

BEGISTICS PUBLIC COMPANY LIMITED

ANNUAL REPORT 2018



CONTENT

I	Message from Chairman of the Board of Directors.....	1
II	Message from Chairman of Executive Committee.....	2
III	Report of Audit Committee.....	3
IV	Report of Nomination and Remuneration Committee.....	5
V	Board of Directors	6
1.	Business Overview and Policies.....	9
2.	Nature of Business.....	16
3.	Risk Factor.....	18
4.	General Information and References.....	21
5.	Shareholder	22
6.	Dividend Policy	26
7.	Management Structure	27
8.	Corporate Governance	36
9.	Corporate Social Responsibility.....	73
10.	Internal Control and Risk Management	76
11.	Connected Transaction	77
12.	Important Financial Information.....	79
13.	Management Discussion and Analysis.....	94
14.	Management Responsibility for the Financial Statements.....	98
15.	Auditor's Report and Financial Statements.....	99
16.	Details of Directors and Executives.....	159

Message from Chairman of the Board of Directors



“Year 2019, Thailand’s economy still needs to see political directions after an election. This is due to the election in Thailand has been absence for 8 years. The company focuses on carefully conducting business with prudence and efficiency”

Overview of Thai economy in 2018 was considered as continuously growing period, from previous year, of logistics business in exporting and service sessions although there were an outbound economic turmoil and trade conflicts between the United States and China impacting to both global and regional levels. All those incidents did not crash the company performance since the Board of Directors had carefully accomplished business with effectiveness. In additions, the Board had focused on corporate good governance, quality operations process, and transparency. All those factors had led the company to excellence and sustainability resulting to good return to stakeholders.

In 2019, Thailand’s economy still needs to see political directions after an election. This is due to the election in Thailand has been absence for 8 years. The company focuses on carefully conducting business with prudence and efficiency

On behalf of the Board of Directors, I would like to thank you shareholders, investors, customers, partners and the company supporters: executives, staffs and all stakeholders who have granted well cooperation. The Board of Directors has performed their assignments with dedications and full capacity in order to revive the company’s earnings to be profitability in the future. They, at all time, are attentively to maintain maximum benefits to shareholders and the company.



General Jongsak Panichkul

Chairman

Message from Chairman of Executive Committee



“Year 2018 the company had restructured business pattern by adding business lines in logistics: Freight Forwarding and Customs Brokerage. This was to enhance the business capability, to expand the economic potential and to uplift the company competitiveness turning to be an Integrated Logistics Service Provider”

In 2018, BEGISTICS PUBLIC COMPANY LIMITED had business restructured by adding business lines in logistics: Freight Forwarding and Customs Brokerage. This was to enhance the company potential economic and to improve the company competitiveness turning to be an Integrated Logistics Service Provider. Another 2 business lines of the company had been adjusted in many aspects under supervision of the Board of Directors, executives, and staffs that are committed to develop skills of fast delivery service and to build confidence in serving to the customers.

Furthermore, the company firmly stands of ethical principle, good governance, and good corporate governance guideline. The company main objective is to build growth: strong and sustainable growth, with responsibility to the community and society and properly consumes natural resources.

On behalf of the Executive Committee and every staff, we thank you to every one for your well and continuous supports to the company. We ensure you a confidence that every staff is committed to work with his full capacity and with integrity to bring the company to be a leader in an integrated logistics provider in Thailand with zero corruption.

A handwritten signature in black ink, consisting of a stylized 'T' followed by a series of loops and a long horizontal stroke.

Mr. Thitisak Skulkroo

Chairman of the Executive Committee

Report of Audit Committee



The audit committee of Bangpakong Terminal Public Company Limited is comprised of the following 3 independent directors.

Mr. Vuthichai Duangratana, *	Chairman of the Audit Committee
Mr. Santi Pongjareanpit,	Member of the Audit Committee
Mr. Prasert Sriuranpong, *	Member of the Audit Committee
Mr. Teeraboon Ariyasuthiwong,*	Member of the Audit Committee

***Remark**

Mr. Vathichai Duangratana Resolution on 22 October, 2018

Mr. Prasert Sriuranpong Resolution on 22 October, 2018

and Resigned effective as of 8 February, 2019

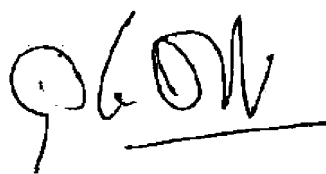
Mr. Teeraboon Ariyasuthiwong Resolution on 25 February, 2019

The Audit Committee performed the duties as assigned by the Board of Directors in accordance with the regulations of the Stock Exchange of Thailand. In 2018, the Audit Committee held quarterly meetings in order to consider various matters which are summarized below.

1. Reviewed quarterly financial statements and annual financial statements before proposing to the Board of Directors for approval. The Audit Committee recognized the importance of complying with the generally accepted accounting standards, and disclosed sufficient information especially with connected transactions and transactions that may cause conflicts of interest.
2. Reviewed adequacy and appropriateness of internal control processes. The Audit Committee was in an agreement that the Company's internal control system was appropriate and adequate for business operations. The Company prepared the internal control system assessment plan and reviewed the quarterly performance audit report.
3. Reviewed the Audit Committee's Charter. The Company's Audit Committee considered and reviewed the Audit Committee's Charter to improve and make an amendment to the qualifications, roles, duties, and powers of the Audit Committee to be in accordance with the regulations, good corporate governance principles as well as the requirement of Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

4. Reviewed Good Corporate Governance policy, Business Code of Conduct policy, Information Disclosure policy, Anti-Corruption policy, Whistle blower Protection and Inspection policy in order to be in accordance with the operations and the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
5. Provided a self-assessment of the entire Audit Committee in order to show that the Audit Committee completely performed all the duties assigned by the Board of Directors and operated consistently with good practice guidelines.
6. Considered Company's connected transactions or transactions that may have conflicts of interest in accordance with the laws and regulations of the Capital Market Supervisory Board and other related agencies in order to ensure that the transactions were reasonable, transparent, sufficiently disclosed and generated maximum benefit for the Company with the same conditions and reasonable prices as to those of outsiders.
7. Monitored and supervised business operations to be in accordance with the Securities and Exchange Act, the requirements of the Stock Exchange of Thailand and laws related to the Company's business.

For the year 2019, the audit committee considered and proposed to the board of directors to appoint Mr. Jesada Hungsapruek, Certified Public Accountant Registration No. 3759 and/or Ms. Kannika Vipanurat Certified Public Accountant Registration No. 7305 and/or Mr. Jiroj Siriroj, Certified Public Accountant Registration No. 5113 of Karin Audit Company Limited as the auditors of the Company. The appointment of the auditor and the audit fee will be subject to the approval of the shareholders at the Annual General Meeting of Shareholders for the year 2019.



Mr.Vuthichai Duangratana

Chairman of the Audit Committee

Report of Nomination and Remuneration Committee



The Nomination and Remuneration Committee has duties and responsibilities to nominate the appropriate personnel for positions of director and senior executive and considered the remuneration criteria for directors and executives.

In order to comply with good corporate governance principles, the Nomination and Remuneration Committee was comprised of 4 qualified independent directors and appointed by the Company's Board of Directors as follows:

- | | |
|----------------------------------|-------------------------------------------------------|
| 1. Mr. Vuthichai Duangratana* | Chairman of the Nomination and Remuneration Committee |
| 2. Mr. Thitisak Skulkroo | Nomination and Remuneration Committee |
| 3. Mr. Prasert Sriuranpong* | Nomination and Remuneration Committee |
| 4. Mr. Teeraboon Ariyasuthiwong* | Nomination and Remuneration committee |

***Remark**

Mr. Vathichai Duangratana Resolution on 22 October, 2018

Mr. Prasert Sriuranpong Resolution on 22 October, 2018 and Resigned effective as of 8 February, 2019

Mr. Teeraboon Ariyasuthiwong Resolution on 25 February, 2019

The Nomination and Remuneration Committee select personnel who have knowledge, competence and experience that benefits the Company and do not have any conflicts of interest with the Company as recruitment criteria. One must also be responsible to the Company and have the required qualifications. The proportion, number and composition of the Board in various aspects must be considered according to the basic legal regulations and the Company's Articles of Association and Good Corporate Governance Principles.

The Nomination and Remuneration Committee considered appropriate remuneration to be in line with duties and responsibilities of the Company's regulations in regards to earnings, the business environment and economic conditions.

Mr. Virasak Suntanthavibul

Chairman of the Nomination and Remuneration Committee

Board of Directors



1



2



3



4



5



6



7



8



9

- | | |
|----------------------------------|-----------------------------------------------------------------------------------------------------------|
| 1. Gen. Jongsak Panichkul | Independent Director and Chairman of the Board |
| 2. Mr. Thitisak Skulkroo | Director, Vice Chairman, Director Nomination & Remuneration Committee and Chairman of Executive Committee |
| 3. Mr. Vuthichai Duangratana* | Independent Director and Chairman of Audit Committee
Chairman of Nomination & Remuneration Committee |
| 4. Mr. Santi Pongjareanpit | Independent Director and Audit Committee |
| 5. Mr. Danai Piamthipmanust | Director and Executive Committee |
| 6. Mr. Pongsiri Sirithorn | Director, Executive Committee and Chief Executive Officer |
| 7. Miss Suttirat Leeswadtrakul | Director and Executive Committee |
| 8. Mr. Thanee Loketkrawee | Director and Executive Committee |
| 9. Mr. Teeraboon Ariyasuthiwong* | Independent Director,
Director Nomination & Remuneration Committee |

As of 12 March, 2019

Remark

* Mr. Vuthichai Duangratana Appointment from BOD no. 5/2018 resolution on 22 October, 2018

* Mr. Teeraboon Ariyasuthiwong Appointment from BOD no. 4/2019 resolution on 25 February, 2019

Audit Committee

1.	Mr. Virasak	Sutanthavibul*	Chairman of Audit Committee
2.	Mrs. Aree	Termwattanapakdee*	Audit Committee
3.	Mr. Santi	Pongjareanpit	Audit Committee
4.	Mr. Vuthichai	Duangratana*	Audit Committee
5.	Mr. Prasert	Sriuranpong*	Audit Committee
6.	Mr. Teeraboon	Ariyasuthiwong*	Audit Committee

Remark:

* Director no. 1 was resigned effective as of 1 September, 2018

*Director no. 2 was resigned effective as of 1 October, 2018

*Director no. 4 was appointed according to the BOD no. 5/2018 on 22 October, 2018

*Director no. 5 was appointed according to the BOD no. 5/2018 on 22 October, 2018 and resigned effective as of 8 February, 2019

*Director no. 6 was appointed according to the BOD no. 4/2019 on 25 February, 2019

Nomination & Remuneration Committee

1.	Mr. Virasak	Sutanthavibul*	Chairman of Nomination & Remuneration Committee
2.	Mr. Thitisak	Skulkroo	Nomination and Remuneration Committee
3.	Mr. Prasert	Sriuranpong*	Nomination and Remuneration Committee
4.	Mr. Teeraboon	Ariyasuthiwong*	Nomination and Remuneration Committee

Remark:

* Director no. 1 was resigned effective as of 1 September, 2018

*Director no. 3 was appointed according to the BOD no. 5/2018 on 22 October, 2018 and resigned effective as of 8 February, 2019

*Director no. 4 was appointed according to the BOD no. 4/2019 on 25 February, 2019

Executive Committee

1.	Mr. Thitisak	Skulkroo	Chairman of Executive Committee
2.	Mr. Danai	Piamthipmanust	Executive Committee Member
3.	Mr. Pongsiri	Sirithorn*	Executive Committee Member
4.	Miss Suttirat	Leeswadtrakul*	Executive Committee Member
5.	Mr. Thanee	Loketkravee*	Executive Committee Member

Remark:

* Director no. 3 was appointed according to the BOD no. 1/2018 on 4 January, 2018 effective as of 1 March, 2018

* Director no. 4 was appointed according to the BOD no. 2/2018 on 27 February, 2018

* Director no. 5 was appointed according to the BOD no. 2/2018 on 27 February, 2018

Business Overview and Company Policies

Begistics Public Company Limited or Begistics Public Company Limited at present is an integrated logistics service provider. We aim to be one of Thailand's leading providers of supply chain and logistical services. The core values were established to be the norm of the Company's specialization in order to influence organization behaviors and guide the conduct of employees in the organization by building sustainable solutions in an intellectual way for our customers and business partners. The Company works effectively to create sustainable return for its shareholders. The Company and its employees live harmoniously with society and the environment.

Business Vision

Be a leading provider in the integrated supply chain and logistical services in Thailand.

Mission Statement

Provide services in the area of supply chains and integrated logistical services in Thailand global linkage in order to create customer satisfaction and create value for its stakeholders.

Business Overview

Begistics Public Company Limited is a logistical service provider that consists of:

1. Port services located at the Bangpakong River estuary which connected to the Gulf of Thailand.
2. Services regarding the loading and unloading of cargo onto ships as well as providing complete equipment and tools services that are used in transferring goods.
3. International Freight Forwarding Services and Transport Management Service and Customs Clearance
4. Domestic transportation services with front loading tractors and rear loading tractors to supports a wide variety of cargo handling. This includes containers, bulk cargo and large containers.
5. Project Management
6. Full Container load services –FCL (Import & Export) and Less than container load services-LCL (Import & Export)
7. Sub-class freight and service transportation (NVOCC) services. Collecting products from two or more items to save transportation costs. (Consolidation) Manage containers in containers (CFS), both import and export at Bangkok Port. (Klong Toei Pier)
8. Trade Consultant Service

Company History

The Company has been a provider of port and other related services since 1999 and has been granted essential permits to its port services. For example, a maritime port operation permit, a berth usage permit, a permit for the opening of port and depot, and a permit for inland container depot services (ICD).

In the past, the Company operated container terminal operations by providing services to ship owners, container owners and exporters and importers of goods. However, due to the shallow waterway of Bang Pakong River, international cargo ships were unable to dock at the Company's port. This caused the Company's revenue to decline greatly. As a result, the Company shifted the direction of its business to provide services for coastal carrier (domestic transport) and bulk carriers from 2008 onwards.

According to the Company's business expansion plan in the area of logistics, in December 2014, the Company started land transportation services, crane rental service, freight truck sales and maintenance services.

Presently, the Company is able to offer more variety in the supply chain and integrated logistical services and meet the needs of customers even more. The Company is currently providing port services for break bulk cargo, inland container depot services (ICD), warehouses and warehouse management, transferring goods, crane rental services, custom clearance services for imports and exports, land transportation services, and freight, In the truck sales and maintenance services, the company has not done this work..

The Company is also considering the addition of several other related services in the future to meet the needs of customers such as bonded warehouses. The Company is in the process of applying for a permit and establishing a bonded warehouse with the Customs Department. The business operations are consistent with the vision and mission statement of the Company.

Major Changes and Developments

On February 11, 2013, the Company closed the registration of shareholders and found that the major shareholder, Whittler Company Limited, held 122,100,000 shares, equivalent to 18.49%, sold its total shares to minority shareholders.

On February 27, 2013, Mr. Nattaphob Ratanasuwanthawee purchased 29,220,450 shares of BTC through the Stock Exchange of Thailand's trading system on the Big Lot Board. This was equivalent to 4.426% of the Company's total paid-up shares.

On February 27 and February 28, 2013, the Company disseminated the news to investors that the Company was informed by Mr. Lim Chue Seng, Mrs. Sukanya Lim and Ms. Tananya Chumpolkulwong that Mr. Nattaphob Ratanasuwanthawee wanted to invest in the Company by purchasing BTC shares through the Stock Exchange's trading system on the Big Lot Board, totaling 83,550,450 shares or 12.66% of the total issued shares (partially completed). The transaction would be completed within March 2013.

On February 28, 2013, the structure of the Board of Directors and the management team was changed as follows.

1. Mr. Lim Chue Seng resigned from the position of chairman and Chief Executive Officer.
2. Mrs. Sukanya Lim resigned from the board of directors.
3. Ms. Benjamas Buachumsook resigned from the position of director and an audit committee member.

4. Mr. Nuttaphob Rattanasuwanthawee was appointed as the director in replacement of Mrs. Sukanya Lim. Mr. Nuttaphob was also appointed as vice chairman.
5. Mrs. Bongkot Rasameepaisarn (now her last name is “Rungkornpaisarn”) was appointed as the Company’s director in replacement of Ms. Benjamas Buachucmsook. The Company’s board of directors passed a resolution to change the authorized directors of the Company.

On March 14, 2013, the board of directors resolved to approve the resignation of Mr. Lim Chu Seng and Mr. Ling Lee Kwuang, and appointed General Montri Sangkasub as chairman of the board and a director in the Company and appointed Associate Dr. Pornanong Bussarakul as a director and an audit committee member. In addition to this, Mrs. Bongkot Rasameepaisarn was appointed to be the Chief Executive Officer and the company secretary.

On March 27, 2013, the Company was notified by the major shareholders of the Company which included Mrs. Sukanya Lim and Mr. Nattaphob Rattanasuwanthawee that Mr. Nattaphob Rattanasuwanthawee wished to request a change in his share investment with BTC through the trading system of the Stock Exchange of Thailand on the Big Lot Board from 83,550,450 shares or 12.66% of the total shares to 29,220,450 shares or 4.426% of the Company’s total paid-up shares. This was because the share price on the market increased sharply and Mr. Nuttaphob was unable to trade through the trading system of the Stock Exchange on the Big Lot Board.

On April 18, 2013, at the Annual General Meeting of Shareholders, the structure of the board of directors was adjusted as follows:

1. Ms. Tananya Chumpolkulwong resigned from the board of directors.
2. Mr. Thanakorn Tansiri resigned from the board of directors and the audit committee.
3. Mr. Thotsapol Jutapon resigned from the board of directors and the Company’s audit committee.
4. Mr. Yongyod Palanitisa was appointed as a director of the Company in replacement of Ms. Tananya Chumpolkulwong.
5. Mr. Supakid Dulypitch was appointed as a director of the Company in replacement of Mr. Thanakorn Tansiri.
6. Mr. Weerasak Suntantavibul was appointed as a director of the Company in replacement of Mr. Thotsaphon Jutapon.
7. Mr. Nopporn Thepsithar was appointed as a director of the Company.
8. Mr. Kitja Samanyahirun was appointed as a director of the Company.

On May 2, 2013, the board of directors resolved to elect Mr. Nopporn Thepsithar and Mr. Weerasak Suntantavibul to replace members of the audit committee who retired by rotation. In addition to this, the board of directors resolved to change the terms of the authorized directors who have authority to bind the Company. The authorized directors are Mr. Nattaphob Rattanasuwanthawee, Bongkot Rasameepaisarn (new last name is “Rungkornpaisarn”) and Mr. Kitja Samanyahirun. Two out of three directors must sign their names and affix the document with the Company’s seal.

On May 8, 2013, the Audit Committee appointed Mr. Nopporn Thepsithar to be the chairman of the audit committee.

On July 17, 2013, the Company received a letter from the Export-Import Bank of Thailand (“Exim Bank”) to request that Platinum Emerald Company Limited, the bank’s debtor, and Platinum Container Lines Limited, the guarantor of the loan agreement between Exim Bank and Platinum Emerald Company Limited, dated October 18, 2004 pay the outstanding principal of approximately 234 million Baht plus accrued interest until the completion of debt payment to Exim Bank within 30 days from the issued date on the letter. The Company is in the process of restructuring debt with Exim Bank.

On April 4, 2014, Exim Bank filed a lawsuit with Platinum Emerald Company Limited, as a debtor and Platinum Container Lines Company Limited as the loan guarantor to pay 317.40 million Baht including 18% of the principal in the amount of 234.90 million Baht since April 5, 2014. The Court agreed to postpone the mediation and the hearing of evidence many times. On February 16, 2015, the court agreed to postpone the mediation and the hearing of evidence to May 25, 2015.

On April 22, 2014 Associate Professor Dr. Pornanong Bussaratrakul submitted a letter of resignation from the board of directors and the audit committee because he was appointed as a qualified member of the Capital Market Supervisory Board of the Office of the Securities and Exchange Commission (“SEC”). Therefore the meeting of shareholders for the year 2014 made a resolution to appoint Mrs. Aree Termwattanapakdee to be a director.

On June 16, 2014, the board of directors approved the appointment of Mrs. Aree Termwattanapakdee to be a member of the audit committee in replacement of Associate Professor Dr. Pornanong Bussaratrakul.

On July 19, 2014, Mr. Nopporn Thepsithar submitted a letter of resignation from the board of directors and chairman of the audit committee because he was nominated as a director of a government organization. The board of directors made a resolution to appoint Mr. Surath Pralongsil as a replacement director and member of the audit committee on August 14, 2014.

On November 12, 2014, the audit committee appointed Mr. Virasak. Sutanthavibul to be on the audit committee and be the chairman of the audit committee.

On November 25, 2014, Mr. Nattaphob Ratanasuwanthawee held 29,195,425 shares or 4.42% of BTC shares. He sold 29,000,000 shares to the public via the trading system of the Stock Exchange of Thailand. He had 195,425 shares remaining which equaled 0.03%. This selling of shares did not affect the management structure of the Company in any way.

On April 22, 2015, Mrs. Bongkot Rasmeepaisarn, a director of the Company, changed her last name from Mrs. Bongkot Rasameepaisarn to Mrs. Bongkot Rungkornpaisarn

On 28 May 2015, the Annual General Meeting of Shareholders for the year 2015 resolved to appoint Mr. Thitisak Sakulkroo to be the Company’s director in order to replace Mr. Supakit Dulayapitch, who retired by rotation.

On June 28, 2015, Mr. Yongyos Palanitisena, a director of the Company gave a notice of resignation.

On July 23, 2015, the board of directors approved Mr. Danai Piamthipmanust to be a director of the Company in replacement of Mr. Yongyos Palanitisena. His resignation was in effect from July 23, 2015 onwards. Mr. Danai Piamthipmanust was assigned to be the Chief Operations Officer, which was in effect from July 24, 2015 onwards.

On July 23, 2015, the board of directors approved the resignation of Mrs. Bongkot Rungkornpaisarn as the Company’s Chief Executive Officer due to an increase in other work as well as being appointed as a member of the Logistics & Trade Facilitation Committee of the Thai National Shippers Council. Therefore, she was unable to fully perform her duties as the Company’s Chief Executive Officer. The resignation was in effect from September 1, 2015 onwards. However, Mrs. Bongkot Rungkornpaisarn continued to be a director of the Company and the company secretary.



On August 13, 2015, Mr. Kitja Samanyahirun submitted a resignation letter from the board of directors.

On August 25, 2015, the board of directors acknowledged the resignation of Mr. Surath Pralongsil from the audit committee which was in effect from August 25, 2015. The board of directors appointed Mr. Surath Pralongsil to be the Chief Executive Officer (in addition to the position of director) in replacement of Mrs. Bongkot Rungkornpaisarn, who resigned from the position of Chief Executive Officer, which was in effect from September 21, 2015 onwards.

On October 16, 2015, the Company was informed by General Montri Sungkasap, the chairman of the board of directors that he gave a notice of resignation as chairman of the board of director and director of the Company effective October 18, 2015. Mrs. Bongkot Rungkornpaisarn also made a resignation as the company secretary effective November 1, 2015 onwards.

On October 22, 2015, the board of directors' meeting appointed the following positions.

1. General Jongsak Panitchkul was appointed as an independent director and chairman of the board of directors, replacing General Montri Sungkasub.
3. Mr. Manit Nitiprateep was appointed as a director in replacement of Mr. Kitja Samanyahirun and a member of the audit committee in replacement of Mr. Surath Pralongsil.

On February 8, 2016, the Company made an amendment to the Company's head office with the Department of Business Development, Ministry of Commerce. The Company's head office were relocated to 3656/64 Green Tower 19th Floor, Unit K, Rama IV Road, Klongton, Klongtoey, Bangkok, 10110.

On November 10, 2016, the board of directors meeting appointed Mr. Tawee Kullertprasert to be a director in place of Mrs. Bongkot Rungkornpaisarn, whose resignation was effective November 10, 2016. The board of the directors also acknowledged the resignation of Mr. Nathaphob Rattanasuwanthawee which was effective on the same day. The board of directors would nominate qualified candidates for further positions.

The Company filed a lawsuit against an associated company and a joint loan guarantor. In 2017, the Company, the plaintiff, filed for bankruptcy against the subsidiary and the associated companies. There were 4 total defendants at the Central Bankruptcy Court due to unpaid debts. Later, the Bankruptcy Court ordered the following:

On July 4, 2017, Platinum Container Line Company Limited and Platinum Jade Company Limited were put under absolute receivership by court order. The notification of absolute receivership was issued in the Royal Thai Government Gazette on January 16, 2018. The Company prepared to submit a request for debt payment to the official receiver at the Legal Execution Department. The request could be submitted until March 16, 2018.

On July 24, 2017, Platinum Emerald Company Limited was put under absolute receivership by court order. The order will be notified in the Royal Thai Government Gazette on the issued date of March 13, 2018

On October 4, 2017, Platinum Diamond Company Limited was put under absolute receivership by court order. The order will be notified in the Royal Thai Government Gazette on the issued date of July 13, 2018.

On August 17, 2017, the Extraordinary General Meeting of Shareholders No. 1/2560 resolved to approve the reduction of the Company's registered capital from 14,453,608,907 Baht (Fourteen Billion, Four Hundred Fifty-Three Million, Six Hundred and Eight Thousand, Nine Hundred and Seven Baht) to 10,453,608,907 Baht (Ten Billion, Fourteen Hundred Fifty-Three Million, Six Hundred and Eight Thousand, Nine Hundred and Seven Baht) by eliminating ordinary shares that had not been issued in the amount of 4,000,000,000 shares (Four Billion Shares) with a par value of 1 Baht per share. The Shareholders' meeting also resolved to increase its registered capital by 5 Baht (Five Baht) from 10,453,608,907 Baht (Ten Billion, Fourteen Hundred Fifty-Three Million, Six Hundred and Eight Thousand, Nine Hundred and Seven Baht) to 10,453,608,912 Baht (Ten Billion, Fourteen Hundred Fifty-Three Million, Six Hundred and Eight Thousand, Nine Hundred and Twelve Baht) with an issuance of 5 additional ordinary shares (Five Shares) with a par value of 1 Baht (One Baht). This resolution included an amendment of Memorandum of Association of the Company Clause 4 in order to be in line with the reduction of the registered capital and the allotment of new shares to support the adjustment of the rights to purchase new ordinary shares of the Company No. 3 (BTC-W3) and made an amendment to Clause 4 of the Company's Memorandum of Association in order to be in line with an increase of registered capital. Therefore, there is a change in share value due to stock from a par value of 1 Baht (One Baht) per share to par value of 12 Baht (Twelve Baht) per share and made an amendment to Clause 4 of the Company's Memorandum of Association to be in line with the change in par value of the Company's shares.

On October 20, 2017, the Board acknowledged the resignation of Mr. Manit Nithiprateep from the position of Independent Director of the Audit Committee and Chairman of Nomination and Remuneration Committee.

On October 30, 2017, the Company registered a reduction of registered capital and paid-up capital from 7,015,844,904 Baht (Seven Billion, Fifteen Million, Eight Hundred Forty-Four Thousand Nine Hundred and Four Baht) to 397,564,544.56 Baht (Three Hundred and Ninety-Seven Million, Five Hundred and Sixty-Four Thousand, Five Hundred and Forty-Four Baht and Fifty-Six Satang) by reducing the share value from a par value of 12 Baht (Twelve Baht) per share to a par value of 0.68 Baht (Sixty-Eight Satang) per share at the Department of Business Development.

On November 23, 2017, the Board acknowledged Mr. Tawee Kullertprasert's resignation from Vice President and Executive Director.

On January 4, 2018 The Board of Directors' Meeting No. 1/2018 passed a resolution to appoint Mr. Phongsiri Sirithorn to be a member of the Executive Committee and Chief Executive Officer With effect from 1 March 2018

On February 8, 2018, the Extraordinary General Meeting of Shareholders No. 1/2561 passed a resolution approving the increase of the Company's registered capital from 592,371,171.68 Baht or 871,134,076 shares to 957,033,230.80 Baht or 1,407,401,810 shares by issuing 536,267,734 new ordinary shares with a par value of Baht 0.68 per share (worth 364,662,059.12 Baht) by increasing capital for Millcon Steel Public Company Limited in the amount not exceeding 200,000,000 shares at the par value of 136,000,000 Baht (par value of 0.68 Baht per share) at the offering price of 0.90 Baht per share. The additional ordinary shares not exceeding 292,326,871 shares (Two Hundred Ninety-Two Million, Three Hundred Twenty-Six Thousand, Eight Hundred and Seventy-One Shares) were allocated to the existing shareholders according to right offering at the ratio of 2 existing shares to 1 new share at the offering price of 0.90 Baht (Ninety Satang) per share and the total value shall not exceed 263,094,184 Baht (Two Hundred Sixty-Three Million, Ninety-Four Thousand, One Hundred Eighty-Four Baht). The allocation of additional shares not exceeding 200,000,000 shares for Private Placement includes Millcon Steel Public Company Limited ("Millcon") at the offering



price of Baht 0.90 per share, the total value not exceeding 180,000,000 Baht and the allotment of additional ordinary share not exceeding 43,940,863 shares (Forty-Three Million, Nine Hundred Forty, Eight Hundred and Sixty Three Shares) at a par value of 0.68 Baht per share was to support the adjustment of the rights of warrants BTC-W3. Moreover, the Company requested for the approval of Whitewash to Millcon Steel Public Company Limited.

On February 21, 2018, the Company registered a capital increase and changed the name and logo of the Company to Begistics Company Limited at the Ministry of Commerce.

On February 28, 2018, the Company received the payment of shares and added the name of Millcon Company Limited to the list of shareholders (PLC. 006) which was issued by the Thailand Securities Depository Company Limited iregister with the Ministry of Commerce.

On March 2, 2018, the Company registered the amendment of paid-up capital of the Company at the Ministry of Commerce by combining capital from existing shareholders (Right Offering) and private placement from 397,564,544.56 Baht to 592,796,735.40 Baht, which were 871,759,905 ordinary shares with a par value of 0.68 Baht per share.

On April 27, 2018, The Ordinary Shareholder Meeting of 2018 had resolution to issue and offer warrants right to purchase the company ordinary shares for existing shareholders at quantity not exceeding 96,862,212 units with exercise rate of 9 ordinary shares per 1 warrant without charge (zero Baht) (B-W4). An exercise ratio is that 1 unit can purchase the company ordinary shares of capital increase at 1.20 Baht per share and warrant will be expired in 3-year period commencing from the warrant issue date. Another resolution is to reduce the company registered capital at amount of 139,550,149.36 Baht from original registered capital 957,033,230.80 Baht to be 817,483,149.36 Baht by deleting 205,220,708 units of unissued ordinary shares at par value of 0.68 Baht per share. The Meeting also decided to revise the company memorandum of associate item 4 to be in line with the reduction of registered capital. In addition, the Meeting determined to register for capital increase at amount of 65,866,304.16 Baht from present registered amount of 817,483,149.36 Baht to be 883,349,453.52 Baht by issue ordinary shares at 96,862,212 units at 0.68 baht per share and revise the company memorandum of associates item 4 to be in line with the registered capital incremental and the approval in common shares preparation for capital increase in order to support the warrants issuance and offering to purchase the company common shares for the present shareholders at quantity not exceeding 96,862,212 shares at 0.68 Baht per value. The resolution allowed for 2 new branches registration; one is at Leam Chabang and the other one is in Rayong.

On June 21, 2018, The Executive Committee Meeting of 6/2018 had a resolution to invest in Sokochan Company Limited by purchase the common share of capital increase of 2,468 shares at 3,646.68 Baht per share, totally was 9,000,000 baht as agreed. The company had finished payment on August 1, 2018.

ON July 2, 2018, The company issued and offered warrants right to acquire ordinary shares of capital incremental (B-W4) at 96,862,212 units to share holders. The remaining 12,651 warrants would be terminated later on.

On August 24, 2018, The Board of Directors learned the resignation of Mr. Virasak Sutanthavibul from the Independent Committee, Chairman of the Nomination and Remuneration Committee, and Chairman of Audit Committee.

On August 24, 2018, The Executive Committee Meeting of 8/2018 had a resolution to invest in Moon Shot Venture Capital Company Limited by purchasing 300,000 common shares of capital increase at 100 Baht per share, sum up to 30,000,000 Baht (per value). The company had paid 25% of par value on December 6, 2018.

On September 25, 2018, The Executive Committee Meeting of 9/2018 had a resolution to invest in CPS Shipping and Logistics Company Limited by purchasing 46,800 common shares of capital increase at 100 Baht per share, sum up to 4,680,000 Baht (per value). The company had finished payment on November 13, 2018.

On October 2, 2018, The Board of Directors learned the resignation of Mrs. Aree Termwattanaphakdi from the Independent Committee and Chairman of Audit Committee.

On October 22, 2018, The Board of Directors Meeting of 5/2018 had appointed Mr. Wuttichai Duangratana to be an Independent Committee and Audit Committee for replacement of Mr. Weerasak Sutantawibool who had announced of his resignation effective from October 22, 2018. Also, the Board appointed Mr. Prasert Sriuranpong to be an Independent Committee and Audit Committee for replacement of Mrs. Aree Termwattanapakdee who had announced of her resignation effective from October 22, 2018.

On November 9, 2018, The Board of Directors Meeting of 6/2018 had appointed Mr. Vuthichai Duangratana to be a Chairman of Audit Committee and Nomination and Remuneration Committee, Chairman of and Nomination and Remuneration Committee effective from November 9, 2018. Also, there was the appointment of Mr. Prasert Sriuranpong to be a Nomination and Remuneration Committee effective from November 9, 2018.

On January 29, 2019, The Board of Directors Meeting of 2/2019 had determined that the company was allowed to provide financial assistance to third party at 150 million Baht with interest rate 15% per annum with loan payment due by March 30, 2019. The borrower must have collateral as common shares of Triple I Logistics Public Company which its value is 2 times higher than loan amount. If share market price decreases more than 20%, the borrower must fill in the collateral at not less than 2 times of loan amount together with interest.

The Company's core business had been providing port services and depot at Bangpakong Terminal. However, as the Company plans to expand its business to become integrated logistical service provider, the Company has begun to operate domestic land transportation services and other related services which include crane rental services, and freight truck sales and maintenance services since December 2015 and in 2018, the company has expanded its business into customs clearance services. The revenue structure of the Company is classified by the type of service. This was summarized and shown in the financial statement of the Company



Nature of Business

Revenue structure

Revenue	2016		2017		2018	
	Revenue (thousands of Baht)	%	Revenue (thousands of Baht)	%	Revenue (thousands of Baht)	%
Revenue from Services						
1. Port Services	27,789	28	54,416	44.10	44,135	7.73
2. Domestic Land Transportation and Related Services	68,320	69	69,376	54.43	213,267	37.36
3. Logistics Services ¹⁾	-	-	-	-	303,166	53.11
4. Other Revenue ²⁾	2,422	3	1,844	1.47	10,270	1.80
	98,531	100	125,636	100	570,838	100

Remarks: ¹⁾ The Company has provided Logistics services since January 2018.

