



WICE Logistics Public Company Limited

ANNUAL REPORT 2017





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TOTAL LOGISTICS SERVICE AND SOLUTION PROVIDER



Sea Freight
การจัดการขนส่งทางทะเล



Air Freight
การจัดการขนส่งทางอากาศ



Customs Brokerage
การจัดการด้านพิธีการศุลกากร



Warehouse Management
การบริหารจัดการคลังสินค้า



Transportation and Yard
การจัดการขนส่งภายในประเทศ
และลานพักตู้สินค้า



Missions

“ WICE is Specialized
in Providing Innovative Logistics
Services and Solutions with
Intelligence and Trustworthy.”

Vision

“To be the Leader in Innovative
Logistics Services and
Solutions Provider Company
for the Technology Industry
in Asia Pacific”





Corporate Value

-  **A** Accountability
-  **I** Integrity
-  **M** Mutual Support
-  **S** Service Excellence





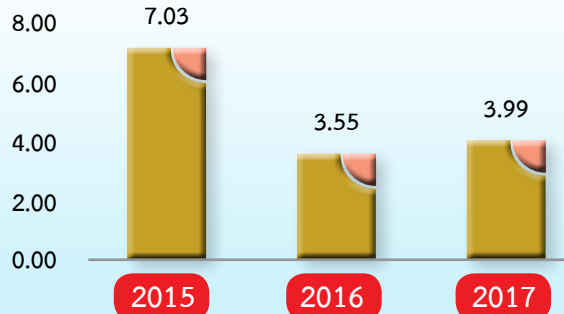
Financial Highlights

Unit: Million Baht

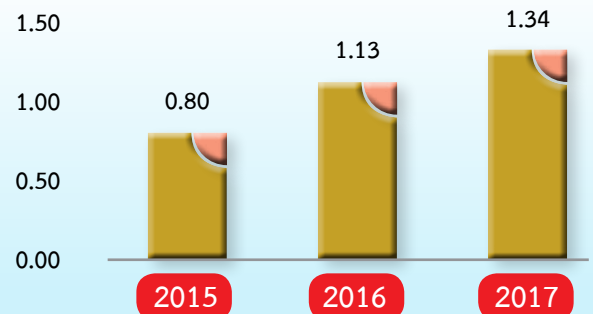
Income statements	2015	2016	2017
Revenues from Services			
1. Sea Freight	396	503	635
2. Air Freight	152	294	466
3. Logistics	133	225	295
Total Revenues from Services	682	1,022	1,396
Other Income	8	13	6
Total Income	689	1,035	1,402
Net Income	61	77	90
Balance Sheet			
Total Asset	696	1,067	1,104
Total Liabilities	95	205	204
Capital	601	862	900
Liquidity Ratios			
Current Ratio	7.03	3.55	3.99
Quick Ratio	7.00	3.52	3.94
Cash Flow Ratio	0.80	1.13	1.34
Account Receivable turnover	5.63	5.75	4.65
Account Receivable in days	65	64	67
Account Payable turnover	14.90	9.01	8.14
Account Payable in days	24	41	43
Cash Cycle	41	23	24
Profitability Ratios			
Gross Profit Margin	25.46%	25.53%	24.50%
Operating Profit Margin	10.86%	9.60%	9.34%
Cash to profit Margin	73.89%	71.26%	88.86%
Net Profit Margin	8.79%	7.93%	7.67%
Return on equity	13.79%	8.95%	9.97%
Efficiency Ratios			
Return on Assets	11.56%	7.23%	8.13%
Return on Fixed Assets	52.07%	51.21%	62.58%
Asset Turnover	1.31	0.97	1.27
Financial Policy Ratios			
Debt to equity ratio	0.16	0.24	0.23
Dividend payout ratio	57.54%	54.55%	78.02%
Fully Diluted Earnings per share	0.12	0.12	0.14

Financial Ratio

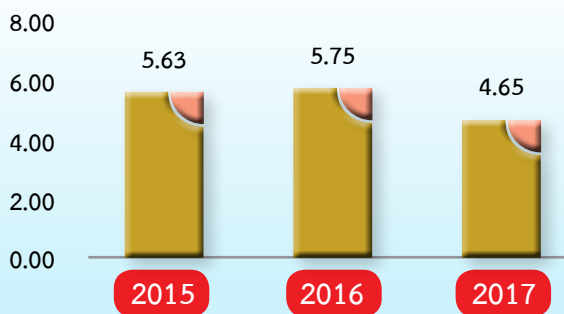
Liquidity Ratio (times)



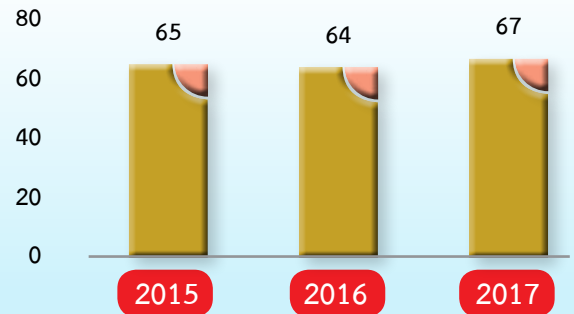
Cash Flow Ratio (times)



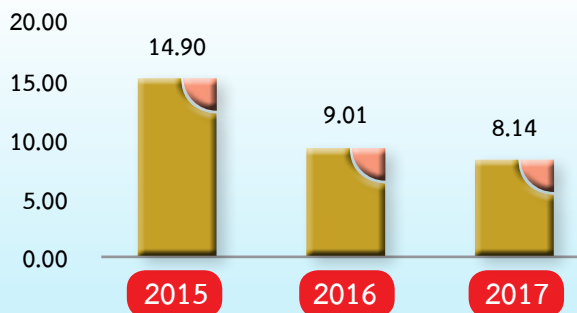
Account Receivable turnover (times)



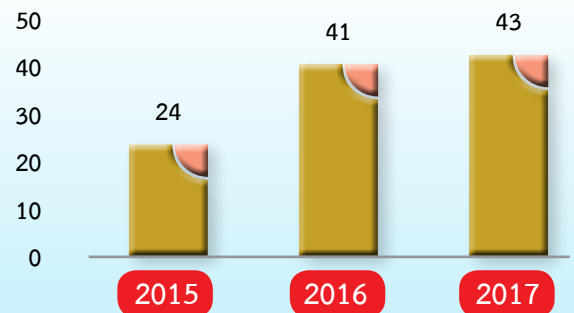
Account Receivable in days



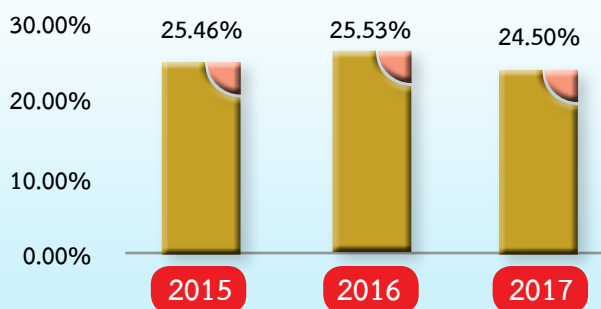
Account Payable turnover (times)



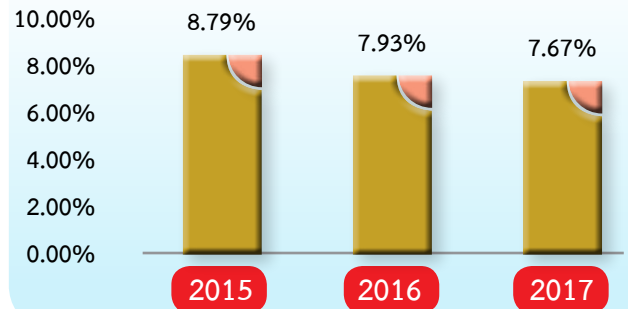
Account Payable in days



Gross Profit (%)



Net Profit Margin (%)





Message from the Chairman of the Board

Dear Shareholders

In 2017 the global economic outlook had been accelerated at the end of 2016. One significant factor that helped the world economy in 2017 was the recovery of the deflation. The elevation of commodity prices is created by the rising of oil price and the policy of reducing excess capacity in China. This price factor makes global trade and export number value, most of which are industrial goods, consumer product, and electronic components improve at of the 2016.

Despite the growth directly support of the logistics industry, the company is still operating according to its vision and strategic plan by expanding trade and investment, building a strategic alliance in key transportation areas in Asia, supporting the expansion of goods and services to foundation for sustainable growth in the future.

Recently, WICE has increased its competitiveness by creating a partnership with Sun Express Logistics Pte. Ltd. (SEL) in Singapore and Universal Worldwide Transportation Limited (UWT) in Hong Kong and China. However, the company's mission is to drive the Thai logistics company to International Logistics Services and Solutions Provider in Asia in 2018. The company will cooperate with alliances in different countries to take WICE to international level and will continue to expand the network in the major trades.

On behalf of the Board of Directors of WICE Logistics Public Company Limited, we would like to thank our shareholders for your continuing support, your confidence and above all for your trust. We also would like to thank all of our sponsors for their good support. We look forward to that continued support in the future.

The Company strives to adhere to the principles of good governance towards every element for the benefit of all the best interest of the company such as, shareholders, traders, partners, society, environment and employees altogether with the company's growth.

In addition, I would like to take this opportunity to thank the management and employees for your commitment and your hard work to stabilize, strengthen and sustain the growth of the company. Your dedication is the core competency which enables company to grow sustainably according to the goals of the organization.



Mr. Ekaphol Pongstabhon
Chairman of the Board



Message from the Chief Executive Officer



Mrs. Araya Kongsoonthorn
Chief Executive Officer

Dear Shareholders

WICE Logistics (WICE) has been listed on the Stock Exchange of Thailand (SET) in July 2015 for three years. The company has significant business development and has continued to promote the potential of the business. As a result, the company's performance has increased by more than 100%. This growth proves the commitment of the management and all employees.

The company has completed 24 years in 2017 and is a good year for the company in which logistics business has increase in demand in accordance with the export growth which has extended to 10%, the highest rate in six years since 2012. This continued export growth is influenced by the recovery of the world economy, the improvement of imports in the US, Europe and Asia markets which caused the demand for agricultural products such as rice, rubber, fruit, fresh and processed chicken and sugar to increase in volume, in addition with continuous expansion of industrial production such as auto part and electronic exports to USA, China, Japan, Europe, which is the main export market of the company.

The company is confident that 2018 will also be the great year for strengthening business in both organic and inorganic growth. Recently, the company provides total logistics services and solutions such as business expansion in existing customers, both domestic and international, sea freight, air freight, customs clearance services, local and international transportation and warehouse management.

The company also operates with strong partners in key Asian ports. After acquiring Sun Express Logistics Pte. Ltd. (SEL) Singapore in mid-2016, SEL has helped WICE generate both revenue and long term profitability. Furthermore, on creating a partnership with Universal Worldwide Transportation Limited (UWT) in Hong Kong and China, this provides comprehensive logistics services, strengthen the business, and expand new customer base both domestically and internationally.

Nevertheless, the company continues to strive to build a network alliance to expand all types of businesses of the company in order to cover the world's most important transportation routes and to meet the needs of customers in all aspects, by looking for an innovative partner to enhance the business potential for sustainable growth in the future and to help advancing WICE to be International Logistics Services and Solutions Provider of Asia.

I strongly believe that the challenge to vision in various fields will happen throughout the year. I would like to encourage all shareholders to support the management team and the employees of the company to overcome the obstacles and lead the business to grow steadily which is the company's most essential goal. The company promises to keep the commitment and create the best interests to the shareholders.

In addition I would like to thank the shareholders, business partners, customers, and traders for your trust and continuing support. And most importantly, I would like to thank the management and employees for your devotion. We are dedicated to change and face every situation which is our culture and strengths of the organization. Altogether, we will achieve our goal with strength and stability.



Board of Directors



1

2

3

4

1. Mr. Ekaphol Pongstabhon

Independent Director
Chairman of the Board

2. Associate Professor Ruth Banomyong (PhD)

Independent Committee
Chairman of the Audit Committee

3. Mr. Wichai Xiao

Independent Director
Audit Committee
Nomination and Remuneration Committee

4. Mr. Charoenkiat Huthananuntha

Independent Director
Audit Committee
Chairman of the Nomination
and Remuneration Committee
Chairman of the Risk Management Committee





5. Mrs. Araya Kongsoonthorn
Chief Executive Officer
Nomination and Compensation Committee

6. Mr. Chudet Kongsoonthorn
Managing Director – Business Development

7. Ms. Thitimar Tantikulsunthorn
Managing Director – Operations and Support
Risk Management Committee

8. Ms. Pornpairoa Tantikulsunthorn
Director
Risk Management Committee



Management of the Company



1

2

1. Ms. Somjai Purachago
General Manager Sales & Marketing

3

4

2. Mr. Ram Tantikulsunthorn
General Manager Business Development in Eastern Seaboard

3. Mr. Chokchai Phuttisan
General Manager Warehouses

4. Ms. Busarin Tuanchaem
General Manager Finance and Accounting



Report of the Audit Committee

Dear Shareholders

The Board of Directors of WICE Logistics Public Company Limited appointed the Audit Committee composed of three independent directors qualified by the Stock Exchange of Thailand (SET). And the Board of Directors defined the qualifications, term of membership and duties and responsibilities of the Audit Committee in accordance with the Audit Committee Charter.

The current Audit Committee consists of Associate Professor Ruth Banomyong (PhD) as the Chairman, Mr. Wichai Xiao and Mr. Charoenkiat Huthananuntha as committee members.

The three members are not a director of its parent company, subsidiary company, associate companies, and same-level subsidiary company or a major shareholder in accordance with the provisions of law, and Ms. Woralluck Limsookprasert acts as Secretary of Audit Committee.

In 2016, the Audit committee held a total of five meetings which included meetings with the internal auditor, the Management and the external auditor. The Audit committee reported the meetings and the operation of the Audit Committee to the Board of Directors on a quarterly basis. At all events, the Audit Committee acted in accordance with the Audit Committee Charter conforming to the Stock Exchange of Thailand (SET). The full summary is as follows.

1. Review of Financial Reports

The Audit Committee has reviewed the annual financial statement and quarterly financial statements and consolidated financial statements, together with the auditor Internal Auditor As well as listen to statements by the Management. The review found that financial statements are accurate, reliable and timely and adequate disclosure. The Committee noted the issues that would be beneficial to the Company. In addition, the Audit Committee held one meeting with the external auditor without the Management of the Company to acknowledge the independence of auditors and the scope of the auditor's operations.

2 Review of internal control effectiveness

The Audit Committee has considered the internal audit plan for 2017, including the scope of the audit per the Risk Based Internal Audit Plan of all operations processes of the Company.

The Audit Committee has reviewed the effectiveness and efficiency of the Internal control system in which the internal audit department had conducted per international standards and has reviewed all operation processes within the company on a quarterly basis.

The Audit Committee has provided useful suggestions to improve operational effectiveness to the Company and track the Management's improvements based on feedback constantly. Also, the Audit Committee always reported the progress to the Board of Directors and ordered the management of the agencies involved to assess the adequacy of internal controls based on the evaluation of internal control of the Stock Exchange of Thailand. The evaluation result revealed that the company has good and adequate internal control system.



3. Review of the practice of applicable law, rule or regulations

The Audit Committee has oversight the disclosure of information in a transparent manner and review the compliance of the laws related to its business operations and the law on the Securities and Exchange Commission And the requirements of the Stock Exchange of Thailand. Also, the Audit Committee oversight the Management Report on the implementation of the law and regulations relating to the Company annually.

4. Review of internal audit

The Audit Committee has considered and approved the action plan, the annual budget, and supported and promoted the audit department to work independently and to make operations more efficient, so the department has a command line directly to the Audit Committee.

5. Review of external auditor's operation and appointment of the external auditor

The Audit Committee has a meeting with the external auditor to ensure that the auditor are independent and to understand the plan and scope of work of auditors.

The Audit Committee has considered the terms of employment of the external auditor to nominate and select the external auditor of WICE Logistics Public Company Limited for 2018 and will be presenting to the Board of Directors to approve then present to the 2018 General Meeting of Shareholders.

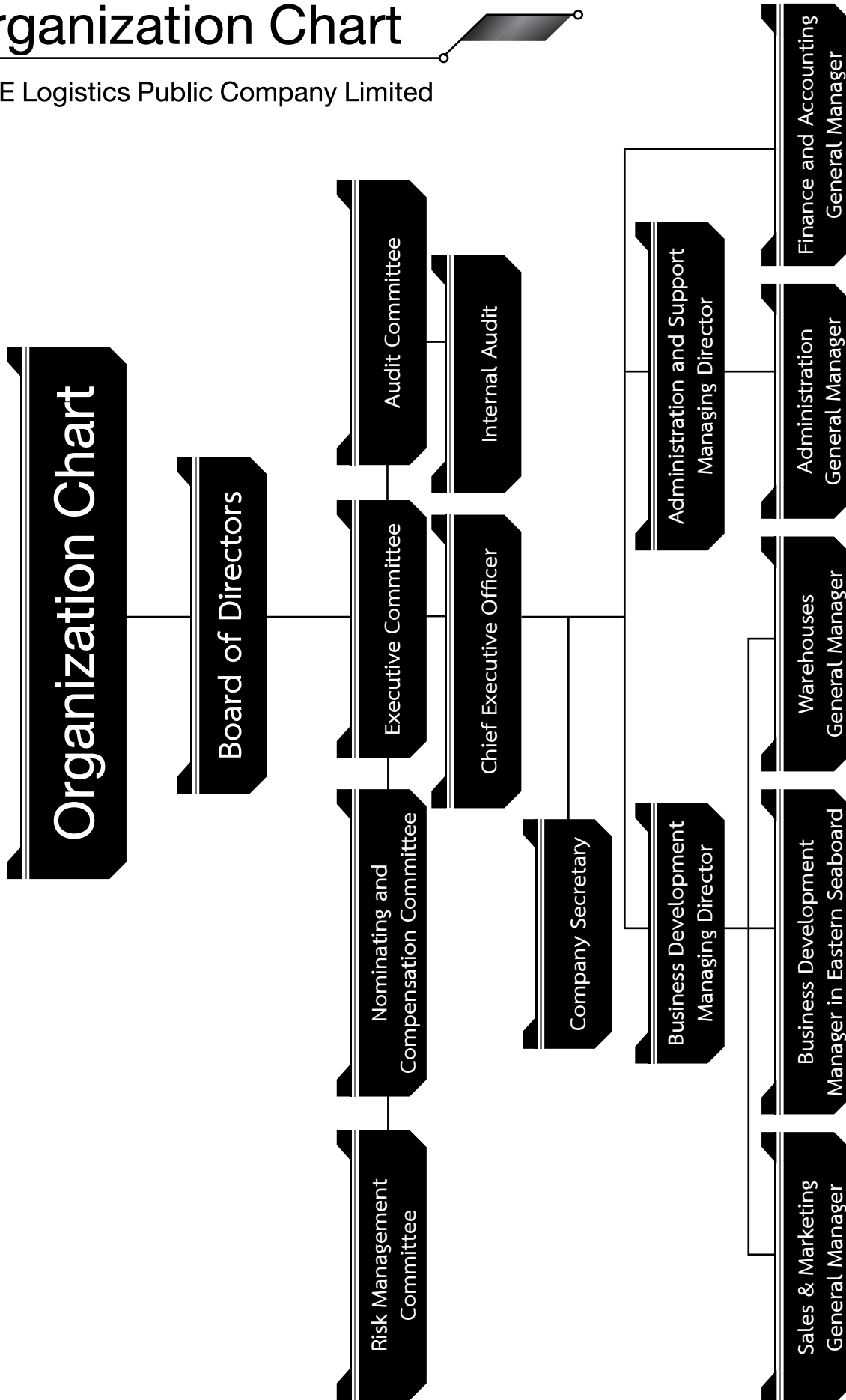


Associate Professor Ruth Banomyong (PhD)

Chairman of the Audit Committee

Organization Chart

WICE Logistics Public Company Limited





Corporate General Information

Name of Company	: WICE Logistics Public Company Limited
Type of Business	: International Logistics Service and Solution Provider
Head Office	: 88/8 Nonsee Road, Chong-Nonsee, Yannawa, Bangkok 10120, Thailand
Registration Number	: 0107558000156
Telephone	: 02-681-6181
Facsimile	: 02-681-6123
E-mail Address	: info@wice.co.th
Website	: www.wice.co.th
Issued and Paid Capital	: 325,949,750 Baht (Three hundred and twenty five Million nine hundred and fifty nine thousand and seven hundred fifty Baht Comprised of common shares 651,899,500 shares with Par Value of Share 0.50 Baht Paid Capital Amount 325,949,750 Baht (Three hundred and twenty five Million nine hundred and forty nine thousand and seven hundred fifty Baht)

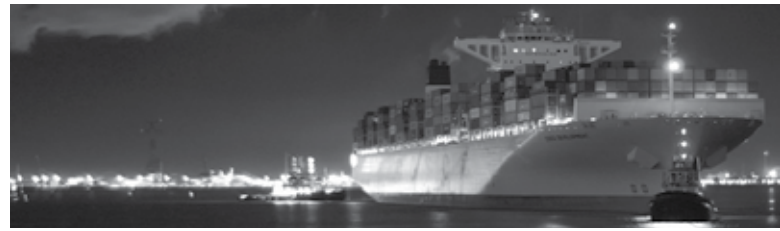


Reference	
Securities Registrar of Ordinary Shares	: Thailand Securities Depository Co., Ltd. 93 The Stock Exchange of Thailand Building Ratchdapisek Road, Din Daeng Bangkok 10400 Telephone: 02-009-9000 Facsimile: 02-009-9991 SET Contact center: 02-009-9999 E-mail: SETContactCenter@set.or.th Website: http://www.tsd.co.th



Debenture Holders' Representative	: No
Auditor	: EY Office Limited Ms. Pimjai Manitkajornkij Certified Public Accountant (C.P.A) License No. 4521 193/136-137 Lake Ratchada Building, 33/F Ratchadapisek Road, Klongtoey, Klongtoey, Bangkok 10110 Telephone: 0-2264-0777 , 0-2661-9190 Facsimile: 0-2264-0789-90 Email: ernstyoung.thailand@th.ey.com





Internal Audit

: Wealth Planning Solutions Co., Ltd.
Ms. Woraluck Limsukprasert and Ms. Hassaya Jaiboochasak
11 Soi 6 (Borommaratchachonnani Road, Bangbamru,
Bangphlat, Bangkok 10700
Telephone: 0-2434-3746
E-mail: wpsthai@gmail.com

Financial Advisory

: Phillip Securities (Thailand) PLC

**Adviser or Manager under
management contract**

: No



Total Logistics Service and Solution Provider

Export & Import | Air & Sea | Door-to-Door Services | Customs Brokerage
Tax Specialist Service | Warehouse and Yard Management

Nature of Business

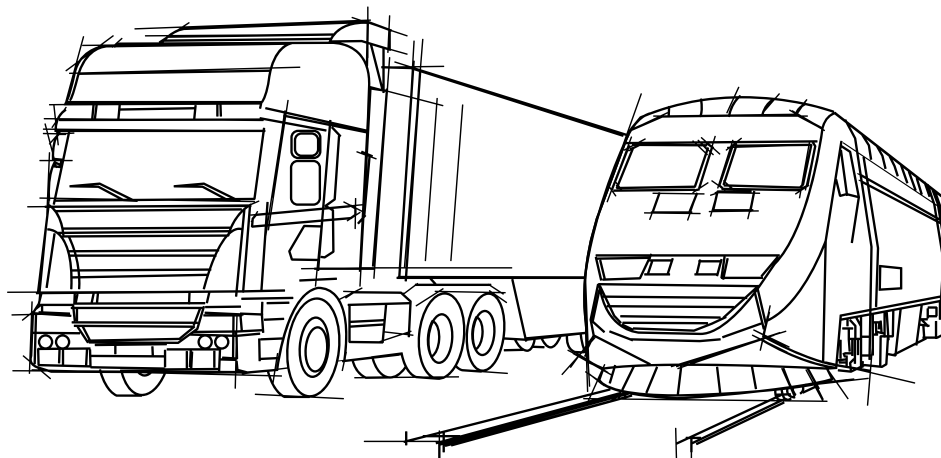
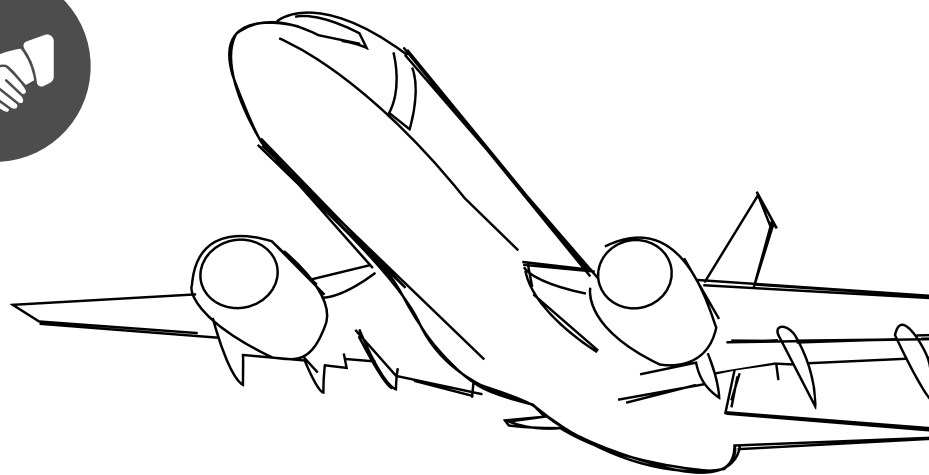
Overview of Business

WICE Logistics Public Company Limited is an International logistics service and solutions provider. Its services are including importing and exporting by sea freight and air freight, as well as customs clearance, domestic transportation and warehouse service.

Company Goal

WICE Logistics Public Company Limited has set a goal of running a business within the next three years as follows:

1. The company plans to expand its business to other related businesses or expand to foreign countries to maintain sustainable growth for the expand needs of the customers in the future.
2. The company plans to focus on providing a gross margin favorably to maintain gross profit ability to be in competitive level in the industry and generate more returns for shareholders.
3. The company focuses on providing quality service to retain current customers and plans to expand its customer base resulting in generating more returns for shareholders.



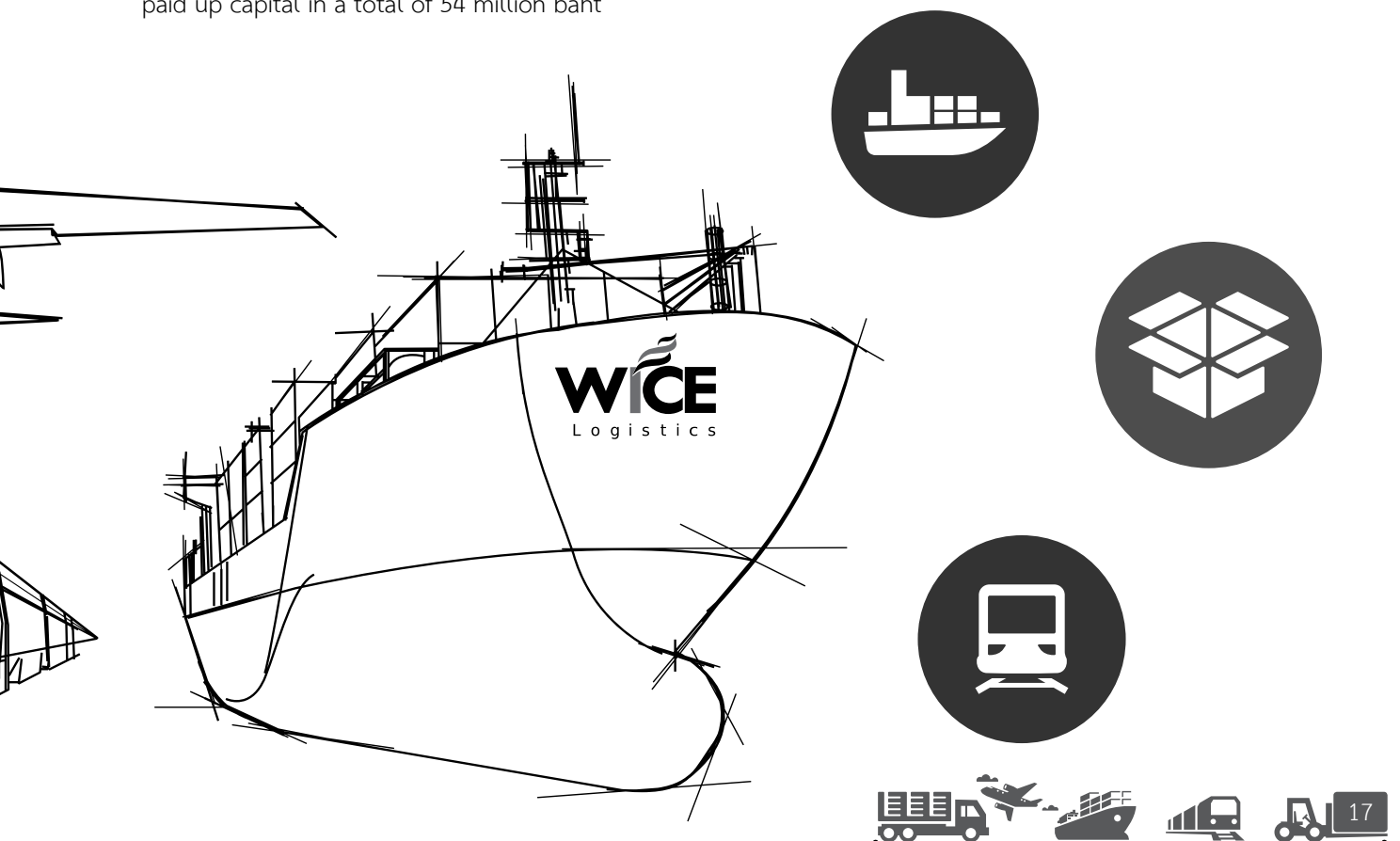
History and Important Timelines

Company History

WICE Logistics Public Company Limited) (“The Company” or “WICE”) stands for Worldwide Industrial Commercial Enterprise) (formerly WICE Freight Services (Thailand) Co., Ltd.) started international freight forwarder business in 1993, which focused on providing sea freight service that the main route is in Thailand - United States market. The Company has registered capital of 1 million baht as a joint venture between a group of investors in Thailand which had 70% shares and WICE Group, a group of foreign companies that have a good reputation in freight business, located in Singapore and Hong Kong which had 30% shares. Later on, the company has expanded the scope of services to customs clearance.

In 2002 and 2004, Mrs. Araya Kongsoonthorn, the largest shareholder of the company has bought shares of the Company from the Group from Hong Kong and Singapore, respectively. Subsequently, the Company shares were held by 100 per cent Thai Nationality. To increase the efficiency of management, The Company has rearranged the Company’s structure. In November 2013, there was an amalgamation between WICE Freight Services (Thailand) Co., Ltd., Prompt Freight Logistics Co., Ltd., and WICE Logistics Co., Ltd., as a new company under the former name of WICE Freight Services (Thailand) Co., Ltd. The new registered company had registered and paid up capital of 15 million baht and had an office at Laem Chabang port. Furthermore, in December 2013, the Company has increased registered and paid up capital to 180 million baht and had bought 99.99 per cent shares in Sun Express (Thailand) Co., Ltd. and then converted the business to public company limited and changed the name to WICE Logistics Public Company Limited on 3 April, 2015 registered capital of 300 million baht (paid up to 225 million baht).

Sun Express (Thailand) Co., Ltd. (“SUN”), a subsidiary, founded on 21 October , 2002 with registered capital of 3 billion baht, a joint venture between a group of investors in Thailand which had 60 per cent shares and investors from Singapore and Hong Kong which had 40 per cent shares. The main business is to provide International logistics services, including customs clearance services, focusing on air freight services. The office is located at Suvarnabhumi Airport. Currently, the Company is the largest shareholder of 99.99 per cent of the paid-up capital and SUN has registered and paid up capital in a total of 54 million baht





Sun Express Logistics Pte. Ltd. (“SEL”) The subsidiary of WICE Logistics was establishing in 5th January 2002 at Singapore from Mr. LIM MENG PUI Is a major of shareholder including with Mr. LIM MENG PUI , Mr. HOCK LOONG LIEN and MISS CHOO YIE NGOH for 700,000 stocks be defined 1 USD per 1 stock and Equal to 100% of ordinary shares then in 15th August 2016 WICE Logistics Public Company Limited become to acquisition of ordinary shares of Sun Express Logistics Pte. Ltd. (“SEL”) for 70% at all also to be the Director of the company. The original company of SEL still holds the manager position of SEL for 4 years after the agreement complete.

