon expiration of the term, the Agreement shall be automatically renewed for successive one year unless either party notifies the other of its intention in writing to terminate the Agreement.
- 32.3.2 The Company entered into three-year contracts allowing the use of copyrights with various authors which can be automatically renewed for successive three years, and agreed to pay remuneration at the percentage of the number of books published or sold.

33. CREDIT LIMITS

As at December 31, 2019, the Company had the credit limits with the local financial institutions as follows:

- 33.1 The Company had 3 overdrafts limit amounted Baht 60 million by entering into the agreement with 3 financial institutions, carried MOR% per annum that consisted of:
 - 33.1.1 Two credit limits without guarantee amounted Baht 20 million and Baht 20 million.
 - 33.1.2 One credit limit with guarantee amounted Baht 20 million and guaranteed by mortgaging the land with buildings.
- 33.2 The Company had 2 short-term loan limits amounted Baht 250 million by entering into the agreement with two financial institutions in the form of promissory notes with maturity date not over 3 months and carried the interest rate of 3.30% per annum that consisted of:
 - 33.2.1 One credit limit without guarantee amounted Baht 50 million.
 - 33.2.2 One credit limit with guarantee amounted Baht 200 million and guaranteed by mortgaging the land with buildings.
- 33.3 The Company had the long-term loan limits with a financial institution with the limit amounted Baht 700 million and guaranteed by mortgaging the land with buildings that consisted of:
 - 33.3.1 Credit limit amounted Baht 250 million carried THBFD 3M+3.85% per annum.
 - 33.3.2 Credit limit amounted Baht 250 million carried MLR-1.5% per annum.
 - 33.3.3 Credit limit amounted Baht 200 million and not withdrawn.

34. FINANCIAL INSTRUMENTS

34.1 Financial risk management

The Group's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, loans, investments, and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, notes and other receivable. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans, other receivables and notes receivable as stated in the statement of financial position.

Interest rate risk

The Group exposures to interest rate risk relate primarily to its cash at banks, bank overdrafts, and long-term borrowings. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As December 31, 2019 and 2018, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

	2019 (Baht)			
	Consolidated financial statement			
	Fixed interest rates		Floating	Non-interest
	Within 1 year	More than 1 - 5 years	interest rate	bearing
Financial assets				
Cash and cash equivalents	95,190,523	-	-	16,302,807
Current investments	6,000,000	-	100,034	-
Trade and other receivables	-	-	-	57,788,888
Restricted bank deposits and other investments	-	12,932,664	-	-
Total	101,190,523	12,932,664	100,034	74,091,695
Financial liabilities				
Overdraft and Short-term loan from financial institution	63,032,754	-	-	-
Trade and other payables	-	-	-	682,463,899
Long-term loans	-	56,450,000	148,192,000	-
Total	63,032,754	56,450,000	148,192,000	682,463,899

	2018 (Baht)				
	Consolidated financial statement				
	Fixed interest rates		Floating	Non-interest	Total
	Within	More than	interest rate	bearing	
	1 year	1 - 5 years			
Financial assets					
Cash and cash equivalents	121,286,456	-	-	18,179,870	139,466,326
Trade and other receivables	-	-	-	62,950,818	62,950,818
Restricted bank deposits and other investments	-	13,413,204	-	-	13,413,204
Total	121,286,456	13,413,204	-	81,130,688	215,830,348
Financial liabilities					
Trade and other payables	-	-	-	826,276,136	826,276,136
Long-term loans	-	56,650,000	208,600,000	-	265,250,000
Total	-	56,650,000	208,600,000	826,276,136	1,091,526,136

	2019 (Baht)				
	Separate financial statement				
	Fixed interest rates		Floating	Non-interest	Total
	Within	More than	interest rate	bearing	
	1 year	1 - 5 years			
Financial assets					
Cash and cash equivalents	31,959,934	-	-	16,132,211	48,092,145
Current investments	100,034	-	-	-	100,034
Trade and other receivables	-	-	-	54,698,912	54,698,912
Restricted bank deposits and other investments	-	12,932,664	-	-	12,932,664
Total	32,059,968	12,932,664	-	70,831,123	115,823,755
Financial liabilities					
Overdraft and Short-term loan from					
financial institution	63,032,754	-	-	-	63,032,754
Trade and other payables	-	-	-	669,536,070	669,536,070
Long-term loans	-	-	148,192,000	-	148,192,000
Total	63,032,754	-	148,192,000	669,536,070	880,760,824