²⁾ Other revenue includes reversal of allowance for impairment of assets, profit from disposal of available for sale investments, interest income, etc.

Types of Services

Port and Facilities Services

Begistics Public Company Limited (Formerly name “Bangpakong Terminal Public Company Limited”), “The Company”, has engaged in a port business and other businesses relating to sea transport. The Company’s clients are ship owners, container owners and import and export operators. The Company offers port services for owners of international container vessels in the shipping lanes between Thailand, Hong Kong, Malaysia, the Philippines, Singapore, Vietnam, the People’s Republic of China and Brunei. The containers that are loaded onto ships consist of empty containers and loaded containers and are imported and exported along the mentioned routes. The port also offers other services such as depots, discharge of goods, packing and distinguishing goods, fixing containers and other related services.

The port at the estuary is directly affected from the sedimentation of alluvial soil at the estuary causing the water course to be silted. The Company has to pay to dredge it up regularly. In addition to this, the impact of the national economic conditions has caused the number of imported and exported goods to decrease greatly. There has been no international cargo ships docking at the Company’s port since the middle of 2008. Accordingly, the core business of the Company has shifted to providing services to coastal vessels and breakbulk carriers that carry cargo through the port of the Company. In order to reduce the burden on human management and other related expenses, the Company hired an outsourced company to provide certain types of services in the port such as container shipping, packing and distinguishing goods which requires a lot of labor.

The port of the Company is located at 8/1 Moo 8, Sukhumvit Road (Bangna-Trad), km 52, Thakham Sub-district, Bang Pakong District, Chachoengsao Province. The port is a bridge extending into the estuary of Bang Pakong River. It is about 147 meters long, with a front width about 30 meters. The front length of the port is about 148 meters, with a depth of 4 meters from the mean sea level. The channel depth is about 4.5 meters, which is measured from the mean sea level. The Company's port can support break-bulk carriers at a maximum of 10,000 DWT.

The Company has a total of 137,580 square meters of depot and container freight station. It is capable of accommodating 15,000 TEUS containers. This can be categorized below.

Type of Warehouse	Number of Buildings	Area (square meters)
Depot	Inbound Goods: 1 building ^{1/}	12,200
	Outbound Goods: 2 buildings ^{2/}	5,000
Container Freight Station (in-dock and off-dock port)		119,330
Area for Hazardous Goods ^{2/}		150
Area for Refrigerated Containers ^{2/}		900
Total		137,580

Remarks: 1/ the two warehouses used for inbound cargo are located at off-dock and in-dock in the port area. Buildings located in-dock have an area of 7,200 square meters. Buildings located off-dock have an area of 5,000 square meters. At present, the Company has adjusted 65% of the inbound goods area as a outbound goods area.

2/ Located outside the port area

In addition to this, the Company was granted permits to operate its business from relevant authorities. The Company has strictly complied with the terms and conditions stated in these permits. The Company's management is confident that the Company will not have any trouble renewing its permits.

Customs Clearance Services and International Freight Forwarding Services

To increase integrated logistical services, the Company expanded its business to include customs clearance services and international freight forwarding services since January 2018 with quality personnel and being attentive to customer service by having expert custom specialist providing customs clearance services. Regarding to internal freight forwarding services, the Company has an international network of services covering the globe ready to service every destination.

Domestic Transportation Services and Related Business Services

The Company has plans to expand its logistical business beginning from the domestic transportation business in December 2015, The Company has a Transportation and Maintenance Service Center for trucks and cranes at 273/15 Moo 6, Bypass Road, km. 94-95, Surasak, Sriracha, Chonburi. The Company also provides trucks and cranes to customers as well as truck maintenance services to customers. The company employs highly skilled personnel such as truck drivers, crane drivers, maintenance technicians, etc., to support these businesses.



Marketing and Competition

Besides the trucks, tools and equipment mentioned above, personnel are another key ingredient in conducting the Company's business. The Company has a policy to acquire qualified personnel and engage them to work for the Company for the long run.

Environmental Impact

The Company monitors the environmental impacts that may arise from business operations, such as water quality, noise, and air quality, etc. The Company constantly monitors the environmental quality. The company hired Amex Association Company Limited to monitor the impact. The Company submits the results from monitoring impact to the Harbour Department on a regular basis. Over the past 10 years, the Company has complied with the law and has not caused any problems to the environment.

Risk Factor

Operational Risk

Risk from Changes in Government Policies and Regulations

Originally, the Company's core business was providing port services and international shipping services located along Bangpakong River. The Company's business growth depends on policies and management of water transportation for each government term. This includes changes in water transport policies, laws and regulations, such as the promotion and expansion of investments on the Bangkok Port in the Chao Phraya River, construction developments of the Coastal Container Terminal at Laem Chabang Port, and the allocation of the dredging budget from the Harbor Department. These factors may affect investment and the Company's business expansion which could result in lower revenue and profit.

The Company manages this risk by expanding other related logistical businesses, which includes domestic land transportation, crane rental services, and freight truck sales and services. Revenue from port services declined from 92% in 2015 to 29% in 2016. However, the Company continues to focus on operating port and facilities services and also cooperates with government agencies and local administrative organizations continually which is in accordance with the vision of the Company to operate an integrated logistical service business.

Risk from Incapability of International Cargo Vessel Docking at the Company's Port

The Company operates port services and an international shipping business that allows international container vessels to dock at its port. However, due to the problem of shallow channel of Bangpakong River, international container vessels have not been able to dock at the port from 2008 until now. This caused the Company's revenue to decrease drastically.

The Company manages this risk by changing the type of goods to bulk cargo that mainly use of transport ships to convey goods and are able to travel in the shallow ravines of Bangpakong River.

Risk of Reliance on a Few Major Customers

There are not many customers that use the Company's ports and depot because there are only 5 categories of bulk cargo. Since international container vessels are unable to dock at the port, import and export customers use Laem Chabang Port or Bangkok Port for their business instead. In cases that require the transfer of containers from Laem Chabang Port or Bangkok Port to a factory or from a factory to Laem Chabang Port or Bangkok Port, companies usually use the ICD which are located near factories because it is more convenient and lowers cost rather than using the Company's warehouse, which is on the way.

The Company is at risk in cases that customers do not use the port and facilities services. The Company manages this risk by expanding its customer base further and has developed its bulk cargo shipping business that has a demand for import and export of agricultural products and many other products.

Risks from Renewal of Licenses Related to Business Operations

The business of the Company requires permission from different related government agencies such as the Harbor Department, the Ministry of Transport and the Customs Department. These permits are maritime port operation permits, berth usage permits, permits for the opening of ports and depots, and permits for inland container depot service (ICD). The validity of each type of permits varies, ranging between 1-15 years.

The regulations and conditions may change upon each renewal and this may affect the operational costs and business operations of the Company. However, due to the fact that the Company has sound operations and has strictly complied with the government's rules and regulations throughout the years, the Company's executives are confident that the Company will not have problems that hinder the renewal of its licenses to operate its business.

Financial Risk

Risk of the Impairment of Assets

The Company uses alternative cost options or expected net sales, whichever price is lower, to show the value of investment properties in accordance with the Financial Reporting Standard. As of December 31, 2018, the Company's investment properties contained 2 deeds for unused land. The area of this land is approximately 16 rai, 1 ngan, and 46 square wahs. This amounts to 58.36 million Baht or 0.01% of its significant total assets. The Company considered the expected net sales value based on information from independent appraisers using the market price comparison method.

The Company would be at risk if Thailand's real estate industry was in a crisis and the market price was low. This would cause the assets to become impairment assets in accounting and affect the Company's net value. The Company manages this risk by considering the feasibility of investing in logistical projects on the property to increase its revenue and profit. At the same time, if there are any offers to buy these properties at a reasonable price, the Company would also consider disposing of such assets.



Exchange Rate risk

Exchange rate fluctuation is unpredictable since there are various factors impacting to exchange rate movements i.e. domestic fundamental economic factors, monetary and fiscal policy, global economic situation, expectation and speculation, domestic and international political stability, market psychology rumor, and technical issues. The exchange rate fluctuation causes risks to business particularly the import-export or international business.

Although the exchange rate fluctuation is uncontrollable, the company manages the exchange rate risk with appropriate tools in order to prevent potential exchange risk in advance by follows up the information affecting to exchange rate and always tracks exchange rate. Also, the company has requested the sales representative to propose future service fee at appropriate level of service render to the company import-export at larger volume which is necessary for exchange rate risk protection i.e. Forward Futures Options. This is to enhance the company effectiveness in managing revenue and costs.

Risk that Affects the Rights or Securities Holders investments

Risk of the Company's Significant Deficits and Inability to Distribute Dividends

In the fiscal year 2018, the Company's accumulated losses were in the amount of 95.81 million Baht. In 2017, accumulated losses were 47.18 million Baht. The Company's accumulated losses increased by Baht 48.63 million because the company invested in an associated company on November 13, 2018 with share of profit from investment in an associated company in the amount of Baht 1.69 million Therefore, the Company's net loss in 2018 was only 50.70 million Baht.

In 2018, the Company expanded its domestic transportation business with front loading tractors and rear loading tractor to handle a greater variety of transportation and other related businesses. Even though, the Company's revenue has increased greatly, the operational costs and expenses are high and the Company has a great amount of accumulated loss. The Company was unable to pay dividends to its shareholders in accordance with the law and shareholders are at risk of not receiving dividends in accordance with the dividend policy.

The Company is striving to continually expand its business, increase revenue, and reduce costs and expenses in order to make the business profitable again soon.



General Information and References

Company Name	: Begisticsl Public Company Limited (Formerly Bangpakong Terminal Public Company Limited)
Abbreviation	: B (BTC)
Company Registration No.	: Bor Mor Jor 0107545000357
Registered Capital	: 883,349,453.52 Baht
Paid-Up Capital	: 592,796,735.40 Baht
Nature of Business	: Providing integrated logistical services which includes ports, depot, transfer goods, land transportation services, crane rental services, International Freight Forwarding Services and Transport Management Service and Customs Clearance
Head Office Location	: 3656/64 Green Tower, 19th Floor, Unit K, Rama Road 4 Klongton, Klong Toey Bangkok, 10110 Phone: (02) 3670-6 Fax : (02) 367-3577
Registrar	: Thailand Securities Depository Company Limited
Auditor	: Ms.Kannikar Vipanut, Certified Public Accountant Registration No. 7305 Karin Audit Company Limited 72 CAT Tower, 24th Floor, Chareonkrung Road, Bangrak, Bangrak Bangkok, 10500 Phone: 0-2634-2484-6 Fax : 0-2634-0243
Legal Advisor	: M&T Law Office Company Limited 499/177 Hatairaj Road, Sam Wa Tawan To Sub-District, Khlong Sam Wa District, Bangkok, Thailand 10510 Tel: 081-483-8999 Fax 02-9613379

Investors can study the information of the company issuing additional securities from the annual registration statement.(Form 56-1) of the company shown in www.set.or.th



Securities and Shareholder Information

Company Securities

As of 12 March, 2019 the Company has a registered capital in the amount of 883,349,453.52 Baht and paid up capital in the amount of 592,792,735.40 Baht which are 871,759,905 ordinary shares at a par value of 0.68 Baht.

Shareholders

On May 17, 2004, the Company increased its registered capital to 1,106.875 million Baht from a capital increase for a dividend payment of 40.25 million Baht in order to support the first batch of warrants to purchase ordinary shares (BTC-W) amounting to 221.375 million Baht. The second batch of warrants (BTC-W2) amounting to 442.75 million Baht. The Company has paid-up capital in the amount of 660,211,226 Baht as a result of:

On April 12, 2004, the Company paid dividends to the shareholders whose names appeared in the shareholders' register book of the Company in the amount of 40,248,000 Baht. In 2004, the Company received the payment of ordinary shares due to the exercise of the first batch of warrants (BTC-W1) in the amount of 81,207,885 Baht and the second batch of warrants (BTC-W2) was in the amount of 69,589,496 Baht.

In 2005, the Company received a payment of ordinary shares due to the exercise of the first batch warrants (BTC-W1) in the amount of 473,935 Baht.

In 2006, the Company received a payment of ordinary shares due to the exercise of the first batch of warrants (BTC-W1) in the amount of 110,000 Baht.

In 2007, the Company received a payment of ordinary shares due to the exercise of the first batch of warrants (BTC-W1) in the amount of 66,081,910 Baht. The BTC-W1, first batch of warrants, expired on February 28, 2007.

In 2008 and 2009, BTC-W2, second batch warrants, had not been exercised to purchase ordinary shares. The BTC-W2 expired on March 2, 2009.

On September 16, 2015, the Company increased its registered capital to 7,015,844,904 Baht with paid-up capital in the amount of 7,015,844,904 Baht. Money received from the capital increase was used for general working capital of the Company, debt payment and investments to expand the logistical business or investments in other businesses.

On October 27, 2015, the Company increased its registered capital to 14,453,608,907 Baht and the paid up capital in the amount of 7,015,844,904 Baht to support the issuance of the third batch of warrants to purchase additional ordinary shares of Bangpakong Terminal Public Company Limited (BTC-W3) in the amount of 3,437,764,003 Baht and additional ordinary shares in the amount of 4,000,000,000 Baht. This was to support business expansion and investments in various projects of the Company as well as for working capital for business operations. This enabled the Company to have liquidity, a strong financial position and was able to manage cash more flexibly and operate its business sustainably.

On October 30, 2017, the Company registered a reduction of registered capital and paid-up capital from 7,015,844,904 Baht (Seven Billion, Fifteen Million, Eight Hundred Forty-Four Thousand Nine Hundred and Four Baht) to 397,564,544.56 Baht (Three Hundred and Ninety-Seven Million, Five Hundred and Sixty-Four Thousand, Five Hundred and Forty-Four Baht and Fifty-Six Satang) by reducing the share value from a par value of 12 Baht (Twelve Baht) per share to a par value of 0.68 Baht (Sixty-Eight Satang) per share at the Department of Business Development.

On February 8, 2018, the Extraordinary General Meeting of Shareholders No. 1/2561 passed a resolution approving the increase of the Company's registered capital from 592,371,171.68 Baht or 871,134,076 shares to 957,033,230.80 Baht or 1,407,401,810 shares by issuing 536,267,734 new ordinary shares with a par value of Baht 0.68 per share (worth 364,662,059.12 Baht) by increasing capital for Millcon Steel Public Company Limited in the amount not exceeding 200,000,000 shares at the par value of 136,000,000 Baht (par value of 0.68 Baht per share) at the offering price of 0.90 Baht per share. The additional ordinary shares not exceeding 292,326,871 shares (Two Hundred Ninety-Two Million, Three Hundred Twenty-Six Thousand, Eight Hundred and Seventy-One Shares) were allocated to the existing shareholders according to right offering at the ratio of 2 existing shares to 1 new share at the offering price of 0.90 Baht (Ninety Satang) per share and the total value shall not exceed 263,094,184 Baht (Two Hundred Sixty-Three Million, Ninety-Four Thousand, One Hundred Eighty-Four Baht). The allocation of additional shares not exceeding 200,000,000 shares for Private Placement includes Millcon Steel Public Company Limited ("Millcon") at the offering price of Baht 0.90 per share, the total value not exceeding 180,000,000 Baht and the allotment of additional ordinary share not exceeding 43,940,863 shares (Forty-Three Million, Nine Hundred Forty, Eight Hundred and Sixty Three Shares) at a par value of 0.68 Baht per share was to support the adjustment of the rights of warrants BTC-W3. Moreover, the Company requested for the approval of Whitewash to Millcon Steel Public Company Limited.

On February 21, 2018, the Company registered a capital increase and changed the name and logo of the Company to Begistics Company Limited at the Ministry of Commerce.

On February 28, 2018, the Company received the payment of shares and added the name of Millcon Company Limited to the list of shareholders (PLC. 006) which was issued by the Thailand Securities Depository Company Limited iregister with the Ministry of Commerce.

On March 2, 2018, the Company registered the amendment of paid-up capital of the Company at the Ministry of Commerce by combining capital from existing shareholders (Right Offering) and private placement from 397,564,544.56 Baht to 592,796,735.40 Baht, which were 871,759,905 ordinary shares with a par value of 0.68 Baht per share.

The top 10 major shareholders of the Company and their shareholding information from the Thailand Securities Depository Company Limited, while the Company has paid-up capital of 592,796,735.40 Baht appear as follows:



Information as of March 12, 2019 (Record Date)

Rank	Name List	Number of Shares Held (shares)	Percentage
1.	Millcon Steel Public Company Limited	217,800,000	24.984
2.	Mr. YUK LUNG LEE	82,031,250	9.410
3.	Mr. Suwit Taepaisitpong	37,000,000	4.244
4.	Malachi Company Limited	31,250,000	3.585
5.	Tawee Kullertprasert	30,031,667	3.445
6.	Mr. Santi Chaowanantakul	30,000,000	3.441
7.	Mr. Narongchai Simaroj	28,877,900	3.313
8.	Miss Kanchana Wongpaitoonpiya	28,000,000	3.212
9.	Mr. Wichai Than Samut	12,754,700	1.463
10.	Miss Jemkwan Siriphongsin	9,813,200	1.126
	Total	507,558,717	58.223

Issuance of Other Securities

Warrants

Detail of the warrants approved by the shareholders are as follows:

- Exercise ratio : 1 unit of warrant to 1 new ordinary share, unless the exercise ratio is adjusted otherwise pursuant to the provision.
- Exercise price : Baht 0.60 per share, unless the exercise price is adjusted otherwise pursuant to the provision concerning.
- Exercise period : The warrants holders of Warrant BTC-W3 will be entitled to exercise their right under the Warrants BTC-W3 five times on the last business day of November each year throughout the life of the warrant. The first exercise date is November 30, 2016 and the last exercise date is at the date that the Warrants BTC-W3 have completed the term of 5 years from the issuance date.

on December 29, 2015, the Company issued warrants (BTC-W3) of 3,437,232,884 units to the shareholders. The remaining warrants of 531,119 units will be cancelled afterwards.

The Company noticed to the SET according to the right adjustment of BTC-W3, The details are as follows;

Warrants Name	: Warrants to purchase new common shares of Bangprakong Terminal Public Company Limited No.3
Symbol	: BTC-W3
Exercise Price Before the Adjustment	: 7.20 Baht to 1 common share
Exercise Price After the Adjustment	: 6.53 Baht to 1 common share
Exercise Ratio Before the Adjustment	: Warrant 1 unit to 0.08333 common share
Exercise Ratio After the Adjustment	: Warrant 1 unit to 0.09188 common share
Effective Date	: This will be effective from the first day that the purchaser of company's shares will not obtain the right to purchase the newly issued ordinary share (The first day that SET posts an XR Sign); 19 December 2017 onward

Detail of the warrants approved by the shareholders are as follows:

Exercise ratio	: 1 unit of warrant to 1 new ordinary share, unless the exercise ratio is adjusted otherwise pursuant to the provision.
Exercise price	: Baht 1.20 per share, unless the exercise price is adjusted otherwise pursuant to the provision concerning.
Exercise period	: The warrants holders shall be entitled to exercise their rights under the Warrants two times per year on the last business day of June and December of every year and the last exercise date is the last business day of the of 3 years from the issuance date (the "Exercise Date") The first exercise date is 28 December 2018 and the last exercise date is 1 July 2021. In the event any exercise date is not a business day which the bank is generally open for operation, such exercise date shall be the preceding business day.

on July 2, 2018, the Company issued warrants (BTC-W4) of 96,849,561 units to the shareholders. The remaining warrants of 12,651 units will be cancelled afterwards.



Dividend Policy

The Company has a policy regarding the payment of dividends at a rate of 30% of the net profit each year. Which the dividend payment must not affect the operation, financial position, liquidity, business expansion, any other necessity, future suitability And other factors Related to the management of the company as the Board of Directors deems appropriate or appropriate In this regard, such action must be made for the maximum benefit of the shareholders.

However, the resolution of the Board of Directors regarding the payment of dividends must be presented to the shareholders' meeting for approval.



Board of Directors

The Company's management structure is comprised of 4 committees, the board of directors, the audit committee, the nomination and remuneration committee, and the executive committee. The board of directors and executives of the Company are qualified persons with complete qualifications under Section 68 of the Public Limited Companies Act BE 2535 and the Notification of the Securities and Exchange Commission No. KorJor 12/2543 in regards to the application and permission for offering newly issued shares dated March 22, 2000.

As of March 12, 2019, the board of directors was comprised of the following 9 members, consisting of 4 independent directors, 4 non-executive directors and 1 executive director, independent directors representing 44 percent of all directors.

No.	Name- Last name	Position
1	Gen. Jongsak Panichkul	Independent Director, Chairman of the Board of Directors
*2	Mr. Vuthichai Duangratana	Independent Director, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee
*3	Mrs. Teeraboon Ariyasuthiwong	Independent Director, Audit Committee Member and Nomination and Remuneration Committee
4	Mr. Santi Pongjareanpit	Director, Audit Committee Member
5	Mr. Thitisak Skulkroo	Director, Vice-Chairman, Chairman of the Executive Committee and Nomination Remuneration Committee Member,
6	Mr. Danai Piamthipmanust	Director, Executive Committee Member
7	Mr. Pongsiri Sirithorn	Director, Executive Committee Member, Chief Executive Officer
8	Miss Suttirat Leeswadtrakul	Director, Executive Committee Member
9	Mr. Thanee Loketkravee	Director, Executive Committee Member

Ms. Korawan Sanchompoo is the company secretary.



As of March 12, 2019, the details regarding meeting attendance for members of the board of directors are as follows.

Number	Name - Last Name	Position	Number of Times a Meeting was Attended/ Number of Meetings	Remarks
1	General Jongsak Panichkul	Independent Director and Chairman of the Board of Directors	10/10	
*2	Mr. Virasak Sutanthavibul	Independent Director	4/4	Resigned on 1 September, 2018
*3	Mrs. Aree Termwattanapakdee	Independent Director	4/4	Resigned on 1 October, 2018
4	Mr. Santi Pongjareanpit	Independent Director	9/10	
5	Mr. Thitisak Skulkroo	Director and Vice-Chairman	10/10	
6	Mr. Danai Piamthipmanust	Director	9/10	
7*	Mr. Pongsiri Sirithong	Director	7/7	Appointed on 1 March, 2018
8*	Miss Suttirat Leeswadtrakul	Director	7/7	Appointed on 27 February, 2018
9*	Mr. Thanee Loketkravee	Director	7/7	Appointed on 27 February, 2018
10*	Mr. Vuthichai Duangratana	Independent Director	5/5	Appointed on 22 October, 2018
11*	Mr. Prasert Sriuranpong	Independent Director	2/4	Appointed on 22 October, 2018 Resigned on 8 February, 2019
12*	Mr. Teeraboon Ariyasuthiwong	Independent Director	0/0	Appointed on 25 February, 2019

Authorized Director

The board of directors' meeting No. 2/2018 which was held on 27 February, 2018 made a resolution to approve the list of directors who have the authority to bind the Company. This includes Mr. Thitisak Skulkroo, Mr. Danai Piamthipmanust Mr. Pongsiri Sirithorn, Miss Suttirat Leeswadtrakul and Mr. Thanee Loketkravee. Two out of five directors must sign their names and affix documents with the Company's seal.

The Audit Committee

The board of directors appoints the audit committee in order to assist the board of directors in reviewing the quality and reliability of the accounting systems, auditing systems, internal controls as well as the Company's financial reporting process.

During the period of 1 January 2018- 12 March 2019 the Company's audit committee was comprised of the following 6 members.

Number	Name - Last Name	Position	Number of Times a Meeting was Attended/ Number of Meetings
*1	Mr. Virasak Sutanthavibul	Chairman of the Audit Committee	3/3
*2	Mrs. Aree Termwattanapakdee	Audit Committee Member	3/3
3	Mr. Santi Pongjareanpit	Audit Committee Member	5/5
*4	Mr. Vuthichai Duangratana	Chairman of the Audit Committee	2/2
*5	Mr. Prasert Sriuranpong	Audit Committee Member	1/1
*6	Mr. Teeraboon Ariyasuthiwong	Audit Committee Member	0/0

Remark:

- * Audit Committee no. 1 was resigned effective as of 1 September, 2018
- * Audit Committee no. 2 was resigned effective as of 1 October, 2018
- * Director no. 4 was appointed according to the BOD no. 5/2018 on 22 October, 2018
- * Director no. 5 was appointed according to the BOD no. 5/2018 on 22 October, 2018 and resigned effective as of 8 February, 2019
- * Director no. 6 was appointed according to the BOD no. 4/2019 on 25 February, 2018

Ms. Tidarat Tujit is the secretary of the audit committee board.



The Nomination and Remuneration Committee

During the period of 1 January 2018- 12 March 2019, the nomination and remuneration committee was comprised of the following 4 members.

Number	Name - Last Name	Position	Number of Times a Meeting was Attended/ Number of Meetings
*1	Mr. Virasak Sutanthavibul	Chairman of the Nomination and Remuneration Committee	2/2
2	Mr. Thitisak Skulkroo	Nomination and Remuneration Committee Member	3/3
*3	Mr. Vuthichai Duangratana	Chairman of the Nomination and Remuneration Committee	1/1
*4	Mr. Teeraboon Ariyasuthiwong	Nomination and Remuneration Committee Member	0/0

Remark:

* Director no. 1 was resigned effective as of 1 September, 2018

* Director no. 3 was appointed according to the BOD no. 5/2018 on 22 October, 2018

* Director no. 4 was appointed according to the BOD no. 4/2019 on 25 February, 2019

Mr. Jirawat Pinprichachai is the secretary of the nomination and remuneration committee board and resigned effective as of 1 February, 2019. The Nomination and Remuneration Committee has appointed Ms. Kornwan Sanchompoo as the secretary of the Nomination and Remuneration Committee.

The Executive Committee

During the period of 1 January 2018- 12 March 2019, the Executive Committee was comprised of the following 5 members.

Number	Name - Last Name	Position	Number of Times a Meeting was Attended/ Number of Meetings
1	Mr. Thitisak Skulkroo	Chairman of the Executive Committee	14/14
2	Mr. Danai Piamthipmanust	Executive Committee Member	13/14
*3	Mr. Pongsiri Sirithorn	Executive Committee Member	11/11
*4	Miss Suttirat Leeswadtrakul	Executive Committee Member	10/12
*5	Mr. Thanee Loketkravee	Executive Committee Member	11/12

Remarks:

Director No. 3 appointed on 1 March, 2018 according to BOD no. 1/2018 held on 4 January, 2018

Director No. 4 appointed on 27 February, 2018 according to BOD no. 2/2018 held on 27 February, 2018

Director No. 5 appointed on 27 February, 2018 according to BOD no. 2/2018 held on 27 February, 2018

Executives

During the period of 1 January 2018- 12 March 2019, the Company had the following 12 executives.

Number	Name - Last Name	Position
1	Mr. Pongsiri Sirithorn ^{1/}	Chief Executive Officer
2	Mr. Gil Hwan Kim ^{2/}	Deputy Managing Director
3	Miss Sukawan Suttiwong ^{3/}	Assistant Managing Director
4	Mr. Mongkon Laoworapong ^{4/}	Chief Financial Officer
5	Mrs. Duangnapa Thongsri ^{5/}	Vice President- Finance & Account
6	Mr. Veerapon La-orattapong ^{6/}	Vice President- Transportation
7	Mr. Vorachan Koritwong ^{7/}	Vice President – Freight Forwarding
8	Mr. Krisada Pantuyakorn ^{8/}	Vice President – Business Deverlopment
9	Mr. Sirachat Peanutaiwat ^{9/}	Vice President – Corporate Strategy & Business Management
10	Mrs. Uratchat Subhavan ^{10/}	Vice President - Operations and Human Resourse Management
11	Ms. Tharada Kooprasit ^{11/}	Company Secretary
12	Ms. Korawan Sanchompoo ^{12/}	Company Secretary

Remarks:

- 1/ Mr. Pongsiri Sirithorn was appointed as CEO according to the BOD meeting no. 1/2018 resolution effective as of 1 March, 2018 in replacement of Mr. Surath Palongsil who was resigned on 1 July, 2017
- 2/ Mr. Gil Hwan Kim was appointed as Deputy MD according to the the BOD meeting no. 1/2018 resolution effective as of 26 January, 2018 and resigned effective as of 6 November, 2018
- 3/ Miss Sukawan Suttiwong was appointed as Deputy MD according to the the BOD meeting no. 1/2018 resolution effective as of 4 January, 2018 and resigned effective as of 1 October, 2018
- 4/ Mr. Mongkon Laoworapong was appointed as CFO according to the the BOD meeting no. 3/2017 resolution effective as of 1 April, 2017 and resigned effective as of 1 September, 2018
- 5/ Mrs. Duangnapa Thongsri was appointed as VP-Finance & Account effective as of 4 January, 2018
- 6/ Mr. Veerapon La-orattapong was appointed as VP-Transportation effective as of 1 September 2017 and resigned effective as of 1 September, 2018
- 7/ Mr. Vorachan Koritwong was appointed as VP-Freight Forwarding effective as of 1 January, 2018 and resigned effective as of 1 October, 2018
- 8/ Mr. Krisada Pantuyakorn was appointed as VP-Business Deverlopment effective as of 1 August, 2018
- 9/ Mr. Sirachat Peanutaiwat was appointed as VP- Corporate Strategy & Business Management effective as of 16 November, 2018
- 10/ Mrs. Uratchat Subhavan was appointed as VP- Operations and Human Resourse Management effective as of 1 February, 2019
- 11/ Ms. Tharada Kooprasit was resigned effective as of 1 May, 2018
- 12/ Ms. Korawan Sanchompoo was appointed as Company Secretary effective as of 14 August, 2018



Company Secretary

Ms. Tharada Kooprasit to be the company secretary and resigned effective as of 1 May 2018. According to the resolution of the Board of Directors Meeting No. 4/2018 on August 14, 2018, appointed Ms. Kornwan Sanchompoo as the company secretary. Effective from 14 August 2018 to the present The company secretary is assigned to perform duties under Section 89/15 of the Securities and Exchange Act. Is responsible for ensuring that the company complies with laws and regulations related to the company in order to comply with the good corporate governance principles of listed companies Including being a consultant to give advice to directors in compliance with various laws and regulations Relating to the duties and responsibilities of the directors Coordinate to comply with the Board of Directors' resolutions as well as perform duties in overseeing the activities of the Board to be in accordance with the laws, rules and regulations correctly. The qualifications for the company secretary appear in Attachment 1.

Remuneration for Directors and Executives

Director Remuneration

The Company set clear and transparent director remuneration policies in accordance with the responsibilities and performance of each director. A sufficient remuneration was established in order to motivate and keep qualified directors engaged in the Company. The resolution of the Annual general Meeting of Shareholders for the year 2018 held on April 27, 2018 approved the remuneration of directors for the year 2018 that did not exceed 2,500,000 Baht (Two million five hundred thousand Baht). This remuneration is for meeting attendance only, no other benefits are included. The directors determined the appropriate amount of their remuneration themselves.

The remuneration rates are as follows:

Position	Meeting Rate (Baht / Time)	Directors' remuneration (Baht / month)
Chairman of the Board of Directors	5,000	39,000
Vice Chairman	5,000	20,000
Directors	5,000	10,000
Chairman of the Audit Committee	5,000	20,000
Audit Committee	5,000	10,000
Chairman of the Nomination and Remuneration Committee and Nomination and Remuneration Committee	5,000	20,000
Chairman of the Executive Committee and Executive Committee (Non-Executive Directors)	5,000	20,000

Remuneration for Directors, Remuneration and Meeting Allowances between January and December 2018

Number	Name – Last Name	Director (Baht)	Audit Committee Director (Baht)	Nomination and Remuneration Committee Director (Baht)	Executive Director (Baht)	Total (Baht)
1	Gen. Jongsak Panichkul	332,000				332,000
*2	Mr. Virasak Sutanthavibul	82,000	70,000	24,000		176,000
*3	Mrs. Aree Termwattanakdee	67,000	50,000			117,000
4	Mr. Thitisak Skulkroo	136,000		24,000	135,000	295,000
5	Mr. Danai Piamthipmanust	92,000			90,000	182,000
6	Mr. Santi Pongjareanpit	92,000	70,000			162,000
*7	Miss Suttirat Leeswadtrakul	60,000			75,000	135,000
*8	Mr. Thanee Loketravee	60,000			80,000	140,000
*9	Mr. Vuthichai Duangratana	25,000	25,000			50,000
*10	Mr. Prasert Sriuranpong	15,000	15,000			30,000
	Total	961,000	230,000	48,000	380,000	1,619,000

Remarks:

Director No.2 resigned effective as of 1 September, 2018

Director No.3 resigned effective as of 1 October, 2018

Director No.7 appointed on 27 February, 2018 according to BOD no. 2/2018 held on 27 February, 2018

Director No.8 appointed on 27 February, 2018 according to BOD no. 2/2018 held on 27 February, 2018

Director No.9 appointed on 22 October, 2018 according to BOD no. 5/2018 held on 22 October, 2018

Director No.10 appointed on 22 October, 2018 according to BOD no. 5/2018 held on 22 October, 2018

Other Remuneration for Directors: None

Executive Directors

In 2018, the Company paid remuneration to the executives between January 1 and December 31, 2018 in the form of salary that equaled 16.92 million Baht.

Other Remuneration for Executive Directors:

Contributions to the Provident Fund Totaling 472,055 Baht.

Provided cars for executive directors to use in their duties.

Personnel

In 2018, the Company paid 223 employees (including yearly entitlement) a total of 64.94 million Baht. This included salaries, shift allowances, overtime allowances, diligent incentives, provident fund contributions, bonuses, hardship allowances, holidays, and compensation under labor laws.

Number of Employees: As of December 31, 2018



Main Operations/ Workplace	Main Office	Bangpakong	Sriracha	Total
Chief Executive Officer Offices	2			2
Internal Audit	1			1
Marketing & Operations		13	45	58
Safety Health & Environment			1	1
Accounting and Finance Department	3	3	1	7
Human Resources and Administrative Department	5	2		7
Information Technology Department	2			2
Purchasing Department	2			2
Business Development Department	8			8
Corporate Strategy & Business Management Department	2			2
Total	25	18	47	90

Over the past five years, the Company did not have any labor disputes.

