



รายงานประจำปี

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2020

Annual Report

บริษัท ยวซ่าแบตเตอรี่ ประเทศไทย จำกัด (มหาชน)
YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED.



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1. Message from Chairman of the Board of Directors

The economy of the year 2020 greatly declined from the intense effect of preventive measures for Coronavirus disease 2019 (COVID-19). Such strict preventive measures both inside and outside the country affected many economic sectors especially tourism sector and export sector. However, after the relief of the preventive measures, the private consumption slightly increased but it was still low due to the decreasing household income. Nevertheless, the government spending significantly took part in economy drive which continuously led to the good operating profit of the Company from the previous year. Moreover, even the Company had decreasing sales revenue when compared to the previous year due to the decreasing sales in export market and original equipment market, but the cost of sales and the sales and administration expenses decreased due to the decrease of the material cost, the production cost, and the expenses control as well. Therefore, the Company could make the operating profit of the year 2020 for Baht 197 million which increased from the previous year.



The Company still continuously improved the production process in every step which helped reducing the production cost, the loss in the working process, and the unnecessary expenses. Moreover, the Company consistently improved the factory area for the propose of employees' safety and environment in the factory and around the factory. Furthermore, the Company had placed importance to the social responsibility as well.

The year 2021 would be the challenging year for the Company due to the new wave of the COVID-19 in the country. However, the government took such good control of the pandemic, and the vaccines were already distributed to many countries including Thailand. Anyhow, the economy of the year 2021 was still uncertain and slowly recovered. Therefore, the Company would focus on the sales and release of various new product model to response to the customer need and expand the customer base. In the same time, the Company must be careful of the debt repayment from customers. The Company still planned to proceed the cost reduction plan in every process and expenses management for the highest efficiency, including to constantly improve the factory to be safe and environmentally friendly for the sustainable growth.

As the leader of the automotive and motorcycle battery production and distribution, the Company provided the various products designed to response the customer need in aspect of both quality and services. Moreover, it was a promise from the Company to operate the business with the determination in line with the Good Corporate Governance principle, trustworthy and transparent to the stakeholders, from the customers, distributors, employees, shareholders including the neighborhood community and related persons.

Lastly, I would like to express my sincere gratitude on behalf of the Board of Directors to the shareholders, customers, employees, business partners, and all related persons for the trust, confidence, and support for the Company's operation. And please be assured that the Company had the determination to improve the products, the service quality, and the potential in order to remain as the leader of various and complete battery production under fast changing competition in order to steadily return the benefit to the shareholders.

On behalf of Directors



(Akira Kiyomizu)
Chairman of the Board of Directors (Acting)
March 4th, 2021

2. Report of the Audit Committee

The Audit Committee of Yuasa Battery (Thailand) Public Company Limited was comprised of three independent directors, namely Assoc.Prof.Dr. Lawan Thanadsillapakul, Mr. Prasert Kittisakkul and Assoc.Prof.Pisit Vatanasomboon. And Assoc.Prof.Dr. Lawan Thanadsillapakul was the Chairman of Audit Committee.

In 2020, there were 13 Audit Committee Meetings. The Audit Committee performed the duties under the scope of the duties and responsibilities assigned by the Board of Directors. The issues which were reviewed could be summarized as below:

1. Reviewing the Company's monthly, quarterly and yearly financial statements that they were pursuant to the generally-accepted accounting standard and the information was completely and adequately disclosed; as well as quarterly inviting the external auditor to attend the Audit Committee Meetings for inquiry about the issues which were found from auditing the Company's financial statements;
2. Reviewing the internal control and the internal audit as well as giving advice on the audit and considering the Internal Audit Department's annual auditing plan for the efficient and effective operation, the appropriate internal control system for the Company as well as prevention against, and reduction of the risk which may occur;
3. Considering the related transactions by reviewing the transactions which may cause the Company a conflict of interest, pursuant to the Company's good corporate governance policy;
4. Reviewing the Company's compliance to the law relating to securities and exchange, the regulations of the Stock Exchange of Thailand and the law relating to the Company's business;
5. Considering and giving advice on the appointment of the external auditor.
6. Audit Committee regularly attend the seminar and training which were arranged by the Stock Exchange of Thailand, Thai Institute of Directors or other institutes which involved with the duties of Audit Committee and would report the result of the meeting, seminar and training to Audit Committee's Meeting for acknowledgement, and to updating the change of laws, rules and regulations as well as practice for continuous modernization. However, the seminar and training were the online platforms resulting from the COVID-19 pandemic situation, and Audit Committee attended the meeting regularly.

Having considered the above-mentioned issues, the Audit Committee was of the opinion that the Company's financial statements were accurately made. The Company disclosed enough information pursuant to the accounting standard, the related laws and the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

However, the Audit Committee had additional advices for more efficient and effective internal control within the Company as following:

1. The COVID-19 pandemic situation from the year 2020 still continued to the year 2021 which highly affected the economic situation. However, the management still operated the satisfying performance in the year 2020 under the abnormal situation. Nevertheless, from the prolonged COVID-19 pandemic situation, Audit Committee was still concerned regarding the debt-paying ability of the customers. Therefore, to prevent the damages that might happen, Audit Committee suggested and supported the management to be more careful for the credit limit approval of customers. For this issue, the credit regulation was the tool which would be used as a guideline to prevent the default risk from the customers. Consequently, Audit Committee suggested the management to review the credit control guideline to be suitable with this abnormal situation.
2. Despite the fact that in the year 2020, the COVID-19 pandemic situation affected the business operation, however, to comply with laws relevant to the business operation was still important issue. In the year 2019, Audit Committee suggested the management to make the Checklist related with director liability in order that other departments could use it as the operation guideline. In the year 2020, there were some progresses of the Checklist. The legal department could use this checklist to monitor the operation of other departments. Moreover, to comply with the Director's liability law, Audit Committee agreed that the Checklist which was set to be the operation guideline for the legal department and other departments, should have the handbook to support the operation in order to comply with the laws relevant to the responsibilities of each departments, and to prevent the illegal operation.

On behalf of Audit Committee



(Assoc.Prof.Dr. Lawan Thanadsillapakul)

Chairman of Audit Committee

March 10th, 2021

3. Policy and Overall Business Operation

Policy and overall business operation

For understanding and a guideline to follow the business direction of Yuasa Battery (Thailand) PLC. and Yuasa Sales and Distribution Co., Ltd. (the Subsidiary), the Company would like to explain the overall image, the background information as well as the business characteristics of the Company and the Subsidiary as follows: -

Vision & Mission

Vision

“We shall become a leader of battery manufacturers in terms of world-class quality technology.”

Target

“To manage competitive production cost and continuously increase sales and share in domestic and overseas markets”

Mission

“To become a battery manufacturer with quality and competitive cost derived from applying new technological innovation and philosophies to develop management, production and personnel for the company’s stable steps, reliability and achievement”

Guideline of Business Operation

- The Company must conduct its business consistently with the relevant laws. The Company shall maintain its steps and fair business operation.
- The Company strongly believes that conducting business with honesty, morality and ethics is good business governance which will provide a stable and progressing business of the Company.
- The Company will respect and act in compliance with local norms and traditions.
- The Company will conduct business with honesty, particularly in matters regarding financial policy, budget planning and investment evaluation in any project which shall be prepared clearly and precisely.
- The Company hopes that all directors and employees will honestly respect in the Company’s policy, accounting process and other regulations. Moreover, employees should report to executives immediately if there is any suspicion of a violation of the code of conduct which may cause damage to the Company’s reputation.

Guideline on Business achievement

The Company has targeted to become a leading manufacturer of quality automotive batteries which have competitive cost, provide a one-stop service for energy solutions and grow together with the customers. The Company focuses on adding more values to the organization, the shareholders and the stakeholders, as well as pays attention on corporate governance, risk management, good internal control system and social responsibility. As a result, the Company plans to manage the organization for sustainable growth by emphasizing on financial balance, customers, working processes and results of organizational administration. Feasibility, reasonability, balance, fair risk, benchmarking and analysis of stakeholders are considered. The organization’s operating results are continuously measured, analyzed and improved.

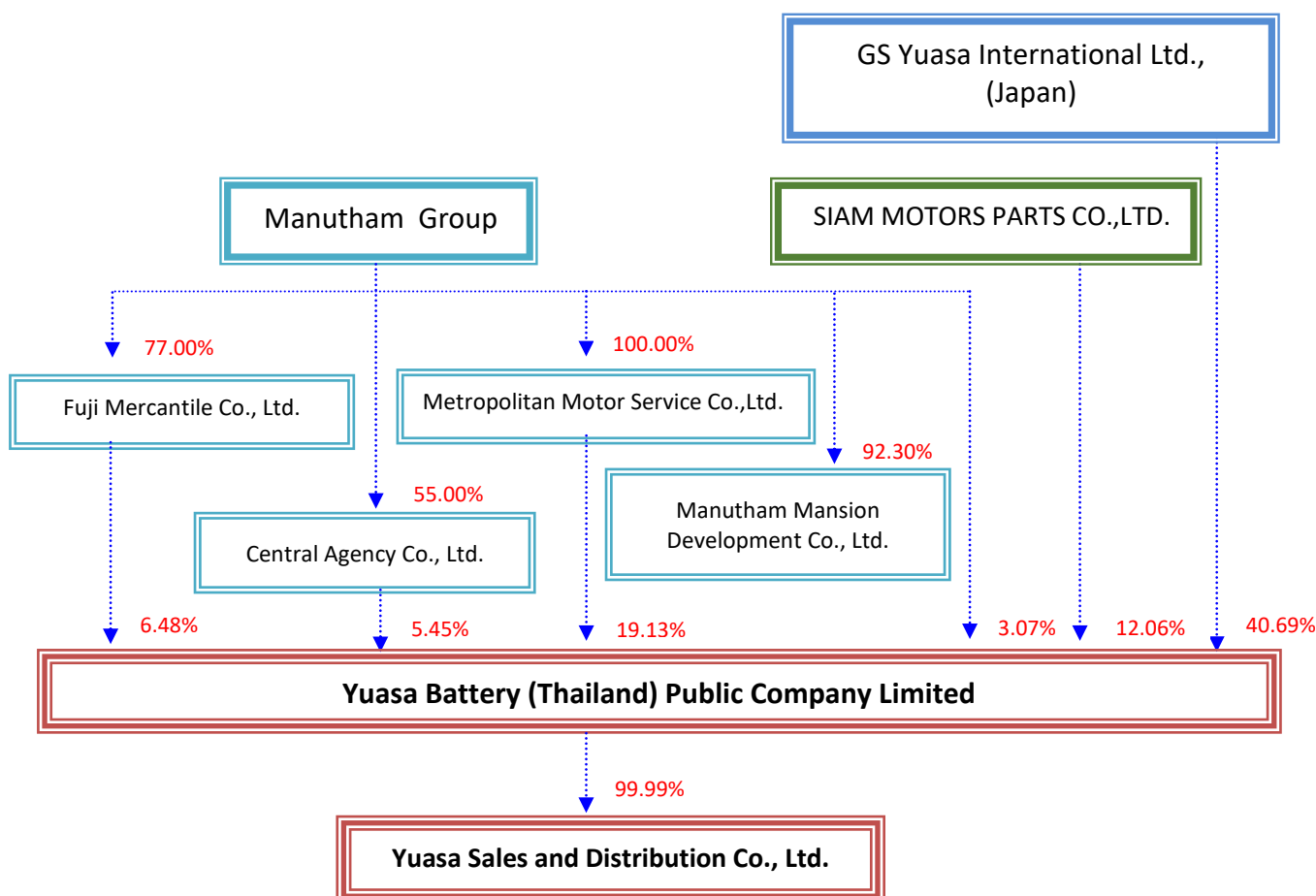
4. Nature of Business Operation

Nature of the Company and its Subsidiary's Business Operation

The Company conducts a business as a manufacturer of automotive and motorcycle batteries under the name of "YUASA" for domestic and export sales. It also imports of industrial batteries which are used in various industries for domestic sales. Further, the Company manufactures and sells the batteries under its private brands, such as "THUNDERLITE" and "YUCON." The Company shall pay royalty fees to GS Yuasa International Ltd. (GYIN). The fees are calculated by units of production for conventional batteries and by percentage from sales for maintenance-free batteries.

The Company distributes its products to replacement market through Yuasa Sales and Distribution Co., Ltd. which the Company holds 99.99% of its share. The Company shall ask for GYIN's consent before selling "Yuasa" products in the markets apart from Thailand, Laos, Cambodia and Myanmar. Generally, GYIN assists the Company in finding markets by directly purchasing the products from the Company or charging sales commission. The Company can independently sell "YUASA" products within the designated territory and freely sell the products under other trademarks.

Structure of Related Companies (as of March 2, 2021)



Source: Thailand Securities Depository Co., Ltd.

Yuasa Sales and Distribution Co.,Ltd., and affiliate of Company in which the Company is holding 99.99% of its shares, Yuasa Sales and Distribution Co.,Ltd. is responsible for replacement market of automotive and motorcycle battery.

GS Yuasa International Ltd, (GYIN), holds 40.69% of the Company's share. GYIN is a subsidiary of GS Yuasa Corporation, Japan (GYC) which is a merger between Japan Storage Battery Co., Ltd. and Yuasa Corporation, the old shareholder of Yuasa Battery (Thailand) PLC.

4. Nature of Business Operation

Income Structure of the Company and the Subsidiary

Unit : (Million Baht)										
Detail	2016		2017		2018		2019		2020	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Yuasa Battery (Thailand) Public Co., Ltd. (Company)										
1. Automotive Battery										
➤ Original Equipment Market (OEM)	115.11	5.52	122.61	5.23	130.26	5.41	93.17	4.12	69.40	3.34
➤ Export	325.95	15.62	319.44	13.62	248.61	10.32	181.39	8.02	183.81	8.86
➤ Indirect Export*	29.43	1.41	19.19	0.82	11.89	0.49	14.54	0.64	7.20	0.35
➤ Other	0.005	0.00	0.001	0.00	0.10	0.00	2.64	0.12	0.94	0.05
2. Motorcycle Battery										
➤ Original Equipment Market (OEM)	419.23	20.09	586.24	25.00	592.59	24.60	563.94	24.94	495.18	23.86
➤ Export	183.58	8.80	249.84	10.65	369.25	15.33	305.78	13.52	171.58	8.27
➤ Indirect Export*	2.67	0.13	0.91	0.04	0.40	0.02	-	-	-	-
➤ Other	0.11	0.01	0.19	0.01	-	-	-	-	-	-
3. Power Supply Battery / Solar Battery										
➤ Domestic Market	26.65	1.28	28.03	1.20	25.88	1.07	33.50	1.48	31.03	1.49
4. Other	0.29	0.01	4.58	0.20	17.90	0.74	26.38	1.17	23.91	1.15
Total Revenue of Company (a)	1,103.03	52.85	1,331.03	56.75	1,396.88	57.99	1,221.34	54.01	983.05	47.36
Yuasa Sales and Distribution Co., Ltd. (Company holds 99.99%)										
1. Automotive Battery										
➤ Replacement Market (REM)	566.49	27.14	571.02	24.35	621.84	25.82	621.75	27.49	643.80	31.12
2. Motorcycle Battery										
➤ Replacement Market (REM)	383.39	18.37	394.81	16.83	365.48	15.17	393.35	17.39	430.11	20.72
3. Power Supply Battery / Solar Battery	29.49	1.41	30.34	1.29	12.64	0.52	16.62	0.73	13.17	0.63
4. Other	0.03	0.00	0.10	0.00	0.01	0.00	0.01	0.00	0.00	0.00
Total Revenue of Company (b)	979.40	46.93	996.24	42.48	999.97	41.51	1,031.72	45.62	1,087.09	52.38
Total revenues from sale (a)+(b)	2,082.43	99.78	2,327.31	99.23	2,396.85	99.50	2,253.06	99.63	2,070.14	99.74
Total other income	4.52	0.22	17.95	0.77	11.98	0.50	8.28	0.37	5.40	0.026
Total Revenue	2,086.95	100.00	2,345.25	100.00	2,408.83	100.00	2,261.35	100.00	2,075.55	100.00

Source: Finance and Accounting Department, Yuasa Battery (Thailand) PLC.

* Domestically selling the products to export agents

Significant Changes in the Past Year

In 2020, the world was affected from COVID-19 pandemic situation. The first wave of the COVID-19 spread began in December 2019, and the second wave began in the early year of 2021 which resulted to the decreasing sales and production in the second quarter of the year 2020. However, the situation slightly recovered from the third quarter of the year 2020 onwards. Moreover, the Company recently changed the Chief Executive Officer to "Mr. Akira Kiyomizu" who held the position in replace of the previous Chief Executive Officer. The Company still continued to be engrossed in the previous strategy for the sustainable profit and the achievement of the target, especially the teamwork for the communication between related departments.

For the internal management from the pandemic, the Company fully handled this situation in line with the guideline from Communicable Disease Act and Emergency Decree Act including all related laws by checking the body temperature of the employees before starting the work, observing the illness symptoms in case the employee was sick, recording the travel history of employees, and assigning employees to work from home including cleaning the working areas and the improvement of the environment to be sterile and suitable to work. Moreover, the Company still improved the factory and the machines in order to increase the efficiency in the production and to focus on the Social Responsibility and neighboring areas.

4. Nature of Business Operation

The overall picture of battery and related industry in 2020 are summarized as follows: -

- **Battery business**

According to the production information, the domestic sales and the export for automotive and motorcycle batteries of large-sized producers' factory of Office of Industrial Economics on January 31, 2020, it was found that the production, the distribution and the export in 2020 when compared to 2019, decreased for 9.11%, 3.33% and 14.61% mainly resulted from the COVID-19 pandemic situation which affected the export, the vehicle production, and the sluggish economy in the country. However, the figure was not included the battery import for the domestic sales. Anyhow, there were imports from many countries such as China, India, Indonesia, and South Korea etc. which the prices were cheaper when compared to the production in Thailand. Anyhow, the weakness was the service which was inferior to the domestic product.

The table showed the amount of production, domestic sales, and exports for automotive battery and motorcycle batteries of the large-sized producers' factory. Unit: thousand units

Automotive and motorcycle batteries	2015	2016	2017	2018	2019	2020
Production	17,119	18,394	18,291	17,841	18,391	16,716
Domestic Sales	11,412	12,326	12,171	11,699	12,147	11,743
Exports	5,553	5,724	6,223	6,026	5,552	4,741

Sources: The Office of Industrial Economics for the year 2015-2020 (On January 31, 2020)

- **Main material for the battery production**

The lead price which was the main material for battery production still fluctuated. In the year 2020, the average price of pure lead from London Metal Exchange (LME) was at USD 1,824/ton, decreasing from the average price of the year 2019 by USD 173/ton or 8.68%. If considered from the average price monthly, the lead price in 2020 fluctuated throughout the year and peaked at USD 2,019/ton in December, 2020 and became the lowest at USD 1,618/ton in May, 2020.

- **Production of vehicle**

According to the Thai Automotive Industry Association information, for the automotive production of the year 2020 when compared to the year 2019, it was found that the sedan, vehicle for commercial purpose, and motorcycle production decreased by 32.41 %, 26.95 %, and 17.09 % respectively. The main cause of lower production of automobile and motorcycle production derived from decreasing domestic sales and export from the effect of worldwide spread of COVID-19 pandemic situation which led to the decreasing production of the vehicles' producers. However, the production slightly increased in the third and fourth quarter of the year 2020.

The table showed the amount of production of domestic automotive vehicles and motorcycles Unit: thousand units

Products	2015	2016	2017	2018	2019	2020
Sedan	761	805	818	877	796	538
vehicle for commercial purpose	1,152	1,139	1,170	1,291	1,217	889
motorcycle	1,807	1,820	2,055	2,063	1,948	1,615

Sources: The Thai Automotive Industry Association for the year 2015-2020 on January 31, 2020

- **Domestic Sale of vehicle**

According to the Thai Automotive Industry Association information, when compared the automotive sales and motorcycle sales between the year 2020 and 2019, it was found that the sedan, the vehicle for commercial purpose, and the motorcycles decreased by 41.36%, 4.08%, and 11.81 % respectively. The main cause was the sluggish economics from the effect from COVID-19 pandemic situation raising some concerns in consumers although the producers provided the promotions to attract the consumers.

4. Nature of Business Operation

The table showed the amount of domestic sales for automobile and motorcycles

Unit: thousand units

Products	2015	2016	2017	2018	2019	2020
Sedan	356	328	400	481	469	275
vehicle for commercial purpose	444	441	472	560	539	517
motorcycle	1,639	1,738	1,811	1,788	1,719	1,516

Sources: The Thai Automotive Industry Association for the year 2015-2020 on January 31, 2020

• Vehicle Import from oversea

In the year 2020, the import value of automobile decreased from the year 2019 by 29.21 %. And there was auto parts import decreased from the year 2019 for 20.93% in consistent with the decelerating trend of domestic sales of automobiles.

The table showed the amount of the automobile import of Thailand

Unit: million baht

Products	2015	2016	2017	2018	2019	2020
Automobiles	69,601	76,440	66,529	77,771	92,924	65,780
Auto parts	247,259	279,851	286,098	304,309	290,314	229,540

Sources: Thai customs (processed by the Bank of Thailand for the year 2015-2020) on January 31, 2020

• Vehicle Export

According to the Thai Customs information which processed by the Bank of Thailand, in the year 2020, the overall export value of vehicles decreased by 17.88% from the year 2019. The main cause was the sluggish economy from the effect of COVID-19 pandemic situation. If considered each type of products, every type of products export decreased except for the motorcycle which increased by 8.29%. The main cause partly derived from the expanding of the Big Bike export market in Asian Market, and Thailand was the important production base for major clients such as Harley Davidson etc. However, the motorcycle export amount in the year 2020 was only 6.46% of total export.

The table showed the amount of the automobile export of Thailand

Unit: million baht

Products	2015	2016	2017	2018	2019	2020
Sedan	325,119	410,836	367,961	358,008	318,436	259,624
Pick-ups and trucks	276,956	229,471	247,617	254,183	236,142	158,784
Motorcycles	39,611	42,273	50,532	47,239	56,266	60,931
Other vehicles	17,751	15,386	16,137	26,287	17,059	14,822
Auto parts and vehicle equipment	433,470	474,475	520,232	544,161	521,892	449,630

Sources: Thai customs (processed by the Bank of Thailand for the year 2015-2020) on January 31, 2020

5. Risk Factors

It is general for business operation that internal and external factors might affect on the Company's financial status and operating results. Therefore, the Company sets a process of managing internal and external risks. The management defines the policies and assesses the risks with the executives from several departments. The possible factors to obstruct the Company from achieving the objective, the effects and the probability of these factors are considered for setting an acceptable risk management measure. The management follows up the operating results of each department every month. These include things on production, sales, competitive condition, marketing strategy, financial management and progress of the business plan. All of these help the Company to promptly make plans to manage any risks which might happen in time.

Additionally, in 2020, the Company faces some risks which might affect on the operating profit, financial status or operating results in the future. Apart from the risks mentioned in this report, there might be any other risks which were not recognized or were considered insignificant at the moment. However, those risks will possibly become significant in the future. The details of the risks are summarized as below:

1. Risk from Fluctuating Prices of Raw Materials

Risk: The prices of raw materials, especially the main elements for battery production such as lead and plastic, are significant factors for production cost control. The cost of lead and plastic are approximately 70-80% of the total production cost. In case that the prices of raw materials fluctuate in line with the market, the operating result and financial status will be directly impacted. For year 2020, the Company purchased lead, a main raw material, totaling 604.52 million baht with the purchase of lead from foreign country of 57.40 million baht or 9.49% of total lead purchase. For the pure lead price from London Metal Exchange (LME) which was the main raw materials for battery production. In 2020, the average price of lead was at USD 1,824/ton, decreasing from the average price of 2019 by USD 173/ton or 8.68%. If considered from the monthly average price, it was found that the price fluctuated throughout the year with the highest price at USD 2,019/ton in December 2020, and with the lowest price at USD 1,618 /ton in May. Starting from January, the price slightly increased when compared to December, 2019 and decreased in February throughout May 2020. Then, in June throughout August, the price increased. And in September throughout October, the price decreased again. Lastly, the price increased again in November throughout December 2020 at USD 2,019/ton.

Measure to manage the risk: The Company sets a measure to control usage and storage of lead in line with the working plan and production demand. Short-term agreements were entered into with several suppliers. Also, the management follows up the operation of sales departments every month. In case that the fluctuation affects on the Company's cost, the management will promptly manage the risk.

In addition, the Company's Purchasing Department follows up the price of raw material closely and daily. With the experience of management that specializes and stays in the battery industry more than 57 years, the Company can run the business continuously, have a good relationship with the maker of raw material and consider purchasing the raw material in line with the production plan appropriately.

2. Risk from Relying on the Joint Venture

Risk: Risk from relying on the joint venture's capability. It is divided into two aspects- technology and marketing.

In term of technology, the Company's technology was transferred from GS Yuasa International Ltd. (the joint venture) under the yearly agreement of technical support for battery production and development. In case of no amendment, the agreement will be automatically extended year by year. However, in the event of no renewal of technology transfer, the quality of goods from production might be affected, possibly impacting the operating result.

In term of overseas markets, the Company has an authority to sell the products within the territory assigned by GS Yuasa International Ltd., including Cambodia, Laos and Myanmar. Apart from these areas, we have to ask for permission from GS Yuasa International Ltd. to avoid conflict of distribution with "YUASA" affiliates in other countries. In 2020, the Company continuously exported the products through GS Yuasa International Ltd. and the affiliates at total amount of 122.79 million baht or 33.86 % of the total export amount or 5.92% of the Company's total revenue from selling.

Measure to manage the risk: The Company always recompenses in the form of royalty fee, pursuant to the agreement of providing technique of battery production and development. (The royalty fee is calculated by unit produced for all types of conventional batteries and all trademarks and by sales percentage for all types of

5. Risk Factors

maintenance-free batteries.) Also, the agreement between the Company and GS Yuasa International Ltd. has been renewed constantly for over 57 years. For limitation of overseas markets, the Company can export to the countries not territorial to any “YUASA” affiliates. At present, some of our overseas customers are in the countries outside our affiliates’ territory. Taking advantage of network of GS Yuasa, the Company shall diversify the battery sources to be sold in the market.

3. Risk from Relying on a Few Customers

Risk: In 2020, the Company relied on selling to a few customers for OEM market. One of our domestic customers possessed 100 percent of the total OEM sales of automotive batteries. Also, the sales of motorcycle batteries generated from supplying to one group of OEM customers, both domestic and overseas, were more than 50% of the total OEM sales of motorcycle batteries. Thus, in case that the customers cancel their orders, our operating result will be impacted.

Measure to manage the risk: We have a policy to produce batteries for some customers to indirectly promote the Company. Meanwhile, the customers, automobile and motorcycle manufacturers, require high quality, reliable, fair-priced and widely accepted batteries. Due to the long-term relationship between our parent company and the parent company of the customers and good relationship between our Company and the customers, there is low risk that the customers cancelled their orders. However, to spread risk from relying on only one customer or a few, we try to find new customers for our automobile and motorcycle battery markets through developing new types of batteries in cooperation with GS Yuasa International Limited (GYIN).

4. Risk from Tough Competition

Risk: Due to simplicity of automotive battery business, it is likely that new entrepreneurs will continuously enter the international and domestic market to compete for share. A new entrepreneur might join the market by establishing a factory, importing batteries for domestic sale or quoting a lower price to compete for share. These caused higher competitiveness. The selling expenses increased, especially from price reduction and the campaigns executed for motivating the customers to purchase their own products. All of these led to a decrease in margin and affected on the operating result.

Measure to manage the risk: At present, the Company’s products are accepted by both OEM and REM customers as quality batteries. We also set some measures to cope with higher competition as follows:- (1) Always update production technologies; (2) Control waste of production and machines for lower manufacturing cost and competitive prices; (3) Development plan of new products to address the customer demand; (4) Maintain relationship with suppliers of raw materials and existing customers as well as make commercial agreements with some hirers for production; (5) Find new sales channels in forms of Modern Trade; and (6) Expand flexibility of production to always support and address the customer demands; (7) Import batteries from subsidiaries for the diversity of batteries’ model and customers’ demand; and 8) the decreasing of selling price to compete with other competitors and maintain our share.

5. Risk from income and expense as foreign currency

Risk: The Company’s business is involved with many types of foreign currencies use such as the product exports and the materials imports, therefore the Company has a risk from the exchange rate. At December 31, 2020, the Company’s assets and liabilities as foreign currencies in Thai Baht are Baht 41.55 million and Baht 44.20 million respectively.

