



WICE Logistics Public Company Limited



Innovative Logistics Service and Solution Provider

ANNUAL REPORT

2018

Annual Report

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Vision

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

Missions

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



Corporate Value

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





Message from Board of Directors



Mr. Ekaphol Pongstaporn
Chairman of Board of Directors

Dear Shareholders,

General economy of all regions across the globe in 2018 shone brightly merely in the first half year as the second half of 2018, other than economy of the United States of America, many countries encountered economic recession simultaneously until it had become “synchronized slowdown” which constituted pressure to the world economy in general.

If we reviewed the export overview of Thailand in 2018, it was found that expansion of export was still high during the first early year before becoming in the second half of the year in accordance with trading circumstances due to high challenged factors such as the aggravation of trade war between the United States of America and China which commenced in July 2018 as the consequence of Trade War affected directly both Thai products in the United States of America’s market and product-in-process in production in of Chinese goods, economic and financial fluctuations in Emerging Markets due to modification of financial policy in many countries and effects of high export base in some product group. However, the growth rate of an overview of Thai export in 2018 was 6.7% which was deemed as expanding in 3 consecutive years and the export value was 2.52 trillion U.S Dollar which was the highest record but it was lower than the expected target of 8%.

Although the aforementioned export overview will be supportive factor in growth of logistics business directly and the company is not affected by Trade War between the United States of America and China, the company, therefore, operates business in accordance with its vision and strategic plan by expansion of trade routes, investment, creation of alliance networks in strategic positions of the important transportation in Asia to support goods transportations and services as well as creation of the sustainable growth base in the future.

During preceding period, WICE has increased competence in competitiveness, expansion of alliance networks by integrating and changing the invested companies to be WICE Logistics (Hong Kong) Ltd., WICE Logistics (Singapore) Ltd. and the company has established joint venture called EUROASIA TOTAL LOGISTICS CO., LTD. lately in September 2018 in order to conduct Cross-Border Transport Services to increase an important opportunity for WICE in international market by providing Cross-Border Transport Services between China, Hong Kong and Southeast Asia in Cross Border Model along One Belt One Road initiated by China which is the prominence and the important driving in international trades of China in the future as well as being well prepared to support the expansion of E-commerce in part of international services in the future.

However, the most important mission of the company is encouragement of Thai logistic company to be an International Logistics Services and Solutions Provider of Asia. In 2019, the company makes alliance in other countries in branding WICE to be recognized in international level as well as moving forwards in expanding its networks into main business cities continuously.

Lastly, on behalf of Board of Directors of WICE Logistics Public Company Limited would like to express gratitude to shareholders for your trusts in the company's performances and thanking all patrons for regular support, the company would deeply appreciate to receive your honour and good support continuously.

The company will abide by management under good governance by emphasis on all elements in order to constitute balance of benefits for all related stakeholders whether shareholders, trade partners, allies, society, environment and employees of the company in concurrence with the growth of the company's performances.

And I would like to take this opportunity to express thanks to our executives and all employees in participation in working with diligence and responsibility which is the important part in strengthening the company's performance and rendering the company's stability and sustainable growth in accordance with the organizational goals.



Message from Chief Executive Officer (CEO)



Dr. Araya Kongsunthorn
Chief Executive Officer

Dear Shareholders,

WICE Logistics Public Company Limited (WICE) has become a listed company in Stock Exchange of Thailand in July 2015. During the past 4 years, the company had developed significant business and supported potential implementation continuously which reflected determination and intention of management team and all employees.

For the last 2018, it was an important period as the company had operated for 25th anniversary which was the good year of the company. Logistic business had higher demand in accordance with the expansion of export rate which was 6.7%, it was rather good expansion despite world economy slowdown and Trade War between the United States of America and China.

Therefore, in 2019, it is still good continual year of WICE to formulate strong growth both in Organic Growth and Inorganic Growth as the company is currently available to provide integrated services to customers in expanding services in the existed customer group as well as expanding new customer base both domestically and internationally, expansion of import-export services both by Sea Freight, Air Freight, Customs Formality service,

internal and international transportation services, warehouse management service and Cross-Border Transport Services.

Moreover, the company works concurrently with strong allies in main ports in Asia such as WICE Logistics (Hong Kong) Ltd., WICE Logistics (Singapore) Ltd. and lately in September 2018, the company has established joint venture called EUROASIA TOTAL LOGISTICS CO., LTD. to conduct Cross-Border Transport Services) to increase an important opportunity for WICE in international market by providing Cross-Border Transport Services between China, Hong Kong and Southeast Asia.

However, the company still determine to create alliance networks continuously to enhance all businesses of the company covering main transportation routes of the world to support customer's requirements in all dimensions by seeking allies who have the same visions to enhance business potential for the sustainable growth in the future as well as supporting WICE to become an International Logistics Services and Solutions Provider of Asia in accordance with the set goals.

I believe that our abilities and missions will be challenged throughout this year and I ask all shareholders to encourage management team and working teams of the company to overcome problems and obstacles and leading our business to the sustainable progress and growth which is the most important objective of management team and all team works of WICE. The company still maintain full determination and intention of management under good governance to constitute profits to shareholders in return.

Lastly, I would like to express my gratitude to all shareholder, business allies, customers and patrons for believing, trusting and supporting the company regularly and most importantly, thanking management team, working teams and operating teams of all departments for hard work and dedication as well as being well prepared to adjust and encounter all situations until they have become our organizational culture and strength in participation in leading our organization moving forwards to the strong and sustainable goals.

Board of Directors



Mr. Ekphol Phongstabhon

Chairman of the Board/
Independent Director



Assoc. Prof. Dr. Ruth Banomyong

Chairman of the Audit Committee/
Independent Director



Mr. Wichai Xiao

Audit Committee/Independent Director/
Nomination and Remuneration Committee



Mr. Charoenkiat Huthananuntha

Chairman of the Nomination and
Remuneration Committee/
Audit Committee/Independent Director

**Dr. Araya Kongsoonthorn**

Chief Executive officer/
Nomination and Remuneration Committee

**Mr. Chudet Kongsoonthorn**

Director – Business Development

**Ms. Thitimar Tantikulsunthorn**

Chairman of the Risk Management
Committee /
Managing Director - Support

**Ms. Busarin Tuanchaem**

Risk Management Committee/
Director of Accounting and Finance -
Information Technology



Management



Mr. Naruechit Ruangchaiprakarn

General Manager Air freight business
development and operations department



Ms. Saovadee Asavamana

General manager



Mr. Chokchai Phuttisan

General Manager Warehouse

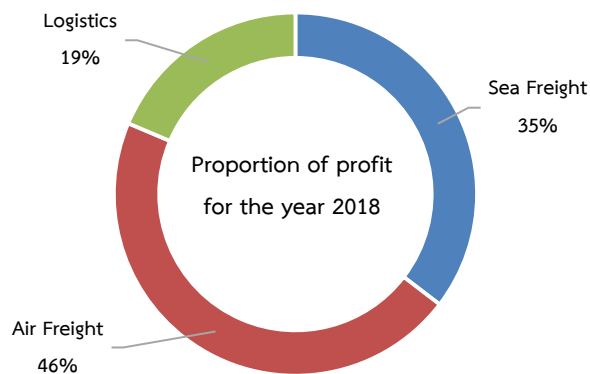
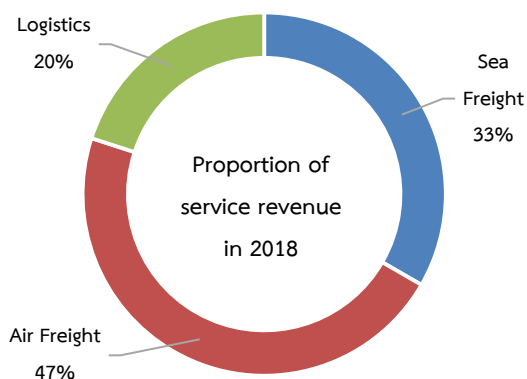
Important Financial Information

WICE Logistics Public Company Limited and its subsidiaries

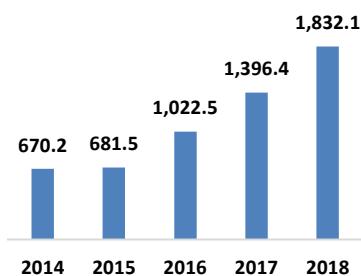
Year	2014	2015	2016	2017	2018
Total Income Statement					
(Million Baht)					
Service income	670.20	681.53	1,022.48	1,396.37	1,832.11
Costs and Expenses	596.12	615.44	936.21	1,271.34	1,705.28
Profit Before Financial Costs, Income Tax, Depreciation and Amortization					
Including Dividends from Subsidiaries (EBITDA)	91.21	87.27	123.59	158.94	177.84
Profit for The Year	62.44	60.59	77.18	89.70	96.19
Consolidated Statement of Financial Position					
(Million Baht)					
Asset	358.52	695.60	1,067.16	1,103.82	1,419.80
Liabilities	80.30	94.82	204.88	204.06	462.61
Total shareholders' equity	278.22	600.78	862.28	899.77	957.20
Equity attributable to owners of the company	237.24	567.63	727.45	777.59	805.45
Financial ratio					
Shares (Million Baht)	20.80	600.00	651.90	651.90	651.90
Book value per share (baht)	11.41	0.95	1.12	1.19	1.24
Profit attributable to equity holders of the company	0.16	0.12	0.12	0.14	0.15
Dividend per share (baht)	1.05	0.07	0.08	0.12	0.13
Dividend payment rate, profit for the year (%)	68.38%	62.69%	91.09%	76.56%	77.22%
Profit margin for the year on service revenue (%)	9.23%	8.79%	7.45%	6.40%	5.20%
Return on equity ratio (%)	22.44%	13.79%	10.55%	10.18%	10.36%
Return on assets (%)	17.42%	11.50%	8.76%	8.26%	7.62%
Cash flow rate (EBITDA) per asset (%)	25.46%	16.56%	14.02%	14.64%	12.57%
Debt to equity ratio (times)	0.29	0.16	0.24	0.23	0.48
Market price per share per earnings per share (times)	N/A	23.50	30.00	36.79	24.27
Net debt to operating cash flow (EBITDA) (times)	0.88	1.00	1.21	1.29	2.10

Business Profits

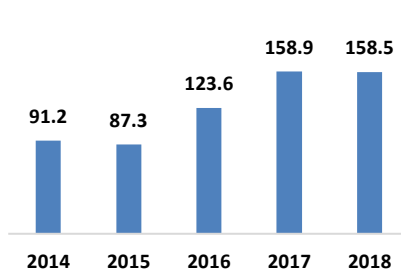
WICE Logistics Public Company Limited and its subsidiaries



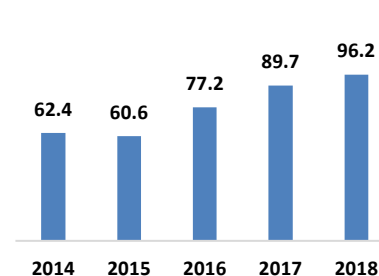
Service Income
Unit : Million Baht



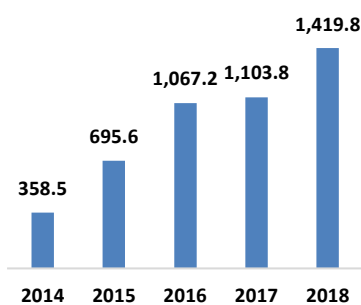
EBITDA
Unit : Million Baht



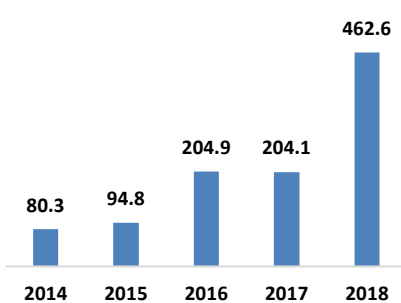
Profit for the year
Unit : Million Baht



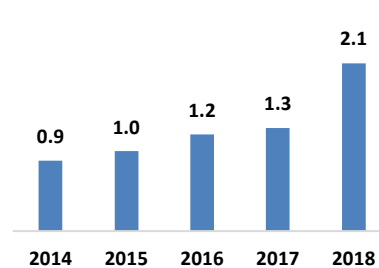
Asset



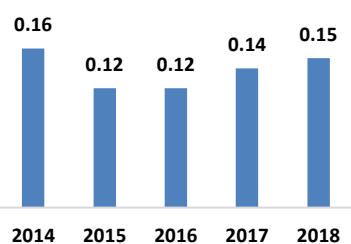
Liabilities



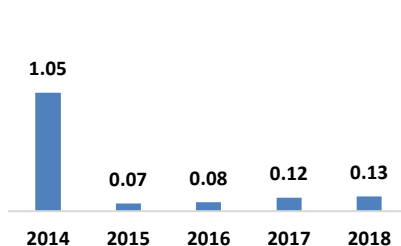
Debt ratio Net per operating cash flow (times)



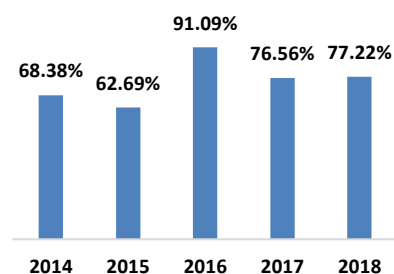
Earnings per share
Baht/Share



Dividend payment
Baht/Share



Dividend payment rate, profit for the year



The Overview of Business Performances

WICE Logistics Public Company Limited is an integrated International Logistics Service and Solution Provider which provides mainly in import and export services both Sea Freight and Air Freight, Customs Formality service, internal and international transportation services, warehouse management service and Cross-Border Transport Services as well as there are leading subsidiary companies in many countries to support customer's requirement rapidly and continuously.