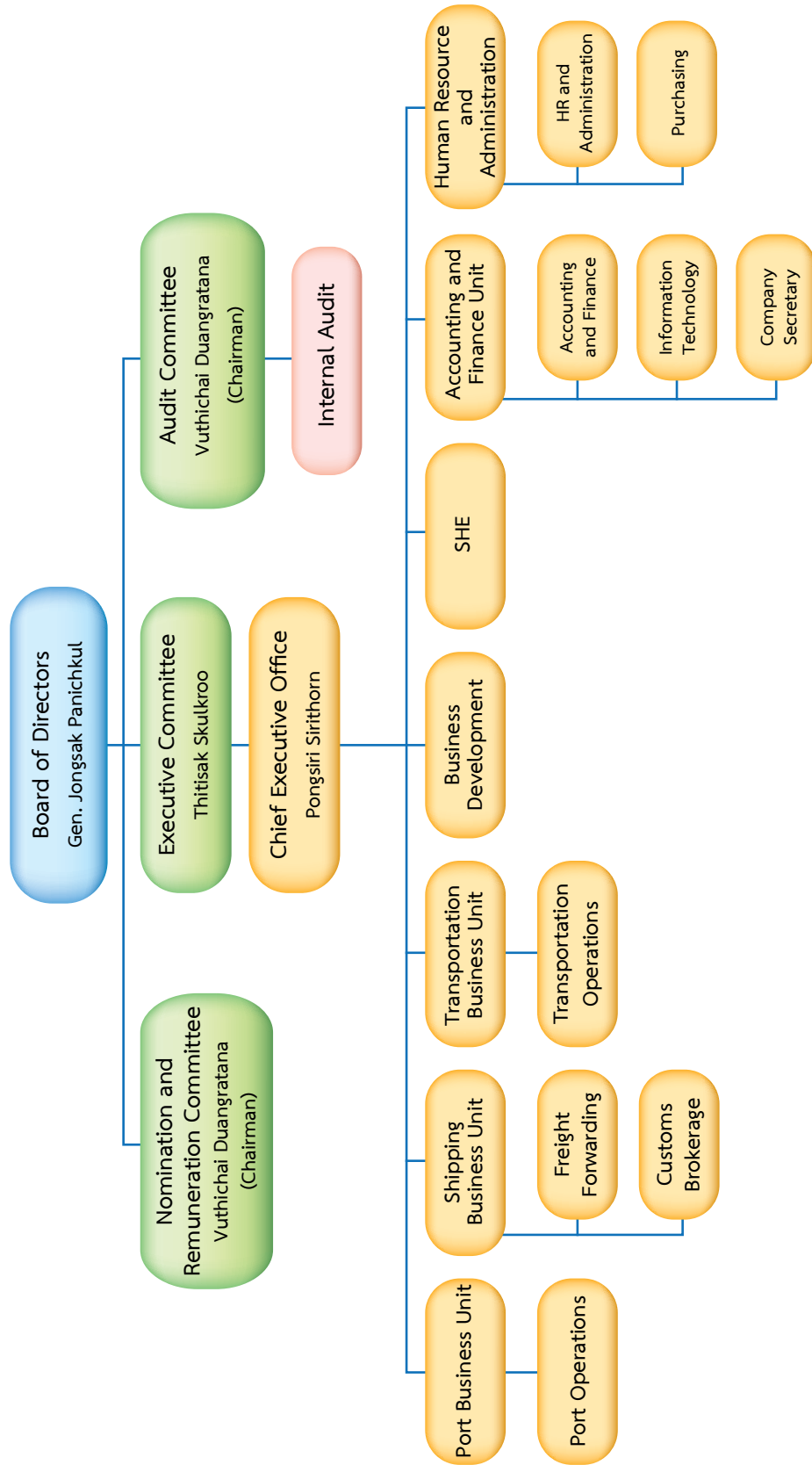
Human Resources Development Policies

The Company recognizes that employees are an important resource of the Company. They are the beginning of the organization's success in vision and mission. The Company has a policy to focus on developing executives and employees to be good and competent people within the corporate culture. The Company places great importance on management and human resource development so that employees have knowledge, expertise, professionalism, and are happy at work and have a social conscience. The Company regularly organizes training within the organization and supports employees receiving outside training in the areas of safety, increasing efficiency, enhancing professional skills, and increasing knowledge and employee capability. This included arranging communication systems and leisure activities within the organization to build good relationships between employees and executives. The Company also provides equitable care for employees by giving fair and appropriate remuneration and welfare to motivate and keep employees engaged in the Company for the long run.

Employee Benefits

The company provides benefits and rewards to employees in other forms, such as providing a provident fund as a security guarantee for employees and families. Provide group health insurance and group accident insurance that helps facilitate and facilitate medical treatment Have annual health check-up etc. Organization Structure

Organization Structure



Corporate Governance Policy

The board of directors of Begistics Public Company Limited recognizes the importance of having efficient, transparent and verifiable management systems. A good management system will help build the confidence of shareholders, investors, stakeholders and all parties involved.

The board of directors has set good corporate governance policies based on the principles of good corporate governance for listed companies and the universal corporate governance principles of the Organization for Economic Co-operation and Development (OECD Principles of Corporate Governance).

In addition to this, the Board of Directors adopted the principles of good corporate governance for listed companies 2017 in the context of business with the following 8 principles.

Principle 1: Establish Clear Leadership Roles and Responsibilities for the Board.

The Board of Directors set goals and objectives for the Company in accordance with the policies and strategies, as well as having measures and monitoring the Company to achieve set objectives, emphasizing ethics and responsibility to shareholders and stakeholders, including long-term value creation that takes into account the benefits to the community and reducing the impact on society and the environment.

The Board of Directors has clearly defined the scope of duties as follows.

Subjects Needed for Operations	Collaboration with Management	Issues Handled by Management
1. Determine goals and the main concept of the Corporation.	1. Strategies and plans which includes risk management	1. Manage according to policies set by the Board such as procurement and recruitment.
2. Define structures and functions of directors	1. Credit limit and scope of management authority	
3. Recruit, develop and evaluate the CEO	2. Resource allocation and budgets	
4. Appropriate remuneration structures	3. Personnel Management	
5. Create value and ethics of the corporation	4. Information disclosure, follow-up and evaluation	

Principle 2: Define Objectives that Promote Sustainable Value Creation.

The Board set both the vision and the short-term and long-term goals including appropriate indicators.

Principle 3: Strengthen the Board's Effectiveness

The Board's of Directors' structure, role and duties of the Chairman of the directors and the independency of the chairman and management is stated in Section 5 under directors' responsibilities.

Principle 4: Ensure an Effective CEO and People Management

The Board of Directors determines the succession plan for the CEO, oversees the remuneration structure and shareholder relations structure that may affect authority to control or management, monitors and supervises employees to have a good understanding of financial management.

Principle 5: Nurture Innovation and Responsible Business Promotion

The Board promotes IT Governance by assigning management to set information policy and information security including resource allocation in the direction that achieve the goals.

Principle 6: Strengthen Effective Risk Management and Internal Control

The Audit Committee monitors the adequacy of the internal control system. The Company established a Risk Management Group under the supervision of the Audit Committee. In addition to this, the Board gives importance to Collective Action Coalition Against Corruption in November 2017 and to be updated every year, whistleblowers and handling complaints.

Principle 7: Ensure Disclosure and Financial Integrity

The Board emphasizes the monitoring of adequate financial reporting and information disclosure and emphasize the management team through the Chief Financial Officer to monitor the adequacy of financial liquidity and debt paying ability, etc.

Principle 8: Ensure Engagement and Communication with Shareholders

The Board of Directors encourages shareholders to participate in important decisions and the Shareholders' Meeting was conducted in an orderly manner and was effective. This includes the disclosure of resolutions and reports that are accurate and complete. This principle is mentioned in Section 1, Rights of Shareholders and Section 2, The Equitable Treatment of Shareholders and allowing shareholders to propose the agenda of the Annual General Meeting of Shareholders And / or nominate persons to be elected as directors of the Company in advance before the date of the Annual General Meeting of Shareholders for a period of 3 months.

However, the Board of Directors continues to adhere the guidelines and practices of OECD Principles of Corporate Governance which covers 5 following sections as follows;

This covers all five principles, equitable treatment of shareholders, the role of stakeholders, information disclosure and transparency and the responsibilities of the board of directors. The details of practice guidelines and implementation are as follows.

Section 1: The Rights of Shareholders

The Company recognizes and values the fundamental rights of its shareholders, both as owners of the Company and as investors in securities. This includes the right to buy, sell or transfer securities that they hold, the right to receive sufficient information of the Company, the right to receive profit sharing the Company, rights to attend shareholders' meeting, the right to comment, and the right to make important decisions about the Company. This includes dividend allocation, the appointment or removal of directors, the appointment of auditors, the approval of important transactions that impact the direction of the Company's business operations Rights of shareholders to propose agenda of the Annual General Meeting of Shareholders And / or nominate a person to be elected as a director in advance before the date of the general meeting of shareholders, etc.



The Shareholders' Meeting

In regards to the annual general meeting of shareholders for the year 2018, the Company held the meeting on Friday, 27 April, 2018, at 13.30 pm on the mezzanine floor of the Jasmine Grande Residence Hotel, Rama 4, No. 4338, Prakanong, Khet Klongtoey, Bangkok 10110. There were 30 attendees which accounted for 435,817,025 shares. This represented 49.99% of paid-up capital in the amount of 871,759,905 shares. The meeting was attended by



the following people: Chairman of the board of director, Vice chairman, Chairman of the audit committee, the audit committee, Chairman of executive committee, Chief Executive Officer, Chief Financial Officer, executive, Certified public accountant, Legal advisor and representatives of the Thai Investors Association. The chairman served as the chairman of the meeting. The chairman conducted the meeting in full compliance with the law. The procedure for the meeting was as follows.

Prior to the Date of the Shareholders' Meeting

The Company disseminated the invitation letter to the shareholders through the information system of the Stock Exchange of Thailand. Every shareholder was given the opportunity to nominate candidates to be elected as directors. Shareholders had to submit a written proposal to the board of directors within the date specified by the Company. Shareholders also attached evidence of shareholding, the nominee's letter of consent, and a document stating the nominee's qualifications. The nominated person must be qualified and have no prohibited characteristics under the laws governing public limited companies, the right to propose agenda items, along with reasons for supporting the proposed agenda items and documentation for consideration. This can be given through the Company's website (www.begistics.co.th). The board of directors considered the criteria for selecting the meeting's agenda items and persons to be elected as directors. In case there are agenda items, the Company will announce in the invitation letter that the agenda was set by the shareholders.

1. Propose to be included in the agenda. The Company will notify the reasons for the shareholders' meeting to acknowledge. In addition to this, shareholders can submit their questions via the Company's website in advance of the meeting date. At the annual general meeting of the shareholders for 2018, none of the shareholders proposed any agenda items or nominated any persons to be independent directors of the Company.
2. Publish the meeting schedule and agenda for shareholders through the information system of the Stock Exchange of Thailand and the Company's website approximately 30 days prior to the meeting.
3. Distribute invitation letter which indicate the venue, date, time, agenda and subject matter to be proposed to the meeting, along with details and reasons, the opinions of the board of directors for each agenda item, and the proxy form, annual report including additional details for consideration. The documents were distributed to all shareholders whose names were registered as of the closing date for the shareholders' meeting 14 days prior to the meeting. Announcements were placed in newspapers in order to call for a meeting at least 3 consecutive business days prior to the meeting. Shareholders can download the invitation letter and the annual report in both Thai and English on the Company website (www.begistics.co.th).

The Company allows shareholders who cannot attend the meeting by themselves to delegate authority to representatives or independent directors that the Company nominates to be a proxy on behalf of the shareholder and attend the meeting with the proxy form. The Company sent proxy form A, B and C together with the invitation letter and they can be downloaded from the Company's website. This includes the required documents or evidence and proxy procedure instructions along with proxy form B which is a form that allows shareholders to vote for each agenda item.

At the Shareholders' Meeting

1. The Company facilitates every shareholder equally and encourages shareholders, especially institutional investors to attend the shareholders' meeting. The Company provides a concierge to accommodate shareholders. Shareholders can conveniently register at 11:30 am, approximately two hours before the meeting begins. All of the Company's executives and auditors attended the meeting.
2. The Company introduced a barcode system by using the services of a company that is trusted by listed companies on the Stock Exchange. It was used to register the meeting attendance and count the votes for the convenience of shareholders. In addition, the Company invited legal advisors to attend the meeting and witness the vote count.
3. The Company used ballots for every agenda item for transparency and verification.
4. Prior to the meeting, the chairman of the meeting informed the number of attendees, both shareholders who attended and proxies for the acknowledgment of the meeting. The chairman also explained how to use the ballots before the meeting.
5. The chairman of the meeting proceeded in accordance with the agenda set out in the invitation letter. The chairman did not change the sequence of the agenda item and did not present other subject matters to be considered that is not defined in the invitation letter.



6. The chairman gave an opportunity to clarify and discuss each agenda item. Equal opportunity was given to the shareholders to review the Company's performance and to make inquiries. The Company recorded important issues in the minutes so that shareholders can check them.
7. Shareholders had the right to vote for the approval of each agenda item. The voting method used was 1 share equaled 1 vote.
8. Before voting on any agenda items, the Chairman gave the shareholders opportunity to make inquiries.
9. Shareholders had the opportunity to vote for the appointment of individual directors.
10. During the meeting, if additional shareholders joined the meeting, the Company always counted the new number of shareholders attending the meeting and the number of shares held. Shareholders who joined during the meeting could only vote on the agenda items that had not been resolved at the meeting. The chairman summarized the voting results on each agenda item for acknowledgment.
11. The Chairman announced the voting results by specifying the number of votes in agreement, disagreement, and the number of abstained votes.

After the Shareholders' Meeting

1. After the meeting was adjourned, the Company reported the resolutions of the shareholders' meeting through the Stock Exchange of Thailand by reporting the details of the resolutions and the voting results for each agenda item for the acknowledgment of interested persons.
2. The Company arranged to have the sessions recorded from start to finish and prepared the minutes of the shareholders' meeting accurately, completely, especially the details of the voting procedure and the method of counting votes. This included the results of the votes, whether the vote agreed, disagreed or abstained, including the opinions and questions of the shareholders. The minutes of shareholders' meeting were published on the Company's website (www.begistics.co.th) within 14 days after the meeting in Thai and English.
3. The Company places great importance to the disclosure of accurate, complete and timely information to investors, shareholders, related persons and the general public and they were informed through the Stock Exchange and the Company's website. If you have any questions, comments or suggestions, please contact "Investor Relations" at 02-367-3570 or via email at ir@begistics.co.th. The Company pays attention to every comments and suggestions in order to improve the Company's performance.

Section 2: The Equitable Treatment of Shareholders

All shareholders, both executive shareholders and non-executive shareholders, which includes Thai or foreign shareholders, major or minority shareholders, individual shareholders, or institutions should be treated equally and fairly. In order to build the confidence of shareholders, the board of directors and management shall ensure the appropriate use of the shareholders' funds. This is a key factor in creating confidence to invest in the Company.

The Company sets up corporate governance principles on various issues to ensure that shareholders have confidence that the Company treats all shareholders equitably and all shareholders are entitled to the same basic shareholder rights.

Pre-Meeting Information

In 2018, the Company held the annual general meeting of shareholders and treated all shareholders equitably. The details are as follows.

1. The Company gives opportunity for minority shareholders to propose additional agenda items and nominate persons to be appointed as directors at the annual general meeting. In 2018, the Company disseminated a letter to all shareholders through the Stock Exchange of Thailand's system for minority shareholders to propose agenda items and nominate persons to be considered for election as directors in accordance with the nomination process 3 months prior to the annual general meeting of shareholders. This was in accordance with the Company's regulations and published on the Company's website www.begistics.co.th.
2. The Company has a policy to encourage both minority shareholders and institutional investors to attend the shareholders' meeting by selecting a convenient location that is easily accessible so that shareholders can attend the meeting through various modes of transportation.
3. The Company announced the meeting schedule along with agenda items, the board's opinion, the meeting regulations, voting procedures, as well as voting rights to the Stock Exchange and shareholders 30 days prior to the meeting and disseminated it through the Company's website (www.begistics.co.th).
4. The Company sent the invitation letter in Thai and English, to all shareholders 14 days prior to the meeting date.
5. In regards to additional agenda items that were not notified prior to the Annual General Meeting of Shareholders for the year 2018, the Company did not add any agenda items to the meeting without prior notice.
6. Shareholders that cannot attend the meeting themselves, could appoint a proxy to attend the shareholders' meeting and vote on behalf of the shareholder by filling out the proxy form B that the Company attached to the invitation letter. The shareholders can set the direction of voting. In addition to this, the Company offered one independent director as another option to be appointed as a proxy and cast votes on behalf of the shareholder who cannot attend the meeting by themselves. At the Annual General Meeting of Shareholders for the year 2018, none of the shareholders authorized the appointed independent director to be their proxy.
7. In regards to using ballots to vote for each agenda item, the Company used the voting method that gave 1 vote for each share. Ballots were used for transparency and accountability.

Shareholders were given the right to appoint individual directors at the Annual General Meeting of Shareholders for the year 2018, to replace those retired by rotation. The Company gave shareholders the right to vote for each director individually. The Company collected the ballots from all the shareholders that attended the meeting whether they agreed, disagreed or abstained.



Supervision of the Use of Inside Information

The Board of Directors supervises the establishment of policies that govern the use of internal information. And trading of securities of directors, executives and employees by prohibiting persons with positions or duties And / or possession within the trading of the company's securities for a period of 30 days before the disclosure of quarterly and annual financial statements And other times that the company will set the time period (Black Out Period) to ensure equality and fairness to all shareholders And prevent the directors and executives involved in trading of securities and seeking benefits for themselves or others in a wrongful way.

Internal Control: All directors, executives and employees must not use the Company's inside information that contains important information or information that has not been disclosed to the public for the benefit of themselves or others. The Company strictly adheres to the Company's policy on the retention and use of inside information.

Security Holdings: Directors, executives and employees have the freedom to invest in the Company's trading securities. However, to prevent against any conflicts of interest, directors, executives and employees, and this also includes spouses and minor children, must not buy, sell, transfer or receive the Company's securities for a period of one month prior to the public disclosure of the Financial Statements. In the case that the directors, management and employees as well as spouses and minor children buy, sell, transfer or receive Company securities, they must prepare and disclose the securities holding report including any changes in the Company's securities holdings to regulatory authorities according to the specified criteria. In addition to this, the Company Secretary is responsible for gathering information on the security holdings of directors and executives as well as their spouses and minor children for the acknowledgement quarterly to the Board of Directors' Meeting.

If any directors, management or employees violate the regulations governing the inside information and regulations on holding Company securities of the company which also includes other guidelines from relevant regulatory bodies, this is a disciplinary offense according to the Company regulations and may be punished by law.

Supervision for Conflicts of Interest

The Company has a policy to conduct its business with honesty, openness, transparency and fairness by requiring all directors, executives and employees not to engage in any business that competes with the Company. They must avoid entering into transactions that connect to themselves or related persons/juristic person that may cause a conflict of interest with the Company. The Board of Directors is responsible for ensuring that the Company complies with the rules, procedures and the disclosure of connected transactions as strictly regulated by law or regulatory bodies.

In the case that a connected transaction is necessary, the transaction must be in line with the general commercial conditions as approved by the Board of Directors with transparency and fairness as if making a transaction with a third party and take into account the best interest of Company. Stakeholders must not have any part in the consideration of conflict of interest. In the case of connected transactions that do not meet the criteria of general commercial conditions as approved by the Board of Directors which may cause conflicts of interest, such transaction must be reviewed and commented on by the Audit Committee before being proposed to the Board of Directors or shareholders for approval.

Stakeholder Report

Directors and executive of the Company are responsible for reporting their own stakeholder report and related parties that relates to the management of the Company according to the rules, conditions and procedures prescribed by the Capital Market Supervisory Board. The Company Secretary is responsible for collecting and distributing a copy of the stakeholder report to the Chairman and the Chairman of the Audit Committee within 7 working days from the date of receiving the report.

Section 3: The Role of Stakeholders

Respecting the Rights of Stakeholders

The Company emphasizes the importance of the rights of all stakeholders whether it is internal stakeholders such as employees and executives of the Company or external stakeholders such as customers, business partners, creditors, competitors, shareholders, communities, public sectors and other associated entities. Because the Company recognizes that the support from stakeholders will create competitiveness and profit for the Company. It is a path that leads to success and sustainable growth. The significant details are as follows.

- **Policies and Guidelines for Shareholders**

The Company creates quality, stable growth in order to provide shareholders with sustainable return by having good and efficient performance. The Company respects the rights of shareholders to receive needed information equally, accurately, and truthfully and conducts business with honesty, transparency, and fairness.

The guidelines are as follows:

1. Respect rights and treat all shareholders equitably.
2. Perform duties with honesty and operate with caution for the maximum benefit of shareholders.
3. The dissemination of news and information via the Company website (www.begistics.co.th)
4. Present statement of financial position, performance and additional information that are accurate, complete, sufficient and timely for making decisions.

- **Customer Policies and Practices**

Create customer satisfaction for good service by treating customers fairly and appropriately, by providing complete, accurate, and undistorted information about service. Survey customer satisfaction in order to continuously improve service.

The Company has not received any kind of complaints from customers. The Company's practice guidelines towards customers are as follows.

1. Treat customer fairly and equitably based on the fair return for both parties.
2. Provide accurate, adequate, timely and up to date information about the service.
3. Keep customer's information confidential and do not misuse customer information unless it is first authorized by the customer and the authorized person of the Company or the information must be disclosed to third party due to the applicable laws.

- **Trade Partners and Business Partners Policies and Practices**

Treatment Guidelines to trade partners or business partners are as follows:



Treat partners with equality and takes into account mutual interests. Develop and maintain lasting relationships with trade partners and builds trust with each other. The Company adheres to the procurement regulations. These steps and procedures are clearly defined.

- **Creditors Policies and Practices**

The Company strictly adheres to the creditors' conditions, control the loan payment and interest to of debtors on time and completely comply with the terms of the loan agreement.

- **Employee Policies and Practices**

The Company cares and treats employees fairly and suitably in areas of opportunity, return, appointment, relocation, and the development of potential. Maintain work environment to be safe toward the life and property of employees. The Company listens to feedback and suggestions from employees and treat all employees with fairness and without discrimination.

- **Competitors Policies and Practices**

The Company conducts business under the fair competition framework. The Company shall not seek competitors' confidential information in a dishonest or inappropriate manner and shall not do anything that violates the intellectual property rights of others or competitors.

- **Social, Community and Environmental Issues Policies and Guidelines**

The Company abides by the and/or relevant regulations. Monitor the Company's operations from damaging the quality of life for society, the community and the environment. Promote and create society in the areas of quality of life development, promoting education, saving energy and protecting environmental for the progress of society as a whole.

- **Government:** The Company cooperates and supports government policies for the benefit of the nation under relevant laws and regulations.

- **Independent Organizations and Other Organizations in Society:** Enhance level of cooperation and exchange information with independent organizations and other organizations in society in order to contribute to sustainable development of the society and meet the expectations of society creatively to generate benefits for the public.

- **Respecting Human Rights Policies and Guidelines**

In 2017, the Board reviewed and revised the Code of Ethics by approving a policy on respecting human rights as follows:

Principles

The Company recognizes the importance of respecting the human rights of all people by treating everyone equally, without discrimination, support and promote human rights. Avoid any acts that violate human rights.

In addition to this, the Company is aware of the importance of labor by treating employees according to labor laws and relevant labor regulations.

Definition

Human Rights means rights liberty and equality of persons recognized or protected under the Constitution of the Kingdom of Thailand, Thai law, or treaties that Thailand is obligated to comply with. Human dignity is something inherited from birth without discrimination on nationality, race, sex, language, religion, political opinions, or other concepts regarding race, society, property, place of birth, or other status.

Practice Guidelines

1. All directors and employees are aware of the rights, personal freedom and will continue to provide protection from harassment. Therefore, using, disclosing or transferring personal data will be prohibited except in sincerity as required by law.
 2. All directors and employees are aware of humanity and equality. Treating stakeholders with fairness without discrimination on similarities or differences whether physical, mental, or racial, or regarding to nationality, religion, sex, age, education, etc., Avoid any comments related to these subjects which may lead to conflict.
 3. All directors and employees are aware of the principle of universal human rights which are in line with the Universal Declaration of Human Rights.
- **Intellectual Property Protection Policies and Guidelines**

In 2017, the Board of Directors reviewed the Code of Ethics by adding the following regarding intellectual property protection guidelines as follows

Principles

The Company considers intellectual property to be a valuable asset to its employees or those involved in protecting and maintaining the Company's intellectual property from use or publishing without permission. This includes respecting and no infringing on the intellectual property of others.

Definition

Intellectual property means the work that results from the invention or creation of human beings. The emphasis is on the productivity of intelligence and expertise regardless of the kind of creation or way of expression. Intellectual property can be expressed in the form of tangible things such as goods or in the form of intangible things such as service, business ideas or manufacturing processes.

Copyright is the exclusive right of the creator to do anything with the work of the creator in accordance with the type of copyright law. This includes literature, dramatic works, fine arts, music, audiovisual, cinema, sound recordings, broadcasting or any other work in literature, science or art. No matter how these materials are expressed in any manner or form.

Patent is an important letter issued by the state to protect an invention or industrial design that is statutory. This includes invention patents, product design patents and petty patents.

Trademark is a symbol used or used with products or service marks, certification marks, collective marks in order to indicate that the symbol used is different from the trademarked products of another person.

Practical Guidelines

1. Directors and employees aware that the results of the work is the Company's intellectual property according to the meaning of the law. Directors and employee has responsibility to cooperate, help show the rights or obtain intellectual property protection that the Company owns.
2. Maintain the intellectual property of the Company so that it is not infringed, disclosed, copied, tampered with or any other act without the Company's permission.



3. Respect and do not violate the intellectual property of others. Check the work from third parties or work brought in to be used in the Company.
4. When entering into any contract or juristic act, intellectual property rights should be clearly agreed upon.
5. Cooperate to show the rights or seek the protection of intellectual property rights owned by the Company.
6. Report to the supervisor or the intellectual property supervisor when an infringement is found, any act that may lead to an infringement is found or actions that may cause a dispute about the Company's intellectual property.
7. Directors and employees aware and respect and do not infringe on the intellectual property of others. If the case that infringement happens, report it directly to the Board or Department Head immediately.

Policies and procedures regarding to company securities trading and the use of internal information

In year 2018, the Board of Directors had reviewed Code of Ethics and had included the company securities and the use of internal information into the procedure. They are as follows:

Procedures

1. The Committee, Management, and every staff are not allowed to use the company significant internal information and they are not allowed to disclose to public on benefits for self or others.
2. The Committee, Management, and every staff are freely to invest in the company securities. However, in order to prevent conflicts of interests, the Committee, Management, and every staff including their spouses and under age children are not allowed to buy, sell, or transfer the company securities within 1 month prior publishing of the company quarterly and annual financial statements allowing the people to exercise information at least 24 hours.
3. The Committee, Management, and staff including their spouses and under age children who have exercise of purchase, sell, or transfer of the company securities, they are required to prepare report of the securities holding/movements to the regulators in accordance with procedure.
4. The Company Secretary is to collect information of the company securities held by the Committee and Management including their spouses and under age children and to report to The Board of Directors on quarterly basis.

In case that any the Executive Committee or staff does not comply with the procedure of internal information control and the holding of the company securities as well as other procedures of relating regulators, he is considered as a disciplinary offense according to company regulations and he may be punishable by law.

Supervision and Review

If changes are made to this policy, the human resources department will review the policy and propose it to the audit committee for the approval of the board of directors. There is regular supervision and monitoring of this policy's implementation. If any adjustments need to be made, it needs to be done as soon as possible.

Penalty and Punishment

Penalties will be applied in accordance with the employee's code of conduct and/or the relevant laws.

3.2 Whistleblow or Complaints

The Company has measures to ensure that all stakeholders are able to make a complaint with the Company through various channels in order to enhance the effectiveness in caring for all stakeholders.

The Company has provided a policy to protect informants and investigate complaints. Complaints or opinions can be given to the Company under the process of receiving and considering complaints. This can be done through the following channels:

Letter

Company Secretary

Begistics Public Company Limited

3656/64 Green Tower 19th Floor, Unit K

Rama 4 Road, Klongton, Khet Klongtoey, Bangkok 10110

Website : <http://www.begistics.co.th>

Email : whistleblow@begistics.co.th

Phone : (662)-367-3570-6

Fax : (662)-367-3577

Section 4: Disclosure and Transparency

Disclosure

The Company recognizes the importance of accurate, complete, timely, and transparent disclosure of information, financial information and general information in compliance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Company has a policy to disseminate the Company's information to shareholders, investors and the general public equally so that everyone who receives the news has a correct understanding of the Company. The information will be disclosed via various media channels and media outlets of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Company's website (www.btc.co.th) will also include this information as well as other important information that affects the price of the Company's securities and affects the decisions of investors and stakeholders.

The person Incharge of disclosure

Chief Executive Officer or the designate person who is assigned by CEO is required to disclose the information abide with accuracy, completely, timely, and equality.



Company Secretary is responsible to disclose importance information to the Stock Exchange of Thailand and Securities and Exchange Commission.

Supervision of operations of subsidiaries and associates

The Board of Directors regulates the operations of subsidiaries and associates in order to make certain of the company benefits in investment as follows:

1. Encourage the subsidiaries and associates to adopt good corporate governance in practice.
2. The Board of Directors assigns the company representative to be Committees and Executives of the subsidiaries and associates.
3. Supervise the subsidiaries and associates policies via representative Committee and Executive.
4. Determine significant matters including key policies i.e. Business Plan/Strategies, Capital rise/reduction, company dissolution, etc.
5. Follow up the performance by the Management Executives and the company Board of Directors.
6. Ensure the subsidiaries and associates comply with procedures and regulations i.e. report of related parties of assets acquisitions and disposals, disclosure of significant information at required timing, and prepare accounting and financial statements in accordance with relating legislations and general accepted accounting principles.
7. Control significant transactions of subsidiaries that impacts to business or company financial status. Every transaction is required to obtain the Board of Directors approval.
8. Requirement of Internal audit is a must ensuring of an appropriate and effective internal controls.
9. Requirement to disclose of financial information and performance of subsidiaries are necessary by hiring the same certified public auditor office in auditing and collecting of finance and non finance information to disclose in the company financial statements.

Details of the Committee and Executive Committee Positions in subsidiaries and associates are in attachment 2.

Auditor and Financial Information

The company's financial statements have been audited by independent auditors. Have expertise And have all the required qualifications In order to assure the Board of Directors and shareholders that the financial statements of the Company and its subsidiaries reflect actual financial status and operating results of the Company The company has a policy to change the auditor every 5 years to ensure the independence of the auditor. The Board of Directors attaches importance and is responsible for the financial statements of the Company, subsidiaries and associates. Prepared in accordance with generally accepted accounting principles and accounting principles By using appropriate accounting policies in accordance with the principles of caution, accuracy and completeness in order to reflect the actual operating results of the company The Board of Directors has provided a report on the operation results. And disclosing important information transparently and adequately By reporting to relevant agencies, including the Securities and Exchange Commission And the Stock Exchange of Thailand continuously In addition, the Board of Directors has appointed the Audit Committee to review the reliability and accuracy of financial reports. Including the internal control system to be adequate and appropriate To ensure that the financial statements of the company can be trusted.

In 2018, the company paid the auditor's remuneration as follows:

- Audit fee and quarterly review fee of the company in the amount of 1.50 million baht, audit fees and quarterly review fees of the associated company in the amount of 0.11 million baht
- Non-audit fee of the company to the audit office of the auditor in the amount of 0.96 million baht

Section 5: Responsibilities of the Board of Directors

Board Structure

The board of directors is comprised of persons who have the knowledge, capabilities and experience that are beneficial to business operations and committed to effective management, quality growth, and sustainability by focusing on ethical management and maximizing the benefits of shareholders. The board of directors is responsible for setting policies, vision, mission, goals, as well as supervising management to ensure that the administration is in line with the policies under the laws, regulations and resolutions of the shareholders' meeting. The board of directors does this with responsibility, prudence, integrity and transparency in accordance with the principles of good corporate governance.

Currently, the Company's Board of Directors is comprised of 8 members. This includes three members from the audit committee, which will provide a balance of voting power when considering various matters according to the criteria prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand. According to the Company's Articles of Association, one-third of the directors must retire at the annual general meeting of shareholders. If the number of directors cannot be divided evenly into three parts, it is rounded to the nearest number. Directors who are required to vacate their office in the first and second years following the registration of the Company shall be selected by random draw. In the following years, directors who have held the position longest will retire. However, directors who retire may be re-elected.

In addition, the board of directors has appointed three sub-committees, namely the audit committee, the nomination and remuneration committee and the executive committee which performs specific duties and submits subject matters to the board of directors to consider or acknowledge, according to the scope of their authority.

The Company clearly separates the roles and responsibilities of the board of directors and executives. The board of directors is responsible for policy formulation and oversight of executive management. On the other hand, executive management manages the Company in various areas to be in accordance with the Company's policies. The Company has the secretary to the board of directors which provides advice on various rules that the board must know. The secretary is also responsible for overseeing the board's activities which includes coordinating the implementation of the board's resolutions, organizing the board of director's meeting and the shareholders' meeting. The secretary prepares the board of directors' minutes, the shareholders' meeting's minutes and the Company's annual report as well as storing documents required by the law.๑



5.2 Roles, duties and responsibilities of the Board

The Board of Directors is responsible to the shareholders in conducting the Company's business and manage in line with the Corporate Governance policy, guidelines and goals that generate maximum benefits to shareholder. Operating business is the framework of the business code of conduct and take into account the benefits of stakeholders. The scope of duties is as follows.

5.2.1 Operate business in the best interests of the shareholders (Fiduciary Duty), based on the following four practice principles.

- (1) Duty of Care
- (2) Duty of Loyalty
- (3) Duty of Obedience
- (4) Duty of Disclosure

5.2.2 To conduct the Company's business in accordance with the law, the Company's objectives and Company's Article of Association and the resolutions of the Board and the Shareholders' Meeting.

5.2.3 To plan the Company's management policies, evaluate the Company's performance, and establish the Company's regulations.

5.2.4 To appoint the Executive Committee or assign one or several directors or representatives acting on behalf of the Board and within the scope of the Board. They have the right to revoke, withdraw, modify or change such authority.

5.2.5 To consider and approve other important matters concerning the Company or that it is appropriate to the Company's operations in order to benefit the Company.