Risk Management Countermeasure: For international sales, the international sales team will plan the sales in baht currencies and will reserve for the foreign currency change around 5-10% for currency fluctuation reserve, and the management team will plan to improve the standard value of currency in selling price estimation. Moreover, for the debt repayment as foreign currency, the Company has implemented the risk prevention policy from the currency rate fluctuation to reduce the risk from the currency.

6. Risk from Management of Environment and Safety at Work

Risk: The Company’s production of automotive batteries directly relates to the management of environment and safety at work. The process of producing the batteries at the factory is risky to cause any accidents at work from machine or other equipments and/or probably cause the fire case and generation of waste or pollution, such as noise from the production machines, water polluted by lead powder, powder from manufacturing process of producing lead powder, cutting and brushing, smell of gas generated from the incomplete burning of smelting lead and noise from operation of the machines. In case of no management,

5. Risk Factors

prevention or inappropriate provision of waste treatment, the employees, the neighborhood and the environment inside and nearby the factory might be impacted.

Measure to manage the risk: In terms of environment, the Company provided procedures of waste treatment incurring from the production process as well as continuous treatment. For example, the wastewater treatment eradicates lead powder in the water before releasing it outside the factory. The dust collector is implemented in the risky area where it might have the spread of lead powder. Efficient burning system is provided to lower smell of gas incurred from the production. Equipment for noise protection is also prepared for the machines having noise louder than the legal standard.

Furthermore, in terms of safety at work and fire protection, the Company ran various procedures to take care of the employees' safety at work by always emphasizing on precaution because it was believed that small precaution may cause the inestimable damage, improvement and maintenance of equipment, provision of safety training and emergency plan, including the installation of equipment such as CCTV system, rehearsal plan, continuous CCCF activities. All of these were conducted to urgently improve dangerous sites to reduce accidents in the factory and for the employees' safety.

7. Risk from Sales Credits for Company's Domestic Customers

Risk: The overall economy of 2020 tended to decrease from the effect of coronavirus disease 2019 (COVID-19), especially in the tourism sector which was decelerated by the decreasing tourists who are unable to enter the country. Anyhow, the government tried to increase the amount of money through the investment projects and other welfare projects in order to stimulate the economy in the country. For the battery production business, the Company was affected from COVID-19 which was resulted in vastly decreasing sales especially in the second quarter. Then the sales slightly recovered in the third and fourth quarter of the year 2020. However, such economic situation was resulted in the risk of credit term for customer inside and outside the country in case the existing or new customers cannot repay the debt.

Measure to manage the risk: The Company controlled the risk by stipulating a policy and a measure to appropriately control the credits. For new customers, the Company considered selling the products by cash in the initial transactions. Credits shall be considered for them later. With these reasons, the risk was low.

8. Risk from Natural Disaster and Man-Made

Risk: The location of the Company was low and near the sea, which risks the floods in the factory in case of sea surge and heavy rain. These possibly affected on the Company's assets, including the information technology system. Moreover, the humidity of the water impacted on the manufacturing process, especially the plates, one of the main raw materials of battery production.

Measure to manage the risk: In the previous year, the Company has still improved the factory's internal drainage and the junction between the factory and external drainage continuously. And we have also improved the piping system on the factory roof to efficiently drain the rain water in the rainy season. Furthermore, the Company prepared sandbags and water pumps during the rainy season for faster drainage inside the factory. Nevertheless, in the producing area and machine area which are low and flooded area, the company has prepared and improved the emplacement of machines and drainage in those areas. For the IT system which might have an effect from the flood, we have prepared the database backup system to avoid data damage or in case of damage, the data can be recovered by setting it in the second floor of the office to protect the data from flood or natural disaster.

9. Risk from Security of Information Technology

Risk: Information technology is a key tool for the organization's business operation. Currently, the Company was risky in term of security of information technology, such as risks from damage of the information technology derived from usual usage or any disasters, risks from computer virus and risks from hackers. All of these could slow down the business operation.

Measure to manage the risk: The Company set a security information technology system. The main computer and the programs were taken care and maintained from time to time. The firewall was created as fundamental prevention measure, allowing only authorized persons to access to the Company's information technology. In addition, the virus-preventing programs were installed in all of the Company's computers. All the employees were required to put their passwords for logging in to prevent against hackers. For prevention against the damage of the information technology derived from the natural disasters or any other disasters, the Company

5. Risk Factors

had also prepared the Data Center Backup Site in the factory to recover the data for continuous operation of the business.

10. Risk from Coronavirus COVID-19

Risk: From the incident of a new strain of COVID-19 which began to spread from China by end of the year 2019 and continuously spread to neighboring countries including Thailand and many countries around the world. This virus could affect the employees' health and the employees may have to stop their duties immediately, and affect the company's operation instantly because the human resources are the most necessary drive.

Measure to manage the risk: The Company consistently paid attention to the news from Ministry of Public Health and set the measure to protect and monitor COVID-19 infection of employees carefully for example, all employees were required to check their body temperature before starting the work and all employees were encouraged to regularly clean their hands or body before entering office or factory area by providing alcohol hand-gel at various points, the spaces for the social distance when organizing the meeting or gathering a group for meals, and the Company strictly monitored the sales route of the sales staffs whose supervisors and the managements must acknowledge their travel route while such situation was still not unsolved.

6. General Information of Company

• The Detail of Company

Company	:	Yuasa Battery (Thailand) Public Company Limited
Register no.	:	0107537002672 (Bor Mor Jor. 514)
Type of business	:	Battery manufacturer, distributor and importer
Address of Head Office and Factory	:	164 Moo 5 Soi Thedsaban 55, Sukhumvit Road, Tambol Taibanmai, Amphur Muangsamutprakan, Samutprakan 10280
		Tel: 0-2769-7300 Fax: 0-2769-7349
		Website : www.yuasathai.com

• Number and Type of Share

Authorized Ordinary Share, Issued and Paid-up Capital	107,625,000 shares
Par Value	1 Baht
Total Capital	107,625,000 Baht

• The Detail of Subsidiary Company

- Subsidiary Company (Yuasa Sales and Distribution Co., Ltd.)

Yuasa Battery (Thailand) Public Company Limited is holding 99,990 shares or 99.99% of the subsidiary's paid registered capital. The subsidiary company is responsible for marketing activities and sole distributors in replacement market of car and motorcycle batteries.

- Information of Subsidiary Company

Yuasa Sales and Distribution Co.,Ltd. is located at 164 Moo 5 Soi Thedsaban 55, Sukhumvit Road, Tambol Taibanmai, Amphur Muangsamutprakan, Samutprakan 10280 Tel : 0-2769-7300 Fax : 0-2769-7349 and registered as company limited on July 3, 1997 No. Bor Jor (5)1049/2540

Type of Business	:	Distribution of car and motorcycle batteries
Dividend Payment	:	Upon shareholder's meeting's resolution
Account Year	:	1 January - 31 December
Auditor	:	Ms. Sirinuch Vimolsathit CPA No. 8413
Ordinary Share	:	100,000 Shares, Par Value 10 Baht
Issued and Paid	:	100,000 Shares, Par Value 10 Baht

- Other References

Registrar	:	Thailand Securities Depository Co., Ltd. 93, 14 th Floor, The Stock Exchange of Thailand Building, Rachadapisek Road, Dindaeng Sub-district, Dindaeng District Bangkok 10400 Tel: 02-009-9999
Auditor	:	Ms. Sirinuch Vimolsathit CPA No. 8413 KPMG Phumchai Audit Company Limited 50 th -51 st Floors, Empire Tower 1 South Sathorn Road, Bangkok 10120 Tel: 02-677-2000 Fax: 02-677-2222
Financial Advisor	:	Thanachart Fund Management Company Limited. Mitrtown Office Tower, 9 th Floor, Room 902-908 944 Rama Road, Wangmai Sub-district, Pathumwan District, Bangkok 10330 Tel: 02-126-8399

7. Shareholders Structure and Dividend Payment Policy

Shareholders Structure

The first 10 major shareholders with number of shares held and share ratios as at dated on March 2, 2021

	Shareholder List	Number of Shares	% of Share
1	GS YUASA INTERNATIONAL LTD	43,789,450	40.69
2	Metropolitan Motor Service co.,Ltd.	20,584,370	19.13
3	Siam Motor Part co.,Ltd.	12,977,900	12.06
4	Fuij mercantile co.,Ltd.	6,971,600	6.48
5	Central Agency co.,Ltd.	5,865,100	5.45
6	Manutham Group	3,308,600	3.07
	1) Mrs.Pakrampai Wattanakul	1,341,200	1.25
	2) Mr.Pornchak Manutham	1,000,000	0.93
	3) Ms.Chanchai Manutham	934,500	0.87
	4) Ms.Chamaiporn Manutham	32,900	0.03
7	Mr. Chatchai Srivattanaiboon	1,052,200	0.98
8	Mr.Prakasit Phornprapha	1,018,500	0.95
9	Thai NVDR Company Limited	613,805	0.57
10	Mr.Tony chaohi chan	300,000	0.28
	Total the first 10 major shareholders	96,481,525	89.65
	Minor shareholders	11,143,475	10.35
	Total	107,625,000	100.00

Source: Thailand Security Depository Co., Ltd.

Remark: Manutham Family is the major shareholder of Metropolitan Motor Service Co., Ltd., Fuji Mercantile Co., Ltd. and Central Agency Co., Ltd.

Dividend payment policy

The Company has a policy to pay the dividend not lower than 40% of the net profits after corporate income tax, legal reserve and other reserves of the financial statements.

The Subsidiary has a policy to pay the dividend around 60-70% of the net profits after corporate income tax, legal reserve and other reserves.

8. Management Structure

1. The Board of Directors

The structure of the Company directors consists of five commissions; the Board of Directors, the Audit Committee, the Remuneration Committee, the Corporate Governance Committee and Nomination Committee, which Nomination Committee is formed occasionally when there's a director nomination. The details of each commission are described as follows: -

1.1 The Board of Directors (Please see the resume of the Board of Directors)

As of December 31st, 2020, the Board of Directors comprised of 12 persons as follows: -

Name	Position	Appointment (Director)
1.Mr. Akira Kiyomizu ①	Chairman of the Board of Directors (Acting), Vice Chairman of the Board of Directors, and Chief Executive Officer	May 14, 2020
2.Mr Ichiro Murata	Director	December 9, 2016
3.Mr. Pornchak Manutham	Director	December 8, 2003
4.Pol.Maj. Gen.Supchan Manutham	Director	May 8, 2012
5.Mr. Tsuyoshi Taniguchi	Director	May 13, 2019
6.Mr. Kazuma Saito	Director and Chief Executive Engineering	November 8, 2018
7.Mr. Sukthae Ruengwattanachot	Director and Chief Executive Operation	February 28, 2018
8. Mr. Prapat Pitaknitinan②	Director	November 12, 2020
9.Mr. Yothin Vimooktayont	Independent Director	April 22, 2008
10.Assoc.Prof.Dr. Lawan Thanadsillapakul	Independent Director and Chairman of Audit Committee	April 21, 2010
11.Mr. Prasert Kitisakkul	Independent Director and Audit Committee	April 21, 2010
12.Assoc.Prof. Pisit Vatanasomboon	Independent Director and Audit Committee	October 1, 2017

Remark: ① Mr. Akira Kiyomizu in No. 1 has held the position of director in replace of Mr. Masaaki Hirooka, the resigning director, and the position of Chairman of the Board (Acting), Vice Chairman of the Board and Chief Executive Officer in replace of Mr. Ichiro Murata who has resigned from such positions on May 14, 2020.

② Mr. Prapat Pitaknitinan in No. 8 has held the position of Director on November 12, 2020 in replace of Mr. Montree Denpairojsak who has deceased on October 1, 2020.

And Mr. Peerasak Khantavivhai is the Company Secretary (Appointed on Feb 13, 2019)

Check and Balance of Non-Executive Directors

As of December 31st, 2020, the Board of Directors comprised of 12 directors as follows:

- Executive Directors 3 persons
- Non-Executive Directors 5 persons
- Independent Directors 4 persons
- Audit Committees 3 persons

(Appointed from the independent director)

In the light of the above, the Company had five Non-Executive Directors, or 41.67% of the Board Members. There were three Audit Committee members who also in the position of Independent Directors, or 25% of the Board Members. The Non-Executive Directors include

- | | | | |
|----|---------------------|--------------|----------|
| 1. | Mr. Pornchak | Manutham | Director |
| 2. | Pol.Maj.Gen.Supchan | Manutham | Director |
| 3. | Mr. Ichiro | Murata | Director |
| 4. | Mr. Tsuyoshi | Taniguchi | Director |
| 5. | Mr. Prapat | Pitaknitinan | Director |

8. Management Structure

Report of the Board Members' Holding of Securities in 2019-2020

(The securities under the holding of the spouses and the underage children were included.)

First Name-Surname	Ordinary Share (Share)					
	As of 31 DEC 2019	Change in 2020			As of 31 DEC, 2020	
					Share	Portion
1. Mr.Akira Kiyomizu①	-	Acquired	-	Sold	-	-
Spouse and underage children	-	Acquired	-	Sold	-	-
2. Mr. Ichiro Murata	-	Acquired	-	Sold	-	-
Spouse and underage children	-	Acquired	-	Sold	-	-
3. Mr. Pornchak Manutham	1,000,000	Acquired	-	Sold	-	1,000,000
Spouse and underage children	-	Acquired	-	Sold	-	-
4. Pol.Maj.Gen.Supchan Manutham	-	Acquired	-	Sold	-	-
Spouse and underage children	-	Acquired	-	Sold	-	-
5. Mr. Tsuyoshi Taniguchi	-	Acquired	-	Sold	-	-
Spouse and underage children	-	Acquired	-	Sold	-	-
6. Mr. Kazuma Saito	-	Acquired	-	Sold	-	-
Spouse and underage children	-	Acquired	-	Sold	-	-
7. Mr. Sukthae Ruengwattanachot	-	Acquired	-	Sold	-	-
Spouse and underage children	-	Acquired	-	Sold	-	-
8. Mr. Prapat Pitaknitinan②	-	Acquired	-	Sold	-	-
Spouse and underage children	-	Acquired	-	Sold	-	-
9. Mr. Yothin Vimoogtayon	-	Acquired	-	Sold	-	-
Spouse and underage children	-	Acquired	-	Sold	-	-
10. Assoc.Prof.Dr.Lawan Thanadsillapakul	-	Acquired	-	Sold	-	-
Spouse and underage children	-	Acquired	-	Sold	-	-
11. Mr. Prasert Kitisakkul	2,000	Acquired	-	Sold	-	2,000
Spouse and underage children	-	Acquired	-	Sold	-	-
12. Assoc.Prof.Pisit Vatanasomboon	-	Acquired	-	Sold	-	-
Spouse and underage children	-	Acquired	-	Sold	-	-

Remark; ① Mr. Akira Kiyomizu in No. 1 has held the position of director in replace of Mr. Masaaki Hirooka, the resigning director, and the position of Chairman of the Board (Acting), Vice Chairman of the Board and Chief Executive Officer in replace of Mr. Ichiro Murata who has resigned from such positions on May 14, 2020.

② Mr. Prapat Pitaknitinan in No. 8 has held the position of Director in replace of Mr. Montree Denpairojsak who has deceased since November 12, 2020.

The Authorized Directors

The authorization is "Mr.Pornchak Manutham or Pol.Maj.Gen.Supchan Manutham and Mr. Akira Kiyomizu or Mr.Kazuma Saito jointly sign with Company's seal."

Scope of the Board of Directors

The Board of Directors shall perform its entrusted obligations with its most endeavor, capability and experience under the guideline of Company's objectives, regulations, shareholder's resolutions, Stock Exchange of Thailand (SET) and Securities and Exchange Commission (SEC) regulation and etc. with full carefulness for the interest and benefit of Company and shareholders.

8. Management Structure

The scopes under the responsibilities of the directors to consider and approve are as follow: -

1. The Board will take part in the determination of the policy and direction of Company and to monitor and supervise the management to the policy efficiency and effectively for increasing the maximum economic value and shareholders' wealth. Further, the Board should also concern the responsibility of social and environment.
2. Consider the operation plan and to develop Company to compete in the international level.
3. Evaluate Company's operation of Chief Executive Officer
4. Implement the efficient system of internal control and internal audit
5. Consider to select and propose the appointment of external auditor and remuneration of external auditor
6. Having outside counsel or other professional to advise the board as necessary.
7. Independent director and other external director should have their opinion to consider and review the strategy, management, appointment of director, operation standard, objection the other opinion when disagree in the issue which relate with equitable treatment of shareholder.
8. The board shall have Company secretary to take care of the activity of the Board and to help the board to work in line with law and regulation of Company.
9. Propose the appointment and retirement of director.
10. Consider and approve the business activity which relates with the financial status, liability, strategy and reputation of Company.
11. Consider the related transaction of parent company or affiliated company and to propose to shareholder's meeting if having materiality.
12. Company has determined to have the business code of corporate conduct and code of Ethic to be the guidance for directors and employees of Company.
13. Recognize the responsibility of the Board and to respect the right of shareholder and stakeholder.
14. Disclose the sufficient and correctly data for transparency.
15. Protect the benefit of mainly shareholder and minority shareholder with fairness.

The Board of Directors' Meeting; The Board of Directors shall hold at least 4 meetings per year. The dates of the meetings throughout the year were set and each director was informed accordingly in advance. For preparation of the meetings, the Chairman and the Chief Executive Officer shall consider on the agendas. Each director has a right to propose the agendas which are beneficial to the Company. The Company Secretary shall submit the meeting materials, including the agendas and attachment, to the directors 7 days in advance for their preparation. In 2020, the Board of Directors meetings were held for 6 times.

Scope of the Chairman

1. Summon the Board meetings and control submission of the invitation to the meetings as well as any other documents to provide adequate information in a timely basis to the directors.
2. Chair the Board meetings.
3. Promote standard of the Board in terms of corporate governance.
4. Chair the Shareholders meetings and control the meetings to be pursuant to the principles of the Company and the agendas.
5. Control the Shareholders meetings for efficient communication between the directors and the shareholders.
6. Comply with the law relating to duty of the Chairman.

8. Management Structure

1.2 The Audit Committee (AC)

The Audit Committee (AC) comprised of Independent Directors as follows: -

Name	Position
1. Assoc.Prof.Dr.Lawan Thanadsillapakul	Chairman of Audit Committee
2. Mr. Prasert Kitisakkul	Independent Director/ Audit Committee
3. Assoc.Prof.Pisit Vatanasomboon	Independent Director / Audit Committee

And Ms.Darawan Suksawat is the secretary of Audit Committee who has been appointed on May 10, 2006

Mr. Prasert Kitisakkul is the person who had expertise and experience in auditing the Company's financial statements. (For details, please see the resume of the directors.)

Scope of the Audit Committee

The duty and responsibility of Audit Committee is consistency with the regulation of Audit Committee and Stock and Exchange of Thailand as following details: -

1. To review the Company's financial reporting process to ensure accuracy in accordance with general accepted accounting standards and adequacy of disclosure.
2. To review and ensure that Company has suitable and efficient internal control system and internal audit, to determine an independency of an internal audit unit, as well as to approve the appointment, transfer and dismissal of the chief of the internal audit unit or other units that in charge of an internal audit;
3. To review the performance of Company to ensure compliance with the securities and exchange law, regulations of the Stock Exchange of Thailand or laws relating to business of Company.
4. To consider, select and nominate an independent person to be an external auditor of Company, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
5. To review transaction with related parties or transaction that may lead to conflict of interest to ensure the accurateness and completeness to ensure that comply with the laws and the Exchange's regulations, with reasonable the best benefits to Company;
6. To review the internal audit plan and operation of the internal auditor unit as well as coordinate with external auditor.
7. To prepare the audit committee report and disclose it in Company annual report. The report should be signed by the chairman of the audit committee which consists of at least the following information:
 - 7.1 An opinion on the accuracy, completeness and creditability of Company's financial report.
 - 7.2 An opinion on the adequacy of Company's internal control system,
 - 7.3 An opinion on the compliance with the law of securities and exchange, the Exchange's regulations, or Company business relating laws,
 - 7.4 An opinion on the suitability of an auditor,
 - 7.5 An opinion on the transactions that may lead to conflicts of interests,
 - 7.6 The number of the audit committee meetings, and the attendance of such meetings by each committee member.
 - 7.7 An opinion or overview comment of the audit committee performance with charter compliance,
 - 7.8 Other transactions which, subject to the audit committee's opinion, should be known by the shareholders and general investors, within the scope of duties and responsibilities assigned by Company's board of directors;

8. Management Structure

8. For the operation of Audit Committee, if the following transaction are found and might deliver some significant effects to financial statement and performance of the Company, the Audit Committee should report to the Board of Director to adjust or amend within proper time.

8.1 Transaction that might create conflict of interest,

8.2 Fraud or any irregularity or deficiency in internal control system,

8.3 Violate the regulation about security and stock market, regulation of SET or any laws related to company business.

If the Board of Directors or the management do not amend within the time as Audit Committee's consideration, one of the Audit Committee might report to SEC or SET that there is an action as from the above statement.

9. To monitor and evaluate the Anti-Corruption Measure to align with the Anti-Corruption Policy of the Company.

10. To acknowledge the result of investigation according to the Anti-Corruption Policy.

11. To strictly follow the Anti-Corruption Policy and be the role model for the Company staffs.

12. Other related matters assigned by the Board of Directors with the permission of the Audit Committee.

1.3 Independent Director

Name	Position
1. Assoc.Prof.Dr.Lawan Thanadsillapakul	Independent Director
2. Mr. Prasert Kitissakul	Independent Director
3. Assoc.Prof.Pisit Vatanasomboon	Independent Director
4. Mr. Yothin Vimoohtayon	Independent Director

Definition of Independent Director

The Company has set the definition of Independent Directors the same as the principles of Capital Market Supervisory Board (CMSB) and Stock Exchange of Thailand (SET). Details are as follow:

Independent directors are those not under the influence of major shareholders or groups of major shareholders, and command the following qualifications:

1. Their shareholdings must not exceed 1% of all shares entitled to voting rights of the Company, i.e. the parent company, its subsidiaries, its joint ventures, or juristic entities in potential conflict with the company. In this regard, the shares owned by persons related to them shall be counted as theirs.
2. They must not now be nor ever have been involved as executives, employees, hired workers, salaried consultants, or anyone with controlling authority of the Company, i.e. the parent company, its subsidiaries, its joint ventures, its associated subsidiaries, or juristic entities in potential conflict with the company, unless such association ended no less than 2 years before.
3. They are not related by blood or registered as being parents, spouses, siblings, children or spouses of the children and the executives, major shareholders, persons with controlling authority, or persons to be nominated as executives or persons of controlling authority in the Company or its subsidiaries.
4. They have no business relations with the Company, i.e. the parent company, its subsidiaries, its joint ventures, or juristic entities in potential conflict with the company in ways that might impair their independent judgment. They must also not be nor have been major shareholders, directors other than independent directors, or executives of entities having business relations with the Company, i.e. the parent company, its subsidiaries, its joint ventures, or juristic entities in potential conflict with the company, unless such association ended no less than 2 years before.

8. Management Structure

5. They are not be auditors of the Company, its corporations, its subsidiaries, its joint ventures, its major shareholders or its authorized persons and not significant shareholders, persons of controlling authority or partners of the auditing companies which employ the auditors of the Company, i.e. the parent company, its subsidiaries, its joint ventures, its major shareholders or its authorized persons, unless such association ended no less than 2 years before.
6. They must not now be nor ever have been a professional service provider i.e. legal consultants, financial advisors : receiving compensation for services rendered exceeding THB 2 million per annum from the Company i.e. the parent company, its subsidiaries, its joint ventures, major shareholders, persons with controlling authority, and not as significant shareholders, persons of controlling authority or partner of professional service provider unless such association ended no less than 2 years before.
7. They are not directors appointed as representatives of directors of the Company, major shareholders or of shareholders related to the major shareholders of the Company.
8. They shall not operate the same business and a significant competitive business with the Company, its subsidiaries, its joint ventures, its major shareholders and not the legal entities that may have conflict of interest, the executives, employees, hired workers, consultants receiving salaries or holding more than 1% of the overall ordinary share of the other companies which operate the same business and be significant competitors with the Company, its subsidiaries, its joint ventures, its major shareholders or the legal entities that may have conflict of interest.
9. They have no other attributes that obstruct them from forming independent opinions on operation of the Company. Generally, forming an independent opinion means giving an opinion or making a report as assigned, regardless of any benefits related to assets or positions, influence of any persons or any groups of persons and pressure from any situations which obstruct them from giving a direct opinion.

After the appointment of the Independent Directors qualified under the above clause (1) to (9), the Independent Directors may be assigned by the Board of Directors to review, check or follow up the relevant issues of the Company, its subsidiaries, its joint ventures, its subsidiaries which are in the same ranking, its major shareholders or the persons with controlling authority in the form of collective decision and report such issues to the Board of Directors.

1.4 The Remuneration Committee (RC)

Remuneration Committee comprised as follows:-

Name	Position
1. Mr. Pornchak Manutham	Chairman of Remuneration Committee
2. Assoc.Prof.Dr.Lawan Thanadsillapakul	Independent Director/Remuneration Committee
3. Mr. Prasert Kitisakkul	Independent Director/Remuneration Committee
4. Mr. Ichiro Murata	Director/Remuneration Committee

And Ms. Chuntra Yingchareonchoke is the secretary of Remuneration Committee who has been appointed on February 16, 2017

Scope of Work

1. To review and if necessary, propose the remuneration of the Company's directors serving on the Board of Directors.
2. To review and if necessary, propose changes or additions to senior management welfare, benefit, salary and bonus policies (such as employee stock options and other employee welfare allowances, subsidies and schemes).
3. To report to the Board of Directors on the Remuneration Committee's activities and findings.
4. Report to the Board of Directors and responsibility for explaining and answering any questions regarding the Board of Directors' remuneration in Shareholders' meeting.

8. Management Structure

5. Responsible for other tasks related to remuneration of Directors and Management as assigned by the Board of Directors.
6. The Committee should operate in good faith.

1.5 Corporate Governance Committee

Corporate Governance Committee comprised as follows: -

Name	Position
1. Assoc.Prof.Dr.Lawan Thanadsillapakul	Chairman of Corporate Governance Committee
2. Mr. Akira Kiyomizu	Director/ Corporate Governance Committee
3. Pol.Maj.Gen.Supchan Manutham	Director/ Corporate Governance Committee
4. Mr. Ichiro Murata	Director/ Corporate Governance Committee
5. Mr. Yothin Vimooktayont	Independent Director/ Corporate Governance Committee

And Ms. Darawan Suksawat is the secretary of Corporate Governance Committee who has been appointed on December 9, 2016.

Scope of Work

1. To study, prepare and draft the corporate governance, Anti-Corruption Policies and Code of Conduct under current legal framework, criteria, regulations and rules stipulated by organizations that oversee the corporate governance such as the Stock Exchange of Thailand, the Securities and Exchange Commission as well as international standards of corporate governance, and to propose the draft of corporate governance policy to the Board of Directors to approve and use as best practices of the Directors, Management and employees in the form of written corporate governance policy statement.
2. To give advice to Directors, Management and employees of Company on how to perform their duties and fulfill their responsibilities in accordance with frameworks and criteria of corporate governance policy, Anti-Corruption policy and Code of Conduct to properly and constantly improve the performance of Directors, Management and employees of Company.
3. To review, revise and improve corporate governance and anti-corruption policies continually at least once a year to keep Company's corporate governance and anti-corruption policies up-to-date and well-adjusted to the international standards, laws, criteria, rules and regulations as well as recommendations from internal units that involve the corporate governance and from shareholders.
4. To follow up and assess the performance of the Directors and Management in compliance with best practices as specified in the corporate governance policy at the end of each year and to prepare an annual assessment report on corporate governance and propose to the Board of Directors by January next year, including any necessary opinion and suggestion.
5. To propose guideline for best practices in relation to corporate governance and anti-corruption policy for business operation of the Directors, Management and employees of Company.
6. To review the Corporate Government Committee Charter at least once a year to keep the charter up-to-date and well-adjusted to the best practices, laws, criteria and regulations.
7. To appoint working groups to support the corporate governance mission as deemed necessary and appropriate. The Company would be responsible for the expenses incurred.
8. To assess the performance of Corporate Government Committee and to report the result of assessment to the Board of Director by January next year.
9. To perform any other assignment by the Board of Directors such as to consider and review Company's mission under current business environment, to review Company's objective to be in line with current business environment, to review and improve Article of Association to be in line the best practice that stipulated in the Corporate Governance Policy, and expansion of Company's business, etc.