Sun Express Logistics Pte. Ltd. (“SEL”) was leading international total freight forwarder in Singapore. They have many air freight flight for responding to Customer and Can be service for 24 hours also Their offices and warehouses in Changi Free Zone Airport and then It also has the right to transport the airline’s pallets directly (ULD-Unit Load Device) made it’s very convenient and fast to transport.



“WICE” Timelines



1993

- ≈ WICE Freight Services (Thailand) Co., Ltd. was established
- ≈ Collaboration with Hong Kong, Singapore, and Thailand



2002

- ≈ Customs Clearance service expansion
- ≈ Become member of TIFFA



2003

- ≈ Become fully Thai company
- ≈ Thai-USA market reputation



2006

- ≈ Moving office to “WICE Place” headquarters
- ≈ Establishing “Prompt Freight and Logistics Co., Ltd.” at Suvarnabhumi Airport



2009

- ≈ Establishing Laem Chabang branch office

THE WICE MILESTONE



2012

- ≈ Local transport and yard service expansion
- ≈ Awarded 4th SMEs National Award



2014

- ≈ THB 225 million capital
- ≈ Revolutionize to WICE Logistics Public Company Limited



2015

- ≈ THB 300 million capital
- ≈ Registering to SET (The Stock Exchange of Thailand)



2016

- ≈ THB 325 million capital
- ≈ Awarded “Truck Services Standard Certification”
- ≈ M&A with Sun Express (Singapore) Pte.,Ltd.

2017



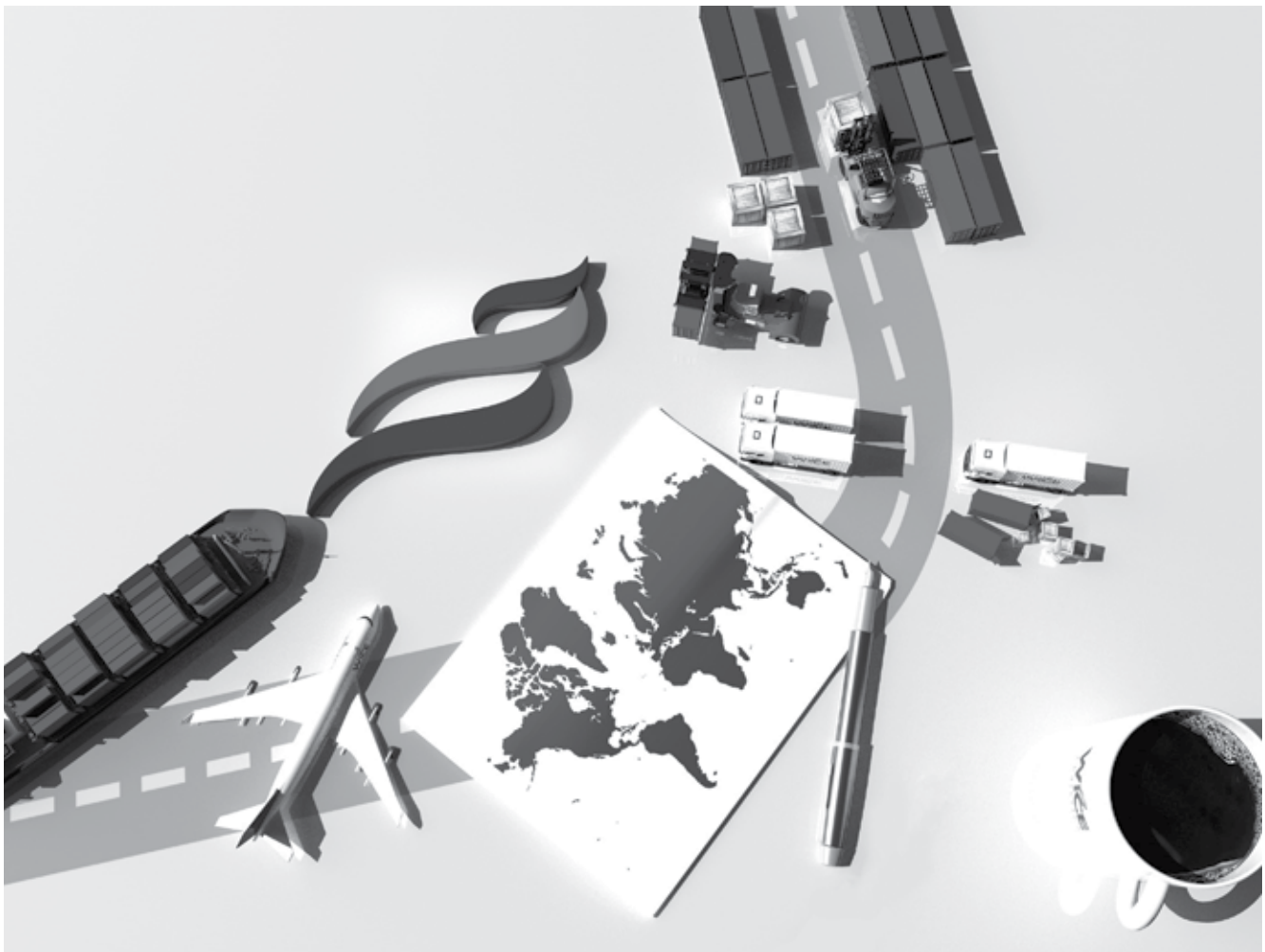
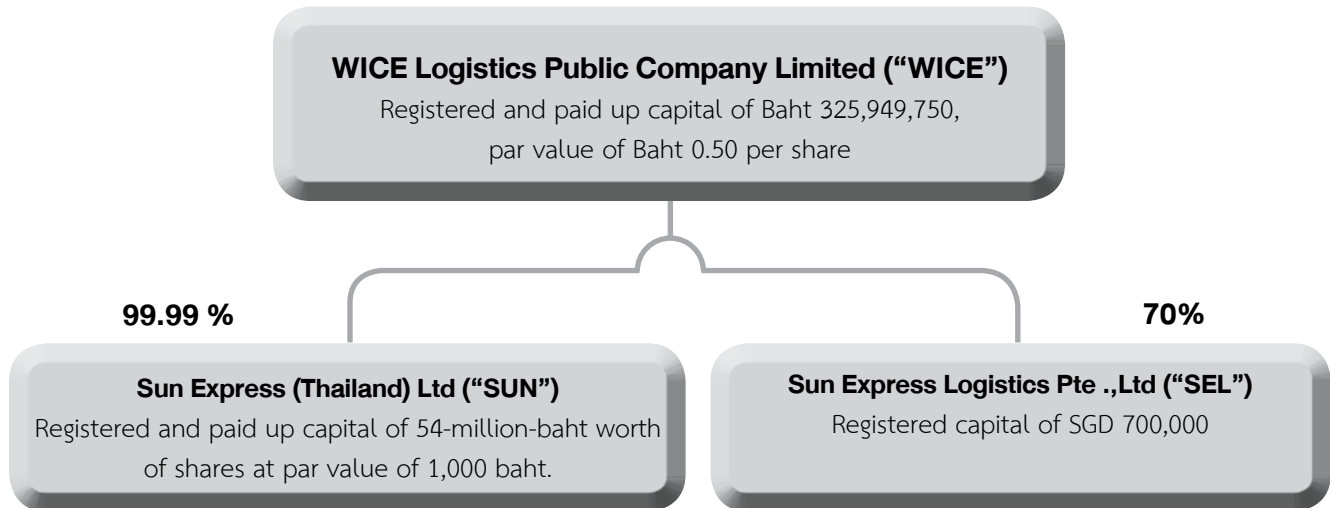
- ≈ Certified by CAC
- ≈ Awarded AEO (Authorized Economic Operator)



The shareholding structure of the Group

Company structure

As at 31 December 2017, the Company's shareholding structure in its subsidiaries is as follows:



Income Statement

Income Statement by categories

The Company and subsidiaries generated income from the main business as follows:

Income Breakdown in Business	2014		2015		2016		2017	
Income from services	Million THB	Percent-age	Million THB	Percent-age	Million THB	Percent-age	Million THB	Percent-age
1. Sea Freight	377.29	55.75	396.17	57.46	503.93	48.66	635.03	45.28
2. Air Freight	170.57	25.20	152.37	22.10	293.76	28.37	465.59	33.20
3. Customs and Transport	122.34	18.08	132.99	19.29	224.79	21.70	295.75	21.09
Income from Services	670.20	99.03	681.53	98.85	1022.48	98.73	1396.37	99.57
Other Income**	6.57	0.97	7.94	1.15	13.15	1.27	5.96	0.43
Total Income	676.77	100.00	689.47	100.00	1035.63	100.00	1402.33	100.00

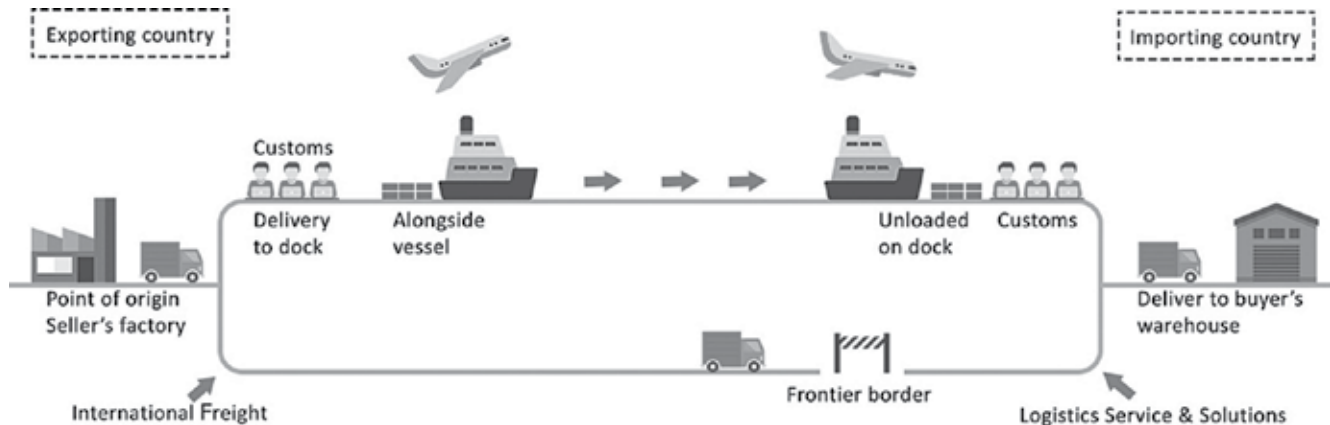
Remark : ** Other income such as gain on exchange rate, gain on sale of investment, etc.

Product and service details

WICE Logistics Public Company Limited and subsidiaries are an International Freight Forwarder. Service both import and export by sea freight (Full Container Load (FCL) or Less Than Container Load (LCL)), Air Freight, Customs Clearance and Transportation to serve different purposes of the clients. The company also provides a Door to Door Service: transporting goods from the port of shipment to the port of destination when the shipper agrees to take responsibility for transportation costs in Ex-Works terms. The buyer bears all costs and risks involved in taking the goods from the seller's premises to the desired destination.



International Logistics Flow)



The Company and its subsidiaries supply a service as Freight Forwarders both inbound and outbound by sea freight and air freight to over 100 countries worldwide operated by experienced teams and experts in logistics systems, including international transportation consultations, who plan and design effective routes to meet the clients' needs. The consultants consider the shipment duration, cost of transportation, and category of goods to provide the optimum service. The Company and its subsidiaries supply a service for international transportation for Non-Vessel Operation Common Carrier (NVOCC) by providing a suitable sea freight forwarder or air freight forwarder to the client. This includes cooperation with overseas agents, who are business partners in various countries, to ensure the delivery of the shipment. The Company and its subsidiaries can be separate into subdivisions:

1. Sea Freight : The company is an international freight forwarder. The company will be the shipping and shipping container shipping company with the reputation of reliable, the company will consider contacting the shipping line and negotiate. The company has expanded its network by becoming a member of the CGLN. WCA Family Network under the present company. It can provide shipping management services covering major ports in major trading areas in various countries. Main market continues to be the United States market. Since the company has experience and expertise in the Thai-US transportation route from the beginning. Main markets are China, Japan And the Philippines.

Freight transport by ship can be very large. The cost of transportation is cheaper than air freight. Suitable for non-urgent transportation. The main products are electronic products. (Finished goods) automotive parts Steel and construction materials, canned food, etc. Shipments will be packed into the container, which facilitates faster and easier moving of goods. Containers are divided into 2 main sizes, 20 ft., Suitable for heavy but small loads and 40 ft. For heavy cargo applications. Containers are also available in various forms, such as Dry, Reefer, Open Top, and so on. Appropriate to the type of cargo.

Sea Freight Transportation Usage by the Company and Subsidiaries in 2013-2017

Category of Services	The Number of Containers Per Year (TEU)**				
	2013	2014	2015	2016	2017
Export	6,087	6,315	11,645	15,268	18,870
Import	3,235	3,529	5,917	6,150	8,527
Total	9,322	9,844	17,562	21,418	27,397

Remark : * Twenty Foot Equipment Unit or 20-foot container

There are 2 types of Maritime transport as follows :

- (Full Container Load:FCL) shipment will be loaded and sealed by your sole supplier or the manufacturer. The container will not be opened until it reaches the destination, and is suitable for large volume shipments. The company is responsible for contacting the forwarder, negotiating and making reservations, providing the container, designing the route, loading and tracing the shipment, customs clearance, and cooperation with international agencies to deliver the shipment to the consignee. The main clients are importers and exporters.
- (Less than Container Load: LCL) is a shipment which is not large enough to fill a standard cargo container. When a shipper does not have enough goods to accommodate one full container, the company will consolidate the goods from the shippers in the same container (consolidation planning). The goods will be loaded at a Container Freight Station.



Container Freight Station



2. Air Freight : The Company and its subsidiaries supply a service for international transportation predominately using air mode. Air Freight is the most efficient means of transportation and offers a choice of delivery speeds to best suit the customer's requirements. The cost of the service is high, as the company must carefully plan and book the air cargo according to the requirements by considering the efficiency of the cost and timing. This service reaches major trade zones in Asia, such as Singapore, Hong Kong and China, and electronic products are the most common goods transported using this method.

Air freight logistics involve much shorter transit times and require expertise in management, especially in electronics products. The Company is able to handle delivery within 24 hours from Singapore to Bangkok through Door-to-Door Delivery, which is considered as a value-added service. Furthermore, the company is able to provide an additional service of Hand Carrier, in cases of emergency. The express service will ensure the goods are delivered to the consignee within 24 hours; route sample Chiang Mai - Bangkok - Shanghai. The company also provides customized logistic solutions according to requirements for a cost- effective method. Combined Cargo is used to consolidate goods from suppliers in the same shipment to keep the cost down.

Air Freight Usage in 2013-2017

Category of Services	Number of Transportations Per Year (TON)				
	2013	2014	2015	2016	2017
Export	1,583	1,664	1,182	1,185	2,634
Import	4,474	3,448	3,049	3,530	4,290
Total	6,057	5,112	4,231	4,715	6,924



3. Customs Broker and Transport: WICE Logistics Public Company Limited offers the arrangement of a full-service from customs clearance to transportation.

Customs Broker

For International import or export, whether by sea or air freight, all goods must pass through customs control. We provide Customs House Brokers who have experience in all areas of customs clearance including duty intensive consultation. In order to provide this service, at least one agent must pass the customs' exam. The company currently employs six qualified agents, including two former Directors of the Customs Tariff Bureau as senior consultants.

There are two types of Customs House Brokers, the general house broker and Authorized Economic Operator (AEO) Customs House Broker. To achieve international recognition, the company must establish the AEO concept based on internationally recognized standards, and will be audited every 3 years. The company expected to be an AEO Broker in 2016. AEO benefits the company as it is able to supply a faster service to our customers. For example, easier admittance to customs simplifications using the credentials of the company instead of paying a deposit bond, fewer physical and document-based controls, priority treatment if selected for control, and fewer delayed shipments which improve customer service and customer loyalty. The company and its subsidiaries gain creditability and recognition.



Number of Customs Clearances: 2014 – 2017

Detail	Number of Customs Clearance Per Year			
	2014	2015	2016	2017
Number of Shipments	10,495	11,648	15,164	16,047
Number of Containers	27,995	28,293	30,689	32,045

Transportation

WICE Logistics Public Company Limited offers internal transportation to complete the full range of international shipment. Using trailer trucks, dump trucks, lorries or minivans to transport goods to the preferred destination, such as manufacturing company or warehouse and vice versa from the preferred pick up point to the port. This service only applies to clients who use the international transportation service. WICE Logistics Public Company Limited would like to facilitate and complete the service by transporting goods to the air and sea ports, and the vehicles will be supplied by a subsidiary. The company has currently established one branch which is located at Suvarnabhumi Airport and Laem Chabang service point. The transport vehicles are categorized as follows:

Number of vehicles: 2014- 2017

Category of Vehicle	Number of Vehicles (per unit)			
	2014	2015	2016	2017
Tractor Truck	17	27	27	27
Trailer	23	37	37	37
Truck	4	4	4	4
Van	6	6	6	6
Total Vehicles	50	74	74	74

Number of transportations: 2014 – 2016

List	Number of transportations (per container)			
	2014	2015	2016	2017
Number of Containers	15,016	19,560	26,552	32,045



Safety Standards for Vehicle Transportation

The Company and its subsidiaries have taken into consideration the safety standard of transportation service as well as punctuality. The Company and its subsidiaries recognize that the selection of high-performance vehicles and the selection of quality personnel is an important part of the Company's performance. Can be delivered to the destination safely. Without causing damage to the property of the customer and the Company. All transportation of the company. And its subsidiaries meet the standards set by law. And it must be checked before use. And check the condition of the driver before the duty. The company has been certified by the Department of Land Transport. Q MARK and GPS are used to provide efficient operation and management of the vehicle. Installed with the car to track the position of the car at work. Record and control the speed of driving, etc.



4. Warehouse Storage Services; to provide total logistics solutions, the company has expanded its Warehouse Storage Services business into three different types of services.

- 4.1 Multi User Warehouse; offers multiple storage possibilities for multi-users to store raw materials or finished goods before delivery to a manufacturing company, as well as facilities for finished goods before domestic or international shipment.

- 4.2 Dedicated Warehouses; if the client requires a dedicated warehouse solution, we have teams of warehouse designers, engineers and, where required, industrial chemists to provide appropriate warehousing solutions that meet the client's needs.
- 4.3 Warehouse Management; offers a full warehouse management service which includes managing in-house solutions, and tailored solutions to meet the individual's needs or to comply with KPI requirements.



Marketing

Marketing Strategy

The management team of WICE Logistics Public Company Limited has extensive experience and knowledge in the export and import business, both air freight and sea freight, including trailer truck transportation. The company has gained recognition as a successful international forwarder, and also offers integrated international logistics which follow ISO 9001:2015, a standard certified by TÜV NORD. The company policy is to maintain a respectable relationship with the clients and business partners. The marketing strategy will focus on maintaining existing clients as well as increasing market share.

(1) High Value Services

WICE Logistics Public Company Limited and subsidiaries is an international forwarder for both exports and imports, by sea freight (FCL and LCL) and by air freight according to the client's requirements. The company offers cost-effective freight services, customs clearance, documentation, transportation, and other services as requested, including packing and insurance. Moreover the company provides import and export advice and shipment tracking, and cooperates with overseas agencies to ensure the safety and timely delivery of the goods. Integrated logistics is a value-added and cost-effective door to door service. The arrangement ensures direct flow of goods from the exporter to the importer (or from the point-of-origin to the point-of-sale) with a minimum of interruption and delay. The service is Ex. Works,

therefore the seller is responsible for ensuring that the goods are ready for pickup. Other transportation costs and any other risks are the responsibility of the importer.

(2) Quality Assurance

WICE Logistics Public Company Limited and subsidiaries focuses on customer service to satisfy the client's requirements with speed, accuracy and creditability. After studying the client's requirements, he will be presented with three tailor-made options to choose from. When a proposal is accepted, the company will contact the air freight or sea freight, negotiate and cooperate with overseas agencies, and be responsible for all documentation with accuracy and speed, including consultations and problem solving. With excellence customer service over the years, the company has gained both internal and international recognition. To maintain excellent customer service, the company places the utmost emphasis on the accuracy of the documentation which affects overall operations, and has developed software systems to improve workforce productivity and reduce the negative effects of redundancy. The company was certified as a Logistics Service in 2013, according to the Logistics Service Quality Standard, the Department of Business Development, Ministry of Commerce. The company also received 'Satisfied' in an evaluation of the Logistics Service Quality Standard in 2012 from the Department of Business Development, Ministry of Commerce. Furthermore, the company won an SME National Award in the Logistics sector from the Office of Small and Medium Enterprise Promotion (OSMEP) in 2010, 2011 and 2012

(3) Forwarding Business Balancing; Import and Export

WICE Logistics Public Company Limited integrated logistics operate both imports and exports, however the majority of revenue is generated from exports. The company would like to expand its importer client base by offering a full range of services which are cost-effective. In balancing import and export clients, the company should be able to sustain the revenue affected by the fluctuation of Thai exports. In 2015 import markets had a growth rate of 5 percent, and this has increased to 15 percent in 2016.

(4) Geography Proficiency

In over 20 years of trading WICE Logistics Public Company Limited have perfected their geography proficiency in sea freight, especially the Thailand to USA route. The Door to Door service platform allows importers and exporters to transport goods to every state in the USA, the shipments include FCL and LCL. In May 1999, new licensing requirements for ocean freight forwarders and Non-Vessel Operating Common Carriers (NVOCCs) operating in the USA were established by the US Federal Maritime Commission (FMC). Due to these regulations, each ocean transportation service provider in the USA acting as an ocean freight forwarder or NVOCC agent must obtain a license to operate as an "Ocean Transportation Intermediary" (OTI) before it can begin operations. This applies to both imports and exports. FMC bonding requirements as of December 9, 2015 was US \$150,000. WICE has obtained the license which eliminates competitors in the same business.

Moreover, in order to use the sea freight Thailand – USA route both exporter and forwarder must sign a Service Contract. Currently WICE have signed contracts with seven companies, and for over twenty years WICE have appointed overseas agents to cooperate in customs clearance and transporting goods to the customer's specified destination. The company's subsidiaries profession in South East Asia air freight and China.

(5) Staff Proficiency

The fundamentals of a forwarding business are to focus on customer service. Therefore, it is essential that the employees are highly experienced and provide an accurate and flexible service with customer satisfaction taking high priority. To reach these goals, WICE plans to invest in human resources and professional development by provide annual training. Each employee must attend 5 courses, or receive training for 48 hours per year, to update their knowledge and skills. Moreover, to motivate the employees, each employee will be evaluated and compensated according to their performance. The average staff turnover of the subsidiary companies is five years.

Furthermore, international freight forwarders must have a detailed knowledge of the rules and regulations of transportation. There are six employees who have received licenses from Thai Customs under WICE Logistics Public Company Limited.

(6) Building Business Partnerships

WICE Logistics Public Company Limited business started as a sea freight forwarder with over 20 years' experience in the Thailand–USA route and has established a healthy relationship with sea freight companies. When the business expanded to other routes, WICE made more connections. Currently, the company has over 15 sea freight partners. The company's subsidiaries started as air forwarders and have established strong relationships with over 10 airlines. Moreover, Overseas Agents are our business partners and represent WICE Logistics Public Company Limited to cooperate and ensure smooth delivery in each country. WICE has over 100 overseas agents worldwide and a subsidiary company is also a member of the Sun Express Group, which has an office in six countries and over 100 overseas agents who are significant business partners. WICE Logistics Public Company Limited has become a member of many associations in Thailand and internationally, such as TIFFA, TAFA and CGLN under the WCA Family Network.

(7) Cost Management

WICE Logistics Public Company Limited operates as an international forwarder with extensive experience which ensures the company's continuous growth. WICE Logistics Public Company Limited carefully plans sea and air freight in bulk, which enables them to negotiate the best price with Freight Companies. As a result, costs are reduced, which increases WICE's competitive competence for the company and its customers.

(8) Customer relationship management

Existing clients generate the majority of income for the company, therefore WICE Logistics Public Company Limited and subsidiaries place an emphasis on customer retention. The customer service team contact the customers regularly both in person and by phone call. In addition, the team ask for performance feedback and offer further services. The majority of customers are importers and exporters who regularly use the service, and the company's strategy is to increase the volume of orders from existing clients. Moreover, the CRM's strategy includes a high quality of service, a quick response, on-time delivery, and feedback questionnaires to improve customer loyalty and satisfaction.

(9) Expand Business and Services

The WICE development plan aims to offer value-added business solutions to existing clients who generate the majority of income for the company. For example, import and export forwarding along with ocean or air freight (including customs clearance and transportation and expanding ports of service). Moreover, the company's strategy is to expand the industry footprint through a diversification strategy. Concentric diversification occurs when a company expands by entering into an industry related to its current operations, such as Warehouse Management. WICE has established international branches and an increased customer bases in new markets in different business categories. To increase customers, WICE Logistics Public Company Limited and subsidiaries have created a promotional website www.wice.co.th and www.sunexpress.co.th

Target market

WICE Logistics Public Company Limited target markets are medium and large enterprises when estimated on their registered capital and total profits. The clients are involved in many business sectors, but the key products that WICE Logistics Public Company Limited provide freight services for are electronic parts and automotive parts which are presented in the category of service in the chart below.



Service Category	Main products	Major import – export country
Sea Freight Service	Appliance and Stationery/ Computers, Automotive Parts, Canned Food, Steel and Construction Materials	USA, Japan, China and SEA Countries
Air Freight Service	Electronic Parts and Automotive Parts	China, Hong Kong, Singapore

WICE Logistics Public Company Limited provide freight services to clients in other sectors, such as chemicals, garments and plastics. The customers are divided into two sectors:

- (1) Importers & Exporters: importers & exporters are major clients who generated 92 percent of income in 2015, and 95 percent of income in 2016 for WICE Logistics Public Company Limited.
- (2) Co-Loader : It is a group of customers operating the same type of business as the Company. There is no service contract with the ship or the company. There is not enough volume to use the full container service, so it is necessary to use the service of the company. Both full and not full cabinet. This group of customers is a trading partner with the Company. In the year 2017, the proportion accounted for 4% of service income.

The Company and its subsidiaries are engaged in domestic freight services by truck, towing and towing. The service is provided only to support international freight services. The subsidiaries will continue to be customers. The international freight handling service with the company. The Company and its subsidiaries will provide the appropriate trucking service to pick up the goods at the customer's factory to the port for export. Or to receive goods from the port to delivery at the customer's factory in case of import, etc., which adds value to the service and facilitate customers. As a result, the Company and its subsidiaries are able to provide full range of customer services.

Customer Group	2014		2015		2016		2017	
	Million THB	Percent-age	Million THB	Percent-age	Million THB	Percent-age	Million THB	Percent-age
Total Logistics Solution	481.30	71.81	503.93	73.94	814.08	79.62	1,097.12	78.57
Other Group of Customers								
1. . Freight	146.62	21.88	153.60	22.53	154.55	15.12	209.40	14.97
2. Custom & Transport	42.28	6.31	24.00	3.53	53.85	5.26	89.85	6.46
Total Income	670.20	100.00	681.53	100.00	1,022.48	100.00	1,396.37	100.00

Remark : * Customers include Freight and other services such as door-to-door / port-to-door service.

** Customers who use other services. Customers who use one of the services, such as Freight, Warehouse, Custom & Transport.

The Company and its subsidiaries are diversified in various industries. There is no dependence on any one customer. The top 10 clients in the year 2017 account for 38.05 percent of the total revenue. None of the customers accounted for more than 10% of service revenue.

Pricing Strategy

WICE Logistics Public Company Limited and subsidiaries service charges have been carefully calculated according to the type of service and conditions. The process of national or international logistics services are tailored to meet the customer's specific requirements. The costs are calculated depending on the type of transportation, route and duration, and the volume and category of the goods.

Category of services	Costs in accordance with
SEA FREIGHT(EXPORT/IMPORT)	FCL: the number and size of container and destination
	LCL: Weight or Measure (W/M) Usually based on per 1000 kgs or 1.000 M3 whichever the greater.
AIR FREIGHT(EXPORT/IMPORT)	Weight or Measure (W/M) Usually based on per 1 kg whichever the greater.
CUSTOMS	Production and number of customs declarations
TRANSPORT	Type of vehicle and distance
WAREHOUSE	Footprint usage, handling and duration

Pricing Policy:

1. Price set according to the customer's budget by presetting alternative options within a budget.
2. Price calculated from cost of operation x profit ratio according to the supply and demand of the competitive market
3. Price set comparable to competitors but offering additional services by comparing the cost of operation and a new market opportunity

All of the above company pricing strategies are carefully set to comply with the competitive market and customer requirements.

Distribution channels

There are two types of distribution channels within the company:

1. **Direct marketing** The sales team will directly contact potential clients or through an online platform, such as www.wice.co.th and www.sunexpress.co.th. Direct marketing generates over 80 percent of total revenue. Our sales team will present our services to a potential client and established customer loyalty. The sales team are responsible for:
 - Existing Customer Management; building sustained profitable customer relationships that capture additional services.
 - New Market Development; focusing on the target market to offer services in various sectors.



- 2. Overseas agents** Overseas agents generate an income of 20 percent of total revenue. Overseas agents coordinate shipment procedures in their country while representing WICE Logistics Public Company Limited. Overseas agents are the company's business partners. In Thailand, the company acts as an agency to manage and operate the services.

The company has also become a member of many Thai and International associations, including: TIFFA, TAFA, and CGLN under the WCA Family Network. The company uses these associations to reach new clients and business partners.

Industry and Competitive Analysis

Industry

“Logistics management refers to the work process. Related to the planning, implementation and control of the organization. Including the management of information and related financial transactions. Moving, storage, gathering, distribution of raw materials, components And services to provide maximum efficiency and effectiveness. It is important to focus on customer needs and satisfaction “(Source: Council of Logistics Management Definitions).

Thailand's Logistics Report for 2015 shows that Thailand's logistics costs in 2011 totaled 1.91 trillion baht, an increase of 1.9 percent from 2014, or about 14.00 percent of gross domestic product. Included in the country The ratio is expected to decrease from 14.20% in 2014. Logistics cost structure consists of freight cost. Inventory Costs And cost of logistics management. Cost of freight is a major component of total logistics costs. Accounted for approximately 53.50% of the total logistics cost, followed by inventory maintenance costs. And management costs. Accounted for 37.40% and 9.10% of total logistics cost, respectively. All three components accounted for 7.5%, 5.2% and 1.3% of gross domestic product (Source: Technology Center). Information and Communication Thailand has trade value, both import and export value. As shown in the table below.

(Unit: Billion THB)

Year	Total value	Export Value	Import Value
2010	11.97	6.11	5.86
2011	13.69	6.71	6.98
2012	14.89	7.08	7.81
2013	14.57	6.91	7.66
2014	14.72	7.31	7.41
2015	14.13	7.23	6.90
2016	14.45	7.53	6.90
2017	15.64	8.01	7.63

Reference : Information and Communication Technology Center Ministry of Commerce In collaboration with the Customs Department

Thailand is a market-based open economy where goods and services are traded with other countries without rules or limits. Trading with neighboring countries is vital to the development of the economy. The top 5 export destinations from Thailand are shown below:

(Unit: Billion THB)

Rank	Countries	Export Value				
		2013	2014	2015	2016	2017
1	China	0.82	0.86	0.80	0.83	0.96
2	USA	0.69	0.77	0.81	0.86	0.90
3	Japan	0.67	0.70	0.68	0.72	0.75
4	Hong Kong	0.40	0.40	0.40	0.40	0.42
5	Vietnam	0.22	0.25	0.30	0.33	0.39

Reference : Information and Communication Technology Center Ministry of Commerce In collaboration with the Customs Department

The data in the table above shows that in 2017, Thailand has the highest export value to China. The United States is No. 1 in 2015 and 2016 respectively. Hong Kong, respectively.