5.2.6 Approve and Review Authorization

The Board of Directors review and approve the Company's vision, policies, mission, strategy, goals, business plans and budget at least once a year. The Board of Directors also regularly supervises, monitors and follows up on performance in order to ensure that the operations are in line with the policies and plans set forth efficiently and effectively.

5.2.7 Approve and review the following policies

- Anti-corruption policy
- Corporate Governance Policy
- Code of Ethics
- Information dissemination policy
- Information protection policy And investigation of complaints

5.2.8 The Board of Directors encourages the Company to adhere to and give importance to business ethics in management as well as good corporate governance. This includes the organizational structure and strategic management by defining roles and making the systematic approach be transparent, able to be monitored and preparation of written Corporate Governance Policy in order to ensure that all directors, management and employees adhere to the principles of good corporate governance, which includes the regular review and approval by the Board of Directors.

- 5.2.9 The Board has set up a process for receiving complaints. And proceed with the case of informing the whistleblowers through the company's website Sending a letter to the company address Or reporting directly to the supervisor.
- 5.2.10 Determine the risk assessment related to corruption within the company. Approve policy implementation Practice guidelines And measures / procedures for the implementation of anti-corruption practices to be implemented correctly and throughout the organization.
- 5.2.11 Regulatory compliance with the Anti-Corruption measures/procedures provide a system that supports anti-corruption to effectively ensure that the management realizes and respects the anti-corruption behavior in every aspect of the Company's activities and cultivates it in the organization's culture.
- 5.2.12 The Board of Directors must comply with the anti-corruption policy, the practical guidelines and measures/steps in order to strictly combat corruption. This includes being a good example of honesty, transparency, fairness and giving counsel and advice to related persons that have doubts or questions. In the case that there is non-compliance, there are legal penalties.
- 5.2.13 Supervise the risk management of the company to be at the level that drives the company to grow sustainably.
- 5.2.14 To consider the Executive Development Plans and Succession Plans for the Chief Executive Officer. The Board regularly monitors and evaluates the performance of top executives. The Company has a system for the remuneration of executives that is and consistent with their responsibilities and results in order to motivate them in both the short and long term.
- 5.2.15 To develop continuous knowledge, the ability to perform work, attend training, or participate in courses related to the work of the committee or seminars in order to continue to increase the knowledge in operations.
- 5.2.16 Supervise the management to set up the unit Or the person responsible for the investor relations that serves to communicate with shareholders And other stakeholders, such as investors, analysts, to be appropriate, equal and timely.
- 5.2.17 Supervise the establishment of safety policies and practices And hygiene in the workplace.

Board of Directors Consisting of people with knowledge Diverse skills and expertise And have leadership Which is acceptable The Board of Directors will participate in determining the vision, mission, strategies, policies, business guidelines. And supervise the operation of the company to be in accordance with the laws, objectives, regulations and resolutions of the shareholders' meeting

5.3 Corporate Governance Policy

The Board of Directors' Meeting No. 8/2017 held on November 14, 2017 approved to review the policies and comply with Corporate Governance Policy by adding roles and duties to be aligned with the 8 principles of Good Corporate Governance for the 2017 Listed Companies. The Corporate Governance Report was disclosed in the Annual Report and Annual Registration Statement (Form 56-1) including policies that all the directors and the Company Secretary attended various training courses about Corporate Governance from the Thai Institute of Directors Association and the Stock Exchange of Thailand as well as other institutions to bring the knowledge and ability in order to continue to develop management.



5.4 Code of Conduct

The Board of Directors Meeting No. 4/2018 held on November 9, 2018 approved the review of Code of Business Ethics with the addition of the preparation and disclosure of securities holding reports as well as changes in the holding of securities of the company to the supervisory authorities for acknowledgment according to the criteria specified

The Company announced and notified all employees to acknowledge and strictly follow these guidelines.

5.5 Conflicts of Interest

The board of directors will carefully consider connected transactions with any persons that have a conflict of interest. It also set policies regarding transactions with conflicts of interest on the principle that any decision related to business activities must be done in the same manner as a normal person would have done them with counterparts in the same situation. The power to bargain will not be influenced by the position of the director, executive or any related person for the maximum benefit of the Company. Actions that cause conflicts of interest should be avoided by requiring those who are involved or connected to the items inform the Company of their relationship or their affiliation in such transactions. These people must not participate in the decision making and have no authority to authorize the transaction.

The audit committee will propose the connected transactions and transaction with conflicts of interest to the board of directors. This needs to be carefully considered and comply with the regulations of the Stock Exchange of Thailand and/or the Securities and Exchange Commission. It will also be disclosed in the financial statements, the annual report and the annual registration statement (Form 56-1).

5.6 Internal Control Systems

The Company pays attention to the internal control systems at the management level and operational level in order to maintain the capital of shareholders and assets of the Company. The Company has prepared an operating manual to optimize the adequacy of the internal controls. It was declared as the Company's policy and duties and responsibilities. The authority of workers and executives was clearly written, separating the duties of workers, supervisors and evaluators from one another along with supervising the Company's assets so that they are used beneficially.

The Company appointed the audit committee to review the internal control systems and the appropriateness and efficiency of the internal audit for business operations, as well as the effective supervision of property and the use of the property to prevent corruption from occurring. The internal audit department is responsible for overseeing the internal control systems and regularly reviewing important transactions and reporting to the audit committee in regards to the adequacy and effectiveness of the internal controls. This covers operations, compliance controls, risk management, and giving importance to abnormal transactions. It also provides suggestions on how to improve internal control systems to ensure that the Company has an effective system. This will enhance the credibility of the Company's financial statements.

5.7 Report of the Board

The audit committee will review the financial reports by having the accounting and finance department and the auditors join in a meeting and present financial reports to the board of directors quarterly. The board of directors is responsible for the Company's financial statements as well as financial information as appeared in the Annual Report (Report of the Board of Directors' Responsibilities for Financial Statements). The financial statements are prepared in accordance with accounting standards and audited by the Company's auditors. Important financial information such as financial information and non-financial information based on complete facts are disclosed on a regular basis.

5.8 Board of Directors' Meetings

The Company set up a board of directors meeting every 3 months and additional meetings are held when necessary. A clear agenda is set and documents are submitted in advance, 7 days prior to the meeting so that the board has sufficient time to study the information before attending the meeting. Unless there is an urgent need, the chairman of the board of directors and the managing director shall jointly set the agenda and consider the agenda items by giving each director the opportunity to present the issues for consideration.

In a meeting, the chairman of the meeting will give directors the opportunity to comment freely. For some agenda items, senior executives may attend the meeting to provide additional information and they were directly informed of the policies so that they can be implemented effectively. In regards to the resolutions of the board of directors' meeting, votes will be passed by a majority vote. Each member has one voice. Directors who have conflict of interest will not attend the meeting and/or not exercise their right to vote on that matter. If the vote is tied, the chairman of the meeting shall cast the deciding vote.

In 2018, the Company held six meetings. The secretary of the board of directors had to attend every board meeting. The secretary of the board recorded the minutes and sent them to the chairman of the board to sign and proposed for approval in the first agenda item at the next meeting. The secretary was the collector of data and documents related to different meetings for easy reference later.

5.9 Position Term

The term of office of the board of directors is in accordance with the Public Company Act BE 2535. Independent directors have a term of office for 3 consecutive years and cannot exceed 3 terms unless the resolution is approved unanimously by the nomination and remuneration committee that the retired director was beneficial to the Company and holding the position for another term does not jeopardize independence. This must be approved by the board of directors and the shareholders.



5.10 Remuneration

The Company has a policy to pay remuneration to directors and management at an appropriate level for motivation. The nomination and remuneration committee must take the performance of the Company and the performance of other businesses in the same industry into account. This includes the suitability of the duties and responsibilities of each director and executive. The Company is careful to pay the Company's management remuneration at an appropriate level and it comparable with other businesses in the same industry in order to engage qualified executives. Executives who have more duties and responsibilities will receive additional remuneration that is appropriate with their duties and responsibilities. The Company provides clear and transparent remuneration for directors that have been approved by the shareholders' meeting. Remuneration given to the executive directors must be disclosed in accordance with the Office of the Securities and Exchange Commission.

5.11 Development of Directors and Executives

The Board of Directors has the policy to promote and facilitate the training and giving knowledge about Corporate Governance in order to continually improve performance. In the case that there is a change of director or a new director is appointed, management will provide useful documentation and information regarding the performance of the new directors. This includes the introduction of business characteristics and guidelines for the Company's business for the new directors.

In 2018, directors and executives participated in the following courses:

List of Directors and Executives	Description
Mr. Pongsiri Sirithorn	Director Certification Program (DCP) Batch 262/2018 Thai Institute of Director (IOD)
Mr. Santi Pongjareanpit	Director Certification Program (DCP) Batch 262/2018 Thai Institute of Director (IOD)
HR & Admin	<ul style="list-style-type: none">- Problem solving and decision making- 6 managerial skills for the ultimate manager- Human Resource Management for HR Beginners- Training office (TO), practical, Class 16- Correct and legal disciplinary investigation and punishment, Class 28- Safety and Occupational Health Committee And working environment OSH & E Committee Program
Account & Finance	<ul style="list-style-type: none">- Keep up with modern accountants- Financial reporting standards that the accountant must know and update the latest standard- Latest updates to accounting problems according to financial reporting standards- Corporate Finance Corporate Finance Model No. 3- Excel Managerial Accounting for administrative accounting- Basic accounting, intermediate accounting, advanced accounting, accounting practice, TFRS

List of Directors and Executives	Description
Operations & Marketing (Bangpakong)	<ul style="list-style-type: none"> - Port security officer - The operator of the crane type overhead crane and type crane are in the other type. Crane operator Signal provider for crane operators and material adhesives
Operations & Marketing (Sriracha)	<ul style="list-style-type: none"> - Accident Investigation Workshop - Crane work training review - The operator of the crane type overhead crane and type crane are in the other type. Crane operator Signal provider for crane operators and material adhesives - Use of ForwardPro Express for Job Development - Techniques and driving safely Equipment inspection and car maintenance Driving to save fuel - Development of truck drivers for energy saving in the freight business - Safety officer at the supervisor level - Digital Social Services Innovation Digital Social Innovation 2018
ฝ่ายพัฒนาธุรกิจ	<ul style="list-style-type: none"> - B2 Goals 2018 for Strategically - Update the customs law

5.12 Reporting

1. The board is responsible for reporting accurate, complete and transparent financial information and general information to shareholders and general investors. There needs to be logical explanations along with numbers that support the explanations in terms of policies, performance, and future trends, as well as the success and barriers of business.
2. The board understands and supports compliance with auditing standards
3. The board prepared a report on the responsibilities of directors in preparing financial reports and disclosure of the Company's financial reports in the annual report along with the financial statements and the auditor's report. This includes:
 - 3.1) Compliance with laws that require the board of directors to prepare accurate and reasonable financial statements that represent the financial position and the performance over the past year.
 - 3.2) Responsibility in managing accurate, complete and adequate accounting data to maintain the Company's assets and to identify weaknesses in order to prevent fraud or any abnormal operations.
 - 3.3) Confirmation that the Company has adhered to generally accepted accounting standards and has used appropriate accounting policies and practices. The Company has also carefully considered the reasonableness of the Company's financial statements.



5.13 Board Self-Assessment

The board of directors arranges the Board Self-Assessment on a yearly basis. This is used as a framework for norms. The assessment reviews the working performance and compares the results with the charter of the board of directors which will effectively reflect the responsibilities in the performance.

5.14 New Director Orientation

The board of directors requires orientation for all new directors before they begin their work. This allows new directors to know the Company's expectations for the roles and responsibilities of directors as well as policies, corporate governance guidelines and building knowledge and understanding of the business and operations of the Company in order to prepare the directors to perform their duties. In 2018, as follows :

Ms. Suttirat Leeswadtrakul, became a new director on 27 February 2018.

Mr. Thanee Loketkravee, became a new director on 27 February 2018.

Mr. Pongsiri Sirithorn, became a new director on 1 March 2018.

Mr. Vuthichai Duangratana, became a new director on 22 October 2018.

Mr. Prasert Sriuranpong, became a new director on 22 October 2018.

5.15 Holding the Position of Director or Senior Executive in other Companies

The Board of Directors determined that the directors of the Company are allowed to hold positions in no more than 5 listed companies or hold positions in no more than 5 listed and non-listed subsidiaries unless the position is assigned by the Company.

The Board of Directors determined that the Managing Director of the Company is allowed to hold a position in no more than 5 listed companies or hold positions in no more than 5 listed and non-listed subsidiaries. This does not include subsidiaries, affiliates or joint venture companies in which the Company is required to supervise management in order to protect the interests of the Company.

5.16 Communication with the management team

The board encourages the Company's senior executives to attend meetings with the board of directors in order to present information related to the agenda items that they are responsible for so that the board of directors can receive the information from the executive directly. At the same time, the executives also have an opportunity to learn and understand the views of the board of directors.

In addition to this, the Company had a board of directors' meeting. The executive committee will hold a follow-up meeting and exchange ideas with senior executives on a monthly basis.

5.17 Stakeholder Report of the Directors, Executives and Related Persons

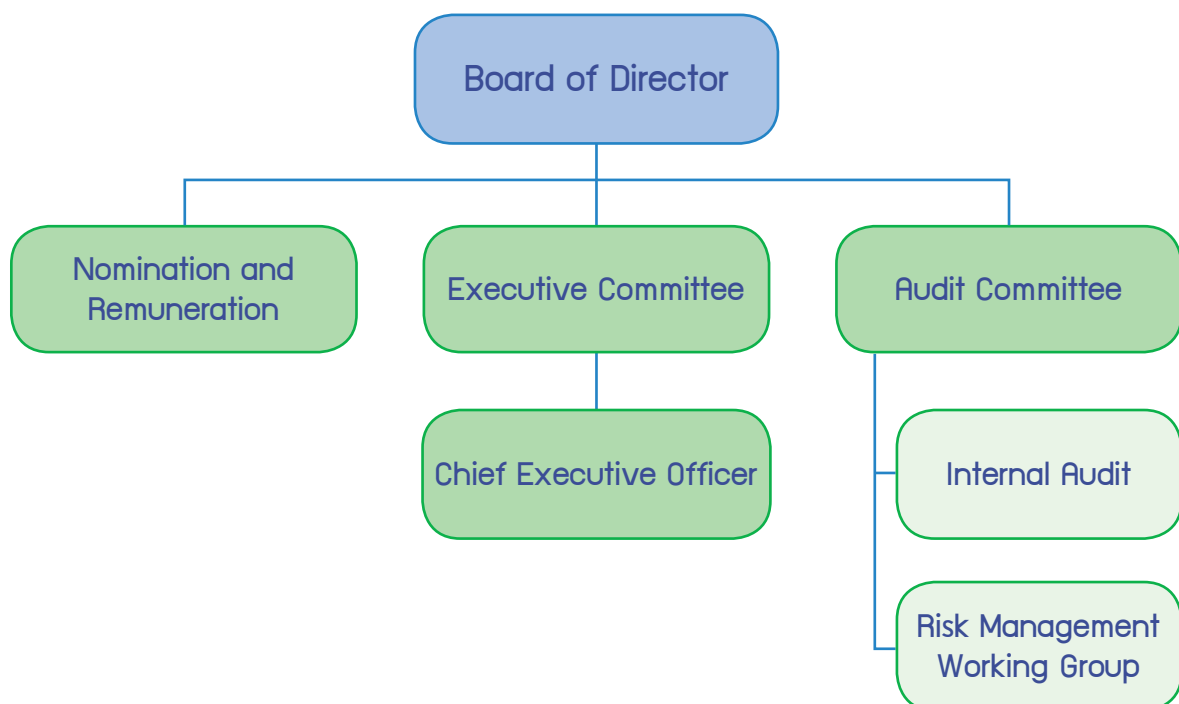
The Company requires the preparation of stakeholder reports of directors, executives and related persons to provide a basis for overseeing the stakeholders of the board of directors and senior executives. The directors and executives are required to prepare such reports. The company secretary is responsible for storing, collecting the reports in order to be used for monitoring conflicts of interest. If there is a change in the stakeholders report, executives are required to report any changes to the company secretary. The criteria and reporting procedures are reviewed annually at the board of directors meeting No. 5/2016 on December 22, 2016.

5.18 Reporting Changes in Securities Holdings

To supervise the use of internal information, the Company has determined that the board of directors and the executives, including their spouses and underage children, need to notify the Company when a change in the holding of the securities of Bangpakong Terminal Public Company Limited is made and the Company shall notify the Office of the Securities and Exchange Commission under Section 59 of the 1992 Securities and Exchange Act. This needs to be done within 3 business days from the date of purchase, sale, or transfer and report the purchase and sale of the Company's shares to the board of directors at the next the next meeting. At the end of each quarter and each year, the company secretary will issue a written notice prohibiting the director, executives, or any department that are aware of inside information from disclosing inside information to outsiders or any non-related persons or trading the Company's securities within 45 days from the statement closing date until the date of reporting to the SET, that is before the financial statements are publicly disclosed. In order to prevent the misuse of inside information, the directors and the executives strictly followed the regulations over the past year.

Subcommittees

The management structure of the Company consists of 4 committees. There are the board of directors, the nomination and remuneration committee, the executive committee and the audit committee.



Board of Directors

As of March 12, 2019, the board of directors of the Company had 9 members. They are as follows.

No.	Name- Last name	Position
1	Gen. Jongsak Panichkul	Independent Director, Chairman of the Board of Directors
2	Mr. Vuthichai Duangratana	Independent Director, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee
3	Mrs. Teeraboon Ariyasuthiwong	Independent Director, Audit Committee Member and Nomination and Remuneration Committee
4	Mr. Santi Pongjareanpit	Director, Audit Committee Member
5	Mr. Thitisak Skulkroo	Director, Vice-Chairman, Nomination and Remuneration Committee Member, Chairman of the Executive Committee
6	Mr. Danai Piamthipmanust	Director, Executive Committee Member
7	Mr. Pongsiri Sirithorn	Director, Executive Committee Member, Chief Executive Officer
8	Miss Suttirat Leeswadtrakul	Director, Executive Committee Member
9	Mr. Thanee Loketkravee	Director, Executive Committee Member

Ms. Korawan Sanchompoo is the company secretary.

The Scope of Authority for the Board of Directors

(As amended by the resolution of the Board of Directors on November 9, 2018.)

The Board of Directors has the following duties:

1. Manage the business for the best benefit of the shareholders (Fiduciary Duty) by adhering to four important guidelines:
 - a. Responsible duty Care and caution (Duty of Care)
 - b. Performing duties with honesty (Duty of Loyalty)
 - c. Compliance with laws, objectives, company regulations Board resolutions and resolutions of shareholders' meetings (Duty of Obedience)
 - d. Disclosure of information to shareholders in a correct, complete, transparent, verifiable and timely manner (Duty of Disclosure)
2. To operate the Company's business in accordance with the law, the Company's objectives and regulations as well as the resolutions of the Shareholders' Meeting.
3. To make plans and policies regarding Company Management as well as review the Company's performance and establish the Company's regulations.
4. To appoint the Executive Committee or assign one or several directors or representatives that act on behalf of the Board and within the scope of the Board. It has the right to revoke, withdraw, modify or change such authority.

5. To consider and approve any other major business related to the Company or its business for the benefit of the Company.
6. Determine the approval authority
Board of Directors Review and approve the vision, policy, mission, mission, strategy, target, business plan and company budget At least once every year, including supervising, supervising and monitoring the performance regularly In order to ensure that the operation is in accordance with the policies and plans set out efficiently and effectively
7. Approve and review the following policies
 - Anti-corruption policy
 - Corporate Governance Policy
 - Code of Ethics
 - Information dissemination policy
 - Information protection policy And investigation of complaints
8. The Board of Directors encourages the company to adhere to And give priority to management according to the business ethics And good corporate governance policy Both organizational structure and management strategy By assigning roles And work practices that are transparent, can be verified
9. The Board of Directors has set up a process for receiving complaints. And proceeding in case of misconduct reporting via the company's website Sending a letter to the company address Or notifying directly to the supervisor
10. Determine the risk assessment related to corruption within the company. Approve policy implementation Practice guidelines And measures / procedures for the implementation of anti-corruption practices to be implemented correctly and throughout the organization
11. Supervising compliance with the guidelines And measures / procedures in order to combat corruption Provide a system that supports anti-corruption Effective corruption In order to ensure that the management realizes and gives importance to anti-corruption in all forms in all activities of the company and is instilled in the corporate culture
12. The Board of Directors must comply with the anti-corruption policy. Practice guidelines And measures / procedures to combat corruption Strictly corruption of the company Including being a role model for honesty, transparency and fairness and giving advice Suggestions for those involved with questions, inquiries In case of non-compliance, there is a legal penalty.
13. Supervise the risk management of the company to be at the level that drives the company to grow sustainably.
14. To consider the executive development plan and the President's succession plan. And supervising the evaluation of the performance of high-level executives that are effective every year To have a system for determining remuneration for high-level executives that are prudent, transparent, in line with responsibility and performance in order to create incentives both in the short and long term
15. Continuously develop knowledge, ability to perform work, attend training or participate in courses related to the performance of duties as a director or seminar activities that increase knowledge in continuous work performance



16. Supervising the management to set up a unit Or the person responsible for the investor relations that serves to communicate with shareholders And other stakeholders, such as investors, analysts, to be appropriate, equal and timely
17. Supervising the establishment of policies and guidelines on safety And hygiene in the workplace
18. Report the responsibility of the Board of Directors in the preparation of financial reports, which is presented in conjunction with the auditor's report. To show the financial position and operating results of the previous year to the Shareholders' Meeting.

The Audit Committee

The board of directors appoints the audit committee to assist the board of directors in performing their duties by reviewing the quality and reliability of accounting systems, auditing systems, and internal controls as well as the Company's financial reporting process.

As of March 12, 2019, the Audit Committee was comprised of 3 members.

Number	Name – Last Name	Position
1.	Mr. Vuthichai Duangratana	Chairman of the Audit Committee
2.	Mr. Santi Pongjareanpit	Audit Committee
3.	Mr. Teeraboon Ariyasuthiwong	Audit Committee

With Miss Tidarat Teeutid as the secretary of the Audit Committee

The Scope of Authority and Duties of the Audit Committee

1. Review the Company's (quarterly and annual) financial reports to make sure reports are correct and have sufficient disclosure of relevant information before being submitted to the board of directors.
2. Review the adequacy and effectiveness of the internal controls and the internal audit system. Consider the independence of the internal audit unit and approve the appointment, transfer, or dismissal of the chief of the internal audit unit, the secretary of the audit committee, or any other agency responsible for internal audits.
3. Review and approve the audit plan which corresponds to corporate risk. Supervise the implementation of the audit to be in line with the plan and international standards of professional practice and internal auditing.
4. To review the Company's risk assessment systems that affect the Company. This includes the risk of fraud in order to ensure that there is protection from risk that could result in fraudulent opportunities so that there is minimal impact on the Company's financial position and performance.
5. To consider and review the following policies in order to be suitable with the business model, the Company environment and the organizational culture.
 - Anti-corruption Corruption Policy
 - Corporate Governance Policy
 - Code of Ethics
 - Dissemination of Information Policy
 - Data Protection Policy and the Investigation of Complaints

6. Proceed to allow the management to arrange the process of receiving and supervising the receipt of complaints.
7. To review the Company's compliance with the law on securities and exchange. Requirements of the Stock Exchange or laws related to the business of the Company.
8. Consider, select, to propose the appointment of an independent person and determine the remuneration of the auditor of the company, coordinate with the auditor about the objectives of the audit, scope, guidelines, plans and problems encountered during the audit. And issues that the auditor considers to be significant Including attending the meeting with the auditor without the management attending the meeting at least once a year.
9. Considering connected transactions or items that may have conflicts of interest to be accurate and complete in accordance with the laws and regulations of the Stock Exchange of Thailand Including the disclosure of information on entering such transactions correctly and completely In order to ensure that such transactions are reasonable and beneficial to the Company.
10. Prepare a report on the corporate governance of the audit committee which is disclosed in the Company's annual report, and must be signed by the chairman of the audit committee. It must contain the following information.
 - An opinion on the accuracy, completeness, and reliability of the Company's financial report.
 - An opinion on the adequacy of the Company's internal control systems.
 - Comment on the compliance with the Securities and Exchange Act regulations and laws related to the business of the Company.
 - Comment on the appropriateness of the auditor.
 - Comment on the report that may have conflicts of interest.
 - The number of audit committee meetings and each member's attendance.
 - Approval or overall observations that the audit committee received from performing its duties under the charter.
 - Other items that shareholders and general investors should know under the scope of duties and responsibilities assigned by the board of directors.
11. Perform other duties as assigned by the board of directors with the approval of the audit committee for the performance of duties under the first paragraph. The audit committee is directly responsible to the board of directors and the board of directors remains responsible for the Company's operations to third parties.

The Nomination and Remuneration Committee

As of March 12, 2019, the nomination and remuneration committee was comprised of 3 members.

Number	Name – Last Name	Position
1	Mr. Vuthichai Duangratana	Chairman of the Nomination and Remuneration Committee
2	Mr. Thitisak Skulkroo	Nomination and Remuneration Committee
3	Mr. Teeraboon Ariyasuthiwong	Nomination and Remuneration Committee

Ms. Korawan Sanchompoo is the secretary to the nomination and remuneration committee.



The Scope of Authority for the Nomination and Remuneration Committee

1. Determine the method or criteria for recruiting directors or managing directors to provide transparency with the board of directors.
2. Determine the qualifications of replacement directors so that they have the composition and qualifications required by laws, rules, and regulations. Determine the way to propose the list of qualified persons along with reasons to the board of directors.
3. Select the person who deserves to be nominated as a new director and recruit managing directors.
4. Suggest how to evaluate the performance of the board of directors and the board of committees, as well as follow up and summarize the results. Give evaluations for the acknowledgement of the board of directors so that they can take the data into consideration and improve performance.
5. Review and recommend the structure, duties and responsibilities to the board of directors as well as guidelines so that the board of directors and committees can be up to date.
6. Make succession plans for the positions of managing director and senior management in the Company and propose them to the board of directors for consideration.
7. Set methods and guidelines for the compensation of various committees and the managing director that is fair and consistent with the Company's performance to the board of directors.
8. Evaluate the performance of the executive committee and the managing director to determine remuneration before proposing it to the board of directors for annual approval.
9. Consider a wage increase budget which includes changes in wages and remuneration of the board of directors, the executive committee and management to be presented to the board of directors.
10. Review, study and track changes in the direction of return of the board of directors, the executive committee as well as management compared with other companies in the same business.

The board of directors requires that the nomination and remuneration committee meet at least twice a year.

The Executive Committee

As of March 12, 2019, the Executive Committee was comprised of 5 members.

Number	Name – Last Name	Position
1	Mr. Thitisak Skulkroo	Chairman of the Executive Committee
2	Mr. Danai Piamthipmanust	Executive Committee Member
3*	Mr. Pongsiri Sirithorn	Executive Committee Member
4*	Miss Suttirat Leeswadtrakul	Executive Committee Member
5*	Mr. Thanee Loketkravee	Executive Committee Member

Remark :

Director No.3 appointed on 1 March, 2018 according to BOD no. 1/2018 held on 4 January, 2018

Director No.4 appointed on 27 February, 2018 according to BOD no. 2/2018 held on 27 February, 2018

Director No.5 appointed on 27 February, 2018 according to BOD no. 2/2018 held on 27 February, 2018

The Scope of Authority for the Executive Committee

1. Formulate policies, goals, strategies, operational plans Annual budget And various administrative powers of the company to propose to the Board of Directors for approval
2. Control the business operations of the company to be in accordance with policies, goals, strategies, operational plans and annual budgets approved by the Board of Directors. To be effective and conducive to business conditions With advice and advice Management for senior management
3. Considering and approving spending for investment Financial transactions with financial institutions For opening accounts, borrowing, pledge, guarantees and any other activities including trading / registering land ownership For normal transactions of the company Under the authority of the credit limit
4. Determine the organizational structure and effective management Which covers the selection, training, hiring and termination of employees of the company that is the management team Or senior management Which may be assigned to the Chief Executive Officer Or senior management of the company that is the management team Or senior management Which may be assigned to the Chief Executive Officer Or senior management of the company Is the authorized representative of the company that will sign the labor contract
5. Supervise and approve matters relating to the operation of the company and may appoint or assign any person Or many people do one thing Instead of the Executive Committee as deemed appropriate And the Executive Committee can cancel, change or amend that power
6. Consider and scrutinize all types of work proposed by other sub-committees of the company that will consider moderating To present to the Board of Directors directly
7. Perform other duties as assigned by the Board of Directors

The delegation of authority and responsibility of the executive committee must not to be done to approve the transactions of the executive directors, or an authorized person or a person who may have conflict of interest, or stakeholders or any person who may have any kind of conflict with Begistics Public Company Limited or its subsidiaries (as defined in the Notification of the SEC or the Capital Market Supervisory Board). The approval of such transactions must be submitted to the board of directors and/or the shareholders' meeting, as the case may be, to consider and approve such transactions in accordance with the Articles of Association of Begistics Public Company Limited or its subsidiaries or any relevant laws.

Nominations, Appointments and Terms of Office

1. **Independent** director refer to director who doesn't own a business or participate in the management or have a stake with the Company that could impact their independent decisions. Qualities of independent directors are as follows,
 - (A) They hold no more than 1% of the total voting shares of the Company, its parent company, subsidiary, associated company, or juristic person which may have conflict of interest. This includes all the securities that any relatives of the independent director hold.
 - (B) They are not nor have been a director who has been involved in the management of an employee, a worker, a consultant who receives a regular salary, or the



controlling authority of the Company, a parent company, a subsidiary, an associated company, a same level subsidiary or a juristic person that may have conflicts unless these characteristics have ceased to exist for at least two years before the date of appointment.

- (C) They are not someone who has blood relations or relations by legal registration such as a parent, spouse, sibling and child, including the spouse of a child, an executive, a major shareholder, a controlling authority or a person that is nominated as an executive or a controlling person of the Company or its subsidiaries.
- (D) They have not nor never had a business relationship with any company, parent company, subsidiary, associated company or juristic person that may have a conflict of interest in a way that may hinder the use of independent judgment. They are not nor have been a major shareholder or director who is not an independent director or executive of a person who has a business relationship with the Company, parent company, subsidiary, associate company or juristic person who may have a conflict of interest unless these characteristics have ceased to exist for at least two years before the date of appointment.

The business relationship under paragraph one includes normal business transactions of business such as rentals, property rentals, assets or service transactions, or providing or receiving financial assistance by receiving or lending secured assets as collateral. This includes other similar actions. As a result, the Company or contractors have to pay debt to the other party from 3% of the net tangible assets of the Company or twenty or more million, whichever is less. The calculation of such indebtedness shall be in accordance with the method of calculating the value of connected transactions in accordance to the Notification of the Board of Governors of the Stock Exchange of Thailand regarding the disclosure of information and other acts of listed companies concerning connected transactions, mutatis mutandis. However, in considering such indebtedness, it shall include the debt incurred during the one year period before the date of having a business relationship with the same person.

- (E) They are not nor never have been the auditor of the Company, the parent company, subsidiaries, associated companies or juristic persons who have a possible conflict of interest. They are not a major shareholder, a director that is not an independent director, the manager or managing partner of the audit firm, which is the auditor of the Company, the parent company, subsidiaries, associate companies or juristic persons that may have a conflict of interest, unless these characteristics have ceased to exist for at least two years before the date of appointment.
- (F) They are not nor never have been a professional service provider. This includes serving as a legal advisor or a financial advisor which receives more than two million Baht per year from the Company, the parent company, subsidiaries, associate companies, or juristic persons that may have a conflict of interest. This includes the case where the professional service provider is a juristic person along with a major shareholder, a non-independent director, an executive or a managing partner of the professional service provider unless these characteristics have ceased to exist for at least two years before the date of appointment.
- (G) They are not a director that has been appointed to represent the Company's directors, major shareholders or shareholders who are related to the major shareholders of the Company.

- (H) They have no other characteristic that makes it impossible to express independent opinions about the Company's operations.

After being appointed as an independent director in accordance with paragraphs (A) through (H), the independent directors may be assigned by the board of directors. They make decisions about the operations of the Company, its parent company, subsidiaries, affiliated companies, same-level subsidiaries or juristic persons with possible conflicts of interest in the form of a collective decision.

Nominations, Appointments and Term of Office

The Company has a transparent director nomination process that is transparent and can be checked. The board of directors is responsible for the selection and nomination of qualified persons who have no prohibited characteristics as required by the law to be directors. The board of directors approves the nominee before proposing that person to the shareholders' meeting in order to be appointed in accordance with the criteria and selection procedures of the Company's Articles of Association and relevant laws as follows.

The board of directors is comprised of at least 5 directors and the board of directors elects the chairman of the board of directors and may select a vice chairman and other positions as the board deems necessary. No less than half of all directors must reside in Thailand.

The director of the Company does not need to be a shareholder of the Company.

The meeting of shareholders shall elect directors in accordance with the following rules and procedures:

A shareholder has votes equal to the number of shares he holds.

Each shareholder will use the existing votes to elect one director or several directors. In the case that several people are elected, the number of votes for each director cannot be divided.

The person receiving the highest number of votes in descending order is elected as director according to the number of directors to be elected at that time. In cases where the persons elected in descending order have the same number of votes and more votes than are needed to be elected at that time, the chairman will cast the deciding vote.

The board of directors has a term of office as stipulated in the Company's Articles of Association. For example, at every annual ordinary meeting of shareholders, at least one-third (1/3) of the directors must retire. If the number of directors cannot be divided into three equally, they will round to the nearest number.

Directors that need to retire in the first and second years after the Company was registered will be selected by random draw. In the subsequent years, the directors who have been in office for the longest time will retire and retired directors can be re-elected.

Other than retirement, directors may vacate office upon:

- ^a Death
- ^a Resignation
- ^a Ineligible or prohibited under the Public Limited Companies Act.
- ^a Resolution of the shareholders' meeting
- ^a The court issued an order.
- ^a Any director that resigns must submit a letter to the Company and the resignation is effective from the date the letter reaches the Company.



Directors who resigned under paragraph one shall also give their resignation to the Public Company Limited's registrar.

In the case that the position on the board is vacant for reasons other than the expiration of the term, the Board may elect a qualified person, who is not under the prohibitions stated by the laws of public companies, to act as a substitute for the next board meeting unless the term of the committee is less than 2 months. The director will fill the position for the remainder of the term of the director he replaces only.

Resolutions of the board under the first paragraph must consist of votes no less than three quarters (3/4) of the remaining number of directors.