8. Management Structure

1.6 The Nomination Committee

The Nomination Committee shall be appointed time to time to search the appropriate person to assume the position of director. Lastly, the Board of Directors no.1/2020 on February 12, 2020 had the resolution to appoint the Audit Committee (temporary) which comprised as follows: -

Name	Position
1. Assoc.Prof.Dr.Lawan Thanadsillapakul	Chairman of Nomination Committee
2. Mr. Akira Kiyomizu	Director/Nomination Committee
3. Pol.Maj.Gen.Supchan Manutham	Director/Nomination Committee

And Mr. Sukthae Ruengwattanachot was the secretary of Nomination Committee (NC) who has been appointed on February 12, 2020.

Scope of Work

- Setting guidelines and policies in nominating Independent Directors by considering what would be the appropriate number, structure and composition of members, and outlining necessary directors' qualifications, and proposing these ideas for approval by the Board of Directors and/or Shareholders' Meeting as appropriate.
- Searching, selecting and proposing appropriate persons to assume the position of the Company's Independent directors whose terms have expired and/or became vacant, including newly appointed director.
- Executing other tasks related to nominations as assigned by the Board of Directors.

The management team and other units have to report or present the information relating to the NC in order to support the operation of the NC to achieve their assigned tasks.

1.7 Sub-Committee

Company has not yet been others except Audit Committee, Remuneration Committee, Corporate Governance Committee and Nomination Committee which Nomination Committee is formed occasionally when there's a director nomination.

1.8 The Management Committee

The Chief Executive Officer shall appoint Management Committee who has the responsibility to operate and supervise Company business. Management Committee comprises of

- | | | |
|----------------|------------------|-----------------------------|
| 1. Mr. Akira | Kiyomizu | Chief Executive Officer |
| 2. Mr. Sukthae | Ruengwattanachot | Chief Operating Officer |
| 3. Mr. Kazuma | Saito | Chief Executive Engineering |

And Mr.Sukthae Ruengwattanachot is the secretary of the Management Committee.

Scope of Chief Executive Officer (CEO)

CEO has the duty to supervise for achieving the target and meeting's resolution as the policy of the Board. The power of CEO is under the condition of laws and regulations of Company as below:-

- Consider and approve the action plan of the Department
- Consider and approve the requisition of the department which has no power.
- For approval of the procurement exceeding the Management's direct authority (The Management has authority to approve of any expenses and procurement within the amount of 5MB and 10MB respectively, as well as any purchases of raw materials for normal production.
- Consider the investment plan before the proposal to the Board for approval.
- Consider and approve the purchase of raw material as normal production.
- Final approval by CEO for
 - Change the source of purchase of raw material in local and aboard.
 - Change or determine the sales price.
- Primarily consider of employee bonus, and propose to the Board for approval.

8. Management Structure

8. Consider the appointment, transfer, punishment and dismissal the executive.
9. Having the power which identifies in Company's regulation.
10. Having the power to sign on behalf of Company in the document of sale and could assign the other person to operate temporally.
11. Having any power except the approval of related transaction as the regulation of Securities Exchange Commission (SEC).

1.9 Scope of the Company Secretary

As the Company's corporate governance, the Company Secretary shall comply with Section 89/15 and 89/16 of the Securities and Exchange Act (No.4) B.E.2551, the law, the objectives, the articles of association, the resolutions of the board and the resolutions of the shareholders with accountability, thoroughness and honesty. The Board of Director Meeting has resolved to appoint Mr. Sukthae Ruengwattanachot as Company Secretary on February 25, 2005 and Mr. Sukthae had resigned from Company Secretary from February 13, 2019. The Board of Directors Meeting no. 1/2019 dated February 13rd, 2019 had a resolution to appoint Mr. Peerasak Khantavichai as Company Secretary, to replace Mr. Sukthae Ruengwattanachot who resigned from Company Secretary.

The duties of Company Secretary are legally defined as follows:

1. Preparing and keeping the following documents: (a) a register of directors; (b) a notice calling a director meeting, minute of the board of directors meeting and an annual report of the company; and (c) a notice calling a shareholder meeting and minutes of the shareholders' meeting;
2. Keeping a report on interest filed by a director or an executive and submitting a copy of report on interest under Section 89/14 to the chairman of the board and the chairman of the audit committee within seven business days from the date on which the company has received such report;
3. Performing any other acts as specified in the notification of the Capital Market Supervisory Board.

In addition, Company Secretary has any duties as assigned by the company:

1. Giving fundamental advice to a director on law and regulations and rules of the company, ensuring that acts are performed correctly and constantly, as well as reporting any significant changes to a director;
2. Legally disclosing actual and updated data and information to a stakeholder or an investor;
3. Being a center of communication for shareholders, general investors or any persons requiring details of the company;
4. Contacting the company's internal units for their compliance with the resolutions of board and the resolutions of shareholders.
5. As well as performing any other acts as assigned by the board.

2. Monetary Remuneration

The remuneration shall be considered and determined by the Remuneration Committee and proposed the Board of Directors to consider the criteria based on the role, duty, responsibility, experience, remuneration of listed company in the same industry, performance, size of business and appropriateness of current economic situation. The remuneration of Board of Directors must be approved by the shareholders at the Annual General Shareholders' Meeting of every year.

The Annual General Shareholders' Meeting for year 2020 on September 15, 2020 determined the remuneration of Board of Directors and subcommittees as follows: -

8. Management Structure

The Remuneration of Directors and subcommittees

(Unit : Baht)					
Group	Position	Meeting allowance (time/person)	Yearly remuneration (year/person)	Quarterly allowance (time/person)	Other privilege
The Board	Chairman	15,000	not over 7 million which shall be allocated by the Board of Directors	-	-
	Director	12,500		-	-
Audit Committee	Chairman	15,000	100,000	10,000	-
	Director	12,500	80,000	10,000	-
Subcommittees - Remuneration Committee - Cooperate Governance Committee - Nomination Committee	Chairman	15,000	-	-	-
	Director	12,500	-	-	-

For the yearly allowance of directors of year 2020, on February 16, 2021, the Board of Directors' meeting no.1/2021 had a resolution to pay the yearly allowance of directors at baht 6.175 million which was not over 7 million baht of the net profit after tax by allocating to 12 directors who held the position of director during the period as equal amount.

The Remuneration and the Frequency of the Board of Directors' Meetings in 2019-2020

(Unit : Baht)						
Directors	Annual Remuneration		Meeting Allowance		Entering of Meeting/Amount of Meeting (Time) per year	
	2019	2020	2019	2020	Ordinary (2019)	Ordinary (2020)
1. Mr. Akira Kiyomizu ^①	-	326,300	-	45,000	-	3/3
2. Mr. Ichiro Murata ^②	466,000	520,000	75,000	67,500	5/5	6/6
3. Mr. Pornchak Manutham	466,000	520,000	62,500	62,500	5/5	6/6
4. Pol.Maj.Gen.Supchan Manutham	466,000	520,000	62,500	62,500	5/5	6/6
5. Mr. Tsuyoshi Taniguchi	297,474	520,000	37,500	62,500	3/3	6/6
6. Mr. Kazuma Saito	466,000	520,000	50,000	62,500	4/5	6/6
7. Mr. Masaaki Hirooka ^③	466,000	193,700	50,000	25,000	4/5	3/3
8. Mr. Sukthae Ruengwattanachot	466,000	520,000	62,500	62,500	5/5	6/6
9. Mr. Montree Denpaisrojsak ^④	349,500	390,000	25,000	37,500	2/4	4/4
10. Mr. Prapat Pitaknitinan ^⑤	-	65,000	-	12,500	-	1/1
11. Mr. Yothin Vimooktayont	466,000	520,000	62,500	62,500	5/5	6/6
12. Assoc.Prof.Dr.Lawan Thanadsillapakul	466,000	520,000	62,500	62,500	5/5	6/6
13. Mr. Prasert Kittisakkul	466,000	520,000	62,500	62,500	5/5	6/6
14. Assoc.Prof.Pisit Vatanasomboon	466,000	520,000	62,500	62,500	5/5	6/6
Total	5,306,974	6,175,000	675,000	750,000	-	-

Remarks: The directors who resigned and appointed for replacement were listed as follow:

①,②,③ Mr. Akira Kiyomizu has held the position of director in replace of Mr. Masaaki Hirooka, and the position of Chairman of the Board (Acting), Vice Chairman of the Board and Chief Executive Officer in replace of Mr. Ichiro Murata who has resigned from such positions on May 14, 2020.

8. Management Structure

④, ⑤ Mr. Prapat Pitaknitinan has held the position of Director on November 12, 2020 in replace of Mr. Montree Denpairojsak who has deceased on October 1, 2020.

The Remuneration of the Audit Committee in 2019-2020

(Unit : Baht)						
Audit Committee	Quarterly and yearly allowance		Meeting allowance		Entering of Meeting/Amount of Meeting(Time) per year	
	2019	2020	2019	2020	2019	2020
1.Assoc.Prof.Dr.Lawan Thanadsillapakul	140,000	140,000	210,000	195,000	14/14	13/13
2.Mr. Prasert Kittisakkul	120,000	120,000	175,000	162,500	14/14	13/13
3.Assoc.Prof.Pisit Vatanasomboon	120,000	120,000	175,000	162,500	14/14	13/13
Total	380,000	380,000	560,000	520,000	-	-

The Remuneration of the Remuneration Committee in 2019-2020

(Unit : Baht)				
Remuneration Committee	Meeting allowance		Entering of Meeting/Amount of Meeting(Time) per year	
	2019	2020	2019	2020
1. Mr. Pornchak Manutham	30,000	60,000	2/2	4/4
2. Assoc.Prof.Dr. Lawan Thanadsillapakul	25,000	50,000	2/2	4/4
3. Mr. Prasert Kittisakkul	25,000	50,000	2/2	4/4
4. Mr. Masaaki Hirooka①	12,500	12,500	1/2	1/1
5.Mr. Ichiro Murata②	-	37,500	-	3/3
Total	92,500	210,000	-	-

Remark: ①, ② Mr. Ichiro Murata has held the position of remuneration committee in replace of Mr. Masaaki Hirooka on May 14, 2020.

The Remuneration of the Corporate Governance Committee in 2019-2020

(Unit : Baht)				
Corporate Governance Committee	Meeting allowance		Entering of Meeting/Amount of Meeting(Time) per year	
	2019	2020	2019	2020
1. Assoc.Prof.Dr. Lawan Thanadsillapakul	60,000	45,000	4/4	3/3
2. Mr. Ichiro Murata①	50,000	37,500	4/4	3/3
3. Mr. Yothin Vimooktayont	50,000	37,500	4/4	3/3
4. Pol.Maj.Gen.Supchan Manutham	50,000	37,500	4/4	3/3
5. Mr. Masaaki Hirooka②	37,500	12,500	3/4	1/1
6. Mr. Akira Kiyomizu③	-	25,000	-	2/2
Total	247,500	195,000	-	-

Remark: ①,②,③ Mr. Akira Kiyomizu has held the position of director in replace of Mr. Masaaki Hirooka, and the position of Chairman of the (Acting), Vice Chairman of the Board of Directors and Chief Executive Officer in replace of Mr. Ichiro Murata who has resigned from such positions on May 14, 2020.

8. Management Structure

The Remuneration of the Nomination Committee in 2020

The Board of Directors had resolved to appoint the Nomination Committee in the Board of Directors' Meeting no.1/2020 on 12 February 2020. Currently, it was in the process of finding such directors, so there was no such meeting.

The Remuneration of Executive Directors

Detail	(Unit : Baht)	
	Directors who are management, and management	
	12 persons of year 2019	12 persons of year 2020
1.Salary	11,233,967	15,292,930
2.Meeting allowance	636,500	722,500
3.Bonus	2,793,274	3,814,581
4.Other welfare	2,438,326.82	2,642,601.07

Remark: Management remuneration comprising of expenses of Yuasa Battery (Thailand) Plc. and subsidiary. The said remunerations are not included in Company's expenses on staff.

Other remuneration

- none-

3. Personnel

Number of the employees

Number of the employees of the Company and its Subsidiary as of December 31, 2020 was 618 persons. Details of the expenses incurred in 2020 were described as follows:

Detail	Number of Employees (Person) As of 31 December 2020			Remuneration of 2020 (Thousand Baht)		Welfare of 2020 (Thousand Baht)		Expenses for Improving the Employees of 2020 (Thousand Baht)	
	Company	Subsidiary	Total	Company	Subsidiary	Company	Subsidiary	Company	Subsidiary
Head Office	89	29	118	39,963	15,063	6,387	1,194	45	19
Factory	500	-	500	192,028	-	15,195	-	511	-
Total	589	29	618	231,991	15,063	21,582	1,194	556	19

Other Remunerations

Apart from the above-mentioned remuneration, the Company established a provident fund in 2005, according to the Provident Fund Act B.E. 2530. 3-4% of the employees' salary was paid by the Company to the provident fund. The employees could make a decision to be a member and pay 3-15% of their salaries. In 2020, 4.19 million baht was recorded as expenses paid by the Company and its Subsidiary into the provident fund in the income statement.

Significant change in the number of the employees throughout the past 3 years

-N/A-

Labor disputes during the past 3 years

The Company and Subsidiary have no significant labor dispute during the past 3 years.

Training Courses and Improvement of the Personnel

Training courses and improvement of personnel in 2020 are a conventional process intended to enhance the personnel's knowledge and skills for their efficient performance and safety.

8. Management Structure

Objectives of Training Courses and Improvement of Personnel

1. Training courses and improvement of personnel can create more efficient employees who have morale. They also promote loyalty to the organization and reduce accidents and loss which might occur from unawareness and in expertise.
2. The employees who are trained and enhanced will have knowledge, skills, positive thinking (not act like an 'overflowing cup of tea') and morale which result to career advancement.

Process of Training and Improvement of Personnel

1. Analyze demand of training and improvement
2. Check necessary demand of each group
3. Plan a training and improvement project
4. Propose the project for approval
5. Set practices of operation
6. Evaluate the results

Types of Training

1. New comer orientation: the objective is to introduce to them the environment, regulations, welfares, safe and correct practices, ISO9001:2015, ISO14001:2015 as well as the management and the department managers, so that the new employees will be familiar with the company's society promptly and less serious topics talked in an orientation include;

- | | |
|---|--|
| - Company Background | - Fundamental System of ISO9001:2015 |
| - Regulations and welfares of the Company | - Fundamental Environmental Management |
| - Safety at work | System of ISO14001:2015. |

2. Internal training: the employees in all levels were trained to enhance their knowledge and competence in order to apply them to the operation. The training courses included both for supervisors and employees. One course per month was conducted;

- | | |
|-------------------------------|---|
| - Wining presentation at work | - Systematic thinking for effective action |
| - Career path | - Team efficiency |
| - ISO 9001:2015 | - Operating on the high ground 2 meters or more |
| - ISO 9001 Version 2015 | - Fire preventions |
| - Why Why Analysis | - Practice fire-fighting and evacuation |
| - ISO 14001 : 2015 | - Emergency plans to control chemicals spill |
| - First Aid | - Electronic document storage course |
| - Work on Electricity | - Safety awareness |
| - Forklift safety drive | - QCC competition |

3. External training: the employees were sent to be trained outside with training companies on specific fields of each person such as

- The promoting of Employees' potential in the organization seminar
- The promoting of the government sector and private sector to follow the employment of the disabilities law
- The Personal Data Protection Act in practice
- The Personal Data Protection Act B.E2562 (2019)
- Project "Promoting the welfare of the aging workers to improve the life quality"
- The employment of the pollution defense area for industrial sector
- Knowledge of Social Security's 2020
- Accounting of income and expenses Effect on net profit calculation
- Technique for Individual Development Plan: IDP
- AutoCAD 3D Version 2021
- Precautions for submit the financial statements for 2020 and preparing for 2021
- Cyber threat and ransomware
- TFRS for NPAEs 2018
- DPO-CDO Symposium 2020

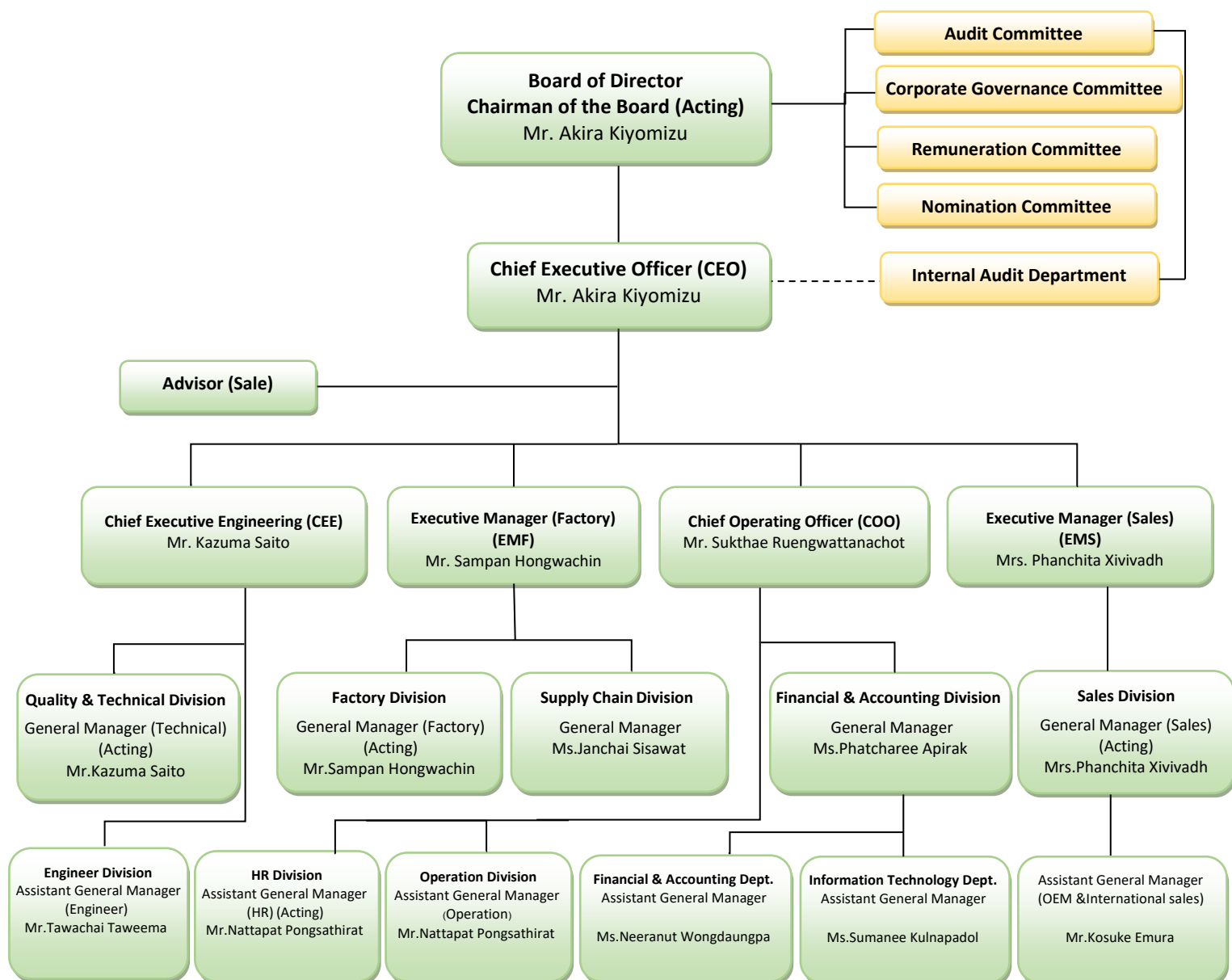
8. Management Structure

Training for enhancing the employees' development

Level of Employees	Average Training Hours / Employee	Target of Training
Management	30 Hrs.	<ol style="list-style-type: none"> 1.To cultivate the management's vision, capability and high competence to become the organization's mechanism to drive the organization's strategy to be efficient and effective 2.To allow the management to build or lead changes and to be ready for administration under the guidance for developing the organization to be successful and visible 3.To build the management's international competitive competence for the present and the future
Executive Officers / Professional Officers (Level 6-9)	186 Hrs.	<ol style="list-style-type: none"> 1.To cultivate more knowledge, competence, skills and good attitude towards work 2.To allow cooperation amongst the executive officers to jointly improve the organization and to drive the organization's mission towards the target 3.To build harmony and mutual vision in unity for appropriate administration and problem solving without delay 4.To cultivate the executive officers' international competitive competence for the present and the future
Operational Officers (Level 0-5)	114 Hrs.	<ol style="list-style-type: none"> 1.To systematically change the behavior and to provide the employees knowledge, understanding, necessary capability and good attitude in the departments' each work 2.To let the personnel to be able to work well and to do the colleagues' work 3.To increase the value of the organization's employees 4.To upgrade the career advancement 5.To cultivate the operational officers' international competitive competence for the present and the future

8.1 Organization Chart

The Organization chart of Yuasa Battery (Thailand) Plc, and Subsidiary Company as of January 1, 2021



8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited



Mr. Akira Kiyomizu

Position Chairman of the Board (Acting) and Vice Chairman of the Board,
Chief Executive Officer (CEO)

Date of Appointment May 14, 2020


Period of Position 7 Months

Age / Nationality / Proportion of shareholding / Relation to Management	Education Background / Training / Holding the position in other business	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's subcommittee</u> <ul style="list-style-type: none"> Corporate Governance Committee 7 months Nomination Committee 7 months <u>Age</u> <ul style="list-style-type: none"> 51 Years <u>Nationality</u> <ul style="list-style-type: none"> Japanese <u>Proportion of shareholding</u> <ul style="list-style-type: none"> Nil <u>Relation to Management</u> <ul style="list-style-type: none"> Nil <u>Legal Action</u> <ul style="list-style-type: none"> Nil 	<u>Education</u> <ul style="list-style-type: none"> Bachelor degree of Economics, University of Kansai University <u>Training</u> <ul style="list-style-type: none"> Was not yet trained by Thailand Institute of Directors (IOD) <u>Holding the position of director in the listed company and other company</u> <ul style="list-style-type: none"> Nil <u>Holding the position in other business that may lead to conflict of interest</u> <ul style="list-style-type: none"> Nil 	2020-Present	Chairman of the Board (Acting), Vice Chairman of the Board, and Chief Executive Officer, Corporate Governance Committee, and Nomination Committee of Yuasa Battery (Thailand) PLC. and Yuasa Sales and Distribution Co., Ltd.
		2017-2020	General Manager, Overseas Sales Department, GS Yuasa International Ltd. (GYIN)
		2012-2017	Manager, GS Yuasa Vietnam Co., Ltd. (Vietnam)
		2011-2012	Manager, Automotive Battery Business Promotion Division, International Business Unit, GS Yuasa International Ltd. (GYIN) and General Manager, Sales Department, GS Yuasa Battery Ltd.
		2007-2011	Manager, National Sales Department, GS Yuasa Battery Ltd.
		2004-2007	Assistance Manager, Product Management Group, Product Department, GS Yuasa Battery Ltd. and Assistant Manager, Sales Department, Automotive Battery Sales Division, Yuasa Corporation
		1999-2004	Sales Department (Chubu Region), Automotive Battery Business Unit, Yuasa Corporation
		<u>Number of meetings attended/Number of total meetings (Times/2020)</u> Yuasa Battery (Thailand) PLC <ul style="list-style-type: none"> Board of Directors Meeting : 3/3 Times Shareholder Meeting : 1/1 Times Corporate Governance Committee Meeting : 2/2 Times Yuasa Sales and Distribution Co.,Ltd. <ul style="list-style-type: none"> Board of Directors Meeting : 3/3 Times 	
		Remark: Mr. Akira Kiyomizu has been appointed as Director since May 14, 2020.	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited

		Mr. Pornchak Manutham	
		Position	Director
		Date of Appointment	December 8, 2003
		Period of Position	17 Years
Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background and Training	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's subcommittee</u> <ul style="list-style-type: none"> Chairman of Remuneration Committee 8 Years <u>Age</u> <ul style="list-style-type: none"> 66 Years <u>Nationality</u> <ul style="list-style-type: none"> Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none"> 1,000,000 shares or 0.93% <u>Relation to Management</u> <ul style="list-style-type: none"> Younger brother of Pol.Maj.Gen. Supchan Manuthan <u>Legal Action</u> <ul style="list-style-type: none"> Nil 	<u>Education</u> <ul style="list-style-type: none"> Master of Business Administration, Thammasart University Bachelor of Business Administration, Ramkhamhaeng University Bachelor of Science, Chulachomklao Royal Military Academy School <u>Training</u> <ul style="list-style-type: none"> Certificate of Thailand Institute of Directors (IOD) <ul style="list-style-type: none"> Director Accreditation Program (DAP) 23/2004 Director Certification Program (DCP) 156/2012 Role of the Chairman Program (RCP) 28/2012 Role of the Compensation Committee (RCC) 15/2012 <u>Holding the position of director in the listed company and other company</u> <u>listed company</u> <ul style="list-style-type: none"> Nil <u>other company</u> <ul style="list-style-type: none"> Director; Sales and Distribution Co.,Ltd. 17 Years Director; Metropolitan Motor Service Co.,Ltd. 26 Years Director; Fuij mercantile Co.,Ltd. 23 Years Director; Central Agency Co.,Ltd. 25 Years <u>Holding the position in other business that may lead to conflict of interest</u> <ul style="list-style-type: none"> Nil 	2006-Present	Director and Chairman of Remuneration Committee of Yuasa Battery (Thailand) PLC.
		2003-Present	Director of Yuasa Sales and Distribution Co., Ltd.
		<u>Number of meetings attended/Number of total meetings (Times/2020)</u> Yuasa Battery (Thailand) PLC <ul style="list-style-type: none"> Board of Directors Meeting : 6/6 Times Shareholder Meeting : 1/1 Times Remuneration Committee meeting : 4/4 Times Yuasa Sales and Distribution Co.,Ltd. <ul style="list-style-type: none"> Board of Directors Meeting : 5/5 Times Shareholder Meeting : 2/2 Times 	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited



Pol.Maj.Gen.Supchan Manutham

Position Director

Date of Appointment May 8, 2012


Period of Position 8 Years 7 Months

Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background and Training	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company’s subcommittee</u> <ul style="list-style-type: none">Corporate Governance Committee 5 YearsNomination Committee1 Year <u>Age</u> <ul style="list-style-type: none">74 Years <u>Nationality</u> <ul style="list-style-type: none">Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none">Nil <u>Relation to Management</u> <ul style="list-style-type: none">Elder brother of Mr. Pornchak Manutham <u>Legal Action</u> <ul style="list-style-type: none">Nil	<u>Education</u> <ul style="list-style-type: none">Master of Public Administration, Chulalongkorn UniversityBachelor of law, Thammasart University <u>Training</u> <ul style="list-style-type: none">Certificate of Thailand Institute of Directors (IOD) - Director Accreditation Program (DAP) 91/2011 <u>Holding the position of director in the listed company and other company</u> <u>listed company</u> <ul style="list-style-type: none">ChairmanZeer property Public Co.,Ltd.9 Years <u>other company</u> <ul style="list-style-type: none">Director; Yuasa Sales and Distribution Co.,Ltd.8 YearsDirector; Manutham Mansion Dept.Co., Ltd28 YearsDirector; North East Green Energy (Thailand) Co.,Ltd9 Years <u>Holding the position in other business that may lead to conflict of interest</u> <ul style="list-style-type: none">Nil	Present	Director, Corporate Governance Committee and Nomination committee of Yuasa Battery (Thailand) PLC. and Director; Yuasa Sales and Distribution Co., Ltd
		1992-Present	Director, Manutham Mansion Dept.Co., Ltd
		2011-Present	Director, North East Green Energy (Thailand) Co.,Ltd.
		2011-Present	Chairman, Zeer property Public Co.,Ltd.
		<u>Number of meetings attended/Number of total meetings (Times/2020)</u>	
		Yuasa Battery (Thailand) PLC	
		<ul style="list-style-type: none">Board of Directors Meeting:6/6TimesShareholder Meeting:1/1TimesCorporate Governance Committee Meeting:3/3Times	
		Yuasa Sales and Distribution Co.,Ltd.	
		<ul style="list-style-type: none">Board of Directors Meeting:5/5TimesShareholder Meeting:2/2Times	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited

<div>  <div> Mr. Ichiro Murata Position Director Date of Appointment December 9, 2015 Period of Position 5 Years </div> </div>			
Age / Nationality / Proportion of shareholding / Relation to Management	Education Background / Training / Holding the position in other business	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's subcommittee</u> <ul style="list-style-type: none"> Corporate Governance Committee 5 Years Remuneration Committee 1 Year <u>Age</u> <ul style="list-style-type: none"> 55 Years <u>Nationality</u> <ul style="list-style-type: none"> Japanese <u>Proportion of shareholding</u> <ul style="list-style-type: none"> Nil <u>Relation to Management</u> <ul style="list-style-type: none"> Nil <u>Legal Action</u> <ul style="list-style-type: none"> Nil 	<u>Education</u> <ul style="list-style-type: none"> Mechanical Engineering, Faculty of Engineering, University of Fukui, Japan <u>Training</u> <ul style="list-style-type: none"> Certificate of Thailand Institute of Directors (IOD) - Director Accreditation Program (DAP) 125/2016 <u>Holding the position of director in the listed company and other company</u> <ul style="list-style-type: none"> Nil <u>Holding the position in other business that may lead to conflict of interest</u> <ul style="list-style-type: none"> Nil 	2015-Present	Director, Corporate Governance Committee, and Remuneration Committee of Yuasa Battery (Thailand) PLC. and Yuasa Sales and Distribution Co., Ltd.
		2015-May 2020	Chairman of Board (Acting), Vice Chairman of Board, and Chief Executive Officer of Yuasa Battery (Thailand) PLC. and Yuasa Sales and Distribution Co., Ltd.
		2013	Division Manager, Production Engineering Division, Global Technical Headquarters, GS Yuasa International Ltd.
		2010-2013	General Manager, Production Division, Automotive Battery Business Unit and Promotion Division, International Business Unit, GS Yuasa International Ltd.
		2009-2010	Manager, Kyoto Automotive Battery Manufacturing Department, Production Division, Automotive Battery Business Unit, GS Yuasa Power Supply Ltd.
		<u>Number of meetings attended/Number of total meetings (Times/2020)</u> Yuasa Battery (Thailand) PLC <ul style="list-style-type: none"> Board of Directors Meeting : 6/6 Times Shareholder Meeting : 1/1 Times Corporate Governance Committee Meeting : 3/3 Times Yuasa Sales and Distribution Co.,Ltd. <ul style="list-style-type: none"> Board of Directors Meeting : 5/5 Times Shareholder Meeting : 2/2 Times Remark: Mr. Ichiro Murata has resigned from the position of Chairman (acting), Vice Chairman, and Chief Executive Director on May 14, 2020 but still holds the position of Director.	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited



Mr. Tsuyoshi Taniguchi

Position Director

Date of Appointment May 13, 2019

Period of Position 1 Year 7 Months

Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background and Training	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's subcommittee</u> <ul style="list-style-type: none">Nil <u>Age</u> <ul style="list-style-type: none">51 Years <u>Nationality</u> <ul style="list-style-type: none">Japanese <u>Proportion of shareholding</u> <ul style="list-style-type: none">Nil <u>Relation to Management</u> <ul style="list-style-type: none">Nil <u>Legal Action</u> <ul style="list-style-type: none">Nil 	<u>Education</u> <ul style="list-style-type: none">Graduated from Department of Mechanical Engineering, Osaka Institute of Technology, Japan <u>Training</u> <ul style="list-style-type: none">Was not yet trained by Thailand Institute of Directors (IOD) <u>Holding the position of director in the listed company and other company</u> <ul style="list-style-type: none">Nil <u>Holding the position in other business that may lead to conflict of interest</u> <ul style="list-style-type: none">Nil 	Present	Director; Yuasa Battery (Thailand) PLC.
		2019-Present	President, GS Yuasa Asia Technical Center Ltd. (Thailand)
		2018-2019	Director, GS Yuasa Asia Technical Center Ltd. (Thailand)
		2017-2018	General Manager, GS Yuasa Asia Technical Center Ltd. (Thailand)
		2015-2017	Manager, GS Yuasa Asia Technical Center Ltd. (Thailand)
		<u>Number of meetings attended/Number of total meetings (Times/2020)</u> Yuasa Battery (Thailand) PLC <ul style="list-style-type: none"> Board of Directors Meeting : 6/6 Times Shareholder Meeting : 1/1 Times Yuasa Sales and Distribution Co.,Ltd. <ul style="list-style-type: none"> Board of Directors Meeting : 2/2 Times Shareholder Meeting : 1/1 Times 	
		Remark: Mr. Tsuyoshi Taniguchi has resigned from the position of director of Yuasa Sales and Distribution Co., Ltd on May 14, 2020.	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited



Mr. Kazuma Saito

Position

Director and Chief Executive Engineer

Date of Appointment

November 8, 2018

Period of Position

2 Years 1 Month

Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background / Training / Legal Action	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's subcommittee</u> <ul style="list-style-type: none"> Nil <u>Age</u> <ul style="list-style-type: none"> 42 Years <u>Nationality</u> <ul style="list-style-type: none"> Japanese <u>Proportion of shareholding</u> <ul style="list-style-type: none"> Nil <u>Relation to Management</u> <ul style="list-style-type: none"> Nil <u>Legal Action</u> <ul style="list-style-type: none"> Nil 	<u>Education</u> <ul style="list-style-type: none"> Graduated from Materials Science and Processing; Master's Program: Graduate School of Engineering, Osaka University, Japan <u>Training</u> <ul style="list-style-type: none"> Certificate of Thailand Institute of Directors (IOD) Director Accreditation Program (DAP) 158/2019 <u>Holding the position of director in the listed company and other company</u> <ul style="list-style-type: none"> Nil <u>Holding the position in other business that may lead to conflict of interest</u> <ul style="list-style-type: none"> Nil 	Present	Director and Chief Executive Engineering at Yuasa Battery (Thailand) PLC.
		Present	Director at Yuasa Sales and Distribution Co., Ltd
		2016-2017	Assistant Manager and Manager, Motorcycle Battery Group, Automotive Battery Technical Department, Global Technical Headquarters, GS Yuasa International Ltd.
		2011	Assistant Manager, Group I, Department III, Technical Development Division, Global Technical Headquarters, GS Yuasa International Ltd.
		2010	Development Group, R&D Department, Technical Development Division, GS Yuasa International Ltd.
		2007	Technical Department, Technical Development Headquarter, GS Yuasa Manufacturing Ltd.
		<u>Number of meetings attended/Number of total meetings (Times/2020)</u> Yuasa Battery (Thailand) PLC <ul style="list-style-type: none"> Board of Directors Meeting : 6/6 Times Shareholder Meeting : 1/1 Times Yuasa Sales and Distribution Co.,Ltd. <ul style="list-style-type: none"> Board of Directors Meeting : 3/3 Times Remark: Mr. Kazuma Saito has been appointed as director of Yuasa Sales and Distribution Co., Ltd on May 14, 2020.	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited



Mr. Sukthae Ruengwattanachot

Position Director and Chief Operating Officer

Date of Appointment February 28, 2018


Period of Position 2 Years 10 Months

Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background / Training / Legal Action	Working Experience in the Last 5 Years	
		Period	Period
<u>Holding the position of Company's executive</u> <ul style="list-style-type: none"> Chief Operating Officer The secretary of Nomination Committee 3 Years <u>Age</u> <ul style="list-style-type: none"> 53 Years <u>Nationality</u> <ul style="list-style-type: none"> Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none"> Nil <u>Relation to Management</u> <ul style="list-style-type: none"> Nil <u>Legal Action</u> <ul style="list-style-type: none"> Nil 	<u>Education</u> <ul style="list-style-type: none"> Master Degree of Economic Development, The National Institution of Development Administration (NIDA) B.Sc.(Public Health) majoring in Sanitary Science, Mahidol University Bachelor Degree of Economic and Bachelor Degree of Accounting Ramkhamhaeng University Bachelor Degree of Law, Sukhothai Thammathirat Open University Tax Auditor <u>Training</u> <ul style="list-style-type: none"> Certificate of Thailand Institute of Directors (IOD) Director Accreditation Program (DAP) 161/2019 <u>Holding the position of director in the listed company and other company</u> <ul style="list-style-type: none"> Nil <u>Holding the position in other business that may lead to conflict of interest</u> <ul style="list-style-type: none"> Nil 	2015-Present	Director & Chief Operating Officer & Secretary of Management Committee & Secretary of Nomination Committee of Yuasa Battery (Thailand) PLC.
		2004-Feb 2019	Company Secretary of Yuasa Battery (Thailand) PLC.
		2006-2014	General Manager (Operation) & Company Secretary & Secretary of Management Committee Yuasa Battery (Thailand) PLC.
		2004-2005	Policy & Planning Manager & Company Secretary & Secretary of Management Committee Yuasa Battery (Thailand) PLC.
		2003-2004	Manager, office of the President
		<u>Number of meetings attended/Number of total meetings (Times/2020)</u> Yuasa Battery (Thailand) PLC <ul style="list-style-type: none"> Board of Directors Meeting : 6/6 Times Shareholder Meeting : 1/1 Times 	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited

		Mr. Prapat Pitaknitinan	
		Position	Director
		Date of Appointment	November 12, 2020
		Period of Position	1 Month
Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background and Training	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's subcommittee</u> <ul style="list-style-type: none">Nil <u>Age</u> <ul style="list-style-type: none">66 Years <u>Nationality</u> <ul style="list-style-type: none">Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none">Nil <u>Relation to Management</u> <ul style="list-style-type: none">Nil <u>Legal Action</u> <ul style="list-style-type: none">Nil 	<u>Education</u> <ul style="list-style-type: none"> Certificate of Apply Psychology, Apply Psychology Institute. Certificate of Mini Master of Management, NIDA Certificate of Mini MBA, Chulalongkorn University Bachelor of Electrical Engineering, King Mongkut's University of Technology Thonburi <u>Training</u> <ul style="list-style-type: none"> Was not yet trained by Thailand Institute of Directors (IOD) <u>Holding the position of director in the listed company and other company</u> <ul style="list-style-type: none"> Nil <u>Holding the position in other business that may lead to conflict of interest</u> <ul style="list-style-type: none"> Nil 	2020-Present	Director of Yuasa Battery (Thailand) PLC.
		2019-Present	Executive Officer, Siam Motors Co., Ltd.
		2015-2019	Managing Director, Siam GS Battery Co., Ltd.
		2014-2015	Managing Director: GS Yuasa Siam Industries Co., Ltd.
		2013-2014	Managing Director: NSK Bearings Manufacturing (Thailand) Co., Ltd.
		2011-2013	Managing Director: Siam NSK Steering Systems Co., Ltd.
		2001-2011	Managing Director: NSK Bearing Manufacturing (Thailand) Co., Ltd.
		1981-2001	General Manager: Siam Tennex Co., Ltd
		1978-1981	Maintenance Engineer: Prince Motors (Thailand) Co., Ltd
		<u>Number of meetings attended/Number of total meetings (Times/2020)</u> Yuasa Battery (Thailand) PLC <ul style="list-style-type: none"> Board of Directors Meeting : 1/1 Times Remark : Mr. Prapat Pitaknitinan has been appointed as Director since November 12, 2020.	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited



Mr. Yothin Vimoogtayon

Position Independent Director

Date of Appointment April 22, 2008

Period of Position 12 Years 8 Months

Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background and Training	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's subcommittee</u> <ul style="list-style-type: none"> Independent Director 12 Years 8 Months Corporate Governance Committee 5 Years <u>Age</u> <ul style="list-style-type: none"> 73 Years <u>Nationality</u> <ul style="list-style-type: none"> Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none"> Nil <u>Relation to Management</u> <ul style="list-style-type: none"> Nil <u>Legal Action</u> <ul style="list-style-type: none"> Nil 	<u>Education</u> <ul style="list-style-type: none"> Master degree of Political Science, Burapha University. Bachelor of Laws, Thammasart University. Mini MBA, Thammasart University. B.A. Economics Chiang Mai University. <u>Training</u> <ul style="list-style-type: none"> Certificate of Thailand Institute of Directors (IOD) Director Certification Program (DCP) 72/2006 <u>Holding the position of director in the listed company and other company</u> <ul style="list-style-type: none"> Nil <u>Holding the position in other business that may lead to conflict of interest</u> <ul style="list-style-type: none"> Nil 	Present	Independent Director and Corporate Governance Committee, Yuasa Battery (Thailand) PLC.
		2008-2017	Independent Director and Audit Committee and Corporate Governance Committee, Yuasa Battery (Thailand) PLC.
		2009-Present	Director, Wat Benchamabopitir Dusitvanaram Association.
		2004-2007	Deputy director of Excise Department.
		<u>Number of meetings attended/Number of total meetings (Times/2020)</u> Yuasa Battery (Thailand) PLC <ul style="list-style-type: none"> Board of Directors Meeting : 6/6 Times Shareholder Meeting : 1/1 Times Corporate Governance Committee Meeting : 3/3 Times 	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited



Assoc.Prof.Dr. Lawan Thanadsillapakul

Position

Independent Director and Chairman of Audit Committee

Date of Appointment

April 21, 2010

Period of Position

10 Years 8 Months

Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background and Training	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<p><u>Holding the position of Company's subcommittee</u></p> <ul style="list-style-type: none"> Chairman of Audit Committee 6 Years (Appointed to be Audit Committee for 10 Years 8 Months) Remuneration Committee 8 Years Chairman of Corporate Governance Committee 5 Years <p><u>Age</u></p> <ul style="list-style-type: none"> 64 Years <p><u>Nationality</u></p> <ul style="list-style-type: none"> Thai <p><u>Proportion of shareholding</u></p> <ul style="list-style-type: none"> Nil <p><u>Relation to Management</u></p> <ul style="list-style-type: none"> Nil <p><u>Legal Action</u></p> <ul style="list-style-type: none"> Nil 	<p><u>Education</u></p> <ul style="list-style-type: none"> Ph.D. (Law) Lancaster University (UK) LL.M. (International Comparative Law and European Law) Vrije Universiteit Brussels Belgium Master degree of Law (International Law), Thammasat University Bachelor degree of Law, Thammasat University. <p><u>Training</u></p> <ul style="list-style-type: none"> Certificate of Thailand Institute of Directors (IOD) <ul style="list-style-type: none"> Audit committee Program (ACP) 35/2009 Monitoring Fraud Risk Management (MFM) 6/2011 Monitoring the internal Audit Function(MIA) 11/2011 Monitoring the system of Internal Control and Risk Management (MIR) 11/2011 Monitoring of the Quality of Financial Reporting (MFR) 13/2011 Director Examination (EXAM)35/2012 Role of the Compensation Committee (RCC) 14/2011 Director Certification Program (DCP) 141/2011 Financial Statements for Directors (FSD) 22/2013 Director Luncheon Briefing (M-DLB) 2/2016 National Director Conference (NDC) 1/2016 Audit Committee Forum (R-ACF) 1/2016 Director Forum (R-DF) 1/2016 Board that Make a Difference (BMD) 3/2016 Anti Corruption : The Practical Guide (ACPG) 35/2017 Director Dinner Talk (M-DDT) 2/2018 Annual General Meeting (M-AGM) 1/2018 	Present	Independent Director and Chairman of Audit Committee, Remuneration Committee, Chairman of Corporate Governance Committee of Yuasa Battery (Thailand) PLC.
		Present	Associate Professor of Graduate School, Faculty of Law, Kyushu University, Japan
		Present	Assistant Professor, School of Law, Sukhothai Thammathirath Open University
		Present	Director of the Institute for International Economic and Business Law Study
		Present	Arbitrator of the Office of Arbitration
		Present	Auditor of the Internal Quality Assurance at the university level
		Present	Visiting Professor and Associate Professor in foreign University such as Japan, Belgium and United Kingdom etc. Invited Lecturer in the university such as Sripatum University and Thai Chamber of Commerce University etc.
		<p><u>Holding the position of director in the listed company and other company</u></p> <ul style="list-style-type: none"> Nil 	
		<p><u>Holding the position in other business that may lead to conflict of interest</u></p> <ul style="list-style-type: none"> Nil 	
		<p><u>Number of meetings attended/Number of total meetings (Times/2020)</u></p> <p>Yuasa Battery (Thailand) PLC</p> <ul style="list-style-type: none"> Board of Directors Meeting : 6/6 Times Shareholder Meeting : 1/1 Times Audit Committee Meeting : 13/13 Times Remuneration Committee Meeting : 4/4 Times Corporate Governance Committee Meeting : 3/3 Times 	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited



Mr. Prasert Kitisakkul

Position

Independent Director and Audit Committee

Date of Appointment

April 21, 2010

Period of Position

10 Years 8 Months

Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background and Training	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's subcommittee</u> <ul style="list-style-type: none"> Audit Committee 10 Years 8 Months Remuneration Committee 6 Years <u>Age</u> <ul style="list-style-type: none"> 70 Years <u>Nationality</u> <ul style="list-style-type: none"> Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none"> 2,000 shares or 0.002% <u>Relation to Management</u> <ul style="list-style-type: none"> Nil <u>Legal Action</u> <ul style="list-style-type: none"> Nil 	<u>Education</u> <ul style="list-style-type: none"> Bachelor degree of science (Business Administration) La Salle University, USA. <u>Training</u> <ul style="list-style-type: none"> Certificate of Thailand Institute of Directors (IOD) <ul style="list-style-type: none"> Director Accreditation Program (DAP) 39/2005 Director Certification Program (DCP) 139/2009 <u>Holding the position of director in the listed company and other company</u> <ul style="list-style-type: none"> Nil <u>Holding the position in other business that may lead to conflict of interest</u> <ul style="list-style-type: none"> Nil 	2010-Present	Independent Director and Audit Committee, Remuneration Committee of Yuasa Battery (Thailand) PLC.
		2009-Present	Vice Chairman of Executive Board at Thian Fah Foundation Hospital.
		2003-2005	Specialist for the Monitoring and Budget Management Committee of the representative. Working group of the Monitoring and Budget Management Committee of the government sector in Bangkok and perimeter, the Monitoring and Budget Management Committee of the representative.
		<u>Number of meetings attended/Number of total meetings (Times/2020)</u> Yuasa Battery (Thailand) PLC <ul style="list-style-type: none"> Board of Directors Meeting : 6/6 Times Shareholder Meeting : 1/1 Times Audit Committee Meeting : 13/13 Times Remuneration Committee Meeting : 4/4 Times 	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited



Assoc.Prof. Pisit

Vatanasomboon

Position

Independent Director and Audit Committee

Date of Appointment

October 1, 2017

Period of Position


3 Years 3 Months


Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background and Training	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's subcommittee</u> <ul style="list-style-type: none"> Independent Director 3 Years 3 Months Audit Committee 3 Years 3 Months Chairman of the Nomination Committee 1 Year <u>Age</u> <ul style="list-style-type: none"> 63 Years <u>Nationality</u> <ul style="list-style-type: none"> Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none"> Nil <u>Relation to Management</u> <ul style="list-style-type: none"> Nil <u>Legal Action</u> <ul style="list-style-type: none"> Nil 	<u>Education</u> <ul style="list-style-type: none"> B.Sc.(Public Health) majoring in Sanitary Science, Mahidol University M.Sc.(Public Health) in Environmental Health, Mahidol University <u>Training</u> <ul style="list-style-type: none"> Was not yet trained by Thailand Institute of Directors (IOD) <u>Holding the position of director in the listed company and other company</u> <ul style="list-style-type: none"> Nil <u>Holding the position in other business that may lead to conflict of interest</u> <ul style="list-style-type: none"> Nil 	2017-Present	Independent Director, Audit Committee and the Chairman of the Nomination Committee, Yuasa Battery (Thailand) PLC.
		2013-Present	Head, Department of Environmental Health Sciences, Faculty of Public Health, Mahidol University.
		2006-2013	Chairman of Administrative Committee, Master of Science Programmer in Environmental Sanitation
		2002-2006	Head, Department of Environmental Health Sciences, Faculty of Public Health, Mahidol University.
		2000-2002	Deputy Head, Department of Environmental Health Sciences, Faculty of Public Health, Mahidol University.
		1996-2002	Secretary of Administrative Committee, Master of Science Programme in Environmental Sanitation
		1992-1996	Dean coordinator, Faculty of Public Health, Mahidol University.
		<u>Number of meetings attended/Number of total meetings (Times/2020)</u> Yuasa Battery (Thailand) PLC <ul style="list-style-type: none"> Board of Directors Meeting : 6/6 Times Shareholder Meeting : 1/1 Times Audit Committee Meeting : 13/13 Times 	

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited


		Mr. Sampan Hongwachin Position Executive Manager (Factory Division)	
Age/Nationality/Proportion of shareholding/Relation to Management <u>Holding the position of Company’s executive</u> <ul style="list-style-type: none">• Nil <u>Age</u> <ul style="list-style-type: none">• 50 Years <u>Nationality</u> <ul style="list-style-type: none">• Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none">• Nil <u>Relation to Management</u> <ul style="list-style-type: none">• Nil	Education Background/ Legal Action <u>Education</u> <ul style="list-style-type: none">• Bachelor Degree of Science, Faculty of Science Burapha University <u>Legal Action</u> <ul style="list-style-type: none">• Nil	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
		Present	Executive Manager (Factory Division), Yuasa Battery (Thailand) PLC
		2016-2019	General Manager (Production Division), Yuasa Battery (Thailand) PLC.
		2015-2016	General Manager (Plant), Yuasa Battery (Thailand) PLC.
2014	Assistant General Manager (Plant), Yuasa Battery (Thailand) PLC.		


		Mrs. Phanchita Xivivadh Position Executive Manager (Sales Division)	
Age/Nationality/Proportion of shareholding/Relation to Management <u>Holding the position of Company’s executive</u> <ul style="list-style-type: none">• Nil <u>Age</u> <ul style="list-style-type: none">• 45 Years <u>Nationality</u> <ul style="list-style-type: none">• Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none">• Nil <u>Relation to Management</u> <ul style="list-style-type: none">• Nil	Education Background/ Legal Action <u>Education</u> <ul style="list-style-type: none">• Bachelor Degree of Communication Arts, Bangkok University <u>Legal Action</u> <ul style="list-style-type: none">• Nil	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
		Present	Executive Manager (Sale Division), Yuasa Sales and Distribution Co., Ltd.
		2016-2019	General Manager (Distribution Business Division), Yuasa Sales and Distribution Co., Ltd
		2014 - 2016	Assistant General Manager (Replacement Market, Modern Trade Market and Marketing), Yuasa Sales and Distribution Co., Ltd
		2013	Assistant General Manager of Modern Trade Market, Yuasa Sales and Distribution Co., Ltd
		2012	Assistant General Manager, Yuasa Sales and Distribution Co., Ltd

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited

<div>  <div> Ms. Phatcharee Apirak Position General Manager (Financial and Accounting Division) </div> </div>			
Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background/ Legal Action	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's executive</u> <ul style="list-style-type: none"> Nil <u>Age</u> <ul style="list-style-type: none"> 49 Years <u>Nationality</u> <ul style="list-style-type: none"> Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none"> Nil <u>Relation to Management</u> <ul style="list-style-type: none"> Nil 	<u>Education</u> <ul style="list-style-type: none"> Bachelor Degree of Business Administration (Accounting) Ramkhamhaeng University <u>Legal Action</u> <ul style="list-style-type: none"> Nil 	2017-Present	General Manager (Financial and Accounting Division) Yuasa Battery (Thailand) PLC. and Yuasa Sales and Distribution Co., Ltd
		2015-2016	Assistant General Manager (Accounting and Financial Department) Yuasa Battery (Thailand) PLC. and Yuasa Sales and Distribution Co., Ltd
		1997-2014	Financial and Accounting Manager Yuasa Sales and Distribution Co., Ltd

<div>  <div> Ms. Darawan Suksawat Position Assistant General Manager (Internal Audit) </div> </div>			
Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background/ Legal Action	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's executive</u> <ul style="list-style-type: none"> Secretary of Audit Committee 14 Years 8 Months Secretary of Corporate Governance Committee 4 Years <u>Age</u> <ul style="list-style-type: none"> 52 Years <u>Nationality</u> <ul style="list-style-type: none"> Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none"> Nil <u>Relation to Management</u> <ul style="list-style-type: none"> Nil 	<u>Education</u> <ul style="list-style-type: none"> Master Degree of Business Administration Ramkhamhaeng University Bachelor Degree of Business Administration Rangsit University <u>Training</u> <p>Program "Financial Management 's new visual", " Risk Management in Financial & Accounting", "IT Audit Practice and update new knowledge", "Risk Assessment Method for Internal Audit Planning", " COSO Enterprise Risk Management Integrated Framework", "Effective Minute Taking"</p> <u>Legal Action</u> <ul style="list-style-type: none"> Nil 	2017-Present	Assistant General Manager (Internal Audit) Yuasa Battery (Thailand) PLC.
		2006 - 2016	Internal Audit Manager, Secretary of Audit Committee and Secretary of Corporate Governance Committee Yuasa Battery (Thailand) PLC.

8.2 Director and management



Yuasa Battery (Thailand) Public Company Limited



Mr. Peerasak Khantavichai

Position Company Secretary and Lawyer Assistant Manager

Age/Nationality/Proportion of shareholding/ Relation to Management	Education Background/ Legal Action	Working Experience in the Last 5 Years	
		Period	Position and Institution/Company
<u>Holding the position of Company's executive</u> <ul style="list-style-type: none">Nil <u>Age</u> <ul style="list-style-type: none">42 Years <u>Nationality</u> <ul style="list-style-type: none">Thai <u>Proportion of shareholding</u> <ul style="list-style-type: none">Nil <u>Relation to Management</u> <ul style="list-style-type: none">Nil 	<u>Education</u> <ul style="list-style-type: none">Bachelor Degree of Laws Program Ramkhamhaeng University <u>Legal Action</u> <ul style="list-style-type: none">Certificate of Thai Listed Companies Association: Fundamentals for Corporate Secretaries No. 1/2019 	2019-Present	Company Secretary at Yuasa Battery (Thailand) PLC.
		2017-Present	Lawyer Assistant Manager at Yuasa Battery (Thailand) PLC.
		2015-2016	Senior Legal at Yuasa Battery (Thailand) PLC.
		2013-2014	Lawyer Assistant Manager at PTG Energy Public Company Limited and Petroleum Thai Corporation Ltd.

9. Corporate Governance

Corporate Governance

The Board of Directors, as a leader who must control the organization to have good management, is aware of the importance of good corporate governance as it shall bring transparency and increase confidence for shareholder and stakeholders. Hereby, in the Board of Directors meeting no.5/2015 on November 5, 2015 had approved the appointment of Corporate Governance Committee to conducted the good practices for the Board of Directors committee and employees to have knowledge and understanding in Good Corporate Governance Code (GCG Code) and applicable to concrete operationally which will raise the standards, ethical and virtue of business to conform to GCG code.

In the Board of Directors meeting no.1/2019 on February 13, 2019 had approved resolution for new general principle of GCG Code to consider and review the practices of good corporate governance for committee, management and employee could apply appropriately.

The serious control and operation of Corporate Governance Committee are important factors which lead to efficient and effective administration, continuous and steady expansion of business and sustainable growth of business administration to conform to GCG Code as regulations of the Securities and Exchange Commission Thailand (SEC) and the Stock Exchange of Thailand (SET).

Moreover, in order to raise awareness of all concerned department as well as to apply and perform the corporate governance continuously, the Company assigned Corporate Governance Secretary to review the GCG Code practice every year by following the additional guideline of CGC Code practice issued by relevant department, and to make the action plan for improving the GCG code practice in line with the criteria of evaluation of Institute of Directors (IOD) continuously. And, the improved practice would be proposed to Corporate Governance Committee to consider and monitor its improvement every quarter and to collect practices' data of its improvement to propose to the Board of Directors Committee to consider and review or appropriately apply to business operation. Anyhow, the Board of Directors had stipulated the corporate governance policy with the following details: -

The Board of Directors defined the policy and considered the general principle of GCG Code for applying to operation. The Company would like to report the principle of GCG Code to be complied with the regulations of SET by dividing 8 categories as the following details: -

1. Good Corporate Governance Policy

1. The Board of Directors has an important role in defining the business goals, the visions and the strategies, including the significant policies and plans. All of these shall be considered on the basis of risk factors and appropriate operating plans.
2. The Board of Directors shall control the operation, protect the benefits and fairly disclose the information to all stakeholders.
3. The Board of Directors shall be the leaders in terms of ethics and shall be the role models in terms of compliance with good corporate governance.
4. The Board of Directors shall control the business operation to be pursuant to the operating policy for sustainable growth and more business value under law and business ethics. And business operation shall be care, prudence and honesty to be thoroughly conducted for the shareholders' highest benefits.
5. The Board of Directors shall remind of the rights of each stakeholder and shall prevent any conflicts of interest.
6. The Board of Directors shall govern the operation to provide adequate and appropriate risk management and internal control.
7. The Board of Directors shall take charge of the operation to be transparent and to disclose the accurate related information on a timely basis.
8. The Company defined the business ethics for the directors and the employees' compliance.
9. The Board of Directors shall follow and evaluate the adaptation of good corporate governance policy. And shall review the adaptation of good corporate governance policy at least 1 time per year.