Objectives of the Company

WICE Logistics Public Company Limited has set objectives in business performances for the next 3 years as follow:

1. Being a leading company of the integrated International

Logistics Service and Solution Provider with expansion of networks and branches covering Asia Pacific Region as well as having business expansion plan to related businesses in order to maintain the sustainable growth rate to support the increased requirements of customers in the future.

2. The company emphasizes on providing service of Logistics Solutions to meet various requirements of customers and maintaining the current customer base, supporting expansion of new customer base, supporting Eastern Economic Corridor (EEC) Project and Thailand 4.0 Strategy Plan of Thai Government which constitute the company growing in sustainability in the future.

3. The company has set service provision plan which constitutes good gross profit in order to maintain ability of gaining gross profit in competitive level in the industry and creating more investment returns for shareholders.





Background and Important Developments of the Company

Background of the Company



WICE Logistics Public Company Limited (“the Company” or “WICE”) is an initial of Worldwide Industrial Commercial Enterprise) (the former name is Wice Freight Services (Thailand) Co., Ltd.), commencing international transportation service in 1993 by emphasis on Sea Freight service with the main shipping route Thailand - the United States of America. The Company had registered capital totally 1.00 million Baht which was a joint venture between Thai investors totally 70% and Wice Group which was a well-known foreign corporation in Freight Business located in Singapore and Hong Kong Special Administrative Region of the People’s Republic of China, totally 30%, later the Company expanded services covering Customs Formality Service.

In 2002 and 2004, Group of Mrs. Araya Konsunthorn which is a major shareholder of the Company, purchased the Company’s shares from Hong Kong Partner Group and Singapore Partner Group respectively which constituted the Company having 100% of Thai shareholders. In order to increase efficiency of management and administration, in

November 2013, the Company conducted reorganization of the Company Group by amalgamation between Wice Freight Services (Thailand) Co., Ltd., Prompt Freight and Logistics Co., Ltd. and Wice Logistics Co., Ltd. and established the new company which still used the same name as Wice Freight Services (Thailand) Co., Ltd.) with registered capital and paid-up capital totally 15.00 million Baht and the office was located at Laem Chabang Port. Moreover, in December 2013, the Company increased registered capital and paid-up capital to 180.00 million Baht and holding shares of Sun Express (Thailand) Co., Ltd. totally 99.99% and conducted registration and transformation into Public Company Limited and changing the name to be WICE Logistics Public Company Limited with registered capital totally 300,000,000 Baht (paid-up capital totally 225 million Baht). Later the Company purchased 700 Ordinary Shares of Sun Express Logistics Pte. Ltd. (SEL) in Singapore by using Share Swap and cash payment as well as increase capital by offering shares in term of Private Placement (PP) totally 51,899,500 shares with

Par Value 0.50 Baht per share which rendered the registered capital of the Company to 325,949,750 Baht (paid-up capital totally 325,949,750.00 Baht)

Information of Subsidiary Companies

- Sun Express (Thailand) Co., Ltd. ("SUN") was established on 21 October, 2002 with registered capital totally 3.00 million Baht by joint venture between Thai investor group totally 60% and Singaporean and Hong Kong investor group totally 40% to conduct international transportation services including Customs Formality service which emphasized on Air Freight service. Its branch is located at Suvarnabhumi Airport. The Company is currently the major shareholder 99.99% of paid-up capital, SUN currently has registered and paid-up capital totally 54.00 million Baht.

- WICE Logistics (Singapore) Pte. Ltd. (formerly called Sun Express Logistics Pte. Ltd. ("SEL")) was established on 5 January, 2002 which located in Singapore, Group of Mr. Lim Meng Pui was the major shareholder which consisted of Mr. Lim Meng Pui, Mr. Lian Hok Lung and Miss Zu Yi Nodge totally 700,000 shares with Par Value 1 Singaporean Dollar per share which was deemed as 100% of Ordinary Share. On 15 August, 2016, WICE Logistics Public Company Limited purchased Ordinary Share of Sun Express Logistics Pte. Ltd. ("SEL") totally 70% of all Ordinary Shares and being directors of the company while former executives of SEL still being executives of SEL for 4 years after the agreed date.

WICE Logistics (Singapore) Pte. Ltd. is a leading company providing an integrated international transportation services

with various cargo flight to meet customer's requirements throughout 24 hours. The office and warehouse are located in Changi Free Zone Airport and being entitled to use ULD-Unit Load Device which is very convenient and rapid in loading cargos. (www.sunexp.com.sg)

- WICE Logistics (Hong Kong) (formerly called Universal Worldwide Transportation Limited ("UWT")) was established in 1992, providing Air Freight and Sea Freight services under supervision of Master Air Waybills and Ocean Bill of Ladings covering Europe, East Asia including China from Hong Kong, its sub branches were located at Guangzhou and Shanghai. On 4 January, 2018, WICE Logistics Public Company Limited purchased was entered into Ordinary Shares Purchase Contract with Universal Worldwide Transportation Limited ("UWT") totally 80,000 shares with Par Value 10 Hong Kong Dollars per share which was calculated as 80% of all Ordinary Shares. The investment value in purchasing Ordinary Shares was approximately 3,379,677 U.S Dollars or equivalent to 115,030,686.372 Baht (www.wice-china.com)

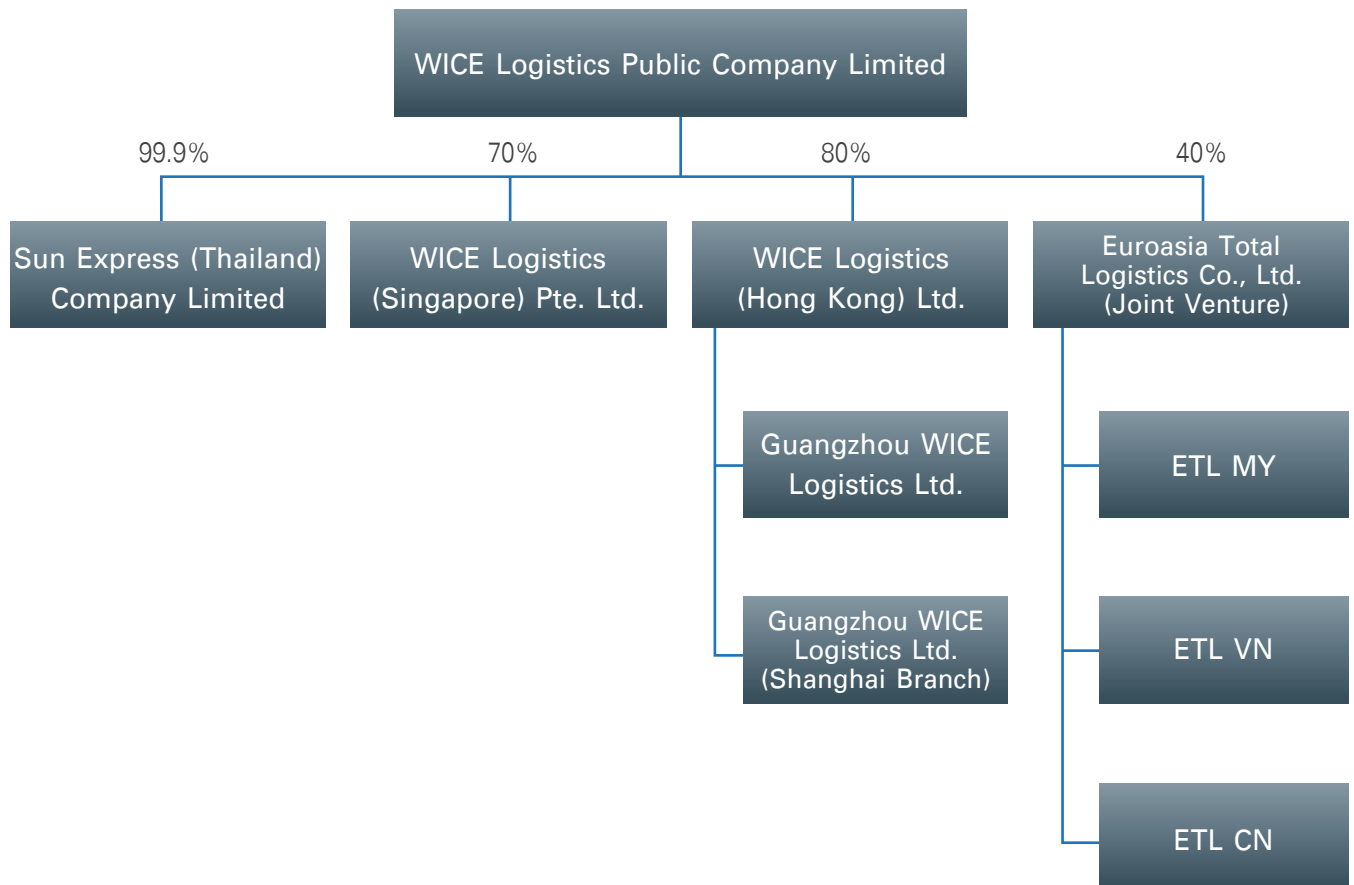
- EUROASIA TOTAL LOGISTICS CO., LTD. (Joint Venture), on 14 September, 2016, WICE invested in establishment new joint venture in order to conduct Cross - Border Transport Services between China, Hong Kong and Southeast Asia with Mr. Lee Yik Chieh (Malaysian) and Miss Kritchawan Suecharoenchai as WICE invested in proportion of 40% and being responsible for financial control.

Important Development of WICE



Shareholding Structure of the Group

As at December 31, 2018, the Company has a shareholding structure in subsidiaries as follows:





1.5 Conclusion of Performance

Income Structure

Income Structure divided by type of service

The Company and subsidiary companies gain income from conducting main businesses as follow:

TYPE OF INCOME	2014		2015		2016		2017		2018	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
INCOME OBTAINS FROM SERVICES										
1. SEA FREIGHT	377.29	55.75	396.17	57.46	503.93	48.66	635.03	45.28	610.64	33.00%
2. AIR FREIGHT	170.57	25.20	152.37	22.10	293.76	28.37	465.59	33.20	854.74	46.20%
3. WAREHOUSE, CUSTOMS AND TRANSPORT	122.34	18.08	132.99	19.29	224.79	21.70	295.75	21.09	366.73	19.82%
TOTAL INCOME OBTAINS FROM SERVICES	670.20	99.03	681.53	98.85	1,022.48	98.73	1,396.37	99.57	1,832.11	99.02%
OTHER INCOME**	6.57	0.97	7.94	1.15	13.15	1.27	5.96	0.43	18.00	0.98%
GRAND TOTAL INCOME	676.77	100.00	689.47	100.00	1,035.63	100.00	1,402.33	100.00	1,850.12	100%

Remark:

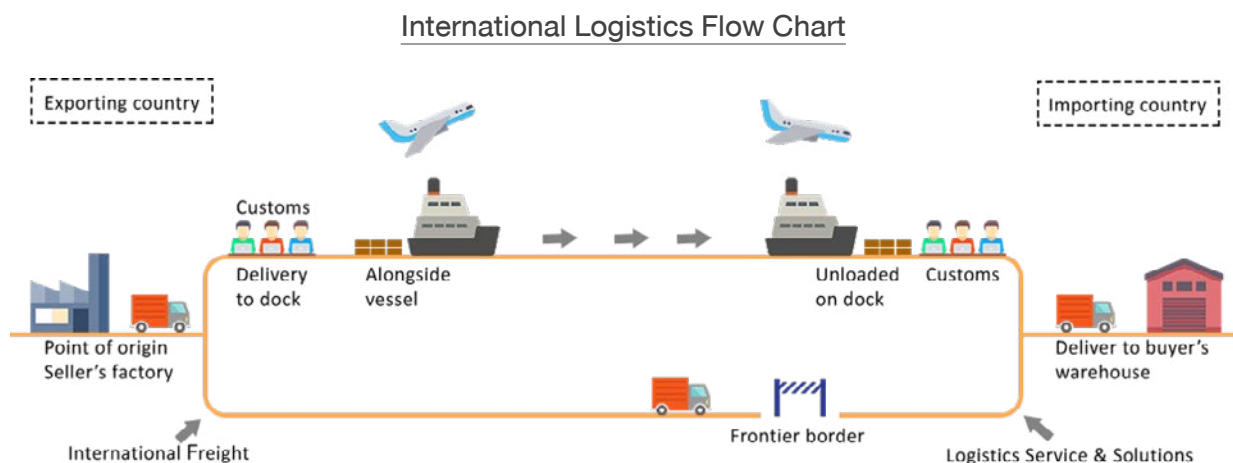
** Other income such as prot of exchange rate, interest receivable, prot-loss on disposal of investment etc

Detail of Product and Services

Type of Service Provision

WICE Logistics Public Company Limited and subsidiary companies are integrated International Logistics Services and Solutions Provider both import and export by Sea Freight (both full container load and less container load) and Air Freight, Customs Formality service and domestic transportation to support various requirements of customers including Door to Door Transportation which means providing transportation service from the factory of source customer until the factory of destination customer as Exporter is

etc. The Company and subsidiary companies are Freight Forwarders with Non-Vessel Operation Common Carrier or N.V.O.C.C and the Company and subsidiary companies will provide vessel or air plane from transportation operators which mean shipping lines and airlines which are appropriate for providing services to customers as well as coordination with Oversea Agent who is deemed as Business Partner of the Company in other countries in transporting goods to recipient safely within the defined period of time. International transportation services of the Company and subsidiary companies can be divided as follow:



responsible for all transportation costs and Ex-work Transportation which means transportation service that Importer is responsible for transportation costs from Exporter's factory until the destination recipient.