In the event that a member vacates the office, the retiring member shall remain in office to conduct the business of the Company only as necessary until the new director takes office unless the court orders otherwise. In that case, the board member vacates the office under a court order.

Directors that retire must arrange a meeting of shareholders in order to elect a new director within 1 month of the retirement date by sending a meeting notice to shareholders at least 14 days before the meeting date. The announcement of the meeting must be placed in the newspaper no less than 3 days before the meeting and it must be advertised for a period of 3 consecutive days.

The shareholders' meeting may elect a director to retire before the expiration of his term by not less than three quarters (3/4) of the total number of shareholders who attended the meeting and had the right to vote. At least half (1/2) of the total number of shares held by the shareholders must attend the meeting and have the right to vote.

The board is responsible for managing all the affairs of the Company and has the authority to act within the scope of the law, objectives, Articles of Association and the resolutions of the shareholders' meeting. The board may delegate one or more persons to perform any task on behalf of the board.

Risk Management Working Group

The Company appointed a Risk Management Working Group pursuant to the resolution of the Audit Committee Meeting No. 6/2017 held on November 14, 2017. The Risk Committee has the following duties:

1. Determine Risk Management Policy
2. Set up a risk management manual
3. Analyze risk
4. Identify risk.
5. Assess risk
6. Follow up on risk management
7. Report to the Executive Board and the Audit Committee based on the roles and duties of the Audit Committee Clause 4. Review the Company's risk assessment system and risk management to ensure it is proper, suitable and effective.
8. Communicate and reinforce knowledge and understanding of risk management for employees within the organization.

Succession Plans

The Company recognizes the importance of effective and efficient management of the Company as well as its continuing operations. This will bring sustainable growth and progress to the organization. Thus, the Company can then start to set up a succession plan by determining

the process and succession of the Chief Executive Officer and other executive positions in order to ensure that managers have the knowledge and ability to inherit key positions of the organization.

Supervision of the Operations of Subsidiaries and Associate Companies

In the past, the Company appointed directors and executives in subsidiaries and associate companies. However, at present, the Company does not have any policy to send executives or directors to oversee subsidiaries and associated companies.

Care for the Use of Insider Information

The Company has a policy to prevent the use of the Company's inside information. In particular, information about the Company's financial position before it is made available publicly by restricting the number of individuals that know information. Executives must report Company securities held by their spouses and under age children according to the Penalties Act of the Securities and Exchange Commission in 1992. Management changed the holding of securities to the Securities and Exchange Commission under Section 59 of the Securities and Exchange Act BE 2535 (1992). This is contrary to Section 241 of the said Act.

The Company has set up preventive measures against directors and executives using inside information to seek benefits for themselves or others in a wrong way.

The Company will not discriminate against any particular group of shareholders. All shareholders have equal access to the Company's information. This includes minor shareholders and institutional shareholders according to fair and equitable disclosure policies and receiving sufficient information as the Company discloses through the following various channels.

Phone: 02-3673570

Website: www.begistics.co.th

Investor Relations Department: ir@begistics.co.th

The Chief Executive Officer will know in-depth information. The top management team will know the Company's management principles and policies. Personnel must keep information confidential and not allow information to go to someone who is not involved. The Company will not disclose any material information that has not yet been disclosed to the public to unauthorized employees, groups of people, or any other persons (including the media and analysts) until the information is publicly available. This is based on the following principles.

Executives and internal staff, including the Investor Relations team, are prohibited from using internal information to benefit themselves or others in a wrong way. This exploits other shareholders like insider trading. Executives and personnel that know inside information, including the Investor Relations team, are prohibited from trading within 1 month of the announcement of the financial statements or before significant information is disclosed, until the Company has completed the disclosure of information to the Stock Exchange of Thailand.

Avoid providing information about performance that affects stock prices or benefits of any particular person. In the period prior to the submission of financial statements to the Stock Exchange of Thailand, within one month (Silent Period) prior to the official announcement of performance via system of the Stock Exchange of Thailand is completed. Except in cases where there are issues or events that significantly deviate the forecasted performance of the Company's and causes people that used the information to be mislead. The Company will disclose information to the Stock Exchange of Thailand.



Disclosure Policy

The Board of Directors Meeting No. 4/2018 held on November 9, 2018 reviewed the Company's policy regarding information disclosure.

Begistics Public Company Limited is aware of good governance and focuses on fair information disclosure. The information is auditable by stakeholders to ensure in receiving of correct, clear, and equally publishing information. The company information disclosure is complied with the Notifications of Stock Exchange of Thailand Re: Guidelines on Disclosure of Information of Listed Companies.

Definitions of significant information

Significant information is any information that is relating to the company business execution which it must be released correctly otherwise it will significantly impact to the company business completions or the company securities prices or influence to investor decision making. The information is as follows:

1. Financial Statements and Changes of Significant Policies
2. Information of merger and acquisition of subsidiaries and associates resulting to the company structure change.
3. Information regarding to significant acquisition or disposal of securities or investments.
4. Dividend payment or omission.
5. Forecast information of business situation, potential direction of business execution including the company and associates potential performances.
6. Information of significant business strategies.
7. Other information that is considered to impact to securities prices and investment decision.

Procedure in Dissemination of the Company Significant Information

1. Disclosure of the unpublished information must be managed carefully, correctly and completely disclosed on timely basis. The disclosure shall be ensured that shareholders or investors will receive sufficient and equal published information and they can easily access to information via the company website.
2. Disclosure of forecast in business direction/implementation and the company future performance must be carefully disclosed and thoroughly explained of the terms and conditions or the forecast assumptions.
3. Disclosure of the published information must be clearly and completely reveal without any confusion. The disclosure of addition information of the previously disclosed information must be clear and in line with previous published information.
4. Disclosure of other unimportant information is present reality without any intention to create misunderstanding of financial status of securities price and performance.
5. Disclosure of information that may impact to business or competition aspect is to be extraordinary managed i.e. confidential information competition costs.

The company compliance for the Committee, Executive and every employee

For benefits of good governance, the company considers that every Committee and employee realize that they know the company information or insight information which can significantly impact to securities prices. Therefore, they have to comply with following procedures:

1. Every Committee, Executive and staff is not allowed to use the company significant and unpublished of internal information to disclose to public for benefits of self and other people.
2. Every Committee, Executive or staff has freedom to purchase/sell of the company securities. However, to prevent any conflicts of interests, the company Committee, Executive and staff including their spouses and under age children are not allowed acquire/dispose or transferring the company securities within 1 month period prior the company financial statements publishing to public allowing people to access the information thoroughly at least 24 hours.
3. Every Committee, Executive and staff including their spouses and under age children who have transactions of purchase/dispose or transfer of the company securities, the company is to report and disclose their holding/movements of the company securities to the regulators as per regulation requirements.
4. In case of acquiring/disposal of the company securities by Committee and Executive, they have to report to the Company Secretary at least 1 day prior implement the securities transaction and report 1 days after having implemented securities transaction.
5. The Company Secretary is to collect information of the company securities actual transactions held by the Committee and Executive including their spouses and under age children and report to quarterly Board of Directors Meeting.

In case any of the Committee, Executive and staff who breaches the company regulations of information control and securities holding as well as other regulations of relating regulators, it is considered as disciplinary offenses of the company regulations and he may be punishable by law.

Significant Information Disclosure Period

Period to disclose the significant information or relating to significant information is in accordance with regulator's regulations i.e. Securities Exchange Commission Regulations or other relating regulators. To disclose of the unpublished significant information, the disclosure can only be implemented when having obtained an assignment from the Chairman of Executive Committee or the authorized power attorney from the Chairman of Executive Committee.

When there are significant events

In case of incurred significant events i.e. mistaken news/references, unintended leakage of important information to other people or wrong timing disclosure prior appropriate timing, those events result to rumor which impacts to securities prices and the company performance either positively or negatively. The Executive Management or appointed person is to immediately present the fact and explain important information to Security Exchange Commission of Thailand and to the access channel to public for correct understanding.

Appointment of Information Publisher and Role and Responsibility

1. The Chairman of Executive Committee or the Chief of Financial Officer or the Company Secretary is a publisher of accounting fiscal year information i.e. fiscal year financial statements and quarterly financial statements. The annual information report is FORM 56-1 and annual report is FORM 56-2.
2. The Chairman of Executive Committee or the Chief of Financial Officer or the Company Secretary is publishers of incurred events information i.e. acquire/dispose assets transactions, relating events to setting date of shareholder meeting change of the Committee, Certified Public Audit, company address change, minutes of shareholder meeting and investment project.
3. The Chairman of Executive Committee or the Chief of Financial Officer or the Company Secretary is a publisher of the company operation general information.
4. The Chairman of Executive Committee or the Chief of Financial Officer or the Company Secretary is responsible in coordinating with Thailand Securities Depository of the Stock Exchange of Thailand or other regulators.
5. The Chairman of Executive Committee is responsible in supervision of the company all information and the information publishing to ensure that information is accurate, present, and this procedure is to be complied accordingly.

Anti-Corruption Policies

The Company gives importance to anti-corruption measures which is a matter that all sectors are expected to be committed to compliance. The Company reviewed the Anti-Corruption Policy at the Board of Directors Meeting No. 9/2017 on November 14, 2017 and approved the announcement of the intention to join the Sectoral Operational Program of The Thai Collective Action Coalition on November 30, 2017, And in 2018, no additional content was modified Since in 2017, all new content has been modified to be consistent with the internal operations.

Policies, principles and objectives

“Corruption” refers to any act of dishonesty or misconduct, to seek unlawful benefits, to offer to accept or claim a bribe for the sake of one’s self or others. No matter if it is done by yourself or through another person in any form. No matter it is an act from or with government officials, private sectors, any legal regulators, or charitable organizations (collectively known as “officials”). No matter if it is done by local or foreign staff in order to allow such officials to act or refrain from performing duties or misusing power in order to acquire something or keep the business or be treated well or to receive a special advantage that is not legal or to persuade officials who may have an impact on the decision.

Directors and employees will operate the business honestly and act to ensure that the operations do not cause any scandals or defamation.

- (A) They do not accept or give money, property, or other benefits to any person intending to induce or omit improper conduct.
- (B) They do not ask for or receive any money, property, or other benefits from any business entity.

“Business associates”, any person, juristic person, or corporate entity that the Company contacts or has business relations with whether it is a public or private organization. This includes charitable organizations.

The Company will remain politically neutral. The Company will not do anything that advocates or supports any political party or any person with political power. The Company does not donate money and/or property to any political party.

The Company has a procurement system and steps to control procurements, orders, payment notifications and charges. It will be systematically recorded for reference and verification purposes.

Complaint Channels and Complainant Protection

The Company has a policy to protect the people who provide information and investigate complaints to ensure that complaints and informants will be protected. If it is an honest act that goes through the channels and processes in such policies.

Directors and employees will not ignore or neglect acts of corruption. They will inform through channels and processes and will cooperate in the investigation of various facts.

The Chief Executive Officer has duties and responsibilities in arranging the system. The Chief Executive Officer promotes and fully supports this policy. This includes recommendations on the suitability of the systems and measures in order to comply with business changes and legal requirements.

The board will arrange for management to publish the anti-corruption policies through the corporate communications channels such as electronic mail, the annual registration statement (Form 56-1) and the annual report (Form 56-2).

The board of directors is required to review its anti-corruption policies every year.

Guidelines for Monitoring and Evaluating the Implementation of Preventive Practices Related to Corruption.

The internal auditor reviewed the Internal Control System and provided continuous feedback by conducting an audit according to the Annual Audit Plan that was approved by the Audit Committee and the audit report that had significance and recommendations to the Audit Committee.

In the year 2017, the Company Secretary, together with the Internal Audit and Personnel Department provided training to 100% of management and employees on the Code of Conduct, and Policies and Measures against Corruption (updated version). These policies were reviewed and explained, case studies were given and recommended practices were given to the management and employees in order to avoid corruption.

The Auditor's Fees

Audit Fees

The company paid the audit fees to the auditors of the Company. The fees for the last fiscal year were 1,605,000 Baht. There were other actual expenses that were related to the audit of the financial statements. The amount was 96,000 Baht.

Other Fees (Non-Audit Fees)

- none -



The Securities Holdings of Directors and Executives

Name – Last Name	Position	As of December 31, 2018	As of March 12, 2019	Increase (Decrease)
1.General Jongsak Panichkul	Independent Director, Chairman of the Board of Directors	-	-	-
2.Mr. Vuthichai Duangratana	Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee	-	-	-
3.Mrs. Prasert Sriuranpong	Independent Director, Audit Committee and Nomination and Remuneration Committee	-	-	-
4.Mr. Santi Pongiareanpit	Independent Director, Audit Committee	-	-	-
5.Mr. Thitisak Skullkroo	Vice President, Chairman of the Executive Committee and Nomination and Remuneration Committee	249,999	249,999*	-
6.Mr. Pongsiri Sirithorn	Director, Chief Executive Officer	-	-	-
7.Mr. Danai Piamthipmanust	Director, Executive Committee	-	-	-
8.Miss Suttirat Leeswadtrakul	Director, Executive Committee	-	-	-
9.Mr. Thanee Loketkravee	Director, Executive Committee	-	-	-
10.Mr. Teeraboon Ariyasuthiwong	Independent Director, Audit Committee and Nomination and Remuneration Committee	-	-	-
11.Mrs. Duangnapa Thongsri	VP-Finance & Account	-	-	-
12. Mr. Krisada Pantuyakorn	VP-Business Development	-	250,000*	250,000
13.Mr. Sirachat Peanutaiwat	VP-Corporate Strategy & Business management	-	-	-
14.Mrs. Uratchat Subhavan	VP- Operation & Human Resource management	-	-	-
15.Ms. Korawan Sanchompoo	Company Secretary	-	-	-

*Total shares 871,759,905 shares with par value Baht 0.68

Corporate Social Responsibility (CSR) is one of the principles that Begistics Public Company Limited has placed great importance in conducting its business. The Company is well aware that in order to attain sustainable growth, it requires vision, ability, morality and ethics in business operations, adhering to good corporate governance, and corporate social responsibility.

CSR in Process

The Company has a policy to be transparent in operating its business, to comply with the law and be responsible to society, the environment and its stakeholders. The Company has set the corporate social responsibility framework as a framework for all employees and executives to adhere to and implement good corporate governance principles at all levels of business management in order to have a good corporate culture.

The Company also adheres to fair and equal treatment of all stakeholders and operates its business with integrity, maximum ability, transparency and is verifiable.

In good corporate governance, there are a number of important stakeholders. This includes customers, employees, business partners, creditors, competitors, shareholders, and the communities around the port along with society and the environment. The Company emphasizes the importance of the rights of all stakeholders and refrains from violating the right of all stakeholders. This can be summarized as follows:

Employees

The Company recognizes that employees are an important resource of the Company. They are the beginning point of being responsible to the vision and mission of the organization. The Company focuses on developing executives and employees to be good and competent, have expertise and professionalism, be happy at work and have a social conscience. In addition to this, the Company provides equitable care for all employees. Contributes appropriate remuneration, welfare and provides communication systems and leisure activities within the organization to strengthen the relationships between employees and executives.

The company has arranged for employees to participate in the Big Cleaning Day event on 5 July 2018 and the project “B2 GIVE” to share the spirit of the Mirror Foundation. In order to be able to push and maintain commitment to society Bring the lost child back home. Solve business problems of exploiting children from begging Promoting volunteers in hospitals Street volunteer work Or even during the disaster on January 28, 2019.

Customers

The Company is committed to developing better quality services to maximize customer satisfaction and earn their trust. BTC has a policy to provide quality service that is safe, convenient, fast, and timely under fair conditions and provide information services that is accurate, sufficient and up to date without over exaggerating because this may contribute to misunderstandings of service quality or conditions of service. In addition to this, employees must keep customers’ information confidential and not use it for their own benefits or the benefits of any related parties.





Business Partners

The Company has set procurement guidelines in order to operate its business with partners properly, effectively and fairly in accordance with good corporate governance principles. That way, the Company's employees can perform their duties with quality, adhere to business ethics, treat business partners fairly and equally, and comply strictly with any agreements or conditions. In the case that the Company is unable to comply with any terms or condition, the Company must inform its business partner in advance in order to find a solution together. The Company had declare its intention to join the Collective Action Coalition on November 30, 2017 and sent notification to all business partners of not received any bribery involved with the business.

Creditors

The Company treats accounts payable fairly, responsibly and transparently and complies strictly with the terms and conditions of the contract and financial obligations. In the case that the Company is unable to comply with any terms or conditions, the Company must inform its creditors in advance in order to find a solution together.

Competitors

The Company focuses on operating its business with ethics, transparency, and fair competition with competitors under the rules of good competition. The Company does not seek the competitors' confidential information in either honest or dishonest ways, whether it is bribing employees of competitors and will not destroy the reputation of competitors with malicious accusations.

Shareholders

The Company is committed to operating its business transparently and trustworthily, complying with the law, and determining to increase revenue as well as establishing a sustainable financial position to maximize the share value of shareholders.

Communities, Society and Environment around the Company

The Company considers that occupational health, management, safety and the environment are an important part of port services business and the Company must comply with the law and international standards. The Company encourages and empowers employees and stakeholders to be aware of the importance of maintaining the quality of occupational health, environmental safety, and strengthening social responsibility without affecting the quality of life of people living in the community around the Company. The Company does not want to negatively impact society or the environment.

CSR after Process

The Company regularly supports the activities of various types of communities and government agencies. Last year, the Company supported the operations of the Customs Department, joined the activities of the Harbor Department and made a donation to temples in the area as well.

Prevention of Corruption Involvement

The Company communicated with the board of directors, executives and employees to strictly uphold the law. If there is an error in the operational process due to carelessness or lack of knowledge, that person will receive the penalty from the government without any lobbying for acquittal.



Internal Control and Risk Management

The Company has set up an organizational structure which includes chain of command, the authority to approve, and clear regulations and procedures for each department. The board of directors assigned the audit committee to review and assess the adequacy of the internal control system and report to the board of directors. The internal audit department is responsible for assessing the adequacy of the internal control system and assessing the risk of various departments within the organization. This is done in order to develop internal audit plans for 2017 as well as a long-term internal audit plan. This includes the assessment of the adequacy of the Company's internal control system in accordance with the assessment form of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand. The assessment results will be proposed to the audit committee for approval before reporting the results to the board of directors.

The board of directors recognizes risk that affects the business operations of the Company. Risk factors have been identified and measures have been established to manage risk in all aspects.

1. Operational Risk includes the risk from changes in government policies and regulations related to the Company. Risk from international container vessels were unable to dock at the port of the Company, risk from reliance on a few major customers and the risk of renewal of licenses related to the business.
2. Financial risk includes the risk of impairment of assets, Foreign exchange risk.
3. Risk that affects the right of securities holders' investments and this includes the risk that results from the Company's great deficit and inability to pay dividends.

However, the board of directors is of the opinion that the Company's internal control system is adequate and appropriate. The Company organized sufficient personnel to operate the system efficiently. The Company protects its assets from being misused or directors or executives using them without the approval of authority. This includes having transactions with other persons or connected persons who may have conflicts of interest.

Information about the Head of the Company's Internal Audit

Details about the Head of the Internal Audit

Name – Last Name:	Ms. Tidarat Teeutit
Position:	Head of the Internal Audit
Education:	Bachelor Degree in Accounting – Accounting
Training:	CPIAT Batch 48
Work Experience:	Internal Audit Officer, Bangkok United Insurance Public Company Limited Internal Audit Officer, Carmax Rama 9 Group Company Limited Internal Audit Officer, Noble Development Public Company Limited Senior Operations Officer, Business Online Public Company Limited
Responsibilities:	Responsible for the internal audit work of the organization. Report audit results to the audit committee and executives. The roles and responsibilities are as follows. <ol style="list-style-type: none">1. Review the adequacy and appropriateness of the internal control systems of the organization in order to develop and improve the internal control systems to be more effective and appropriate.2. Review and encourage the continuous improvement of the working systems.3. Perform other tasks related to internal auditing as assigned by the audit committee or the executives.

Connected Transactions

Connected transactions between the Company, its subsidiaries, and related companies or persons with potential conflicts of interest in 2018 are as follows:

Person that may have a Conflict of Interest	Description	Pricing Policy	Value of Transaction (thousands of Baht)	
			2017	2018
Platinum Container Lines Company Limited*	- Other revenue - Other debtors - Offered loans and Interest	Agreed Price 2.50-6.25%	- 155 198,311	- - -
Platinum Emerald Company Limited*	- Other revenue - Other debtors - Offered loans and interest	Agreed price 2.50-6.25%	15 227,144 90,176	- - -
Platinum Jade Company Limited* and Platinum Diamond Company Limited - Platinum Container Lines Company Limited holds 100% share	- Other revenue - Other debtors - Offered loans and interest	Agreed price 2.50-6.25%	- 332 4,847	- - -
Millcon Steel Public Company Limited**	- Revenue from rendering of service - Expenses for rent - Trade accounts receivable - Accrued income - Trade account payable	*** Agreed price	- - - - -	136,520 41 33,709 1,891 30
Millcon Burapha Co., Ltd.**	- Revenue from rendering of service - Expenses for rent - Trade accounts receivable - Accrued income - Advances - Trade account payable	*** Agreed price	- - - - - -	40,119 232 4,121 2,567 12 23
Suntech Metals Co., Ltd.**	- Revenue from rendering of service - Expenses for rent - Trade accounts receivable - Accrued income - Trade account payable	*** Agreed price	- - - - -	44,792 572 8,821 1,435 442
UAUC Co., Ltd.***	- Expenses for rent	Agreed price	-	642
Malachi Co., Ltd.	- Revenue from rendering of service - Trade accounts receivable - Advances	***	- - -	1,704 93 35
CPS Shipping & Logistics Co., Ltd.****	- Revenue from rendering of service - Expenses for rent - Trade accounts receivable - Trade account payable	*** Agreed price	- - - -	1,460 19,882 1,563 21,274



- * During the year 2016 The Company sold out and transferred common stock of the above associated company to non-related party and end all related transaction as of the date mentioned.
- ** Start relationship as a related parties from 1 March 2018
- *** Start relationship as a related parties from 1 January 2018
- **** Start relationship as a related parties from 13 November 2018
- *** Pricing Policy :
 - Operated logistics service, by agreed price.
 - Operated transportation by cost plus and discount as agreed.

*The Company had not recognized the interest from loan to associated Company*for the year ended 31 December 2018 and 2017 as the Company management believed that interest gain should not be able to collect and doubtful account for loan and accrued interest receivable from one of accociated Company* was set out as of 31 December 2015 whereby the Company call for debt repayment from associated Company*at total amount of 227 million Baht. This recovery was the debt payment to the debtor in representative of one of the associated Company*. The management still believed that the repayment would not be able to establish therefore the Company made the full allowance for doubtful accounts.

On July 4, 2017, Platinum Container Line Company Limited and Platinum Jade Company Limited were put under absolute receivership by court order. The notification of absolute receivership was issued in the Royal Thai Government Gazette on January 16, 2018. The Company prepared to submit a request for debt payment to the official receiver at the Legal Execution Department. The request could be submitted until March 16, 2018.

On July 24, 2017, Platinum Emerald Company Limited was put under absolute receivership by court order. The order will be notified in the Royal Thai Government Gazette on the issued date of March 13, 2018

On October 4, 2017, Platinum Diamond Company Limited was put under absolute receivership by court order. The order will be notified in the Royal Thai Government Gazette on the issued date of July 3, 2018

Financial Statement

(A) The Auditor of Begistics Public Company Limited

- 2015 – Mr. Methee Ratanasrimetha, Certified Public Accountant no. 3425 from M.R. & Associates Company Limited
- 2016 – Ms. Kannika Wipanurat, Certified Public Accountant no. 7305 from Karin Audit Company Limited
- 2017 – Ms. Kannika Wipanurat, Certified Public Accountant no. 7305 from Karin Audit Company Limited
- 2018 – Ms. Kannika Wipanurat, Certified Public Accountant no. 7305 from Karin Audit Company Limited

(B) Summary of the Auditor's Report

The report of the authorized auditor has unconditionally commented. For the financial statements in which the equity method is applied and the separate financial statements above Showing the financial position of Begistics Public Company Limited as at 31 December 2018 and the results of operations showing investment under the equity method and the separate operating results And cash flows that are presented under the equity method and the separate cash flows for the year then ended With correctness as it should be, in essence, in accordance with financial reporting standards

With an important issue in the audit is the impairment of land, buildings and equipment and leasehold rights. In the year 2018, there was no provision for additional impairment and no reversal of impairment.

Financial statements and consolidated financial statements of the company from 2015 - 2018, investors can see from various websites as follows

- Office of the Securities Exchange Commission: www.sec.or.th
- The Stock Exchange of Thailand: www.set.or.th
- Begistics Public Company Limited: www.begistics.co.th



BEGISTICS PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

ASSETS

In Thousand Baht

ASSETS

in thousand Baht

		Financial statement in which the equity method is applied	Separate financial statement	
	Note	December 31, 2018	December 31, 2018	December 31, 2017
CURRENT ASSETS				
Cash and cash equivalents	5	323,599	323,599	22,949
Trade and other current receivables	6	120,170	120,170	13,283
Short-term loans - net	7	-	-	-
Current tax assets		8,085	8,085	2,369
Other current assets		11,649	11,649	8,077
Total current assets		463,503	463,503	46,678
NON-CURRENT ASSETS				
Securities available for sale	8	177	177	18,410
Investment in associate - net	9	6,370	4,680	-
Long - term investments	10	16,500	16,500	-
Investment property	12	58,365	58,365	225,762
Property, plant and equipment - net	13	182,094	182,094	182,546
Intangible Asset - net		333	333	-
Leasehold rights - net	14	27,592	27,592	30,349
Other non-current assets	11	46,427	46,427	8,840
Total non-current assets		337,858	336,168	465,907
TOTAL ASSETS		801,361	799,671	512,585

BEGISTICS PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION (Continued)
AS AT DECEMBER 31, 2018

LIABILITIES AND SHAREHOLDERS' EQUITY

In Thousand Baht

		Financial statement in which the equity method is applied	Separate financial statement	
	Note	December 31, 2018	December 31, 2018	December 31, 2017
CURRENT LIABILITIES				
Trade and other current payables		91,227	91,227	16,057
Current portion of long-term liabilities	15	16,599	16,599	11,151
Accrued rental expenses	14	24,686	24,686	24,686
Other current liabilities		<u>532</u>	<u>532</u>	<u>-</u>
Total current liabilities		<u>133,044</u>	<u>133,044</u>	<u>51,894</u>
NON-CURRENT LIABILITIES				
Long - term liabilities - net	15	50,498	50,498	43,360
Accrued rental expenses	14	57,470	57,470	65,685
Non - current provisions for employee benefit	16	191	191	420
Other non - current liabilities		<u>-</u>	<u>-</u>	<u>200</u>
Total non-current liabilities		<u>108,159</u>	<u>108,159</u>	<u>109,665</u>
Total liabilities		241,203	241,203	161,559



BEGISTICS PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION (Continued)
AS AT DECEMBER 31, 2018

In Thousand Baht

		in thousands Euro		
		Financial statement in which the equity method is applied	Separate financial statement	
	Note	December 31, 2018	December 31, 2018	December 31, 2017
SHAREHOLDERS' EQUITY				
Share capital				
Authorized share capital	17	883,349	883,349	592,371
Issued and paid share capital	17	592,797	592,797	397,564
Share premium (discount) on ordinary shares - net	18	63,163	63,163	-
Retained earnings				
Legal reserve	18	-	-	-
Deficit		(95,810)	(97,500)	(47,181)
Other components of shareholders' equity	8	8	8	643
Total Shareholders' equity		560,158	558,468	351,026
TOTAL LIABILITIES AND				
SHAREHOLDERS' EQUITY		801,361	799,671	512,585

BEGISTICS PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2018

		In Thousand Baht		
		Financial statement in which the equity method is applied	Separate financial statement	
	Note	2018	2018	2017
REVENUES				
Revenue from rendering of services		560,568	560,568	123,792
Other income	20	10,270	10,270	1,844
Total revenues		570,838	570,838	125,636
EXPENSES				
Costs of rendering of services	21	548,563	548,563	130,496
Administrative expenses	21	69,049	69,049	49,782
Provision for doubtful accounts		-	-	33
Finance cost		3,928	3,928	1,457
Total expenses		621,540	621,540	181,768
Share of profit of associates		2,139	-	-
Loss before incometax		(48,563)	(56,132)	(56,132)
Tax expense		449	-	-
Loss for the year		(49,012)	(56,132)	(56,132)
Other comprehensive income				
Item that will not be reclassified subsequently				
to profit or loss :				
- Actuarial gain for employee benefit	16	383	383	-
Item that will be reclassified subsequently				
to profit or loss :				
- Gain (loss) on measurement of available-for-sale investments	8	(635)	(635)	(235)
Other comprehensive income for the year		(252)	(252)	(235)
Total comprehensive loss for the year		(49,264)	(50,954)	(56,367)



Loss per share (Baht)**Basic and Diluted****Weighted average number of ordinary shares (In Thousand shares)**

24	<u>(0.059)</u>	<u>(0.061)</u>	<u>(0.012)</u>
	<u>824,564</u>	<u>824,564</u>	<u>4,707,664</u>

BEGISTICS PUBLIC COMPANY LIMITED**STATEMENTS OF CASH FLOW****FOR THE YEAR ENDED DECEMBER 31,**

In Thousand Baht

	Separate Financial Statements			Financial Statement in which the Equity Method is Applied		
	2018	2017	2016	2018	2017	2016
Statement of Cash Flow						
Cash flows from (use in) operating activities	(66,992)	(19,501)	(33,466)	(66,992)	-	(33,466)
Cash flows (use in) investment activities	127,458	41,808	12,006	127,458	-	12,066
Cash flows (use in) financial activities	240,184	(6,443)	(1,859)	240,184	-	(1,859)

Notes:

(1) The Company accounted its investment in associate in the financial statements, in which the equity method is applied, using the equity method as at December 31, 2018, and share of profit of the associate and share of other comprehensive income of the associate for the years then ended were based on the consolidated financial statements for the years ended December 31, 2018 CPS Shipping & Logistic Co., Ltd. by another auditor. The carrying value of the investment as at December 31, 2018 amounted to Baht 6.37 million. The Company's share of profit of the associate for the years ended December 31, 2018 amounted to Baht 1.69 million.

There was no dividend received from the associates during the years ended December 31, 2018.

Summarised financial information about material associates

Summarised information about financial position

	Thousand Baht	
	As at December 31,	
	2018	2017
Current assets	27,047	-
Non - current assets	3,398	-
Current liabilities	8,928	-
Non - current liabilities	9,166	-

Summarised information about comprehensive income

	Thousand Baht	
	For the years ended 31 December	
	2018	2017
Revenue	20,744	-
Expense	12,517	-
Profit	6,499	-

(2) OTHER LONG - TERM INVESTMENT

Investment in share capital is general investment consisted of ;

Company	Type of business	Ownership interest (%)	In Thousand Baht	
			paid share capital	December 31,2018
Sokochan Co.,Ltd	Other management, Stock fulfillment, Warehouse service and Transport management	10	2,469	9,000
Moonshot venture capital Co.,Ltd	Venture Capital	3	250,000	7,500
Other Long - term investment - net			252,469	16,500

On June 21, 2018 the resolution of board of management No.6/2018 approved the Company to invest in Sokochan Co., Ltd by the holding proportion of 10%, 2,468 shares each Baht 3,646.68, total amount of Baht 9,000,000.



On August 24, 2018 the resolution of board of management No.8/2018 approved the Company to invest in Moonshot venture capital Co., Ltd by the holding proportion of 12%, 300,000 shares each Baht 100, total amount of Baht 30,000,000. Dividend payment of 4 years of 25%, amount of Baht 7,500,000.

(3) ASSETS USED AS COLLATERAL FOR CREDIT FACILITIES

As at December 31, 2018, a fixed deposit of Baht 39.65 million (December 31, 2017 : Baht 4.71 million) of the Company is used as collateral for bank guarantee issued to the two government agencies value of Baht 0.30 million and Baht 36 million, collateral for bank guarantee issued to a private agency value of Baht 0.30 million, Port Authority of Thailand value of Baht 0.3 million and guarantees the use of fleet card value of Baht 1.60 million.

As at December 31, 2018 and 2017, Guarantee of Baht 0.50 million of the Company is used to guarantees the use of fleet card value of Baht 6 million issued to a private agency.

As at December 31, 2018 and 2017, machinery and equipment with gross carrying value of Baht 50.50 million (fully depreciated) (investment property); land not used in operations some part (note 12) of the Company are used as collateral for bank guarantee of Baht 35 million issued to Customs Department.

As at December 31, 2018 and 2017, insurance coverage on the above machinery and equipment is assigned to the bank

(4) INVESTMENT PROPERTY

As at December 31, 2018 and 2017, investment property consists of 2 and 6 non - performing land title deeds (16 rai - 1 ngan - 46 square wah and 60 rai - 1 ngan - 44 square wah) amount of Baht 58.36 million and Baht 225.76 million, respectively, (the appraised value by an independent appraiser made in 2018 by the market price approach of Baht 58.90 million of 2 landed).

Some part land (16 rai - 1 ngan - 46 square wah) are used as collateral for bank guarantee (note 11).

According to the resolution of Board of Director's meeting held on February 27, 2018, has approved the Company to sell land - investment property by the pricing not less than appraisal value. And on February 28, 2018 the Company has entered into the agreement to sell a part of such land to non related company by Baht 173.15 million, Baht 9,907 per square wah (The appraise value by Baht 9,763 per square wah). Transfer expenses will be the buyer responsibility, and the Company has to pay for commission by 3% of sell price.

(5) PROPERTY, PLANT AND EQUIPMENT - NET

As at December 31, 2018, the Company has reviewed assets impairment both of operation of wharf business (included leasehold right as note 14) and operated transportation & logistics business by independent appraiser's report, income approach, market price compared, and cost method and found that book value of assets are nearly a realizable value.

The gross carrying amount of fully depreciated property and equipments of the Company that was still in use as at December 31, 2018 amounted to Baht 284.97 million (December 31, 2017 : Baht 144.14 million).

As at December 31, 2018 and 2017, the Company have a portion of vehicles and truck - trailers totaling Baht 88.62 million and Baht 61.74 million, respectively, under hires purchase agreements.

The Company was informed the expropriate land by 1 rai - 2 ngan - 77 squarwah, with the compensation of land Baht 20,000 per squarwah, amounting to Baht 13.55 million, and the compensation of construction or other damage amounting to Baht 9.14 million (total amount by Baht 22.69 million). The Company recognized loss from asset impairment amount by Baht 3.90 million, according to the lower of compensation amount different from book value.