Thailand's export structure consists of industrial products. Agricultural products Agricultural products And mineral and fuel goods. The top five products exported in 2017 are: 1) Automobiles, Equipment and Components 2) Computers Components and Components 3) Jewelry and Accessories 4) Rubber Products 5) Plastic Granules

The top 5 major import markets of Thailand are China, Japan United States Malaysia And Taiwan The import value is as follows:

(Unit: Billion THB)

Rank	Countries	Import Value				
		2013	2014	2015	2016	2017
1	China	1.16	1.25	1.40	1.49	1.51
2	Japan	1.26	1.16	1.06	1.09	1.10
3	USA	0.45	0.47	0.47	0.47	0.51
4	Malaysia	0.41	0.41	0.41	0.39	0.40
5	Taiwan		0.25	0.26	0.25	0.28

Reference : Information and Communication Technology Center Ministry of Commerce In collaboration with the Customs Department

The structure of Thai imported goods consists of raw materials and semi-finished goods. consumer products And goods, vehicles and transport equipment. The top five products imported in 2017 are: 1) Crude Oil 2) Machinery and Components 3) Electrical machinery and components 4) Chemicals 5) Steel and steel products



Logistics Trends

The year 2018, the logistics situation in Thailand is expected to continue to grow due to the economic growth which has accelerated slightly due to the government investment and export growth.

Government investment in 2018 is expected to increase continuously. The government budget approved the project in the second half of 2017, while the export sector in Thailand continued to expand despite the slowdown. It also has a role to play in helping the economy continue to grow. This will result in the Thai logistics sector expanding in the same direction.

The logistics business in the year 2018 is expected to grow well among the intense competition of entrepreneurs.

Trends in technology to help logistics services increase. To meet the demand for cost effective logistics management. In order to meet the changing needs of digital economy society. So next year will see the competitive image of logistics providers intensely.

Logistics Business	2017		2018	
	Value (Million Baht)	Growth rate (%)	Value (Million Baht)	Growth rate (%)
Land Transport Business	137,700.00	6.20	145,100 - 147,300	5.30 - 7.00
Warehouse business	71,700.00	6.20	3.14	5.30 - 7.00
International Freight Forwarder	57,700.00	1.60	58,000 - 58900	0.50 - 2.10
Mail and delivery	28,100.00	8.70	30,800 - 31,300	9.60 - 11.30

Remark: The value of logistics business is calculated under the concept of national income of Thailand.

Source: Kasikorn Research Center

International Freight Association

FIATA “International Federation of Freight Forwarders Association” was founded in Vienna/Austria on May 31, 1926. FIATA, a non-governmental organization, currently represents an industry covering approximately 40,000 forwarding and logistics firms. FIATA’s main objective is to unite the freight forwarding industry worldwide with the same standards. The member of the association must follow the regulations. (Reference: FIATA)

WICE Logistics Public Company Limited is a member of TIFFA; Thai International Freight Forwarders Association. TIFFA is currently a member in good standing of the FIATA.

The members of TIFFA must follow the regulations to maintain the reputation and professionalism of Freight Forwarders.

1. To improve the quality of services and protect the customers.
2. Competitive fairness
3. Keep confidential information of company, competitive and customer.
4. Respect the laws and regulations of the country of origin as an associated country.
5. Respect the international norms of the freight forwarding industry.

Moreover, WICE Logistics Public Company Limited is lawfully responsible for any loss or damage according to The Multimodal Transport Act, B.E. 2548. This ensures that the customer will be compensated if the goods are lost or damaged during transportation

Competitive Situation

The National Economic and Social Development Board have classified Thailand's Logistics Structures into five categories: Transportation, Inventory, Clearance, Additional services, and Package and Parcel Post Service. Recently there are over 10,000 business enterprises in the five major sectors: Land Transportation, Sea Freight, Air Freight, Customs Brokerage and Warehouse Services. 80% of which are small and medium enterprises. (Reference: www.thai-aec.com)

BOL (Business on Line) statistics show the number of newly registered businesses in the transportation and warehouse industry as follows: 2,582 companies in 2012, 2,596 companies in 2013, and 2,404 companies in 2014. The growth in this sector creates a competitive market. New companies often start with a small business, using connections with sea and air freight and establishing close relationships with the customers. The Total Logistics providers are mostly large business enterprises or multi-national corporations.

The WICE management forecast International freight and forwarders under TIFFA having a total value of 90,000 Million THB. The logistics industry is highly competitive, however most companies specialize in different areas. In this industry experience, speed, type of goods, and customer service are the major competitive points. Moreover, strong connections, flexibility and competitive prices are key in meeting the customer's requirements.

There are two major International freight forwarders; Joint Venture Companies and Local Companies. The first type of business has the highest market share because of connection advantages. However, local companies can be more flexible in serving their customers – WICE Logistics Public Company Limited is in this group. The direct competitors are five or six International corporations, however the flexibility of WICE Logistics Public Company Limited's services enables it to offer total logistics solutions at a strong competitive point.

Importers and Exporters are able to contact shipping companies directly or use a forwarder service. Most sea freight only offers a Port-to-Port service for large volumes, while Forwarders offer additional services. Importers and Exporters tend to a forwarder. Air Freight; airlines do not have direct contact with the customer, it is necessary for importers and exporter to use a forwarding service.

Competitive Advantage

Competitive advantage in this industry is the capability to provide a service to meet the client's expectations, safety of goods, and guaranteed delivery time. Experienced and knowledgeable staff and well-maintained vehicles are also an important requirement. With intimate knowledge, skills and expertise in this business, the WICE logistics management team are confident in their competitive advantage as follows;

1. Over twenty years' experience in the International freight forwarding business resulting in a business offering reliability with a good reputation.
2. Offering a one-stop service for import and export forwarding. Sea Freight (FCL or LCL), Air Freight, and Customs Clearance to serve the various requirements of the customer. Including Door to Door service and Ex-works and also provide total logistic consultation to save the customer's time and money.
3. Well-trained and experienced staff, such as senior customs advisors, to advise on customs and tax matters for imports and exports.
4. A strong connection with shipping companies, airlines, and Overseas Agencies which are core business partners. A member of national and international associations; TIFFA, TAFA, CGLN under the WCA Family Network.
5. Acquiring Sun Express Logistics Pte. Ltd; a provider of international logistics services and solution providers targeting the world's top electronic components companies. The company is highly experience in Airfreight which will enhance competency in this extremely competitive market.
6. Development in IT and software to help increase productivity and eliminate errors. Able to facilitate cost management by reserving containers in large numbers to raise the power of negotiation with shipping companies, and present a competitive price to the customer.
7. Potential cost management to enhance competitiveness. There are a lot of containers. To be able to bargain with shipping lines and offer customers at competitive prices. This will reduce the cost of shipping to customers.



Service Procurement

Service resources

International Freight Forwarder

An International Freight Forwarder business must have intimate knowledge and extensive experience to operate with effectiveness. The key factor in international freight forwarding is to search for suitable Vessels/Airlines, which bear the main cost of operation, and coordinate with Overseas Agents to ensure a smooth level of service.

(1) The Search for Vessels/Airlines

Vessel charges and airline charges are the main cost of operation in an International Freight Forwarder business. WICE Logistics Public Company Limited plans bookings for effective cost management. An Annual Service Contract has been signed for bookings between Thailand and the USA, which states the Minimum Quality Commitment: MQC. WICE Logistics forecast the bookings before signing the contract. A large volume of bookings saves the cost of operation, although the prices are changeable, and the shipping company must be informed at least 30 days prior to shipment. To book other routes, vessels or airlines, there is no service contract. The company makes forecasts based on past volume, and makes advance bookings with shipping companies. Thus, when the customer books the service, the shipment can be instantly confirmed. WICE Logistics will select the best shipping company/airline for the clients. In some cases, the company will contact Overseas Agents to book the vessel when there is a requirement for in-land transportation. Each year WICE Logistics Public Company Limited use 15 shipping companies and 10 airlines.

Shipping Company/Airline and Co-Loader Selection Policy

1. Service for the route and schedule according to the customer's requirements
2. Reliability of the company
3. Offer a competitive price
4. Offer an online track and trace service

(2) Overseas Agents

When there is a transport service requirement, the company will coordinate with an Overseas Agent who is also our business partner, to ensure a smooth service. Overseas Agents assist in collecting payment when the billing is paid by the consignee for international shipment. Selecting a suitable Overseas Agent is vital to the business, and the Overseas Agents must be Freight Forwarder Companies which are highly experienced and reliable. Overseas Agents are a business alliance, as the company also acts as an Overseas Agent for shipments to Thailand. WICE Logistics Public Company Limited has selection policies as follows:

Overseas Agents Selection Policy

There are three types of Overseas Agents:

1. Group Company: Under the Sun Express Group, which operates in six countries: Thailand, Singapore, Hong Kong, USA, Vietnam and Malaysia. This extends the network to over 100 countries worldwide. This group is the major international Overseas Agent.
2. Conference: The members of an association, such as CGLN under the WCA Family Network. The members of freight forwarders associations present and promote within the group. The member must pass the regulations of the association.
3. Overseas Agency: The company must have over 10 years' experience in the freight forwarding business, and sign an agency agreement.

WICE Logistics Public Company Limited prioritize the first and the second group because of their reliability, competency, speed, shipment tracking, and cost effectiveness.

Transportation Service

WICE Logistics Public Company Limited transportation service offers international freight. The business requires experience and in-depth knowledge to be able to manage and operate the service effectively and with high security. The key factors in providing an excellent transportation service are:

(1) Procurement and Maintenance of Vehicles

The vehicles used in transportation comprise tractor trucks and trailers. The company only purchases from reliable distributors. When considering the options the focus is on the quality of the vehicle to comply with the law. All vehicles are first class insured including the goods, which will be compensated for if damaged during transportation.

WICE Logistics Public Company Limited regulations stipulate that all the vehicles must be inspected and receive service maintenance according to the plan. The company has commissioned Hino Motors Sales (Thailand) Ltd. to service and maintain the vehicles to a high standard.

(2) Drivers Resources and Training

Drivers are the main component for safe transportation of goods. WICE Logistics Public Company Limited employs the best drivers with the following qualifications:

- At least 2 years in commercial truck driving
- Must possess Truck & Bus (Class III) and Truck & Bus (Class IV) driving licenses for trailer truck driving
- Must pass the company assessment

The qualified candidate undertakes training before commencing work.

(3) Fuel Resources

The company's vehicles currently use NGV gas and fuel. The company issues PTT Fleet Cards from Kasikorn Bank, which is a credit card for fuel and gas, with limited credit. Each card identifies the license plate, and a password must be used when making purchases. WICE Logistics Public Company Limited forecast the fuel usage in order to adequately control the fuel for transportation.

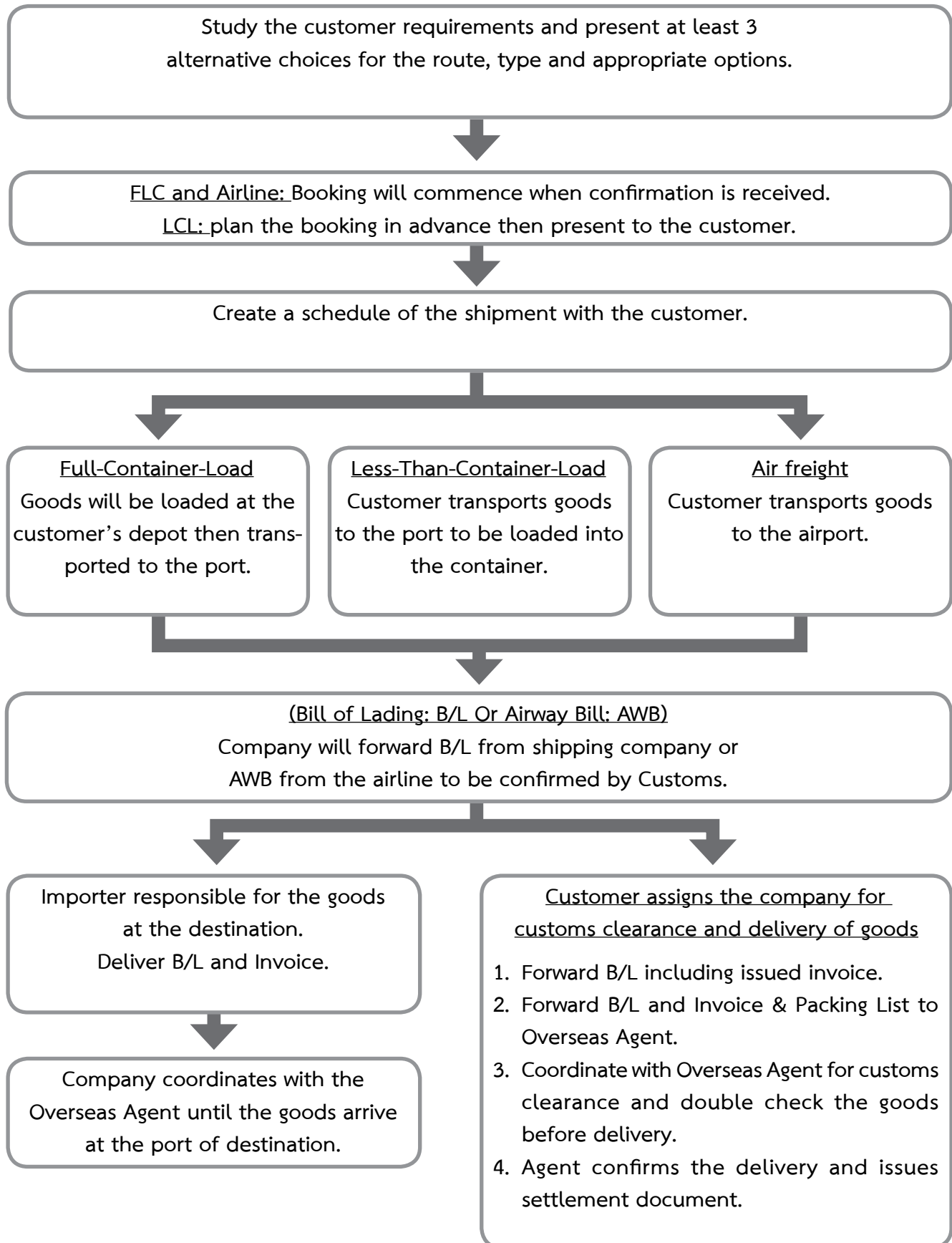
(4) Outsourcing Transportation Management

WICE Logistics Public Company Limited generally supply truck trailer transportation. During busy periods the company will outsource vehicles to be able to keep up with demand. Currently, there are three suppliers on the approved vendor list. The supplier must be a registered company, and must have vehicle and goods insurance with a minimum sum insured of 1,500,000 THB.

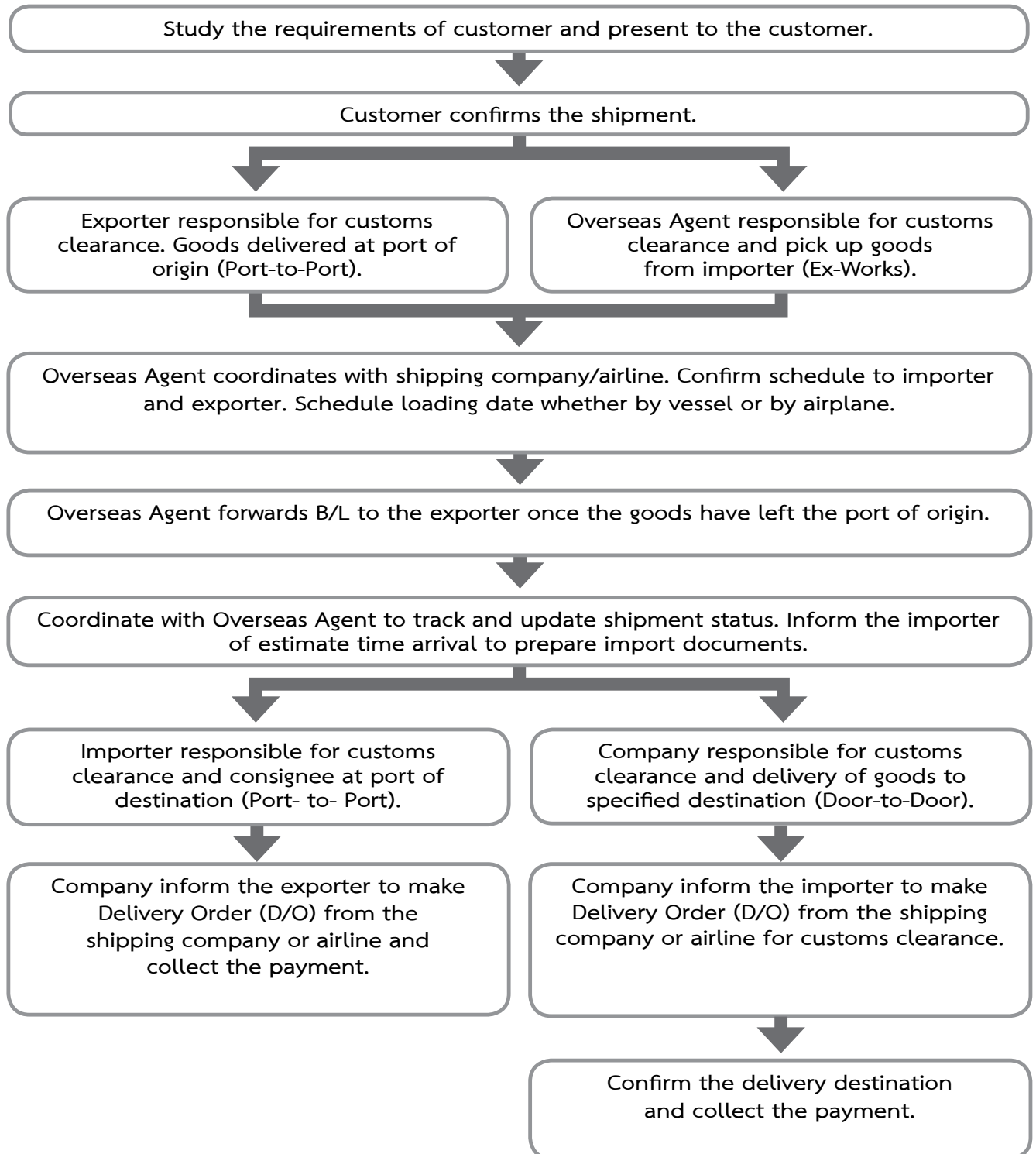


Workflow Process

International Freight Forwarder – Export Process Summary



International Freight Forwarder – Import Process Summary



WICE Logistics Public Company Limited and subsidiaries prides itself in excellent customer service. To this end, the company has developed information systems to increase productivity and minimize errors, including measurements to sustain the highest standard of service.

Memberships of Thai and International Associations

Association	Logo	Company	Date of Joining	Date of Ending
Thai Associations				
Thai International Freight Forwarders Association (TIFFA)		WICE	6 Feb 2002	N/A
Thai Airfreight Forwarders Association (TAFA)		WICE	2004	31 Jan 18
The Customs Broker and Transportation Association of Thailand (CTAT)		WICE	17 Aug. 10	11 Feb 20
Thai Chamber of Commerce (TCC)		WICE	17 Aug. 10	N/A
International Association				
CGLN Under the WCA Family Network		WICE	26 Oct 05	25 Oct 18

Remark : There is annual fee to maintain the membership status



WCA Family Network (WCA) is the world's largest and most powerful network of independent freight forwarders, with over 6,348 member offices in 190 countries around the world.

Member Benefits

1. Partners worldwide - WCA Inter Global identify the right partners/agents for members and will help members to make long-standing relationships that are mutually beneficial.
2. Financial Protection Program: Offers a security structure covering each member in case of non-payment from another WCA Inter Global member or a WCA member of up to USD 50,000.
3. Annual Conference: A networking forum where pre-qualified freight forwarders from around the world can make contact with partners/agents. It is where the world of forwarders gather in one room, saving money and time.
4. Dispute Resolution and Advisory Capacity: An experienced management team are available to resolve members' problems and disagreements.

Environmental Impact Assessment

WICE Logistics Public Company Limited and subsidiaries are free from any dispute of environmental impact. There have been no incidents of breaking any environmental laws or regulations. with regard to land transportation impacting on air pollution, WICE Logistics Public Company Limited address this matter by providing training and maintenance service plans to comply with the laws and regulations.

BOI incentive from The Board of Investment of Thailand

N/A

Jobs awaiting handover

N/A



RISK FACTORS

The nature of business of the Company which is logistics provider should take various factors into account to encourage The Company to achieve the set objectives and goals and maintain quality of service. To gain customer satisfaction in service quality, the assessment of risk factors that may affect the company to fail is important. The Company has analyzed the risks that may occur and affect the operations in the future as follows.

Risks in business

The risk of fluctuations in freight rates

Cost of freight / airfreight is the main cost for international logistics services. In 2012 - 2016, the cost accounted for approximately 83.69%, 78.59%, 78.77%, 77.79% and 77.79% respectively. 75.98 of the total cost, respectively. Thus, the volatility of the freight rate, which varies according to supply and demand in the market. The impact on service cost and net profit margin of the Group. If the case is the company. Can not adjust service prices increase with the freight costs have increased. The Group realizes the potential risks from the fluctuation of freight. It is important since the litter. The volume of customer demand and the volume of cargo are forecasted. To increase the bargaining power of freight. And the contract is made. In case of change in the price as specified in the agreement. Shipping must be made at least 30 days in advance. The company will closely monitor the freight rates. In order to forecast the situation and trend of freight rate, the Company and its subsidiaries can set the service price to have profit margin level to support the change of freight rate to a certain level.

Normally, the contract with the shipping line (Thai-US route) will specify the minimum purchase volume. A service agreement with a shipping line (Thai-US route) states that if the company The Company will be fined (US \$ 250) per FEU (Forty Foot Equipment Unit or 40-foot container). An estimate of the amount of work from the past will be used to estimate the expected job prospects before signing the contract. To ensure that the contract can be sold as agreed in the contract. In case of full vessel The Company will reduce the amount of MQC (Minmum Quantity Commitment). Never by such fines.

Risk of responsibility in the product. In case of damage

The Company The Company operates as a full-service international logistics service provider. There may be a risk of damage to the goods during transit. In case of damage to the customer's goods, it can be proved that the transportation is under the responsibility of the company. In the beginning, the insurance company will be responsible for compensating the damages to the customers. The Company will investigate and compensate the damages to the customers. Including outbound operators to reduce the risk of damage to the product. And it is important to choose a standard and accepted insurance company. In the past 5 years, the Company and its subsidiaries have not yet paid compensation to customers in case of damage to the product which affects the operating results. Of the Company. And its subsidiaries.

The risk of competition

Logistics Companies in Thailand are divided in five main groups i.e. land transport, water transport, air transport, goods and transport agents and warehouses which have more than 10,000 companies and over 80 per cent is small and medium transport operators or SMEs, which new competitors can easily enter in the competition in the industry due to the investment to set up the business is not very high and the business is based on good relationship with customers and shipping/air freight companies. However, the competitive edge in the business depends on the skill in route, type of goods, the flexibility in finding suitable route that meet customer's budget, the responding rate and the high-quality network, the flexibility in giving good service at suitable price and meet customer's requirements. The Company has experience and expertise in the business and provide turn-key services, also can give advice in logistic system management that helps customers to save cost and the Company has been trusted by customers throughout 20 years.

The risk of reliance on Thai-USA route transport service

The company specializes in the transport of goods by sea in Thailand - USA for more than 20 years and can receive and deliver goods at any state of the United States door to door in both FCL and LCL. The Company has revenue from sea freight route in Thailand accounted on average (in 2012 - 2017), approximately 15.27 per cent of the revenues from sea freight. Therefore, the trend of such income is based on the economy of the United States

However, the international transportation service of the Company has routing diversification. To diversify the economic circumstances of each region, the sales of long-range routes to America Continent are higher compared to short-distance routes in the Asia-Pacific region, but provides less profit. Maintaining the long distant service give competitive edge to the Company, although the service fee trends to be lower, comparing to the short distant service that provide more profit but have higher competitive level. Therefore, the proportion of income of the routes in Japan, China, Singapore, Australia (2012 – 2017) were approximately 42.25 percent of the total revenue from the international sea freight services.

The risk of reliance on skilled employees

Due to the Company's business required expertise and experiences of the Management and operational personnel. It requires employees with expertise in various regulations in both domestic and international for export or import, including those licensed as a custom specialist of the Company and its subsidiaries to provide guidance to employees on the job which will allow customers to have confidence and satisfaction with the service. In the case of any shortage of such personnel, it may affect the operations.

The Company recognizes the importance of human resources which is the heart of the business. The Company has a policy to promote and develop the employees of the Company to have knowledge, skills and effectiveness. The Company provide trainings to new employees and current employees regularly. The company has an annual training plan that each employee must be attended by at least five courses per year to gain knowledge and skills in operations. Moreover, the Company also held a Buddy program so employees can work in their buddy position. This reduces the risk of dependence on any person, as well as providing performance evaluation and to determine the appropriate remuneration. The average working period of employees of the Company and Subsidiaries is 5 years and the average working period of the Management is 20 years.

The Company has polity to build sense of belongings among employees. The Extraordinary General Meeting of Shareholders No. 1/2015 on 1 April 2015 approved the allotment of newly issued ordinary shares of the **Company** to employees and executives (Non-Director) of the Company of 7.50 million shares with the offering of new shares to the public to build morale and retain talented employees to stay with the organization. The Company expects that the above policy can retain its employees.



The risk of fluctuations in foreign currency exchange rates

The Company's main business is handling international shipping. The Company may be at risk of fluctuations in foreign currency exchange rates on revenue and costs in foreign currencies. The average proposition of revenue in foreign currencies (2012-2017) was approximately 80.46 per cent of the revenue from the service. The baht appreciation would affect the income to be reduce. And the cost in foreign currency (2012-2017) represented approximately 78.65 per cent of the total service costs. In that case, the baht weakening will result in higher costs. So fluctuations in foreign currency exchange rates will affect the financial condition and results of operations of the Company.

Therefore, the cost in foreign currency is the result of the Company having partners who are international transportation providers to act as agent for the Company. On the other hand, the Company has gain revenue from acting as our partner's agent. Having foreign currency in revenue and cost is protecting the Company from Natural Hedge at some decree. The Company monitor news and the currency exchange rate movement closely to evaluate the situation and find the solutions to protect the Company from the risk of currency exchange rate. In the past, the effect from the currency exchange rate has not impact the Company's overall turnover significantly.

The Risk of Management

The risk of a major shareholder with a power to manage administration policy

As of 5 January 2017, Mrs. Araya Kongsoonthorn and Mr. Chudet Kongsoonthorn hold 40.38 per cent of the paid-up capital. Mrs. Araya Kongsoonthorn and Mr. Chudet Kongsoonthorn control almost all resolution of the shareholders' meetings, whether the appointment of directors or the resolution of other issues that require a majority of the shareholders' meeting, except the issue in which required by law or regulation that the Company should receive votes three in four of the shareholder meeting such as the increasing or decreasing of capitals, sale or transfer of all or part of company, etc. Therefore, the other shareholders of the Company have the risk of being unable to gather enough votes to counterbalance the decision that the major shareholder proposed to the Meeting of Shareholders.

However, in order to make the Company's business to be transparent and in balance of power, the company has restructured the organization to be more effective, detectable and have the balance of power. The Board of Directors has appointed four Independent Directors which are three Audit Committees and a Chairman of the Company. The Company has Directors and Audit Committee in total of eight members, of which there are four members who are not major shareholders. The Company also appointed the Internal Audit Department to work independently, as appropriate, and report directly to the Audit Committee. The Internal Audit Department's main function is to supervise internal control system to meets the company's requirements and monitor the implementation of the management to ensure transparency. Also, all transactions involving directors, major shareholders, authorized entities, including those who may have a conflict, such individuals will not vote to approve the transaction and the approval of transactions must comply with the rules of the SEC and SET.

Property, plant and equipment

Property, plant and equipment Detail

As of 31 December 2017, fixed assets, after accumulated depreciation account for 143,326,629 million baht.
As indicate in the table

Types of Assets	Proprietary Rights	NET Book Value (THB)	Asset Commitment
Fixed Asset			
1. Land Title Deed No.69738 Land size 6 rai 0 Ngan and 70 sq.wah. Located at T.Nongkham A.Sriracha, Chonburi	Ownership	23,800,000	None
2. Building and Renovated Car Park & Container Storage	Ownership Ownership	16,454,065 13,934,507	None
3. Furniture, Fixtures, and Equipment	Ownership	9,823,567	None
4. Motor Vehicles	Ownership	63,471,314	None
	Leased	15,843,176	None
Total Value		143,326,629	



Apart from fixed assets, WICE Logistics Public Company Limited rents office space. The rental agreements are as follows:

Lease Agreements	Description
1. Lease Agreement for Commercial Building - Title Deed No. 53901 Parcel No.376 Tambon No. 11348 Located Chong Nonsi Sub-district, Yan Nawa District, Bangkok Land size 1 ngan 70.2 sq.wah	Lessee : WICE Logistics Public Company Limited Leaser : Ms. Araya Kongsoonthorn and Mr.Chudet Kongsoonthorn (Company Managing Director and Shareholder) Duration : 1 July 2014 – 30 June 2034 Rate : Year 1 - 2 Cost/Month 92,674 THB Year 3 - 5 Cost/Month 101,941 THB Year 6 - 8 Cost/Month 112,135 THB Year 9 - 11 Cost/Month 123,349 THB Year 12 -14 Cost/Month 135,684 THB Year 15 -17 Cost/Month 149,252 THB Year 18 -20 Cost/Month 164,177 THB Total Rental Cost 30,539,586 THB Objective : To build a company head office
2. Building and Land Lease Agreement - Title Deed 164087 Parcel No. 5612 Tambon No. 32222 Located in Surasak Sub-district, Sriracha District, Chonburi Land Size 42 sq.wah - Commercial Building on Leased Land; two attached, 3-storey buildings	Lessee : WICE Logistics Public Company Limited Leaser : Ms. Araya Kongsoonthorn and Mr.Chudet Kongsoonthorn (Company Managing Director and Shareholder) Duration : 1 September 2017 – 1 August 2020 Rate : 31,000 THB per month Objective : To use for Laem Chabang Service Center
3. Building Lease Agreement - Rental Unit No. 88/0 4th Floor Road, Chongnonsi, Yannawa, Bangkok	Lessee : Sun Express Logistics Pte Ltd (Subsidiary Company) Leaser : WICE Logistics Public Company Limited Duration : 1 January 2017– 31 December 2017 Size: 308 sq.m. Rate : 55,400THB per month Service Fee : 55,400THB per month Objective : To use as company head office
4. Office Rental Agreement, Suvarnabhumi Branch - Rental unit at the Agents Office Building, Suvarnabhumi Airport AO3 Unit 11 (4 th Floor)	Lessee : Sun Express Logistics Pte Ltd (Subsidiary Company) Leaser : Airports of Thailand Public Company Limited Duration : 1 July 2017 – 31 June 2020 Size : 308 sq.m. Rate : 17,937.50 per month Objective : To use as an office branch

Intangible Assets

As of 31 December 2017 the intangible assets in business operation are as follows:

1. Customer relationships accounted for 237,664,412 million baht
2. Rights Offering accounted for 2,821,325 million baht
3. Computer software accounted for 8,178,213 million baht

Governance and the Code

Management Structure

The management structure of the Company consists of:

1. Board of Directors
2. Subcommittees Committees of 3

Details of each faculty are as follows:

1. Board of Directors

1.1 Composition and appointment of committee

- The Board of Directors must have experience in the core business or industry of the Company and must disclose the policy in determining the composition of the Board.
- The Board determines the structure of the Board. Board of Directors In terms of skills, experience, specific capabilities that benefit the company. It should consist of at least 5 directors, comprising at least one-third of the total number of directors. Not less than 3 directors and not less than half of the total number of directors. Must have a residence in the Kingdom.
- Chairman and Chief Executive Officer It is not the same person to have a clear separation of roles and balance of power in the operation.
- Appointment of directors in accordance with the relevant laws, regulations and regulations. It must be implemented with transparency and clarity.
- In case of termination of director's term The meeting of shareholders shall consider the appointment of directors by appointment of directors. The majority of the votes cast by the shareholders attending the meeting and casting their votes. If there are equal votes. The Chairman of the meeting shall have a casting vote.
- In the case where the director vacates office due to any reason other than the expiration of his term of office, the Board of Directors shall appoint a qualified person who does not possess legal qualifications to be a director in the next Board meeting. Unless the term of office of the retiring director is less than 2 months, the person who becomes a director shall remain in the position of the director only for the remaining term of the retired director. The resolution to appoint a replacement director. Must receive at least three-fourths of the remaining directors.