9. Corporate Governance

2. The objective and business goal for sustainability.

To define the objective and business goal for sustainability, the Company shall define the vision, mission, core value and business goal for the committees, the managements and the employees' compliance. (Details are provided in part of policy and overall business operation)

3. The reinforcement for effectiveness of committee.

The Board consists of directors with various qualifications which are having skills, experience and expertise that are useful to Company for setting the policy in short and long term including financial policy and risk management. Moreover, the Board plays an important role to supervise and assess Company's operation and performance of higher management as planned. The detail is as below: -

3.1 Leadership and vision of Board

The Board has participated with the management by taking into account and making an approval of vision, mission, strategies, aim of Company's action plans and also the approval of Company's yearly budget. This is including of supervising the management to perform the business efficiently in accordance with the action plan's target and budget, which shall help add the highest economic value to the business and a strong firm to shareholders.

3.2 Duty and responsibility of Chairman of Board of Director, Board of Director, Audit Committee, Remuneration Committee, Nomination Committee, Corporate Governance Committee, Chief Executive Officer and Company secretary (The details are in the part of Management Structure)

3.3 Directors and management remuneration (The details are in the part of Management Structure)

- (1) Director remuneration: Company has set the remuneration policy based on the concept of clearness and transparency whereby such remuneration is equally leveled in line with the same industry. The said remuneration, however, was already approved by the shareholder meeting.
- (2) Management remuneration: It is relatively in line with the policy and also in correspondent with the operation performance of Company and each individual's managements perform.

3.4 Joint or Separate position

The Company's Chairman of the Board of Directors is the representative of the major shareholder (GYIN) which holds 40.69% of all shares. The Chairman also holds the position of Chief Executive Officer. However, the structure of the Board of Directors is comprised of not less than 3 independent directors. This number is sufficient for check and balance between committee and management.

3.5 Director report

The Board of Directors shall be responsible for the separate financial statements and the consolidated financial statement and financial information as shown in annual report. The said financial statement is prepared in conformity with generally accepted auditing standards in the country by using suitable accountant principles, regularly practice, careful discretion and the best evaluation and also having an adequate disclosure of essential information in the notes thereto.

The Board shall also maintain to the best effectiveness of the said internal control systems to ascertain that all the accountant records are correct, completes and adequate for maintaining and keeping its assets and to better control of its own weakness to prevent a possible fraud or material abnormality of business performing.

Company has determined to sign the certification and responsibility of financial report of each director in of report 56-1 which disclose to shareholders and stakeholder in every year. Further, authorized directors are Mr. Pornchak Manutham and Mr. Akira Kiyomizu also certify the correctives and completeness of financial statement which disclose as SET' regulation in each quarter.

3.6 Self-evaluation of the Board of Directors

The Board of Directors evaluates their own working performance at least once a year to review whether the corporate governance of each operation is enough or not. Also, the result is used as supportive data for the Management to improve and develop the administration. The result of evaluation is reported to the Board of Directors meetings for acknowledgement and analysis for execution of the Management. Details of the process are as follows: -

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- The Secretary submits the evaluation form designated by the Securities and Exchange Commission of Thailand for all the directors' evaluation in the fourth quarter and gathers them for the results.
- The Secretary summarizes the evaluating results in overall image and informs them to the Board in the beginning of the next year. The results are then analyzed and evaluated for improvement.

3.7 Improvement of Directors and Executive

The company has a policy to encourage and support the Directors, Executive and Company Secretary to attend training courses held by outside agencies such as the Thai Institute of Directors (IOD), Thai listed Company Association, and other institutions related. This is to ensure that their duties are implemented effectively. The Company Secretary shall make the history of training courses, and propose the appropriate courses to each director for consideration.

For a new director, the Company has a policy to prepare an orientation. The Company Secretary provides the Director Guidance which contains details of the roles, duty and responsibility, holding and trading of securities, report of interests, management of meetings, disclosure of information, contact with the management, remuneration and benefits of the Board and the Sub-committees, table of authorization and general information of the Company. In 2020, the Company prepared the director's handbook for the new director two persons namely Mr. Akira Kiyomizu and Mr. Prapat Pitaknitinan.

3.8 Report of Interests

The Company defined that the directors and the authorized persons shall make reports of their relevant persons and their own interests. The reports are required for submission to the Company Secretary upon appointment or any changes of the data. The Company Secretary has the duty to keep and make reports of the changes to inform the directors and the Chairman of the Audit Committee, according to the Stock Exchange Act B.E. 2535.

3.9 Business ethics

Company has emphasized on the importance of the ethics in operating a business which is considered as a principle for the Management and staff in performing their duties to be appropriate for the internal and external environment. Also, the directors, the Management, and staff of Company can hold the ethics as a method to honestly perform duties to Company, the public and society in order to achieve Company's target. The business ethics of Company was disclosed on the website www.yuasathai.com

The guidance of business ethics will be informed to all of the employees for their acknowledgement and understanding. The guidance will be used as working principles. The violators shall be investigated and punished reasonably, such as discharge and legal prosecution. The guidance might not cover all cases. In the event of undefined ethic issues, the employees should ask their supervisors, Human Resource Manager, internal auditors or directors.

4. The recruitment and development of high-level management and people management

The recruitment and appointment of directors

To propose the appointment of a new director, the Nomination Committee shall be assigned by the Company to propose the appropriate person to the Board of Directors case by case. The procedure of appointing the director is described as follows:-

1. The Board shall take into consideration of a selected director based on experience, vision, capability and personal character and submit it for further approval of the shareholder meeting.
2. In any annual shareholder meeting, as according to Company's regulations, a one-third of directors must retire and, in the event, the retiring director is to be reelected, then, the approval of shareholder meeting is required. In nominating director for the meeting's appointment, Company shall have sufficient information of such person for the decision of shareholders.

As according to the regulations of Company, the shareholder meeting shall appoint the directors as according to the following methods.

1. Each shareholder shall have one vote for each share held.
2. Each shareholder shall give all the votes that he is entitled to exercise as specified in (1) to each candidate or several candidates at once, as a case may be. The number of votes cannot be split, equally or otherwise, for any particular candidate.

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3. The candidates shall be ranked in order descending from the highest number of vote received to the lowest and shall be appointed as directors in that order until the directors position required are filled. In case the candidates in descending are tied in which causes the number of directors to be exceeded, the chairman shall have a casting vote.

Further, the Company has set the sub-committee to audit, nominate and set the remuneration of the management. Currently, the Company has sub-committee as follows: -

- **Audit Committee**

The Audit Committee comprises of 3 independent directors who hold 1 or less than 1% of the Company's share. The members shall not be executives and must have knowledge, understanding and experience on accounting and/or finance. The Committee has duty to share burden of the Board of Directors in terms of control of corporate governance, especially on defining the visions and providing clear opinions on the financial reports and internal control. The members shall control the Company's compliance to the law, the rules and the relevant regulations as well as the complete disclosure of financial reports under the relevant standard and regulations. The reliable and quality financial reports add value to the organization.

The Audit Committee shall hold at least 1 meeting per quarter to govern and follow up to issues mentioned previously. The Company's external auditor shall attend all of the meetings relating to consideration on the financial reports.

The Company's Internal Audit is responsible for the activities of the Audit Committee, like preparation of the meetings meeting agendas, relevant documents, submission of the agendas to the Audit Committee, taking the minutes and keeping the meeting materials.

- **Remuneration Committee**

The Remuneration Committee consists of 4 members, appointed by the Board of Directors' Meeting. The Remuneration Committee has duty to control the fair and transparent operation of providing remuneration for the directors and the top management.

For consideration on the remuneration, the Remuneration Committee makes the decisions based on many factors, such as comparison with the similar companies in the same industry, the corporate operating results and the responsibilities.

- **Corporate Governance Committee**

Corporate Governance Committee comprises of 5 members was appointed by Board of Directors' Meeting. The Corporate Governance Committee has the duty to stipulate and advise to Directors, Management and employees of Company on how to perform their duties and fulfill their responsibilities in accordance with frameworks and criteria of corporate governance policy, Anti-Corruption policy and Code of Conduct to properly and constantly improve the performance of Directors, Management and employees of Company.

- **Nomination Committee**

The Board of Directors shall set the Nomination Committee when the nomination of new director is required. The Nomination Committee comprises of 3 members. They have the duty to set the criteria and policy of nominating the independent director by considering from the appropriateness of number, structure and composition of the Board, identifying the qualification of independent director to propose the Board of Directors and/or propose the Shareholders' Meeting for approval, depending on cases and nominating, selecting and proposing the appropriate person for holding the position of independent director whose term of tenure is completed and/or vacancy and/or additional appointment.

- **Other Sub-Committees**

The other sub-committees had not been established, apart from the Audit Committee, the Remuneration Committee, Corporate Governance Committee and Nomination Committee which will be appointed case by case.

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• Supervision of operations of subsidiary Company

The Company holds a 99.99 percent in Yuasa Sales and Distribution Co.,Ltd. (Subsidiary Company). So, the Company has delivered some of the directors as a director of a subsidiary. The company has established the regulations of subsidiary Company to have the rules of entering into the related transaction, acquisition or disposition of assets, or making any other important items of subsidiaries. Its rules comply with the criteria of Company relating with the disclosure and entering into the transaction. Further, the Company will supervise to have the keeping of information and the accounting record of subsidiary Company in order that it could be checked and collected to make the consolidated financial statements on schedule.

5. Nurture Innovation and Responsible Business

5.1 Nurture Innovation

Company has emphasized on the importance of the nurture innovation by cooperate with supplier for quality improvement and cost reduction of part and raw material continuously. Moreover, Company improved the claim system to be effectiveness and also established Customer Services Department for supporting and giving corrective recommendation to customer. These are increased communication between Company and customer to be more convenience.

5.2 Responsible Business

Company treats fairly to stakeholders, both internal and external stakeholders. Internal stakeholders are employees and management of Company and Subsidiary, and shareholders. External stakeholders are customers, suppliers, creditors, the community in which Company operates, society, the government and others. Company recognizes the support of stakeholder which creates the wealth to Company, thus, Company has the policies and practice as follows: -

5.2.1 Policy and practice toward employee

Company recognizes that employees are an extremely valuable asset and they make essential contributions to Company's achievement of its goals. As a result, it is Company policy to treat employees fairly in all respects including employment opportunity, remunerations, promotion and professional development. Company has established the followings;

1. To treat employees fairly and courteously while paying due respect to individuality and human dignity.
2. To provide fair remuneration for the employees. Bonus is also paid to the employees based on the operating results of each year. Provident fund is prepared for the employees, according to Provident Fund Act; the Company pays 3-4% of the employees' salaries into the fund and each employee pays 3-15% of his/her salary. In 2020, the Company and its Subsidiary paid THB 4.19 million to the fund.
3. To conduct appointments and rotations and provide rewards and disciplinary actions in good faith on the basis of competence, capability and suitability.
4. To listen to opinions and recommendations based on employees' professional competence.
5. To give priority to skill and knowledge development on a regular and equitable basis.
6. To promote the capability employee by fairness treatment.
7. To comply with all employee-related laws, rules and regulations.
8. To maintain a work environment that does not endanger employees' life or property.
9. To avoid any unfair action that may affect employees' job security or harass or psychologically threaten the employees.
10. To provide the welfare of transportation for convenience of employee and also to provide luncheon and allowance of pass away of parent spouse or child including loan of home repairing and education of child.

The Company gives a priority to the employees by providing the employees the opportunities to communicate, suggest and complain issues relating to their supervisors' operation. All of the data are considered in good faith to find solutions and countermeasures for benefits of all the parties. Moreover, the employees can report the issues to the Compliance Committee. The information of the whistleblowers is kept confidentially.

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5.2.2 Policy and practice toward shareholder

The shareholders are the business owners and Company has the duty to create long-term sustainable values for its shareholders. As a result, directors, executives and staff are required to commit to the following:

1. To perform their duties loyally and honestly; to make decisions with honesty, prudence, thoroughness and fairness for the maximum benefits to all shareholders equitably.
2. To report on Company's performance, financial and accounting information and other aspects of its business accurately on a regular basis.
3. To inform shareholders of both negative and positive aspects of Company on a realistic and timely basis supported with appropriate information and reasons.
4. To refrain from seeking benefit for oneself and others by using Company's information which is not in the public domain or acting in any way that may cause a conflict of interest with Company.

5.2.3 Policy and practice toward customer

Customer satisfaction is of great importance to Company's success. Company intends to respond to customer's demands effectively and efficiently and to continuously improve this response. Its policies and practice guidelines are as follows:

1. To treat and serve the customers fairly.
2. To give accurate, adequate and timely information about its products and services to customers without exaggeration that may lead to misunderstanding about the quality, quantity or condition of such products or services.
3. To provide the trading information to the customers, marketing staff must have complete, accurate and enough information for the decision of customers and must give the equality to every customer.
4. To deal with customers in a polite and efficient way and to gain their trust.
5. To safeguard customer confidentiality and to refrain from abusing it for personal interest or for the interest of other parties.
6. To set up a system and process where customers can place complaints regarding the quality, quantity or safety of Company's products and services; as well as the speed of response and delivery.

5.2.4 Policy and practice toward trading partners

Company has a policy to equitably and fairly treat its trading partners, taking into consideration Company's interest and on the basis mutual benefit. In addition, it intends to avoid circumstances that may lead to a conflict of interest. It makes efforts to comply with all contractual obligations, provide reliable information and accurate reports, confer or negotiate for solutions to problems on the basis of following guidelines:

1. Company shall operate in line with the conditions of agreement. If not, Company shall inform the trading partners in advance to solving the problem together.
2. Company shall not demand, receive or pay any improper benefits to its trading partners.
3. Should it become known that corrupt demand, fraudulent receipt or payment of any improper benefit occurs, full information will be disclosed to the trading partners involved and Company shall collaborate with the parties concerned to resolve the problem on a fair and timely basis.

For selection of the business partners, the Company's procurement manual states the criteria of the selection which covers competence of provision, expertise, experience, financial status, history relating to complaints and legal prosecution as well as risk from their provision of services. These criteria help in fairly treating the partners for the Company's highest benefits.

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5.2.5 Policy and practice toward creditors

Company has a policy to make a good relation with the creditors which is consistency with the condition for creating the confidence and trust as following guideline: -

1. Creditors should be treated by fairness and equitability in term of the receipt or payment of Company and creditors.
2. Company shall strictly comply with all the terms and conditions agreed upon in a transaction. In the event that any particular condition cannot be met, Company will inform the creditors concerned beforehand and seek a mutually acceptable solution.

5.2.6 Policy and practice toward competitor

Company sets a policy toward its business competitors in a way consistent with international practice and the legal framework for business competition. It will not spy on or fraudulently seek knowledge of its competitors' trade secrets. It sets the following guidelines for practices:

1. Company shall treat competitors within a fair competition framework.
2. Company shall not damage competitors' reputation by abusive accusation.
3. Company shall not fraudulently or inappropriately seek confidential information of its competitors such as dumping, stealing of the competitor's data etc.

5.2.7 Policy and practice toward social and economic

It is Company policy to conduct business that will benefit the economy and society while safeguarding customs and traditions of communities in countries where it operates in. It is also Company's policy to become a responsible corporate citizen, to comply with all relevant laws, rules and regulations and to contribute to uplifting quality of life either by itself or through close collaboration with the relevant authorities and the communities.

5.2.8 Policy and practice toward Environment

Company is concerned about the impact of environmental from the production process. Thus, Company shall improve and develop the system of environmental management as according to international standard. Further, we shall determine the objective, target, plan and assessment clearly including disclosure of information and to cooperate with employee, customer and government or private sector as well. Further, Company recognizes to use the natural which is the highest advantage to organization and social.

Quality and environmental policy of Company is "Company emphasizes to develop the quality of product and environment as the demand of organization and customer". The details are as follows: -

1. To develop the quality system of ISO9001 or relative and ISO14001 with customers or suppliers efficiently.
2. To develop in line with the regulation and law of environment.
3. To control and decrease the pollution of waste water, dust, acid vapor, lead and chemical to community continuously.

5.2.9 Anti-corruption

The Board of Directors has supervised to establish policy and practices of Anti-corruption. The policy set the whistleblowing process to be guideline for the investigation of complaints and whistleblower protection measure to ensure the transparency of business operations both of direct and indirect factors.

Additionally, in 2020, the Company continued to join the "Collective Action Coalition Against Corruption Project" from 2019. The Company had stipulated the draft of Collective Action Coalition Against Corruption policy including others related policy and handbooks. Moreover, the employees tried out the practice in order to be aware of the problems before the announcement of the policy.

The Company provides the stakeholders to complain, express opinions or give some suggestions to the Board of Directors for the Company's benefits and more value via email addresses of the related secretaries and departments or mailbox. Details are as follows: -

To contact the directors, through the Company Secretary, peerasak@yuasathai.com or 02-769-7405

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To contact the independent directors, through the Secretary to the Audit Committee, darawan@yuasathai.com or 02-769-7324;

Another contact; Policy and Planning Department, Yuasa Battery (Thailand) PLC. 164 Moo 5, Soi Thedsaban 55, Sukhumvit Road, Tambol Taibanmai, Amphur Muang Samutprakan, Samutprakan, 10280

The Policy and Planning Department will forward the issues to the Board of Directors or the Audit Committee. The information of the whistleblowers and the other details is kept confidentially.

Anyhow, there are no complaint regarding the corruption.

6. Internal control and appropriate risk management (Strengthen Effective Risk Management)

6.1 Internal Control

The Board of Directors assigned audit committee to assess internal control and propose opinion of adequate and appropriate of internal control to The Board of Directors every year. The Audit Committee shall initially consider the issue based on the experience, the competence, the quantity of work, the independence of the audit companies and the acceptance of the Securities Exchange Commission of Thailand. The auditing fees of several audit firms shall be compared as well. Then, the Audit Committee proposes the issue for the Board's consideration. The Board forwards it for the Shareholders' approval. The selected external auditor shall have no relationship or any transactions which might cause conflicts of interests with the Company, the directors and the executives.

The last Year, details of the audit fee and the other fees are listed as below: -

- **Audit fee**

In 2020, the Company and its Subsidiary paid the audit fee to KPMG Phumchai Audit Company Limited, the Company's auditor, at amount of 1.93 million baht. The amount was divided into 1.46 million baht for Yuasa Battery (Thailand) PLC. and 0.47 million baht for the Subsidiary respectively.

- **Non-audit fee**

The Company and its Subsidiary did not pay remuneration for any other services to the auditor or the audit company of the auditor. There was no any other incomplete service for the past accounting term.

6.2 Risk Management

The management established sub-working team and assigned internal audit department manager to gather and propose report to CEO.

6.3 Monitoring usage of inside information

6.3.1 Conflict of Interest: In prevention of conflict of interest, the board has carefully supervised when there might be a transaction that might have a conflict of interest, by setting a written policy and procedures for approval of said interrelated transaction. Furthermore, the policy and method preventing the management and any concerned person in using the inside information for their personal interest has been set as follows;

Transaction that might have a conflict of interest: The Board has learnt of those conflicts of interests and interrelated transactions and has carefully considered the appropriateness of the issues. This including the performance as set in the Stock Exchange of Thailand's rules of Arm Length Basis and also already disclosed in the annual report and Form 56-1 of all the details, the value of transactions, the parties involved, the reasons/necessity. (Please see the details in part of related transaction)

6.3.2 Policy on the internal information: Company has a policy and method to ensure that Company's internal information shall not be used by the management for his personal interest or for sale acquisition of securities, particularly during the period of 1 month prior to the disclosure to public of any balance sheet at the time. Company securities are listed in stock market.

The management shall make a report of securities holding of him/herself, spouse, minor child as according to the regulations of SEC and Stock Exchange of Thailand and shall also make a prompt report to Company for its record on the same day the said report is submitted to the authorities concerned;

- Report of the first securities holding (Form 59-1) within 30 days after the closed date of public offering or the date of appointment in a managerial position.

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- Report of change of securities holding (Form 59-2), within 3 days after each sales, acquisition, transfer, or be transferred of securities.

Company has circulated the notice to all management that he/she is acquired to stop sales/acquisition of Company's securities prior to company announcement of its operation (financial statement), or any materialized information, which may give effect to the change of securities' price. Especially on the financial statement, a 45 days and 60 days are required after end of each quarter and end of each year.

The Company will use the maximum penalties if it is found that Executives use any inside information or behave in a manner to make a spoil of reputation and damage to Company.

7. Ensure disclosure and Financial Integrity

7.1 Financial integrity:

7.1.1 The Board of Directors recognizes to maintain the financial integrity and disclosure of information. The top management of finance and accounting department, accountant and company secretary shall be responsible for disclosing information. And before the approval of the disclosure of information, especially financial reports must include the following information: -

- The assessment result of internal control system.
- The opinion of external auditor for financial statement and comments of external auditor about internal control system.
- The opinion of Audit Committee.
- The compliance with the objectives, goals, strategies and policies of the Company.

7.1.2 Audit Committee shall monitor, supervise and evaluate the financial position of the Company and report to the Board of Directors about the financial status and ability to pay the debts on quarterly basis. In case of approval of any transactions, the Board of Directors shall consider such issue without affecting the financial liquidity or the ability to repay the debt of the Company.

7.1.3 The Board of Directors has assigned the financial and accounting department to prepare the financial problem-solving plan with regard to the rights of stakeholders if it starts to show signs of financial liquidity problems and debt repayment ability. The Board of Directors and the management shall find the ways to solve the problem reasonably and quickly.

7.1.4 The Board of Directors shall monitor the management to regularly report the financial status and supervise the management to conduct the business with precaution and comply with the requirements of information disclosure.

7.2 Disclosure and Transparency

Company has the policy to disclose the data and information which relate with business and operation, both financial and non-financial statement, correctly, accurately, on a timely and regularly basis and transparently, to stakeholders or investors.

In addition, Company also discloses any information in our website in English and Thai language at www.yuasathai.com In our website, it shall be divided by categories for convenience of those concerned such as director resume, Company's structure, annual report, regulation, battery type and size including the dealers, knowledge of product and quarter or yearly financial statement.

7.2.1 Disclosure of related transaction (Please see the related transaction's item)

The Company is aware of the benefits and the fairness for all the shareholders. For prevention against conflicts of interest and transparent and traceable operation, the Company defined a clear policy on disclosure of related transactions to build confidence of the shareholders, the investors and the stakeholders. The Company conducts the operation under the criteria, conditions and methods of the announcement of the Securities and Exchange Commission of Thailand B.E. 2546 about disclosure and compliance of the listed firms on related transactions.

For the transactions, the sizes are considered and proposed to the Audit Committee. The Committee then reviews and proposes for approval of the Board of Directors. In addition, the related transactions and the financial statements are repowered to the Audit Committee and the Board of Directors every quarter. The Committee and the Board considers the transactions based on the reasons, the Company's benefit and the

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prices or returns, pursuant to the criteria of the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand. Therefore, the Company is confident that these transactions were made under the fair criteria.

Besides, the Company disclosed the number of the companies, both listed and non-listed, which the Company's directors worked for in the resume of the directors; 5 companies at maximum.

7.2.2 Disclosure of Company's share of director and management

Director, management and auditor including their spouse has to make the report of Company's share as stipulated the order of Securities Exchange Commission no.Sor.Jor14/2540 subject the report and disclosure the share.

7.3 Relation with the investor

The Board of Directors emphasizes on the disclosure of important information that affects to the share price of the Company. The management has disclosed such information accurately, completely and reliably. In case of Investor relation, the Company has also set the policy and planning department which has a duty to disclose any information through the channel of Stock Exchange of Thailand. And GM (Financial and Accounting Division) and Chief Operating Officer are assigned to do such duties. The investors can contact to receive the information during office hours by calling to 02-769-7300

7.4 Using the technology to disclose the information

Company has disclosed the Thai and English information through channel of Stock Exchange of Thailand and website of the Company. The Board of Director has assigned the policy and planning department to regularly disclose the information and update the information.

7.5 Sustainability Report

Company has been preparing the Sustainability Report in order to gather responsibility guides, organizational directions, organization core information, directions and scopes in term of economy, environment and security aspects.

8. Ensure Engagement and Communication with Shareholder

8.1 the right of shareholders

Company recognizes the right of shareholders and to have the policy to encourage the basic shareholder right for instance, buy, sell, or transfer shares, share in the profit of Company, participate and vote in the shareholder meeting, exercise the rights to give opinion or suggestions, exercise the rights to elect or remove members of the Board and make decision on any transactions that affect Company.

In addition, Company has provided the convenience for shareholders to exercise their right as below: -

1. The shareholders were given an opportunity to propose agendas of the Shareholders Meeting and names of candidates for directors in advance during September 30rd, 2020 to December 31st, 2020. The information was disclosed to the shareholders via the news system of the Stock Exchange of Thailand. The criteria and process are clearly announced on the website of the Company, www.yuasathai.com, in the section of "Investment".
2. Participate in the Annual General Shareholders Meeting and Extraordinary General Shareholders Meeting in the event of having special agenda to consider.
3. Disclosing the invitation letter, agenda items and concerned data of shareholder meeting in Company's website about 1 month prior to sending the documents, including notifying the right of shareholder meeting for entering and voting of shareholders.
4. Remunerations for the Board of Directors, the Audit Committee and the Remuneration Committee are proposed for approval of the shareholders every year.
5. Company gives the shareholder's right in advance prior to meeting date to propose their opinion, comment and questions related to Company's operation by E-mail: peerasak@yuasathai.com, sasiwimon@yuasathai.com of policy and planning department which is supervised by company secretary.
6. In the shareholder meeting, Company gives the shareholder's right to make the proxy to attend and vote on behalf of shareholders by the independent director who is appointed by Company or grant authority to the other person to attend the meeting.

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7. In the meeting, Company will allocate appropriate time for discussion and encourage shareholders to express their opinions and inquire questions relating to Company's operation prior to the resolution of said agenda.
8. Company will provide a specialist to answer questions in case of inquiry by the shareholders.
9. Company facilitates the shareholders, including the institutional investors (if any), for their attendance at the shareholders meeting. Company selects the venue which is sufficiently accessed by public transportation for the shareholders' convenience.

8.2 Communication and Equitable Treatment with Shareholders

The Company provides the stakeholders to complain, express opinions or give some suggestions to the Board of Directors for the Company's benefits and more value via email addresses of the related secretaries and departments or mailbox. Details are as follows: -

To contact the directors, through the Company Secretary, peerasak@yuasathai.com, or 02-769-7405;

To contact the independent directors, through the Secretary to the Audit Committee, darawan@yuasathai.com or 02-769-7324;

Another contact; Policy and Planning Department, Yuasa Battery (Thailand) PLC. 164 Moo 5, Soi Thedsaban 55, Sukhumvit Road, Tambol Taibanmai, Amphur Muang Samutprakan, Samutprakan, 10280

The Policy and Planning Department will forward the issues to the Board of Directors or Independent Director Committee. The information of the whistleblowers and the other details is kept confidentially.

The Company had the policy to commit to shareholders with fair and equitable treatment which is consistency with rule, law and preventive measurement of inside information use for abusive self-dealing. The details are summarized as follows: -

1. Each shareholder shall have his votes at equal to total number of shares held, as one share shall be counted one vote.
2. Shareholder has an alternative to propose the agenda items or the appointment of independent director to Company prior to the meeting date via Company's website www.yuasathai.com. The shareholder shall have the share not less than 5% of total number of shares and has held said shares continuously not less than 12 months, from the day starting holding shares to the day proposing the agenda items.
3. The Board determines the countermeasure to protect the inside information such as insider trading etc. Company will have the announcement to prohibit the director who just retired within 6 months, and the management to buy or sell Company's share within one month prior to financial statement's disclosure date and three days after the disclosure. Further, the directors and management must report their share within 3 days after buying or selling the share to SEC and send the said report to Company.
4. Company shall deliver any documents to shareholders appropriately such as sending invitation letter, annual report and proxy form etc. to shareholders 7 days prior to meeting date. Each agenda items shall have the opinion of directors and in shareholder meeting, Company shall record the minutes by corrective, completeness for shareholders' checking.
5. After completion of the annual shareholders meeting, Company shall make minutes of the report within 14 days and submit it to SET, also disclose the said report for shareholders on Company's website.