On August 23, 2017, the Company has appeal the compensation of land to Transport Minister, and on December 18, 2017, the Company has appeal the compensation of construction or other damages. The Lawsuit about additional compensation of expropriate assets.

On November 15, 2017, the Company has registered for expropriate title deed to separate by cadaster.

On March 30, 2018, the secretary of minister of Transport informed judgement of minister of transport to the Company that ;

- 1) Compensation of expropriated land and loss on business are appropriated.
- 2) No addition compensation to un - expropriated land title deed number 58293 due to the Company could operate as usual. This is not under compensation criteria.
- 3) Granted additional compensation to building in expropriated land title deed number 58293 amounting to Baht 453,518.
- 4) Granted additional compensation for set up new office premise amounting to Baht 109,411.

Letter informed that the Department of transport will Contact the company to receive the additional compensation with interest accordingly.

On August 6 , 2 0 1 8 , the Company submitted a request to divide the land expropriated land title deed No. 5 8 2 9 3 . Subsequently, the land official had a letter to inform the company by proceeding with the Representative of Department of Highways according to the notification dated December 7, 2 0 1 8 by notifying the results of surveying that the area of expropriation was 1 - 1 - 72 rai (less than the registered 0-1-05 rai).

In the case of actual expropriation, the area decreases as such The expropriation officer will notify the Company to refund only the land compensation for the expropriated land as received by the Company in excess of 105 square wah at the rate of 20,000 baht per square wah, totaling 2,100,000 baht.

However the Company did not agree with the judgement of ministry of transport. The Company will file appeal letter to the Administrative court within 1 year since judgement of minister of transport. The Company management is preparing notice of appeal.

On February 7, 2019, the Company filed a lawsuit against the Central Admin Court requesting to add another compensation amount 32,420,223 baht plus interest at the highest rate of interest on fixed deposits of the Government Savings Bank or 7.5 percent per year, whichever is higher than the amount of 29,187,579 baht, counting from the filing date onwards until the payment is complete.



(6) LEASEHOLD RIGHTS AND ACCRUED RENTAL EXPENSES

The Company entered into a lease agreement for land for 30 years ending in December 2028. Under the term of the agreement, the Company paid Baht 134.9 million as leasehold rights on land.

(7) LONG - TERM LIABILITIES - NET

Long - term borrowings as at December 31, 2018 and 2017 arose from purchase of vehicles under hire - purchase agreements. Net book value of these vehicles amounted to Baht 69.33 million and Baht 53.35 million, respectively. The title on these vehicles will be transferred to the Company upon final payment.

(8) NON - CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

As at December 31, 2018 and 2017 the maturity analyses of undiscounted cash flows of benefit payments are as follows:

	In Thousand Baht	
	Separate financial statements	
	2018	2017
Within 1 year	-	-
Over 1 and up to 5 years	160,077	448,807
Over 5 years	501,835	880,697

On December 13, 2018, the National Legislative Assembly passed a resolution approving the draft of a new Labor Protection Act, which is in the process being announced in the Royal Gazette. The new Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate. This change is considered a post - employment benefits plan amendment. The Company will reflect the effect of the change by recognizing past service cost as an expense in the statements of profit or loss, of the period in which the law is effective of Baht 21,601.

(9) SHARE CAPITAL

At the Extraordinary General Meeting of Shareholders No.1/2017 held on August 17, 2017, the Shareholders passed the following resolutions;

- 9.1 Approval for the decrease of registered capital of the Company from Baht 14,453,608,907 to Baht 10,453,608,907 by eliminating 4,000,000,000 unissued capital shares at 1 Baht par value and also approval for the amendment of clause 4 of the Company's memorandum of association to be consistent with the capital reduction.

The Company registered the alteration of the Company's registered capital to Baht 10,453,608,907 (10,453,608,907 common shares at Baht 1 par value) with the Ministry of Commerce on August 21, 2017.

- 9.2 Approval for the 5 Baht capital increase from Baht 10,453,608,907 to Baht 10,453,608,912 by issuing 5 common shares at Baht 1 par value and also approval for the amendment of clause 4 of the Company's memorandum of association to be consistent with the capital increase. To approve the allotment of new shares to accommodate the exercise of the warrants to purchase the common shares no.3 (BTC-W3).

The Company registered the alteration of the Company's registered capital to Baht 10,453,608,912 (10,453,608,912 common shares at Baht 1 par value) with the Ministry of Commerce on August 22, 2017.

- 9.3 Approval for the change of par value by combining the Company's share value from Baht 1 par value to Baht 12 par value in the result of changing the number of the Company's common shares from 10,453,608,912 shares to 871,134,076 shares. In case if there are odd lot shares, it will be rounded down and also approval for the amendment of clause 4 of the Company's memorandum of association to be consistent with the change of par value of the Company.

The Company registered the change of par value the Company's to Baht 12 per share. The Company has registered capital of Baht 10,453,608,912 (871,134,076 ordinary shares of Baht 12 each) with the Ministry of Commerce on August 23, 2017.

- 9.4 Approval for the decrease of registered capital of the Company from Baht 10,453,608,912 to Baht 592,371,171 and the paid - in capital reduction from Baht 7,015,844,904 to Baht 397,564,544 by reducing par value from 12 Baht par value to Baht 0.68 par value and also the amendment of clause 4 of the Company's memorandum of association to be consistent with the decrease of registered capital. The capital decrease and the deficit compensation, respectively, to comply with the Public Company Act. There has no any effect to price and exercise ratio of warrant (BTC-W3).

The Company registered the change of par value the Company's to Baht 0.68 per share. The Company has registered capital of Baht 592,371,171.68 (871,134,076 ordinary shares of Baht 0.68 each) with the Ministry of Commerce on October 30, 2017.

- 9.5 The adjustment of price and exercise ratio of B-W3

Warrants to purchase new common of the Company no.3 (B-W3)

Old Par Value	12.00
New Par Value	0.68
Old exercise price	7.20
New exercise price	6.52
Old exercise ratio	1: 08333
New exercise ratio	1: 09188
Effective date	December 19, 2017



9.6 At the Extraordinary General Meeting of Shareholders No.1/2018 held on February 8, 2018, the Shareholders passed the following resolutions;

- 1) Approve the Increase of registered capital of the Company from Baht 592,371,171.68 or equivalent to 871,134,076 shares to Baht 957,033,230.80 or equivalent to 1,407,401,810 shares by issuing 536,267,734 common shares at Baht 0.68 of par value which equivalent to Baht 364,662,059.12 and also to approve the Amendment of Clause 4 of the Company's Memorandum of Association to be consistent with the Capital Increase. The common shares allocation as follow,
 - To be offered to the existing shareholders by shareholding proportion, in the amount not exceeding 292,326,871 shares, totaling Baht 198,782,272.28 (par value of Baht 0.68 each), and using a ratio of 2 existing shares to 1 newly issued share, at the issuance price of Baht 0.90.
 - In case that there are remaining shares issued and offered to the existing shareholders, the remaining shares shall be offered to Millcon Steel Public Company Limited.
 - To be offered to Millcon Steel Public Company Limited, in the amount not exceeding 200,000,000 shares, totalling Baht 136,000,000 (par value of 0.68 Baht each), at the issuance price of Baht 0.90.
 - For the right adjustment of BTC-W3 in the amount not exceeding 43,940,863 share, totalling Baht 29,879,786.84 (par value of Baht 0.68 each).
- 2) Approve the change of the Company's name from Bangpakong Terminal Public Company Limited to "Begistics Public Company Limited" and approve the amendment of Clause 1 of the Memorandum of Association of the Company to be conform to the change of the Company's name.
- 3) Approval of the sale of shares to allot not over than 200,000,000 shares to the Private Placement which is Millcon Steel Public Company Limited Millcon, the offered price is Baht 0.90 per share which equivalent up to Baht 180,000,000. The offered price is less than 90% of the Market Price where the Market Price equivalent to Baht 1.27 per share (between November 15, 2017 - December 6, 2017). The date for the private placement share subscription is between 19 - 23 February 2018 (Five Business days in total). Please see the detail in the Information Memorandum of understanding of the Company, The share allotment for Private Placement.

On February 21, 2018, the Company registered the change of the Company name with the Ministry of Commerce and on February 23, 2018, the Company received payment of shares from the sale of shares to the Private Placement to Millcon Steel Public Company Limited amount of Baht 180,000,000.

9.7 According to the Annual General Meeting of Shareholders 2018 held on April 27, 2018, the Shareholders passed the following resolutions;

- 1) Approved the issuance and offering of warrants to purchase the Company's ordinary shares to the existing shareholders not exceeding 96,862,212 units at a rate of 9 existing ordinary shares to 1 warrant free of charge (0 Baht) (B-W4). The

exercise ratio is 1 warrant to 1 additional ordinary share for an exercise price of Baht 1.20 per share. The exercise date of the warrant is 3 years from the issue date of warrants.

- 2) Approved the reduction of the Company's registered capital of the Company in the amount of Baht 139,550,081.44 from Baht 957,033,230.80 to a registered capital of Baht 817,483,149.36 by canceling 205,220,708 unissued shares with a par value of Baht 0.68.
- 3) Approved the amendment of Clause 4 of the Company's Memorandum of Association to be in line with the decrease in the Company's registered capital.
- 4) Approved the increase of the registered capital of the Company in the amount of Baht 65,866,304.16 from a registered capital of Baht 817,483,149.36 to Baht 883,349,453.52 by issuing additional shares of 96,862,212 share with a par value of Baht 0.68.
- 5) Approved the amendment of Clause 4 in the Company's Memorandum of Association to be in line with the increase of the Company's registered capital.
- 6) Approved the allotment of new ordinary shares to support the issuance and offering of warrant rights to purchase the Company's ordinary shares to existing shareholders not exceeding 96,862,212 shares with a par value of Baht 0.68.
- 7) Approved the registration of two additional branches which are Leamchabang and Rayong.

9.8 Warrants (B-W4)

Details of the warrants approved by the shareholders are as follows;

Exercise ratio	:	1 unit of warrant to 1 new ordinary share, unless the exercise ratio is adjusted otherwise pursuant to the provisions.
Exercise price	:	Baht 1.20 per share, unless the exercise price is adjusted otherwise pursuant to the provisions concerning.
Exercise period	:	The warrants holders of Warrant B-W4 will be entitled to exercise their right under the Warrants B-W4 two times per year on the last business day of June and December each year throughout the life of the warrant. The first exercise date is December 28, 2018 and the last exercise date is at the date that the Warrants B-W4 have completed the term of 3 years from the issuance date.

On July 2, 2018, the Company issued warrants (B-W4) of 96,862,212 units to the shareholders. The remaining warrants of 12,651 units will be cancelled afterwards.

(10) GUARANTEE AND PENDING LAWSUIT

The Company is a guarantor of the bank loan (including interest) of an associated company since 2004. This loan is granted for cargo boat purchasing. However the associated company did not pay back the loan.



On April 4, 2014 bank filed the lawsuit, requested this associated company, the Company, and another associated company (as guarantor) pay back to the bank Baht 317.40 million with interest rate 18% per annum on the principle of Baht 234.90 million, starting from April 5, 2014.

The Company estimated loss on guarantee amounting to Baht 227 million, in 2014 and 2015.

On August 24, 2015 the Company mediated to the bank at the court, and agreed to pay debt from guarantor of Baht 227 million. And in the year 2016, The Company disposal on investment in associates as a whole, the relating company was terminated since that date. In addition board of directors meeting dated May 11, 2016 approved the Company management team prepared documents for legal action to the former associated companies. On April 11, 2017 the Company filed the former associated companies and it guarantor, totaling of 4 legal cases due to unpaid amount.

At present, the Company has submit the request for repayment to the receiver officer of the court to the legal Execution Department in 2 cases.

BEGISTICS PUBLIC COMPANY LIMITED

Financial Ratio

		Financial Statement in which the Equity					
		Separate Financial Statements			Method is Applied		
		2018	2017	2016	2018	2017	2016
<u>Liquidity Ratio</u>							
Current Ratio	(X)	3.48	0.90	0.79	3.48	-	0.79
Quick Ratio	(X)	3.34	0.62	0.62	3.34	-	0.62
Cash Flow Ratio	(X)	-0.72	-0.42	-0.95	-0.72	-	-0.95
Account Receivable Turnover	(X)	10.50	9.12	8.20	10.50	-	8.20
Average Collection Period	(Day)	34.28	39.46	43.89	34.28	-	43.89
Average Collection Period	(X)	26.93	18.25	26.24	26.93	-	26.24
Average Payment Period	(Day)	13.55	19.72	13.72	13.55	-	13.72
Cash Cycle	(Day)	20.72	19.74	30.17	20.72	-	30.17
<u>Profitability Ratio</u>							
Gross Profit Margin	(%)	2%	-5%	-15%	2%	-	-15%
Operating Profit Margin	(%)	-8%	-46%	-58%	-8%	-	-58%
Cash to Profit	(%)	-143%	-35%	-60%	-143%	-	-60%
Net Profit Margin	(%)	-9%	-45%	-54%	-9%	-	-54%
Return on Equity (ROE)	(%)	-11%	-15%	-12%	-11%	-	-12%
<u>Efficiency Ratio</u>							
Return on Assets (ROA)	(%)	-8%	-11%	-10%	-8%	-	-11%
Return on Fixed Assets	(%)	-9%	-10%	-13%	-9%	-	-13%
Asset Turnover	(เท่า)	0.87	0.24	0.18	0.87	-	0.18
<u>Financial Policy Ratio</u>							
Debt to Equity Ratio	(เท่า)	0.43	0.46	0.33	0.43	-	0.33
Interest Coverage Ratio	(เท่า)	-12	-12	-76	-12	-	-76
Obligation Coverage Ratio	(เท่า)	0.82	0.20	0.19	0.82	-	0.19
Dividend Payment	(%)	NA	NA	NA	NA	-	NA

During the year 2016 The Company sold out and transferred common stock of the above associated company to non-related party and end all related transaction.

On November 13, 2018 the resolution of board of management No.9/2018 approved the Company to invest in CPS Shipping & Logistis Co., Ltd by the holding proportion of 26%, 46,800 shares each Baht 100, total amount of Baht 4,680,000.



Management Discussion and Analysis

Business Overview

In 2018, the Company had a significant increase in service revenue compared to the year 2017. This was due to the expansion of the land transportation business and logistics business and other related service businesses. Bangpakong Port services provide services to bulk carrier customers and provide services to importers and exporters of goods via other ports but want to use the Company's inland container depot services (ICD) and checking the release of inbound and outbound cargo in containers at Bangpakong Port.

Considering the overall performance for the year 2018, the Company's revenue from land transportation services at Sriracha and logistics business services, a cumulative business, they have the potential to grow significantly in the future. The service revenue in 2018 was 560.57 million Baht, an increase of 436.78 million Baht which was equal to 352.84%.

Performance

The Company's revenue derived mainly from port and facilities services, depot, loading and unloading services, domestic transportation and logistics business and other related services. In 2018, the total revenue was 570.84 million Baht that consists of revenue from rendering services at 560.57 million Baht and other income at 10.27 million Baht. The revenue from rendering services derived from three core businesses: port and facilities services at Bangpakong; and domestic transportation and logistics business and other services at Sriracha, as follows:

For the Year ended December 31, In Thousand Baht

	Domestic							
	Port and facilities services		transportation & others		Operated		Total	
					logistics service ¹⁾			
	2018	2017	2018	2017	2018	2017	2018	2017
Revenue from rendering of services	44,153	54,416	213,267	69,376	303,166	-	560,568	123,792
Costs of rendering of services	(57,487)	(63,443)	(202,786)	(67,053)	(288,290)	-	(548,563)	(130,496)
Gain (Loss) profit	(13,352)	(9,027)	10,481	2,323	14,876	-	12,005	(6,704)

Remark: ¹⁾Operated logistics business has been commenced since January 2018

Comparing with total revenue from rendering services in 2017 at 123.79 million Baht, the Company's revenue increased by 436.78 million Baht, equivalent to 352.84%.

In 2018, the revenue of port and facilities services business was at 44.15 million Baht, decrease from revenue in 2017 at 54.42 million Baht. From the utilization of the port and facilities. The loss in 2018 was at 13.35 million Baht, increasing by 4.32 million Baht, or equivalent to 47.84%, when compared with the loss in 2017 at 9.03 million Baht.

Domestic transportation and other related businesses, which are mobile crane-rental service, truck dealership and mechanical services. In 2018, the net profit was at 213.27 million Baht, increase 143.89 million Baht from year 2017 of 69.38 million Baht. Whereby the gross profit in 2018 was 10.48 million Baht increase from 2017 at 2.32 million Baht as a result of investment in truck to facilitate the business expansion in the future and increasing customer volume.

The logistics service business has revenue in 2018, equal to 303.17 million baht and gross profit of 14.88 million baht, which is a new business that is expanding in 2018, resulting in a significant increase in revenue.

The total expenses for 2018 were 621.54 million Baht. This was comprised of the costs of services in the amount of 548.56 million Baht, administrative expenses in the amount of 59.05 million Baht and other expenses in the amount of 13.93 million Baht. When compared to expenses in 2017, the costs of services increased by 418.07 million Baht or 320.36 %. Mainly due to the increase in the cost of domestic transportation business and logistics service business, While administrative expenses increased by 19.27 million Baht or 38.70 %. This was due to the increasing in the number of fuel and employees and permission fee and other fees that supported the 2.14% in 2017.

In 2018, the Company's deficit was 49.01 million Baht, an decrease of 7.12 million Baht from 2017 at 56.13 million Baht an decrease of deficit in 2017 at 12.69%. Due to the allocation of profits from associated companies And increased revenue from services from 2017 and 2018, with a loss per share based on the amount of -0.059 baht, increased from the year 2017 which has a basic loss per share - 0.012 baht from the share value reduction.

Financial Position

Total Assets

As of December 31, 2018 the Company's total assets amounted to 801.36 million Baht, a increase of 288.78 million Baht from the previous year. The Company's total assets include:

- Cash and cash equivalents in 2018 was at 323.60 million Baht, comparing to 22.95 million Baht in 2017. It was increased by 300.65 million Baht due mainly to the company sells the land that is not utilized And money from capital increase For use as working capital in business operations Trade accounts receivable and other current receivables increased by 106.89 million baht, tax assets increased by 5.72 million baht and other current assets increased by 3.57 million baht.
- Non-current assets decreased by 128.05 million Baht due to the disposal of investments available-for-sale in the amount of 18.23 million Baht and Investment in associated companies increased by 6.37 million baht, long-term investments increased by 16.50 million baht, land, buildings and equipment-net decreased 0.45 million baht and net leasehold rights decreased by 2.76 million baht and other non-current assets increased Amount of 37.59 million baht.

Total Liabilities

As of December 31, 2018, the total liabilities of the Company amounted to Baht 241.20 million Baht, compared to 2017 at 161.55 million Baht, an increase of 79.65 million Baht from the previous year.

- Total current liabilities, as of December 31, 2018, was at 133.04 million Baht, comparing with 51.89 million Baht, as of December 31, 2017, increased by 81.15 million Baht or equivalent to 156.38% increase due to an increase from a lease agreement liability for



vehicles at 6.05 million Baht and trade accounts payable from the Shipping business increased by 24.25 million Baht.

- Non-current liabilities as of 31 December 2018 was at 108.16 million Baht, comparing with 109.66 million Baht, as of December 31, 2017 decreased 1.51 million Baht or equivalent to 1.37% increase due to increase from a lease agreement liability for vehicles and land rent decreased by 8.21 million baht.

Shareholders' Equity

As of December 31, 2018, shareholders' equity was worth 560.16 million Baht, which was a increase of 209.13 million Baht from 2017 due to a comprehensive loss this year in the amount of 351.02 million Baht, As a result of The company has issued additional shares of 258.40 million baht and has a loss for the year 2018, an increase of 48.63 million baht.

On December 31, 2018 the Company has the Company's registered capital Baht 883,349,453.52 (Common shareholder 1,299,043,314 shares each Baht 0.68) and paid-up share capital Baht 592,796,735.40

Liquidity

For the year 2018, the Company's net cash flow increased by 300.65 million Baht. A change in cash flow was derived from the following activities:

Activity	Amount (Thousands of Baht)	
	2017	2018
Net Cash Flow from Operating Activities	-19,501	-66,992
Net Cash Flow from Investing Activities	41,808	127,458
Net Cash Flow from Financing Activities	-6,443	240,184
Net Cash increase (decrease)	-15,864	300,650

Cash and cash equivalents on December 31, 2017 was at 22.95 million Baht.

The net cash flow from operating activities in 2018 amounted to -66.99 million Baht compared to -19.50 million Baht in 2017, which increased by 47.49 million Baht.

The net cash flow from investing activities in 2018 amounted to 127.46 million Baht compared to 41.81 million Baht in 2017. This was an increase of 85.65 Baht. This was due to the receivable from Sale of unused land in the amount of 167.96 million Baht and cash paid for guarantee in the amount of 34.87 million Baht, cash paid for investment in other businesses, amount 16.50 million Baht, cash paid from investment in associate company, amount 4.68 million, cash Paid for the decoration of the head office, amount of 2.70 million Baht and cash paid for operations of 23.56 million Baht.

The net cash inflow from financing activities in 2017 amounted to 240.18 million Baht compared to -6.44 million Baht in 2017. This resulted in a increase in cash flow from financing activities of 246.63 million Baht. This was because 246.63 million Baht was used for a capital increase in 2018.

Cash and cash equivalents on December 31, 2018 was at 323.60 million Baht.

Important Liquidity Ratio

In 2018, the Current Ratio did not change significantly from 2017 at 3.48x and 3.34x respectively. The average collection period was 34 days compared to 39 days in 2017. The average payment period in 2018 was 14 days.

The Return on Assets (ROA) in 2018 was -8%, a decrease of -11% from 2017. The Return on Fixed Assets (ROFA) was -9%, an decrease of -10% from 2017. This was due to in the year 2018, the company sold out unused land.

The asset turnover in 2018 was 0.87x compared to 0.24x in 2017. This was an increase of 0.63x.

Obligations

As of December 31, 2018, the Company had contingent liabilities because a local bank issued a letter of guarantee for the Company to a government agency in the amount of 71 million Baht and the Company made a lease contract for renting land for the period of 30 years which will end in December 2028. The Company already paid for the leasehold right in the amount of 134.9 million Baht.



Management Responsibility for the Financial Statements

The board of directors is responsible for the financial statements of Begistics Public Company Limited and its subsidiaries

The financial statements were prepared according to the standards of financial reporting under the Accounting Act BE 2000 and the Professional Act BE 2004. This includes the interpretations and guidelines of the accounting standards promulgated by the Federation of Accounting Professions and the Securities and Exchange Act BE 1992. The board of directors considered the application of the accounting policies and believes that the policies are appropriate and the Company has continued to practice them. The notes to the financial statements also disclose useful information and materiality, using reasonable information for careful consideration. The Company's external auditor has audited the consolidated financial statements and stated an unqualified opinion in the auditor's report.

Financial statements are prepared, in all material respects, in conformity with an identified financial reporting framework such as Generally Accepted Accounting Principles.

In addition to this, the board of directors is responsible for overseeing the Company's effective corporate governance. This includes risk management, internal controls and compliance with regulations to ensure the accuracy and completeness of the Company's financial information.

The board of directors appointed the audit committee which consists of independent directors to supervise the accuracy and the adequacy of the financial reporting procedures. This includes an assessment of the adequacy of the internal control system, the effectiveness of the annual internal control system, and the independence of the internal audit system. The opinions of the audit committee are shown in the report of the audit committee in the annual report.

According to the opinion of the board of directors regarding the Company's internal control system and the internal audit of the Company, the board of directors is confident that the Company's financial statements and financial reports are accurate



General Jongsak Panichkul
Chairman of the Board of Directors



Mr. Thitisak Skulkroo
Chairman of the Executive Committee

Auditor's Report and Financial Statements

Independent Auditor's Report

To the Shareholders of Begistics Public Company Limited

Opinion

I have audited the accompanying statement of financial position in which the equity method is applied and separate statement of financial position of Begistics Public Company Limited as at December 31, 2018, and the statements of comprehensive income in which the equity method is applied and separate statements of comprehensive income, changes in shareholders' equity statement in which the equity method is applied and separate statement and cash flows statement in which the equity method is applied and separate statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, accompanying financial statement in which the equity method is applied and separate financial statement referred to above present fairly, which comprise the financial position in of Begistics Public Company Limited financial position as at December 31, 2018, their financial performance in which the equity method is applied and separate and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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



Impairment of property, plant and equipment and leasehold right

The Company has to perform an impairment test of its property, plant, and equipment and leasehold rights both of operation a wharf business and operated transportation & logistics as described in the Note 13 and Note 14 to the financial statements if there is an indication of impairment in accordance with Thai Financial Reporting Standards. The impairment test is significant to the audit. As at December 31, 2018, the Company had their net book value before allowance for impairment of Baht 244.59 million. The assessment process of management needs to required more judgment, also, the assessment is subject to assumptions that may chance according to economic situation and future market conditions.

Thus, my key audit procedures included using an expert to assess assumptions and review the possibility of receiving money from both businesses. I focused on the sufficiency of data disclosure of the Company in relation to the assumptions that are the most important to sensitivity of impairment test and also have significant impact to recoverable amounts of property, plant and equipment and leasehold rights.

Other Information

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

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

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

In preparing the financial statements, management is responsible for assessing the 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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



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

The engagement partner on the audit resulting in this independent auditor's report is Ms. Kannika Wipanurat



(Ms. Kannika Wipanurat)
Certified Public Accountant (Thailand)
Registration No. 7305

Karin Audit Company Limited
Bangkok
February 25, 2019

BEGISTICS PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

ASSETS

In Thousand Baht

ASSETS		in Thousand Baht		
		Financial statement in which the equity method is applied	Separate financial statement	
	Note	December 31, 2018	December 31, 2018	December 31, 2017
CURRENT ASSETS				
Cash and cash equivalents	5	323,599	323,599	22,949
Trade and other current receivables	6	120,170	120,170	13,283
Short-term loans - net	7	-	-	-
Current tax assets		8,085	8,085	2,369
Other current assets		11,649	11,649	8,077
Total current assets		463,503	463,503	46,678
NON-CURRENT ASSETS				
Securities available for sale	8	177	177	18,410
Investment in associate - net	9	6,370	4,680	-
Long - term investments	10	16,500	16,500	-
Investment property	12	58,365	58,365	225,762
Property, plant and equipment - net	13	182,094	182,094	182,546
Intangible Asset - net		333	333	-
Leasehold rights - net	14	27,592	27,592	30,349
Other non-current assets	11	46,427	46,427	8,840
Total non-current assets		337,858	336,186	465,907
TOTAL ASSETS		801,361	799,671	512,585



BEGISTICS PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION
(Continued)

AS AT DECEMBER 31, 2018

LIABILITIES AND SHAREHOLDERS' EQUITY

In Thousand Baht

		Financial statement in which the equity method is applied	Separate financial statement	
	Note	December 31, 2018	December 31, 2018	December 31, 2017
CURRENT LIABILITIES				
Trade and other current payables		91,227	91,227	16,057
Current portion of long-term liabilities	15	16,599	16,599	11,151
Accrued rental expenses	14	24,686	24,686	24,686
Other current liabilities		532	532	-
Total current liabilities		133,044	133,044	51,894
NON-CURRENT LIABILITIES				
Long - term liabilities - net	15	50,498	50,498	43,360
Accrued rental expenses	14	57,470	57,470	65,685
Non - current provisions for employee benefit	16	191	191	420
Other non - current liabilities		-	-	200
Total non-current liabilities		108,159	108,159	109,665
Total liabilities		241,203	241,203	161,559

BEGISTICS PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION
(Continued)

AS AT DECEMBER 31, 2018

		In Thousand Baht		
		Financial statement in which the equity method is applied	Separate financial statement	
	Note	December 31, 2018	December 31, 2018	December 31, 2017
SHAREHOLDERS' EQUITY				
Share capital				
Authorized share capital	17	883,349	883,349	592,371
Issued and paid share capital	17	592,797	592,797	397,564
Share premium on ordinary shares - net	18	63,163	63,163	-
Retained earnings				
Legal reserve	18	-	-	-
Deficit		(95,810)	(97,500)	(47,181)
Other components of shareholders' equity	8	8	8	643
Total Shareholders' equity		560,158	558,468	351,026
TOTAL LIABILITIES AND				
SHAREHOLDERS' EQUITY		801,361	799,671	512,585



BEGISTICS PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE
INCOME

FOR THE YEAR ENDED DECEMBER 31, 2018

		In Thousand Baht		
		Financial statement in which the equity method is applied	Separate financial statement	
	Note	<u>2018</u>	<u>2018</u>	<u>2017</u>
REVENUES				
Revenue from rendering of services		560,568	560,568	123,792
Other income	18	10,270	10,270	1,844
Total revenues		<u>570,838</u>	<u>570,838</u>	<u>125,636</u>
EXPENSES				
Costs of rendering of services	19	548,563	548,563	130,496
Administrative expenses	19	69,049	69,049	49,782
Provision for doubtful accounts		-	-	33
Finance cost		3,928	3,928	1,457
Total expenses		<u>621,540</u>	<u>621,540</u>	<u>181,768</u>
Share of profit of associates		2,139	-	-
Loss before incometax		<u>(48,563)</u>	<u>(50,702)</u>	<u>(56,132)</u>
Tax expense		449	-	-
Loss for the year		<u>(49,012)</u>	<u>(50,702)</u>	<u>(56,132)</u>

Other comprehensive income

Item that will not be reclassified
subsequently

to profit or loss :

- Gain (loss) on measurement of
available-for-sale investments

8	(635)	(635)	(235)
---	-------	-------	-------

Item that will be reclassified
subsequently

to profit or loss :

- Actuarial gain for employee benefit

16	383	383	-
----	-----	-----	---

**Other comprehensive income for
the year**

<u>(252)</u>	<u>(252)</u>	<u>(235)</u>
---------------------	---------------------	---------------------

**Total comprehensive loss for the
year**

<u>(49,264)</u>	<u>(50,954)</u>	<u>(56,367)</u>
------------------------	------------------------	------------------------

Loss per share (Baht)

Basic and Diluted

24	<u>(0.059)</u>	<u>(0.061)</u>	<u>(0.012)</u>
----	-----------------------	-----------------------	-----------------------

**Weighted average number of
ordinary shares (In Thousand
shares)**

<u>824,564</u>	<u>824,564</u>	<u>4,707,664</u>
-----------------------	-----------------------	-------------------------



BEGISTICS PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2018

Financial statement in which the equity method is applied										In Thousand Baht
	Note	Issued and paid-up share capital	Share premium (discount) on ordinary shares	Other components of shareholders' equity					Shareholder's equity - net	
				Retained earnings		Gain (losses) on remeasurement of benefit plans	Fair value changes in securities available for sale	Total other components of shareholder's equity		
				Legal reserve	Deficit					
Balance at January 1, 2017		397,564	-	-	(47,181)	-	643	643	351,026	
Capital increase		-	-	-	-	-	-	-	-	
Transferred to retained earnings		-	-	-	-	-	-	-	-	
Total comprehensive loss for the year		-	-	-	-	-	-	-	-	
Balance at December 31, 2017		397,564	-	-	(47,181)	-	643	643	351,026	
Capital increase	17	195,233	63,163	-	-	-	-	-	258,396	
Transferred to retained earnings	16	-	-	-	383	(383)	-	(383)	-	
Total comprehensive loss for the year		-	-	-	(49,012)	383	(635)	(252)	(49,264)	
Balance at December 31, 2018		592,797	63,163	-	(95,810)	-	8	8	560,158	

BEGISTICS PUBLIC COMPANY LIMITED

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2018

In Thousand Baht

Separate financial statements								
	Note	Issued and paid-up share capital	Share premium (discount) on ordinary shares	Other components of shareholders' equity				Shareholder's equity - net
				Retained earnings		Fair value changes in securities available for sale	Total other components of equity	
				Legal reserve	Deficit			
Balance at January 1, 2017		7,015,844	(5,171,840)	26,000	(1,463,489)	-	878	407,393
Reduction of share capital with deficit		(6,618,280)	5,171,840	(26,000)	1,472,440	-	-	-
Transferred to retained earnings		-	-	-	-	-	-	-
Total comprehensive loss for the year		-	-	-	(56,132)	-	(235)	(56,367)
Balance at December 31, 2017		397,564	-	-	(47,181)	-	643	351,026
Capital increase	17	195,233	63,163	-	-	-	-	258,396
Transferred to retained earnings		-	-	-	383	(383)	-	-
Total comprehensive loss for the year	16	-	-	-	(50,702)	383	(635)	(50,954)
Balance at December 31, 2018		592,797	63,163	-	(97,500)	-	8	558,468



BEGISTICS PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOW

FOR THE YEAR ENDED DECEMBER 31, 2018

		Financial statement in which the equity method is applied	In Thousand Baht	
			Separate financial statement	
	Note	2018	2018	2017
Cash flows from operating activities				
Loss for the year		(48,563)	(50,702)	(56,132)
Adjustments for				
Trade and other accounts receivable (increase) decrease		(106,932)	(106,932)	8,946
Other current assets (increase) decrease		(3,571)	(3,571)	(8,076)
Other non - current assets (increase) decrease		(276)	(276)	1,371
Trade and other accounts payable increase		74,600	75,049	3,142
Accrued expenses increase (decrease)		-	-	2,724
Other current liabilities increase		532	532	-
Accrued rental expenses increase (decrease)		(8,215)	(8,215)	(8,216)
Other non - current liabilities increase (decrease)		(200)	(200)	200
Depreciation and amortization		33,669	33,669	33,225
Provision for doubtful accounts		-	-	33
Provision for employee benefits		154	154	144
(Gain) on sale of securities available for sale		(782)	(782)	(588)
Unrealized loss on exchange rate		156	156	-
(Gain) on sale of property, plant and equipment		(224)	(224)	-
(Gain) on sale of investment property		(564)	(564)	-
Loss on amortization of fixed asset	13	-	-	3,908
Share of profit of associates		(1,690)	-	-
Interest income		(929)	(929)	(77)
Interest expenses		3,928	3,928	1,457
Total adjustment of loss		(58,907)	(58,907)	(17,939)

BEGISTICS PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOW (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2018

		Financial statement in which the equity method is applied	In Thousand Baht	
			Separate financial statement	
	Note	2018	2018	2017
Net cash provided by (use in) operating activities				
Cash received income tax		-	-	807
Cash paid income tax		(8,085)	(8,085)	(2,369)
Net cash (use in) operating activities		(66,992)	(66,992)	(19,501)
Cash flows from investing activities				
Cash received from interest		929	929	77
Proceeds from sale of available - for - sale investments		18,380	18,380	22,100
Cash paid for purchase of long - term investment		(16,500)	(16,500)	-
Cash paid for purchase of investments in associates		(4,680)	(4,680)	-
Cash paid for purchase of property, plant and equipment		(5,701)	(5,701)	(3,004)
Cash paid for purchase of intangible Asset		(483)	(483)	-
Cash received from sales of fixed assets/land expropriation	13	2,495	2,495	22,712
Cash received from sale for investment property		167,960	167,960	-
(Increase) in deposits at bank with commitment		(34,942)	(34,942)	(77)
Net cash provided by investing activities		127,458	127,458	41,808
Cash flows from financing activities				
Interest paid		(3,917)	(3,917)	(1,400)
Repayments of finance lease liabilities		(14,294)	(14,294)	(5,043)
Cash received from capital increase		258,395	258,395	-
Net cash (used in) financing activities		240,184	240,184	(6,443)



BEGISTICS PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOW (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Note	Financial statement in which the equity method is applied 2018	In Thousand Baht	
			Separate financial statement 2018	2017
Net increase (decrease) in cash and cash equivalents		300,650	300,650	15,864
Cash and cash equivalents at beginning of years	5	22,949	22,949	7,085
Cash and cash equivalents at end of years	5	323,599	323,599	22,949

Supplemental cash flows information

In Year 2017, the Company purchase of fixed assets by debt - liabilities under finance leases of 33.60 million baht.