The Company and subsidiary companies are Freight Forwarders both import and export by Sea Freight and Air Freight covering more than 100 countries by highly skilled and experienced team work in logistic system who is well prepared to be consultant and providing suggestions in international transportation management as well as planning and design transportation route being consistent to customer's requirement to constitute the most efficiency by considering time period of transportation, cost of transportation, type/character of transported goods, convenience of customer in transportation management

1. Sea Freight: The Company is Freight Forwarder which emphasizes on Sea Freight Service as the Company will provide vessel and container from the leading, renowned and reliable shipping line. The Company will consider in making contract with the shipping liner and negotiation and reservation of vessel which is appropriate for the requirement of each customer as the Company has expanded networks by participation in associate members such as CGLN under WCA Family Network rendering the Company can currently provide Sea Freight service covering main ports in important trade zones in many countries and the major market is still the United States of America market as the Company has highly experienced and skilled in shipping route Thailand – the United States of America initially and followed by these major markets; China, Japan and the Philippines.

Quantity of Sea Freight of the Company and Subsidiary Companies in 2013 – 2018

Unit: TUE*

Type of Services	Quantity of Containers per year					
	2013	2014	2015	2016	2017	2018
Export	6,087	6,315	11,645	15,268	18,870	18,590
Import	3,235	3,529	5,917	6,150	8,527	8,777
Total	9,322	9,844	17,562	21,418	27,397	27,367

Remark: *Twenty Foot Equipment Unit

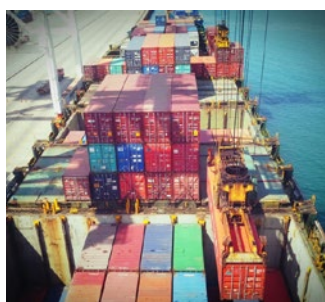
Great number of goods can be loaded in each Sea Freight and transportation cost is cheaper than Air Freight which is appropriate mainly for non-urgent goods such as electronic products (finished goods), automotive parts, steel structure and construction materials and canned food etc. In Sea Freight, goods will be loaded in container which is convenient and rapid for removal, container is divided into 2 main sizes such as 20-foot container which is appropriate for heavy goods with less quantity and 40-foot container which is appropriate for light goods in much quantity. Moreover, there many forms of container as follow: Dry container, temperature-controlled container (Reefer) and Open Top container etc. to respond customer's demand and being appropriate for type of transported goods.

Sea Freight is divided into 2 types as follow:

➤ Full Container Load (FCL) means goods that loaded in full container belong to merely one customer, the container is not used concurrently by other customers. It is appropriate for transporting great number of goods. After

goods are loaded until container is full, the container is not opened until it is arrived at its destination. The Company will implement from contact with shipping line, negotiation of freight charge, reservation of vessel, providing appropriate container for goods, design shipping routes, goods delivery for loading as well as following up goods status until arrival at Port of Discharges, preparation of Customs Formalities and coordination with foreign agent in delivering goods to recipient. Most customers in this type are importers-exporters.

➤ Less than Container Load (LCL) means goods that loaded in the container belong to more than one customer and area of the same container is divided for co-using of each customer who has insufficient quantity of goods to rent container to load its goods specifically. The Company will be responsible for collecting goods from each customer to be loaded in the container by calculating area for goods arrangement and preparing Control Plan and sending to goods loader at the port in Container Freight Station.



2. Air Freight: The Company and subsidiary companies are Freight Forwarder which emphasizes on Air Freight Service as Air Freight is highly potential transportation which is appropriate for the international transportation that requires rapidity within limited period of time, it is highly flexible transportation responding changing and time with higher cost Sea Freight. Most goods transported by Air Freight are less quantity or high value products which require special carefulness. Subsidiary companies will contact and making reservation of the airline in accordance with flight schedules and requirements as defined by customer by considering rapidity, punctuality and customer saving cost. The Customer can provide Air Freight covering important trade zones in many countries where main markets are in Asia regions such as Singapore, Hong Kong and China and most goods are electronic parts.

Management of international Air Freight emphasizes on rapidity and product skills particularly goods in Electronics Group as subsidiary companies can provide urgent delivery service within 24 hours from Singapore to Thailand in form of Door-to-Door which is deemed as value added service. Moreover, subsidiary companies still provide supplement service for customer in case of emergent transportation such as Hand Carrier within 24 hours from Chiangmai - Bangkok - Shanghai etc. Apart from the aforementioned transportation, subsidiary companies still provide consultation service in management of logistic system by seeking logistic system managing method concurrently with customer in order to save transportation cost for customer in term of Combined Cargo from many suppliers of each customer for simultaneous transportation to save transportation cost for such customer.

Quantity of Air Freight in 2013 - 2018

Unit: ton

Type of Services	Quantity of Transportation per year					
	2013	2014	2015	2016	2017	2018
Export	1,583	1,664	1,182	1,185	2,634	9,016
Import	4,474	3,448	3,049	3,530	4,290	8,597
Total	6,057	5,112	4,231	4,715	6,924	17,613



3. Customs Broker and Transport: The Company has policy in providing Customs Formality service concurrently with domestic transportation.

Customs Broker

International import or export requires Customs Formalities before loading goods up/into ship/airplane and subsidiary companies provide Customs Formality services and Customs Broker service in goods discharge including preparation of related documents and suggestions of tax benefits of import-export for customer. The aforementioned services require expert in Customs Formalities who has good knowledge in rules and regulations of import-export, any company which provides Customs Formalities, must have at least one expert in Customs Formalities working permanently in the office and successfully passing examination at Customs Department. The Company and subsidiary companies currently have 7 experts in Customs Formalities and Senior Consultant who is former Director of Customs Formalities (who is currently retired).

in 2016 according to the action plan and privileges of Customs Broker in AEO Standard are available as follow: exception from good inspection, exception from sampling of exported goods, guarantee of Customs Broker in AEO Standard can be used as to substitute payment or guarantee of transporter etc. which constituted rapidity of Customs Formalities and goods discharge and creating reliability to the Company and subsidiary companies.

Transport

The Company provides domestic transportation to support international transportation business for facilitation of customers, the Company provides domestic transport by using Dump Truck, 6-wheel truck and 4-wheel truck etc. Transportation service is provided from port/airport to the destination defined by customer such as customer's factory or warehouse or loading goods from the factory or warehouse to port/airport.

As customers who use the aforementioned service must be customers who use international transportation services

Quantity of Customs Formalities in 2013 - 2018

Description	Quantity of Customs Formalities per year				
	2014	2015	2016	2017	2018
Quantity of Shipment	10,495	11,648	15,164	16,047	16,641
Quantity of containers	27,995	28,293	30,689	32,045	32,886

Customs Broker is divided into 2 types which is Custom Brokers in general standard and Authorized Economic Operator (AEO), the Company has Customs Broker in AEO Standard which is recognized in international level. Elevation of AEO Standard requires qualifications which are accepted by criteria defined by Customs Department and the status will be reviewed in every 3 years. The Customer elevated Customs Broker in AEO Standard

of the Company and subsidiary companies because the Company and subsidiary companies consider that the foregoing service will increase facilitation for customers in removing goods from port/airport to the destination. The Company and subsidiary companies are responsible for providing appropriate transporting vehicles to provide transportation service to customers, the Company currently has transport service unit at Laem Chabang and subsidiary

Number of Trucks in 2014-2018

Unit: truck

Description		Number of Trucks				
		2014	2015	2016	2017	2018
Dump Truck		17	27	27	27	31
Trailer Truck		23	37	37	37	45
6-wheel Truck	4	4	4	4	2	
4-wheel Truck	6	6	6	6	4	
Total Number	50	74	74	74	82	

Quantity of Domestic Transportation in 2014-2018

Unit: container

Description	Quantity of Transport per year				
	2014	2015	2016	2017	2018
Number of containers	15,016	19,560	26,552	32,045	32,886

company has its branch at Suvarnabhumi Airport. The Company has transportation trucks in conclusion as follow:

Safety Standard of Truck Transportation

The Company and subsidiary companies emphasize on safety standard in transport provision as the first priority concurrently with punctuality as the Company and subsidiary companies are well aware of using high performance trucks as well as selection qualified personnel as an important part in implementation in accordance with the set target and delivery to the defined destination in

safety without any damage of customer's assets. All trucks of the Companies and subsidiary companies are in standard as defined by laws, truck inspection must be made before using and preparedness of driver must be inspected before driving. The Company is certified Service Quality Standard for Truck Operation (Q MARK) from Department of Land Transport, Ministry of Transport as well as GPS system is used in implementation and efficient management of vehicles. GPS is equipped to truck body for tracing its location during working in recording and speed control for appropriate driving etc.



4. **Warehouse Service:** in order to expanding as an integrated logistic service, the Company has expanded warehouse service to cover customer's requirements as the Company currently provides warehouse service in 3 forms as follow:

4.1 Multiusers Warehouse is used to store goods in term of raw materials or finished goods for storage and delivery to manufacturing factory, delivery goods to client of customer or used to store finished goods of customer waiting for delivery to internal customer or for export.

4.2 Dedicated Warehouse is designed for specific customer in order to respond the requirement of such

customer such as being warehouse located in the area defined by customer which may be close to customer's factory or close to its customers or designed to respond other requirements of customer depending on conditions and agreements between and the customer.

4.3 Onsite Warehouse Management as the Company provides warehouse management on customer's site by designing procedural steps in warehouse, personnel planning in warehouse, recruitment of operating personnel and working control in customer's warehouse according to Key Performance Indicators (KPI) agreed mutually with customer.



5. Cross Border Service (CBS)

As Thailand has connected borders with neighboring countries such as Malaysia, Laos, Cambodia and Myanmar where there is border trades and delivery normally. Later there is an increase of transportation development to the countries where their borders are connected each other such as there is cross border transportation to Singapore via Malaysia, cross border transportation to Vietnam via

Laos. In current, there is an additional transportation development to the countries where their borders are connected each other such as cross border transportation to China via Vietnam and Laos. The Company can currently provide transport service from Singapore to China by receiving goods from Singapore and transporting via Malaysia, Thailand, Laos and Vietnam before entering to China.