	2018 (Baht)				
	Separate financial statement				
	Fixed interest rates		Floating	Non-interest	Total
	Within 1 year	More than 1 - 5 years	interest rate	bearing	
Financial assets					
Cash and cash equivalents	67,523,828	-	-	18,007,367	85,531,195
Trade and other receivables		-	-	57,944,984	57,944,984
Restricted bank deposits and other investments	-	13,413,204	-	-	13,413,204
Total	67,523,828	13,413,204	-	75,952,351	156,889,383
Financial liabilities					
Trade and other payables	-	-	-	810,979,636	810,979,636
Long-term loans	-	-	208,600,000	-	208,600,000
Total	-	-	208,600,000	810,979,636	1,019,579,636

Interest Rate Swap Transaction Agreement

The Company has the detail of the interest rate swap agreement outstanding as at December 31, 2019 as follow:

Principal amount	Interest revenue rate swap agreement (%)	Interest expenses rate swap agreement (%)	Termination date
Baht 106.64 million	THBFIX 1M + 1.74	THBFD 3M + 3.85	June 2021

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at December 31, 2019 and 2018, the Company balances of financial assets and liabilities denominated in foreign currencies are summarized follow:

Foreign currency	Consolidated/Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2019	2018	2019	2018	(Baht per foreign currency)	
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	2019	2018
USD	-	-	13	32	30.3313	32.6148
SGD	-	-	-	5	22.5935	23.9720
GBP	-	-	988	695	39.9523	41.5216

As at December 31, 2019, the Company has foreign exchange contracts outstanding are summarized follow:

	Consolidated/Separate financial statements				
			Contractual exchange rate (Baht per foreign currency)		
Foreign currency	Bought amount	Sold amount	Bought	Sold	Maturity date
	(Thousand)	(Thousand)			
GBP	774	-	37.505 - 39.560	-	October 2019 - January 2020

35. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholders value. As at December 31, 2019 and 2018, the Group's debt-to-equity ratio was 0.97 and 1.09, respectively and the Company's debt-to-equity ratio was 0.91 and 1.02, respectively.

36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2019 and 2018 are as follows:

Baht				
Consolidated financial statements				
	Balance as at December 31, 2018	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2019
Overdraft	-	23,032,754	-	23,032,754
Short-term loan from financial institution	-	40,000,000	-	40,000,000
Long-term loans from financial institution	265,250,000	(60,608,000)	-	204,642,000
Total	265,250,000	2,424,754	-	267,674,754

Baht				
Consolidated financial statements				
	Balance as at December 31, 2017	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2018
Long-term loans from financial institution	335,758,000	(70,508,000)	-	265,250,000
Total	335,758,000	(70,508,000)	-	265,250,000

Baht				
Separate financial statements				
	Balance as at December 31, 2018	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2019
Overdraft	-	23,032,754	-	23,032,754
Short-term loan from financial institution	-	40,000,000	-	40,000,000
Long-term loans from financial institution	208,600,000	(60,408,000)	-	148,192,000
Total	208,600,000	2,624,754	-	211,224,754

Baht				
Separate financial statements				
	Balance as at December 31, 2017	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2018
Long-term loans from financial institution	269,008,000	(60,408,000)	-	208,600,000
Total	269,008,000	(60,408,000)	-	208,600,000

* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

37. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors of the Company on February 26, 2020.

รถแดง แหล่งความรู้

ไม่ว่าจะ
ห่างไกลแค่ไหน
เด็กไทย
จะได้อ่านหนังสือ

“ซีเอ็ด”
มุ่งมั่นทำให้
คนไทยเก่งขึ้น

รถแดงแหล่งความรู้
ห้องสมุดเคลื่อนที่
พร้อมออกเดินทางไปชวน
เพื่อนนักอ่านทั่วประเทศ
มาอ่านหนังสือ ร่วมกัน
สร้างวัฒนธรรมการอ่าน
ให้เข้มแข็งและยั่งยืนไป
ด้วยกัน



บริษัท ซีเ็ดยูเคชั่น จำกัด (มหาชน)

อาคารอินเตอร์ลิงค์ทาวเวอร์ ชั้น 19 เลขที่ 1858/87-90 ถนนเทพรัตน
แขวงบางนาใต้ เขตบางนา กรุงเทพฯ 10260 โทร. 0-2826-8000 โทรสาร 0-2826-8999

SE-EDUCATION PUBLIC COMPANY LIMITED

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ผู้ลงทุนสามารถศึกษาข้อมูลของ บริษัท ซีเ็ดยูเคชั่น จำกัด (มหาชน) เพิ่มเติมได้จากแบบแสดงรายการข้อมูลประจำปี (แบบ 56-1) ที่แสดงไว้ใน www.sec.or.th หรือ www.se-ed.com
Investors may find additional information of SE-EDUCATION Public Company Limited from its Annual Registration Statement (Form 56-1) posted at www.sec.or.th or at www.se-ed.com