In Year 2018, the Company purchase of fixed assets by debt - liabilities under finance leases of 26.88 million baht.

BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

1. GENERAL

Begistics Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 3656/64 Green Tower Building, 19th Floor, Unit K, Rama 4 Road, Klongton, Klongtoey, Bangkok.

The Company registered the change of the Company’s name from “Bangpakong Terminal Public Company Limited” to Begistics Public Company Limited” with the Ministry of Commerce on February 21, 2018 and change the ticker symbol from “BTC” to “B” with effective from March 13, 2018 onwards.

The Company was listed on the Stock Exchange of Thailand in July 2003.

The principal business of the Company is the operation of a port in Bangpakong which includes a container depot, warehousing, a wharf and other related services. The Company has operated transportation and related services starting from December 2015, and logistics service starting from January 2018.

On June 1, 2018, the Company registered new branches (*). The new registered offices are as follows:

Head office	:	3656/64 Green Tower Building, 19 th Floor, Unit K, Rama 4 Road, Klongton, Klongtoey, Bangkok.
Branch 1	:	8/1 Moo 8, Tambol Tahkarm, Amphor Bangpakong, Chachoengsao.
Branch 2	:	273/15 Moo 6, Tambol Surasak, Amphor Srirasha, Chonburi.
Branch 3 (*)	:	99 Moo 3, Tambol Nikhom Phatthana, Amphor Nikhom Phatthana, Rayong.
Branch 4 (*, **)	:	106/84 Moo 9, Tambol Tungsukha, Amphor Sriracha, Chonburi.

On November 7, 2018 the Company has canceled the Laem Chabang branch (**).

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENT

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The accompanying financial statements are prepared in Thai Baht in the Thai language in accordance with the financial reporting standards in Thailand. Accordingly, the accompanying financial statements are intended solely to present the financial position, results of operations and cash flows in accordance with the financial reporting standards in Thailand.

Except as disclosed in the accounting policies, the accompanying financial statements have been prepared under the historical cost convention.

For convenience of the readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements that are issued for domestic financial reporting purposes.



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

Significant accounting judgment and estimates

In order to prepare financial statements in conformity with the financial reporting standards in Thailand, management needs to make estimates and set assumptions that affect income, expenditure, assets and liabilities in order to disclose information on the valuation of assets, liabilities and contingent liabilities. Actual outcomes may, therefore, differ from the estimates used.

The estimates and underlying assumptions used in the preparation of these financial statements are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting judgment and estimates as follow;

Employee benefits

The present value of the defined benefit plans depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used include the discount rate, salary increase rate and turnover. Any changes in these assumptions will have an impact on the carrying amount the employee benefit obligations. Additional information is disclosed in Note 16.

Intangible assets

The Company and Subsidiaries Present intangible assets are stated at cost less accumulated amortization. Such amortization are calculated at cost of assets on a straight - line basis over the estimated useful lives of the assets for 10 years. Intangible assets consist of computer software and intellectual property.

Depreciation

In calculating depreciation of plant and equipment, the management estimates useful lives and salvage values of the plant and equipment and reviews estimated useful lives and salvage values if there are any changes.

BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

3. NEW FINANCIAL REPORTING STANDARDS AND SIGNIFICANT ACCOUNTING POLICIES

3.1 Revised accounting standards and financial reporting standards

3.1.1 Financial reporting standards that became effective in the current year

During the year, the Company have adopted the revised financial reporting standards and interpretations (revised 2017) and new accounting treatment guidance which are effective for fiscal years beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

3.1.2 Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2019.

During the current year, the Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018) including new accounting treatment guidance, which are effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company believe that most of the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied. However, the new standard involves changes to key principles, as summarized below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related Interpretations.

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers



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

The management of the Company believe that this standard will not have any significant impact on the financial statements when it is initially applied.

3.1.3 Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2020.

During the current year, the Federation of Accounting Professions issued the set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

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

BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

3.2 Significant accounting policies

Basis of the financial statements in which the equity method is applied

Associates are those companies in which the Company has significant influence, but not control, over the financial and operating policies. The financial statements in which the equity method is applied include the Company's share of the total recognized gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases. When the Company's share of losses exceeds its interest in an associate, the Company's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

Foreign currency transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Executive Officer that makes strategic decisions.

Segment information is presented in respect of the Company's business segments which is based on the Company's management and internal reporting structure (see Note 23).

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments.

Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

Securities available for sale

Marketable equity securities other than securities held for trading or intended to be held to maturity, are classified as being available-for-sale and are stated at fair value, with any resultant gain or loss being recognized in other comprehensive income.

Investment property

Property that is held for long - term rental yields or for capital appreciation or both, and that is not occupied by the companies, is classified as investment property.

Investment property of the Company is land held for long - term rental yields or for capital appreciation, including certain land which is currently undetermined for future use.

Investment property is measured initially at its cost. After initial recognition, investment property is carried at cost less any accumulated impairment losses.

Other investments

Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

Investments in associates

Investments in associates in the separate financial statements of the Company are accounted for using the cost method less impairment losses. Investments in associates in the financial statements in which the equity method is applied are accounted for using the equity method.

Intangible assets

Intangible assets are systematically amortized over their estimated useful lives, and are subject to impairment if there is an indication they may be impaired.

BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

Property, plant and equipment

Land is stated at cost.

Property and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Depreciation is calculated based on cost of the property and equipment less residual value.

Useful lives and residual values are reviewed at each year-end. The estimated useful lives are as follows:

	Years
Leasehold improvements	20
Building and improvements	20 - 50
Wharf	20
Machinery and equipment	5 and 10
Furniture, fixtures and office equipment	3 and 5
Vehicles	5, 7 and 10

No depreciation is provided on assets under construction.

Leasehold rights on land

Leasehold rights on land are stated at cost less accumulated amortization and impairment losses. Leasehold rights on land are amortized in profit or loss on a straight - line basis under the agreements 30 years.

Impairment of assets

The carrying amounts of the Company'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 (the higher of an asset's net selling price or value in use) are estimated. The review is made for individual assets or for the cash - generating unit.

In case that the carrying value of an asset exceeds its recoverable amount, the Company recognizes the impairment losses by reducing the carrying value of the asset to be at its recoverable amount and recording the devaluation in profit or loss. The reversal of impairment losses recognized in prior years is recorded as part of other income when there is an indication that the impairment losses recognized for the assets no longer exist or are decreased.

Trade and other accounts payable

Trade and other accounts payable are stated at cost.



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

Long - term lease agreement

The Company recorded vehicles under financial lease agreement / hire purchase agreement as assets and liabilities in an amount equal to the fair value at the leased assets or the present value of minimum payments under agreement. Interest expenses are recorded on over the term of agreement.

Operating lease - where the Company are the lessee

The Company records leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under an operating lease are recognized as an expense on straight-line basis, over the lease term.

Employee benefits obligations

- Provident fund

The Company have established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the external fund manager. The fund is contributed to both by the employees and the Company at the same rate of 3% of employees' salaries. The fund contribution payments to the provident fund were recorded as expenses in the statements of income in the incurred period.

- Employee benefit

Short - term employee benefits

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

Post - employment benefits

Defined contribution plans

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

BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

Defined benefit plans

The Company have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a qualified actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit or loss.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, 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, where appropriate, the risks specific to the liability.

Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Service income is recognized as services are provided.

Interest income and other income are recognized on an accrual basis.

Expenses

Payments made under operating leases are recognized in profit or loss on a straight line basis over the term of the lease.

Other expenses by accrual basis.

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred. The interest component of finance lease payments is recognized in profit or loss using the effective interest rate method.



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

Income tax

Tax expense for the year comprises current and deferred tax.

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

Deferred tax is recognized 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 measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted by the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. 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 realized.

The Company expects that it is not probable that future taxable profit will be utilized and, accordingly no deferred tax asset is provided.

Fair Value Measurement

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

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

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

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

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

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

BEGISTICS PUBLIC COMPANY LIMITED**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2018****4. RELATED PARTY TRANSACTIONS AND BALANCES**

Related parties are those parties controlled by the Company or have power control over the Company, directly or indirectly, or have significant influence over the financial or operating policies of the Company.

The related parties consisted of:

Name of entities	Country of incorporation/	Nature of relationships
	Nationality	
Millcon Steel Public Company Limited**	Thailand	Shareholder in the Company
Millcon Burapha Co., Ltd.**	Thailand	Common director
Suntech Metals Co., Ltd.**	Thailand	Common director
UAUC Co., Ltd.	Thailand	Common director
Steel Plus Fabrication Co., Ltd. *	Thailand	Common director
Malachi Co., Ltd.	Thailand	Shareholder in the Company
CPS Shipping & Logistic Co., Ltd***	Thailand	Associate
Key management personnel	Thailand	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 Company.

*The Company's directors has submitted resignation in during 2017.

**Starting relationship as related parties since March 1, 2018.

***Starting relationship as related parties since November 13, 2018.



BEGISTICS PUBLIC COMPANY LIMITED**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2018**

Significant transactions for the year ended December 31, 2018 and 2017 with related parties were as follows:

		In Thousand Baht	
	Pricing policies	2018	2017
Related parties			
Revenue from rendering of service			
Millcon Steel Public Company Limited	***	136,520	-
Millcon Burapha Co., Ltd.	***	40,119	-
Suntech Metals Co., Ltd.	***	44,792	-
CPS Shipping & Logistic Co., Ltd	***	1,460	-
Malachi Co., Ltd.	***	1,704	-
		<u>224,595</u>	<u>-</u>
Expenses for rent			
Millcon Steel Public Company Limited	Agreed price	41	-
Millcon Burapha Co., Ltd.	Agreed price	232	-
Suntech Metals Co., Ltd.	Agreed price	572	-
UAUC Co., Ltd.	Agreed price	642	-
CPS Shipping & Logistic Co., Ltd	Agreed price	19,882	-
		<u>21,369</u>	<u>-</u>
Key management compensation			
Short - term employee benefits		15,923	11,201
Post - employment benefits		465	319
Total		<u>16,388</u>	<u>11,520</u>

BEGISTICS PUBLIC COMPANY LIMITED**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2018**

Balancing as at December 31, 2018 and 2017 with related parties are as follows:

	In Thousand Baht	
	December 31, 2018	December 31, 2017
Trade and other accounts receivable - other related parties		
<u>Trade accounts receivable</u>		
Millcon Steel Public Company Limited	33,709	-
Millcon Burapha Co., Ltd.	4,121	-
Suntech Metals Co., Ltd.	8,821	-
CPS Shipping & Logistic Co., Ltd	1,563	-
Malachi Co., Ltd.	93	-
Total Trade accounts receivable	48,307	-
<u>Other accounts receivable</u>		
<u>Accrued income</u>		
Millcon Steel Public Company Limited	1,891	-
Millcon Burapha Co., Ltd.	2,567	-
Suntech Metals Co., Ltd.	1,435	-
Malachi Co., Ltd.	22	-
Total accrued income	5,915	-
<u>Advances</u>		
Millcon Burapha Co., Ltd.	12	-
Malachi Co., Ltd.	35	-
Total advances	47	-
Total Other accounts receivable	5,962	-
Trade and other accounts receivable - other related parties	54,269	-



BEGISTICS PUBLIC COMPANY LIMITED**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2018**

	In Thousand Baht	
	December 31, 2018	December 31, 2017
Trade account payable - related parties		
Millcon Steel Public Company Limited	30	-
Millcon Burapha Co., Ltd.	23	-
Suntech Metals Co., Ltd.	442	-
CPS Shipping & Logistic Co., Ltd	21,274	-
Total Trade account payable related parties	21,769	-

***** Pricing Policy :**

- Operated logistic service, by agreed price.
- Operated transportation by cost plus and discount as agreed.

5. CASH AND CASH EQUIVALENTS

	In Thousand Baht	
	December 31, 2018	December 31, 2017
Cash on hand	333	229
Cash at banks	323,266	22,720
Total	323,599	22,949

BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

6. TRADE AND OTHER CURRENT RECEIVABLE - NET

	In Thousand Baht	
	Financial statement in which the equity method is applied / Separate financial statement	
	December 31, 2018	December 31, 2017
Trade accounts receivable	97,293	9,457
Other receivables		
- Prepaid expenses	3,077	3,292
- Advances	4,739	187
- Accrued income	12,611	22
- Other receivables	2,483	358
<u>Less</u> allowance for doubtful accounts	(33)	(33)
Total	120,170	13,283
Trade accounts receivable are classified by aging as follows		
Trade accounts receivable		
Undue :		
- Normal	43,791	6,954
Overdue :		
- Not over 3 months	47,483	2,445
- Over 3 months to 6 months	1,139	-
- Over 6 months to 12 months	1,439	-
	93,852	9,399
Post - date cheque	3,441	58
Total	97,293	9,457

The normal credit term granted by the Company ranges from 7 days to 30 days.

The related companies's credit term is by 30 days.



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

7. SHORT - TERM LOANS - NET

	Interest rate (% per annum)		In Thousand Baht	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
At January 1	2.50 and 6.25	2.50 and 6.25	232,463	232,463
Increase			-	-
At December 31			232,463	232,463
<u>Less</u> allowance for doubtful accounts			(232,463)	(232,463)
Net			-	-
Other non - current receivables				
Interest receivables				
Interest receivables			60,870	60,870
<u>Less</u> allowance for doubtful accounts			(60,870)	(60,870)
Net			-	-
Other receivables				
Other receivables			227,631	227,631
<u>Less</u> allowance for doubtful accounts			(227,631)	(227,631)
Net			-	-
Total			-	-

The Company did not recognized interest income from loans for the year ended December 31, 2018 and 2017 since the Company's management believes that this interest income is not collectible. Provision for doubtful accounts for all loans and interest receivable was fully provided.

On December 30, 2015, the Company claimed the formerly associate amounting to Baht 227 million. This claim arose from settlement of the formerly associate's debt. Since the Company's management believe that this claim is not collectible and accordingly, allowance for doubtful accounts was fully provided.

Guarantee and pending lawsuits (note 19).

BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

8. SECURITIES AVAILABLE FOR SALE - NET

	In Thousand Baht	
	December 31, 2018	December 31, 2017
Securities available for sale		
Aggregate cost	169	17,767
Add unrealized gain (loss) on securities available for sale	8	643
Total Securities available for sale	177	18,410

The disclosure movement of investments held as available for sale, as required by the Securities and Exchange Commission, for the year ended December 31, 2018 was as follows:

	In Thousand Baht
Net book amount as at January 1, 2018	18,410
Disposal	(17,598)
Change in fair value	(635)
Net book amount as at December 31, 2018	177

9. INVESTMENT IN ASSOCIATE - NET

Investment in associated company details are as follows.

	Type of business	Ownership interest (%)	In Thousand Baht		
			paid share capital	Equity method	Cost method
CPS Shipping & Logistic Co., Ltd	Providing shipping and logistics services	26	18,000	6,370	4,680
Investment in associate - net				6,370	4,680

On November 13, 2018 the resolution of board of management No.9/2018 approved the Company to invest in CPS Shipping & Logistis Co., Ltd by the holding proportion of 26%, 46,800 shares each Baht 100, total amount of Baht 4,680,000.



BEGISTICS PUBLIC COMPANY LIMITED**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2018**

The Company accounted its investment in associate in the financial statements, in which the equity method is applied, using the equity method as at December 31, 2018, and share of profit of the associate and share of other comprehensive income of the associate for the years then ended were based on the consolidated financial statements for the years ended December 31, 2018 CPS Shipping & Logistic Co., Ltd. by another auditor. The carrying value of the investment as at December 31, 2018 amounted to Baht 6.37 million. The Company's share of profit of the associate for the years ended December 31, 2018 amounted to Baht 1.69 million.

There was no dividend received from the associates during the years ended December 31, 2018.

Summarised financial information about material associates

Summarised information about financial position

	Thousand Baht	
	As at December 31,	
	2018	2017
Current assets	27,047	-
Non - current assets	3,398	-
Current liabilities	8,928	-
Non - current liabilities	9,166	-

Summarised information about comprehensive income

	Thousand Baht	
	For the years ended 31 December	
	2018	2017
Revenue	20,744	-
Expense	12,517	-
Profit	6,499	-

BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

10. OTHER LONG - TERM INVESTMENT

Investment in share capital is general investment consisted of ;

Company	Type of business	Ownership interest (%)	In Thousand Baht	
			paid share capital	December 31,2018
Sokochan Co.,Ltd	Other management, Stock fulfillment, Warehouse service and Transport management	10	2,469	9,000
Moonshot venture capital Co.,Ltd	Venture Capital	3	250,000	7,500
Other Long - term investment - net			252,469	16,500

On June 21, 2018 the resolution of board of management No.6/2018 approved the Company to invest in Sokochan Co., Ltd by the holding proportion of 10%, 2,468 shares each Baht 3,646.68, total amount of Baht 9,000,000.

On August 24, 2018 the resolution of board of management No.8/2018 approved the Company to invest in Moonshot venture capital Co., Ltd by the holding proportion of 12%, 300,000 shares each Baht 100, total amount of Baht 30,000,000. Dividend payment of 4 years of 25%, amount of Baht 7,500,000.



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

11. ASSETS USED AS COLLATERAL FOR CREDIT FACILITIES

As at December 31, 2018, a fixed deposit of Baht 39.65 million (December 31, 2017 : Baht 4.71 million) of the Company is used as collateral for bank guarantee issued to the two government agencies value of Baht 0.30 million and Baht 36 million, collateral for bank guarantee issued to a private agency value of Baht 0.30 million, Port Authority of Thailand value of Baht 0.3 million and guarantees the use of fleet card value of Baht 1.60 million.

As at December 31, 2018 and 2017, Guarantee of Baht 0.50 million of the Company is used to guarantees the use of fleet card value of Baht 6 million issued to a private agency.

As at December 31, 2018 and 2017, machinery and equipment with gross carrying value of Baht 50.50 million (fully depreciated) (investment property); land not used in operations some part (note 12) of the Company are used as collateral for bank guarantee of Baht 35 million issued to Customs Department.

As at December 31, 2018 and 2017, insurance coverage on the above machinery and equipment is assigned to the bank.

BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

12. INVESTMENT PROPERTY

As at December 31, 2018 and 2017, investment property consists of 2 and 6 non - performing land title deeds (16 rai - 1 ngan - 46 square wah and 60 rai - 1 ngan - 44 square wah) amount of Baht 58.36 million and Baht 225.76 million, respectively, (the appraised value by an independent appraiser made in 2018 by the market price approach of Baht 58.90 million of 2 landed).

Some part land (16 rai - 1 ngan - 46 square wah) are used as collateral for bank guarantee (note 11).

According to the resolution of Board of Director's meeting held on February 27, 2018, has approved the Company to sell land - investment property by the pricing not less than appraisal value. And on February 28, 2018 the Company has entered into the agreement to sell a part of such land to non related company by Baht 173.15 million, Baht 9,907 per square wah (The appraise value by Baht 9,763 per square wah). Transfer expenses will be the buyer responsibility, and the Company has to pay for commission by 3% of sell price.

The condensed movements in these items for the year ended December 31, 2018 are as follows:

	In Million Baht
Cost as at January 1, 2018	225.76
<u>Less</u> selling for the year	(167.40)
Cost as at December 31, 2018	58.36
Sale price	173.15
Commission	(5.19)
Profit on sale	0.56



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

13. PROPERTY, PLANT AND EQUIPMENT - NET

Cost	In Thousand Baht						
	Financial statement in which the equity method is applied / Separate financial statement						
	Land	Leasehold improvements	Building and improvements	Wharf	Machinery and equipment	Furniture, fixtures and office equipment	Construction in progress
At January 1, 2017	60,000	191,154	119,472	65,485	114,812	11,042	39,714
Additions	-	-	-	-	24	722	2,235
Disposals	(18,624)	-	(8,294)	-	-	(139)	-
Transfer in (out)	-	1,125	-	-	-	-	(1,125)
At December 31, 2017	41,376	192,279	111,178	65,485	114,836	11,625	73,314
Additions	-	-	-	-	56	1,065	4,236
Disposals	-	-	(2,106)	-	(11)	(41)	-
Transfer in (out)	-	-	3,422	-	111	206	(3,739)
At December 31, 2018	41,376	192,279	112,494	65,485	114,992	12,855	99,588
							611,203
							32,237
							(2,764)
							-
							640,676

BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

Financial statement in which the equity method is applied / Separate financial statement

	Land	Leaschold improvements	Building and improvements	Wharf	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Construction in progress	Total
Accumulated depreciation									
At January 1, 2017	-	141,861	85,193	53,604	104,767	7,822	5,405	-	398,652
Depreciation charge for the year	-	9,541	5,978	3,226	2,495	1,281	7,947	-	30,468
Disposals	-	-	(416)	-	-	(47)	-	-	(463)
At December 31, 2017	-	151,402	90,755	56,830	107,262	9,056	13,352	-	428,657
Depreciation charge for the year	-	7,350	3,663	2,700	2,506	1,577	12,966	-	30,762
Disposals	-	-	(156)	-	(11)	(64)	(606)	-	(837)
At December 31, 2018	-	158,752	94,262	59,530	109,757	10,569	25,712	-	458,582
Net book value									
At December 31, 2017	41,376	40,877	20,423	8,655	7,574	2,569	59,962	1,110	182,546
At December 31, 2018	41,376	33,527	18,232	5,955	5,235	2,286	73,876	1,607	182,094



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

As at December 31, 2018, the Company has reviewed assets impairment both of operation of wharf business (included leasehold right as note 14) and operated transportation & logistics business by independent appraiser's report, income approach, market price compared, and cost method and found that book value of assets are nearly a realizable value.

The gross carrying amount of fully depreciated property and equipments of the Company that was still in use as at December 31, 2018 amounted to Baht 284.97 million (December 31, 2017 : Baht 144.14 million).

As at December 31, 2018 and 2017, the Company have a portion of vehicles and truck - trailers totaling Baht 88.62 million and Baht 61.74 million, respectively, under hires purchase agreements.

The Company was informed the expropriate land by 1 rai - 2 ngan - 77 squarwah, with the compensation of land Baht 20,000 per squarwah, amounting to Baht 13.55 million, and the compensation of construction or other damage amounting to Baht 9.14 million (total amount by Baht 22.69 million). The Company recognized loss from asset impairment amount by Baht 3.90 million, according to the lower of compensation amount different from book value.

On August 23, 2017, the Company has appeal the compensation of land to Transport Minister, and on December 18, 2017, the Company has appeal the compensation of construction or other damages. The Lawsuit about additional compensation of expropriate assets.

On November 15, 2017, the Company has registered for expropriate title deed to separate by cadaster.

On March 30, 2018, the secretary of minister of Transport informed judgement of minister of transport to the Company that ;

- 5) Compensation of expropriated land and loss on business are appropriated.
- 6) No addition compensation to un - expropriated land title deed number 58293 due to the Company could operate as usual. This is not under compensation criteria.
- 7) Granted additional compensation to building in expropriated land title deed number 58293 amounting to Baht 453,518.
- 8) Granted additional compensation for set up new office premise amounting to Baht 109,411.

Letter informed that the Department of transport will Contact the company to receive the additional compensation with interest accordingly.

BEGISTICS PUBLIC C

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

On August 6, 2018, the Company submitted a request to divide the land expropriated land title deed No. 58293. Subsequently, the land official had a letter to inform the company by proceeding with the Representative of Department of Highways according to the notification dated December 7, 2018 by notifying the results of surveying that the area of expropriation was 1 - 1 - 72 rai (less than the registered 0-1-05 rai).

In the case of actual expropriation, the area decreases as such The expropriation officer will notify the Company to refund only the land compensation for the expropriated land as received by the Company in excess of 105 square wah at the rate of 20,000 baht per square wah, totaling 2,100,000 baht.

On February 7, 2019, the Company filed a lawsuit against the Central Admin Court requesting to add another compensation amount 32,420,223 baht plus interest at the highest rate of interest on fixed deposits of the Government Savings Bank or 7.5 percent per year, whichever is higher than the amount of 29,187,579 baht, counting from the filing date onwards until the payment is complete.

However the Company did not agree with the judgement of ministry of transport. The Company will file appeal letter to the Administrative court within 1 year since judgement of minister of transport. The Company management is preparing notice of appeal.



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

14. LEASEHOLD RIGHTS AND ACCRUED RENTAL EXPENSES

	In Thousand Baht	
	Financial statement in which the equity method is applied / Separate financial statement	
	December 31, 2018	December 31, 2017
Leasehold rights		
At cost	134,906	134,906
<u>Less</u> accumulated amortization	(69,431)	(66,674)
allowance for impairment	(37,883)	(37,883)
Net	27,592	30,349
Accrued rental expenses		
Rental expense from January 1, 1999 to December 31, 2018 and 2017	329,414	312,944
Rental payment from January 1, 1999 to December 31, 2018 and 2017	(247,258)	(222,572)
Net	82,156	90,372
<u>Shown under</u>		
Current liabilities	24,686	24,686
Non - current liabilities	57,470	65,685
Total	82,156	90,371
Non - cancellable operating lease commitments		
	In Thousand Baht	
	December 31, 2018	December 31, 2017
Within one year	24,686	24,686
After one year but within five years	98,745	98,745
After five years	123,432	148,118
Total	246,863	271,549

The Company entered into a lease agreement for land for 30 years ending in December 2028. Under the term of the agreement, the Company paid Baht 134.9 million as leasehold rights on land.

BEGISTICS PUBLIC C

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

15. LONG - TERM LIABILITIES - NET

	In Thousand Baht		
	Financial statement in which the equity method is applied /		
	Separate financial statement		
	Total	Interest	Net
As at December 31, 2018			
Due within one year	20,113	(3,514)	16,599
Due after one year but within five years	55,028	(4,530)	50,498
Total	75,141	(8,044)	67,097
As at December 31, 2017			
Due within one year	14,063	(2,912)	11,151
Due after one year but within five years	48,176	(4,816)	43,360
Total	62,239	(7,728)	54,511

Long - term borrowings as at December 31, 2018 and 2017 arose from purchase of vehicles under hire - purchase agreements. Net book value of these vehicles amounted to Baht 69.33 million and Baht 53.35 million, respectively. The title on these vehicles will be transferred to the Company upon final payment.



BEGISTICS PUBLIC COMPANY LIMITED**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2018****16. NON - CURRENT PROVISIONS FOR EMPLOYEE BENEFIT**

Movement in the present value of the obligations (unfunded) was as follows:

	In Thousand Baht	
	2018	2017
Obligations as at January 1	420	276
Current cost	135	130
Interest on obligations	19	14
Actuarial gain	(383)	-
Employee benefits paid	-	-
	(229)	144
Obligations as at December 31	191	420

Principal actuarial assumptions at the valuation date are as follows:

	Separate financial statements	
	December 31, 2018	December 31, 2017
Discount rate (% per annum)	2.92	3.40
Average salary increase rate (% per annum)	6.18	6.84
Turnover Rate	Age band	Age band
Retirement age	60 years old	60 years old

BEGISTICS PUBLIC C**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2018**

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2018 and 2017 are summarized below:

	In Thousand Baht			
	Change of the present value of the employee benefit obligations increase (decrease)			
	2561		2560	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(7,448)	7,978	(17,493)	18,755
Salary increase rate	7,528	(7,107)	19,816	(18,648)
Turnover rate	(9,732)	34,183	(24,113)	26,060

The sensitivity analysis presented above may not be representative of the actual change in employee benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

As at December 31, 2018 and 2017 the maturity analyses of undiscounted cash flows of benefit payments are as follows:

	In Thousand Baht	
	Separate financial statements	
	2561	2560
Within 1 year	-	-
Over 1 and up to 5 years	160,077	448,807
Over 5 years	501,835	880,697

On December 13, 2018, the National Legislative Assembly passed a resolution approving the draft of a new Labor Protection Act, which is in the process being announced in the Royal Gazette. The new Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate. This change is considered a post - employment benefits plan amendment. The Company will reflect the effect of the change by recognizing past service cost as an expense in the statements of profit or loss, of the period in which the law is effective of Baht 21,601.



BEGISTICS PUBLIC COMPANY LIMITED
NOTE TO FINANCIAL STATEMENT
DECEMBER 31, 2018

17. SHARE CAPITAL

	In Thousand shares	In Thousand Baht
<u>Authorized, common shares</u>		
At January 1, 2018 (at Baht 0.68 par value)	871,134	592,371
Capital increase	633,130	430,528
Capital decrease	(205,221)	(139,550)
At December 31, 2018 at (Baht 0.68 par value)	1,299,043	883,349
<u>Issued and paid - up, common shares</u>		
At January 1, 2018 (at Baht 0.68 par value)	584,654	397,564
Capital increase	287,106	195,233
At December 31, 2018 at (Baht 0.68 par value)	871,760	592,797

At the Extraordinary General Meeting of Shareholders No.1/2017 held on August 17, 2017, the Shareholders passed the following resolutions;

- 17.1 Approval for the decrease of registered capital of the Company from Baht 14,453,608,907 to Baht 10,453,608,907 by eliminating 4,000,000,000 unissued capital shares at 1 Baht par value and also approval for the amendment of clause 4 of the Company's memorandum of association to be consistent with the capital reduction.

The Company registered the alteration of the Company's registered capital to Baht 10,453,608,907 (10,453,608,907 common shares at Baht 1 par value) with the Ministry of Commerce on August 21, 2017.

- 17.2 Approval for the 5 Baht capital increase from Baht 10,453,608,907 to Baht 10,453,608,912 by issuing 5 common shares at Baht 1 par value and also approval for the amendment of clause 4 of the Company's memorandum of association to be consistent with the capital increase. To approve the allotment of new shares to accommodate the exercise of the warrants to purchase the common shares no.3 (BTC-W3).

The Company registered the alteration of the Company's registered capital to Baht 10,453,608,912 (10,453,608,912 common shares at Baht 1 par value) with the Ministry of Commerce on August 22, 2017.

BEGISTICS PUBLIC C

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

- 17.3 Approval for the change of par value by combining the Company's share value from Baht 1 par value to Baht 12 par value in the result of changing the number of the Company's common shares from 10,453,608,912 shares to 871,134,076 shares. In case if there are odd lot shares, it will be rounded down and also approval for the amendment of clause 4 of the Company's memorandum of association to be consistent with the change of par value of the Company.

The Company registered the change of par value the Company's to Baht 12 per share. The Company has registered capital of Baht 10,453,608,912 (871,134,076 ordinary shares of Baht 12 each) with the Ministry of Commerce on August 23, 2017.

- 17.4 Approval for the decrease of registered capital of the Company from Baht 10,453,608,912 to Baht 592,371,171 and the paid - in capital reduction from Baht 7,015,844,904 to Baht 397,564,544 by reducing par value from 12 Baht par value to Baht 0.68 par value and also the amendment of clause 4 of the Company's memorandum of association to be consistent with the decrease of registered capital. The capital decrease and the deficit compensation, respectively, to comply with the Public Company Act. There has no any effect to price and exercise ratio of warrant (BTC-W3).

The Company registered the change of par value the Company's to Baht 0.68 per share. The Company has registered capital of Baht 592,371,171.68 (871,134,076 ordinary shares of Baht 0.68 each) with the Ministry of Commerce on October 30, 2017.

- 17.5 The adjustment of price and exercise ratio of B-W3

Warrants to purchase new common of the Company no.3 (B-W3)

Old Par Value	12.00
New Par Value	0.68
Old exercise price	7.20
New exercise price	6.52
Old exercise ratio	1: 08333
New exercise ratio	1: 09188
Effective date	December 19, 2017

- 17.6 At the Extraordinary General Meeting of Shareholders No.1/2018 held on February 8, 2018, the Shareholders passed the following resolutions;



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

- 1) Approve the Increase of registered capital of the Company from Baht 592,371,171.68 or equivalent to 871,134,076 shares to Baht 957,033,230.80 or equivalent to 1,407,401,810 shares by issuing 536,267,734 common shares at Baht 0.68 of par value which equivalent to Baht 364,662,059.12 and also to approve the Amendment of Clause 4 of the Company's Memorandum of Association to be consistent with the Capital Increase. The common shares allocation as follow,
 - To be offered to the existing shareholders by shareholding proportion, in the amount not exceeding 292,326,871 shares, totaling Baht 198,782,272.28 (par value of Baht 0.68 each), and using a ratio of 2 existing shares to 1 newly issued share, at the issuance price of Baht 0.90.
 - In case that there are remaining shares issued and offered to the existing shareholders, the remaining shares shall be offered to Millcon Steel Public Company Limited.
 - To be offered to Millcon Steel Public Company Limited, in the amount not exceeding 200,000,000 shares, totalling Baht 136,000,000 (par value of 0.68 Baht each), at the issuance price of Baht 0.90.
 - For the right adjustment of BTC-W3 in the amount not exceeding 43,940,863 share, totalling Baht 29,879,786.84 (par value of Baht 0.68 each).
- 2) Approve the change of the Company's name from Bangpakong Terminal Public Company Limited to "Begistics Public Company Limited" and approve the amendment of Clause 1 of the Memorandum of Association of the Company to be conform to the change of the Company's name.
- 3) Approval of the sale of shares to allot not over than 200,000,000 shares to the Private Placement which is Millcon Steel Public Company Limited Millcon, the offered price is Baht 0.90 per share which equivalent up to Baht 180,000,000. The offered price is less than 90% of the Market Price where the Market Price equivalent to Baht 1.27 per share (between November 15, 2017 - December 6, 2017). The date for the private placement share subscription is between 19 - 23 February 2018 (Five Business days in total). Please see the detail in the Information Memorandum of understanding of the Company, The share allotment for Private Placement.