Regular Transportation Routes of the Company in current

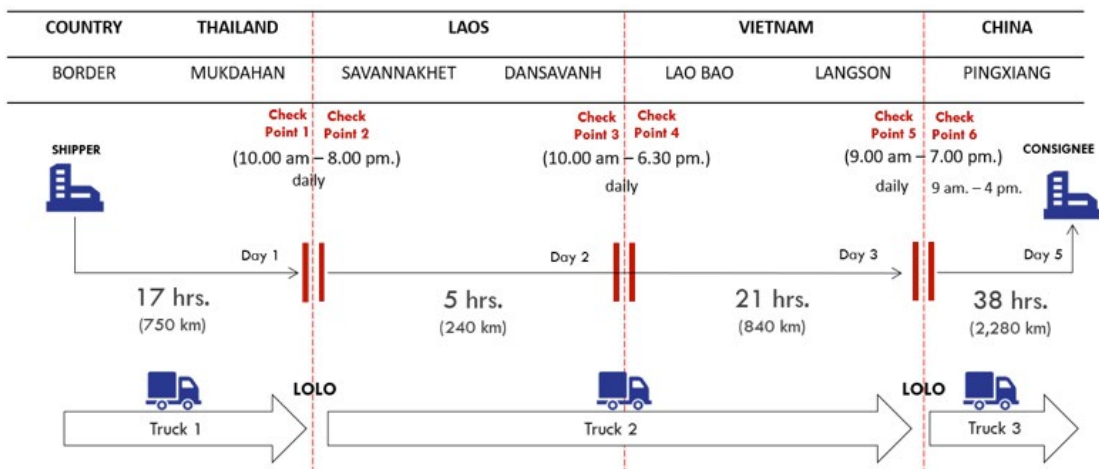
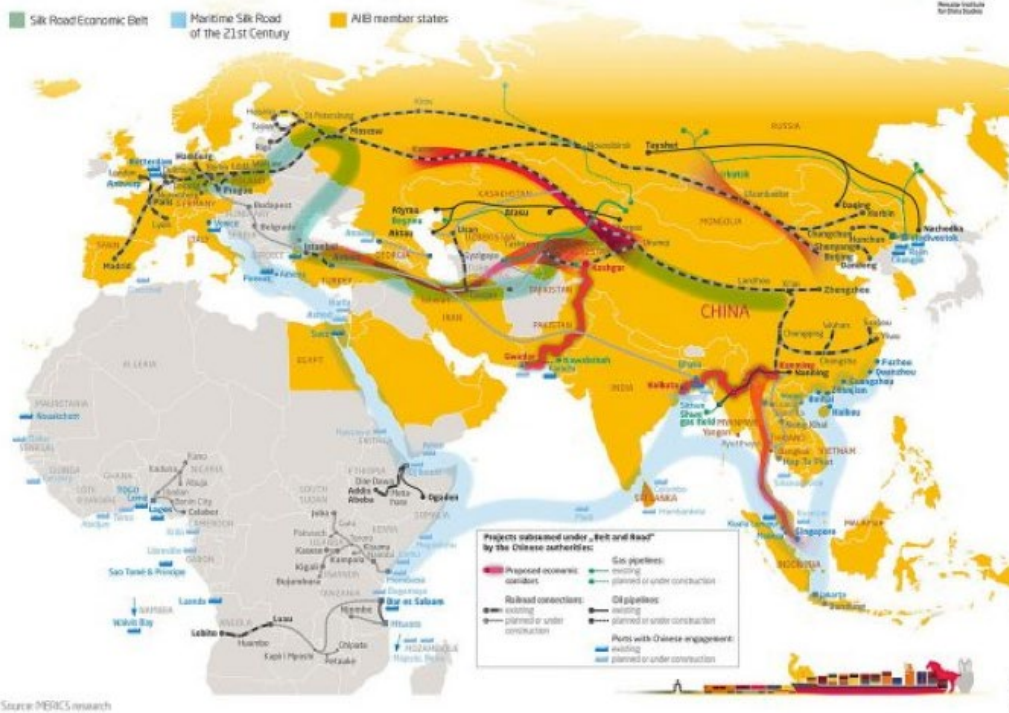
No	Route	From		To			Distance (KM)	Time (Day)
1	Southern	Bangkok	Thailand	Penang	Malaysia		1,150 km	2 days
2	Southern	Bangkok	Thailand	Kuala Lumpur	Malaysia		1,460 km	3 days
3	Southern	Bangkok	Thailand	Johor Bahru	Malaysia		1,970 km	3 days
4	Southern	Bangkok	Thailand	Singapore	Singapore		2,000 km	3 days
5	Western	Bangkok	Thailand	Rangoon(Yangon)	Myanmar		987 km	2-3 days
6	Eastern	Bangkok	Thailand	Phnompenh	Cambodia		730 km	1 day
7	Eastern	Bangkok	Thailand	Vientiane	Laos		650 km	1 day
8	Eastern	Bangkok	Thailand	Hanoi	Vietnam		1,600 km	2 days
9	Eastern	Bangkok	Thailand	Ho Chi Minh City	Vietnam		1,050 km	2 days
10	Northern	Bangkok	Thailand	Shenzhen	China		2,600 km	4 days
11	Northern	Bangkok	Thailand	Guangzhou	China		2,500 km	4 days
12	Northern	Bangkok	Thailand	Changsha	China		2,810 km	4 days
13	Northern	Bangkok	Thailand	Chongqing	China		2,650 km	4 days
14	Northern	Bangkok	Thailand	Shanghai	China		3,865 km	5 days
15	Northern	Bangkok	Thailand	Beijing	China		4,400 km	6-7 days
16	Northern	Bangkok	Thailand	Tianjin	China		4,350 km	6-7 days
17	Northern	Bangkok	Thailand	Hong Kong	Hong Kong		2,650 km	4 days



The Company emphasizes transport service in this route because it is the region where main markets of customers are located as well as there were some problems in Sea Freight within the preceding period whether weather conditions or density of container quantity constituted delay intranportation, therefore, Cross Border Service (CBS) is another option of the Company's customers.

Moreover, this route is the main route connected transportation between Group of ASEAN Countries – China and transportation in this route can connect directly to China Railways Express to other countries in Europe under One Belt, One Road (OBOR) of China.

China aims to build a global infrastructure network
"Belt and Road" infrastructure projects, planned and completed (March 2017)



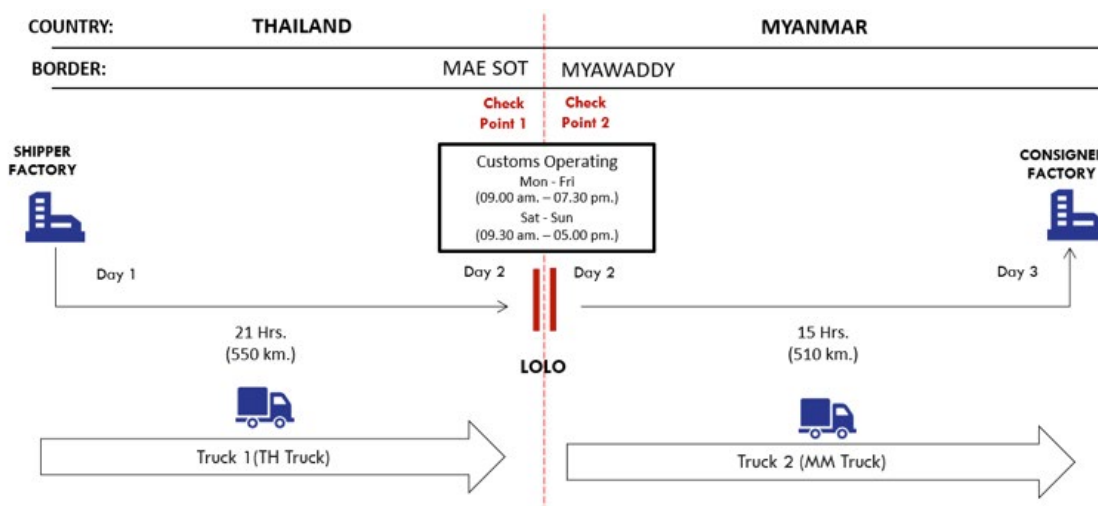
Cross Border Service in form of FTL, Thailand-China Route

The Company currently emphasizes on Cross Border Service (CBS) both in form of Full Truck Load (FTL) and Less than Truck Load (LTL) via two main routes:

1. Thailand - China
2. Thailand - Myanmar

Cross Border Service (CBS) in form of Full Truck Load (FTL) of the Company is different from other service providers in the market as follow:

1. Cargo container which goods are loaded into by goods delivering customer at the source factory is the same container which goods receiving customer at the destination.



Cross Border Service in form of FTL, Thailand - Myanmar

2. The Company uses Lift on, Lift off (LoLo) Charges in each border in lifting container from one truck to another truck without Transload or Unload goods from one container loading into another container at the border to prevent goods from damage.
3. Air Suspension system is installed in the Company's trucks in order to reduce vibration throughout transportation route, the system can reduce damage of product.
4. The Company emphasizes on goods safety by using Smart Log system which containers of the Company cannot be opened from exterior by any other person.
5. The Company uses system in inspection and management transportation routes of truck by Command Center throughout 24 hours.

It can be seen that Cross-Border Service (CBS) of the Company is another service which customers are satisfied with it.

Markets and Competition

Marketing Strategies

As executives of the Company and subsidiaries companies have high experiences, knowledge and skills in international transportation business both by Sea Freight and Air Freight including domestic transport service by dump truck-trailer truck, therefore, the Company can be developed and recognized widely and being one of Freight Forwarder with quality in standard, integrated services both diversity of types of service and covering transportation routes in many countries as well as management system of Freight Forwarder is certified by ISO9001: 2015 Standard from TUV NORD and the Company has policy in maintain good relationship with customers and business allies regularly and the Company has competitive strategies in maintain the existed customer base and increasing market share of the Company as follow:

(1) Providing various Forms of Service

The Company and subsidiary companies provides various forms of service by provision of international trans-

portation both import and export markets by Sea Freight (Full Container Load and Less than Container Load) and Air Freight to support various requirements of customer which is providing service covering reservation of ship within the best cost, providing Customs Formalities both at port of shipment and port of discharges, providing warehouse and distribution services, preparing all transportation documents, providing transport truck for receiving-delivery of goods, other services such as preparing packaging (in case of requested by customer), providing goods insurance etc., providing consultation of import-export, supervising and following goods status until arriving at port of discharges as well as coordination with Oversea Agent in arranging and delivery goods to recipient in safety within the defined period. In provision of the foregoing integrated services is value added service and providing facilitation for customer, reducing cost and steps of communications of many related organizations as the Company emphasizes on Door to Door service which is providing transportation service from customer's source factory until delivery to customer's factory at the destination and Ex-work service is transportation service which importer is responsible for transportation cost from the factory of exporter until delivery to recipient at the destination.

(2) Provision of Quality Service

The Company and subsidiary companies emphasize on quality of services presenting to customer responding to customer's requirements with rapidity, correction and reliability by studying customer's requirements, preparing the appropriate transportation form and route by presenting at least 3 forms of transportation for customer's option. After customer has decided to choose, the Company will contact shipping line/airline for reservation/negotiation freight

charges, coordinating with Oversea Agent, preparing all transportation documents correctly and rapidly as well as providing consultation and solving problems for customer that is why the Company has been trusted by both internal customers and international customers continuously. In order to control quality of service provided for customers, correction of document in significance and to render efficiency of service provision process, the Company has developed IT system which can increase potential and reducing repetition of work by receiving Certificate on Elevation of Business Management Quality under Logistics Quality Standard issued by Department of Business Development, Ministry of Commerce in 2013 and Certificate of Logistics Quality Standard Assessment in "Good Level" issued by Department of Business Development, Ministry of Commerce in 2012. Moreover, the Company has received National SMEs Excellence Award in Logistics Group from Office of Small and Medium Enterprise Promotion (OSMEP) in 2010, 2011 and 2012.

(3) Expansion of Branches in Overseas

Businesses of the Company cover service provision both internally and internationally, therefore, foreign branches constitute the Company's competence in competition and providing services to customer rapidly particularly in ASEAN countries which are potential markets and growing continuously.

(4) Geographical Proficiency

The Company has geographical proficiency and expertise in Sea Freight in Thailand - the United States of America shipping route for more than 20 years which can receive and deliver goods to every states of U.S.A. both in form of Door to Door, Full Container Load (FCL) and Less than Container Load (LCL). The U.S Government imposes



Logistic Business Control Law and Parole Bond totally 150,000 U.S. Dollar must be paid to FMC Regulation (Federal Maritime Commission) to protect consumer who is affected by damage due to transportation which is different from other markets where the similar law is not imposed. The Company has already paid Parole Bond to FMC, it is deemed as an advantage of the Company because competitors are reduced. Moreover, using shipping liner in Thailand-U.S.A. shipping route, either exporter or goods delivery company, Services Contract must be entered into with the shipping liner prior using services. The Company currently make Services Contract with shipping lines in Thailand-U.S.A. shipping route totally 7 companies as well as having agent in U.S.A. being responsible for coordination and providing Custom Formality service when goods are arrived at the port as well as delivery goods to recipient at the destination, the foregoing Oversea Agent has been working with the Company for more than 20 years, moreover, our subsidiary companies have high experiences and skills in Air Freight in Southeast Asia region and China.

(5) Preparedness of Qualified Personnel

As transportation management business is one of service business, therefore, personnel is deemed as an important factor and highly experienced and skilled personnel are required in working correctly, precisely and being flexible in providing services and being service minded which constitute confidence and satisfaction of service provision among customers. The Company has prepared personnel and knowledge and skills development plan to be consistent to expansion of business by emphasis on recruitment of personnel who have qualifications corresponding to the Company's requirements as well focusing on personnel development by organizing employee trainings continuously,

the Company has prepared Annual Training Plan as each employee must attend at least 5 training courses or 48 hours per year in order to provide knowledge, ability and working skills for employees as well as evaluation working performances for determination and consideration of the appropriate remuneration to formulate morale and encouragement in working and the average working year of employees of the Company and subsidiary companies is 5 years. Moreover, international transportation and management service requires better knowledge and understanding in rules and regulations of import/export, therefore, the Company and subsidiary companies prepare qualified personnel to provide services to customers. Employees who receive License of Customs Specialist working permanently with the Company and subsidiary companies totally 6 persons in providing suggestions to employees in other departments.

(6) Formulation of Business Alliance

Business of the Company grows mainly due Sea Freight management service by having considerable expertise in Thailand-U.S. A route for more than 20 years which constituted good relationships with shipping liners in the foregoing route. Later the Company expands its service in other routes and relations among other shipping liners increases. In current, the Company can provide shipping from shipping liners more than 15 companies. While business of subsidiary companies grows mainly due to Air Freight which constituted good relationships with airlines more than 10 companies. Moreover, Oversea Agent who is deemed as an important business ally or business partner, acting as an agent of the Company and subsidiary companies in coordination in providing international transportation service in the country where each Oversea Agent being responsible. In current, the Company has Oversea Agent covering more

than 100 countries across the globe, moreover, the Company and subsidiary companies participate in Associate Member both internally and internationally such as TIFFA, TAFA, CGLN under WCA Family Network.