1.2 Qualifications of Directors

- Director must be a natural person. And mature Not a bankrupt person, an incompetent person Or quasi-incompetent Never been sentenced by a final judgment to a misdemeanor offense committed in good faith. Or dismissal from government service or organization or agency. Corruption
- Directors must have the knowledge. And the experience is beneficial to conduct business with integrity, integrity. And there is enough time devoted to the full duties of directors.
- Director can hold director positions in other businesses. It must not impede the performance of the Company's directors. The directors should not hold more than 5 listed companies in the Stock Exchange of Thailand.
- The director must not do anything. The management or management in other businesses. This will undermine the interests of the company. Or beneficial to any person or entity. Whether it is for the sake of oneself or others.

1.3 Independent Director

Independent Director means a director who is independent of the management of the Company. The qualifications of the independent directors are as follows:



- Holding no more than 1% of the voting rights in the Company, its parent company, subsidiary, associated company or juristic person which may have conflict of interest, including the shareholding of such independent director.
- Not being or being a director who is involved in the management of employees, employees, consultants who receive regular salary. The Company, Subsidiaries, Subsidiaries and Affiliates Or entity that may have conflicts. Except for the above characteristics, it was not less than 2 years before being appointed.
- Not a person who has a blood relationship or a legal registration. The parent, spouse, sibling, and child, including the spouse of the child, an executive, a major shareholder Authorized Control Or the person to be proposed to be the executive or the controlling person of the Company or its subsidiaries.
- No or have had business relationship with the Company and its subsidiaries, parent company or any entity that may have conflict of interest. In such a way that may impede the use of independent judgment. Not being or being a major shareholder. Non-Independent Directors Or executives Persons who have business relationship with the Company and its subsidiaries, parent company or juristic person that may have conflict of interest. Except for the above characteristics, it was not less than 2 years before being appointed.
- Not being or being the auditor of a company, parent company, subsidiary, or juristic person that may have conflict of interest. And not a major shareholder. Non-Independent Directors, Managers or Managing Partners of the Audit Office The auditor of the company, parent company, subsidiary, or juristic person that may have conflict of interest. Except for the above characteristics, it was not less than 2 years before being appointed.
- Is not or has been a professional service provider. This includes providing legal advisors or financial advisors. The service fee is more than Baht 2 million per year from the parent company, subsidiary company or juristic person who may have conflict of interest. In the case where a professional service provider is a juristic person, including being a major shareholder. A director who is not an independent director, manager or managing partner of a professional service provider. Except for the above characteristics, it was not less than 2 years before being appointed.
- Not being a director who is appointed as a representative of the Company's director. Major shareholders or shareholders who are related to the major shareholders of the Company.
- Not having the same business and having a significant impact on the Company's business. Or its subsidiaries. Or not a partner in the partnership. Or a director who is involved in the management of employees, employees, consultants who receive a regular salary. Or holds more than 1% of the total voting shares of other companies. The Company is engaged in the same business and competition with the business of the Company or its subsidiaries.
- There is no other characteristic that makes it impossible to express independent opinions about the Company's operations.

Independent Directors may be assigned by the Board of Directors to make decisions on the operations of the Company, its parent company, subsidiaries, subsidiaries, affiliated companies. Or a corporation that may be in conflict with a decision in the form of a faculty.

1.4 Responsibilities of the Board

- Acting in accordance with the law. Objectives and regulations The Company's regulations, as well as board resolutions. And resolutions of the shareholders' meeting in good faith Responsible and ethical, taking into account the interests of all stakeholders equally.
- The Board of Directors is responsible for considering and approving important matters related to the Company's operations. To set vision and mission, strategies, business goals, budgets, and supervise the management to ensure that the management follows the policies and plans set forth efficiently and effectively.

- The Board of Directors is responsible for preparing the Company's corporate governance policy in writing. And approve the policy. The Board regularly reviews policies and practices. It also promotes the writing of written business ethics to directors. All executives and employees understand the ethical standards that companies use in conducting business. The Board will strictly follow the code of ethics.
- Consider appointing various committees. To support the Board of Directors' responsibilities as deemed appropriate and necessary. The Board regularly monitors the performance of the Board.
- Independent directors should exercise independent discretion in determining strategy. Resource management Appointment of Directors and Setting Standards in Business Operations They are ready to challenge the actions of the management or other directors. In case there is conflict of interest on the equality of all shareholders.
- The Board will carefully consider the conflict of interest. Considering transactions that may have conflicts of interest, there must be clear paths. It is for the benefit of the Company and the shareholders as a whole. Stakeholders should not participate in decision making. The Board of Directors shall ensure that the Company complies with the regulations regarding the procedures and disclosure of the transactions that may cause conflict of interest to be accurate and complete.
- Provide a clear and transparent process for interlinking.
- The Board must set up an operational control system. Financial Report To comply with the rules and policies, there must be persons or entities that are free to perform their duties. It is responsible for monitoring the control system. And at least one important system at a time.
- The Board will set up a Risk Management Policy to cover the entire organization. The management shall comply with the policy and report to the Board on a regular basis. The risk management system should be reviewed and evaluated at least once a year and every time the risk level changes. This includes prioritizing alarms and irregularities.
- Provide effective internal control and internal control system. The Board of Directors or the Audit Committee will comment on the adequacy of the internal control system and risk management in the annual report.
- Provide a clear procedure for reporting the Audit Committee to the Board. Any inquiries or inquiries regarding transactions or actions that may have a significant impact on the Company's financial position and results of operations. The Board of Directors must rectify the matter within the time that the Audit Committee deems appropriate.
- Provide policy review and improvement. Important projects To be current and consistent with business conditions. In addition, the Company has set the succession plan of senior executives. The company secretary is also responsible for overseeing the activities. It helps the Board and the Company to comply with relevant laws and regulations.
- Provide good corporate governance practices. It encourages everyone to communicate to the company. Serve seriously.
- Other duties. The Company's business as assigned by the Company

1.5 Board Meeting

- The Board must meet at least once every 3 months. The meeting is scheduled in advance throughout the year and there may be special meetings as necessary.
- Two or more directors have the right to request a meeting. The Chairman or the delegate. The meeting date must be set within 14 days from the date of request.
- The meeting of the board of directors, the chairman of the board of directors, the person who has been assigned, sends the notice of the meeting. The date, time, place and agenda of each meeting shall be announced to the directors no less than 7 days prior to the meeting date. Except in urgent cases, in order to preserve the benefits of the Company, the meeting shall be notified by other means. And the meeting is faster than that.



- The Conference Board At least half of the total number of members must be present at the meeting. The Chairman will act as Chairman of the meeting. If, at any meeting, the Chairman is absent or unable to perform his / her duties, the members present shall elect one among them to preside over the meeting.
- Decisions of the Board of Directors The majority of the votes cast by a director is one vote. If the votes are equal, the chairman of the meeting shall have a casting vote. Directors who have conflict of interest in any agenda are not entitled to vote on that agenda.
- The Board of Directors has the power to invite management, executives or individuals. The Company's shareholders are invited to attend the meeting. Or provide information for consideration.
- Non-executive directors must meet together. Without management, attendance is at least once a year to discuss issues related to management responsibilities.
- company secretary or the person authorized to record the meeting.

2. Subcommittees Committees

2.1 Audit Committee

Name and position of the Audit Committee

- | | |
|---|---------------------------------|
| 1. Associate Professor Ruth Banomyong (PhD) | Chairman of the Audit Committee |
| 2. Mr. Wichai Xiao | Audit Committee |
| 3. Mr. Charoenkiat Huthananuntha | Audit Committee |

Duties and Responsibilities of the Audit Committee

1. The Audit Committee has duties and responsibilities as assigned. From the Board of Directors To perform duties within the scope of the Charter of the Audit Committee. To review the Company's internal control system appropriately and effectively by reviewing with the external auditor and internal auditor, reviewing the internal investigation evidence when there is any doubt or assumption that there may be fraud or wrongdoing. normal Or significant deficiencies in the internal control system. The Board of Directors is responsible for reviewing the Company's performance. The Audit Committee also has the duty to consider the selection. Appointment of an independent person To serve as the Company's auditor. And propose the compensation of such person. Attend meetings with the auditors without the management at least once a year.
2. The Audit Committee consists of at least three independent directors or at the number prescribed by the SEC Notification, consisting of the Chairman of the Board and the Audit Committee. All must qualify as independent directors. The Board of Directors may exercise discretion in performing its duties as assigned by the independent, impartial, and qualified persons as specified in the Notification of the SEC. The Audit Committee must have sufficient knowledge and experience to serve as a director. investigate There must be at least one member of the Audit Committee who has sufficient knowledge and experience to review the reliability of the financial statements.
3. At the Audit Committee Meeting At least half of the directors must attend the meeting. A quorum
4. The Audit Committee has a term of office of not more than 3 years or an equal number of the Board of Directors. Retired directors are entitled to be re-elected. In case the Audit Committee is vacant for any reason other than the expiration of the term. The Board of Directors shall appoint a qualified person to be the Audit Committee. To ensure that the Audit Committee has the required amount. The person who receives the position will remain in office for the remainder of the term of office

5. Provide the internal audit function of the company or the person entrusted with it to be the secretary of the Audit Committee. Prepare and conduct the Audit Committee meetings. To coordinate with the Board of Directors, investors, shareholders and the Stock Exchange of Thailand. The Secretary of the Audit Committee is obliged to attend the meeting but does not have the right to vote in the Audit Committee. And like to offer help.
6. The Audit Committee is required to hold at least 4 meetings per year to consider the financial state ments. Internal control Risk management Compliance with the regulations of the Stock Exchange of Thailand and laws of public companies. The meeting invitation shall be made to the Audit Committee not less than 7 days prior to the meeting date. The meeting is scheduled in advance throughout the year. All directors must attend the audit committee meeting at least two-thirds of the total number of meetings held in that year.

2.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee is composed of not less than 3 members, comprising of at least half of the independent directors. In each meeting, there must be at least half of all directors. At least one independent director must attend the meeting.

Nomination and Remuneration Committee The term of office is three years, but the term of office of each director is for the remainder of the term of office. Retired directors may be re-appointed.

The Nomination and Remuneration Committee must arrange the meeting as necessary and appropriate for the duties of the Nomination and Remuneration Committee. At least once a year, the Chairman of the Nomination and Remuneration Committee shall schedule the meeting in advance. Include agenda submissions. And meeting documents in advance. The directors should consider the documents before the meeting date, and propose and report the performance to the Board of Directors. Acknowledged by the Nomination and Remuneration Committee.

Name and position of the Nomination and Remuneration Committee

- | | |
|----------------------------------|---|
| 1. Mr. Charoenkiat Huthananuntha | Chairman of the Nomination and Remuneration Committee |
| 2. Mr. Wichai Xiao | Nomination and Remuneration Committee |
| 3. Mrs. Araya Kongsoonthorn | Nomination and Remuneration Committee |

Duties and Responsibilities of the Nominating Committee

1. Propose the policy on selection and nomination of directors. Must have clear and reasonable rules and procedures. To propose to the Board of Directors for consideration and propose to the shareholders meeting for approval.
2. Review and propose to the Board of Directors for approval regarding human resource policies and strategies that should be in line with the Company's business strategy.
3. To recruit, select and nominate qualified persons who have the moral, ethics and proper qualifications to be appointed as directors.
4. Review the proportion and experience of the directors. Include suggestions for nomination of vacant directors.
5. Ensure that there is a plan to replace the specific position of the director and chief executive officer.

Duties and Responsibilities of the Remuneration Committee

1. Determine the policy and form of directors' remuneration in line with the business strategy of the Company. The method and the clear rules. Fair and reasonable. To propose to the Board of Directors for consideration and propose to the shareholders meeting for approval.



2. Formulate policies and procedures for giving benefits to the Chief Executive Officer In line with the business strategy of the company. The method and the clear rules. Fair and reasonable. To propose to the Board of Directors for consideration and propose to the shareholders meeting for approval.
3. To provide advice and methods for the payment of remuneration in the form of money or other forms of compensation to the Board of Directors. Other Department of the Board of Directors appointed by the Board of Directors.
4. Consider and review the structure and system of remuneration and compensation to be in line with current market conditions, consistent with the operating results of the Company and the performance of the Board and the Chief Executive Officer, as the case may be.
5. To oversee and improve the Company's directors to receive appropriate remuneration for their duties and responsibilities to the Company.
6. Determine how the performance of directors and Chief Executive Officer To consider adjusting the annual remuneration. Taking into account the duties Responsibility and risk involved, as well as the importance of long-term shareholder value.
7. To consider the annual remuneration of directors To propose to the shareholders meeting for approval.

2.3 Risk Management Committee

List and position of the Risk Management Committee

- | | |
|------------------------------------|---|
| 1. Mr. Charoenkiat Huthananuntha | Chairman of the Risk Management Committee |
| 2. Ms. Thitimar Tantikulsunthorn | Risk Management Committee |
| 3. Ms. Pornpairoa Tantikulsunthorn | Risk Management Committee |

Duties and Responsibilities of the Corporate Risk Management Committee

1. It has the duty to consider policies, strategies, risk management structures and actions to ensure that the proposed strategies are consistent with acceptable levels of risk. And meet the needs of stakeholders.
2. Provide support to the management of the operational risk committee.
3. The effectiveness and effectiveness of overall risk management is monitored and evaluated.
4. Understand and evaluate risks that may affect the achievement of corporate objectives and can ensure that those risks are addressed. To a level acceptable to the company.
5. Provide advice and approval for corporate risk management.

Chief Executive Officer

Chief Executive Officer The Company's top executives Appointed by the Board of Directors The Company is responsible for managing and managing the Company's operations in accordance with its strategic plan, vision and mission. Company's objectives and regulations The Board of Directors and shareholders' resolutions may also be approved by the Chief Executive Officer. It must not be an obstacle to the Chief Executive Officer of the Company. And the business must not be the same business. Or compete with the business of the company. The approval of the Board of Directors before being director of other companies.

In evaluating the performance of the Chief Executive Officer, it is the duty of the Nomination and Remuneration Committee. The results are then presented to the Board of Directors for approval. The Chief Executive Officer is involved in setting their own performance goals and acknowledging the goals approved each year.

Board of Directors

At 31 December 2017

1. Mr. Ekaphol Pongstabhoh

54 year old

Position

- Independent Director
- Chairman of the Board

Education

- MBA (Finance & Marketing), Kellogg School of Management, Northwestern University, USA
- Bachelor of Science, Chemical Engineering, Chulalongkorn University

Training

- Role of the Chairman Program (RCP) 40/2017
- Anti Corruption for Executive Program (ACEP) 12/2014
- Anti Corruption for Executive Program (ACEP) 4/2012 /
- Directors Certification Program (DCP) 141/2011
- Certified Internal Auditor (CIA) with Certificate of Honor by The Institute of Internal Audit (USA)

Work Experience

- **2016 - present**
 - Chairman of the Board
Sun Express Logistics PTE., Ltd, (B) Singapore
- **2014 - present**
 - Chairman of the Board / Independent Committee
WICE Logistics Public Company Limited (A)
- **2012 - present**
 - Managing Director
Tipco Foods Public Company Limited (A)
Tipco F&B Co., Ltd. (B)
Tipco Biotech Co., Ltd. (B)
- **2012 - present**
 - Committee
Tipco Retail Co., Ltd. (B)
- **2009 - 2012**
 - Managing Director
Thai Film Industry Public Company Limited
- **2006 - 2012**
 - Managing Director
Thai Copper Industry Public Company Limited

Summary: Positions held in the Company and other companies

(A) Listed companies 2

(B) Non-listed companies 4

Attendance of the Board of Directors / Sub-committees in the year 2017

- Board Meeting 6/6

Information for the appointment of independent directors

Having interests with the Company, subsidiaries, or juristic persons who may have conflicts in the past 2 years.

- Not being a director who has a part in managing employees, employees or consultants who receive regular salary.
- Not a professional service provider (such as an auditor, legal advisor)
- There are no significant business relationships that may result in the inability to act independently.(buying / selling raw materials / borrowing / lending services)

2. Associate Professor Ruth Banomyong (PhD)
51 year old

Position

- Independent Committee
- Chairman of the Audit Committee

Education

- Doctor of Philosophy (Ph.D.) International Logistics, Cardiff Business School, Cardiff University, Wales, United Kingdom
- Maitrise en Droit des Affaires Internationales (L.L.M International Business Law), Universite de Paris I, Pantheon-Sorbonne, France
- Licence en Droit International (L.L.B International Law), Universite de Paris I, Pantheon - Sorbonne, France

Training

- Director Accreditation Program (DAP) 44/2004
- Advanced Audit Committee Program (AAP) 13/2005
- Director Certification Program (DCP) 103/2007

Work Experience

- **2014 - present**
 - Chairman of the Audit Committee and Independent Committee
 - C. P. L. Group Public Company Limited (A)
- **2014 - present**
 - Chairman of the Audit Committee and Independent Committee
 - WICE Logistics Public Company Limited (A)

• **2001 - present**

- Chairman of the Audit Committee and Independent Committee
- SEAOIL Public Company Limited (A)

• **2010**

- Adviser
- Association of South East Asian Nations (ASEAN) on "ASEAN Strategic Transport Action Plan 2011-2015"

• **2005 - 2011**

- Independent Committee
- Eternity Grand Logistics Public Company Limited

• **1995 - present**

- Adviser
- United Nations Economics and Social Commission for Asia and the Pacific (UN-ESCAP): transport division in Bangkok

• **1993 - present**

- Lecturer
- Faculty of Commerce and Accountancy, Department of Administration, International logistics and transport, Thammasat University,

• **1996 - present**

- Committee
- Global Insight Co., Ltd. (B)

• **1996 - present**

- Committee
- Living Headquarter Co., Ltd. (B)

Summary: Positions held in the Company and other companies

(A) Listed companies 3

(B) Non-listed companies 2

Attendance of the Board of Directors / Sub-committees in the year 2017

- Board Meeting 6/6
- Audit Committee Meeting 4/4

Information for the appointment of independent directors

Having interests with the Company, subsidiaries, or juristic persons who may have conflicts in the past 2 years.

- Not being a director who has a part in managing employees, employees or consultants who receive regular salary.
- Not a professional service provider (such as an auditor, legal advisor)
- There are no significant business relationships that may result in the inability to act independently.(buying / selling raw materials / borrowing / lending services)

3. Mr. Wichai Xiao

51 year old

Position

- Independent Director
- Audit Committee
- Nomination and Remuneration Committee

Education

- Bachelor of Business Administration Accounting
Bangkok University

Training

- Director Accreditation Program (DAP) 111/2014
- Graduate Diploma, Taxation #2
- Training in Accounting Course of Continuing Professional Development Program

Work Experience

- **2014 - present**
 - Audit Committee and Independent Committee
 - Nomination and Compensation Committee
 - WICE Logistics Public Company Limited (A)

- **2000 - present**
 - Chief Finance Officer /Committee
 - Triton Co., Ltd. (B)
- **2013 - present**
 - Chief Finance Officer /Committee
 - Triton-X Co., Ltd. (B)
- **2013 - present**
 - Director of Finance and Accounting
 - Triton Film Co., Ltd. (B)
- **2515 - present**
 - Director of Finance and Accounting
 - Triton-Is Co., Ltd. (B)
- **2015 - present**
 - Director of Finance and Accounting
 - Pursuit Arm (Thailand) Co., Ltd. (B)
- **2013 - 2015**
 - Adviser
 - Srithaimai Group
- **2005 - 2014**
 - Partner
 - Trinity Auditor Office

Summary: Positions held in the Company and other companies

(A) Listed companies 1

(B) Non-listed companies 5

Attendance of the Board of Directors / Sub-committees in the year 2017

- Board Meeting 6/6
- Audit Committee Meeting 4/4
- Nomination and Remuneration Committee Meeting 1/1

Information for the appointment of independent directors

Having interests with the Company, subsidiaries, or juristic persons who may have conflicts in the past 2 years.

- Not being a director who has a part in managing employees, employees or consultants who receive regular salary.
- Not a professional service provider (such as an auditor, legal advisor)
- There are no significant business relationships that may result in the inability to act independently.(buying / selling raw materials / borrowing / lending services)

4. Mr. Charoenkiat Huthananuntha

68 year old

Position

- Independent Director
- Audit Committee
- Chairman of the Nomination and Remuneration Committee
- Chairman of the Risk Management Committee

Education

- Bachelor of Science, Industrial Computer Technology, King Mongkut's Institute of Technology LadKrabang, Bangkok

Training

- Enterprise Risk Management Class 11
- Director Accreditation Program (DAP) 111/2014
- Diploma, Telecommunications, King Mongkut's Institute of Technology LadKrabang, Bangkok

Work Experience

- **2014 - present**
 - Audit Committee and Independent Committee
 - Chairman of the Nomination and Compensation Committee
 - WICE Logistics Public Company Limited (A)
- **2002 - 2012**
 - Vice president of logistics
 - UTAC Thai Co., Ltd.

Summary: Positions held in the Company and other companies

(A) Listed companies 1

(B) Non-listed companies None

Attendance of the Board of Directors / Sub-committees in the year 2017

- Board Meeting 6/6
- Audit Committee Meeting 4/4
- Nomination and Remuneration Committee Meeting 1/1
- Risk Management Committee Meeting 3/3

Information for the appointment of independent directors

Having interests with the Company, subsidiaries, or juristic persons who may have conflicts in the past 2 years.

- Not being a director who has a part in managing employees, employees or consultants who receive regular salary.
- Not a professional service provider (such as an auditor, legal advisor)
- There are no significant business relationships that may result in the inability to act independently.(buying / selling raw materials / borrowing / lending services)

5. Mrs. Araya Kongsoonthorn

53 year old

Position

- Chief Executive Officer
- Nomination and Compensation Committee

Education

- Master of Management Program Acknowledgment, School of Management Mahidol University
- Bachelor of Accounting Science in Finance University of Thai Chamber of Commerce

Training

- Directors Certification Program (DCP) 181/2013
- Mini Master of Information Technology, Faculty of Information Technology, King Mongkut's Institute of Technology Ladkrabang

Work Experience

- **2016 - present**
 - Director
 - Sun Express Logistics PTE., Ltd, Singapore
- **2014 - present**
 - Chief Executive Officer
 - Nomination and Compensation Committee
 - WICE Logistics Public Company Limited
- **2006 - present**
 - Director
 - Sun Express (Thailand) Co., Ltd
- **1993 - 2014**
 - Managing Director
 - WICE Freight Services (Thailand) Co., Ltd.
- **2006 - 2013**
 - Managing Director
 - Prompt Freight and Logistics Co., Ltd.
- **2008 - 2013**
 - Managing Director
 - WICE Logistics Co., Ltd.

Attendance of the Board of Directors / Sub-committees in the year 2017

- Board Meeting 6/6
- Nomination and Remuneration Committee Meeting 1/1

6. Mr. Chudet Kongsoonthorn

54 year old

Position

- Managing Director - Business Development

Education

- Bachelor of Commerce, Commercial Navy, Thammasat University

Training

- CMA 24 /2017
- Director Accreditation Program (DAP) SEC/2014

Work Experience

- **2016-present**
 - Director
 - Sun Express Logistics PTE., Ltd, Singapore
- **2014 - present**
 - Managing Director – Business Development
 - WICE Logistics Public Company Limited
- **2006 - present**
 - Managing Director
 - Sun Express (Thailand) Co., Ltd
- **2006 - 2014**
 - Executive Director
 - WICE Freight Services (Thailand) Co., Ltd.

Attendance of the Board of Directors / Sub-committees in the year 2017

- Board Meeting 6/6





7. Ms. Thitimar Tantikulsunthorn

52 year old

Position

- Managing Director - Operations and Support
- Risk Management Committee

Education

- Master of Journalism, Public Relations, Sriprathum university
- Bachelor of Business Administration in Finance, University of Thai Chamber of Commerce

Training

- Ethical Leadership Program (ELP) 10/2017
- Anti-Corruption the Practical Guide (ACPG) 42/2017
- Director Accreditation Program (DAP) SEC/2014
- SME ADVANCED 1

Work Experience

- **2016 - present**
 - Director
Sun Express (Thailand) Co., Ltd
- **2014 - present**
 - Managing Director - Operations and Support
Enterprise Risk Management Committee
WICE Logistics Public Company Limited
- **1994 - 2014**
 - Committee/ General Manager
WICE Freight Services (Thailand) Co., Ltd.

Attendance of the Board of Directors / Sub-committees in the year 2017

- Board Meeting 6/6
- Risk Management Committee Meeting 3/3

8. Ms. Pornpairoa Tantikulsunthorn

44 year old

Position

- Director
- Risk Management Committee

Education

- Bachelor, Faculty of Humanities
University of Thai Chamber of Commerce

Training

- Director Accreditation Program (DAP) 111/2014

Work Experience

- **2014 - present**
 - Committee
WICE Logistics Public Company Limited
- **2006 - 2016**
 - Committee
Sun Express (Thailand) Co., Ltd
- **1994- 2014**
 - Committee/ General Manager
WICE Freight Services (Thailand) Co., Ltd

Attendance of the Board of Directors / Sub-committees in the year 2017

- Board Meeting 6/6
- Risk Management Committee Meeting 3/3

Major shareholders

The first 10 major shareholders as of 30 December 2017 are as follows:

Rank	Name	Number of shares	Percentage of total shares
1	Mrs. Araya Kongsoonthorn	154,320,280	23.672
2	Mr. Chudet Kongsoonthorn	108,939,320	16.711
3	Ms. Thitimar Tantikulsunthorn	66,857,280	10.256
4	Ms. Pornpairoa Tantikulsunthorn	46,298,200	7.102
5	TISCO Mid/Small Cap Equity Fund	19,411,300	2.978
6	MR. LIM MENG PUI	19,202,800	2.946
7	MR. HOCK LOONG LIEN	19,202,800	2.946
8	Mrs Kanchana Jiampitayanuwat	17,024,600	2.612
9	MR.TAI WAI FUNG	15,577,060	2.389
10	Mrs. Saovane Jariyanuwat	13,500,300	2.01
11	Other shareholders	171,565,560	26.378
Total		651,899,500	100

source : The Thailand Securities Depository Co., Ltd. (TSD)

Dividend Policy

Board of Directors Plans to propose to the AGM the payment of dividends to shareholders at the rate of at least 50 percent of net profit after tax and legal reserve each year for the financial statements of the Company. However, the dividend includes the necessary and appropriate others are operated to what the company sees fit.



Details of WICE holdings by directors and management

From 1 January to 31 December 2017

Name	Position	Number of shares held as at 1 Jan 2017	Number of shares held as at 31 Dec 2017	Number of shares increased / decreased during the year 2017
1. Mr. Ekaphol Pongstabhoh	Independent Director Chairman of the Board	None	None	None
Spouse and minor child		None	None	None
2. Associate Professor Ruth Banomyong (PhD)	Independent Director Chairman of the Audit Committee	None	None	None
Spouse and minor child		None	None	None
3. Mr. Wichai Xiao	Independent Director Audit Committee Nomination and Remuneration Committee	None	None	None
Spouse and minor child		None	None	None
4. Mr. Charoenkiat Hutanananda	Independent Director Audit Committee Chairman of the Nomination and Remuneration Committee Chairman of the Risk Management Committee	None	None	None
Spouse and minor child		None	None	None
5. Mrs. Araya Kongsoonthorn	Chief Executive officer Nomination and Remuneration Committee	154,320,280	154,320,280	None
Spouse and minor child		* Mr. Chuddee Kongsunthorn, Husband		
6. Mr. Chudet Kongsoonthorn	Managing Director - Business Development	108,939,320	108,939,320	None
Spouse and minor child		* Mrs. Araya Kongsoonthorn Wife		



Name	Position	Number of shares held as at 1 Jan 2017	Number of shares held as at 31 Dec 2017	Number of shares increased / decreased during the year 2017
7. Ms. Thitimar Tantikulsunthorn	Managing Director – Operations and Support Risk Management Committee	66,857,280	66,857,280	None
Spouse and minor child		None	None	None
8. Ms. Pornpairoa Tantikulsunthorn	Director Risk Management Committee	46,298,200	46,298,200	None
Spouse and minor child		None	None	None
9. Ms. Somjai Purachago	General Manager Sales & Marketing	340,000	140,000	200,000
Spouse and minor child		None	None	None
10. Mr. Ram Tantikulsunthorn	General Manager Business Development in Eastern Seaboard	12,157,880	12,157,880	None
Spouse and minor child		None	None	None
11. Mr. Chokchai Preuttisarn	General Manager Warehouses	154,320,280	154,320,280	None
Spouse and minor child		None	None	None
12. Ms. Busarin Tuanchaem	General Manager Finance and Accounting	200,000	200,000	None
Spouse and minor child		None	None	None

Remark : (1) Acquisition / disposition of shares Listed on the list of changes in securities holding (59-2) of directors and management at the end of the quarter.
(2) Holds securities by spouse and / or minor children of directors or executives.



Remuneration for Directors and Executives

The Company has a fair and reasonable remuneration policy. It must be considered by the Nomination and Remuneration Committee. Taking into account the duties and responsibilities of the directors. Company Performance And compared with other companies in the same industry. The total remuneration approved by the Annual General Meeting of Shareholders for the year 2017 is not more than Baht 3,000,000 as detailed below.

Monetary remuneration

Compensation type	Total
1. Meeting allowance of the Board (Baht / time)	
- Chairman of the board	40,000
- Board of Directors	20,000
2. Meeting allowance of the Audit Committee (Baht / time)	
- Chairman of the Subcommittee	25,000
- Board of Subcommittee	20,000
3. Meeting allowance of the Nomination and Remuneration Committee (Baht / time)	
- Chairman of the Subcommittee	25,000
- Board of Subcommittee	20,000
4. Meeting allowance of the Risk Management Committee (Baht / time)	
- Chairman of the Subcommittee	25,000
- Board of Subcommittee	20,000

Total remuneration of the Board of Directors, which receives remuneration in the form of meeting allowance for the year 2017, to taling Baht 1,600,000. Details of the attendance and the remuneration of the directors for the year 2017 are as follows:

List of Directors	Position	Attendance (times)				
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Remuneration (Baht / year)
Mr. Ekaphol Pongstabhon	Independent Director Chairman of the Board	6/6				240,000
Associate Professor Ruth Banomyong (PhD)	Independent Director Chairman of the Audit Committee	6/6	4/4			120,000
Mr. Wichai Xiao	Independent Director Audit Committee Nomination and Remuneration Committee	6/6	4/4	1/1		120,000 80,000 20,000
Mr. Charoenkiat Hutanananda	Independent Director Audit Committee Chairman of the Nomination and Remuneration Committee Chairman of the Risk Management Committee	6/6	4/4	1/1	3/3	120,000 80,000 25,000 75,000
Mrs. Araya Kongsoonthorn	Chief Executive officer Nomination and Remuneration Committee	6/6		1/1		120,000 20,000
Mr. Chudet Kongsoonthorn	Managing Director - Business Development	6/6				120,000
Ms. Thitimar Tantikulsunthorn	Managing Director – Operations and Support Risk Management Committee	6/6			3/3	120,000 60,000
Ms. Pornpairoa Tantikulsunthorn	Director Risk Management Committee	6/6			3/3	120,000 60,000
Total remuneration		1,600,000				

Executive compensation

Executive Directors, Executives of the Company And 13 subsidiaries received benefits. For performance in the year 2017 in the form of salary and compensation. Totaling Baht 47.32 million

Detail	2016	2017
Executives	13	13
Total remuneration of executives (in million Baht)	39.92 million Baht	47.32 million Baht
Compensation form	Salary / Bonus	Salary / Bonus

Policies and criteria for executive compensation

The Company performs the performance measurement of the executives every year. Key Performance Indicators (KPIs) are used in evaluating executives and employees at all levels. The KPI is set against the performance targets for salary adjustments and annual bonuses.