On February 21, 2018, the Company registered the change of the Company name with the Ministry of Commerce and on February 23, 2018, the Company received payment of shares from the sale of shares to the Private Placement to Millcon Steel Public Company Limited amount of Baht 180,000,000.

BEGISTICS PUBLIC C

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

17.7 According to the Annual General Meeting of Shareholders 2018 held on April 27, 2018, the Shareholders passed the following resolutions;

- 1) Approved the issuance and offering of warrants to purchase the Company's ordinary shares to the existing shareholders not exceeding 96,862,212 units at a rate of 9 existing ordinary shares to 1 warrant free of charge (0 Baht) (B-W4). The exercise ratio is 1 warrant to 1 additional ordinary share for an exercise price of Baht 1.20 per share. The exercise date of the warrant is 3 years from the issue date of warrants.
- 2) Approved the reduction of the Company's registered capital of the Company in the amount of Baht 139,550,081.44 from Baht 957,033,230.80 to a registered capital of Baht 817,483,149.36 by canceling 205,220,708 unissued shares with a par value of Baht 0.68.
- 3) Approved the amendment of Clause 4 of the Company's Memorandum of Association to be in line with the decrease in the Company's registered capital.
- 4) Approved the increase of the registered capital of the Company in the amount of Baht 65,866,304.16 from a registered capital of Baht 817,483,149.36 to Baht 883,349,453.52 by issuing additional shares of 96,862,212 share with a par value of Baht 0.68.
- 5) Approved the amendment of Clause 4 in the Company's Memorandum of Association to be in line with the increase of the Company's registered capital.
- 6) Approved the allotment of new ordinary shares to support the issuance and offering of warrant rights to purchase the Company's ordinary shares to existing shareholders not exceeding 96,862,212 shares with a par value of Baht 0.68.
- 7) Approved the registration of two additional branches which are Leamchabang and Rayong.



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

17.8 Warrants (B-W4)

Details of the warrants approved by the shareholders are as follows;

Exercise ratio	:	1 unit of warrant to 1 new ordinary share, unless the exercise ratio is adjusted otherwise pursuant to the provisions.
Exercise price	:	Baht 1.20 per share, unless the exercise price is adjusted otherwise pursuant to the provisions concerning.
Exercise period	:	The warrants holders of Warrant B-W4 will be entitled to exercise their right under the Warrants B-W4 two times per year on the last business day of June and December each year throughout the life of the warrant. The first exercise date is December 28, 2018 and the last exercise date is at the date that the Warrants B-W4 have completed the term of 3 years from the issuance date.

On July 2, 2018, the Company issued warrants (B-W4) of 96,862,212 units to the shareholders. The remaining warrants of 12,651 units will be cancelled afterwards.

BEGISTICS PUBLIC C

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

18. ADDITIONAL PAID - IN CAPITAL AND LEGAL RESERVES

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.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

19. GUARANTEE AND PENDING LAWSUIT

The Company is a guarantor of the bank loan (including interest) of an associated company since 2004. This loan is granted for cargo boat purchasing. However the associated company did not pay back the loan.

On April 4, 2014 bank filed the lawsuit, requested this associated company, the Company, and another associated company (as guarantor) pay back to the bank Baht 317.40 million with interest rate 18% per annum on the principle of Baht 234.90 million, starting from April 5, 2014.

The Company estimated loss on guarantee amounting to Baht 227 million, in 2014 and 2015.

On August 24, 2015 the Company mediated to the bank at the court, and agreed to pay debt from guarantor of Baht 227 million. And in the year 2016, The Company disposal on investment in associates as a whole, the relating company was terminated since that date. In addition board of directors meeting dated May 11, 2016 approved the Company management team prepared documents for legal action to the former associated companies. On April 11, 2017 the Company filed the former associated companies and it guarantor, totaling of 4 legal cases due to unpaid amount.

At present, the Company has submit the request for repayment to the receiver officer of the court to the legal Execution Department in 2 cases.



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

20. OTHER INCOME

	Note	In Thousand Baht	
		2018	2017
Gain on sale of available - for - sale investments		782	588
Gain on sale asset		5,982	-
Interest income		929	77
Others			
- Other related parties	4	-	-
- Others		2,577	1,179
Total		10,270	1,844

21. EXPENSES BY NATURE

Costs of rendering of services

	In Thousand Baht	
	2018	2017
Depreciation	29,595	29,469
Land rent	14,824	14,824
Employee expenses	45,854	14,738
Repacking goods	5,365	4,744
Security services	2,402	1,825
Transportation	218,833	31,398
Cargo handing	4,192	1,567
Gasoline and gas	21,172	8,773
Maintenance	3,712	3,669
Inbound handing Charge	583	5,291
Parcel Service Charge	4,954	8,925
Customs clearance operation costs	153,698	-
Freight cost	29,490	-
Others	13,889	5,273
Total	548,563	130,496

BEGISTICS PUBLIC C**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2018****Administrative expenses**

	In Thousand Baht	
	2018	2017
Employee expenses	8,901	4,774
Management benefits	15,923	11,201
Depreciation	3,924	3,756
License fee and others fee	4,095	7,866
Consultant fee	8,522	6,479
Others	27,684	15,706
Total	69,049	49,782

The defined contribution plan comprises provident fund established by the Company for its employees. Membership to the fund is on a voluntary basis. Contribution is made monthly by the employees at the rate of 2% of their basic salaries and by the Company at 2% of the employees' basic salaries. And since July 2016, contribution is made monthly at the rate of 3% of their basic salaries and by the Company at 3% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entity and is managed by a licensed Fund Manager.

22. INCOME TAX

As at December 31, 2018, the Company had tax loss carry forward amounting to approximately Baht 653.25 million whereby such loss carry forward is able to be used as tax credit until 2023.

Deferred tax assets (liabilities) arising from temporary differences and unused tax losses that have not been recognized in the financial statements were as follows:

	In Thousand Baht	
	2018	2017
Loss carry forward	130,649	127,038
Allowance for doubtful accounts	104,200	104,200
Allowance for impairment	29,012	29,012
Employee benefit obligations	38	84
Deferred tax assets - Net	263,899	260,334



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

As at December 31, 2018 and 2017, The financial statement have deductible temporary differences totaling Baht 263.90 million and 260.33 million respectively. On which deferred tax assets have not been recognized as the Company's management considers that there is uncertainty whether the Company will have sufficient future taxable income to utilize such items and/or they might not be used to offset taxable income in the future.

23. OPERATING SEGMENT

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

Business unit segment information of the Company for year ended December 31, 2018 and 2017 Follows;

In Thousand Baht								
Financial statement in which the equity method is applied								
For the year ended December 31, 2018 and 2017								
	Operation		Operated transportation &		Operated		Total	
	a wharf		logistics		logistics service			
	2018	2017	2018	2017	2018	2017	2018	2017
Revenue from rendering of services	44,135	-	213,267	-	303,166	-	560,568	-
Costs of rendering of services	(57,487)	-	(202,786)	-	(288,290)	-	(548,563)	-
Gain (Loss) profit	(13,352)	-	10,481	-	14,876	-	12,005	-
Other income							10,270	-
Administrative expenses							(69,049)	-
Finance cost							(3,928)	-
Share of profit of associates							2,139	-
Loss before income tax							(48,563)	-
Tax expense							(449)	-
Loss for the years							(49,012)	-
Property, plant and equipment - net								
As at December 31, 2018		44,094		138,000		-		182,094
As at December 31, 2017		-		-		-		-

BEGISTICS PUBLIC C

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

In Thousand Baht

Separate financial statement

For the year ended December 31, 2018 and 2017

	Operation		Operated transportation & logistics		Operated logistics service		Total	
	a wharf							
	2018	2017	2018	2017	2018	2017	2018	2017
Revenue from rendering of services	44,135	54,416	213,267	69,376	303,166	-	560,568	123,792
Costs of rendering of services	(57,487)	(63,443)	(202,786)	(67,053)	(288,290)	-	(548,563)	(130,496)
Gain (Loss) profit	(13,352)	(9,027)	10,481	2,323	14,876	-	12,005	(6,704)
Other income							10,270	1,844
Administrative expenses							(69,049)	(49,782)
Provision for doubtful accounts							-	(33)
Finance cost							(3,928)	(1,457)
Loss for the years							(50,702)	(56,132)
Property, plant and equipment - net								
As at December 31, 2018		44,094		138,000		-		182,094
As at December 31, 2017		57,827		124,719		-		182,546



BEGISTICS PUBLIC COMPANY LIMITED**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2018****24. LOSS PER SHARE****24.1 Basic loss per share**

Basic loss per share for the years ended December 31, 2018 and 2017 were calculated by dividing loss for the periods to the weighted average number of common shares outstanding during the periods as follows;

	In Thousand Baht / Thousand shares	
	Separate financial statements	
	2018	2017
Loss for the periods	(50,702)	(56,132)
Number of common share at January 1	584,654	7,015,844
Effect of capital increase	239,910	(2,308,180)
Weighted average number of common share	824,564	4,707,664
Basic loss per share (In Baht)	(0.061)	(0.012)

Since the fair value of common share is lower than the warrant exercise price. There was no effect of dilutive potential common shares. Accordingly, diluted loss per share is the same as basic loss per share.

24.2 Diluted loss per share

Diluted loss per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the periods adjusted for the effect of conversion of warrant to ordinary share.

The Company did not calculate diluted earnings per share for years ended December 31, 2018 and 2017 because the fair value of an ordinary share is lower than the exercised price of warrants.

BEGISTICS PUBLIC C

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

25. DISCLOSUER FINANCIAL INSTRUMENTS

25.1 Financial risk management policies

The Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non - performance of contractual obligations by counterparties.

25.2 Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

25.3 Interest rate risk

Interest rate risk from changes in market interest rate will affect the results of the Company operations and cash flows. The Company exposed the interest rate risk due to its deposits at financial institutions, deposits at bank with commitment, short - term loans from financial institutions, long - term loans and long - term liabilities under financial lease agreement. The Company do not use derivative financial instruments to hedge such risk.



BEGISTICS PUBLIC COMPANY LIMITED

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

As at 31 December 2018 and 2017, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

	In Thousand Baht						
	Separate financial statements						
	2018						
	Fixed rate			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per year)
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	323,266	333	323,599	0.25 - 0.62
Securities available for sale - net	-	-	-	-	177	177	-
Long - term investments	-	-	-	-	16,500	16,500	-
Trade and other current receivables - net	-	-	-	-	120,170	120,170	-
Short - term loans - net	-	-	-	-	-	-	-
Deposit at bank with commitment	39,649	-	-	-	-	39,649	0.90 - 1.30
	39,649	-	-	323,266	137,120	500,035	
Financial liabilities							
Trade and other current payables	-	-	-	-	91,227	91,227	-
Long - term liabilities - net	-	67,097	-	-	-	67,097	5.91 - 7.50
	-	67,097	-	-	91,227	98,324	

BEGISTICS PUBLIC C

NOTE TO FINANCIAL STATEMENT

DECEMBER 31, 2018

	In Thousand Baht						
	Separate financial statements						
	2017						
	Within 1	Fixed rate	Over 5	Floating	Non- interest		Effective
	year	1 - 5 years	years	interest rate	bearing	Total	interest rate
							(% per year)
Financial assets							
Cash and cash equivalents	-	-	-	22,720	229	22,949	0.25 – 0.62
Securities available for							
sale - net	-	-	-	-	18,410	18,410	-
Long - term investments	-	-	-	-	-	-	-
Trade and other current							
receivables - net	-	-	-	-	13,283	13,283	-
Deposit at bank with							
commitment	4,707	-	-	-	-	4,707	0.90 – 1.30
	4,707			22,720	31,922	59,349	
Financial liabilities							
Trade and other current							
payables	-	-	-	-	16,057	16,057	-
Long - term liabilities - net	-	54,511	-	-	-	54,511	5.91 – 7.50
	-	54,511	-	-	16,057	70,568	



BEGISTICS PUBLIC COMPANY LIMITED
NOTE TO FINANCIAL STATEMENT
DECEMBER 31, 2018



25.4 Fair value

Since the majority of the Company financial instruments are short - term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

During the current year, there were no transfers within the fair value hierarchy.

Fair values and the carrying values of financial assets and liabilities other than the aforementioned were as follows:

	In Thousand Baht			
	Separate financial statements			
	December 31, 2018			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Available-for-sale investments				
Equity instruments*	-	177	-	177
Financial assets for which fair value are disclosed				
Investment properties	-	58,365	-	58,365

	In Thousand Baht			
	Separate financial statements			
	December 31, 2017			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Available-for-sale investments				
Equity instruments*	-	18,410	-	18,410
Financial assets for which fair value are disclosed				
Investment properties	-	225,762	-	225,762

* Level 2 - The fair value determined by using the net asset value as published by the Asset Management

BEGISTICS PUBLIC C**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2018****25.5 Exchange risk**

The Company and subsidiaries have the exchange rate risk for trade accounts receivable and other receivable payable and other payable denominated to foreign currency. The Company has reduced the uncertainty of future cash flow by using natural hedge. Besides, the Company has managed the risk by entering into forward contract.

As at December 31, 2018 and 2017, the Company and subsidiaries have assets and liabilities denominated as follows :

Transaction	Currency	Separated	
		As at December 31, 2018	As at December 31, 2017
Trade accounts receivable	Thousand USD	91,929	-
Trade accounts payable	Thousand USD	117,735	-

26. COMMITMENT

26.1 Land lease commitment (Note 14)

26.2 Operating lease commitments - Office buildings and vehicles

	In Thousand Baht
	As at December 31, 2018
Within 1 year	3,258
More than 1 to 5 years	3,579

26.3 Finance leases commitments - vehicles and truck - trailers

	In Thousand Baht
	As at December 31, 2018
Within 1 year	16,599
More than 1 to 5 years	50,498

26.4 Commitment of land might be expropriate (note 13).

26.5 As at December 31, 2018, the Company has commitment related to letter of guarantee that issued by bank totaling of Baht 0.3 million in respect of the electricity usage of the Company, customs department of Baht 71 million, Port Authority of Thailand of Baht 0.3 million, and private agency of Baht 0.3 million.



BEGISTICS PUBLIC COMPANY LIMITED**NOTE TO FINANCIAL STATEMENT****DECEMBER 31, 2018****27. NEW BUSINESS**

Board of directors meeting dated November 14, 2017 approved the Company's business expansion plan. The major plan are as follow;

1. To provide services related to Customs clearance and freight forwarding.
2. To set up 2 branches in Rayong and Laemchabang.
3. The Company has canceled the Laem Chabang brach.

The board of directors meeting dated December 7, 2017 approved the Company to render logistics services to Millcon Steel Public Company Limited and its related company (if any), which may consider as a party with conflict of interest in the future. (note 4)

As at December 31, 2018 and subsequent events after report date indicated that the company has contingent liabilities and / or entered into the agreements those related to new business as follow;

In Thousand Baht		
Commitment	As at December 31, 2018	Subsequent event (January 1, 2019 - February 25, 2019)
1. Letter of guarantee	1,000	Contract termination
2. Letter of guarantee	300	For the period from 1/1/2019 - 15/1/2020
3. Letter of guarantee	300	For the period from 1/1/2019 - 15/4/2019

28. SUBSEQUENT EVENT

On January 29, 2019, the board of directors has the resolution of board of directors' meeting No.3/2019 to approve to provide the financial assistance to the non - related party amount of Baht 150 million with interest rate at 15%. Loan payment due date on March 30, 2019. The borrower has collateral for the type of ordinary shares of Triple I Logistics Public Company Limited with high value. By 2 times amount of the loan requested. If the market price drops by 20%, the borrower must complete the collateral at least 2 times of the loan principle plus interest.

29. APPROVAL OF FINANCIAL STATEMENT

This financial statement has been approved by the Company's authorities on February 25, 2019

Details about the Board of Directors, Executives and Company Secretary



Details of Directors, Executives, and Company Secretary

Name – Last Name/ Position	Age (Years)	Shares Held in the Company (%)	Family Relationship between the Board of Directors and the Executives	Education History	Training from Thai Institute of Directors (IOD)/Others	Work Experience over the Past 5 Years			History of Breaking the Law over the Past 5 Years
						Period	Position	Agency/ Company/Type of Business Name	
1. General Jongsak Panichkul Independent Director Chairman of the Board Appointed on October 22, 2014	69	None	None	- Thai National Defense College Batch 4515 - Command and General Staff College Batch 61 - Chulachomklao Royal Military Academy Batch 20 - Armed Forces Academies Preparatory School Batch 9 - Prince Royal College, Chiang Mai - Srisawatwittayakarn School, Nan	Thai Institute of Directors (IOD) - Director Certification Program (DCP), Batch 216/2016 (2016)	October 2015-Present	- Chairman of the Board	- Begistics Public Company Limited	None
						October 2009	- Chairman of the Advisory Board of Ministry of Defense	- Ministry of Defense	
						October 2008	- Secretary of Defense Council (position)	- Ministry of Defense	
						October 2008	- Director –General Secretariat Department	- Ministry of Defense	
						October 2007	- Chief of Army Staff of the Permanent Secretary for Defense	- Ministry of Defense	
						October 2006	- Senior Expert of the Office of Secretary for Defense	- Ministry of Defense	
						April 2006	- Special Advisor of the Office of Secretary for Defense	- Ministry of Defense	
						October 2005	- Deputy Chief of Staff, Royal Thai Army	- Ministry of Defense	
						October 2003	- Assistant Chief of Staff For Civil Affairs, Royal Thai Army	- Ministry of Defense	
						October 2001			

Name – Last Name/ Position	Age (Years)	Shares Held in the Company (%)	Family Relationship between the Board of Directors and the Executives	Education History	Training from Thai Institute of Directors (IOD)/Others	Work Experience over the Past 5 Years			History of Breaking the Law over the Past 5 Years
						Period	Position	Agency/ Company/Type of Business Name	
2. Mr. Thitisak Skulkroo - Director - Vice Chairman - Chairman of the Executive Committee - Nomination and Remuneration Committee Member - Authorized Signatory Director - Appointed on November 28, 2015	63	0.029	None	- Bachelors of Arts in Accounting, Chiang Mai University - Mini MBA, Batch 26, Kasetsart University	Thai Institute of Directors (IOD) - Board Nomination & Compensation Program (BNCP) Batch 1/2017 - Director Accreditation Program (DAP), Batch 13/2004 (2004) - Director Certification Program (DCP), Batch 62/2005 (2005) - Role of the Chairman Program (RCP), Batch 13/2006 (2006) - Financial Statements for Directors (FSD), Batch 6/2009 (2009) - Director Certificate Program Update (DCPU), Batch 2/2014 (2014)	February 2018 - Present 2017 - Present 2017-February 15, 2018 2015-Present 2015-2017 2015-February 15, 2018 2015-Present 2015-February 15, 2018 2005-2015 2003-2015 2013-2014 2013-2014	- Finance or Finance Qualifications Committee - Vice Chairman - Managing Director - Director and Chairman of the Executive Committee - Executive Committee - Vice Chairman - Chief Executive Officer - Chief Executive Officer - Executive Committee - Executive Committee - Chairman of the Board - Acting President	- Civil Aviation Bureau of Thailand - Begistics Public Company Limited - Tong Hua Holding Public Company Limited - Bangkok Terminal Public Company Limited - DD Thanyakarn Company Limited - Tong Hua Holding Public Company Limited - Creative Power Company Limited - Tong Hua Capital Company - Saithong Property Company Limited - Siam General Factoring Public Company Limited - Million Miles Company Limited - Tong Hua Communications Public Company Limited	



Name – Last Name/ Position	Age (Years)	Shares Held in the Company (%)	Family Relationship between the Board of Directors and the Executives	Education History	Training from Thai Institute of Directors (IOD)/Others	Work Experience over the Past 5 Years			History of Breaking the Law over the Past 5 Years
						Period	Position	Agency/ Company/Type of Business Name	
						2013-2014	- Board Advisor	- Asia Coprate Development Company Limited	
						2010-2013	- Board Advisor	- Asia Joint Panorama Public Company Limited	
						2010-2011	- Managing Director	- SBT Star Company Limited	
						2010-2011	- Executive Committee	- Siri Project Construction Company Limited	
						2004-2011	- Executive Committee	- SF Pass International Company Limited	
						1999-2010	-Director	- Health Network Company Limited	
						2006-2010	-Executive Committee	- Paolo Medic Company Limited	
						July 2015- Present	- Director and Chief Operating Officer	- Begistics Public Company Limited	
3. Mr. Danai Piamthipmanust - Director - Executive Committee Member - Authorized Signatory Director - Appointed on July 23, 2015	39	None	None	- Master in Marketing , International Program, Thammasat University - Bachelor of Business Administration in Marketing, Assumption University	Thai Listed Companies Association - EDP: TLCA Executive Development Program (EDP), Class of 2016	2006-2014	- Marketing Manager in prepaid division; marketing activities, distributing channels and Sales Campaign in primary distributing channel	- Total Access Communication Public Company Limited (DTAC)	
						2004-2006	- Business Development Manager	- Setteleam Company Limited (consumer credit)	

Name – Last Name/ Position	Age (Years)	Shares Held in the Company (%)	Family Relationship between the Board of Directors and the Executives	Education History	Training from Thai Institute of Directors (IOD)/Others	Work Experience over the Past 5 Years			History of Breaking the Law over the Past 5 Years
						Period	Position	Agency/ Company/Type of Business Name	
4. Mr. Santi Pongjareanpitt - Independent Director - Audit Committee Member - Appointed on December 7, 2017	62	None	None	- Master of Environmental Economics, Chulalongkorn University - Bachelor of Science in Accountancy, University of Wisconsin-Milwaukee, USA..... - Business Valuation, Bachelor of Science in Accountancy, Thammasart University Ramkhamhaeng University	Thai Institute of Directors (IOD) - Director Certification Program (DCP), Batch 262/2018	December 2017 – Present 2017 1988-2016	- Independent Director and Audit Committee - Accounting Professional, Auditing Committee - Partner & Head	- Begistics Public Company Limited - The Federation of Accounting Professions - China Practice, KPMG Thailand	None
5. Mr. Pongsiri Sirithorn - Director - Executive Committee Member - Chief Executive Officers Authorized Signatory - Director - Appointed on March 1, 2018	43	None	None	- Master of Logistics Management, Ramkhamhaeng University - Bachelors in Business Administration Assumption University	Thai Institute of Directors (IOD) - Director Certification Program (DCP), Batch 262/2018	November 2016-Present May 2017-2018 2013-2017	- Director, Executive Committee and Chief Executive Officers Country Manager - Country Manager - Country Leader	- Begistics Public Company Limited - Aramex Co., Ltd. - Chep Pallexcom Solution (Thailand) Co., Ltd.	None



Name – Last Name/ Position	Age (Years)	Shares Held in the Company (%)	Family Relationship between the Board of Directors and the Executives	Education History	Training from Thai Institute of Directors (IOD)/Others	Work Experience over the Past 5 Years			History of Breaking the Law over the Past 5 Years
						Period	Position	Agency/ Company/Type of Business Name	
6. Miss Suttirat Leeswadtrakul - Director - Executive Committee Member - Authorized Signatory Director - Appointed on February 27, 2018	37	None	None	- Master of Business Economics, Thammasat University - Bachelor of Communication Arts Bangkok University	Director Accreditation Program (DAP) Batch 106/2556	Feb 2018- Present	- Director and Executive Director	- Begistics Public Company Limited - Milcon Burapa Co., Ltd - Milcon Steel Plc.	None
						2008 – Present	- Director / Executive Director		
						2007 – Present	- Director / Executive Director		
7. Mr. Thanee Loketkravee - Director - Executive Committee Member - Authorized Signatory Director - Appointed on February 27, 2018	46	None	None	- Certificate of Management Development Program Wharton school of Business, University of Pennsylvania - Master of Business Administration Loyola University of Chicago - Bachelor of Financial Management Southern Illinois University	n/a	Feb 2018– Present	- Director and Executive Director	- Begistics Public Company Limited - Milcon Steel Plc. - Suntech Metals Co., Ltd. - SCG Trading Co., Ltd.	None
						2015– Present	- Executive Director / Senior Executive Vice President of Sale and Marketing		
						2015– Present 2012-2015	- Director - Recycle Metal and Plastic Department Manager		
8. Mr. Vuthichai Duangratana - Independent Director - Chairman of Audit Committee - Chairman of Nomination and Remuneration Committee - Appointed on October 22, 2018	63	None	None	- Ph.D. Economics of Universite de Paris - Master Of Economics Of Universite de Paris - Bachelor Of Economics Of Universite de Paris	- Director Certification Program (DOP), Batch /2014 - Senior Executive Program in Finance and Public Finance (Class 1) - Advance Audit Committee Program (AACP) Batch 2 - Course, Capital Market College (CMA) Class 20	October 2018- Present	- Independent Director and Chairman of Audit Committee and Chairman of Nomination and Remuneration Committee	- Begistics Public Company Limited - Dhurakij Pundit University - Bangkok University - Raffles International Collage - PGT Energy Plc.	None
						2018-Present	- Qualified University Council Member		
						2017-Present	- Qualified University Council Member		
						2017-Present	- Qualified Collage Council Member		
						2017-Present	- Independent Director and Audit Committee and		

Name – Last Name/ Position	Age (Years)	Shares Held in the Company (%)	Family Relationship between the Board of Directors and the Executives	Education History	Training from Thai Institute of Directors (IOD)/Others	Work Experience over the Past 5 Years			History of Breaking the Law over the Past 5 Years
						Period	Position	Agency/ Company/Type of Business Name	
9. Mr. Prasert Sriuranpong -Independent Director -Audit Committee Member -Nomination and Remuneration Committee -Appointed on October 22, 2018 -Resigned on February 8, 2019	54	None	None	-Master of Business Administration, Kasetsart University -Bachelor of Economics, Thammasat University	- Tourism Management Program For senior executives, NTC 1 -Global Business Leader Class 2	2017-Present	Nomination and Remuneration Committee - Director and Audit Committee	-Communication & System Plc.	None
						2017-Present 2015-Present 2013-2016	- Executive Officer Advisor - Vice President -Deputy Permanent Secretary Ministry of Commerce (Head of International Trade Group	-Gunkul Engineering Plc. -Old French Students Association Royal Patronage -Ministry of Commerce	
		None			- ICSC Outlets Asia Group, China - ICSC 2010 Educational Tour of Shopping Centers, Miami , Atlanta - ICSC 2010 Educational Tour of Shopping Centers, Las Vegas - Stanford Executive Program (Sep), America - Stamford University, Executive Program (Sep 2007) - CASC Council of Asian Shopping Center, Indonesia - ICSC Asia Expo 2006, Singapore	October 2018- Present	-Independent Director and Audit Committee and Nomination and Remuneration Committee	-Begistics Public Company Limited	
						2016-Present 2016-Present 2016-Present 2016-Present 2015-Present 2014-Present 2007-2016 2010-2017	-Director -Director -Director -Director -Director -Managing Director -Public Relations	-LH Mall & Hotel Co., Ltd. -L&H Retail Management Co., Ltd. -L&H Hotel Management Co., Ltd. -L&H Management Co., Ltd. -Kelly and Klein Co., Ltd. -S.R.D. North East Co., Ltd. -Siam Retail Development Co., Ltd. -Thai Shopping Center Association	



Name – Last Name/ Position	Age (Years)	Shares Held in the Company (%)	Family Relationship between the Board of Directors and the Executives	Education History	Training from Thai Institute of Directors (IOD)/Others	Work Experience over the Past 5 Years			History of Breaking the Law over the Past 5 Years
						Period	Position	Agency/ Company/Type of Business Name	
10. Mr. Teeraboon Arivasuthiwong -Independent Director -Audit Committee Member -Nomination and Remuneration Committee -Appointed on February 25, 2019	39	None	None	-Bachelor of Engineering (Computer Engineering), Chulalongkorn University	- IPO Roadmap #1 : SET – Thailand, 2017 - Workshop on Advance Coaching skill-3Ls, 2016 - Workshop on Basic Coaching skill-3Ls, 2016 - Design Pattern- Bangkok, 2010	February 2019-Present 2016-Present 2012-2016	-Independent Director and Audit Committee and Nomination and Remuneration Committee -Chief Operation Officer -Managing Director	-Begistics Public Company Limited -Bulk One Group Co., Ltd. -Long Kong Studio Co., Ltd.	None
11. Ms. Duangnapa Thongsri VP- Account & Finance - Appointed on January 4, 2018	42	None	None	Bachelors in Business Administration, Accounting, Ramkhamhaeng University	N/A	Feb 2019-Present Jan 2018-Present April 2017- Dec 2017 Dec 2014- March 2017 2007-2014 Aug 2018-Present	- Acting Chief Financial Officer - VP- Finance & Account - Advisor of Account & Finance - VP – Account & Finance, Acting Head of Operations - Senior of Accounting -Vice President Business Development -Business Development Manager	-Begistics Public Company Limited - Begistics Public Company Limited - Lertwinal & Sun Co., Ltd. -DD Thanyakarn Co., Ltd. -Tong Hua Holding PLC - Begistics Public Company Limited - Ceva (Thailand) Co., Ltd.	None
12. Mr. Krisada Pantuyakorn -Vice President Business Development -Appointed on August 1, 2018	39	0.029	None	-Bachelor of Human Sciences, Bangkok University	N/A	Aug 2018-Present 2014-Jul 2018	-Vice President Corporate Strategy & Business Management -Vice President Marketing and Operation Transport Logistics Director -General Manager -Assistant Manager	- Begistics Public Company Limited -MM Logistics Co., Ltd. -Synova Co., Ltd. -Kerry Logistics Co., Ltd.	None
13. Mr. Sirachat Peanutaiwat -Vice President Corporate Strategy & Business Management -Appointed on February 1, 2019	41	None	None	- Bachelor of Business Administration, Mahidol University	N/A	Aug 2018-Present 2015-Dec 2016 2015-Dec 2016 2016-2018	-Vice President Corporate Strategy & Business Management -Vice President Marketing and Operation Transport Logistics Director -General Manager -Assistant Manager	- Begistics Public Company Limited -MM Logistics Co., Ltd. -Synova Co., Ltd. -Kerry Logistics Co., Ltd.	None

Name – Last Name/ Position	Age (Years)	Shares Held in the Company (%)	Family Relationship between the Board of Directors and the Executives	Education History	Training from Thai Institute of Directors (IOD)/Others	Work Experience over the Past 5 Years			History of Breaking the Law over the Past 5 Years
						Period	Position	Agency/ Company/ Type of Business Name	
14. Mrs. Uratchat Subhavan -Vice President Operations and Human Resource Management -Appointed on February 1, 2019	59	None	None	Bachelor of Public Administration, Ramkhamhaeng University	N/A	Feb 2019-Present 2013-2014 2007-2012 1992-2006	-Vice President Operations and Human Resource Management -Operations Manager -Human Resource Manager -Operations Manager	- Begistics Public Company Limited -UPS SCS Service Co., Ltd. -UPS SCS Service Co., Ltd. -UPS SCS Service Co., Ltd.	None
15. Ms. Korawan Sanchompoo -Company Secretary -Appointed on August 14, 2018	45	None	None	Bachelor of Accounting Business Administration, Thonburi Rajabhat University	N/A	July 2018-Present 2015-June 2018 2011-2014 2008 – 2011 2006-2010	- Company Secretary - Chief Financial Officer - Acc. & Fin. Manager - Company Secretary - Acc. & Fin. Manager - Assistant Acc. & Fin. Manager - Acc. & Fin. Manager	- Begistics Public Company Limited - Tong hua Holding Public Company Limited - Union Inter Insurance Public Company Limited -Phoenix Insurance (Thailand) Public Company Limited -VR One Radio Company Limited	None



1. Responsibilities of the Company Secretary

The company secretary must perform the duties prescribed in Section 89/15 and Section 89/16 of the Securities and Exchange Act (No.4), BE 2551 which became effective on August 31, 2008. The company secretary must perform duties with responsibility, carefulness and honesty. This includes complying with the law, objectives, the Company's regulations and the resolutions of the board and the shareholders' meeting. The legal duties of the company secretary are as follows:

1. Prepare and keep the following documents:
 - Director's Registration
 - Notice of the board of directors' meeting, the board of directors' meeting minutes and the Company's annual report
 - Meeting Invitation letter to shareholders and the minutes of the shareholders' meeting
2. Keep the stakeholders' report as reported by the board of directors or management. Give a copy of the stakeholders' report under Section 89/14 to the Chairman of the board and the chairman of the audit committee within 7 business days from the date the report was received.
3. Perform other actions as prescribed by the Capital Market Supervisory Board.

In addition to this, the company secretary has other duties as assigned by the Company.

- Provide advice regarding relevant laws and rules and the Code of Conduct so that the board of directors conducts its activities in accordance with the law.
- Responsible for organizing the board of directors' meetings and the shareholders' meetings.
- Coordinate with the Company's internal unit to comply with the resolutions of the board of directors and the resolutions of the shareholders' meeting.
- Contact regulatory agencies such as the Stock Exchange of Thailand and oversee the disclosure of information and the reporting of information to the regulatory authorities and the public in accordance with the law.
- Provide orientation and give advice to newly appointed directors.
- Any other duties assigned by the Company.

2. Information of Associated Companies/Direct Subsidiaries/Indirect Subsidiaries

As of 31 December, 2018

รายชื่อ	B	Associated Companies CPSL
1. Jeneral Jongsak Panichkul	XX, /	-
2. Mr. Thitisak Skulkroo	X, /	-
3. Mr. Vuthichai Duangratana	/	-
4. Mr. Santi Pongjareanpit	/	-
5. Mr. Prasert Sriuranpong	/	-
6. Ms. Suttirat Leeswadtrakul	/	-
7. Mr. Thanee Loketkravee	/	-
8. Mr. Danai Plamthipmanust	/	/
9. Mr. Pongsiri Sirithorn	/, //	-
10. Mrs. Duangnapa Thongsri	///	-
11. Mr. Krisada Pantuyakorn	///	-
12. Mr. Sirachat Peanutaiwat	///	-
13. Mrs. Uratchat Subhavan	///	-
Remark	XX=Chairman X=Vice Chairman /=Director /=Chief Executive Officer ///=Vice President	





begistics

บริษัท บี จิสติกส์ จำกัด (มหาชน)
BEGISTICS PUBLIC COMPANY LIMITED

3656/64 GREEN TOWER BUILDING, 19TH FLOOR, UNIT K,
RAMA 4 ROAD, KLONGTON, KLONGTOEY, BANGKOK 10110
TELEPHONE : 02-367-3570-6 FAX : 02-367-3577