8.3 Shareholders Meeting

Company shall arrange the Annual General Meeting of shareholder in accordance with the rules and regulation of law or Stock Exchange of Thailand. Company shall send invitation letter, together with attached documentation to all shareholders 7 days prior to the date of meeting. Further, the Company also disclosed the invitation and attachment both Thai and English version in company's website for 30 days in advance to allow the shareholders to study the information before the meeting date. Each agenda to be discussed or considered in the meeting was also attached with the comment of board of directors. The minutes of the meeting shall be recorded completely and accurately for the shareholders' review.

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The Annual General Shareholders' Meeting 2020 was held via E-AGM due to the COVID-19 pandemic situation. 11 out of 12 directors attended the meeting. The Chairman fairly provided the shareholders opportunities to express their opinions, to ask the meetings on various issues relating to the Company's operation and to give some suggestions. In this meeting, there were no questions from the shareholders. However, if there were any questions from the shareholders, the questions shall be recorded in the minutes along with the name-surname of the questioner and the respondent.

10. Corporate Social Responsibility

1. Overview Policy and Operation of the Company

Yuasa Battery (Thailand) Public Company Limited (the Company) and its Subsidiary has business policy about Corporate Social Responsibility (CSR), the awareness and importance of supporting activities for social and the surrounding community including the concern of environment care continuously based on the principles of transparency, accountability, ethical business practices, rule of law, responsibility to the consumers, respect for human rights and interests of stakeholders, shareholders, employees, customers, suppliers, community, environment surrounding the Company, government agencies throughout the nation and society.

The Company has set the CSR working team which derived from the representative from any department of factory and office employees in order that CSR shall be operated practically and clearly.

The Company is committed to develop the automotive battery business with social responsibility and comply with legal or other requirements including relevant international practice in order to develop a foundation of accountability continuously and sustainability. The corporate social responsibility's policy is the following details: -

1.1 Corporate governance: The Company is committed to build the confidence to investors and stakeholders to the battery business for vehicle with the business philosophy of business ethics and the practice principles of transparency and reliability.

The Company has made the Code of Business Ethics to communicate to employees for enhancing their understanding, thus, could be implemented. Furthermore, the Company has made the action plan every year in order to communicate to all department for understanding the joint operation and target.

Moreover, the Company focuses on the anti-corruption by stipulating the anti-corruption policy in form of activities in order to protect all types of corruption and in order that the decision and the business operation which might be risky of the corruption are considered and performed carefully namely 1) the employees are prohibited to perform or accept or promote any types of corruption 2) To promote the example of the guidelines for the anti-corruption to achieve the policy 3) To supervise the management to be in line with the stipulated guidelines and to communicate with the stakeholders 4) To consistently promote and educate to build the awareness of the anti-corruption policy 5) To improve the anti-corruption measures to be in line with the related laws and morality. 6) To not perform any activities which supports all types of bribery including to control the donation to be transparent. 7) To promote the various channels of communication for the suspicious trace report, and to monitor every traces. Moreover, the Company has stipulated the regulation of the receipt of assets or other benefits. Such regulation is stipulated that the employees are prohibited to receive any assets and other benefits from any individuals or any companies in contact with the Company such as business partners, or conspire with their family member to receive such assets or benefits instead except for the traditional receipt of gift and reward in normal occasion and the value must not be abnormally high. Also, in case the business partners are found that they take part in any corruption action, the Company reserves the right to restrain the business operation with such company immediately.

1.2 Respect for human rights: The Company focuses on basic human rights to promote and respect for the rights and freedom with non-discrimination, promote equality, not being the sexist and racist, no child labor. The important examples of such matters which the Company has implemented are as follows: -

- Manage work environment and working system of office and factory efficiently to ensure the employees' safety of life.
- Provide the accident insurance and the provident fund for employees.
- Not restricting races, colors, genders, religions and nationalities in employment considerations and following laws relating to employment of people with disabilities.

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- Set the working regulation to not allow to recruit the probation employees and employees who aged lower than 18 years etc.
- Recruit more people with disabilities in line with the laws.

1.3 Fair treatment of the employees: The Company will ensure that the wages shall be at an appropriate level for the Company and in accordance with the level of employment in the industrial sector. Improving the structural changes and organizing the Company will be implemented under the framework of law by Thailand, including legal compliance.

The Company established a welfare committee to keep employees engaged in the administration of welfare as a mediator to assist in the welfare of employees and maintain employees' quality of work life which can perform effectively and happily, Further, provident fund was established to ensure the employees.

The Company with a focus on the safety and health of work established of the Committee of Safety, Health and Environment in the factory to operate with safety and good health to employees by providing a safety inspection of a workplace regularly, such as installation of fire alarm building, fire extinguisher and emergency doors as well as provision of training courses on basic firefighting and fire evacuation every year. Moreover, at the factory, we would emphasize on regulations related to occupational health and safety strictly, create a good working environment that is safe for employees, contractors and visitors. The control measures have been done for everyone to save from accidents and hazards that may occur.

1.4 Protection of the environment: The Company has a clear environmental policy. It is considered as the guidelines strictly in line with laws and environmental standards. Company shall provide a system to eliminate environmental problem efficiently including the monitoring and checking of environment from operations to improve. The efficient usage of natural resources shall be promoted. And activities to reduce energy use and waste disposal shall be promoted with appropriate management based on 3R principles, reuse, reduce and recycle. The example of environmental management are the construction of the waste water treatment system of the Company to remove lead contaminated with waste water before waste water shall be flown out from the factory, and making a dust collector system from production process with the use of technology of wet scrubber etc. Moreover, the Company is also aware of the participation in air pollution and global-warming reduction by encouraging to use renewable energy and clean energy including to install the solar cell for the lighting system, and to reduce the fuel for the air pollution reduction by changing to use the electrical system instead of fuel system in all forklifts. Also, the Company is consistently engrossed in environment maintenance.

1.5 Business conduct with fairness: The Company is committed to conduct business in a fair and ethical manner, to comply with the law, to respect for the rules of society and being the organizations that are politically neutral. The important examples of such matters which the Company has implemented are as follows: -

- Strictly comply with the laws and regulations relating to work.
- Appoint and relocate employees with the honest and with the basis of the knowledge, the ability and the appropriateness of employees.
- Encourage employees to improve the skills and knowledges consistently etc.

1.6 Relationship with the customers and the suppliers: The Company focuses on the quality with security to make customer satisfaction, is sincere to handle customer complaints, as well as tries to improve the defects that might occur from the production and/or services. And the Company is expected to receive the same services and products from the suppliers. The Company focuses on to maintain the sustainable relationships with customers and suppliers.

10. Corporate Social Responsibility

1.7 Participation in development of the community: The Company supports and encourages employees to join with the project for the community, donation project, education project and project of volunteer work as the individual or a group to support the community.

2. Major Activities for Social and Environmental Responsibilities in 2020

2.1 Corporate governance

The Company is in the progress of preparing the policies, handbooks and other guidelines to apply for the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC), and also has started the trial to be aware of the problems that might occur. The Company expects to apply for the CAC project in 2021. Furthermore, the Company has applied and passed the assessment criteria from Corporate Social Responsibility: Department of Industrial Works (CSR-DIW). The CSR-DIW project has the objectives to support the operation with the Social Responsibility and sustainable improvement.

2.2 Safety and hygiene in the workplace

In 2020, COVID-19 pandemic started spreading in Thailand, and it severely spread out worldwide. Moreover, the number of the infected persons and the deceased are high. The Company is aware of the importance to prevent such spread of COVID-19 pandemic. The management has held the regular meeting to monitor the situation in order to find the measure to prevent such spread in the Company for the safety of the employees and their family including the neighboring areas. The Company has provided various activities to prevent the spread of COVID-19 pandemic by following the measures of the prevention and the control of COVID-19 pandemic from Department of Control Disease Control, Ministry of Public Health such as the providing of the body temperature check equipment, the wearing of the face mask before entering the Company, the providing of the hand gel sanitizers, the disinfectant to clean the working areas, the providing of lunch boxes for the employees for social distances, and "Work from Home" policy for the employees who have contacted with the risk persons or come from the risk areas or have a fever or any symptoms close to the symptoms of COVID-19 to stay at home to be monitored and the Company is responsible for the expense of COVID-19 test for the high-risk persons before coming back to work for the safety of the employees and the public.

The Company provided surrounding and hygiene in the workplace for safety in life and property. The Occupational Health, Safety and Environment Committee was established to take charge of auditing and improving the safety of the factory. The committee conducted meetings regularly every month. Besides, the Company supported the projects which promoted and stimulated the employees' concern on health and safety to reduce accidents at work. The Company teamed up with Toyota Motor Asia Pacific Engineering and Manufacturing Co., Ltd., a business partner, to run the Completely Check Completely Find-out Activities (CCCF). and the safety activity on usage of the machines in the factory or TCC-Safety Activity (Toyota Corporation Club) once a year. The Company was ranked with A level or excellent in the previous year. Also, the Company held the TCC-QA Improvement Activity to improve the quality. Furthermore, the Company continuously provided training courses to support safety, such as training on forklift driving, crane, firefighting, chemicals, lead poisoning and guidance to reduce risk from touching lead contamination. In 2020, the Company had 2 accident cases away which were the small accident without absence, and there was no case of death.

10. Corporate Social Responsibility

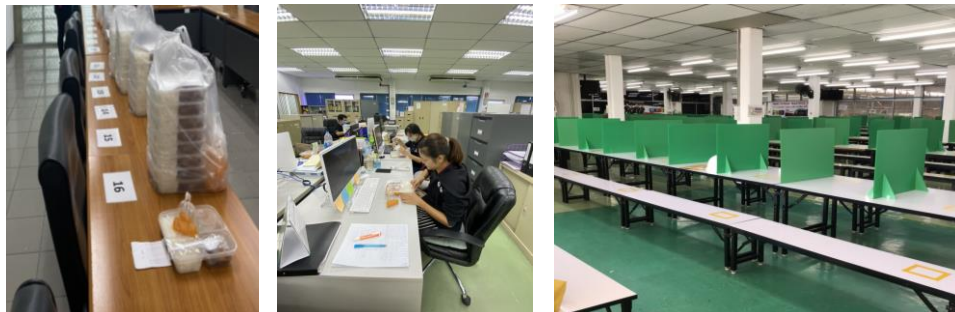
Body temperature check and face mask wearing before entering the Company



The providing of the hand gel sanitizers for hands washing, and disinfectant for cleaning of working areas and social distance



The providing of lunch boxes and the seat management in cafeteria for social distance



2.3 Employees management

The human resource is the significant resource, therefore the Company has always placed importance and focused to improve the skills and the abilities of the employees by providing the yearly training. However, there was the spread of COVID-19 pandemic which caused the plans to be partially canceled in line with the announcement of the COVID-19 pandemic prevention. Therefore, the Company focused on the activities to increase the safety and prevention of such pandemic to employees including the improvement of the working areas in the working place to be clean, safe for life and assets of employees such as to improve the pathway and the road surface, the installation of traffic light, the rumble strips, and the making of the crosswalk for the safety in front of factory areas etc.

10. Corporate Social Responsibility

To install the traffic light, rumble strips, and the crosswalk for the safety in front of the factory areas



2.4 The participation in communities and societies improvement

In 2020, the Company has participated with the communities and society such as to join the activities with the communities in various events, and to support many organization especially to join the activities with the local organization to prevent the COVID-19 pandemic by donating face masks and hand gel sanitizers to medical personnel when such equipment were deficient as well as to participate with the communities to clean the neighboring areas every month including to regularly inform the measures to the communities and assure the confidence in the business operation for employees to live with the communities.

The activity to offer the lent candle, lamp, and the four necessities on the Buddhist lent day at Sothon Nimit temple



The activity to give the fans to Child Development Center to Bangping in Samutprakarn province



The activity to provide food, donate necessary items to the disabilities.



10. Corporate Social Responsibility

The activity to donate the face mask and alcohol gel sanitizers to Samutprakarn Hospital



The activity to regularly participate with the communities to clean the neighboring areas for the COVID-19 prevention



2.5 Environmental care and protection

The Company recognizes that the battery business operation of the Company might have the activities or processes that have an impact on the environment and the communities where Company operates. We believe that this is the responsibility of the Company to deal with these effects and find out the solutions effectively as possible. The Company commits to develop the role of the environment and to find out the best practices in developing the sustainable organizations by managing the environmental risks within the factory and reducing the energy consumption for preventing the environment, and promoting and encouraging the environmental awareness in the organization. In 2020, the Company has performed in many aspects such as:

1. Making the new gutter inside the factory which has been continued from the year 2019 to prevent the waste water from using and producing flowing outside the factory which impacted the people nearby the factory and also to prevent the flood inside the factory in the rainy season.
2. Reduction of paper and printing ink use. The Company has been determined to reduce the purchasing order of paper and support the employees to use the recycled paper, to communicate by e-mail and to scan the document and keep it in the form of electronics. In addition, the Company tried to seek out the way to reduce the usage of printer installed at each department and printing ink which impacted on employees' health by providing the center printer.
3. Termination the use of fuel system in the forklift in the Company in order to use the electrical system instead.



10. Corporate Social Responsibility

The activity to participate in environment management and the public cleaning of neighboring areas



The activity of the mangrove forest planting at Bangpu Recreation Center



2.6 The relationship with clients

The Company has improved the quality and services regularly. In the year 2020, the Company has improved QR CODE in order to monitor the battery quality assurance, and the clients could check the claim result correctly and accurately, to reduce the arguments regarding the claim issues between clients and Company, to make the higher standard of the battery products and services which result to the higher trust towards the products.

To improve the QR CODE system for the battery quality assurance monitor



11. Internal Control and Risk Management

The opinion of the Board of Directors and Audit Committee

The Board of Directors agreed that internal control system is a tool to decrease risks and damages which might occur in working process and the system could make clear working process. Therefore, the Board of Directors assigned Audit Committee to audit the internal control of the Company. In which, Audit Committee has closely reviewed the internal control system, by managing the meeting at least once a month to follow up Company's internal control system. Once we receive the report from Financial and Accounting Department and audit report from Internal Audit Department, Audit Committee will consider the information whether there are the facts which might cause damage towards the Company. In the event that some damage might occur, the concerned parties will be summoned to the Board of Directors for giving additional information and countermeasures.

For internal control system of the Company in 2020, Audit Committee had the opinion that our internal control system is sufficient to make any working systems efficient and effective, to make the financial information and report reliable, to have sufficient disclosure as financial standard stated and to follow the related laws and regulations of the Securities and Exchange Commission and Stock Exchange of Thailand. In Board of Directors' meeting 1/2021 on 16th February, 2021, Board of Director and Audit Committee considered and evaluated the efficiency of internal control system of the Company and Subsidiary which both Board of Directors and Audit Committee mutually agreed.

However, the Audit Committee had additional advices for more efficient and effective internal control within the Company as following:

1. The COVID-19 pandemic situation from the year 2020 still continued to the year 2021 which highly affected the economic situation. However, the management still operated the satisfying performance in the year 2020 under the abnormal situation. Nevertheless, from the prolonged COVID-19 pandemic situation, Audit Committee was still concerned regarding the debt-paying ability of the customers. Therefore, to prevent the damages that might happen, Audit Committee suggested and supported the management to be more careful for the credit limit approval of customers. For this issue, the credit regulation was the tool which would be used as a guideline to prevent the default risk from the customers. Consequently, Audit Committee suggested the management to review the credit control guideline to be suitable with this abnormal situation.

2. Despite the fact that in the year 2020, the COVID-19 pandemic situation affected the business operation, however, to comply with laws relevant to the business operation was still important issue. In the year 2019, Audit Committee suggested the management to make the Checklist related with director liability in order that other departments could use it as the operation guideline. In the year 2020, there were some progresses of the Checklist. The legal department could use this checklist to monitor the operation of other departments. Moreover, to comply with the Director's liability law, Audit Committee agreed that the Checklist which was set to be the operation guideline for the legal department and other departments, should have the working procedure to support the operation in order to comply with the laws relevant to the responsibilities of each departments, and to prevent the illegal operation.

Risk Management

For the risk management in 2020, the company has concerned about the operational risk, so the departments who have been responsible for the important system of the company are assigned to evaluate the risk every month. The evaluation report would be collected and reported to the Management Committee's meeting every month by Internal Audit Department assigned by Chief Executive Officer.

AC was recognized that risk management is the important factor running the business. So, AC was interested in the risk of the company and monitor the risk management in bird eye view through internal

11. Internal Control and Risk Management

control system and the performance report of management. However, AC has the opinion that if the Company set risk Management Committee, the role, duty and the operation of this committee would cover all aspects of the risk in details, therefore the risk management would be done more efficiently.

Head of internal audit Department of the company.

The Internal Audit Department is under the supervision of Audit Committee. It takes charge of auditing the operating process of each department for evaluating the internal control system and giving suggestions. The auditing results were reported to Audit Committee and Chief Executive Officer.

For the annual auditing plan, the Internal Audit Department used the auditing principle based on the risk management approach. The COSO principles were used to evaluate the departments. The annual auditing plan was approved by Audit Committee.

The Company appointed Miss Darawan Suksawad as the Head of the Audit from April 3rd, 2006. She was appointed due to her experience in internal audit for more than 10 years. Also, she attended the training courses relating to internal auditing works such as preparation to become an international-licensed internal auditor, internal audit for internal auditors (COSO), internal audit under the risk basis and self-assessment for risk management. Audit Committee had an opinion that she was appropriate to perform such duties.

By the way, the consideration and approval of appointment, termination and relocation of the Head of the Audit must be made by Audit Committee.

12. Related Transaction

The significant transactions made between the Company and the related persons.

1. Company and GS Yuasa International limited, Japan ("GYIN")

- Relation: GYIN is the Company's major shareholder, holding 40.69% share in Yuasa.

Type of Transaction	Amount (Million Baht)		Price , Fee and Others	Remark
	2019	2020		
- Agreement on borrowing the brand name "Yuasa" Company paid royalty in return for the borrowing. - Company's service expense - Company's accrued expense	34.92 0.44 34.92	31.56 0.33 31.56	The fee is reasonable, fair and in line with the agreement.	GYIN assisted in provision of training, shared production technology and allowed Company to use its trademark. Company paid the royalty in return to GYIN yearly. Training was provided for 60 days per year if exceeded, JPY40,000 was charged per day.
- Company bought batteries, materials, machines and spare parts. - Company sold batteries to GYIN. - Company's accrued expense - Company's accrued income	180.34 2.69 37.18 1.15	189.69 2.72 31.59 0.50	The trading prices were the market's rate.	The transactions were normal; no any trading agreement. A purchase order was made for each purchase. The price was not higher than offered to other customers.

2. Other transactions between Company and its related companies

Company	Type of Transaction	Amount (Million Baht)		Price, Fee and Others	Remark
		2019	2020		
- Yuasa Battery (Malaysia)	- Company sold batteries - Company's accrued income	132.35 21.55	107.00 21.91	The trading prices were the market's rate.	The transactions were normal; no any trading agreement.
- Taiwan Yuasa Battery	- Company's income from brokerage - Company's accrued income	0.85 0.16	0.62 0.28	The trading prices were the market's rate.	The transactions were normal; no any trading agreement.
- Siam GS Sales Co.,Ltd.	- Company sold batteries - Company purchased batteries - Company purchased materials - Company's accrued expense	1.31 0.13 - -	2.81 - 0.03 0.03	The trading prices were the market's rate.	The transactions were normal; no any trading agreement.
- Siam Battery Shunde Co.,Ltd.	- Company sold batteries - Company's accrued income	8.62 0.60	14.73 1.31	The trading prices were the market's rate.	The transactions were normal; no any trading agreement.
- GS battery Taiwan	- Company sold batteries	-	-	The trading prices were the market's rate.	The transactions were normal; no any trading agreement.
- Tianjin Yuasa Batteries Co.,Ltd.	- Company's purchased machine	1.48	-	The trading prices were the market's rate.	The transactions were normal; no any trading agreement.
- Yuasa Battery, Inc. (United States)	- Company sold batteries - Company's accrued income	0.12 -	0.50 0.11	The trading prices were the market's rate.	The transactions were normal; no any trading agreement.
- Tata AutoComp GY Batteries Private Ltd.	- Company sold batteries - Company's accrued income	0.12 0.01	7.09 -	The trading prices were the market's rate.	The transactions were normal; no any trading agreement.

13. Summary of Financial Data

The Company's Operation (Unit: Million Baht)

	Y2016	Y2017	Y2018	Y2019	Y2020
Income from sale	2,082.43	2,327.31	2,396.85	2,253.06	2,070.14
Cost of sales	1,628.54	1,835.57	1,858.09	1,686.52	1,492.57
Gross profit	453.89	491.74	538.76	566.54	577.57
Other incomes	4.52	17.95	11.98	8.29	5.40
Selling and administrative expenses	315.02	370.88	391.49	398.96	385.62
Profit before Finance cost and income tax	143.40	138.80	159.25	175.87	197.32
Interest expenses	2.47	0.47	0.70	0.38	0.80
Income tax expense	(27.20)	(26.88)	(30.35)	(36.57)	(38.35)
Net profit	113.73	111.46	128.20	138.92	158.18
Total assets	1,065.52	1,163.30	1,226.02	1,250.50	1,412.24
Total liabilities	585.26	592.03	552.38	478.95	526.02
Total shareholders' equity	480.26	571.27	673.64	771.54	886.22

Basic Data Per Share (Unit: Baht per share)

	Y2016	Y2017	Y2018	Y2019	Y2020
Basic earnings per share	1.06	1.04	1.19	1.29	1.47
Weight average number of shares (Thousand shares)	107,625	107,625	107,625	107,625	107,625
Ordinary share as of the end of period (Thousand shares)	107,625	107,625	107,625	107,625	107,625
Book value per share	4.46	5.31	6.26	7.17	8.23
Par Value	1.00	1.00	1.00	1.00	1.00
Marketing Price	28.25	19.80	9.80	13.30	14.80
Dividend per share	0.19	0.24	0.30	0.35	-

Financial Ratio

	Y2016	Y2017	Y2018	Y2019	Y2020
Net profit margin (%)	5.45	4.75	5.32	6.14	7.62
Return on total assets (%)	11.60	10.00	10.73	11.22	11.88
Return on equity (%)	26.59	21.20	20.60	19.23	19.08
Dividend payout ratio on profit for the year (%)	17.98	23.17	25.18	27.11	-
Return on revenue from sales (%)	5.46	4.79	5.35	6.17	7.64
Debt to equity ratio (Times)	1.22	1.04	0.82	0.62	0.59
Price earnings ratio (Times)	26.65	19.04	8.24	10.31	10.07
Average debt collection period (Days)	42	44	47	51	56
Average debt payment period (Days)	69	74	71	63	60

14. Management Discussion and Analysis

Financial Position

Total Assets

The Company and its subsidiary had the total assets of 1,412.24 million baht as of December 31st, 2020, increased by 161.75 million baht or 12.93 percent from 2019 as the following reasons; 1) the increase of cash and cash equivalents by 117.45 million baht from receiving money of debt instruments held to maturity and profit from operating 2) the increase of trade receivables and other current receivables by 35.34 million baht from sale in replacement market 3) the increase of right of use assets by 6.83 million baht 4) the increase of deferred tax assets by 3.51 million baht, and 5) the increase of intangible assets and other non-current assets by 1.15 million baht and by 0.17 million baht respectively, on the contrary of 1) the decrease of debt instruments held to maturity by 49.77 million baht due to receiving money 2) the decrease of inventories by 1.10 million baht from the decrease of raw material and work in process due to the controls the number of inventories at an appropriate level 3) the decrease of property, plant and equipment and investment property by 1.60 million baht.

Total Liabilities

The Company had the total liabilities of 526.02 million baht as of December 31st 2020, increased by 47.07 million baht or 9.83 percent from the previous year as the following reasons; 1) the increase of trade payables by 7.09 million baht 2) the increase of other current payables by 21.37 million baht from accrued expense of operation, 3) the increase of finance lease liabilities by 2.60 million baht 4) the increase of income tax payables by 6.35 million baht 5) the increase of non-current liabilities by 0.17 million baht, and 6) the increase of provision for employee benefits by 9.48 million baht due to the adjustment of the discount rate as used in estimation of employee benefit provision.

Shareholders' Equity

As of December 31st, 2020, the Company had the Shareholders' Equity of 886.22 million baht, increased by 114.68 million baht or 14.86 percent compared with the previous year resulting from the net profit of Company in 2020 and dividend payment to the shareholders in 2020.

Cash Flow

At the end of the accounting period for 2020, the Company had the net cash flow from operation activities at the amount of 205 million baht, increased by 8.37 million baht compared with the previous year. The reasons came from 1) the increase of the operating profit for 2020 at the amount of 158.18 million baht increased from 2019 with the Company had the net profit of at 138.92 million baht 2) the increase of trade payables by 7.05 million baht 3) the increase of other current payables by 20.27 million baht from accrued expense of operation 4) the increase of trade receivables and other receivables by 35.68 million baht mainly came from domestic sales increase in replacement market and 5) employee benefit provision by 7.47 million baht from estimation of employee benefit provision and payment of the compensation and retirement fund to the employees.

For cash acquisition from investment activities at the amount of 3.42 million baht, it was derived from 1) the receipt of the money of debt instrument held to maturity amount of 49.41 million baht. 2) the receipt of the money from sale of assets at amount of 0.45 million baht, and 3) the receipt of the money from interest income from deposit accounts by 0.99 million baht, whereas there was a spending for investment of the fixed assets and intangible assets at amount of 47.43 million baht. From the aforementioned reasons, cash from investment activities decreased by 104.67 million baht, when compared with 2019

For cash spending from financing activities at the amount of 41.18 million baht, the Company, made the dividend payment to the shareholders at amount of 37.67 million baht and made the payment of the finance lease liabilities at amount of 3.51 million baht. Therefore, cash from financial activities increased at amount of 6.50 million baht, when compared with 2019.

14. Management Discussion and Analysis

Business Results

In 2020, the Company and its subsidiary had the total income of 2,070.14 million baht, decreased by 182.92 million baht or 8.12 percent from 2019 resulting from the sales decrease in export market and original equipment market, whereas the increasing sales in domestic sale in replacement market. The Company had other income at the amount of 5.40 million baht decreased from previous year by 2.88 million baht, came from 1) the decreasing of gain from foreign exchange rate due to the fluctuation of foreign currency, and 2) the decreasing of tax coupon income from export market due to sales dropped and interest income.

For the cost of goods sold; the Company had the cost of goods sold at the amount of 1,492.57 million baht or 72.10 percent of total sales. The cost of goods sold decreased from the previous year by 2.75 percent due to the decreasing price of raw materials, cost of imported goods and controlling cost of factory.

For the pure lead price which was the main raw material of battery production in 2020, it could be summarized as follows: -

For the price of pure lead from London Metal Exchange (LME), it has been fluctuating every year. In 2020, the average price of lead was at USD 1,824/ton, decreasing from average price of previous year by USD 173/ton or 8.68 percent. If considered from the average price monthly, the lead price in 2020 fluctuated throughout the year and peaked at USD 2,019/ton in December 2020 and became the lowest at USD 1,618/ton in May. Starting from January, the price slightly increased when compared to December 2019 and started to decrease in February through May and started increasing again in June through August, and in September, the price started decreasing again through October and started increasing again in November through December 2020 at USD 2,019/ton.

In 2020, the pure lead price fluctuated from USD 1,925/ton in January to the highest level of USD 2,019/ton in December.

For the total selling and administrative expenses in 2020, it was at amount of 385.65 million baht or 18.63 percent of the total sales income, decreased by 13.31 million baht or 3.34 percent from 2019 resulting from the excise tax and royalty due to sales dropped from previous year and the decrease of distribution and administrative expense due to the control of the operation expense of company.

For financial cost in 2020, the interest payment was at amount of 0.80 million baht, increasing from the previous year by 0.41 million baht or 107.67 percent from interest of finance lease liabilities.

In conclusion, the Company and its subsidiary had the net profit of 158.18 million baht or net profit of 1.47 baht per share in 2020.

Financial Ratio

The ratio of current capital in 2020 was 2.31 times, increased from previous year at 2.13 times, as the current assets increased by 151.69 million baht whereas the current liabilities increased lower than increasing current assets at 36.11 million baht.

The trade receivable turnover in 2020 was 6.53 times. The average period of collecting debt was around 55.93 days, increasing from the previous year at 50.77 days. The main reason was derived from the delay debt repayment of some debtors from the coronavirus pandemic (COVID-19) which the Company continuously monitored on. However, when compared with the credit policy which stipulated the maximum of the debt collecting period for 3 months, the average debt collecting period of 2020 still not exceeded the policy. For the average debt repayment period was around 58.47 days, decreasing from the previous year at 61.16 days. However, the increasing debt collecting period and the increasing debt repayment period had no effect to the liquidity management of the Company.