Other Compensation

- None -

Remuneration of Auditors

1. Remuneration of Auditors

In 2017, Weiss Logistics Public Company Limited and its subsidiaries Pay the audit fee to บริษัท EY Office Limited in the past fiscal year, the total amount of 1,710,000 Baht

2. Other Fee

- None -

Governance and the Code

The Board of Directors of WICE Logistics Public Company Limited is committed to and recognizes the importance of good corporate governance. The purpose is to encourage the organization to compete in both short and long term. In addition, good corporate governance also helps build confidence for investors, financial institution, business partner and stakeholders.

In order to operate business to increase shareholder value and balance benefits among stakeholders, the Board of Directors has set a policy, management mechanism, and operation and supervision system on the principle of good corporate governance which emphasizes in transparency, responsibility towards stakeholders and also society to lead directors, executives and employees of the company in terms of conducting business. In addition, the Board of Directors has regularly reviewed and improved the corporate governance principles.

The Main Principles of the Code

The directors, executives and employees acknowledge and treat the Code of Conduct and Corporate Governance Policy as part of the Disciplinary Procedure. The company also discloses ethics and the best practices to the employees of the organization, and publicizes such policies through the company's website, www.wice.co.th. Good corporate governance policy consists of 5 categories as follows:

1. Rights of Shareholders

The company is concerned with shareholders' rights, in accordance with rules and regulations pertaining to justice and fairness. These rights include setting of policies and practices, disclosure and transparency, and the timely and accurate submission of documents; ensuring company reliability for the investors.

Prior to the meeting

1. The company grants minority shareholders the rights to propose motion for the AGM's Agenda and to nominate a suitable candidate to become the new directors prior the meeting agenda. The Annual General Meeting of Shareholders 2018 is open from the 31st of October, till the 31st of December 2017, through information system of the Stock Exchange of Thailand and the company's website.
2. The company published the AGM's Agenda 2017 through the information system of Stock Exchange of Thailand (SET) and the company's website at least 30 days prior to the meeting.
3. The company sent out letters of invitation and supporting documents stating the objectives, the Board's opinions and reasoning and a proxy form in both Thai and English and acknowledge the shareholders in terms of the documents at least 28 days prior to the meeting, to enable shareholders to study the information before the meeting.
4. The company published the letters of invitation to the Annual General Meeting in newspaper for three consecutive days at least three days prior to the meeting. The company also published the invitation and supporting documents on the website 30 days prior to the meeting.
5. If a shareholder was unable to attend the General Meeting, they had the right, by way of three Independent Directors appointed by the company, to appoint a proxy act on their behalf; in accordance with the Department of Business Development, Minister of Commerce's format.

Annual General Meeting

1. Date, time, venue for the shareholders' meeting are taken into consideration with the convenience of shareholders to attend the meeting.
2. Apply technology to the shareholders meeting. E-Voting, counting votes and displaying the results by the barcode system are executed so that the meeting can be done quickly, accurately and transparently. Therefore, the meeting is attended by three representatives from the law firm
3. At the shareholders' meeting, all committees attended the meeting to allow attendees to express opinions and suggestions. The Chairman also allowed the shareholders and other attendees to audit the company performance and express opinions or suggestions.
4. The Senior Director, The Company Secretary, The Auditor, The financial Advisor and The Representatives of the Law Firm attended the meeting to allow attendees to express opinion and suggestions and ask for clarification from the board of directors, the management or the auditor of the relevant agenda.



5. Before commencing the meeting, the Chairman of the Meeting informed the voting and counting systems in each agenda before the vote. Each resolution shall be made in case of multiple agendas.
6. In appointing new directors, the Chairman informed all shareholders to vote individually and encouraged shareholders to use voting cards on every agenda.
7. The company gives the right to the shareholders who attend the meeting post the commencing period to vote on the agenda that is under consideration and has not yet voted.
8. As for the shareholders who were unable to attend the meeting, they may vote by proxy to the independent directors of the company or other persons deemed appropriate by the shareholders to attend the meeting and vote on their behalf.
9. Encouraged the Company to arrange an independent person to be the counters or check the votes in the ordinary and extraordinary meeting and disclosed the results in the meeting accurately and transparently, and was then recorded in the minutes.
10. No additional agenda other than those specified in the invitation letter of the shareholders' meeting, or change important information without informing the shareholders in advance.

Post Annual General Meeting

1. The Company published the results of the Annual General Meeting on The Stock Exchange of Thailand (SET) IT systems and company website as soon as the meeting concluded.
2. The company recorded the minutes and the result of the votes.
3. The company submitted a report of the voting results during the Annual General Meeting. The record was submitted to the Securities and Exchange Commission (SEC), Stock Exchange of Thailand (SET) and Ministry of Commerce within 14 days after the date of the meeting concerned. The record signified agreement, disagreement and neutral voting.
4. The Thai Investors Association evaluated 2017 AGM Meeting. The company received a score of 95 out of 100.

2. Equitable Treatment of Shareholders

The company places a strong emphasis on basic rights and equitable treatment. All shareholders have the rights to fair practices without discrimination, whatever their position or status is i.e. gender, age, skin color, race, nationality, religion, belief, political opinion, management positions, non-executive shareholders, foreign shareholders, or minority shareholders; in compliance with applicable laws and guidelines. Equal and fair treatment should not be prejudiced against a particular group of shareholders by providing unclassified information. The Company has a policy of supervision. to protect the basic rights of shareholders equitably and fairly to create long term success and investment opportunities under the following principles;

1. Treatment of Stakeholders

- The Board of Directors has established a policy to regulate the trading of the Company's securities and the usage of internal information to ensure equitability and fairness for all shareholders and to prevent directors and executives from engaging in securities trading and seeking benefits immorally.

Holding securities of the company

- Director and senior manager must report securities holdings when taking positions and consistently report when trading within 3 business days to the SEC. All directors and executives are responsible for reporting securities holdings and submit the report to the Board of directors on a regular basis, including an annual report.
- In the event of directors, executives and employees, including spouses and minor children are buying, selling, transferring or receiving securities of the company, it is mandatory to prepare and disclose the securities holding report and changes in the Company's holding of securities with the regulatory authorities who shall be made in accordance with the specified criteria.
- To prevent conflicts of interest, directors, executives and employees, including spouses and minor children, must not buy, sell, transfer or receive the company's securities within a period of 7 days prior to public disclosure of the financial statements.

Internal Data Control

- The joint use of internal data for the purpose of work must be within the framework of specific duties and responsibilities assigned or permitted only. Other employees will not be allowed to disclose information about a business or personal information.
- Directors, executives and employees must not use internal information of the company which has not yet publicized to the public for the benefit of self-interests. The Company strictly committed to the Company's policy on retention and use of internal information.
- The company prescribes guidance for preservation and protects the use of internal information in written form, and informs this guidance to the employees in the organization.

Conflicts of Interest Supervision

The Company has a policy of conducting business with honesty, openness, transparency and fairness. All directors, executives and employees are required to follow these steps:

- Do not engage in business that competes with the company. Avoid making self-interests transactions or to related persons / entities. This may cause conflict of interest with the Company.
- The Board of Directors is responsible for ensuring that the company complies with the rules, procedures and disclosure of connected transactions as required by law or regulatory bodies.
- In the event of necessity of making a connected transaction, the transaction must be in accordance with the general commercial terms as approved by the Board of Directors with transparency and fairness and taking into account the maximum benefit of the company.
- Directors with vested interest shall not be considered for conflict of interest.
- In the case of connected transactions that do not meet the general trading conditions as approved by the Board of Directors and may cause conflict of interest, consideration and opinions from the Audit Committee is requisite prior the proposing for approval from the Board of Directors or shareholders. (As the case may be)



3. Roles of stakeholders

The company has a policy of social responsibility. Especially those that affect the business directly to ensure that all stakeholders are aware that the Company's business is taking into account environmental and social factors for sustainable development. The company has set up Code of Conduct for The Board of Directors, management team and company employees who have direct influence to policy of the roles of stakeholders as follows;

- Shareholders:** The company shall strive to be a good representative of shareholders in creating sustainable business growth and organization, including a sustainable and transparent disclosure of information to the shareholders. The company also promotes and encourages shareholders to exercise their basic rights, suggesting and providing opinions regarding the company's business operations.
- Employees:** Employees are considered valuable resources and the key to driving the company to success. The Company shall be committed to respecting and treating employees fairly and appropriately in terms of job opportunities, potential returns and control, working environment without taking advantage of employment contract, providing appropriate compensation, training and further education to increase the potential of personnel.
- Creditors:** The Company shall establish methods and guidelines for non-infringement of creditors' rights and strictly follows the terms of the creditors. The company manages full repayment of loans and interest to all types of creditors in accordance with the terms and conditions of the loan agreement. In addition, no fraudulent actions will be taken against any creditors.
- Customers:** The company shall focus on maximizing customer satisfaction, delivering an efficient customer service of the highest standard. All customer information, without the consent of the customers must not be disclosed. The company has a system and agencies to consider accusation from customers to expedite the settlement with fairness and resolve the problem as soon as possible.
- Competitors:** The Company shall promote and participate in fair competition. It shall not seek confidential information of business competitor in a dishonest or unjust manner and shall not be involved, whether directly or indirectly, in any illegal activities or unfair practices.
- Environment, society and community:** The Company shall be respectful to society, adhere to its laws, rules and regulations. It shall impede the company's operations from damaging the quality of life of society, the community and the environment. It shall make positive and meaningful interaction with the community where the company is located. And promote projects and activities that are beneficial to the community and society.
- Government:** The company shall cooperate and support government policies for the benefit of the nation under the relevant laws and regulations, and take a project or approach to anti-corruption policy. In addition, it shall support activities that promote and instill employees to comply with the relevant laws and regulations.

Anti-Corruption Policy

The Company shall conduct its business with fairness and shall demonstrate a keen sense of social responsibility. It shall act in the best interests of its stakeholders, promoting growth and sustainability. On 13 July 2016, The company sent a letter of intent to the Collective Action Coalition (CAC). The CAC was co-founded by the country's eight leading

private sector organizations which includes the Thai Chamber of Commerce, the Joint Foreign Chambers of Commerce in Thailand, the Thai Listed Companies Association, the Federation of Thai Industries, the Federation of Thai Capital Market Organizations, the Thai Bankers' Association, the Tourism Council of Thailand, and the Thai Institute of Directors Association (IOD). Currently, the company has been certified as a member of the Thai private sector of Anti-Corruption Coalition on 10 November, 2017.

The design of performance-related remuneration for employees; Short-term and Long term Policy

The employee is the fundamental stakeholder enabling continuous growth. The company offers remuneration based on the "pay for performance" (P4P) scheme using multi levelled Key Performance Indicators (KPIs) to evaluate their success at reaching targets. High-level KPIs may focus on the overall performance of the enterprise, while low level KPIs may focus on processes in departments and the individual. KPIs are used at all levels to set the direction of, and to comply with, the company's mission and vision.

Whistleblowing Policy

It is the basic rights of stakeholders to audit a company's operation effectiveness with transparency. The Board of directors of the company and its subsidiaries has adopted a policy taking into account the satisfaction of all stakeholders. A complaint can be filed if there is evidence that the company or one of its subsidiaries is participating in criminal, immoral or nefarious practices.

The Company has provided a channel for reporting clues or complaints about corruption, offense or code of ethics, invalid financial report, infringement corruption, or internal control system defects and other relevant details of violation through the channels listed below:

Company Website	:	www.wice.co.th	
E-mai	:	The Audit Committee	banomyong.ruth@gmail.com
		Chief Executive Officer	Araya@wice.co.th
		Company secretary	secretary2@wice.co.th
Mail:	:	The Audit Committee	
		WICE Logistics Public Company Limited	
		88/8 Nonsee Road, Chong-Nonsee, Yannawa, Bangkok 10120	

Remarks : The Company has set up procedures for dealing with complaints from all groups of stakeholders. As policy, all customers and stakeholders information is kept confidential. The Audit Committee will consider the complaint, make further inquiries then inform the Board of Directors within 30 days of the initial complaint



Staff complaint process relating to matters involving allegations of inappropriate conduct

The company has set regulations for staff complaints relating to employment, benefits, roles and staff responsibilities as follows:

1. The complaint should be a professional matter and not a personal matter, unless it is related to the job.
2. The complaint should be about an opinion or conflict of the system or the work process, benefit, contract, employment, or discipline of the staff.
3. The complaint must not involve a promotion, transfer, dismissal or lay off of a person

Complaint Process:

1. Before a formal complaint is made, the member of staff should consult the manager. The manager should listen to the complaint, however small, and endeavor to solve the problem as soon as possible.
2. If the matter is not handled within the appropriate time, or the matter is related to the manager, the member of staff should make a direct complaint to a more superior manager. The complaint must be in written format, explaining full details, and submitted within 7 days of the day of the conflict. The superior manager must investigate the dispute, and give a response within 20 days of the initial complaint. The complainant must sign the hearing resolution or clarification letter, depending on the circumstances.

Complainant or related person protection:

1. The complainant will be treated justly, and will not be bullied, transferred, or punished unless the complaint is unjustified.
2. Any member of staff who is a witness, or is involved in the investigation, will be protected, and will not be bullied, transferred, or punished in any way. Unless the members of staff testifies with prejudice, incrimination, or does not cooperate with the investigation.
3. For 'punishable by suspension without pay', Managing Director will appoint a committee to proceed with the case. The committee will be dissolved as soon as the complaint reaches a resolution.

Suggestions or complaints can be submitted via the following channels :

- Email : Chief Executive Officer Araya@wice.co.th
- Email : The Audit Committee banomyong.ruth@gmail.com
- Suggestion Box : On the 2 , 3 and 5 floor of the headquarters

If the employees that he/she has been unfairly treated or has found a matter that might affect the company, the complaint should be made through the provided channels. The complaint and investigation process is explained clearly in the Employee's Manual; therefore every employee is expected to carefully follow the regulations.

Disclosure and transparency

- The company shall attach great importance to open, accurate, complete, timely and consistent communication, without discrimination against both positive and negative information. Disclosure of information is in accordance with the criteria and disclosure requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission Financial.

- The company shall assure the disclosure of accurate, complete, transparent, timely, and valid information on financial and non-financial information, and ensure that all stakeholders and investors have reliable and sufficient information to make decisions on a regular basis.
- The company shall publish useful corporate information to retail investors; institutional investors, foreign and domestic analysts and individuals alike. It shall also be clear and thorough through communication channels such as company website, notification system via Stock Exchange of Thailand, quarterly operating statement, statement of business plan, annual report, etc.
- Important information on public disclosure such as: annual registration statement (Form 56-1), annual report (56-2), financial information, information on major shareholders and voting rights, information about directors and committees, notification of the Stock Exchange of Thailand, dividend policy, corporate governance policy, code of conduct, activities and plans of the company, etc.

Disclosing company information

- Chief Executive Officer or a representative of the Chief Executive Officer is responsible to the disclosure of information of the Company in which he/she must adhere to the principle of accuracy, completeness, timeliness and equality.
- The company secretary is responsible for disclosing important information to the Stock Exchange of Thailand, Securities and Exchange Commission, investors and shareholders.
- Top executives in finance and investment is responsible for providing information and answering questions from shareholders, investors, analysts and the general public about financial information, business performance, company policy, plan and investment, project under development, shareholding structure, and factors that may affect the change of key performance.
- Marketing executives are responsible for providing information and answering media and general inquiries about marketing plans and activities.
- Persons who are not in charge for disclosing company information or not designated by the Chief Executive Officer shall not disclose internal information that may affect the reputation and image of the company, including information that may affect the price or volume of trading of the Company's securities.

Auditors and Financial Transactions

The financial statements of the company and its subsidiaries have been audited by an independent auditor who has knowledge and expertise as required to assure the Board and shareholders that the financial statements of the company and its subsidiaries reflect the company's financial status and operating results. The Board of Directors is responsible for the financial statements of the company and its subsidiaries. The procedures are in accordance with accounting principles and standards. The accounting policies are implemented in accordance with the principles of carefulness, accuracy and completeness to be able to reflect the results of the disclosure of important information in a transparent and adequate manner. The company shall report to the relevant authorities, namely, the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand for the benefits of shareholders and investors. In addition, the Board of Directors has appointed the Audit Committee to review the reliability and accuracy of financial reports and internal control system to ensure that the company's financial statements are reliable.



Significant information

- The Company will not disclose or provide information which is not publicly available to unauthorized employees, investors, analysts and the media until the information is publicized. If there is any information that should not be disclosed, the company will immediately publish such information to the public.
- Company personnel shall be responsible for maintaining internal information such as customer confidential information and stakeholders who engaged in business as confidential. They shall not use the information obtained from the performance of the duty to publish or exploit, and be cautious about providing information and opinions of which they are not responsible or authorized to disclose such information.

Investor Relations

The Board recognizes that both financial and non-financial information affects the decisions of investors and stakeholders. Therefore, the Management is urged to deal with matters concerning disclosure of information in a complete, reliable, consistent and timely manner. Therefore, The Board of Directors has urged the management to handle the issues related to the disclosure of information in a complete, reliable, consistent and timely manner, in which the company's management has given importance and adheres to.

In terms of investor relations, the company provides a dedicated investor relations unit, business development department, and company secretary to inform institutional investors, shareholders, analysts, and relevant government agencies. Investors can inquire company information at (66)2-681-6181 ext. 3501 or secretary2@wice.co.th

Regarding activities in 2017, managing director and management, investor relations, and company secretary conducted investor relations activities in various forms as followed;

1. Listed Companies' Meetings with the Stock Exchange of Thailand (Opportunity Day), once a quarter, to announce quarterly results.
2. 25 meetings of executives by investors and analysts for company inquiries.
3. One-time analysis of securities analysts
4. 15 interviews and phone calls.

The Roles of the Board of Directors

The Board of Directors strongly believes in a good governance as a vital factor to push of the organization to achieve its goals. The Board of Directors are committed to legal responsibility and practice of the company and its stakeholders, and also provide direction for the organization to achieve the goals of the business for the best interest of the company, shareholders and stakeholders.

Leadership Vision

The Board of Directors is the essence of the company to establish the compelling vision, policy and strategic planning, which will be reviewed at least once a year. The Executive Management will present strategic planning and investment activities and financial statements to the Board of Directors for their approval. In addition, the Executive Management will present a Company Performance Report, including any problems and obstacles, to the audit committee and Board of Directors quarterly.

The Board of Directors will follow up the management performance by specifying a target-performance comparison report and company performance report in the agenda of the Board Meeting. The Board of Directors is aware of the conditions to comply with the law and regulations, and the Company Secretary is responsible for reporting to the Board of Directors any changes of the law and regulations according to the Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET), including newly effective laws or any future laws that are relevant to the company.

Conflict of Interest

It is the policy of the Board to include conflict of interest in good corporate governance, and in the Board of Director's Manual;

- In the case of the Board authorizing staff to act on its behalf, authorization must be in writing or recorded in the minutes of the meeting, and must clearly specify the roles and duties. The authorized individual must not have a conflict of interest. The decision-making process of the company will be made collectively.
- All employees should avoid a conflict of interest which might affect the group of companies or create a conflict in the working process.
- It is considered an employee's duty to report any conflict of interest to the manager.
- The Board of directors cannot use their position within the company and subsidiaries for personal gain or for the benefit of others. This includes family and friends, in a direct or indirect way.

It is the duty of the Board of Directors and the Executive Management to report the following:

- All actual and potential conflicts of interests shall be disclosed by the Board members and related individuals to the Company Secretary. The report will be sent to the Chairman of the Board and the Chairman of the Audit Committee, thereafter.
- The disclosure of the stockholder's equity owned by the Board of Directors, Executive Management and related individuals.

Balance of power between the Board of Directors

The Board of Directors consists of 8 members. The Board of Directors as of the year ending 31 December 2017 are:

- 3 Executive Directors
- 5 Non-Executive Directors
- 4 Independent Directors

Decentralizing

The Board of Directors is committed to transparency and fairness when doing business. The decentralizing of structure to create a balance of power when considering and approving key business matters. The Chairman of the Board must not be the same individual as the Managing Director. The members of the Audit Committee are independent and are not involved in the company and its subsidiaries finance and management.

Roles and Responsibilities of the Board

1. Responsibility to the Company and its Subsidiaries

1. Commit to the company and its subsidiaries with the utmost capability as Board of Directors of the company and its subsidiary to manage the company and its subsidiaries in accordance with good corporate governance.
2. To be independent when considering and approving key business matters of the company and its subsidiaries.



3. Responsible to the shareholders to comply with ethics and laws by considering the best interests of the stakeholders of the company and its subsidiaries.
 4. To monitor and follow-up the performance of the company and its subsidiaries to comply with the laws and regulations, including related laws, the company and its subsidiary's regulations, and the traders. The Board of Directors shall not perform in any manner that might breach the regulations or the laws. For the most effective operation, the Board of Directors shall oversee the Executive Management Report of the company and its subsidiaries.
 5. The Board of Directors are required to participate in seminars organized by the IOD or King Prajadhipok's Institute to exchange experiences and develop skills.
 6. To evaluate the function and performance of the Board and individuals once a year for continuous improvement.
 7. To set up a meeting of the Independent Committee and Non-executive Committee at least once a year and report the meeting resolutions to the Chairman of the Board.
2. Responsibility to the Shareholders
1. To ensure the company and its subsidiaries benefit the shareholders with sustainability. The Results of the management report should be shown in the financial statement, and to perform their duties with care, prudence and integrity for the best interests of the company and its shareholders.
 2. The Board of Directors of the company and its subsidiaries has a duty to equally disclose all financial and non-financial information in a timely and reliable manner.
 3. To ensure all shareholders are equally treated.
3. Responsibility to the Stakeholders
1. Monitoring
The company does not discriminate on the grounds of age, sex, sexual orientation, marital status, race, religion or disability in the application of its employment policies. All personnel will be given equal opportunity on the basis of the effect on the stakeholders, community, society and the environment.
 2. Complaints Handling
The company gives rights to the stakeholders to monitor the performance of the Company and its subsidiaries with full competency and transparency according to the Stock Exchange of Thailand (SET). The Board of Directors will deal with the complaint according to company procedure, and ensure that the complaint will be kept confidential. The complainant will be treated justly, and will not be bullied, or punished, including transfer of position, the office location, suspension, threat, dismissal or any other unjustified manner.

The Board of Directors' Approval

The Board of Directors has the authority to approve key business matters, such as company strategies, financial statements, dividend payments and set or change the accounting policy and management restructuring, etc.

Chairman of the Board and Managing Director's Responsibility

The Chairman of the Board and Managing Director shall have the appropriate qualifications and experience and shall not be the same individual, for the balancing of power. Monitoring and managing shall be conducted separately.

The Chairman of the Board is a Non-Executive Director and acts as the leader of the Board and meetings. The Chairman shall call meetings, approve meeting agendas, and also has the right to vote. His vote accounts as the final say.

The Managing Director leads the Executive Management and Company Secretary, and is responsible to the Board of Directors, supporting any business of the Board for the most benefit to the shareholders and the stakeholders.

Roles and Responsibilities of the Company Secretary

The Company has assigned the Company Secretary to perform the following tasks:

1. Prepare and maintain the documents of the Board and shareholders. This includes the directors' registration, notice of the meeting of directors and shareholders, minutes of the Board of Directors and the shareholders, company's annual report and quarterly financial statements.
2. Maintaining the report of stakeholders reported by directors and executives of the company
3. Introduce the law related to roles and responsibilities of the director.
4. Perform other actions as assigned

Since 31 December, 2017, the company's secretary was Miss Pomaporn Chamnongsuk. The company secretary's profile and qualifications are as follows:

Name : Miss Pomaporn Chamnongsuk

Position : Company secretary

Education : Bachelor of Law, Rattana Bundit University

Major Training :

- Company Secretary Program (CSP) 84/2017, Thai Institute of Directors (IOD)
- Company Reporting Program (CRP) 19/2017, Thai Institute of Directors (IOD)
- Secretary role to promote corporate governance Program, Thai Institute of Directors (IOD)
- Advances for Corporate Secretaries Program , class 1/2016, 4-days-class, Thai Listed Company Association (Thai LCA)
- Fundamentals for Corporate Secretaries Program , class 1/2016, 3-days-class, Thai Listed Company Association (Thai LCA)
- Annual General Meeting according to Good Governance Training - The Stock Exchange of Thailand
- Strategic CSR Management Training - Class 3, The Stock Exchange of Thailand (SET)
- CSR for Corporate Sustainability Training - Class 6 Service Sector, The Stock Exchange of Thailand (SET)

Experience:

- November 2015 - Present WICE Logistics Public Company Limited
- May 2015 - October 2015 T S Flour Mill Public Company Limited

The Board of Directors has set up a cautious approach where there are potential conflicts of interest. The policy and procedures for the approval of connected transactions are clear and strict. The Audit Committee will review and comment on significant inter-transactions that are not authorized for proper consideration, taking into account the



maximum interest of the company. The Board of Directors with conflict of interest will not attend the meeting and abstain from voting.

The Board of Directors has set measures to disclose information on directors' interests at 31 December annually. The Company Secretary is responsible for collecting information and reporting to the Board of Directors.

Training and seminars of the Board of Directors

The company secretary shall be enthusiastic to encourage the Board of directors to develop knowledge and exchange experiences as a director and sub director continuously by coordinating directors to attend the training and seminars. Details of each director's training and seminars can be found in the Directors Details section.

The Board of Directors' Performance Evaluation

1. Self-Assessment of the Faculty Committee

Rules

The self-assessment form of the Board of Directors originated by the Stock Exchange of Thailand was adapted in accordance with the nature and structure of the Board. The results of the assessment will be an important part of the development of the Board's duties and operations to be more effective. The assessment has been divided into 2 parts as follows;

Part 1 Assessment committee rating score or level of action in 6 topics.'

1. Structure and qualifications of the board.
2. Roles and responsibilities of the board
3. Board meetings
4. Duties of directors
5. Relationship with management
6. Self-development of directors and management development

Part 2 The Board of directors' opinions, suggestions or special attention towards the performance of the Board of Directors or the company's operations.

Procedures

The company secretary shall send an assessment form to all directors to evaluate themselves at the end of the year. The company secretary shall also summarize and report the results to the Board of Directors for annual acknowledgment and discussion. In addition, the board of directors shall express their views on strengthening corporate image, corporate governance and social responsibility including anti-corruption action.

2. Self-Assessment Form of the Individual Committee

Rules

The self-assessment form of the individual committee is a tool to help the directors to improve and enhance their performance's efficiency and effectiveness. The topics in the assessment are in consistent with the important responsibilities of the Board in accordance with the law, the Code of Ethics of Directors, good manners of the Securities and Exchange Commission (SEC) And the Stock Exchange of Thailand (SET) as follows:

1. Code of conduct and performance of directors
2. Strategic planning, supervision and monitoring of operations.
3. Responsibility to stakeholders

Procedures

The company secretary shall send an assessment form to all directors to evaluate themselves at the end of the year. The company secretary shall also summarize and report the results to the Board of Directors for annual acknowledgment and discussion.

3. Self-Assessment of Subcommittees

Each committee consists of:

1. Audit committee
2. Nomination and remuneration committee
3. Risk management committee

Self-assessment shall be done annually to evaluate the development of support functions, the Board of Directors and the Company's business operation.

Performance evaluation of CEOs

Rules

The performance evaluation form of the CEOs is divided into 2 categories according to the evaluation guidelines of the Stock Exchange of Thailand;

Category 1: Performance Measurement includes 8 topics.

1. Strategic placement
2. Leadership
3. Financial planning and implementation
4. Operation management
5. Inheritance
6. Management and relationship with personnel
7. Relationship with outsiders
8. Relationship with the board of directors

Chapter 2 CEO development consists of strengths and issues that CEOs should develop. The board of directors shall provide further opinion in this section.

Procedure

The CEO shall be taking part in setting their own performance goals and acknowledging the goals that have been approved each year. Then, at the end of every year, the company secretary shall send an evaluation form to all directors of the company to evaluate the CEO, and shall also send the evaluation form to the CEO for self-assessment to bring the evaluation results to compare and develop the potential of the CEO. The company secretary collects and reports the results to the Nomination and Remuneration Committee. The board of directors shall determine the remuneration of the CEO respectively.



Corporate Social Responsibilities: CSR

Overall Policy

WICE's corporate social responsibility (CSR) activities reflect our ongoing commitment to, and are a natural extension of, our vision to be a highly respected company. We strive to generate maximum social value, improve the environment and the standard of living, as well as conserving Thai culture. Through various approaches the Company supports social activities, donations, and community volunteer work. In each activity the Company combines internal and external resources to enhance corporate value, helping to build a better society. These campaigns do not only concern donations but also our employees, other organizations and the community.

For internal operational planning, The Company has appointed a project planning committee. The committee, for brainstorming ideas, comprises of employees from various departments. The implementation of each activity follows these steps:

1. Design a project activity including a set of objectives for CSR-related initiatives.
2. Planning each step of the activity, staff budget and state agency participations.
3. Raise awareness amongst employees and the public about the event. Monitor the project and upon completion evaluate whether it achieved its goal.

The Company conducts business and commits to social responsibility, environmental issues and the Stakeholders in compliance with SET CSR regulations. The Company and its Subsidiaries have adopted the 'CSR in process' policy as described below;

1) Conduct Fair Business Operations

The Company and its Subsidiaries conduct business with fairness and a strong belief in Good Corporate Governance. To create a fair, competitive market under the following code of conduct;

1. The Company conducts business in a perfect competitive market and operates under perfect competition, avoiding favoritism and collusion.
2. To refrain from acquiring a competitor's confidential information in an illegal or unethical manner i.e. bribery.
3. To not discredit or unfairly attack competitors without the facts. To not support Intellectual property infringement and promoting the fair use of copyrighted products and services.

2) Anti-Corruption Policy

The Company advocates fairness in business operation, considers the benefit of Social Responsibility and the Stakeholders and complies with the rules of Good Corporate Governance. The Company follows strictly anti-corruption regulations at every level of its work process including decision making. The Company has signed an intention to join the Private Sector Collective Action Coalition against corruption. The project started through the cooperation of the Thai IOD, TCC and Joint Foreign Chambers of Commerce (JFCCT) is now supported by a total of seven leading private sector partner organizations, also including the Listed Companies Association, Thai Bankers' Association, and Federation of the Thai Capital Market Organizations, Federation of Thai Industries and Tourism Council of Thailand.. The company was certified as a member of the Thai private sector in anti-corruption on November 10, 2017.



3) Respect for Human Rights

Human rights are rights inherent to all human beings, whatever their circumstances or status. Each and every person is equally entitled to our human rights without discrimination. The principles of The Company and its Subsidiaries regarding Human Rights are;

1. To support and protect Human Rights, ensuring no one's Human Rights are being infringed i.e. through human trafficking or child labor
2. To promote and encourage Human Rights exercises within the organization in accordance with the International human rights laws.

4) Fair Labor Practices

The company strongly believes in treating all employees fairly and justly, the promotion of health and safety in the work place and developing the capabilities of the organization and its employees to maximize performance. as well as develop the system process and to create a culture of innovation. The principles of Fair Labor practice are as follows;

1. Fair working conditions and fair wages based on performance.
2. The availability of fringe benefits such as annual leave, overtime and appropriate healthcare.
3. To Promote, transfer, reward or punish with justice and equality based on the performance and competency of the employees.
4. The Company shall provide a safe and healthy workplace environment, preventing accidents or injuries resulting from the operation.
5. To develop employee's skills and capabilities by always encouraging the opportunity to learn.
6. To strictly follow the laws and regulations and in compliance with employee's rights.
7. To refrain from discriminatory practices or attitudes that may affect work stability and to always treat the employees with due respect.

In 2017 the Company has organized the following activities:

WICE Logistics Public Company Limited organized Corporate Transform to the Most Fit 2018 The purpose is to summarize the results of the past 2017 for a period of ten months. We have analyzed the operational directions for 2018.