(7) Ability in Cost Administration

As the Company and subsidiary companies are entrepreneur in conducting international transportation and management service for long period of time and our businesses grow continuously with regular transportation quantity. The Company and subsidiary companies prepare planning and reservation of shipping/airline in great quantity which results the Company and subsidiary companies can negotiate price with shipping liners/airliners in order to administer cost of freight charges which is the main cost, the aforementioned cost administration increases competitiveness of the Company and subsidiary companies in presenting an appropriate quotation to customer which can reduce cost of transportation for customer likewise.

(8) Maintaining Existed Customer Base

Existed customers are customer base which creates main income of the Company; therefore, the Company and subsidiary companies emphasize on maintaining the foregoing customer base as much as possible by focusing on creation of good relations between the Company and the aforementioned customer base. Employees of the Company make contact with the existed customers regularly both by personal visit or by telephone contact enquiring about using and presenting services to keep abreast of the requirement as most of customers are importers-exporters who require using regular service and trying to make group of existed customers to increase quantity of service usage comprehensively. Strategy in maintaining this customer base is

consisted of maintaining quality of service, facilitation in communications, on-time delivery and the Company will prepare Customer Satisfaction Questionnaire in order improve better quality of services.

(9) Expansion of Service Provision

The Company has prepared service increase plan in term of service enhancement in any specific service such as provision of import-export service or providing Sea Freight service concurrently with Air Freight service including Customs Broker and transportation service or expansion of Port area. Moreover, there is an expansion of related business such as warehouse service as the Company considers that this is business opportunity and adding value of service as well as expanding its branches in overseas when there is an appropriate business opportunity including expanding customer base to new markets to support requirements of customers in each different industry by preparing website of the Company and subsidiary companies at www.wice.co.th to publicize services of the Company and subsidiary companies for general public and customer to access conveniently.

Customer Target Group

Customer target group of the Company and subsidiary companies is medium size and large size entrepreneurs by consideration of quantity of service usage and registered capital as well as ability of gaining profit. Customers of the Company and subsidiary companies are dispersed in other industries and the main goods which the Company and subsidiary companies have provided international transportation such as electronic products, automotive part products which are divided into type of service usage of customers as follow:

Type of Services	Type of main Products	Main import-export countries
Sea Freight Service	Electric appliances and office equipment /computer, automotive parts, canned food, steel and construction materials	U.S.A, Japan, China, and ASEAN Countries
Air Freight Service	Electronic parts, automotive parts	China, Hon Kong, Singapore

Moreover, the Company and subsidiary companies can provide international transportation and management service for customers in other industries such as chemical industry, garment industry and plastic industry etc. The main customers of the Company and subsidiary companies are divided as follow:

(1) Importer & Exporter is the main customer of the Company and subsidiary companies which is calculated as 87% of service income in 2018.

(2) International Co-Loader is customer who conduct the same business as the Company, it means providing Sea Freight service without making Service Contract with ship liner or being company which goods quantity is insufficient

for using Full Container Load, therefore, it is necessary to use both Full Container Load and Less than Container Load services of the Company. This customer group is deemed as business ally of the Company which is calculated as 13% of service income in 2018.

The Company and subsidiary companies are transport service provider by dump truck and trailer truck as the aforementioned service will support merely the international transportation and management service. Therefore, customers of the Company and subsidiary companies must be continual customers in using international transportation and management service of the Company or subsidiary companies and the Company and subsidiary companies will provide an

Customer Group	2014		2015		2016		2017		2018	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Customer uses integrated services*	481.30	71.81	503.93	73.94	814.08	79.62	1,097.12	78.57	1,514.38	77.28
Customer Group uses other services**										
1. Customer uses merely Freight service	146.62	21.88	153.60	22.53	154.55	15.12	209.40	14.97	288.85	14.74
2. Customer uses Warehouse, Custom & Transport services	42.28	6.31	24.00	3.53	53.85	5.26	89.85	6.46	156.38	7.98
Total Service Income	670.20	100	681.53	100	1,022.48	100	1,396.37	100	1,959.6	100

Remark: *Customer uses integrated services means customer who uses Freight service and other services such as Door-To-Door/Door-To-Port/Port-To-Door Services)

**Customer uses other services mean customer who uses any specific service such as Freight, Warehouse, Custom & Transport Services

appropriate truck to receive goods from the customer's factory and transporting to the port for export or receiving goods from the port to deliver to the customer's factory in case of import etc. which is value added of service and providing facilitation of customer in integration. The Company has proportion of income from the integrated service as follow:

Customers of the Company and subsidiary companies are dispersed in other industries without depending on any specific customer as the first 10 ranks of customer in 2018 have the approximate proportion of income 41% of total service income and there is not any customer has proportion of income more than 10% of total service income.

Pricing Policy

The company and subsidiary companies have pricing policy which is appropriate for customer by consideration of form of service provision and conditions. The process of

goods etc. The Company and subsidiary companies will calculate service charges according to type/character of service provision as follow:

Pricing Policy is as follow:

1. Pricing is defined by customer's budget by presenting services which are consistent to customer's requirement under budget defined by customer.
2. Pricing is defined by cost price plus the appropriate Gross Profit Margin in compliance with supply and demand in the market by pricing must be competitive in the market.
3. Pricing in comparison with competitors by presenting superior services by consideration of the actual cost and business opportunity to obtain new customer base as factor in making decision.

Type of Service Provision	Calculation of Service Charges
SEA FREIGHT(EXPORT/IMPORT)	FCL: calculating according to number and size of containers and transportation route LCL: calculating according to capacity (cubic meter) or by weight (ton) depending on which number is higher
AIR FREIGHT(EXPORT/IMPORT)	Calculating by weight (kilogram) or by capacity (cubic meter) depending on which number is higher
CUSTOMS	Calculating according to number of Bill of Lading, number of containers and type of goods
TRANSPORT	Calculating according to type of truck and distance
WAREHOUSE	Calculating according to usage space, handling cost and period of time

providing both internal and international transportation services will be adjusted consistently to the requirement of each customer. Main factors used in consideration of service charges will be form of transportation, transportation route, transportation period of time, goods quantity and types of

As the Company will consider pricing from competition of the market at the moment and requirement of each customer simultaneously.



Distribution and Distribution Channels

Distribution channels of the Company and subsidiary companies are divided into 2 channels as follow:

1. Direct Contact with Customers: it is the direct contact with customers via Sales Team of the Company and subsidiary companies or contact via website of the Company and subsidiary companies at www.wice.co.th. Service provision by making direct contact with customers is an average proportion of 80% of service income as Sales Team of the Company is responsible for contact and visiting customers to present service which is appropriate for customer after the Company has received an opportunity to provide service, the customer always uses our services continuously. The main responsibilities of Sales Team of the Company are as follow:

- Taking care of Active Clients, responding customer's requirements including creation goods relations with customers and trying to present services to customers for more usage in order to increase market share in existed customer base.
- Emphasis on expansion of new customer base in the defined target market to support requirements of customers in each different industry.

2. Contact with Customers via Oversea Agent: it is an average proportion 20% of service income as Oversea Agent is responsible for coordination in providing transportation service in the country where each Oversea Agent being responsible on behalf of the Company and subsidiary companies. Oversea Agent is deemed as business partner as Oversea Agent will provide suggestions and authorized

the Company to take care customers of such Oversea Agent in providing transportation in Thailand likewise.

As the Company has participated as Associate Members both internally and internationally such as TIFFA, TAFA, CGLN under WCA Family Network which is deemed as another publicizing channel for the Company being recognized by trade partners and customers.

Industrial Conditions and Competition

Industrial Conditions

"Logistics Management means other working processes which are related to planning, implementation and working control of the organization including management of information and related financial transactions in removal, storage, collection, distribution of goods, raw materials, component parts and service to reach the most efficiency and effectiveness by consideration of requirements and satisfaction of customer in significance" (Resource: definition of Council of Logistics Management)

Logistics of Thailand Report in 2015 indicated that cost of logistics in Thailand in 2017 was totally 1.91 trillion Baht increased 1.9% from 2014 or it was calculated as 14.00% of Gross Domestic Product (GDP) which was reduced from 14.20% from 2014. Cost structure of logistics is consisted of cost of goods transportation, cost of inventory storage, and logistic administration cost and cost of goods transportation is the main element of the total cost of Thai logistics which is approximately 53.50% of the total logistic cost, followed by cost of inventory storage and administration cost is 37.40% and 9.10% of the total logistic cost respectively and 3 elements are calculated as 7.5%, 5.2% and 1.3% of Gross Domestic Product (GDP) respectively (Information source: Information Technology and Communications Center, Office of Permanent Secretary, Ministry of Transport). Thailand has Import and Export Values as indicated in the

(Unit: trillion Baht)

Year	Trade 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
2018	16.19	8.09	8.10

Resource: Information Technology and Communications Center, Ofce of Permanent Secretary, Ministry of Commerce by the cooperation of Customs Department

following Table:

As Thailand is an Open Economy country which means being the country making contact in trading goods and services with neighboring countries. Therefore, international trading plays a leading role in development and driving the expansion of national economy and the 5 top ranks of export market of Thailand with the most export value is

concluded as follow:

Due to information in the foregoing Table, it indicates that in 2018, Thailand has the most export value to China to replace U.S.A which used to be 1 Rank in 2015 and 2016, followed by Japan and Vietnam respectively.

Structure of export goods of Thailand is consisted of industrial goods, agricultural goods, agro-industry goods

Unit: trillion Baht

Rank	Country	Export Value					
		2013	2014	2015	2016	2017	2018
1	China	0.82	0.86	0.80	0.83	0.96	0.97
2	U.S. A	0.69	0.77	0.81	0.86	0.90	0.89
3	Japan	0.67	0.70	0.68	0.72	0.75	0.79
4	Vietnam	0.22	0.25	0.30	0.33	0.39	0.41
5	Hong Kong	0.40	0.40	0.40	0.40	0.42	0.40

Resource: Information Technology and Communications Center, Ofce of Permanent Secretary, Ministry of Commerce by the cooperation of Customs Department.

and mining products and fuel. In 2018, the top 5 ranks of export goods with the most export value are as follow:

- 1) Automobile, equipment and components
- 2) Computer, equipment and components
- 3) Jewelry and accessories
- 4) Rubber products
- 5) Polyethylene Resin.

The top 5 ranks of main import markets of Thailand are consisted of China, Japan, U.S.A, Malaysia and Taiwan with

most export value are as follow: 1) Crude oil 2) machinery and equipment 3) Electric machine 4) Chemical supplies 5) Jewelry, gem stones, silver bars and gold.

Logistics Business Trends

In 2018, it is expected that Logistics business in Thailand grows continuously as there is slight expansion of economic condition due to investment of government

Unit: trillion Baht

Rank	Country	Import Value					
		2013	2014	2015	2016	2017	2018
1	China	1.16	1.25	1.40	1.49	1.51	1.62
2	Japan	1.26	1.16	1.06	1.09	1.10	1.14
3	U.S.A	0.45	0.47	0.47	0.47	0.51	0.49
4	Malaysia	0.41	0.41	0.41	0.39	0.40	0.43
5	United Arab Emirates	-	-	0.21	0.25	0.25	0.34

Resource: Information Technology and Communications Center, Ofce of Permanent Secretary, Ministry of Commerce by the cooperation of Customs Department.

the following import values as follow:

Structure of import goods of Thailand is consisted of raw material and semi-finished goods, capital goods, fuel, consumer goods and automobile and transportation equipment. In 2018, the top 5 ranks of import goods with the

sector and export trends to grow continuously.

Investment of government sector in 2018 trends to increase continuously and the disbursement of budget which government sector hastens to approve in the second half of 2017 as well as export sector of Thailand will

By estimation of value as follow:

Logistics Business	2017		2018	
	Value (million Baht)	Expansion rate (%)	Value (million Baht)	Expansion rate (%)
Road Transportation Business	137,700.00	6.20	145,100 - 147,300	5.30 - 7.00
Warehouse Business	71,700.00	6.20	75,500 - 76,700	5.30 - 7.00
Freight Forwarder Business	57,700.00	1.60	58,000 - 58900	0.50 - 2.10
Parcel Post and Delivery Service	28,100.00	8.70	30,800 - 31,300	9.60 - 11.30

Remark: Value of logistics business is calculated under concept of national income of Thailand

Resource: Kasikornbank Research Center

increase next year, although it is slowdown in increase, its role can support economy to grow continuously which constitutes Thai logistics sector grows in the same direction accordingly.

Logistics business in 2016 appears to grow considerably among intense competition of entrepreneurs.

Trends in using technology to assist in logistic services seems to increase to respond requirement of cost of logistics efficiently and being consistent to trends of change into digital economy. Therefore, competition of logistic service provider will be very intense next year.

Organizations related to Freight Forwarder

FIATA or “International Federation of Freight Forwarders Associations” was established in Vienna, Austria on 13 May, 1926 which is Non-Governmental Organization (NGO), it is an international organization which is the center of Freight Forwarder supported by United Nations (UN) and governments of member countries. FIATA is currently representative of group of transportation and logistics business more than 40,000 companied across the globe. Main objective of this organization is integration of businesses in transportation industry around the world as a unity and being representative in promoting and protecting benefits of transportation industry by participation as consultant and specialist in the meeting of other international organizations in transportation matter as well as development of quality in transportation service of companies in transportation business by developing and promoting transportation documents and transportation standard to be the same system all across the globe as members must support objective of FIATA and in compliance with related rules and regulations.