In 2020, the ratio of debt to equity was 0.59 times, decreasing from as of 31 December 2019 of 0.62 times, due to the lower liabilities. However, the shareholders' equity increased from the operation profit and dividend payment of the year 2020.

The gross profit ratio of 2020 was 27.90 percent, increased from 2019. The main reason was derived from the decreasing price of raw materials and the decreasing cost of imported goods when compared to the previous year, and the operation of cost reduction project in the Company.

14. Management Discussion and Analysis

For dividend payment, due to the situation of coronavirus pandemic (COVID-19), the company could not hold the Annual General Shareholders' Meeting for 2020 as originally scheduled. Therefore, the Board of Directors' Meeting no. 2/2020 on April 7th, 2020 had resolution to pay interim dividend at 0.35 baht per share of 107,625,000 shares, totally 37.67 million baht. The dividend was already paid on May 7th, 2020. And the Board of Directors' Meeting no. 1/20201 on February 16th, 2021 had the resolution to propose the Annual Shareholders' Meeting to pay the dividend to the shareholders from the performance 2020 at 0.441 baht per share of 107,625,000 shares, totally 47.46 million baht.

15. Board of Director's Responsibility for Financial Report

The Board of Directors of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED has prepared the financial statements which discloses the Company's 2020 financial status and operation results according to the regulations of the Public Company Limited Act B.E. 2535.

Recognizing its responsibility to ensure good corporate governance, the Board of Directors of YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED has ensured that the financial statements and financial information contained in this annual report are accurate, complete, and adequate. In our view, the financial statements comply with the generally accepted accounting practices in Thailand, chosen for their consistency, practicality, and due discretion. To further foster confidence in the use of these financial statements, the Board has maintained an effective internal control process. To prevent fraud and irregularities, the Board ensures systematic care of Company's properties. An adequate and suitable risk management system is also in place. As for connected transactions with potential conflicts of interest, the Board ensures that these transactions are regular and fair logical business practices undertaken in the best interests of company, and that they comply with relevant laws, rules, and regulations.

Therefore, Company's internal control process for the year has proved acceptable and we are reasonably confident that the financial statements as of December 31st, 2020 are credible. Besides, according to our external auditor, the statement reflecting company financial standing, performance, and cash flow are essentially accurate and consistent with generally accepted accounting principles.



Pornchak Manutham
Director of the Board



Akira Kiyomizu
Director of the Board

Independent Auditor's Report

To the Shareholders of Yuasa Battery (Thailand) Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Yuasa Battery (Thailand) Public Company Limited and its subsidiary (the "Group") and of Yuasa Battery (Thailand) Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2020, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2020 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matter is that matter that, in my professional judgment, was of most significance in my audit of the consolidated and separate financial statements of the current period. This matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

Valuation of inventories	
Refer to notes 3(g) and 8 to the consolidated and separate financial statements	
The key audit matter	How the matter was addressed in the audit
The Group and the Company had a significant inventory balance of which Lead was a main raw material of battery production. Lead price was then a significant factor of the cost of inventories. In the case of the fluctuation of raw material prices according to the market condition, especially when the prices are adjusted to be higher while the battery prices are not changed, this may result that the net realisable value of inventories is lower than their cost. This matter involves management's judgment and, thus, this is a focus area in my audit.	My audit procedures included an understanding of the pricing policy of goods, the inventory management according to the production plan and the policy to measure the net realisable value of inventories. I performed testing the calculation of the net realisable value and comparing, on a sampled basis, the cost of inventories against expected net realisable value (i.e. selling price in the latest invoice less estimated cost to complete and to make the sale). I also considered the adequacy of disclosures in relation to inventory in accordance with TFRSs.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

16. Financial Statements

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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



(Sirinuch Vimolsathit)
Certified Public Accountant
Registration No. 8413

KPMG Phoomchai Audit Ltd.
Bangkok
16 February 2021

16. Financial Statements

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
Assets	Note	2020	2019	2020	2019
		(in Baht)			
<i>Current assets</i>					
Cash and cash equivalents	6	370,407,950	203,182,417	342,164,208	156,556,561
Debt instrument held to maturity	7	-	49,770,388	-	49,770,388
Trade receivables	5, 24	333,144,459	301,317,339	314,805,755	336,188,806
Other current receivables	5	23,889,662	20,381,323	23,555,115	20,362,598
Inventories	8	251,766,215	252,870,149	245,716,771	246,373,999
Total current assets		979,208,286	827,521,616	926,241,849	809,252,352
<i>Non-current assets</i>					
Investment in subsidiary	9	-	-	999,900	999,900
Investment properties	10	2,320,906	2,351,537	92,000	92,000
Property, plant and equipment	11	398,734,026	400,304,834	398,005,951	399,780,838
Right-of-use assets	12	6,831,437	-	6,712,327	-
Intangible assets		4,336,050	3,186,107	4,002,647	2,846,230
Deferred tax assets	21	19,882,314	16,370,713	17,835,127	12,903,538
Other non-current assets		931,329	760,431	54,850	54,850
Total non-current assets		433,036,062	422,973,622	427,702,802	416,677,356
Total assets		1,412,244,348	1,250,495,238	1,353,944,651	1,225,929,708

The accompanying notes form an integral part of these financial statements.

16. Financial Statements



Yuasa Battery (Thailand) Public Company

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and shareholders' equity		2020	2019	2020	2019
		(in Baht)			
Current liabilities					
Trade payables	5	247,195,066	240,100,522	247,208,433	240,100,522
Other current payables	5, 14	147,609,780	126,241,552	97,396,908	88,487,292
Current portion of lease liabilities					
(2019: Current portion of finance lease liabilities)	13, 24	3,043,725	1,749,006	2,991,360	1,749,006
Income tax payable		26,542,147	20,188,146	23,814,292	16,665,973
Total current liabilities		424,390,718	388,279,226	371,410,993	347,002,793
Non-current liabilities					
Lease liabilities					
(2019: Finance lease liabilities)	13, 24	4,191,341	2,887,555	4,120,431	2,887,555
Provisions for employee benefits	15	96,561,331	87,079,838	89,246,792	72,403,747
Other non-current liability		876,478	705,581	-	-
Total non-current liabilities		101,629,150	90,672,974	93,367,223	75,291,302
Total liabilities		526,019,868	478,952,200	464,778,216	422,294,095
Shareholders' equity					
Share capital:					
Authorised share capital	16	107,625,000	107,625,000	107,625,000	107,625,000
Issued and paid-up share capital		107,625,000	107,625,000	107,625,000	107,625,000
Share premium					
Share premium on ordinary shares	16	171,075,000	171,075,000	171,075,000	171,075,000
Retained earnings					
Appropriated					
Legal reserve	17	26,906,250	26,906,250	26,906,250	26,906,250
Unappropriated		580,618,230	465,936,788	583,560,185	498,029,363
Total shareholders' equity		886,224,480	771,543,038	889,166,435	803,635,613
Total liabilities and shareholders' equity		1,412,244,348	1,250,495,238	1,353,944,651	1,225,929,708

The accompanying notes form an integral part of these financial statements.

16. Financial Statements



Yuasa Battery (Thailand) Public Company

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
	Note	2020	2019	2020	2019
		(in Baht)			
Revenue from sales of goods	5, 18	2,070,142,703	2,253,061,661	1,997,667,163	2,170,119,092
Cost of sales of goods	5, 8, 20	(1,492,573,993)	(1,686,519,504)	(1,503,702,501)	(1,692,988,917)
Gross profit		577,568,710	566,542,157	493,964,662	477,130,175
Other income	5	5,404,147	8,284,638	6,926,980	11,038,063
Distribution costs	5, 20	(285,709,928)	(303,535,694)	(243,904,980)	(261,125,994)
Administrative expenses	5, 20	(99,941,831)	(95,422,567)	(88,011,675)	(76,988,935)
Profit from operating activities		197,321,098	175,868,534	168,974,987	150,053,309
Finance costs		(796,180)	(383,392)	(785,494)	(383,392)
Profit before income tax expense		196,524,918	175,485,142	168,189,493	149,669,917
Income tax expense	21	(38,347,606)	(36,565,403)	(32,727,554)	(30,053,327)
Profit for the year		158,177,312	138,919,739	135,461,939	119,616,590
Other comprehensive income					
<i>Item that will not be reclassified to profit or loss</i>					
Loss on remeasurements of defined benefit plan	15	(7,286,223)	(10,917,150)	(15,330,282)	(9,406,131)
Income tax relating to item that will not be reclassified	21	1,457,245	2,183,430	3,066,057	1,881,226
Total items that will not be reclassified to profit or loss		(5,828,978)	(8,733,720)	(12,264,225)	(7,524,905)
Total comprehensive income for the year		152,348,334	130,186,019	123,197,714	112,091,685
Profit attributable to:					
Owners of the parent		158,177,312	138,919,739	135,461,939	119,616,590
Profit for the year		158,177,312	138,919,739	135,461,939	119,616,590
Total comprehensive income attributable to:					
Owners of the parent		152,348,334	130,186,019	123,197,714	112,091,685
Total comprehensive income for the year		152,348,334	130,186,019	123,197,714	112,091,685
Basic earnings per share	22	1.47	1.29	1.26	1.11

The accompanying notes form an integral part of these financial statements.

16. Financial Statements



Yuasa Battery (Thailand) Public Company

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary

Statement of changes in equity

		Consolidated financial statements				
		Issued and	Share	Retained earnings		Total
		paid-up	premium	Legal	Unappropriated	shareholders'
	Note	share capital		reserve		equity
				(in Baht)		
Year ended 31 December 2019						
Balance at 1 January 2019		107,625,000	171,075,000	26,906,250	368,036,679	673,642,929
Transactions with owners, recorded directly in equity						
<i>Distributions to owners of the Company</i>						
Dividends to owners of the Company	23	-	-	-	(32,285,910)	(32,285,910)
<i>Total distributions to owners of the Company</i>		-	-	-	(32,285,910)	(32,285,910)
Comprehensive income for the year						
Profit		-	-	-	138,919,739	138,919,739
Other comprehensive income		-	-	-	(8,733,720)	(8,733,720)
Total comprehensive income for the year		-	-	-	130,186,019	130,186,019
Balance at 31 December 2019		107,625,000	171,075,000	26,906,250	465,936,788	771,543,038

The accompanying notes form an integral part of these financial statements.

16. Financial Statements



Yuasa Battery (Thailand) Public Company

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary

Statement of changes in equity

Consolidated financial statements					
	Issued and	Share premium	Retained earnings		Total shareholders' equity
	paid-up		Legal	Unappropriated	
Note	share capital		reserve (in Baht)		
Year ended 31 December 2020					
Balance at 1 January 2020	107,625,000	171,075,000	26,906,250	465,936,788	771,543,038
Transactions with owners, recorded directly in equity					
<i>Distributions to owners of the Company</i>					
Dividends to owners of the Company	23	-	-	(37,666,892)	(37,666,892)
<i>Total distributions to owners of the Company</i>		-	-	(37,666,892)	(37,666,892)
Comprehensive income for the year					
Profit		-	-	158,177,312	158,177,312
Other comprehensive income		-	-	(5,828,978)	(5,828,978)
Total comprehensive income for the year		-	-	152,348,334	152,348,334
Balance at 31 December 2020		107,625,000	171,075,000	580,618,230	886,224,480

The accompanying notes form an integral part of these financial statements.

16. Financial Statements



Yuasa Battery (Thailand) Public Company

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary

Statement of changes in equity

	Note	Issued and paid-up share capital	Share premium	Seperate financial statements		Total shareholders' equity
				Retained earnings		
				Legal reserve	Unappropriated	
				(in Baht)		
Year ended 31 December 2019						
Balance at 1 January 2019		107,625,000	171,075,000	26,906,250	418,223,588	723,829,838
Transactions with owners, recorded directly in equity						
<i>Distributions to owners of the Company</i>						
Dividends to owners of the Company	23	-	-	-	(32,285,910)	(32,285,910)
Total distributions to owners of the Company		-	-	-	(32,285,910)	(32,285,910)
Comprehensive income for the year						
Profit		-	-	-	119,616,590	119,616,590
Other comprehensive income		-	-	-	(7,524,905)	(7,524,905)
Total comprehensive income for the year		-	-	-	112,091,685	112,091,685
Balance at 31 December 2019		<u>107,625,000</u>	<u>171,075,000</u>	<u>26,906,250</u>	<u>498,029,363</u>	<u>803,635,613</u>

The accompanying notes form an integral part of these financial statements.

16. Financial Statements



Yuasa Battery (Thailand) Public Company

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary

Statement of changes in equity

		Seperate financial statements				
		Issued and	Share	Retained earnings		Total
		paid-up		Legal		shareholders'
	Note	share capital	premium	reserve	Unappropriated	equity
				(in Baht)		
Year ended 31 December 2020						
Balance at 1 January 2020		107,625,000	171,075,000	26,906,250	498,029,363	803,635,613
Transactions with owners, recorded directly in equity						
<i>Distributions to owners of the Company</i>						
Dividends to owners of the Company	23	-	-	-	(37,666,892)	(37,666,892)
<i>Total distributions to owners of the Company</i>		-	-	-	(37,666,892)	(37,666,892)
Comprehensive income for the year						
Profit		-	-	-	135,461,939	135,461,939
Other comprehensive income		-	-	-	(12,264,225)	(12,264,225)
Total comprehensive income for the year		-	-	-	123,197,714	123,197,714
Balance at 31 December 2020		107,625,000	171,075,000	26,906,250	583,560,185	889,166,435

The accompanying notes form an integral part of these financial statements.

16. Financial Statements



Yuasa Battery (Thailand) Public Company

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2020	2019	2020	2019
	(in Baht)			
<i>Cash flows from operating activities</i>				
Profit for the year	158,177,312	138,919,739	135,461,939	119,616,590
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Income tax expense	38,347,606	36,565,403	32,727,554	30,053,327
Finance costs	796,180	383,392	785,494	383,392
Depreciation and amortisation	46,024,723	47,462,318	45,555,770	46,552,610
Impairment losses on equipment	-	1,000,989	-	1,000,989
Reversal of impairment loss on investment in subsidiary	-	-	-	(999,900)
Provisions for employee benefits	9,667,150	17,373,189	8,984,644	14,812,273
Unrealised loss on exchange rate	365,438	134,770	365,438	134,770
Reversal of bad and doubtful debts expenses	-	(335,470)	-	-
Losses on inventories devaluation	2,663,734	964,874	2,192,307	2,419,077
(Gain) loss on disposal of property, plant and equipment	1,015,393	(198,363)	1,023,490	(186,197)
Write-off of plant and equipment	7,038	2,003,191	968	2,003,155
Interest income	(628,350)	(1,023,022)	(583,682)	(1,023,022)
	256,436,224	243,251,010	226,513,922	214,767,064
<i>Changes in operating assets and liabilities</i>				
Trade receivables	(32,159,017)	24,227,084	21,051,154	49,866,132
Other current receivables	(3,517,378)	2,080,066	(3,201,556)	1,127,509
Inventories	(1,559,800)	67,220,100	(1,535,079)	59,675,472
Other non-current assets	(170,898)	174,475	-	297,000
Trade payables	7,050,552	(98,079,198)	7,063,919	(98,045,011)
Other current payables	20,265,210	1,188,070	7,798,219	7,306,109
Employee benefit paid	(7,471,880)	(7,811,422)	(7,471,880)	(6,638,277)
Other non-current liability	170,897	122,525	-	-
Net cash generated from operating	239,043,910	232,372,710	250,218,699	228,355,998
Income tax paid	(34,047,961)	(35,746,493)	(27,444,767)	(29,898,139)
Net cash flows from operating activities	204,995,949	196,626,217	222,773,932	198,457,859

The accompanying notes form an integral part of these financial statements.

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary
Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2020	2019	2020	2019
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Proceeds from debt investment held to maturity	49,413,215	(49,413,215)	49,413,215	(49,413,215)
<i>(2019: Acquisition of current investment)</i>				
Acquisition of property, plant and equipment	(44,987,934)	(51,866,017)	(44,549,506)	(51,665,375)
Proceeds from sale of property, plant and equipment	451,192	343,229	443,092	331,048
Acquisition of intangible assets	(2,445,274)	(983,671)	(2,286,254)	(860,764)
Interest received	985,523	665,848	940,855	665,848
Net cash flows from (used in) investing activities	3,416,722	(101,253,826)	3,961,402	(100,942,458)
<i>Cash flows from financing activities</i>				
Interest paid	(796,180)	(383,392)	(785,494)	(383,392)
Dividend paid	(37,666,892)	(32,285,910)	(37,666,892)	(32,285,910)
Payment of lease liabilities				
<i>(2019: Payment by a lessee for reduction of the outstanding liability relating to a finance lease)</i>	(2,717,252)	(2,011,216)	(2,668,487)	(2,011,216)
Total cash flows used in financing activities	(41,180,324)	(34,680,518)	(41,120,873)	(34,680,518)
Net increase in cash and cash equivalents,				
before effect of exchange rates	167,232,347	60,691,873	185,614,461	62,834,883
Effect of exchange rate changes on cash and cash equivalents	(6,814)	(7,064)	(6,814)	(7,064)
Net increase in cash and cash equivalents	167,225,533	60,684,809	185,607,647	62,827,819
Cash and cash equivalents at 1 January	203,182,417	142,497,608	156,556,561	93,728,742
Cash and cash equivalents at 31 December	370,407,950	203,182,417	342,164,208	156,556,561
<i>Non-cash transactions</i>				
Payables for acquisition of property, plant and equipment	7,108,916	6,017,130	7,108,916	6,008,751
Payables for acquisition of intangible assets	150,228	112,692	150,228	112,692
Equipment acquired by way of finance lease	-	1,522,147	-	1,522,147
Right-of-use assets during the year	4,404,188	-	4,404,188	-

The accompanying notes form an integral part of these financial statements.

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2020

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Yuasa Battery (Thailand) Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2020

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 16 February 2021.

1 General information

Yuasa Battery (Thailand) Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Market for Alternative Investment (MAI) on 21 November 1994. The Company’s registered office at No. 164, Moo 5, Soi Thedsaban 55, Sukhumvit Road, Tambol Taibanmai, Amphur Muangsamutprakan, Samutprakan.

The Company’s major shareholders during the financial year were GS Yuasa International Ltd. (40.69% shareholding) which was incorporated in Japan and Metropolitan Motor Service Co., Ltd. (19.13% shareholding) which was incorporated in Thailand.

The principal activities of the Company and its subsidiary (“the Group”) are the manufacturing and distributing of batteries for automobiles and motorcycles. Details of the Company’s subsidiary as at 31 December 2020 and 2019 are given in note 9.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRSs”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies.

The Group has initially applied TFRS - Financial instruments standards which comprise TFRS 9 *Financial Instruments* and relevant standards and interpretations and TFRS 16 *Leases* which have no material impact on the financial statements.

(b) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company’s functional currency.

(c) Use of judgements and estimates

The preparation of financial statements in conformity with TFRSs requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- 3(k) and 12 Leases:
- whether an arrangement contains a lease;
 - whether the Group is reasonably certain to exercise extension options;
 - whether the Group exercise termination options;

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2020

- whether the Group has transferred substantially all the risks and rewards incidental to the ownership of the assets to lessees.

Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2020 that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- | | |
|----|---|
| 15 | Measurement of defined benefit obligations: key actuarial assumptions |
| 21 | Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences can be utilised. |
| 24 | Measurement of ECL allowance for trade receivables: key assumptions in determining the weighted-average loss rate; |

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiary (together referred to as the “Group”).

Subsidiary

Subsidiary is entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated.

(b) Investments in subsidiary

Investments in subsidiary in the separate financial statements of the Company are measured at cost less allowance for impairment losses.

Disposal of investments in the separate financial statements

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

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(c) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences arising from the translation are recognised in profit or loss.

(d) Financial instruments

Accounting policies applicable from 1 January 2020

(d.1) Recognition and initial measurement

Trade receivables and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

(d.2) Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

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All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - business model assessment

The Group makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets - subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

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Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.
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Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(d.3) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(d.4) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.5) Derivatives

Derivative are recognised at fair value. At the end of each reporting period the fair value is measured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Accounting policies applicable before 1 January 2020

Investments in debt securities

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.

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Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

Derivatives

Derivatives are used to manage exposure to foreign exchange arising from operational activities. Derivatives are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

(e) Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(f) Trade and other accounts receivable

A receivable is recognised when the Group has an unconditional right to receive consideration.

A receivable is measured at transaction price less allowance for expected credit loss (2019: allowance for doubtful accounts) which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost of factory supplies using weighted average cost principle. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity and is calculated using standard cost adjusted to approximate average cost. Cost of finished goods of a subsidiary is calculated using the first in first out principle.

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

(h) Investment properties

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

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Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Any gains and losses on disposal of investment properties are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Building and constructions	20	years
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No depreciation is provided on freehold land.

(i) **Property, plant and equipment**

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Building and constructions	33	years
Machinery and equipment	10 - 15	years
Furniture, fixtures and office equipment	3 and 5	years
Vehicles	5	years

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No depreciation is provided on freehold land and assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Intangible assets

Computer software

Computer software that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Computer software	5	years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) Leases

Accounting policies applicable from 1 January 2020

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be

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depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable. The lease payments also include amount under purchase, extension or termination option if the Group is reasonably certain to exercise option. Variable lease payments that do not depend on index or a rate are recognised as expenses in the accounting period in which they are incurred.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognises lease payments received under operating leases as rental income on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned.

Accounting policies applicable before 1 January 2020

As a lessee, leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease

As a lessor, rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

(I) *Impairment of financial assets*

Accounting policies applicable from 1 January 2020

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and

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the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for trade receivables is always measured at an amount equal to lifetime ECLs. ECLs on this financial asset is estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, the Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in financial instruments's credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the Group recognises an impairment loss in profit or loss with the corresponding entry in other comprehensive income.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 90 days past due, probable the debtor will enter bankruptcy.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Accounting policies applicable before 1 January 2020

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

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An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

Reversal of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

(m) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in

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future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Warranties

A provision for warranties is recognised when the underlying products are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(p) Fair values 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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

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The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1*: quoted prices in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3*: inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognised transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(q) Revenue

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Sale of goods

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

For bundled packages, the Group accounts for individual products and services separately if they are distinct (i.e. if a product or service is separately identifiable from other items and a customer can benefit from it) or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

(r) Other income

Other income comprises interest income and others.

(s) Interest

Accounting policies applicable from 1 January 2020

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

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In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Accounting policies applicable before 1 January 2020

Interest income is recognised in profit or loss at the rate specified in the contract.

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

(t) *Income tax*

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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(u) *Earnings per share*

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

(v) *Related parties*

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

(w) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4 Impact of COVID-19 Outbreak

Due to the COVID-19 outbreak at the beginning of 2020, Thailand and many other countries have enacted several protective measures against the outbreak, e.g. the order to temporarily shut down operating facilities or reduce operating hours, social distancing, etc. This has significantly affected world economy, production, supply chain of goods and business operation of many entities in wide areas. In 2020, the Group's business was significantly affected by the from COVID-19 outbreak, resulting in a significant decline in revenue. However, the management will constantly provide commercial support to the customers and make the effort to reduce such impact by adjusting the operating process, cutting costs and other procedures.

5 Related parties

Relationship with subsidiary are described in note 9. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
GS Yuasa International Ltd.	Japan	A major shareholder, 40.69% shareholding, and having a representative as a director of the Company
Metropolitan Motor Service Co., Ltd.	Thailand	A major shareholder, 19.13% shareholding
Manutham Mansion and Development Co., Ltd.	Thailand	Common director
Fuji Merchantiles Co., Ltd.	Thailand	Common director and shareholder
GS Yuasa Corporation	Japan	Ultimate parent company
Yuasa Battery (Malaysia) Sdn Bhd.	Malaysia	Common ultimate parent company
Tata Autocomp GY Battery Private Ltd.	India	Common ultimate parent company
Taiwan Yuasa Battery Co., Ltd.	Taiwan	Common ultimate parent company
Siam GS Battery Co., Ltd.	Thailand	Common ultimate parent company
Siam GS Sales Co., Ltd.	Thailand	Common ultimate parent company
Yuasa Battery (Shunde) Co., Ltd.	China	Common ultimate parent company
Tianjin Yuasa Batteries Co., Ltd.	China	Common ultimate parent company

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Yuasa Battery, Inc.	United States of America	Common ultimate parent company
Key management personnel	Thailand and Japan	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The pricing policies for each transaction are explained further below:

Transactions	Pricing policies
Revenue from sale of goods	Market price
Commission income	At agreed price
Rental and service income	Contract price
Service income	At agreed price
Purchase of raw materials and goods	Market price
Purchase of machinery and equipment	At agreed price
Royalty fee	Contract price
Dividends paid	As announced

Significant transactions for the years ended 31 December with related parties were as follows:

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Subsidiary				
Revenue from sale of goods	-	-	1,014,613	948,778
Rental and service income	-	-	1,351	1,367
Service income	-	-	248	552
Purchase goods	-	-	13	-
Other related parties				
Revenue from sale of goods	134,857	145,565	134,857	145,439
Commission income	624	851	624	851
Purchase of raw materials and goods	189,718	179,818	189,718	179,818
Purchase of machinery and equipment	872	2,009	872	2,009
Royalty fee	31,557	34,919	31,557	34,919
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	30,155	29,060	30,155	23,578
Post-employment benefits	1,164	2,487	1,164	1,945
Total key management personnel compensation	31,319	31,547	31,319	25,523

Balances as at 31 December with related parties were as follows:

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<i>Trade receivables</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Subsidiary				
Yuasa Sales and Distribution Co., Ltd.	-	-	183,992	213,164
Other related parties				
Yuasa Battery (Malaysia) Sdn Bhd.	21,908	21,552	21,908	21,552
Yuasa Battery (Shunde) Co., Ltd.	1,307	599	1,307	599
GS Yuasa International Ltd.	496	1,154	496	1,154
Yuasa Battery, Inc.	111	116	111	116
Tata Autocomp GY Battery Private Ltd.	-	13	-	13
Total	23,822	23,434	207,814	236,598
Other current receivables				
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Subsidiary				
Yuasa Sales and Distribution Co., Ltd.	-	-	175	550
Other related parties				
GS Yuasa International Ltd.	5,235	2,379	5,235	2,379
Taiwan Yuasa Battery Co., Ltd.	280	162	280	162
Total	5,515	2,541	5,690	3,091
Trade payables				
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Subsidiary				
Yuasa Sales and Distribution Co., Ltd.	-	-	13	-
Other related parties				
GS Yuasa International Ltd.	30,382	36,900	30,382	36,900
Siam GS Sales Co., Ltd.	34	-	34	-
Total	30,416	36,900	30,429	36,900
Other current payables				
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Payable for fixed assets purchased				
Other related party				
GS Yuasa International Ltd.	1,213	284	1,213	284
Accrued royalty fee				
Other related party				
GS Yuasa International Ltd.	31,557	34,919	31,557	34,919
Accrued remuneration expense				
Key management	6,350	-	6,350	-

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Significant agreements with related parties

Technical Assistance Agreements

On 1 January 2009, the Company entered into technical assistance agreements with GS Yuasa International Ltd. whereby the latter agreed to grant the Company the rights to use technical know-how and expertise related to manufacturing of automotive and motorcycle batteries as well as to use trademarks owned by GS Yuasa Corporation. The Company is committed to pay royalty fee at the rates as specified in the agreements. These agreements shall remain effective for 5 years and will be automatically renewed for another one year each unless terminated by either party giving notice in writing at least 90 days before the expiration of the agreements.

Rental Agreement

On 7 December 2018, the Company entered into a rental agreement with Yuasa Sales and Distribution Co., Ltd. covering its office premises, warehouse space and related facilities with the rental and service income as specified in the agreement. The agreement is for a period of 2 years and shall be renewed on an annual basis.

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Cash on hand	155	144	30	34
Cash at banks - current accounts	41	41	3	3
Cash at banks - savings accounts	370,212	202,962	342,131	156,520
Cheques on hand	-	35	-	-
Total	370,408	203,182	342,164	156,557

7 Debt instrument held to maturity

On 31 July 2019, the Company had debt instrument held to maturity which represents promissory note that the Company has the positive intent and ability to hold to maturity. Debt instrument held to maturity has interest rate of 1.72% per annum and mature in April 2020. Interest income for the year ended 31 December 2020 amounting to Baht 0.21 million (2019: Baht 0.36 million).