WICE Logistics Public Company Limited organized Basic and Advance Fire drills and Fire Emergency Evacuation Plan in 2017

WICE Logistics Public Company Limited

organized company outing in 2017, uniting employees through team building exercises





It was an honor to have Mr. Ekaphol Pongstabhon - Chairman of the Board and Ms. Araya Kongsoonthorn organized WICE Logistics Public Company Limited 2017 Party. The objective is to lift the morale of employees and encourage team spirit

5) Responsibility towards the customer

The Company strives to deliver high quality services at an acceptable price. The customer's information will always remain confidential and they will receive added benefits whenever possible. The Company shall comply strictly with our customer regulations, the principles of which are as follows;

1. To offer the best quality and high standards in accordance with the customer's requirements whenever possible.
2. Continuously develop services and create value added business to increase customer benefits.
3. To give only factual and unbiased information to the customer, for their consideration.
4. Customer's confidential information will not be misused by the company or related associations.

6) Environmental Awareness

The Company demonstrates a high level of environmental awareness. The company is concerned about global warming and does not support any action that could cause pollution, effect quality of life or damage the ecosystem. The environmental principles are as follows;

1. Use resources effectively, set out energy saving regulations and recycle materials when possible.
2. Develop products and services that do not have adverse effects on the environment and safe to use.
3. Always support corporate social responsibility activities.

7) Participation in the community and social development

The Company supports business practices that promote quality of life, help build the economy and strengthen the community and society. The Participation in the community and social development are as follows;

1. Support local community employment.
2. Encourage activities related to the community and society such as offering scholarships to local schools and blood donation.
3. To raise awareness of social responsibility and environmental issues throughout the Company.

Conduct business comply with the laws and regulations of the objective, thus the company participate and support in CSR activities.



WICE Logistics Public Company Limited

supports a Children's Day activity in 2017. The aim was to raise awareness of the importance of children and to encourage the children to participate in social activities.



8) Creating Reports

The Company creates Disclosure reports providing additional information in accordance with SEC (Form 56-1) and (Form 56-2)

9) To conduct the business that might affect the Social Responsibility

- None

10) After process

WICE Logistics Public Company Limited organized blood donation day. This activity shows the employees' participation on CSR to help save lives.



Assessing the adequacy of the internal control system

At the Board of Directors Meeting No. 1/2018 held on February 21, 2018, the Board of Directors had assessed the internal control system from the Audit Committee's assessment report in five aspects consisting of internal control risk assessment, operational control, information and communication systems, and monitoring activities. The details are as follows:

Control Environment

The Board and Executive Board announced "Good Corporate Governance Principles of Wice Logistics Public Company Limited" as a policy and discipline that the company's personnel needs to acknowledge and understand and comply with policies and ethics continuously. It covers daily duty and how to make decisions on various matters including how to deal with partners, customers and outsiders. Employees that violate or infringe this regulation will be investigated and punished as defined by the employee manual.

The Company has separated the Board of Directors and Executive Board responsibilities and roles from one another, clearly. The Board of Directors will not be involved in management responsibilities to create a balance between management and corporate governance. Also, there shall be monitoring activities to ensure that appropriate policies and procedures are effectively implemented. The Board of Directors has recruited and appointed the appropriate persons to serve as senior executives and appoint various committees in accordance with the company's regulations and the requirements of the Board of Directors as specified by the Stock Exchange of Thailand, and plays a vital role in defining the vision and annual plan in which the Management team will jointly develop annual plans to be consistent with the vision in the long-term plans to lead to actions. The Management team shall define goals, objectives, budgets, risk factors and main activities at each time interval. The expected results are measurable to achieve the overall objectives.

The Company has a clear organizational structure to support its objectives and provide effective internal control and divides responsibilities in both the main and support divisions to build up a balance mechanism between Board of Directors, Management and Shareholders and liaise with investors to inform and communicate the news of the company to the public regularly.

In addition, the company has a commitment to motivation, develop and maintain competent personnel. Therefore, the Company has developed an in-house development plan (IDP), as well as an assessment of the performance of its employees as performance indicators to determine employees' benefits.

Risk Assessment

The Company uses the concept of Enterprise Risk Management, whereby executives and associates identify risks, analyze risk factors for both opportunities and impacts to establish control measures. The Company establishes a risk management unit to prepare a risk management plan, monitor the management results to reduce the level of risk to an acceptable level and review the risk factors for consideration by the Risk Management Committee before proposing to the Board of Directors every quarter. The Board of Directors can consider and make a decision that will continuously result in the Company's risk management process. The Company communicates the risk management policies and guidelines to all employees so the employees can recognize them as part of an organization's culture. All employees can contribute to the organization through mutual risk-management process. In addition, the company has been developed Business Continuity Plan (BCP) continuously.

Control Activities

The Company has adopted regulations and guidelines such as procurement, budgeting, accounting and finance, etc. And the company defines the scope of authority and the limit of budget that the management can approve in accordance with good internal control. Including separation of duties and cross check process between divisions by separating authority to approve, book keeping, information management and the assets maintenance. In addition, the company has been awarded the ISO 9001: 2015 quality standard in which the company has provide manual and procedure to reference all operations and training employees to understand and can correctly perform their tasks in the steps and process that the Company set.

If there is an inter transaction of the Company, its subsidiaries and stakeholders, it shall pass the approval process correctly. If there is a significant inter transaction, the Audit Department, Audit committees, the Management and auditors will carefully consider and comply with the SET's regulations, as well as disclosed in the notes to the financial statements and to report to the SEC. the voting for the resolution on the connected transaction will abstain the Directors with vested interests from voting on such resolutions.

Information & Communication

The company has applied and develop information systems and internal database system, continuously by setting a policy on the use of information technology and communication in the principles of good corporate governance to give employees an insight of various internal media under good internal control including using the Internet, E-mail and telecommunication such as telephone, fax, etc. And also, the Company communicate to its employees to understand the comply with the law relating to information, such as information act to avoid breaking the law.

The company provides a comment box and email to receive a complaint from a third party and set up an investor relations team to communicate and organize activities with shareholders and investors and set up special communication channels so that employees and outside parties can provide information or complaints to the Company.

Monitoring Activities

The Company sees the importance to internal auditing to enhance the organization's value through the use of internal risk assessment data and set up the risk based audit and assign the internal audit department to review the effectiveness of the internal control system of all work processes and report the Management and the Audit Committee on a quarterly basis, to ensure that the Board of Directors and the Management can confidently believe in the effectiveness of the company's internal control system including the accuracy and reliability of information in both financial, accounting information and the information used in the operations. The Audit Department has followed up on the findings and the recommendations of the Audit Committee and present the Audit Committee on a continuous basis. In addition, there is a monitoring process through the system of quality and environmental monitoring within the company in accordance with international standards ISO 9001: 2015.

The Company continually monitors the operation of its subsidiaries and send progress reports of operating results of subsidiaries to the Board of Directors and assigned a specific unit to monitor the performance that the Board of Directors has provided suggestions , and liaise with every subsidiary to ensure that they have the direction that is consistent with the direction of the Board of Directors. In addition, the company assigned its company secretary to supervise the company's operations and compliance to be in accordance with the relevant law and regulations

Based on the essence of the adequacy assessment of the above internal control system, the Board of Directors have agreed with the Audit Committee and the auditor that the Company's internal control system is adequate and suitable for business operations. In the future, the Company plans its corporate strategy and development plan by providing sufficient personnel to carry out the system, also has an internal control system that monitors the operation of the company and its subsidiaries with effectiveness and promote the efficiency of the company.



Management Discussion and Analysis (MD&A)

Important Events that Happened in 2017

Timing	Important Event
Quarter 1 	1. Dividends received from the Company Sun Express (Thailand) Co., Ltd. at the rate of Baht 670.25 per share, totaling Baht 36.19 million. 2. Dividend received from Sun Express Logistics Pte. Ltd. at the rate of SGD 3.14 per share. Total of Baht 1.54 million or Baht 37.53 million. The Company received partial dividend of Baht 12.7 million.
Quarter 2 	1. The Company paid dividends from its operating results for the year 2016 to Agra shareholders of Baht 0.08 per share, amounting to Baht 52.1 million. 2. The Company received a dividend of SGD 0.56 million from Sun Express Logistics Pte. Ltd. or Baht 13.6 million
Quarter 3 	1. The operating system changes from the PTS System to the Sys freight system from September 2017 onwards.
Quarter 4 	1. The Company received dividends from Sun Express Logistics Pte. Ltd. The remaining amount \$ 0.57 million Or Baht 13.9 million



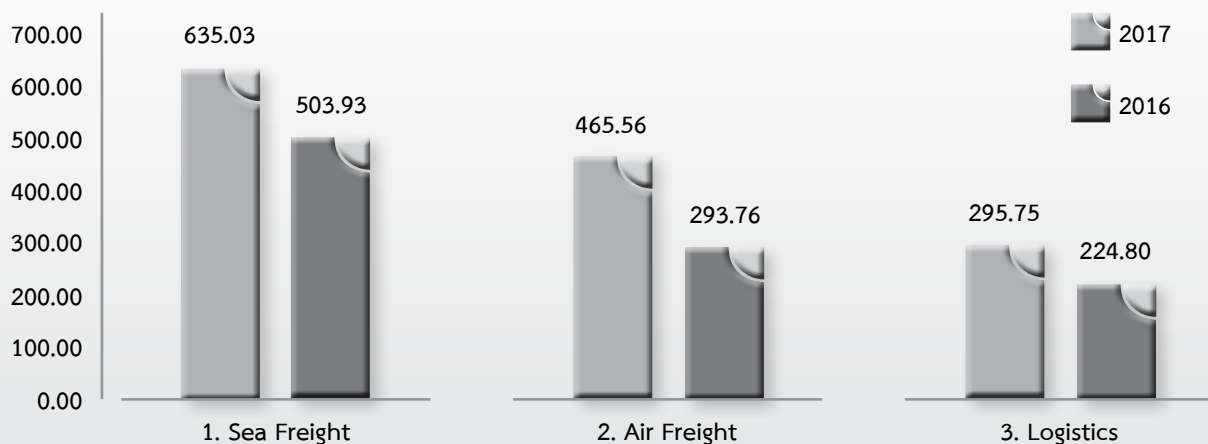
The analysis of the Company's performance in 2017 can be summarized as follows:

Statement of comprehensive income	Consolidated		change	
	2017	2016		
	Amount	Amount	Amount	%
Revenue from Service	1,396.37	1,022.48	373.88	36.57
Cost of services	1,054.29	761.49	292.80	38.45
Gross profit	342.08	261.00	81.08	31.07
Other income	5.96	13.15	-7.19	-54.67
Profit Before Expenses	348.04	274.15	73.89	26.95
Selling Expense	46.13	41.25	4.89	11.85
Management Expense	170.92	133.48	37.44	28.05
Total Expense	217.05	174.72	42.33	24.23
Operating Profit	130.99	99.43	31.56	31.75
Financial Expense	0.18	0.75	-0.57	-75.46
Profit (Loss) Before Tax	130.81	98.68	32.13	32.56
Income Tax	23.25	16.52	6.73	40.75
Profit of the Period	107.55	82.15	25.40	30.91
Dividends Payment				
The Company's Shareholders	89.70	77.18	12.52	16.22
Non-Controlling Interests	17.85	4.97	12.88	100.00
Total	107.55	82.15	25.40	30.91

Service income for the year As of December 31, 2017 and December 31, 2016, the Company and its subsidiaries recorded Baht 373.88 million, or 36.57% of the net profit, respectively, increased by Baht 1,396.37 million and Baht 1,022.48 million, respectively. According to the Company's plan, the revenue can be classified as follows:

From the consolidated financial statements Business operations can be classified as follows:

Service income (Unit: Million Baht THB)

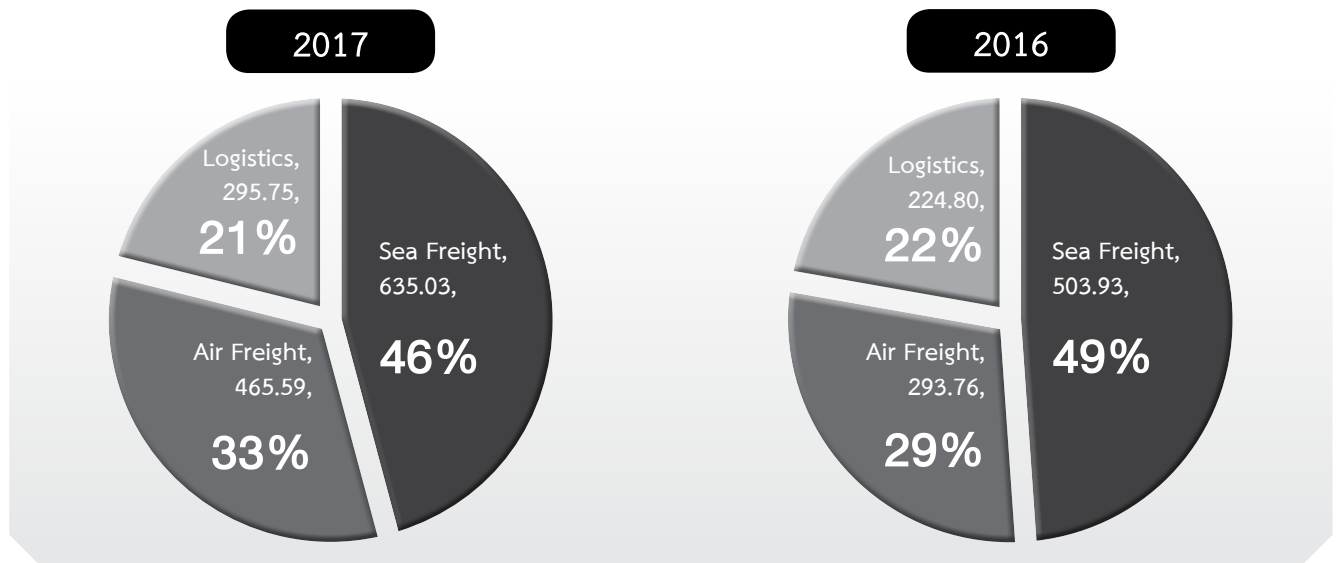


(Unit: Million Baht)

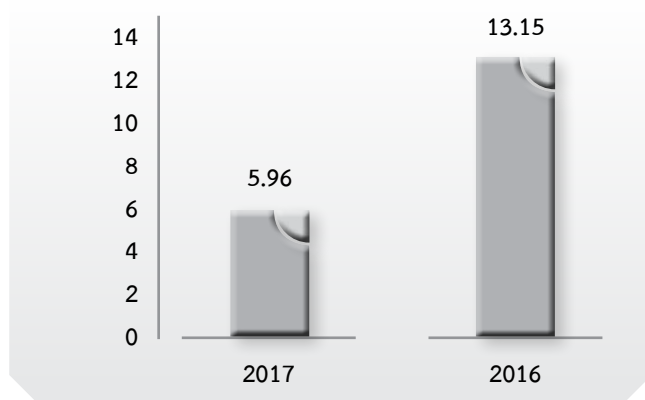
Service income	2017	2016	Increase (Decrease)	%
1. Sea Freight	635.03	503.93	131.10	26.02
2. Air Freight	465.59	293.76	171.83	58.49
3. Logistics	295.75	224.80	70.95	31.56
Total revenue from services	1,396.37	1,022.49	373.88	36.57

1. Revenue from marine freight management for the years ended December 31, 2017 and December 31, 2016 was Baht 635.03 million and Baht 503.93 million, respectively, increased by Baht 131.11 million or 100%. 26.02 percent, respectively. As a result of revenue from customers. New Target Audience Group Products Solar Cells, a new growth market. It is exported to European countries. And customers of building materials products. Construction Material, which is exported to ASEAN countries.
2. Revenues from air cargo management for the years ended December 31, 2017 and December 31, 2016 were Baht 465.59 million and Baht 293.76 million, an increase of Baht 171.83 million or 58.49%. Respectively. As a result of the revenue recognition of Sun Express Logistics Pte. Ltd. for this year. The Company recognizes income from January 1, 2017 to December 31, 2017, compared to the same period in 2016, which is recognized on 1 August. 2559 to 30 September 2016. This year, the revenue recognition from the previous year was recognized only 5 months ago, resulting in the proportion of revenue from air cargo management this year. Compared to the year 2016, more than usual. And some of the revenue from the growth of the company itself.
3. Revenues from logistics management services for the years ended December 31, 2017 and December 31, 2016 were Baht 295.75 million and Baht 224.80 million, respectively, comparing to the previous year. Increased by 70.95 million baht or 31.56% due to the increase in revenue from warehouse services such as automotive parts. These customers will use a full range of services including customs clearance services. And the land transport service.

Compared to the proportion of service revenue, after revenue recognition from Sun Express Logistics Pte. Ltd., revenue was shifted to an increase in revenue from Air Freight. Significantly Summary of change in proportion



Other income (Unit: Million THB)



Revenue management, marine cargo (Sea Freight) in the year.. In 2017 the proportion was 46% lower compared to the year 2016 was 49%, while revenue from handling air cargo (Air. Freight. In the year 2017, the proportion is 33%, compared with 29% in the year 2016. And the revenue from logistics services in the year 2560 proportion. 21% decrease compared to the year 2016 was 22%

(Unit : Million THB)	2017	2016	Increase (Decrease)	%
Other Profit	5.96	13.15	-7.19	-54.68

Other income of the Company for the year ended December 31, 2017 was Baht 5.96 million, compared to Baht 13.15 million in the same period of the previous year, a decrease of Baht 7.19 million or 54.68% in the previous year. Know the gain from the sale of temporary investments over this year. The sale of investment less than the previous year.

Cost of Service (Unit: Million THB)



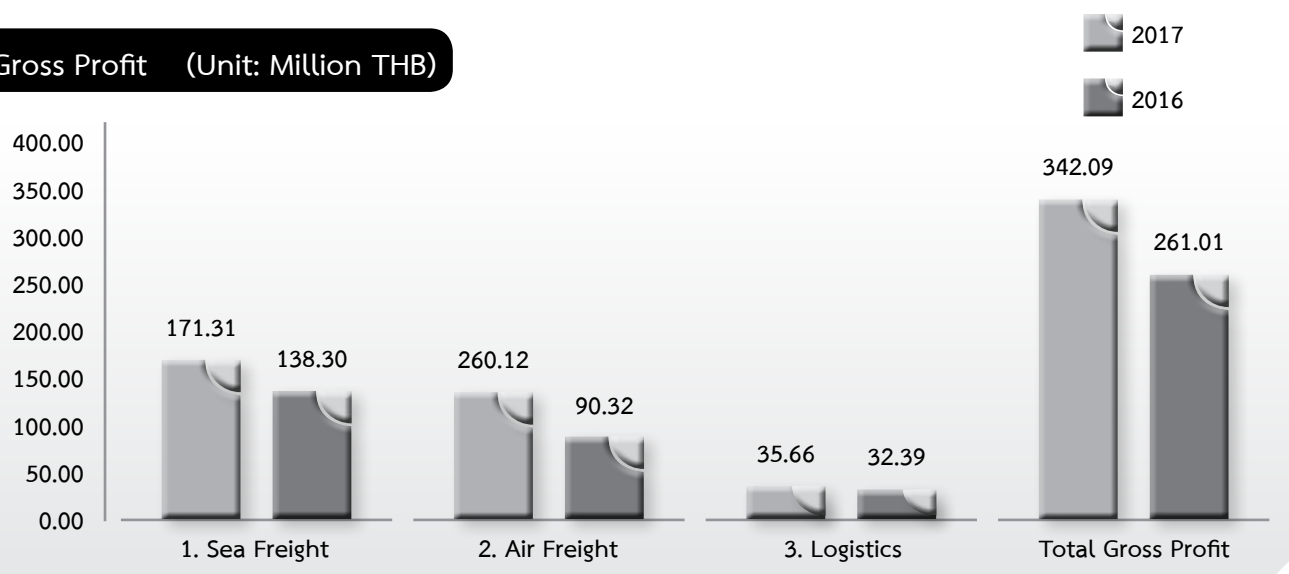
(Unit : Million THB)

Cost of service	2017	2016	Increase (Decrease)	%
1. Sea Freight	463.72	365.63	98.09	26.83
2. Air Freight	330.47	203.44	127.03	62.44
3. Logistics	260.09	192.41	67.68	35.17
Total cost of services	1,054.28	761.48	292.80	38.45

The Company's total service cost for the years ended December 31, 2017 and December 31, 2016 was Baht 1,054.28 million and Baht 761.48 million, respectively, an increase of Baht 292.80 million, an increase of 38.45%. Perceived cost of services in proportion to Sun Express Logistics Pte. Ltd. and cost of services that generate revenue. Compared to the previous year. As a result, the cost of services increased proportionally. The plan is set.

Cost of services It can be classified by types of activities that generate income as follows.:

1. Cost of shipping management services For the years ended December 31, 2017 and December 31, 2016, Baht 463.72 million and Baht 365.63 million, respectively, increased by Baht 98.09 million, an increase of 26.83 percent.
2. Cost of Air Cargo Handling Services For the years ended December 31, 2017 and December 31, 2016, amounting to Baht 330.47 million and Baht 203.44 million, respectively, increased by Baht 127.03 million, an increase of 62.44 percent.
3. Cost of Logistics Management Services For the years ended December 31, 2017 and December 31, 2016, Baht 260.09 million and Baht 192.41 million, respectively, increased by Baht 67.68 million, an increase of 35.17 percent.

Gross Profit (Unit: Million THB)


Gross Profit (Unit : Million THB)	2017	2016	Increase (Decrease)	%
1. Sea Freight	171.31	138.30	33.01	23.87
2. Air Freight	135.12	90.32	44.80	49.60
3. Logistics	35.66	32.39	3.27	10.10
Total	342.09	261.01	81.08	31.06

Gross Profit Margin	2017	2016	Increase (Decrease)
1. Sea Freight	26.98%	27.44%	-0.47%
2. Air Freight	29.02%	30.75%	-1.72%
3. Logistics	12.06%	14.41%	-2.35%
Total	24.50%	25.53%	-1.03%

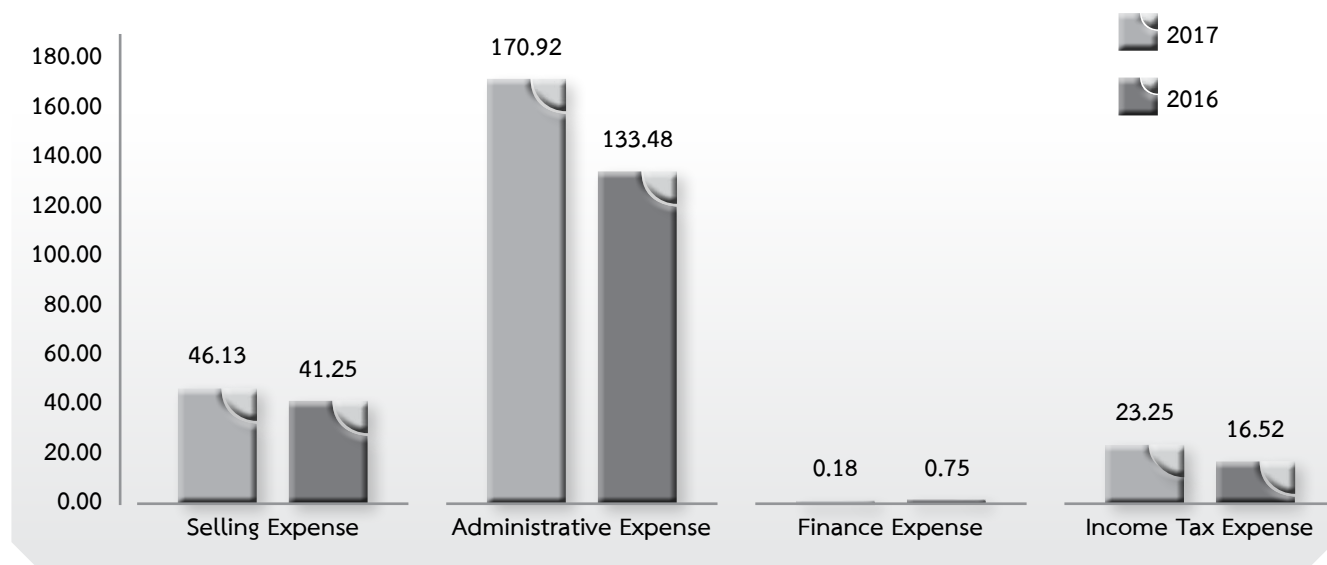
The gross profit of the Company for the year ended December 31, 2017 and December 31, 2016 were Baht 342.09 million and Baht 261.01 million, respectively, increased by Baht 81.08 million, representing an increase of 31.06%. Revenue and cost of services according to the proportion of Sun Express Logistics Pte. Ltd. This year, the Company recognized income from January 1, 2017 to December 31, 2017, compared to the same period in the year. 2016, which began to recognize the mold. Increased cost As a result, the Company's sales increased. As a result, gross margins increased. They can be classified by activity type as follows:

Gross Profit Margin of freight services. For the years ended December 31, 2017 and December 31, 2016, Baht 171.31 million and Baht 138.30 million, respectively, increased by Baht 33.01 million, an increase of 23.87 percent. December 31, 2017 and December 31, 2016 were 26.98% and 27.44%, respectively. The gross margin decreased by 0.47%, which was slightly lower.

Gross Profit Margin of air freight services For the years ended December 31, 2017 and December 31, 2016, Baht 135.12 million and Baht 90.32 million, an increase of Baht 44.80 million, an increase of 49.60 percent. For the year ended December 31, 2017 and December 31, 2016, the gross margin was down by 1.72%, which was a slight decrease.

Gross Profit Margin of logistics services for the years ended December 31, 2017 and December 31, 2016, Baht 35.66 million and Baht 32.39 million, respectively, increased by Baht 3.27 million, an increase of 10.10 percent. December 31, 2017 and December 31, 2016 were 12.06% and 14.41%, respectively. The gross margin was down by 2.35%. Price competition for project type. The company has placed. This allows the company to increase its sales value and increase its sales value. And very important This will result in the customer continuing to use the services provided by the company. This is a price strategy that companies manage to generate revenue and profitability in other types of revenue generation.





(Unit : Million THB)

List	2017	2016	Increase (Decrease)	%
Selling Expense	46.13	41.25	4.89	11.85
Management Expense	170.92	133.48	37.44	28.05
Financial Expense	0.18	0.75	-0.57	-75.46
Income Tax	23.25	16.52	6.73	40.75

Selling expenses of the company For the years ended December 31, 2017 and December 31, 2016, the Company and its subsidiaries recorded Baht 46.13 million and Baht 41.25 million, respectively, an increase of Baht 4.89 million, an increase of 11.85 percent from the previous year. Of sales activities. Variable by increasing sales.

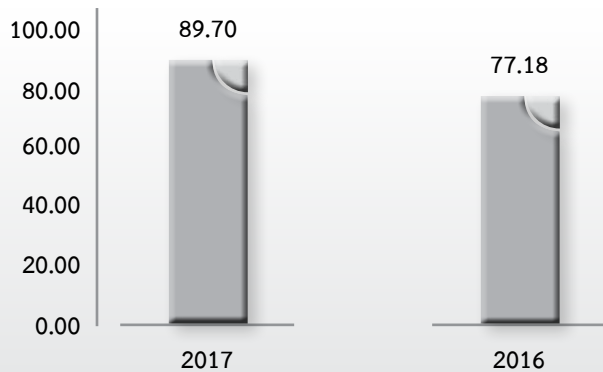
The Company's administrative expenses for the years ended December 31, 2017 and December 31, 2016 amounted to Baht 170.92 million and Baht 133.48 million, respectively, an increase of Baht 37.44 million, an increase of 28.05 percent. Compared to the previous year. The amortization of intangible assets - The Group's customer relationship was Baht 8.19 million. The staff has been added as planned. Increased employee expenses. And expenses. Information Management Consultant Including consultants to improve work processes. Development includes financial and legal advisors. To study the acquisition of shares of Universal Worldwide Transportation the Company also had a forex loss of Baht 5.13 million, which was a loss on foreign exchange. The need to improve foreign debtors' accounts at the end of the year was due to the continued appreciation of the baht, resulting in foreign exchange losses.

The Company's financial expenses for the years ended December 31, 2017 and December 31, 2016 amounted to Baht 0.18 million and Baht 0.75 million, respectively, decreased by Baht 0.57 million, a decrease of 75.46% from the agreement. Financial lease at maturity.

Corporate income tax expenses for the years ended December 31, 2017 and December 31, 2016 were Baht 23.25 million and Baht 16.52 million, respectively, increased Baht 6.73 million, an increase of 40.75% from the profit. increase

(Unit : Million THB)

	2017	2016	Increase (Decrease)	%
Net Profit	89.70	77.18	12.52	16.22

Net Profit (Unit: Million Baht)

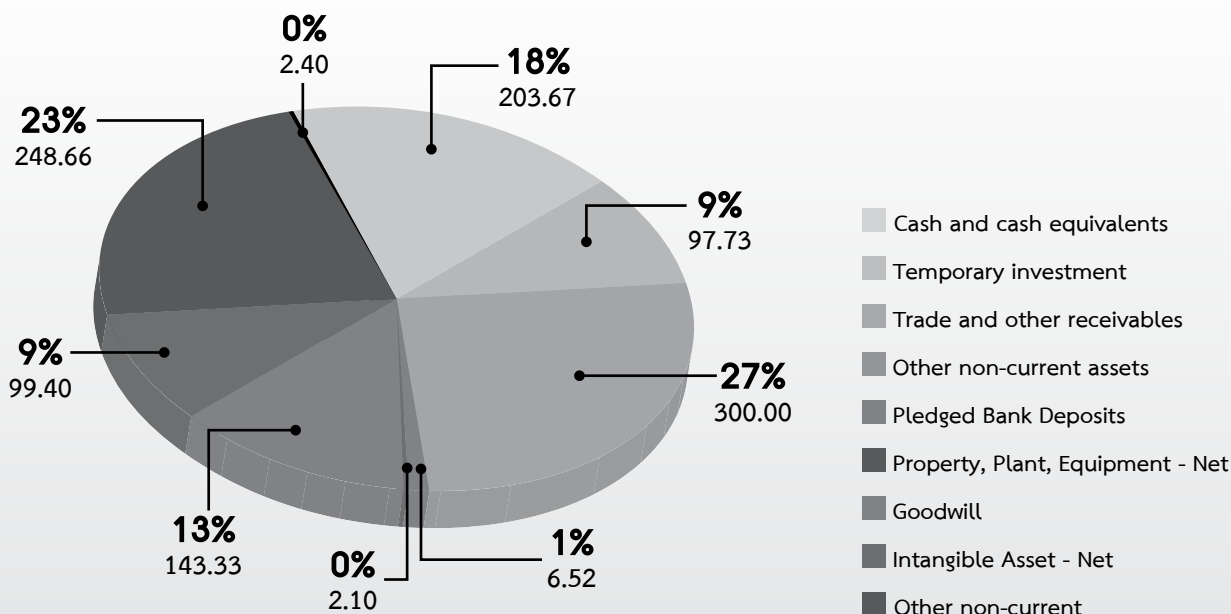
The net profit for the year ended December 31, 2017 and December 31, 2016 were Baht 89.70 million and Baht 77.18 million, respectively, increased by Baht 12.52 million, an increase of 16.22 percent. Sunvest Logistics Pte. Ltd. accounted for 54.12% and 45.88% of its operating profit.