The Company and subsidiary companies are members of TIFFA (Thai International Freight Forwarders Association) and TIFFA is member of TIFFA which will be complied with professional ethics to maintain good reputation of Freight

Forwarder profession in the following principles:

1. Implementing in professional level to protect benefits of service users.
2. Competition is made based on justice and respecting rights and benefits of others.
3. Non-disclosure trade secret of oneself, competitor's or service user's.
4. Compliance with laws, regulations of national association and other countries' which makes contact with.
5. Respecting international principles in conducting Freight Forwarder Business.

Moreover, the Company is legally liable for consequential loss and damage of transportation operator under insurance contract in coverage of indemnification under various forms of consequential liability as defined by Multimodal Transport Act B.E. 2548 as well as creating confidence of service users that they will be compensated if there is any damage arisen from transportation.

Competition

Office of the National Economic and Social Development Board (NESDB) has divided structure of logistics service in Thailand into 5 types such as goods transportation goods storage, Customs Formality service and parcel and postage service. In current, it is found that there are 5 main groups of logistics entrepreneur in Thailand as follow: Road transportation entrepreneur, water transportation entrepreneur, air transportation entrepreneur, shipping entrepreneur and warehouse entrepreneur totally more than 10,000 companies and more than 80% of these entrepreneurs are small and medium size entrepreneurs or SMEs (Resource: www.thai-aec.com).

Due to data base statistics of BOL (Business on Line), number of newly registered juristic persons in type of transportation business and warehouse business in Thailand during 2012-2014 is totally 2,582 persons, 2,596

persons and 2,405 persons respectively which indicates business growth of each year. New competitors can enter to compete in this business easily as small size business can be started by rather small amount of investment and depending on good relations with customers and shipping lines/airlines and integrated logistics service providers are mostly Multinational Company or Thai large size entrepreneurs merely.

Management of the Company has estimated value of Freight Forwarder business from the income of entrepreneurs who are members of TIFFA which is approximately 100,000 million Baht. Although logistics market is big, competition is high in accordance because entrepreneur in each group of logistics business has specific skill. Competition in the business is emphasis on expertise in transportation routes and type of goods, rapidity of transportation, quickness in responding to customers as well as quality of networks and flexibility of service provision with reasonable price and meeting customer's requirements. Group of Freight Forwarder is divided into 2 main groups such as group of Multinational Company and Joint Venture and group of Local Company. Entrepreneur in group 1 dominates the market due to the advantage of size and networks but entrepreneur in group 2 has more flexibility in providing service and the Company is one of the leading companies in providing international transportation service among Local Company. In current, entrepreneurs who are deemed as major and direct competitors of the Company and subsidiary companies are 5-6 multinational companies as their business sizes are bigger than the Company and subsidiary companies. However, the Company considers that ability in flexibility of service provision of the Company and subsidiary companies including the integrated service of the Company can be competitive with the foregoing

competitor companies.

In providing Sea Freight Service, importer-exporter can select to use service of shipping line directly or using service of shipping agent. However, most shipping line provides Port-to-Port service with big transported quantity while shipping agent can provide more flexible service, therefore, import-export trends to use service shipping agent increasingly. In case of Air Freight, as airlines have no direct transportation service, importer-exporter has to use service of Carrier Agent instead.

Advantage in Competition

The advantage of competition in transportation business of the Company is potential in providing good quality services covering requirements of customer with safety and punctuality as well as availability of personnel and vehicles. Knowledge, skills and experiences constitute the Company to be well prepared in competition. Our management believes that the Company has advantages in competition as follow:

1. Long experiences of international transportation business, expertise in business and being reliable and trusted by customers for more than 20 years.
2. Providing various services and One Stop Service for customers by providing international transportation service both in import and export, both Sea Freight (Full Container Load and Less than Container Load) and Air Freight and Customs Broker including Door to Door Transportation and Ex-work Transportation and consultation in logistic management system to save cost of customer.
3. Qualified personnel with knowledge, ability and skills in responsible duties such as Customs Specialist providing consultation in Customs

Formalities and benefits in international import and export.

4. Having good networks of shipping lines/airlines and Oversea Agent who are important business allies as well as the Company is member of both internal and international association of international transportation such as TIFFA, TIFA, CGLN under WCA Family Network.
5. Amalgamation of Sun Express Logistics (SEL) located in Singapore by being Freight Forwarder emphasized on providing service global major manufacturer in group of electronic products and having expertise in Air Freight which can enhance the company's competitiveness in Air Freight.
6. Developing IT system to assist working process in order to increase potential and reducing repetition of work.
7. Having potential for cost management in order to increase competitiveness by reservation of large number of containers which the price can be negotiated with shipping lines for presenting competitive price to customers which can reduce transportation cost for customer likewise.

Provision of Services

Providing Source of Services

International Transportation Business

International logistics transportation and management business requires knowledge and experiences in management of working system efficiently. Important factor of process of international transportation and management is consisted of provision of ship/airplane which is the main cost of transportation service of the Company and coordination with Oversea Agent in order to provide services to customers with in the following detail:

(1) Provision of Ship/Airplane's Hold

As freight charges of ship/airplane is the main cost of international transportation and management business, the Company and subsidiary companies will prepare reservation of ship/airplane plan which cost can be managed most efficiently. In reservation of Thailand-United States of America shipping route, Service Contract will be entered into with ship liner which must be renews every year which specifies an agreement on freight charges under Minimum Quality Commitment (MQC). The Company will estimate quantity of work from the past information as well as estimating trends of work to be obtained before signing the contract to ensure that ship's hold can be sold as defined by the contract as reservation of large amount of ship's hold, freight charges can be negotiated and cost of the Company can be competitive. However, the price specified in the contract can be changed as ship liner must notify at least 30 days in advance. In case of reservation of ship's hold in other shipping routes and reservation of airplane's hold, there is not any service contract, therefore, the Company will consider information of customer's using service in preceding period before making reservation of ship's hold in advance, when customer contact the Company to make reservation ship's hold, the Company can confirm the customer's reservation immediately as the Company will select ship liner/airline which is appropriate for customers. In some cases, the Company and subsidiary companies will coordinate with Oversea Agent to assist the Company in providing ship's hold if the Company provides transportation service in other countries, in each year, the Company and subsidiary companies provide ship/airplane's hold from transportation entrepreneurs 15 persons and 10 persons respectively.

Selection of Ship Liner/Airline/ Co-Loader Policy

1. Providing transportation route required by



customers and transportation schedules responding customer's requirements.

2. Being reliable service provider.
3. Service provider who present competitive cost.
4. Service provider work tracing system which can follow up transportation of goods.

(2) Oversea Agent

In case the Company has to provide transportation in foreign countries, the Company will coordinate with an agent who is business ally in other countries to assist in providing the service efficiently as well as assisting the Company in collecting service charges if customer has specified to make Freight Collect in foreign country. Therefore, the selection of Oversea Agent is an important thing as Oversea Agent will be entrepreneurs in transportation business in other countries who have experience, skills and reliability in providing the business. The aforementioned agent is deemed as important ally and business partner as the agent can select the Company as its agent in coordinating and providing service in Thailand likewise. Group of the Company has policy in selecting Oversea Agent as follow:

Policy in Selecting Oversea Agent: Oversea Agent is divided into 3 main groups as follow:

1. Ally Group Company such as Sun Express Group which is consisted of companies in 6 countries such as Thailand, Singapore, Hong Kong, United States of America, Vietnam and Malaysia with global networks in more than 100 places and Ally Group Company is important.
2. Conference which the Company has participated as member such as CGLN under WCA Family

Network which is the association that its members are entrepreneurs in international transportation business in other countries which any member will be publicize among other members for recognition, the company to be participated in membership must be reliable and inspected by the association.

3. Other Oversea Agents which are group company which the Company has been working with for more than 10 years by making Agency Agreement mutually.

The Company and subsidiary companies will select Group 1 and Group 2 mainly as both Groups have reliability and responsibility by consideration from working performances, rapidity in responding question, work monitoring and efficient working cost.

Domestic Transportation Business

Domestic transportation service of the Company and subsidiary companies is provided to support the international transportation business of the Company which requires knowledge and experiences in management of working process to render efficient service and high safety standard. Main factors of the quality transportation are as follow:

(1) Provision and Maintenance of Vehicles in Transportation Process

Important vehicles used in transportation are consisted of dump truck and trailer truck as the Company will purchase from reliable manufacturers or dealers by consideration of quality of trucks as defined by laws, the Company currently purchases the aforementioned trucks

from manufacturers or dealers as well as providing First Class Insurance for all trucks and insurance transported goods which sum insured is higher than damage that may occur.

The Company and subsidiary companies' inspection of valid mileage of dump truck and trailer truck in accordance with inspection schedules as planned as well as maintenance and replacement of damaged parts according to valid mileage as trucks can be functional perfectly and having long useful life. The Company has made Hino Truck Maintenance Hiring Contract with Hino Motor Sales (Thailand) Co., Ltd. for repair and maintenance.

(2) Provision and Training Drivers

Drivers are important personnel for safety transportation service; therefore, the Company and subsidiary companies emphasize on selection of qualified drivers for working with the following main criteria recruitment:

- Drivers must have experiences in driving trucks at least 2 years.
- Drivers must have driving license of Truck and Bus Class 3 and 4.
- Drivers must successfully pass the Company's test.

After being promoted as Driver, all Drivers must attend training before actual working.

(3) Provision of Fuel

All of the Company's trucks utilize Natural Gas for

Vehicle (NGV) and fuel and the Company and subsidiary companies use PTT Fleet Card of Kasikorn bank Public Company Limited as if credit card in paying fuel cost within the limited financial amount. This card specifies license number of each truck and pass word must be identified for payment as the Company and subsidiary companies can calculate fuel using rate in comparison with the actual using rate in order to control fuel usage in transportation.

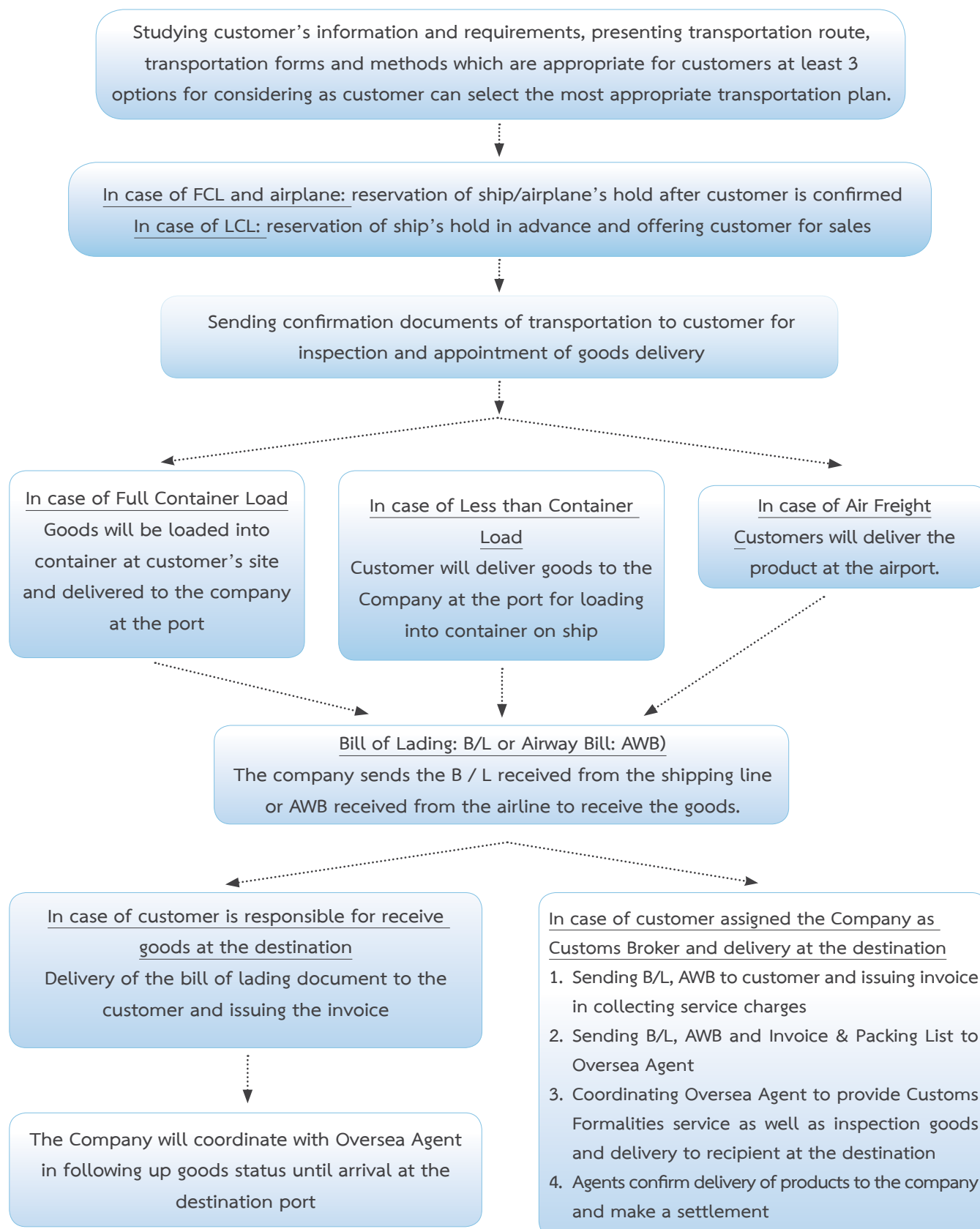
(4) Provision of Truck Transportation Outsource

The Company will provide transportation service of dump truck – trailer truck to customer by own except in some cases which number of trucks is insufficient for providing service to our customers, the Company will contact Truck Transportation Outsource in providing additional service to support sufficient demand of truck transportation service. In current, the Company has Truck Transportation Outsource in Approved Vendor List approximately 3 companies, the criteria of selection of Truck Transportation Outsource is being service provider in term of company and having good transportation service is the major business as well as insurance of truck goods at least 1,500,000 million Baht including service ability, quantity and quality of vehicles responding to the Company's requirements.