8 Inventories

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Finished goods	78,399	70,222	71,626	63,478
Work in progress	35,012	44,857	35,012	44,857
Semi-raw materials	38,380	33,296	38,380	33,296
Raw materials	58,452	66,738	58,452	66,738
Factory supplies	22,073	22,037	22,059	22,018
Goods in transit	23,774	19,759	23,774	19,759
Total	256,090	256,909	249,303	250,146
Less allowance for decline in value	(4,324)	(4,039)	(3,586)	(3,772)
Net	251,766	252,870	245,717	246,374
Inventories recognised in cost of sales of goods				
- Cost	1,489,910	1,685,555	1,501,511	1,690,570
- Write-down to net realisable value	2,664	965	2,192	2,419
Net	1,492,574	1,686,520	1,503,703	1,692,989

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9 Investment in subsidiary

Investment in subsidiary as at 31 December 2020 and 2019, and dividend income from this investment for the years then ended, were as follows:

Separate financial statements													
Subsidiary	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the year	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		(%)		(in thousand Baht)									
Yuasa Sales and Distribution Co., Ltd.	Distribution of battery	99.99	99.99	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-
Total						1,000	1,000	-	-	1,000	1,000	-	-

A subsidiary was registered and incorporated in Thailand.

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary

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10 Investment properties

	Consolidated financial statements			Separate financial statements
	Land	Buildings and constructions (in thousand Baht)	Total	
Cost				
At 1 January 2019	2,371	1,910	4,281	
At 31 December 2019 and 1 January 2020	2,371	1,910	4,281	
At 31 December 2020	2,371	1,910	4,281	
Depreciation and impairment losses				
At 1 January 2019	50	1,784	1,834	
Depreciation charge for the year	-	95	95	
At 31 December 2019 and 1 January 2020	50	1,879	1,929	
Depreciation charge for the year	-	31	31	
At 31 December 2020	50	1,910	1,960	
Net book value				
At 31 December 2019	2,321	31	2,352	
At 31 December 2020	2,321	-	2,321	
				Land (in thousand Baht)
Cost				
At 1 January 2019				92
At 31 December 2019 and 1 January 2020				92
At 31 December 2020				92
Depreciation				
At 1 January 2019				-
At 31 December 2019 and 1 January 2020				-
At 31 December 2020				-
Net book value				
At 31 December 2019				92
At 31 December 2020				92

Information relating to leases are disclosed in note 12.

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Amount recognised in profit or loss				
Rental income	319	310	319	310

The fair value of investment properties as at 31 December 2020 of Baht 34.5 million (2019: Baht 34.5 million) was determined by independent professional valuers, at open market values on an existing use basis. The fair value measurement for investment properties has been categorised as a Level 3 fair value.

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11 Property, plant and equipment

	Consolidated financial statements						Total
	Land	Building and constructions	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Assets under construction and installation	
Cost							
At 1 January 2019	27,790	157,321	855,678	60,551	7,618	29,243	1,138,201
Additions	-	16	7,520	3,289	1,522	41,084	53,431
Transfers	-	29,690	22,396	998	-	(53,084)	-
Disposals	-	(396)	(18,447)	(1,081)	(746)	-	(20,670)
At 31 December 2019 and 1 January 2020	27,790	186,631	867,147	63,757	8,394	17,243	1,170,962
Recognition of right-of-use asset on initial application of TFRS 16	-	-	-	-	(8,394)	-	(8,394)
At 1 January 2020 - as adjusted	27,290	186,631	867,147	63,757	-	17,243	1,162,568
Additions	-	386	7,151	7,002	-	31,541	46,080
Transfers	-	8,680	26,975	1,791	-	(37,446)	-
Disposals	-	(782)	(31,060)	(10,189)	-	-	(42,031)
At 31 December 2020	27,290	194,915	870,213	62,361	-	11,338	1,166,617
Depreciation and impairment losses							
At 1 January 2019	-	52,587	644,071	42,569	2,874	-	742,101
Depreciation charge for the year	-	4,407	33,326	6,328	1,580	-	45,641
Impairment losses	-	-	-	-	-	1,001	1,001
Disposals	-	(223)	(16,476)	(1,076)	(311)	-	(18,086)
At 31 December 2019 and 1 January 2020	-	56,771	660,921	47,821	4,143	1,001	770,657
Recognition of depreciation of right-of-use assets on initial application of TFRS 16	-	-	-	-	(4,143)	-	(4,143)
At 1 January 2020 - as adjusted	-	56,771	660,921	47,821	-	1,001	766,514
Depreciation charge for the year	-	5,135	30,211	6,580	-	-	41,926
Disposals	-	(448)	(29,983)	(10,126)	-	-	(40,557)
Impairment losses	-	-	-	-	-	-	-
At 31 December 2020	-	61,458	661,149	44,275	-	1,001	767,883

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Consolidated financial statements							
	Land	Building and constructions	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Assets under construction and installation	Total
<i>Net book value</i>							
At 31 December 2019							
Owned assets	27,790	129,860	206,226	15,936	-	16,242	396,054
Assets under finance leases	-	-	-	-	4,251	-	4,251
	<u>27,790</u>	<u>129,860</u>	<u>206,226</u>	<u>15,936</u>	<u>4,251</u>	<u>16,242</u>	<u>400,305</u>
At 31 December 2020							
Owned assets	27,790	133,457	209,064	18,086	-	10,337	398,734
	<u>27,290</u>	<u>133,457</u>	<u>209,064</u>	<u>18,086</u>	<u>-</u>	<u>10,337</u>	<u>398,734</u>

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	Separate financial statements						
	Land	Building and constructions	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Assets under construction and installation	Total
<i>Cost</i>							
At 1 January 2019	27,790	157,321	855,678	56,570	7,618	29,243	1,134,220
Additions	-	16	7,520	3,146	1,522	41,084	53,288
Transfers	-	29,690	22,396	998	-	(53,084)	-
Disposals	-	(396)	(18,447)	(708)	(746)	-	(20,297)
At 31 December 2019 and 1 January 2020	27,790	186,631	867,147	60,006	8,394	17,243	1,167,211
Recognition of right-of-use asset on initial application of TFRS 16	-	-	-	-	(8,394)	-	(8,394)
At 1 January 2020 - as adjusted	27,790	186,631	867,147	60,006	-	17,243	1,158,817
Additions	-	386	7,151	6,572	-	31,541	45,650
Transfers	-	8,680	26,975	1,791	-	(37,446)	-
Disposals	-	(782)	(31,060)	(9,864)	-	-	(41,706)
At 31 December 2020	27,790	194,915	870,213	58,505	-	11,338	1,162,761
<i>Depreciation and impairment losses</i>							
At 1 January 2019	-	52,587	644,071	39,179	2,875	-	738,712
Depreciation charge for the year	-	4,407	33,326	6,119	1,579	-	45,431
Impairment losses	-	-	-	-	-	1,001	1,001
Disposals	-	(223)	(16,476)	(704)	(311)	-	(17,714)
At 31 December 2019 and 1 January 2020	-	56,771	660,921	44,594	4,143	1,001	767,430
Recognition of depreciation of right-of-use assets on initial application of TFRS 16	-	-	-	-	(4,143)	-	(4,143)
At 1 January 2020 - as adjusted	-	56,771	660,921	44,594	-	1,001	763,287
Depreciation charge for the year	-	5,135	30,211	6,360	-	-	41,706
Disposals	-	(448)	(29,983)	(9,807)	-	-	(40,238)
At 31 December 2020	-	61,458	661,149	41,147	-	1,001	764,755

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	Separate financial statements					Assets under construction and installation	Total
	Land	Building and constructions	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles		
<i>Net book value</i>							
At 31 December 2019							
Owned assets	27,790	129,860	206,226	15,412	-	16,242	395,530
Assets under finance leases	-	-	-	-	4,251	-	4,251
	27,790	129,860	206,226	15,412	4,251	16,242	399,781
At 31 December 2020							
Owned assets	27,790	133,457	209,064	17,358	-	10,337	398,006
	27,790	133,457	209,064	17,358	-	10,337	398,006

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The gross amount of the Group's and the Company's fully depreciated plant and equipment that was still in use as at 31 December 2020 amounted to Baht 561.8 million and Baht 559.3 million, respectively (2019: Baht 546.6 million and Baht 543.9 million, respectively).

Security

As at 31 December 2020, the Group's and the Company's land and constructions thereon with a net book value of Baht 30 million (2019: Baht 30 million) have been mortgaged as collateral for some facilities amounted to Baht 137.5 million (2019: Baht 137.5 million) obtained from a financial institution (see note 13).

12 Leases

As a lessee

	Consolidated financial statements	Separate financial statements
<i>At 31 December 2020</i>	<i>(in thousand Baht)</i>	
Right-of-use assets		
Machinery and equipment	1,977	1,977
Vehicles	4,252	4,252
Office equipment	602	483
Total	6,831	6,712

In 2020, additions to the right-of-use assets of the Group and the Company were Baht 4.4 million and Baht 4.4 million, respectively.

The Group leases a number of machinery and equipment, office equipment and vehicles for 2 - 5 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

	Consolidated financial statements		Separate financial statements	
<i>For the year ended 31 December</i>	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Amounts recognised in profit or loss				
Depreciation of right-of-use assets:				
- Machinery and equipment	631	-	631	-
- Vehicles	1,795	-	1,795	-
- Office equipment	309	-	256	-
Interest on lease liabilities	796	-	785	-
Expenses relating to short-term leases	376	-	376	-
Lease expense	-	4,303	-	4,230

In 2020, total cash outflow for leases of the Group and the Company were Baht 3.5 million and Baht 3.5 million, respectively.

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As a lessor

The leases of investment properties comprise a commercial property that are leased to third parties under operating leases. Each of the leases contains an initial non-cancellable period of 3 years. Subsequent renewals are negotiated with the lessee. For all investment property leases, the rental income is fixed under the contracts.

<i>Minimum lease payments under non-cancellable operating lease are receivable:</i>	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>At 31 December 2019</i>		
Within 1 year	319	319
Total	319	319

13 Interest-bearing liabilities

As at 31 December 2020, the Company had unutilised facilities with certain financial institutions totalling Baht 746.2 million (2019: Baht 746.2 million), which some unutilised facilities from a financial institution of Baht 131.2 million (2019: Baht 131.2 million) were mortgaged by land and constructions thereon (see note 11).

As at 31 December 2020, a subsidiary had unutilised facilities with a financial institution of Baht 5 million (2019: Baht 5 million) which was guaranteed by the parent company.

	Consolidated / Separate financial statements 2019		
<i>Finance lease liabilities</i>	Minimum lease payments	Interest <i>(in thousand Baht)</i>	Present value of minimum lease payments
<i>At 31 December 2019</i>			
Within 1 year	2,072	(323)	1,749
1 - 5 years	3,182	(294)	2,888
Total	5,254	(617)	4,637

14 Other current payables

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2020	2019	2020	2019
		<i>(in thousand Baht)</i>			
Accrued operating expenses		48,556	40,649	41,994	34,543
Accrued rebate expenses		41,724	32,032	980	3,370
Accrued royalty expenses	5	31,557	34,919	31,557	34,919
Others		25,773	18,642	22,866	15,655
Total		147,610	126,242	97,397	88,487

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15 Provision for employee benefits

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Post-employment benefits	94,746	85,916	87,507	71,319
Other long-term employee benefits	1,815	1,164	1,740	1,085
Total	96,561	87,080	89,247	72,404

Defined benefit plan

The Group and the Company operate defined benefit plans based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

<i>Present value of the defined benefit obligations</i>		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2020	2019	2020	2019
		<i>(in thousand Baht)</i>			
At 1 January		87,080	66,601	72,404	54,824
Included in profit or loss					
Past service costs		-	9,761	-	8,100
Current service costs		8,123	5,482	7,558	4,944
Interest on obligation		1,544	2,130	1,427	1,768
	19	9,667	17,373	8,985	14,812
Included in other comprehensive income					
Actuarial (gain) loss					
- Demographic assumptions		5,576	(5,576)	5,293	(5,293)
- Financial assumptions		(5)	13,322	1,985	10,257
- Experience adjustment		1,715	3,171	8,052	4,442
		7,286	10,917	15,330	9,406
Benefits paid		(7,472)	(7,811)	(7,472)	(6,638)
At 31 December		96,561	87,080	89,247	72,404

<i>Principal actuarial assumptions</i>		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		<i>(%)</i>			
Discount rate		0.92 - 1.60	1.36 - 1.80	0.92 - 1.60	1.36 - 1.80
Future salary growth		5.00 - 6.00	5.00 - 6.00	5.00	5.00
Employee turnover		1.91 - 22.92	1.91 - 22.92	1.91 - 22.92	1.91 - 22.92

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2020, the weighted-average duration of the defined benefit obligation was 9.83 - 16.21 years (2019: 7.38 - 16.43 years).

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Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have effected the defined benefit obligation.

<i>Effect of the defined benefit obligation At 31 December</i>	Consolidated financial statements			
	1% increase in assumption		1% decrease in assumption	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Discount rate	(5,266)	(7,567)	5,690	8,769
Future salary growth	10,828	8,935	(9,495)	(7,824)
Employee turnover	(5,104)	(6,334)	5,784	5,735

<i>Effect of the defined benefit obligation At 31 December</i>	Separate financial statements			
	1% increase in assumption		1% decrease in assumption	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Discount rate	(4,859)	(6,233)	5,249	7,226
Future salary growth	10,032	7,410	(8,803)	(6,487)
Employee turnover	(4,669)	(5,437)	5,275	4,930

16 Share capital

<i>Authorised/ issued and paid-up shares</i>	Par value per share <i>(in Baht)</i>	2020		2019	
		Number	Baht	Number	Baht
		<i>(thousand shares /in thousand Baht)</i>			
At 1 January					
- ordinary shares	1	<u>107,625</u>	<u>107,625</u>	<u>107,625</u>	<u>107,625</u>
At 31 December					
- ordinary shares	1	<u>107,625</u>	<u>107,625</u>	<u>107,625</u>	<u>107,625</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

17 Legal reserve

According to the Company's regulation, the Company shall allocate not less than 10% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 25% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary Yuasa Battery (Thailand) Public Company
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18 Segment information and disaggregation of revenue

Management considers that the Group operates in a single line of business, namely batteries, and has, therefore, only one reportable segment.

	Consolidated financial statements			
	For the year ended			
	31 December			
	2020	2019		
	(in thousand Baht)			
Information about reportable segment				
External revenue	2,070,143	2,253,062		
Internal revenue	1,014,613	948,778		
Total revenue	3,084,756	3,201,840		
Elimination of internal revenue	(1,014,613)	(948,778)		
Consolidated revenue	2,070,143	2,253,062		
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
For the year ended 31 December				
Disaggregation of revenue				
Primary geographical markets				
Thailand	1,706,919	1,751,345	1,634,443	1,668,402
Other countries	363,224	501,717	363,224	501,717
Total	2,070,143	2,253,062	1,997,667	2,170,119
Major products				
Automobiles batteries	897,904	915,958	859,442	868,680
Motorcycles batteries	1,116,212	1,275,649	1,082,198	1,239,984
Other products	56,027	61,455	56,027	61,455
Total	2,070,143	2,253,062	1,997,667	2,170,119
Customer groups				
Original Equipment Market (OEM)	563,948	657,108	563,948	657,108
Replacement Equipment Market (REM)	1,086,008	1,031,720	1,013,532	948,174
Export market	363,224	501,717	363,224	501,717
Others	56,963	62,517	56,963	63,120
Total	2,070,143	2,253,062	1,997,667	2,170,119
Timing of revenue recognition				
At a point in time	2,070,143	2,253,062	1,997,667	2,170,119

Geographical segments

The Group is managed and operates principally in Thailand. In presenting information on the basis of geographic segments, segment revenue is based on the geographic location of customers. There are no material assets located in foreign countries.

Major customer

Revenues from a customer of the Group's segments represents approximately Baht 350.3 million (2019: Baht 420.6 million) of the Group's total revenues.

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19 Employee benefit expenses

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2020	2019	2020	2019
		<i>(in thousand Baht)</i>			
Salaries, wages and bonus		265,871	275,580	250,807	255,050
Director's remuneration		14,317	7,552	14,317	7,552
Defined benefit plans	15	9,667	17,373	8,985	14,812
Defined contribution plans		4,185	3,595	3,881	3,274
Others		22,437	24,298	19,944	21,898
Total		316,477	328,398	297,934	302,586

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at the rate of 3% of their basic salaries and by the Group at the rate of 3% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

20 Expenses by nature

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2020	2019	2020	2019
		(in thousand Baht)			
Included in cost of sales of goods:					
Changes in inventories of finished good and work in progress	8	(3,412)	52,599	(3,387)	45,055
Raw material and consumables used		925,592	1,038,676	925,592	1,038,676
Purchase of finished goods		145,048	122,272	145,048	122,272
Scrap sales		(32,962)	(40,263)	(21,387)	(27,703)
Employee benefit expenses	19	218,374	238,979	218,374	238,979
Others		239,934	274,257	239,462	275,710
Total		1,492,574	1,686,520	1,503,702	1,692,989
Included in distribution costs:					
Excise tax		182,925	186,816	182,925	186,816
Royalty fee	5	31,557	34,919	31,557	34,919
Employee benefit expenses	19	22,985	25,858	11,429	10,857
Others		48,243	55,943	17,994	28,534
Total		285,710	303,536	243,905	261,126
Included in administrative expenses:					
Employee benefit expenses	19	75,118	63,561	68,132	52,750
Depreciation and amortisation		6,002	5,950	5,139	5,004
Professional fees		4,239	4,257	3,744	3,762
Others		14,583	21,655	10,997	15,473
Total		99,942	95,423	88,012	76,989

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary Yuasa Battery (Thailand) Public Company
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21 Income tax

<i>Income tax recognised in profit of loss</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	40,350	39,564	34,541	33,475
Adjustment for prior years	52	6	52	6
	40,402	39,570	37,593	33,481
Deferred tax expense				
Movements in temporary differences	(2,054)	(3,005)	(1,865)	(3,428)
Total income tax expense	38,348	36,565	32,728	30,053

	Consolidated financial statements					
	2020			2019		
<i>Income tax</i>	Before tax	Income tax expense	After tax	Before tax	Income tax expense	After tax
	<i>(in thousand Baht)</i>					
Recognised in other comprehensive income						
Defined benefit plan actuarial losses	7,286	(1,457)	5,829	10,917	(2,183)	8,734
Total	7,286	(1,457)	5,829	10,917	(2,183)	8,734

	Separate financial statements					
	2020			2019		
<i>Income tax</i>	Before tax	Income tax expense	After tax	Before tax	Income tax expense	After tax
	<i>(in thousand Baht)</i>					
Recognised in other comprehensive income						
Defined benefit plan actuarial losses	15,330	(3,066)	12,264	9,406	(1,881)	7,525
Total	15,330	(3,066)	12,264	9,406	(1,881)	7,525

<i>Reconciliation of effective tax rate</i>	Consolidated financial statements			
	2020		2019	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		196,525		175,485
Income tax using the Thai corporation tax rate	20	39,305	20	35,097
Expense additionally deductible for tax purpose		(1,020)		(1,249)
Reversal of over-recorded deferred tax assets		-		1,206
Expenses not deductible for tax purpose		70		1,116
Others		(7)		395
Total	20	38,348	21	36,565

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary Yuasa Battery (Thailand) Public Company
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Reconciliation of effective tax rate

	Separate financial statements			
	Rate (%)	2020 (in thousand Baht)	Rate (%)	2019 (in thousand Baht)
Profit before income tax expense		168,189		149,670
Income tax using the Thai corporation tax rate	20	33,638	20	29,934
Expense additionally deductible for tax purpose		(1,009)		(1,229)
Reversal of over-recorded deferred tax assets		-		594
Expenses not deductible for tax purpose		46		505
Others		53		249
Total	19	32,728	20	30,053

Consolidated financial statements

Deferred tax At 31 December	Assets		Liabilities	
	2020	2019 (in thousand Baht)	2020	2019
Total	22,080	18,903	(2,198)	(2,532)
Set off of tax	(2,198)	(2,532)	2,198	2,532
Net deferred tax assets	19,882	16,371	-	-

Separate financial statements

Deferred tax At 31 December	Assets		Liabilities	
	2020	2019 (in thousand Baht)	2020	2019
Total	20,037	15,436	(2,202)	(2,532)
Set off of tax	(2,202)	(2,532)	2,202	2,532
Net deferred tax assets	17,835	12,904	-	-

Consolidated financial statements

Deferred tax	(Charged) / credited to:			At 31 December
	At 1 January	Profit or loss (in thousand Baht)	Other comprehensive income	
2020				
Deferred tax assets				
Allowance for decline in value	808	57	-	865
Allowance for impairment losses on equipment	200	-	-	200
Accrued director's remuneration	-	1,270	-	1,270
Provision for employee benefits	17,416	439	1,457	19,312
Others	476	(46)	-	433
Total	18,903	1,720	1,457	22,080
Deferred tax liabilities				
Depreciation gap (plant and equipment)	(2,456)	300	-	(2,156)
Leases liabilities	(76)	34	-	(42)
Total	(2,532)	334	-	(2,198)
Net	16,371	2,054	1,457	19,882
2019				
Deferred tax assets				

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary Yuasa Battery (Thailand) Public Company
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	At 1 January	Consolidated financial statements (Charged) / credited to:		At 31 December
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax				
Allowance for doubtful accounts	525	(525)	-	-
Allowance for decline in value	615	193	-	808
Allowance for impairment losses on equipment	-	200	-	200
Provision for employee benefits	13,326	1,907	2,183	17,416
Others	557	(78)	-	479
Total	15,023	1,697	2,183	18,903
Deferred tax liabilities				
Depreciation gap (plant and equipment)	(3,737)	1,281	-	(2,456)
Finance leases	(103)	27	-	(76)
Total	(3,840)	1,308	-	(2,532)
Net	11,183	3,005	2,183	16,371

	At 1 January	Separate financial statements (Charged) / credited to:		At 31 December
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax				
2020				
Deferred tax assets				
Allowance for decline in value	755	(37)	-	718
Allowance for impairment losses on equipment	200	-	-	200
Accrued director's remuneration	-	1,270	-	1,270
Provision for employee benefits	14,481	302	3,066	17,849
Total	15,436	1,535	3,066	20,037
Deferred tax liabilities				
Depreciation gap (plant and equipment)	(2,456)	300	-	(2,156)
Leases liabilities	(76)	30	-	(46)
Total	(2,532)	330	-	(2,202)
Net	12,904	1,865	3,066	17,835

Yuasa Battery (Thailand) Public Company Limited and its Subsidiary Yuasa Battery (Thailand) Public Company
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	At 1 January	Separate financial statements (Charged) / credited to:		At 31 December
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax				
2019				
Deferred tax assets				
Allowance for decline in value	271	484	-	755
Investment in subsidiary	200	(200)	-	-
Provision for employee benefits	-	200	-	200
Derivatives	10,964	1,636	1,881	14,481
Total	11,435	2,120	1,881	15,436
Deferred tax liabilities				
Depreciation gap (plant and equipment)	(3,737)	1,281	-	(2,456)
Finance leases	(103)	27	-	(76)
Total	(3,840)	1,308	-	(2,532)
Net	7,595	3,428	1,881	12,904

22 Basic earnings per share

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht / thousand shares)			
Profit attributable to ordinary shareholders for the year ended 31 December				
Profit attributable to ordinary shareholders of the Company (basic)	158,177	138,920	135,462	119,617
Number of ordinary shares outstanding	107,625	107,625	107,625	107,625
Earnings per share (basic) (in Baht)	1.47	1.29	1.26	1.11

23 Dividends

The dividends paid by the Company to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2020				
Interim dividend	7 April 2020	May 2020	0.35	37.67
2019				
Annual dividend	10 April 2019	May 2019	0.30	32.29

24 Financial instruments

(a) Carrying amounts and fair values

Carrying amount of financial assets and financial liabilities not measured at fair value is a reasonable approximation of fair value.

(b) Financial risk management policies

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

(b.1.1) Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from management.

The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 90 days.

The following table provides information about the exposure to credit risk and ECLs for trade receivables.

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Consolidated financial statements			
	Trade receivables	Total carrying amounts (in thousand Baht)	Allowance for expected credit loss
At 31 December 2020			
Within credit terms	309,459	309,459	-
Overdue:			
1 - 30 days	23,158	23,158	-
31 - 60 days	181	181	-
61 - 90 days	230	230	-
More than 90 days	1,608	1,608	(1,492)
Total	334,636	334,636	(1,492)
Less allowance for expected credit loss	(1,492)	(1,492)	
Net	333,144	333,144	

Separate financial statements			
	Trade receivables	Total carrying amounts (in thousand Baht)	Allowance for expected credit loss
At 31 December 2020			
Within credit terms	314,804	314,804	-
Overdue:			
1 - 30 days	2	2	-
Total	314,806	314,806	-
Less allowance for expected credit loss	-	-	
Net	314,806	314,806	

Loss rates are based on actual credit loss experience over the past 3 years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

	Consolidated financial statements (in thousand Baht)	Separate financial statements
Trade receivables		
At 31 December 2019		
Within credit terms	278,239	330,248
Overdue:		
Less than 3 months	22,944	5,941
6 - 12 months	4	-
Over 12 months	1,622	-
Total	302,809	336,189
Less allowance for doubtful accounts	(1,492)	-
Net	301,317	336,189

The normal credit term granted by the Group ranges from 7 days to 90 days.

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(b.1.2) Cash and cash equivalent

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

(b.1.3) Guarantees

The Company's policy is to provide financial guarantees only for subsidiaries' liabilities. At 31 December 2020, the Company has issued a guarantee to certain banks in respect of credit facilities granted to subsidiary (see note 13).

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Consolidated financial statements					
Contractual cash flows					
At 31 December 2020	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total
(in thousand Baht)					
Trade payables	247,195	247,195	-	-	247,195
Lease liabilities	7,235	3,666	2,754	1,903	8,323
	<u>254,430</u>	<u>250,861</u>	<u>2,754</u>	<u>1,903</u>	<u>255,518</u>

Separate financial statements					
Contractual cash flows					
At 31 December 2020	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total
(in thousand Baht)					
Trade payables	247,208	247,208	-	-	247,208
Lease liabilities	7,112	3,606	2,695	1,888	8,189
	<u>254,430</u>	<u>250,814</u>	<u>2,695</u>	<u>1,888</u>	<u>255,397</u>

(b.3) Market risk

The Group is exposed to normal business risks from changes in currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

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<i>Assets and liabilities denominated in the foreign currencies as at 31 December</i>	Consolidated financial statements/ Separate financial statements							
	2020				2019			
	United States Dollars	Japanes e Yen	Pound Sterling	Total (in thousand Baht)	United States Dollars	Japanes e Yen	Pound Sterling	Total
Cash and cash equivalents	58	-	-	58	68	-	-	68
Trade receivable	35,974	-	-	35,974	41,636	-	-	41,636
Other current receivables	5,515	-	-	5,515	2,606	-	-	2,606
Trade payable	(35,586)	(6,066)	(921)	(42,573)	(45,078)	(3,265)	(276)	(48,619)
Other payables	(409)	(1,213)	-	(1,622)	(411)	(284)	-	(695)
Gross exposure	5,552	(7,279)	(921)	(2,648)	(1,179)	(3,549)	(276)	(5,004)

25 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

26 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Capital commitments				
Building and constructions	452	946	452	946
Machinery and equipment	-	4,283	-	4,283
Office equipment	438	274	438	274
Computer software	-	578	-	488
Total	890	6,081	890	5,991
Other commitments				
Short-term lease commitments	-	376	-	376
Bank guarantees	6,299	6,311	6,299	6,311
Other agreements	-	30	-	30
Total	6,299	6,717	6,299	6,717

As at 31 December 2020, the Group had;

- letter of guarantees issued by financial institutions in favour of the Company for the use of electricity and for performance bonds guarantee which some letter of guarantees of Baht 6.3 million were secured by the Company's land and constructions.
- purchase order accepted by suppliers of the Company for purchase of raw materials for a total quantity of 7,440 MT (2019: 6,805 MT), at the prices as determined in purchase order that will be delivered during 2021 (2019: during 2020).

27 Events after the reporting period




At the Board of Directors' meeting held on 16 February 2021, the directors resolved to propose the dividend payment at Baht 0.441 per share. The dividend payment shall be approved by its shareholders at the annual general meeting of the shareholders.



YUASA BATTERY (THAILAND) PUBLIC COMPANY LIMITED.

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