Financial Statement Analysis

Financial Statement	2017	2016	Increase (Decrease)	
	Amount	Amount	Amount	%
Assets				
Current Assets				
Cash and Cash Equivalents	203.67	173.52	30.16	17.38
Temporary investment	97.73	89.92	7.81	8.68
Account Receivable and Other Receivables	300.00	277.90	22.10	7.95
Other Current Assets	6.52	4.12	2.40	58.21
Total Current Assets	607.93	545.47	62.46	11.45
Non-current assets				
Pledged Bank Deposits	2.10	10.81	-8.71	-80.58
Property, Plant, Equipment - Net	143.33	150.72	-7.39	-4.90
Goodwill	99.40	99.40	0.00	0.00
Intangible Asset - Net	248.66	258.84	-10.18	-3.93
Deferred Tax Assets	0.00	0.00	0.00	0.00
Other Non-Current Assets	2.40	1.92	0.48	25.22
Total Non-Current Assets	495.89	521.69	-25.80	-4.95
Total Assets	1,103.82	1,067.16	36.66	3.44



Asset (Unit : Million THB)



Asset

The total assets as of 31 December 2017 and 31 December 2016 amounted to Baht 1,103.82 million and Baht 1,067.16 million, respectively, increased by Baht 36.66 million or 3.44%. The number has increased slightly. Please note:

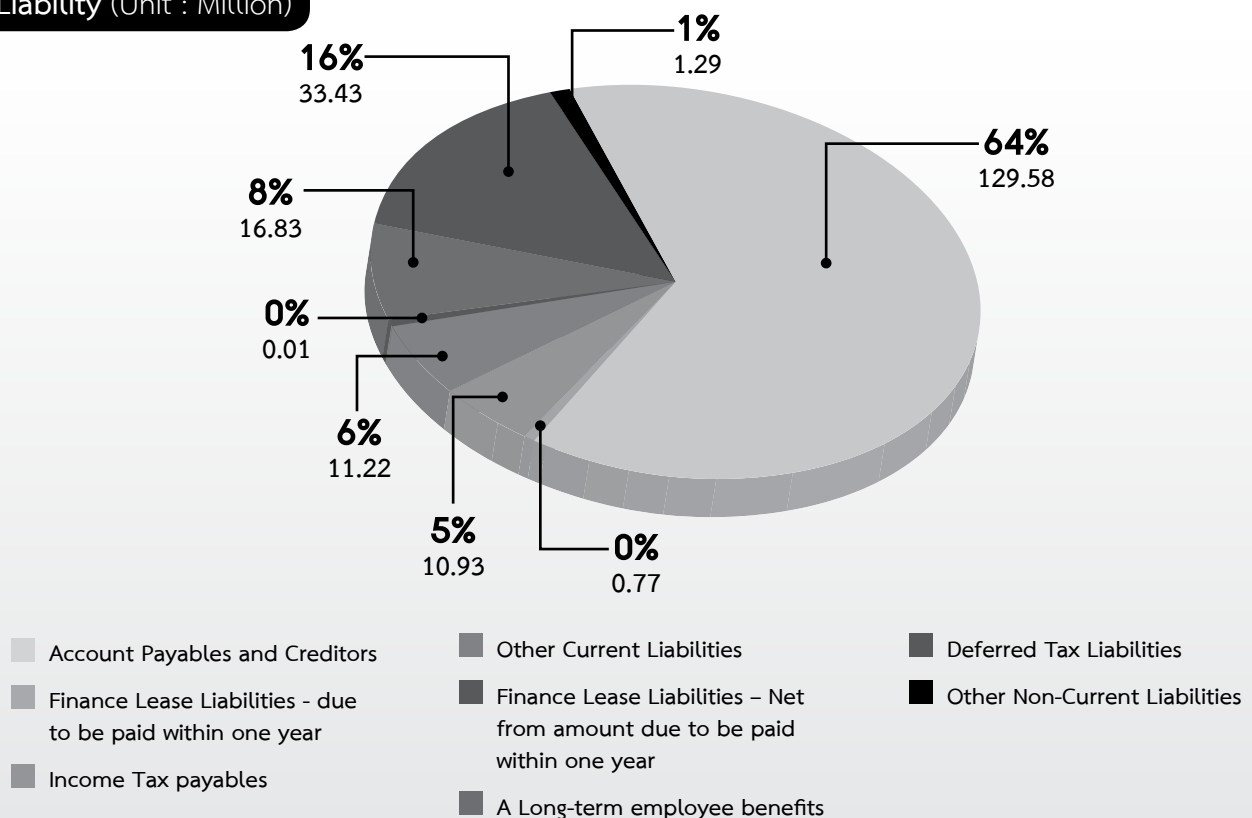
Cash and cash equivalents increased by Baht 203.67 million and Baht 173.52 million, respectively, increased by Baht 30.16 million or 17.38% from December 31, 2016 and December 31, 2017 respectively. From the increased operation.

Trade receivables and other receivables increased by Baht 300.00 million and Baht 277.90 million, respectively, increased by Baht 22.10 million or 7.95% from the increase in revenue as of December 31, 2017 and December 31, 2016. As a result, the debtors increased. However, such debtors are debtors with normal repayment capability.

Financial Statement	2017	2016	Increase (Decrease)	
	Amount	Amount	Amount	%
Liabilities				
Current Liabilities				
Account Payables and Creditors	129.58	119.02	10.56	8.87
Finance Lease Liabilities - due to be paid within one year	0.77	7.15	-6.38	-89.27
Income Tax payables	10.93	15.18	-4.25	-28.00
Other Current Liabilities	11.22	12.47	-1.25	-9.99
Total Current Liabilities	152.49	153.81	-1.32	-0.86

Financial Statement	2017	2016	Increase (Decrease)	
	Amount	Amount	Amount	%
Liabilities				
Current Liabilities				
Finance Lease Liabilities – Net from amount due to be paid within one year	0.01	0.77	-0.76	-98.23
A Long-term employee benefits	16.83	13.67	3.16	23.10
Deferred Tax Liabilities	33.43	35.64	-2.20	-6.18
Other Non-Current Liabilities	1.29	0.98	0.30	30.94
Total Non-Current Liability	51.56	51.06	0.50	0.98
Total Liabilities	204.06	204.88	-0.82	-0.40

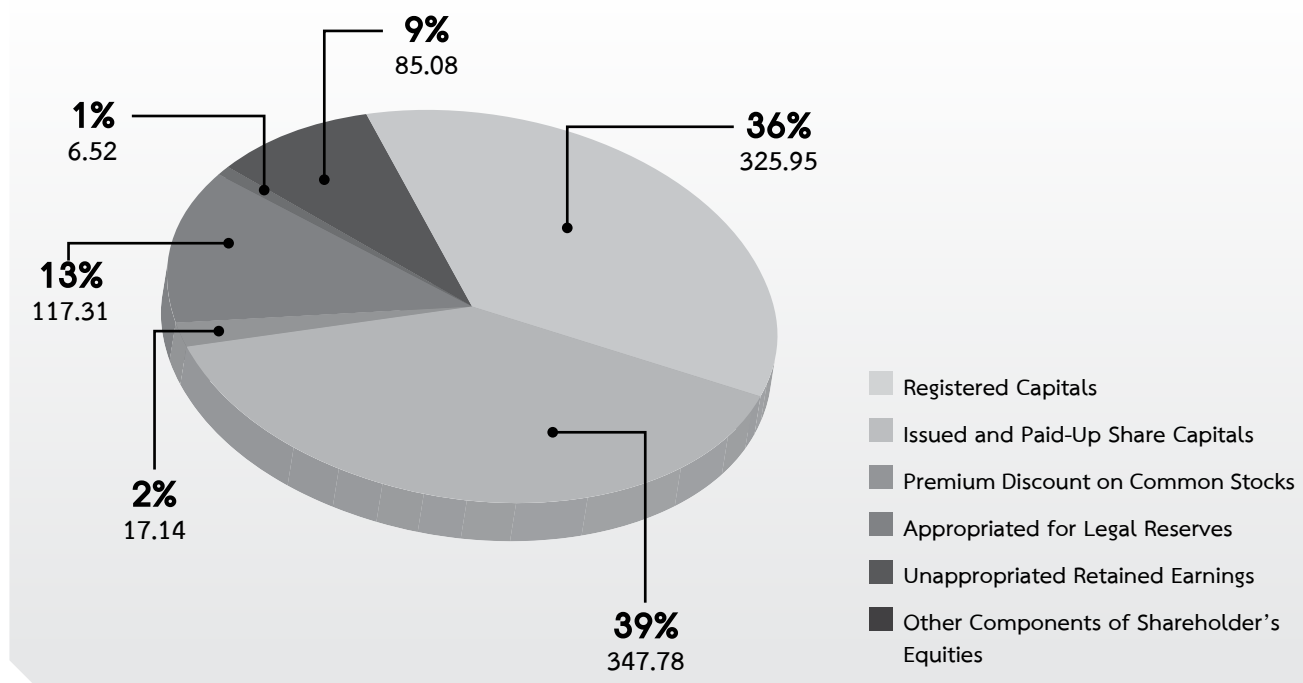
Liability (Unit : Million)



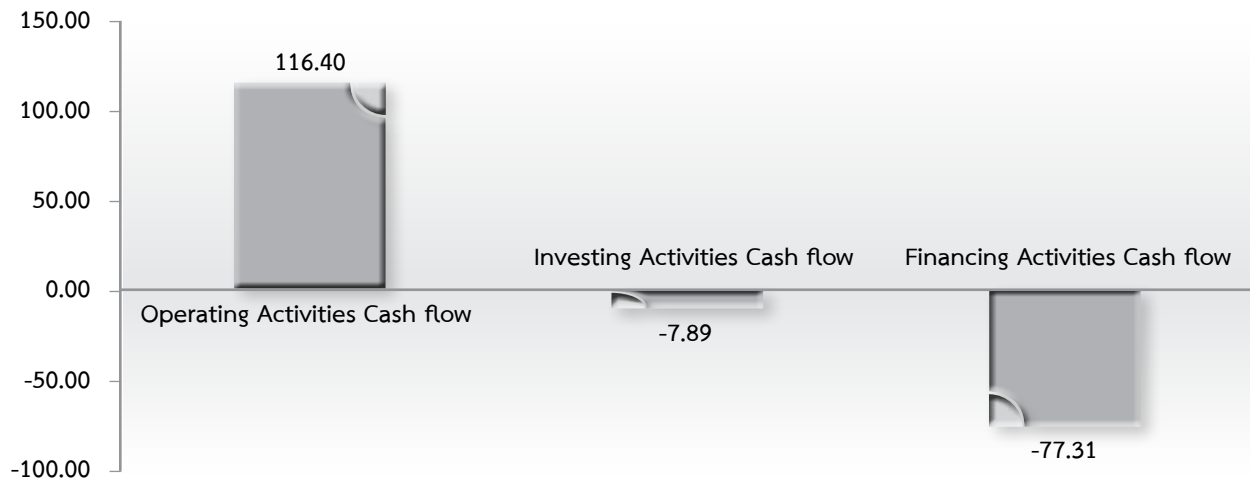
The Company had total liabilities as of December 31, 2017 and December 31, 2016 amounting to Baht 204.06 million and Baht 204.88 million, respectively, a decrease of Baht 0.82 million or 0.40 %. As at December 31, 2017 and December 31, 2016, the outstanding balances of these liabilities decreased by Baht 0.77 million and Baht 7.15 million, respectively, decreased by Baht 6.38 million or 89.27%.

Financial Statement	2017	2016	Increase (Decrease)	
	Amount	%	Amount	Amount
Shareholders' Equity				
Registered capital	325.95	325.95	0.00	0.00
Issued and fully paid-up share capital	325.95	325.95	0.00	0.00
Share premium	347.78	347.78	0.00	0.00
Retained Earnings - Allocated to Legal Reserve	17.14	14.27	2.86	20.05
Retained Earnings - Unappropriated	117.31	82.62	34.69	41.99
Other components of shareholders' equity	6.52	6.60	-0.08	-1.27
Non-controlling interests	85.08	85.06	0.02	0.02
Total Shareholders' Equity	899.77	862.28	37.49	4.35
Total liabilities and shareholders' equity	1,103.82	1,067.16	36.66	3.44

Shareholders' Equity (Unit : Million)



The Company's shareholders equity as of December 31, 2017 and December 31, 2016 were Baht 899.77 million and Baht 862.28 million, an increase of Baht 37.49 million or 4.35% from the increase in operating results.

Cash Flow Statement 2017 Unit : MB**Appropriateness of capital structure**

Debt to equity ratio as of December 31, 2017 and December 31, 2016 was 0.23 times and 0.24 times. The debt to equity ratio decreased slightly. The Company has a policy to manage creditors more effectively to make the cash flow turnover more flexible. At present, the debt to equity ratio is relatively low as the Company has a policy to use the majority of its share capital from its shareholders. The risk is low. There are no financial costs and business agility.

Liquidity**Cash flow**

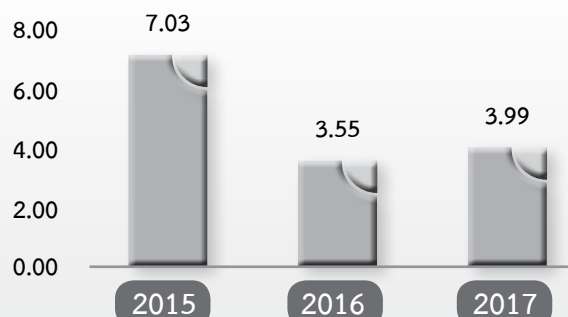
Net cash flow from operating activities for the year 2017 was Baht 116.40 million, mainly due to the pre-tax profit of Baht 130.81 million and the increase in account payable and other accounts payable of Baht 10.42 million. Trade accounts receivable increased by Baht 21.63 million.

Net cash flow from investing activities for the year 2017 was minus Baht 7.89 million due to Companies pay cash to buy fixed assets. The major components were computer equipment and computer programs of Baht 11.06 million.

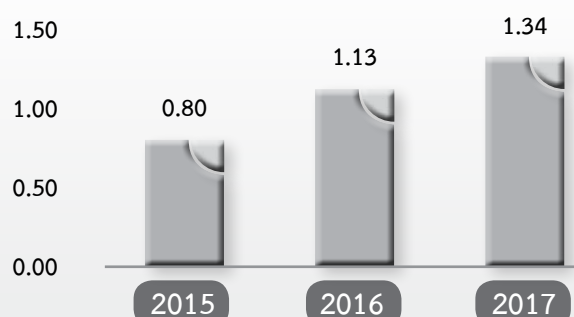
Net cash flow from financing activities for the year 2017 was Baht 77.31 million. The Company paid dividend of Baht 69.98 million and paid for repayment under financial lease agreement of Baht 7.14 million.

Financial Ratio

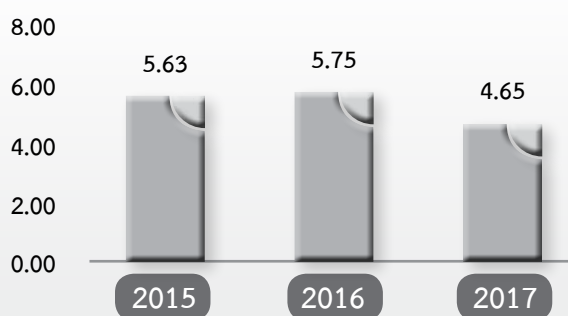
Liquidity Ratio (times)



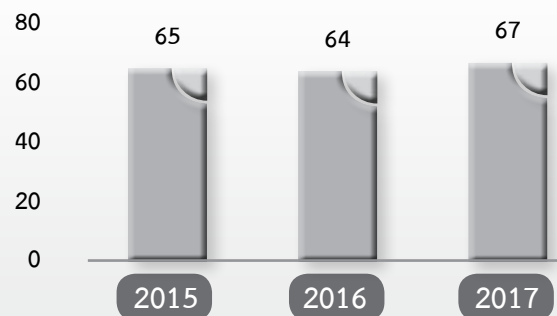
Cash Flow Ratio (times)



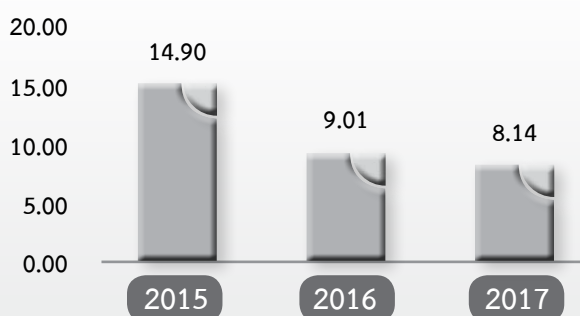
Account Receivable turnover (times)



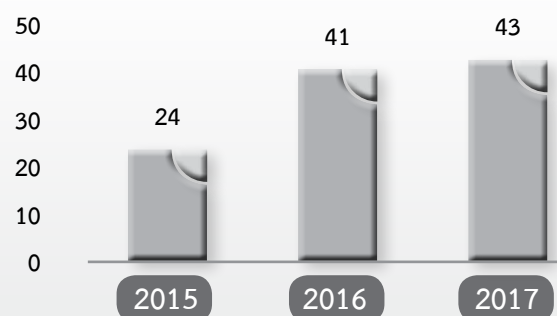
Account Receivable in days



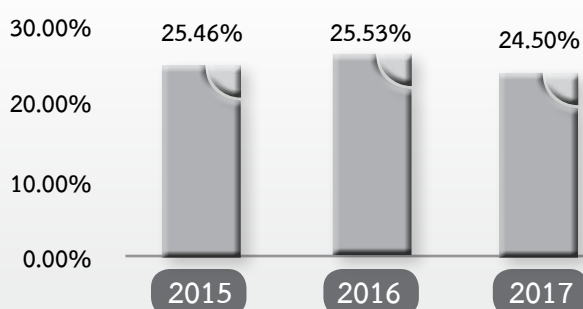
Account Payable turnover (times)



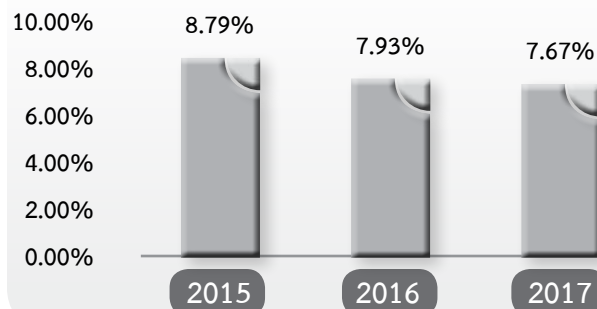
Account Payable in days



Gross Profit (%)



Net Profit Margin (%)



Information of Relationship Between Persons and Corporate Body

Persons or Corporate Body that may be Conflicted	Relationship	Description	value (THB)	Outstanding Balance	Director explanation in appropriateness and necessities	The Audit Committee's Opinion
			Year End 31-Dec-17	31-Dec-17		
1. Mrs. Araya Kongsoonthorn 2. Mr.Chudet Kongsoonthorn	Director and Company Shareholder	Land Lease Agreement (Head Office)	1,526,979	None	The Company leased the land from V Land Ordinary Partnership (Company Director and Shareholder are Ms. Araya Kongsoonthorn and Mr.Chudet Kongsoonthorn) To build a company head office. Title Deed No. 53901, Land size; 1 ngan 70.2 sq.wah. Location; Chong Nonsi Sub-district, Yan Nawa District, Bangkok. Created a twenty-year lease agreement from 1 July 2014 - 30 July 2034. The rental rate as follows; Year 1 - 2 Cost/Month 92,674 THB Year 3 - 5 Cost/Month 101,941 THB Year 6 - 8 Cost/Month 112,135 THB Year 9 - 11 Cost/Month 123,349 THB Year 12 -14 Cost/Month 135,684 THB Year 15 -17 Cost/Month 149,252 THB Year 18 -20 Cost/Month 164,177 THB Total Rental Cost 30,539,586 THB The Company has commissioned Agency for real estate affairs co. ltd. as an independent evaluation of the rental rate, for public purpose. The company is in the approved list from Securities and Exchange Commission (SEC).	

Persons or Corporate Body that may be Conflicted	Relationship	Description	value (THB)	Outstanding Balance	Director explanation in appropriateness and necessities	The Audit Committee's Opinion
			Year End 31-Dec-17	31-Dec-17		
1. Mrs. Araya Kongsoonthorn 2. Mr.Chudet Kongsoonthorn	Director and Company Shareholder	Land and building lease (Laem Chabang - part of the office)	392,000	None	"The company leased commercial Building on Land; two attached, 3-storey buildings, to use as Laem Chabang Service Center. Title Deed 164087 Land Size 42 sq.wah. Located in Surasak Sub-district, Sriracha District, Chonburi. From 1 August 2014 - 1 August 2017 at the rate of 31,000 baht per month. The Company has commissioned Agency for real estate affairs co. ltd. as an independent evaluation of the rental rate for public purpose. The company is in the approved list from Securities and Exchange Commission (SEC)."	
Sun Express Logistics Pte. Ltd.	As Subsidiaries WICE is the major shareholder with 70 percent of the share From 15 August 2016 Relation : Subsidiary	Revenues from rendering of Service / Account Receivable	7,725,640	748,248	" Sun Express Logistics Pt. Ltd. is one of Company's Oversea Agencies To cooperate and service within the authorized area, offer the service at the market price."	
		Cost of rendering service / Creditor	17,210,143	1,544,424		
		Director Fee Charge	292,194	None	The Director Fee is charged at the rate of SGD 1,000 per month, starting from September 2016.	
		Dividend income	40,284,461	None	Dividend income from subsidiaries The subsidiary announced a dividend of USD 2.2 million on February 17, 2017. The company's 70% dividend was \$ 1.54 million. And pay dividends in March / July and November 2560, respectively.	

Persons or Corporate Body that may be Conflicted	Relationship	Description	value (THB)	Outstanding Balance	Director explanation in appropriateness and necessities	The Audit Committee's Opinion
			Year End 31-Dec-17	31-Dec-17		
Sun Express (Thailand) Co., Ltd.	Subsidiary (WICE is the major share- holder with 99.99 percent of the share)	Revenues from ren- dering of Service / Account Recievable	13,021,247	144,453	The Company provides Sea & Sea Freight management services to its subsidiaries as it is based in Laem Chabang, so it is easy to manage with a market rate.	
		Cost of rendering service/ Creditor	1,788,415	68,365	The Company uses the Customs transportation service of its subsidiary. The subsidiary has its own branch in Suvarnabhumi. The market rate is charged.	
		Revenues from rent and Services/ Other Account Receivable	22,266,630	None	Revenue from office rental Financial and Accounting Management Services Human Resource Management Management of computer systems. To be effective. The subsidiary leased space on the 4th floor of the head office building. The rental rate is Baht 55,440 per month, which is the same rate as in 2006, and is charged at the rate of Baht 48,000 per month, using the Allocation Cost method. The contract is from 1 January 2017 to 31 December 2017.	
		Others Creditors	-	277,200	The rental charge for the head office space of the subsidiary.	
		Dividend Income	36,192,063	None	Dividend income from subsidiaries The subsidiary an- nounced the dividend payment on March 30, 2017 and paid the dividend on March 31, 2017.	



The Board of Directors' responsibility for Financial Statements

The Board of Directors is responsible for the preparation of the financial statements and income balance sheet of the company for the year ended 31 December 2017 in accordance with the requirements of The Public Limited Company Act B.E. 2535 (1992). Our responsibility, as a Public Limited Company (PLC), is to express an opinion on these financial statements, balance sheet and financial information systems for the year ended 31 December 2017 report.

The Board of Directors has appointed only non-employee directors to serve as auditors, who monitor the choice of accounting policies and principles, and oversee the financial reporting and disclosure processes of the group companies and subsidiaries based on our auditing standards. Those standards require the auditors to obtain and audit evidence relating to the amounts and disclosures in the financial statements, including maintaining the company's assets, and ensure that the financial statements are accurate, and free from fraud or error. The Board of Directors believe that the audit evidence obtained is sufficient and appropriate to provide a basis for an audit opinion for a report for the year ended 31 December 2017.

The Board of Directors is confident that the financial statements have been carefully investigated for appropriateness of the accounting policies used and the accuracy of accounting estimates made, and the evaluation of the overall of the financial statements comply and support audit standards in Thailand with respect to financial transparency in the Note to Financial Statement.

Mr. Ekaphol Pongstabhon
Chairman of the Board

Mrs. Araya Kongsoonthorn
Chief Executive officer



Independent Auditor's Report

To the Shareholders of WICE Logistics Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of WICE Logistics Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2017, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of WICE Logistics Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WICE Logistics Public Company Limited and its subsidiaries and of WICE Logistics Public Company Limited as at 31 December 2017, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

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



Revenue recognition

The Group has entered into agreements with a large number of customers and there are a variety of conditions in these agreements. As a result, the Group's recognition of revenue from sales is complex. In addition, the trends of import - export of automobile, parts and accessories, electrical appliances, and construction material industries have directly resulted in more intense competition in the import - export service providers. I have therefore focused on the audit of the actually occurring and timing of revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select service income transactions during the year to assess whether revenue recognition was consistent with the conditions, and in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring near the end of the accounting period.
- Reviewing credit notes issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Goodwill

I have focused my audit on the consideration of the impairment of goodwill which acquired in a business combination, as discussed in Note 4.7 to the financial consolidated statements, because the assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgment in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of goodwill and intangible assets.

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

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

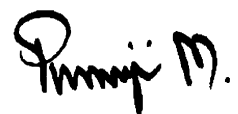
I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

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

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521



EY Office Limited

Bangkok: 21 February 2018



Statement of financial position

As at 31 December 2017

WICE Logistics Public Company Limited and its subsidiaries





Statement of financial position

Wice Logistics Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Assets					
Current assets					
Cash and cash equivalents	7	203,674,781	173,517,882	151,850,528	101,377,389
Current investments	8	97,730,576	89,922,941	50,225,092	40,684,533
Trade and other receivables	6, 9	299,999,488	277,901,546	139,735,257	153,098,303
Other current assets		6,524,115	4,123,581	2,004,118	2,565,654
Total current assets		607,928,960	545,465,950	343,814,995	297,725,879
Non-current assets					
Restricted bank deposits	10	2,100,000	10,811,379	2,100,000	171,750
Investments in subsidiaries	11	-	-	344,635,200	344,635,200
Property, plant and equipment	12	143,326,629	150,717,763	144,067,295	148,296,819
Goodwill		99,400,479	99,400,479	-	-
Intangible assets	13	248,663,662	258,843,292	8,178,472	4,620,145
Deferred tax assets	20	-	-	4,898,626	5,405,690
Other non-current assets		2,402,438	1,918,627	2,036,630	1,636,055
Total non-current assets		495,893,208	521,691,540	505,916,223	504,765,659
Total assets		1,103,822,168	1,067,157,490	849,731,218	802,491,538

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

Wice Logistics Public Company Limited and its subsidiaries
Statements of financial position (Continued)
As at 31 December 2017

(Unit: Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	6, 14	129,576,417	119,017,560	50,971,417	46,779,810
Current portion of liabilities under finance lease agreements	15	767,579	7,151,333	767,579	7,151,333
Income tax payable		10,928,612	15,179,142	1,476	7,641
Other current liabilities		11,219,844	12,465,586	8,389,241	10,804,850
Total current liabilities		152,492,452	153,813,621	60,129,713	64,743,634
Non-current liabilities					
Liabilities under finance lease agreements - net of current portion	15	13,699	772,246	13,699	772,246
Provision for long-term employee benefits	16	16,831,776	13,673,256	10,709,785	8,542,605
Deferred tax liabilities	20	33,431,915	35,635,076	-	-
Other non-current liabilities		1,285,311	981,627	1,285,311	981,627
Total non-current liabilities		51,562,701	51,062,205	12,008,795	10,296,478
Total liabilities		204,055,153	204,875,826	72,138,508	75,040,112
Shareholders' equity					
Share capital	17				
Registered					
651,899,500 ordinary shares of Baht 0.50 each		325,949,750	325,949,750	325,949,750	325,949,750
Issued and paid-up					
651,899,500 ordinary shares of Baht 0.50 each		325,949,750	325,949,750	325,949,750	325,949,750
Share premium		347,778,911	347,778,911	347,778,911	347,778,911
Retained earnings					
Appropriated-statutory reserve	18	17,137,032	14,274,367	17,137,032	14,274,367
Unappropriated		117,308,558	82,618,745	86,620,164	39,448,187
Other components of shareholders' equity		6,517,295	6,601,418	106,853	211
Equity attributable to owners of the Company		814,691,546	777,223,191	777,592,710	727,451,426
Non-controlling interests of the subsidiary		85,075,469	85,058,473	-	-
Total shareholders' equity		899,767,015	862,281,664	777,592,710	727,451,426
Total liabilities and shareholders' equity		1,103,822,168	1,067,157,490	849,731,218	802,491,538

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





Wice Logistics Public Company Limited and its subsidiaries

Statements of income

For the year ended 31 December 2017

(Unit: Baht)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2017	2016	2017	2016
Profit or loss:					
Revenues					
Service income	6	1,396,367,967	1,022,483,684	632,208,571	565,430,023
Dividend income	6, 11	-	-	76,476,524	26,338,781
Other income	6	5,962,380	13,152,598	24,630,158	14,164,100
Total revenues		1,402,330,347	1,035,636,282	733,315,253	605,932,904
Expenses					
Cost of services	6	1,054,285,999	761,485,818	520,401,144	446,299,761
Selling expenses		46,133,506	41,246,071	23,115,112	26,371,282
Administrative expenses	6	170,920,406	133,477,634	77,057,127	69,622,940
Total expenses		1,271,339,911	936,209,523	620,573,383	542,293,983
Profit before finance cost and income tax expenses		130,990,436	99,426,759	112,741,870	63,638,921
Finance cost		(184,040)	(750,071)	(184,040)	(750,071)
Profit before income tax expenses		130,806,396	98,676,688	112,557,830	62,888,850
Income tax expenses	20	(23,254,151)	(16,522,006)	(10,375,228)	(5,635,562)
Profit for the year		107,552,245	82,154,682	102,182,602	57,253,288
Profit attributable to:					
Equity holders of the Company		89,700,438	77,182,501	102,182,602	57,253,288
Non-controlling interests of the subsidiary		17,851,807	4,972,181		
		107,552,245	82,154,682		
Earnings per share					
Basic earnings per share	21				
Profit attributable to equity holders of the Company		0.14	0.12	0.16	0.09
Weighted average number of ordinary shares (shares)		651,899,500	619,710,466	651,899,500	619,710,466

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

Wice Logistics Public Company Limited and its subsidiaries
Statements of comprehensive income (Continued)
For the year ended 31 December 2017

(Unit: Baht)

		Consolidated		Separate	
		financial statements		financial statements	
	<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit for the year		107,552,245	82,154,682	102,182,602	57,253,288
Other comprehensive income:					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods					
Exchange differences on translation of					
financial statements in foreign currency		(1,043,643)	(2,664,443)	-	-
Gain (loss) on changes in value of available-for-sale					
investments	8	1,199,295	(2,090,381)	133,197	(756,991)
Less: Income tax effect	20	(239,775)	418,076	(26,555)	151,398
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		(84,123)	(4,336,748)	106,642	(605,593)
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods:					
Actuarial gain (loss)	16	-	345,853	-	(185,130)
Less: Income tax effect	20	-	(69,171)	-	37,026
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods		-	276,682	-	(148,104)
Other comprehensive income for the year		(84,123)	(4,060,066)	106,642	(753,697)
Total comprehensive income for the year		107,468,122	78,094,616	102,289,244	56,499,591
Total comprehensive income attributable to:					
Equity holders of the Company		89,616,315	73,122,435	102,289,244	56,499,591
Non-controlling interests of the subsidiary		17,851,807	4,972,181		
		107,468,122	78,094,616		

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





Wice Logistics Public Company Limited and its subsidiaries

Cash flow statements

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Cash flows from operating activities				
Profit before tax	130,806,396	98,676,688	112,557,830	62,888,850
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	27,949,156	24,164,334	15,636,895	14,641,980
Reversal on allowance for doubtful accounts	(715,784)	(197,184)	(715,784)	(12,141)
Reversal on impairment loss of assets	-	(42,621)	-	-
(Gain) loss on sales of equipment	307,474	(43,625)	101,231	-
Gain on sales of current investments	(129,869)	(4,495,311)	-	(2,827,818)
Long-term employee benefits expense	3,158,520	3,378,374	2,167,180	2,488,381
Unrealised (gain) loss on exchange	428,370	(802,404)	540,987	(438,966)
Interest income	(608,354)	(1,209,742)	(509,236)	(1,181,402)
Dividend income	-	-	(76,476,524)	(26,338,781)
Interest expenses	184,040	750,071	184,040	750,071
Profit from operating activities before changes in operating assets and liabilities	161,379,949	120,178,580	53,486,619	49,970,174
Operating assets (increase) decrease				
Trade and other receivables	(21,628,342)	(63,427,938)	13,650,083	(57,197,257)
Other current assets	(2,400,534)	262,436	561,536	(256,620)
Other non-current assets	(483,811)	913,790	(400,575)	(26,021)
Operating liabilities increase (decrease)				
Trade and other payables	10,418,067	26,949,743	4,056,436	12,130,299
Other current liabilities	(1,245,742)	6,320,822	(2,415,609)	5,523,326
Provision for long-term employee benefits	-	(471,950)	-	(392,950)
Other non-current liabilities	303,684	359,288	303,684	359,288
Cash flows from operating activities	146,343,271	91,084,771	69,242,174	10,110,239
Cash paid for corporate income tax	(29,947,617)	(20,234,758)	(9,900,883)	(8,268,886)
Net cash flows from operating activities	116,395,654	70,850,013	59,341,291	1,841,353