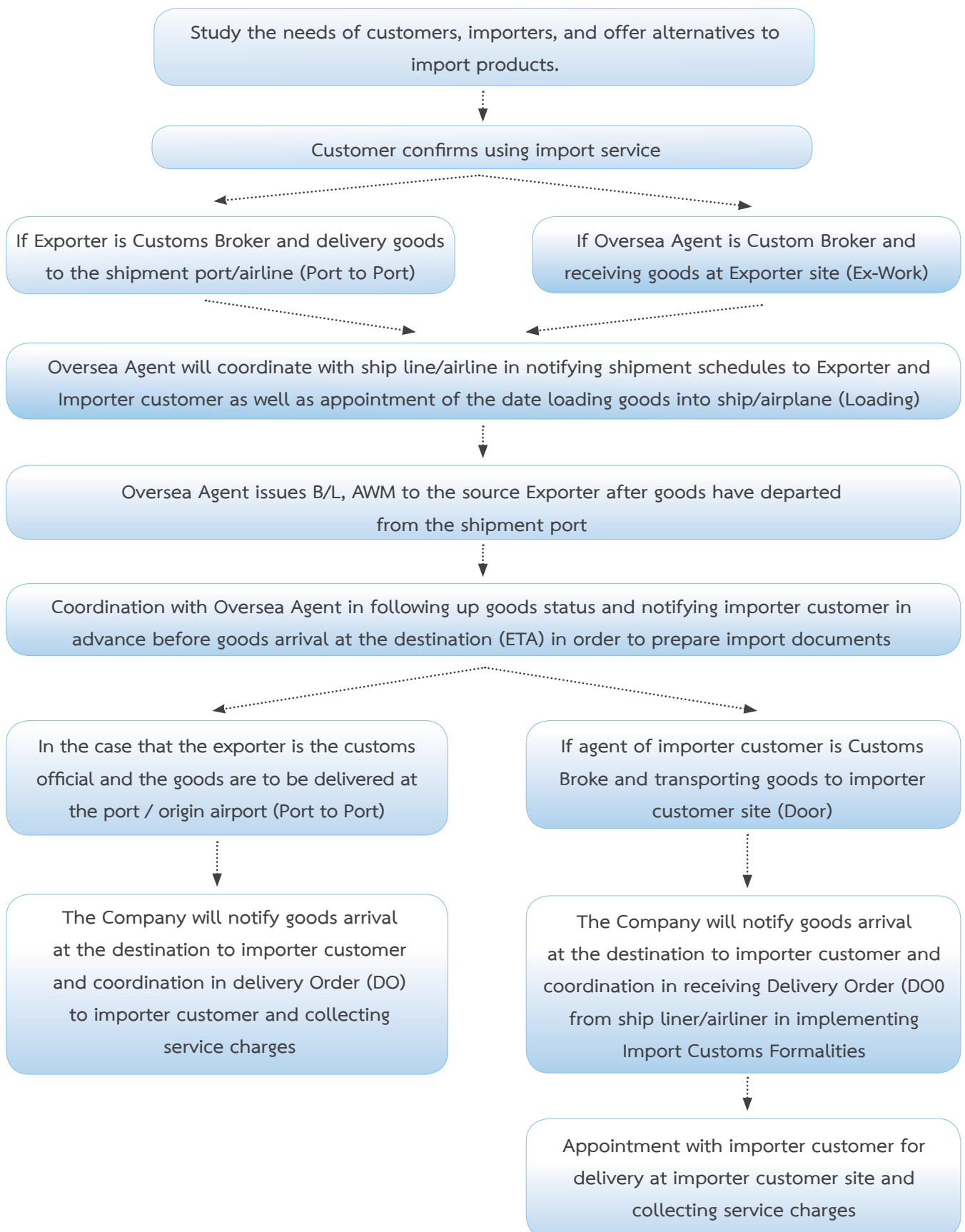
For the efficiency in management of service provision process, the Company has developed IT system to assist working potential and reducing repetition of work as well as

Steps of Service Provision

Conclusion of Steps in International Transportation Service – Export



Conclusion of Steps in International Transportation Service – Import



efficiency measuring system to inspect working period in each department in compliance with quality target as defined by the Company.

WCA is the big transportation service networks which has members more than 5,700 companies in 189 countries.

Conclusion of Participation in Membership of Internal and International Conference

Association Name	Symbol	Member company	Membered date	Member expiry
Internal Associations				
Thai International Freight Forwarders Association (TIFFA)		WICE	6 Feb.02	Indenite expiry
Thai Airfreight Forwarders Association (TAFA)		WICE	2014	31 Jan. 19
The Customs Broker and Transportation Association of Thailand (CTAT)		WICE	12 Feb. 14	11 Feb. 22
The Thai Chamber of Commerce Member ship)		WICE	17 Aug. 10	Indenite expiry
International Associations				
Leading the World in Logistics Partnering		WICE	26 Oct. 05	25 Oct. 19

Remark: In participation as member, it requires paying annual membership fee

WCA is consisted of a great deal of networks and expertise in service provision.

Benefits of Member

1. Name of member will be listed which is convenient in searching and usage.
2. Financial Protection Plan is presented to cover the outstanding debt of debtor member to creditor member totally 50,000 USD.
3. Organizing annual conference for member countries for meeting and negotiating business mutually in form of Workshop to enhance relations and cooperation as each country can make an appointment for negotiation in order to reduce travelling cost for negotiation in each country.
4. Dispute between members can be settled.

5. Environmental Impacts

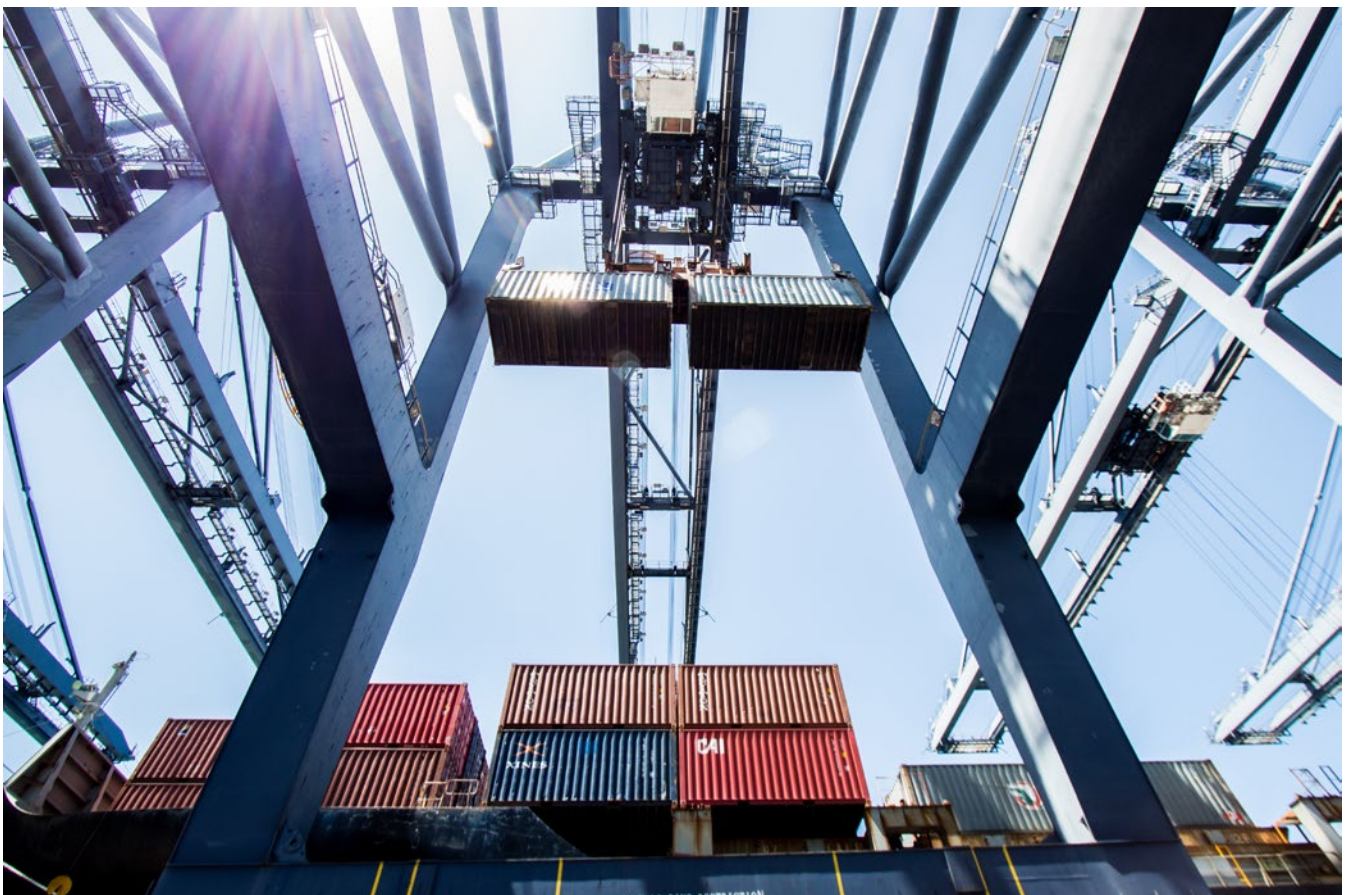
The Company has neither any dispute regarding environment issue nor fault records against environmental regulation and laws imposed by government authorities. For truck transport service, environment may be affected in term of air pollution due to exhaust fumes of trucks, the Company and subsidiary companies are well aware of such impacts, therefore, technicians are notified in supervision and inspection vehicles condition regularly in compliance with regulations of government authorities.

6. Benefits of Promotion Certificate issued by Thailand Board of Investment

- None -

7. Non-delivery of work

- None -





1.6 Assets used in business operations

As at December 31, 2018, the fixed assets that the company uses for business operation have net value after accumulated depreciation is 223,528,841 million baht. Details of fixed assets are as follows:

Asset	Proprietary characteristics	Net value after accumulated depreciation (Baht)	Obligation
<u>Permanent asset</u>			
1 Land	own	24,220,000	None
Title deed No. 69738			
Land area 6 rai 0 ngan 70 square wah			
Location: Nong Kham			
Sub-district, Sriracha District, Chonburi Province			
2 Buildings and improvements	own	22,059,899	None
Parking place and container placement			
13,086,578			
3 Furniture and office equipment	own	76,833,000	None
4 conveyance	own	73,395,066	None
	As a tenant	16,934,298	None
	(finance lease)		
Total		223,528,841	

In addition to the assets used in the business operations of the companies mentioned above The company rented office space. With details of the lease agreement as follows

Rental agreement	Details of the contract
<u>1. Land lease agreement for building construction</u> Title deed No. 53901, land number 376, survey page 11348 Chong Nonsi Subdistrict, Yannawa District, Bangkok 1 piece of land, 70 2/10 square wah	Renter : WICE Lessor : Mrs. Araya Kongsoonthorn and Mr. Chudet Kongsoonthorn (Being a director and shareholder of the company) period of time : 1 July 2014 - 30 June 2034 Rent : Year 1 - 2, 92,674 baht per month Year 3 – 5, 101,941 baht per month Year 6 - 8, 112,135 baht per month Year 9 - 11, 123,349 baht per month Year 12 -14, 135,684 baht per month Year 15 -17, 149,252 baht per month Year 18 -20, 164,177 baht per month Total rental amount 30,539,586 baht Objective: To be used as the company's headquarters
<u>2. Land and building lease agreement **</u> - Title deed No. 164087, land number 5612, survey page 32222 Surasak Subdistrict, Sriracha District, Chonburi Province Land area 42 square wah - Commercial building on the said land, 3 floors, 2 booths ** The company has purchased such land and buildings. From a connected person on 10 July 2018	Renter : WICE Lessor : Mrs. Araya Kongsoonthorn and Mr. Chudet Kongsoonthorn (Being a director and shareholder of the company) period of time : 1 January 2018 - 30 June 2018 Rent : 35,000 baht per month Objective : To be used as a service unit of the company at Laem Chabang