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

Wice Logistics Public Company Limited and its subsidiaries
Cash flow statements (Continued)
For the year ended 31 December 2017

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from investing activities				
Decrease in current investments	31,034,190	39,474,009	38,592,638	39,392,857
(Increase) decrease in restricted bank deposits	8,711,379	909,112	(1,928,250)	909,112
Acquisitions of plant and equipment	(9,125,364)	(9,469,905)	(10,950,702)	(9,227,171)
Acquisitions of intangible asset	(1,942,078)	(7,796,167)	(4,354,546)	(5,055,513)
Proceeds from sales of equipment and intangible assets	373,832	2,717,290	238,318	2,650,000
Interest income	566,958	1,297,289	532,167	1,268,949
Dividend income	-	-	76,476,524	26,338,781
Proceeds from sales of current investments	10,487,340	220,302,099	-	182,590,705
Cash paid for acquisitions of current investments	(48,000,000)	(47,208,762)	(48,000,000)	(30,000)
Cash paid for acquisitions of investment in subsidiary	-	(132,457,267)	-	(145,318,600)
Net cash flows from (used in) investing activities	(7,893,743)	67,767,698	50,606,149	93,519,120
Cash flows from financing activities				
Repayments made on liabilities under finance lease agreements	(7,142,301)	(14,567,882)	(7,142,301)	(14,540,882)
Interest expenses	(184,040)	(750,071)	(184,040)	(750,071)
Dividend paid	(69,982,770)	(41,996,192)	(52,147,960)	(41,996,192)
Net cash flows used in financing activities	(77,309,111)	(57,314,145)	(59,474,301)	(57,287,145)
Decrease in translation adjustments	(1,035,901)	(2,224,080)	-	-
Net increase in cash and cash equivalents	30,156,899	79,079,486	50,473,139	38,073,328
Cash and cash equivalents at beginning of year	173,517,882	94,438,396	101,377,389	63,304,061
Cash and cash equivalents at end of year (Note 7)	203,674,781	173,517,882	151,850,528	101,377,389
	-	-	-	-
Supplemental cash flows information				
Non-cash items consist of				
Acquisitions of motor vehicles under finance lease agreements	-	76,280	-	76,280
Acquisitions of subsidiary by share swap	-	(145,318,600)	-	(145,318,600)

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



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

Wice Logistics Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (Continued)
For the year ended 31 December 2017

Separate financial statements										(Unit: Baht)
	Note	Issued and paid-up share capital	Share premium	Retained earnings		on changes in value of available-for-sale investments	Total other components of shareholders' equity		Total shareholders' equity	
				Appropriated	Unappropriated			equity		
Balance as at 1 January 2016		300,000,000	228,410,061	10,800,000	27,813,562	605,804	605,804		567,629,427	
Profit for the year		-	-	-	57,253,288	-	-		57,253,288	
Other comprehensive income for the year		-	-	-	(148,104)	(605,593)	(605,593)		(753,697)	
Total comprehensive income for the year		-	-	-	57,105,184	(605,593)	(605,593)		56,499,591	
Increase in share capital	17	25,949,750	119,368,850	-	-	-	-		145,318,600	
Unappropriated retained earnings transferred to statutory reserve	18	-	-	3,474,367	(3,474,367)	-	-		-	
Dividend paid	24	-	-	-	(41,996,192)	-	-		(41,996,192)	
Balance as at 31 December 2016		325,949,750	347,778,911	14,274,367	39,448,187	211	211		727,451,426	
Balance as at 1 January 2017		325,949,750	347,778,911	14,274,367	39,448,187	211	211		727,451,426	
Profit for the year		-	-	-	102,182,602	-	-		102,182,602	
Other comprehensive income for the year		-	-	-	-	106,642	106,642		106,642	
Total comprehensive income for the year		-	-	-	102,182,602	106,642	106,642		102,289,244	
Unappropriated retained earnings transferred to statutory reserve	18	-	-	2,862,665	(2,862,665)	-	-		-	
Dividend paid	24	-	-	-	(52,147,960)	-	-		(52,147,960)	
Balance as at 31 December 2017		325,949,750	347,778,911	17,137,032	86,620,164	106,853	106,853		777,592,710	

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

Notes to consolidated financial statements

Wice Logistics Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2017

1. General information

Wice Logistics Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in an international air and sea freight forwarding, customs broker, inland transportation, multimodal transport operator and all freight related services for imports and exports. The registered office of the Company is at 88/8 Nonsee Road, Chong-nonsee, Yannawa, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Wice Logistics Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017	2016
			%	%
Sun Express (Thailand) Company Limited	Freight forwarder and all freight related services for imports and exports	Thailand	99.99	99.99

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017	2016
			%	%
Sun Express Logistic Pte. Ltd.	Freight forwarder and all freight related services for imports and exports	Singapore	70.00	70.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary company is translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

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

3. New financial reporting standards

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

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standards that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarification directed towards disclosures in the notes to financial statements.

The management of the Company and its subsidiaries believe that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

4. Significant accounting policies

4.1 Revenue recognition

Rendering of services

Service revenue is recognised when services have been rendered.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividend income

Dividend income is recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

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

4.3 Trade and other receivables

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

4.4 Investments

- a) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- b) Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

The fair value of investment unit is based on the net assets value of investments at the end of reporting period.

The weighted average method is used for computation of the cost of investments. On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.5 Property, plant and equipment/Depreciation

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

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

Buildings and yard	20 years
Furniture, fixtures and office equipment	5 years
Computers	3 - 5 years
Motor vehicles	5 - 10 years

Depreciation is included in determining income. No depreciation is provided on land, and assets under installation.



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

4.6 Intangible assets

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

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

	<u>Useful lives</u>
Customer relationship	25 years
Stock rights option	4 years
Computer software	3 - 5 years

4.7 Goodwill

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

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

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

4.8 Related party transactions

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

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

4.9 Long-term leases

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

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

4.10 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.



4.11 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.12 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

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

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income. While actuarial gains and losses arising from other long-term employee benefits are recognised immediately in profit and loss.

4.13 Provisions

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

4.14 Income tax

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

Current tax

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

Deferred tax

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

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

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.



4.15 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 and its subsidiaries 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 and its subsidiaries 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 and its subsidiaries 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.

5. Significant accounting judgements and estimates

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

Allowance for doubtful accounts

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

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

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

Post-employment benefits under defined benefit plans and other long-term employee benefits

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

6. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.





(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2017	2016	2017	2016	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service income	-	-	13.0	9.7	Close to market price
Rental income and other service	-	-	22.6	8.7	As stipulated in the agreement
Dividend income	-	-	76.5	26.3	As declared
Cost of services	-	-	2.0	1.7	Close to market price
Acquisition of fixed assets	-	-	5.6	-	Close to market price
<u>Transactions with related company</u>					
Service income	-	5.7	-	-	Close to market price
Cost of services	-	12.1	-	-	Close to market price
<u>Transactions with management and directors</u>					
Land and buildings rental expenses	1.9	1.9	1.9	1.9	As stipulated in the agreement

As at 31 December 2017 and 2016, the balances of the accounts between the Company, and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Trade and other receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	145	12,914
Total trade and other receivables - related parties	-	-	145	12,914
<u>Trade and other payables - related parties (Note 14)</u>				
Subsidiaries	-	-	7,444	326
Related individuals (Management and directors)	-	21	-	21
Total trade and other payables - related parties	-	21	7,444	347



Directors and management's benefits

During the years ended 31 December 2017 and 2016, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Short-term employee benefits	46,122	38,379	13,970	13,295
Post-employment benefits	1,193	1,540	817	1,183
Total	47,315	39,919	14,787	14,478

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Cash	98	99	-	-
Bank deposits	203,577	173,419	151,851	101,377
Total	203,675	173,518	151,851	101,377

As at 31 December 2017 and 2016, bank deposits in saving accounts carried interests between 0.15% and 0.38% per annum.

8. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Investments in open-end fund - Cost	84,401	46,758	48,030	30
Add: Unrealised gain (loss) on changes in value of investments	1,119	(80)	133	-
Investments in open-end fund - Fair value	85,520	46,678	48,163	30
Fixed deposits	12,211	43,245	2,062	40,655
Total current investments	97,731	89,923	50,225	40,685

During the year ended 31 December 2017, the Company and its subsidiary sold available-for-sale securities with book values totaling Baht 10.3 million (2016: Baht 215.8 million) and recognised gains on the sales amounting to Baht 0.1 million (2016: Baht 4.5 million) in profit or loss. This amount included gains transferred from gain on valuation of available-for-sale securities in other comprehensive income, amounting to Baht 0.1 million (2016: Baht 1.9 million).

9. Trade and other receivables

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2017	2016	2017	2016
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	136	4,279
Total trade accounts receivable - related parties	-	-	136	4,279
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	133,966	155,440	41,530	69,335
Past due				
Up to 3 months	113,385	81,409	54,933	36,052
3 - 6 months	14,474	8,959	13,477	7,975
6 - 12 months	5,356	2,205	5,221	2,106
Over 12 months	364	568	366	573
Total	267,545	248,581	115,527	116,041
Less: Allowance for doubtful accounts	(376)	(1,091)	(376)	(1,091)
Total trade accounts receivable - unrelated parties, net	267,169	247,490	115,151	114,950
Total trade accounts receivable - net	267,169	247,490	115,287	119,229
<u>Other receivables</u>				
Advance receivables - related parties	-	-	9	6
Advance receivables - unrelated parties	31,704	28,354	23,377	24,709
Other receivables - related parties	-	-	-	8,629
Other receivables - unrelated parties	1,126	2,058	1,062	525
Total other receivables	32,830	30,412	24,448	33,869
Trade and other receivables - net	299,999	277,902	139,735	153,098

10. Restricted bank deposits

These represent fixed deposits pledged with the banks to secure a fuel credit card and bank guarantees issued by bank on behalf of the Company and its subsidiary to secure cargo usages, as disclosed in Note 25.3.

11. Investment in subsidiaries

As at 31 December 2017 and 2016, details of investment in a subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2017	2016	2017	2016	2017	2016	2017	2016
			(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Sun Express (Thailand) Company Limited	Baht 54 million	Baht 54 million	99.99	99.99	53,998	53,998	36,192	26,339
Sun Express Logistics Pte. Ltd.	SGD 0.7 million	SGD 0.7 million	70.00	70.00	290,637	290,637	40,284	-
Total					344,635	344,635	76,476	26,339

On 9 November 2017, the Board of Directors of the Company had a resolution to approve a restructuring of Sun Express (Thailand) Co., Ltd. to discontinue its operations with all costumers and transfer to the Company since 31 December 2017 onwards.

12. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statement						
	Land	Buildings and yard	Furniture and fixtures	Office equipment	Computers	Motor vehicles	Assets under installation
Cost							Total
1 January 2016	23,800	53,773	7,392	5,169	7,889	116,660	2,156
Increase from acquisition of subsidiary	-	-	6,809	2,063	7,478	-	-
Additions	-	-	198	836	1,966	6,546	-
Disposals	-	-	-	(65)	-	(33)	-
Reclassification	-	-	-	-	-	-	(2,156)
Translation adjustment	-	-	(272)	(57)	(298)	-	-
31 December 2016	23,800	53,773	14,127	7,946	17,035	123,173	-
Additions	-	-	4,322	1,475	1,061	5,351	-
Disposals	-	-	(1,108)	(1,325)	(1,453)	(5,818)	-
Translation adjustment	-	-	(92)	(30)	(103)	-	-
31 December 2017	23,800	53,773	17,249	8,066	16,540	122,706	-



(Unit: Thousand Baht)

Consolidated financial statement

	Land	Buildings and yard	Furniture and fixtures	Office equipment	Computers	Motor vehicles	Assets under installation	Total
Accumulated depreciation								
1 January 2016	-	18,006	7,043	3,726	3,952	24,314	-	57,041
Increase from acquisition of subsidiary	-	-	6,757	1,639	7,407	-	-	15,803
Depreciation for the year	-	2,689	148	666	1,389	12,118	-	17,010
Depreciation on disposals	-	-	-	(41)	-	(33)	-	(74)
Reclassification	-	-	-	1	(14)	-	-	(13)
Translation adjustment	-	-	(270)	(65)	(297)	-	-	(632)
31 December 2016	-	20,695	13,678	5,926	12,437	36,399	-	89,135
Depreciation for the year	-	2,688	956	844	1,520	10,612	-	16,620
Depreciation on disposals	-	-	(1,108)	(968)	(1,038)	(3,619)	-	(6,733)
Translation adjustment	-	-	(92)	(23)	(100)	-	-	(215)
31 December 2017	-	23,383	13,434	5,779	12,819	43,392	-	98,807
Net book value:								
31 December 2016	23,800	33,078	449	2,020	4,597	86,774	-	150,718
31 December 2017	23,800	30,390	3,815	2,287	3,721	79,314	-	143,327
Depreciation for the year								
2016 (Baht 10.4 million included in cost of services, and the balance in selling and administrative expenses)								17,010
2017 (Baht 9.6 million included in cost of services, and the balance in selling and administrative expenses)								16,620

(Unit: Thousand Baht)

Separate financial statements

	Land	Buildings and yard	Furniture and fixtures	Office equipment	Computers	Motor vehicles	Assets under installation	Total
Cost:								
1 January 2016	23,800	53,773	6,284	3,683	6,587	108,709	2,156	204,992
Additions	-	-	198	796	1,763	6,546	-	9,303
Reclassification	-	-	-	-	-	-	(2,156)	(2,156)
31 December 2016	23,800	53,773	6,482	4,479	8,350	115,255	-	212,139
Additions	-	-	4,322	919	907	4,802	-	10,950
Reclassification	-	-	-	-	-	(863)	-	(863)
31 December 2017	23,800	53,773	10,804	5,398	9,257	119,194	-	222,226
Accumulated depreciation:								
1 January 2016	-	18,006	5,936	2,971	3,045	19,504	-	49,462
Depreciation for the year	-	2,689	127	380	1,213	9,971	-	14,380
31 December 2016	-	20,695	6,063	3,351	4,258	29,475	-	63,842
Depreciation for the year	-	2,688	949	385	1,336	9,822	-	15,180
Depreciation on disposals	-	-	-	-	-	(863)	-	(863)
31 December 2017	-	23,383	7,012	3,736	5,594	38,434	-	78,159
Net book value:								
31 December 2016	23,800	33,078	419	1,128	4,092	85,780	-	148,297
31 December 2017	23,800	30,390	3,792	1,662	3,663	80,760	-	144,067
Depreciation for the year								
2016 (Baht 8.3 million included in cost of services, and the balance in selling and administrative expenses)								14,380
2017 (Baht 8.5 million included in cost of services, and the balance in selling and administrative expenses)								15,180



As at 31 December 2017, the Company had motor vehicles and equipment under finance lease agreements with net book values amounting to Baht 40.4 million (2016: Baht 45.2 million).

As at 31 December 2017, certain equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 33.49 million (2016: Baht 27.8 million) (The Company only: Baht 16.11 million, 2016: Baht 11.9 million).

13. Intangible assets

The net book value of intangible assets as at 31 December 2017 and 2016 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Customer relationship	Stock rights option	Computer software	Total
As at 31 December 2017				
Cost	253,950	4,367	9,047	267,364
Less: Accumulated amortisation	(16,286)	(1,546)	(868)	(18,700)
Net book value	237,664	2,821	8,179	248,664
As at 31 December 2016				
Cost	253,950	4,367	7,865	266,182
Less: Accumulated amortisation	(6,383)	(489)	(467)	(7,339)
Net book value	247,567	3,878	7,398	258,843

(Unit: Thousand Baht)

	Separate financial statements			
	Customer relationship	Stock rights option	Computer software	Total
As at 31 December 2017				
Cost	-	-	9,046	9,046
Less: Accumulated amortisation	-	-	(868)	(868)
Net book value	-	-	8,178	8,178
As at 31 December 2016				
Cost	-	-	5,031	5,031
Less: Accumulated amortisation	-	-	(411)	(411)
Net book value	-	-	4,620	4,620

A reconciliation of the net book value of intangible assets for the years 2017 and 2016 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Net book value at beginning of year	258,843	390	4,620	320
Additions in computer software	4,526	7,796	4,355	5,056
Increase from acquisition of subsidiary	-	258,317	-	-
Disposals of computer software	(2,583)	(2,650)	-	(2,650)
Amortisation	(11,440)	(7,154)	(457)	(262)
Adjustment	(682)	-	(340)	-
Reclassification	-	2,144	-	2,156
Net book value at end of year	248,664	258,843	8,178	4,620

14. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Trade accounts payable - related parties	-	-	68	49
Trade accounts payable - unrelated parties	100,995	83,041	36,086	33,277
Other payables - related party	-	21	7,376	298
Other payables - unrelated parties	28,581	35,956	7,441	13,156
Total trade and other payables	129,576	119,018	50,971	46,780

15. Liabilities under finance lease agreements

	(Unit: Thousand Baht)	
	Consolidated / separate financial statements	
	2017	2016
Liabilities under finance lease agreements	790	8,116
Less: Deferred interest expenses	(8)	(193)
Total	782	7,923
Less: Portion due within one year	(768)	(7,151)
Liabilities under finance lease agreements - net of current portion	14	772

The Company has entered into the finance lease agreements with leasing companies for rental of motor vehicles and equipment for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 1 and 4 years.

Future minimum lease payments required under the finance lease agreements of the Company were as follows:

	(Unit: Thousand Baht)		
	Consolidated / separate financial statements		
	As at 31 December 2017		
	Less than		
	1 year	1 - 4 years	Total
Future minimum lease payments	775	15	790
Deferred interest expenses	(7)	(1)	(8)
Present value of future minimum lease payments	768	14	782

	(Unit: Thousand Baht)		
	Consolidated / separate financial statements		
	As at 31 December 2016		
	Less than		
	1 year	1 - 4 years	Total
Future minimum lease payments	7,332	784	8,116
Deferred interest expenses	(181)	(12)	(193)
Present value of future minimum lease payments	7,151	772	7,923

16. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensations payable to employees after they retire from the Company, was as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	2017	2016
Provision for long-term employee benefits	13,673	11,113
Included in profit or loss:		
Current service cost	2,998	3,125
Interest cost	323	253
Included in other comprehensive income:		
Actuarial loss arising from		
Demographic assumption changes	-	(249)
Financial assumption changes	-	284
Experience adjustment	-	(381)
Benefits paid during the year	(162)	(472)
Provision for long-term employee benefits at end of year	16,832	13,673

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	2017	2016
Cost of services	1,217	1,080
Selling and administrative expenses	2,104	2,298
Total expenses recognised in profit or loss	3,321	3,378

The Company and its subsidiary expect to pay Baht 1.54 million of long-term employee benefits during the next year (Separate financial statements: Baht 0.68 million) (2016: Baht 0.16 million, separate financial statements: Baht 0.12 million).

As at 31 December 2017, the weighted average duration of the liabilities for long-term employee benefit is 5 years (Separate financial statements: 5 years) (2016: 6 years, separate financial statements: 6 years).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.30 - 2.40	2.30 - 2.40	2.40	2.40
Future salary increase rate	5	5	5	5
Employee turnover rate (depending on age)	0 - 34	0 - 34	0 - 34	0 - 34

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2017 and 2016 are summarised below:

(Unit: million Baht)

	As at 31 December 2017			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(0.77)	0.84	(0.48)	0.51
Salary increase rate	0.86	(0.79)	0.53	(0.49)
Turnover rate	(0.84)	0.37	(0.52)	0.19

(Unit: million Baht)

	As at 31 December 2016			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(0.70)	0.76	(0.43)	0.46
Salary increase rate	0.65	(0.60)	0.40	(0.37)
Turnover rate	(0.76)	0.32	(0.47)	0.17

17. Share capital

On 28 July 2016, the Extraordinary General Meeting of the Company's Shareholders approved the increase of the Company's registered share capital from Baht 300.00 million (600,000,000 ordinary shares of Baht 0.50 each) to Baht 325.95 million (651,889,500 ordinary shares of Baht 0.50 each), through the issuance of 51,899,500 additional ordinary shares with a par value of Baht 0.50 each, paying for acquiring of Sun Express Logistics Pte. Ltd.'s ordinary shares with a par value of Baht 2.80 each. Consequently, the Company registered the increase in its paid up capital of Baht 325.95 million with the Ministry of Commerce on 29 July 2016. The Company had already paid for acquiring of such ordinary shares on 15 August 2016.

18. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

19. Expenses by nature

During the years ended 31 December 2017 and 2016, significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Salaries and wages and other				
employee benefits	194,751	158,469	113,725	102,053
Depreciation and amortisation	17,219	24,164	15,637	14,642
Rental expenses from operating lease				
agreements	24,775	23,948	12,003	18,951

20. Income tax

Income tax expenses for the years ended 31 December 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Current income tax:				
Current income tax charge				
for the year	25,697	19,584	9,895	7,495
Deferred tax:				
Relating to origination and reversal				
of temporary differences	(2,443)	(3,062)	480	(1,859)
Income tax expenses reported in the statement of comprehensive income	23,254	16,522	10,375	5,636

The amounts of income tax relating to each component of other comprehensive income for the year ended 31 December 2017 and 2016 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Deferred tax relating to gain (loss) on changes				
in value of available-for-sale investments	(240)	418	(27)	151
Deferred tax relating to actuarial gain (loss)	-	(69)	-	37
	(240)	349	(27)	188



The reconciliation between accounting profit and income tax expenses for the years ended 31 December 2017 and 2016 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Accounting profit before tax	130,780	98,677	112,558	62,889
Applicable tax rate	17% , 20%	17% , 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	26,018	20,679	22,512	12,578
Adjustment in respect of income tax of previous year	-	239	-	-
Effects of:				
Non-deductible expenses	2,901	550	2,678	212
Additional expense deductions allowed	(4)	(1,884)	-	(27)
Non-taxable incomes	(3,218)	-	(15,295)	(5,268)
Others	(2,443)	(3,062)	480	(1,859)
Total	(2,764)	(4,396)	(12,137)	(6,942)
Income tax expenses reported in the statement of comprehensive income	23,254	16,522	10,375	5,636

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Deferred tax assets				
Unrealised loss on changes in value of available-for-sale investments	-	16	-	-
Allowance for doubtful accounts	75	219	75	219
Allowance for impairment of assets	4	4	1	1
Provision for long-term employee benefits	3,323	2,735	2,142	1,709
Deferred rental expenses	257	196	257	196
Accumulated depreciation - Motor vehicles	2,450	3,281	2,450	3,281
Total deferred tax assets	6,109	6,451	4,925	5,406



(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Deferred tax liabilities				
Unrealised gain on changes in value of available-for-sale investments	224	-	27	-
Intangible assets - Customer relationship	39,317	42,086	-	-
Total deferred tax liabilities	39,541	42,086	27	-
Deferred tax assets (liabilities) - net	(33,432)	(35,635)	4,898	5,406

21. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share:

	Consolidated financial statements					
	For the year ended 31 December					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2017	2016	2017	2016	2017	2016
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	89,700	77,183	651,900	619,710	0.14	0.12
	Separate financial statements					
	For the year ended 31 December					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2017	2016	2017	2016	2017	2016
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	102,183	57,253	651,900	619,710	0.16	0.09



22. Segment information

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

For management purposes, the Company and its subsidiaries are organised into business units based on its services and have three reportable segments were sea freight, air freight and logistics.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company's and its subsidiaries' operating segments for the years ended 31 December 2017 and 2016.

(Unit: Million Baht)

For the year ended 31 December 2017						
	Sea freight	Air freight	Logistics	Total reportable segments	Adjustments and eliminations	Consolidated
Service income						
Revenue from						
external customers	634	466	296	1,396	-	1,396
Inter-segment revenue	14	18	9	41	(41)	-
Total revenue	648	484	305	1,437	(41)	1,396
Results						
Segment profit	171	135	45	351	-	351
Other income						6
Depreciation and amortisation						(28)
Selling and administrative expenses						(198)
Profit before income tax expenses						131
Income tax expenses						(23)
Profit for the year						108
Segment total assets						
Unallocated assets						1,104
Total assets						1,104

(Unit: Million Baht)

For the year ended 31 December 2016						
	Sea freight	Air freight	Logistics	Total reportable segments	Adjustments and eliminations	Consolidated
Service income						
Revenue from						
external customers	503	294	225	1,022	-	1,022
Inter-segment revenue	4	10	11	25	(25)	-
Total revenue	507	304	236	1,047	(25)	1,022
Results						
Segment profit	148	93	31	272	-	272
Other income						13
Depreciation and amortisation						(24)
Selling and administrative expenses						(161)
Finance cost						(1)
Profit before income tax expenses						99
Income tax expenses						(17)
Profit for the year						82
Segment total assets						
Unallocated assets						1,067
Total assets						1,067

Geographic information

During the years ended 31 December 2017 and 2016, revenue from external customers is based on locations of the customers.

(Unit: Thousand Baht)

	2017	2016
Revenue from external customers		
Thailand	298,213	215,028
Singapore	268,844	145,895
China	163,935	197,440
United States	149,136	145,265
Others	516,240	318,856
Total	1,396,368	1,022,484

(Unit: Thousand Baht)

	2017	2016
Non-current assets (other than financial instruments, deferred tax assets, net defined benefit assets and rights arising under insurance contracts)		
Thailand	495,186	510,606
Singapore	707	11,086
Total	495,893	521,692

Major customers

For the years ended 31 December 2017 and 2016, the Company and its subsidiaries have no major customer with revenue of 10% or more of an entity's revenues.

23. Provident fund

The Company and its subsidiary in Thailand and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and its subsidiary contribute to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by TISCO Assets Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contribution for the year 2017 amounting to approximately Baht 2.9 million were recognised as expense in consolidated financial statement (separate financial statement: Baht 2.1 million) (2016: Baht 2.9 million, separate financial statement: Baht 1.9 million).

24. Dividends

Dividend declared during the year ended 31 December 2017 and 2016 consisted of the followings.

Dividends	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)	Dividend payment date
Final dividends for 2015	Annual General Meeting of shareholders on 20 April 2016	42.0	0.07	10 May 2016
Total dividends paid in 2016		42.0	0.07	
Final dividends for 2016	Annual General Meeting of shareholders on 20 April 2017	52.1	0.08	16 May 2017
Total dividend paid in 2017		52.1	0.08	

25. Commitments and contingent liabilities

25.1 Capital commitment

As at 31 December 2017, the Company had capital commitment of approximately Baht 0.65 million, relating to the acquisition of computer software for business operation (2016: Baht 1.82 million).

25.2 Operating lease and long-term service commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land, office building space and long-term service agreements. The terms of the agreements are generally between 1 and 20 years.

Future minimum lease payments required under these non-cancellable operating leases agreements and long-term service agreements were as follows.

	(Unit: Million Baht)	
	As at 31 December	
	2017	2016
Payable:		
In up to 1 year	27.5	22.3
In over 1 and up to 5 years	15.1	21.7
In over 5 years	19.9	21.3

25.3 Guarantees

As at 31 December 2017 and 2016, there were outstanding bank guarantees of approximately Baht 2.1 million and SGD 0.7 million issued by bank on behalf of the Company and its subsidiary in respect of certain performance bonds as required in the normal course of business.



26. Fair value hierarchy

As at 31 December 2017 and 2016, the Company and its subsidiary had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated Financial Statements				
As at 31 December 2017				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Investment units	-	85.52	-	85.52

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December 2016			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Available-for-sale investments				
Investment units	-	46.68	-	46.68

(Unit: Million Baht)

	Separate Financial Statements			
	As at 31 December 2017			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Investment units	-	48.16	-	48.16

(Unit: Million Baht)

	Separate Financial Statements			
	As at 31 December 2016			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Investment units	-	0.03	-	0.03

27. Financial instruments

27.1 Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, trade and other receivables, restricted bank deposits, trade and other payables and liabilities under finance lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and short-term loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and short-term loans as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks and short-term loans. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date (if this occurs before the maturity date).





(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2017

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Average interest rate (% per annum.)
	Within 1 year	1-5 years				
Financial assets						
Cash and cash equivalents	-	-	204	-	204	0.15 - 0.38
Current investments	61	-	-	37	98	0.35 - 1.00
Trade and other receivables	-	-	-	300	300	-
Restricted bank deposits	2	-	-	-	2	0.35 - 1.00
	63	-	204	337	604	
Financial liabilities						
Trade and other payables	-	-	-	130	130	-
Liabilities under finance lease agreements	1	-	-	-	1	4.29 - 11.07
	1	-	-	130	131	

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2016

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Average interest rate (% per annum.)
	Within 1 year	1-5 years				
Financial assets						
Cash and cash equivalents	-	-	174	-	174	0.15 - 0.38
Current investments	43	-	-	47	90	0.35 - 1.00
Trade and other receivables	-	-	-	278	278	-
Restricted bank deposits	11	-	-	-	11	0.35 - 1.00
	54	-	174	325	553	
Financial liabilities						
Trade and other payables	-	-	-	119	119	-
Liabilities under finance lease agreements	7	1	-	-	8	4.29 - 11.07
	7	1	-	119	127	



(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2017					
	Fixed interest rates					
	Within 1 year	1-5 years	Floating interest rate	Non- interest bearing	Total	Average interest rate
						(% per annum)
Financial assets						
Cash and cash equivalents	-	-	152	-	152	0.25 - 0.38
Current investments	50	-	-	-	50	0.90 - 1.00
Trade and other receivables	-	-	-	140	140	-
	50	-	152	140	342	
Financial liabilities						
Trade and other payables	-	-	-	51	51	-
Liabilities under finance lease agreements	1	-	-	-	1	4.29 - 11.07
	1	-	-	51	52	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2016						
Fixed interest rates						
Within 1 year	1-5 years	Floating interest rate	Non- interest bearing	Total	Average interest rate	
						(% per annum)
Financial assets						
Cash and cash equivalents	-	-	101	-	101	0.25 - 0.38
Current investments	41	-	-	-	41	0.90 - 1.00
Trade and other receivables	-	-	-	153	153	-
	41	-	101	153	295	
Financial liabilities						
Trade and other payables	-	-	-	47	47	-
Liabilities under finance lease agreements	7	1	-	-	8	4.29 - 11.07
	7	1	-	47	55	

Foreign currency risk

The Company's exposure to foreign currency risk arise mainly from sales and purchase of services that are denominated in foreign currencies.

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	2017	2016	2017	2016	2017	2016
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	2.9	1.8	0.3	0.4	32.68	35.83

27.2 Fair values of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or carrying interest at rate close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

28. Capital management

The primary objective of the Company's and its subsidiaries' capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2017 and 2016, the Group's debt-to-equity ratio was 0.23:1 and 0.24:1, respectively (the Company's was 0.09:1 and 0.10:1, respectively).

29. Events after the reporting period

On 4 January 2018, the Company purchased ordinary share of Universal Worldwide Transportation Limited, amounting to 80,000 ordinary shares with par value of HKD 10 each (80% of Universal Worldwide Transportation Limited's ordinary shares). The Company made a partially payment by cash, amounting to USD 1.17 million or equivalent to Baht 39.86 million. In addition, the Company received shares transfer of Universal Worldwide Transportation Limited from acquires and registered the change in shareholders' list on the same date.

The meeting of the Company's Board of Directors held on 21 February 2018 passed a resolution to propose to the annual general meeting of the Company's shareholders of the year 2018 for an approval of a dividend payment from the operations for the year 2017. The Company will pay a cash dividend at Baht 0.12 per share, or equivalent to amount of not exceed Baht 78.23 million. Dividend will be paid and accounted for after the approval of the Annual General Meeting of the Company's shareholders.

30. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 21 February 2018.



Total Logistics Service and Solution Provider

WICE Logistics Public Company Limited

88/8 Nonsee Road, Chong Nonsee, Yannawa, Bangkok 10120

Tel (662) 681-6181 Fax (662) 681-6173-75 info@wice.co.th