Rental agreement	Details of the contract
3. Land lease agreement - Title deed no. 53902, volume 540, page 2, land number 977, survey page 9146, Chong Nonsi, yannawa, Bangkok - 1 piece of land, 70 2/10 square wah	Renter : WICE Lessor : Mrs. Araya Kongsoonthorn and Mr. Chudet Kongsoonthorn (Being a director and shareholder of the company) period of time : 30 June 2018 - 30 June 2019 Rent : 35,000 baht per month Objective : For use as a parking lot for employees
4. Office lease agreement Suvarnabhumi Branch - Room in the building, air freight agent Suvarnabhumi Airport - AO3 Building No. 11 (4th floor)	Renter : WICE Lessor : Airports of Thailand Public Company Limited period of time : 1 July 2018 - 30 June 2019 Rental area : 51.25 square meters Rent : 17,937.50 baht per month Objective : For use as a branch of a subsidiary

Intangible assets used in business operations

As at 31 December 2018, the intangible assets that the Company uses in its business operations consist of

- 1 Customer relationship With net book value equal to 244,591,230 million baht
2. Right to buy additional shares with net book value equal to 1,764,141 million baht
3. Computer software with net book value equal to 9,819,046 million baht

2

Management and Corporate Governance

2.1 Securities and shareholders information

Company securities

- Registered capital 325,949,750 baht
- Issued and fully paid capital of 325,949,750 baht, consisting of 651,899,500 ordinary shares
- Ordinary shares of 0.50 shares per share
- The company does not issue shares other than ordinary shares.

financial statements However, the dividend payment may be changed. Which will depend on the investment plan, liquidity, necessity and other appropriateness in the future as the Board of Directors and / or the shareholders of the Company. To propose to the shareholders' meeting on April 25, 2018 to approve the dividend payment at the rate of Baht 0.12 per share, representing 76 percent of the profit for the year according to the financial statements

Shareholder

The first 10 shareholders (as of January 30, 2019)

No	Shareholder	Shares	Ratio (%)
1	Dr. Araya Kongsoonthorn	144,728,780	22.201
2	Mr. Chudet Kongsoonthorn	99,739,320	15.300
3	Ms. Thitimar Tantikulsunthorn	66,857,280	10.256
4	Ms. Pornpalioa Tantikulsunthorn	46,698,200	7.163
5	Mr. Patadon Kongsoonthorn	21,157,000	3.245
6	TISCO Mid / Small Cap Equity Fund	19,890,000	3.051
7	MR. LIM MENG PUI	19,202,800	2.946
8	MR. HOCK LOONG LIEN	19,202,800	2.946
9	Ms. Sasithorn Tantikulsunthorn	16,845,300	2.584
10	MR.TAI WAI FUNG	15,577,060	2.389
11	Other shareholders	182,000,960	27.919
Total		651,899,500	100

Dividend payment policy of the company and subsidiaries

The company has a policy to pay dividends to shareholders at a rate of not less than 50 percent of net profit, corporate income tax deduction. And legal reserve for the Company's

for dividend payment policy of subsidiaries Which the company holds 99.99% of shares, the company considers the operating results and considering the structure and financial status And there is no policy that causes manipulation, benefits



Dividend payout ratio for each year in the past 3 years

Year	Interim dividend (Baht/share)	Annual dividend (Baht/share)	Total (Baht/share)	Dividend payout ratio * (%)
2015	none	0.07	0.07	69
2016	none	0.08	0.08	91
2017	none	0.12	0.12	76

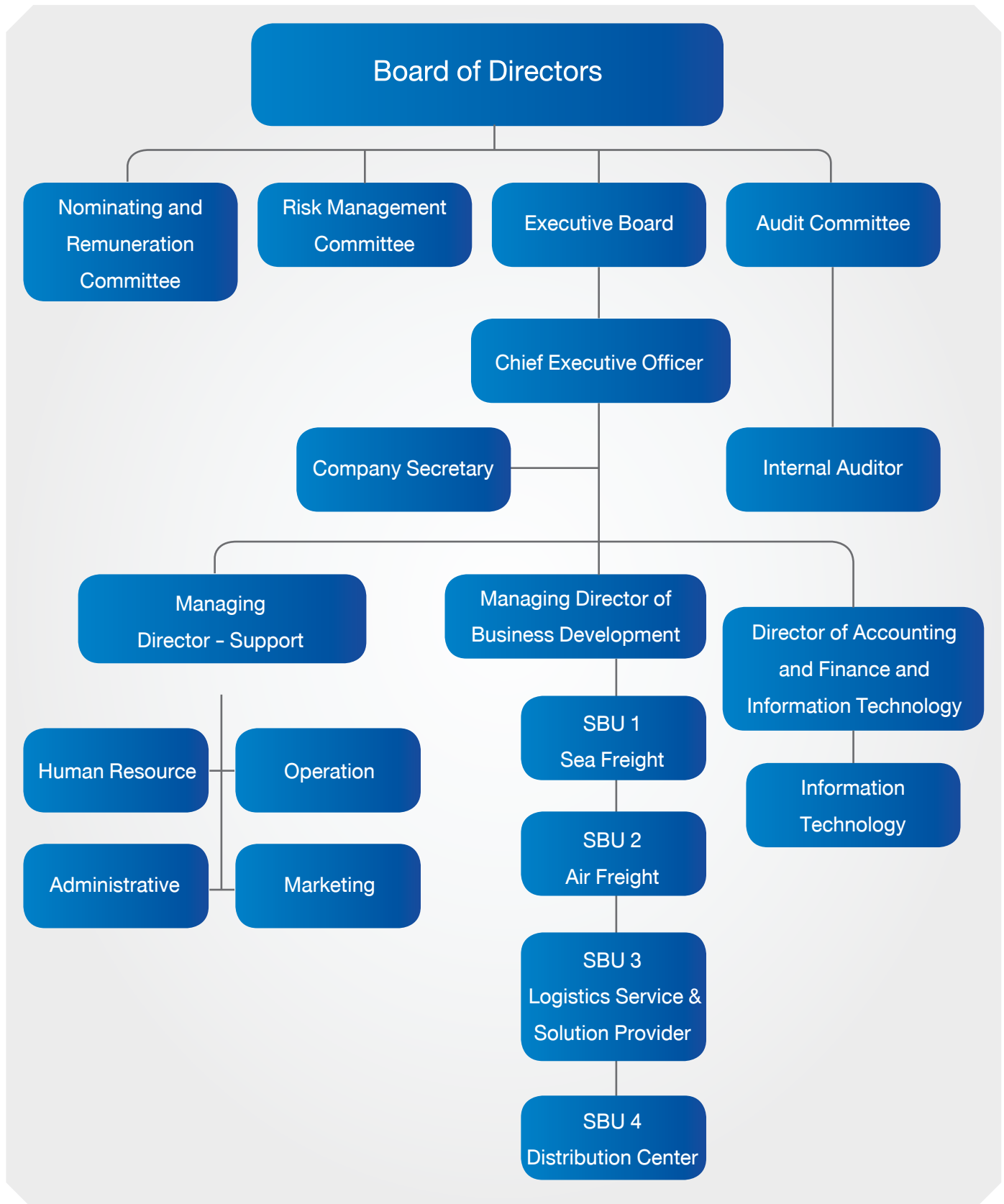
Remark:

* Net profit - profit for the year attributable to shareholders of the parent company.

**The Board of Directors resolved to propose to the Annual General Meeting of Shareholders on 25 April 2018 to approve the annual dividend payment for 2017 at the rate of 0.12 baht per share.

2.2 Management Structure

(January 1, 2019)



Management Structure



Board of Directors comprise 8 directors as follows:

- | | |
|------------------------------------|----------------------|
| 1. Mr. Ekphol Phongstabhon | Chairman |
| 2. Assoc. Prof. Dr. Ruth Banomyong | Independent Director |
| 3. Mr. Wichai Xiao | Independent Director |
| 4. Mr. Charoenkiat Huthananuntha | Independent Director |
| 5. Dr. Araya Kongsoonthorn | Director |
| 6. Mr. Chudet Kongsoonthorn | Director |
| 7. Ms. Thitimar Tantikulsunthorn | Director |
| 8. Ms. Busarin Tuanchaem | Director |

All 8 Board of Directors do not have the following prohibited qualifications:

1. Have no criminal offense record in relation to property which has been done dishonestly.
2. Have no transactions record that may cause conflicts of benefit with WICE in the past year.

Composition of the Board of Directors

The Board of Directors consists of persons with knowledge and skills, be an important role in determining the company's

policy by co-operating with top executives to plan short-term and long-term operations as well as determining financial policies, risk management and organization overview, be an important role in governance and monitoring to be as planned, independently.

The authorized directors of the company are 2 of 4 directors namely, Dr. Araya Kongsoonthorn or Mr. Chudet Kongsoonthorn or Ms. Thitimar Tantikulsunthorn or Ms. Busarin Tuanchaem jointly signed.

5 of non-executive directors

3 directors from the management department

3 directors who are directors of major shareholders, namely, Dr. Araya Kongsoonthorn, Mr. Chudet Kongsoonthorn and Ms. Thitimar Tantikulsunthorn

4 Independent Directors namely, Mr. Ekphol Phongstabhon, Assoc. Prof. Dr. Ruth Banomyong, Mr. Wichai Xiao and Mr. Charoenkiat Huthananuntha are half of the total number of directors.. By 4 independent directors are qualified according to the qualifications of independent directors of the company and according to the principles of SEC.

Table of holding a position in Sub-committees

No.	Board of Directors	Audit Committee (3 persons)	Nominating and Remuneration Committee (3 persons)	Risk Management Committee (3 persons)
1	Mr. Ekphol Phongstabhon	-	-	-
2	Assoc. Prof. Dr. Ruth Banomyong	Chairman	-	-
3	Mr. Wichai Xiao	Director	-	-
4	Mr. Charoenkiat Huthananuntha	Director	Chairman	-
5	Dr. Araya Kongsoonthorn	-	Director	-
6	Mr. Chudet Kongsoonthorn	-	-	-
7	Ms. Thitimar Tantikulsunthorn	-	-	Chairman
8	Ms. Busarin Tuanchaem	-	-	Director

Remark

Director No. 1-4 is a director who is qualified as an independent director according to the qualifications of an independent director of the company.

Miss Somjai Purachako is Risk Management Committee.

Meeting of the Board of Directors

Directors shall attend the Board of Directors' meetings regularly to acknowledge and make decisions in the business operation of the company. The meeting is held at least 6 times per year which defined the meeting schedule in advance every year and inform each director from the beginning of the year to allocate time to attend the meeting and may have special meetings to consider urgent matters.

In the meeting, Chairman and the Chief Executive Officer jointly set the meeting agenda and consider matters to be included in the agenda of the Board of Directors meeting. By allowing each director to propose various matters to be considered as a meeting agenda.

In 2018, the Board of Directors held 6 meetings, which were scheduled in advance 6 times for a whole year, by the entire Board of Directors attending the meeting 100% and each director attending the meeting more than 95% of the

total number of meetings. In each meeting, the supporting documents for each agenda had sent to each director for 7 days in advance before the meeting date in order for the directors to have sufficient time to study the information in various matters.

In considering various matters the Chairman of the board is the Chairman of the meeting allocated sufficient time for the meeting and allow the directors to freely express their opinions. The resolution of the Board of Directors' meeting shall be passed by a majority vote with one director having one voice and directors who have a conflict of benefit will not attend the meeting and/or not exercising the right to vote on that matter. If the votes are equal, the chairman of the meeting will vote for one more vote as final.

In the Board of Directors meeting, the management also attended the meeting to provide useful information and acknowledge the policy directly in order to be able to perform

effectively but in some agenda, the meeting will have only the directors or non-executive directors for the independent to considering various matters.

In addition, the Board of Directors places importance on the management of conflicts of interest of related parties in a prudent, fair, and transparent manner. In the case that any director has a vested interest in the matter being considered Directors with vested interests must not participate in the decision on that matter.

At the end of the meeting, the company secretary is responsible for preparing the minutes of the meeting, proposing

to the Board of Directors for approval in the first agenda of the next meeting and the Chairman of the Board of Directors shall sign and certify the accuracy of such information request to amend the minutes to be the most accurate. The minutes of the meeting will be certified systematically in the form of documents and stored in electronic documents, together with supporting documents for the meeting for easy searching.

In addition, the company held a meeting between non-executive directors without the management team attending the meeting and allow non-executive directors can express their opinions freely.

Meeting schedule of the Board of Directors Year 2018

(1 January 2018 - 31 December 2018)

List of directors	Board of Directors	Audit Committee	Nominating and Remuneration Committee	Risk Management Committee	Audit Committee with Risk Management Committee	Shareholder meeting Year 2561
	Amount of 8 persons Number of meeting for a year 6 times	Amount of 3 persons Number of meeting for a year 5 times	Amount of 3 persons Number of meeting for a year 1 time	Amount of 3 persons Number of meeting for a year 4 times	Amount of 6 persons Number of meeting for a year 1 time	Amount of 8 persons Number of meeting for a year 1 time
1. Mr. Ekphol Phongstabhon	6/6					1/1
2. Assoc. Prof. Dr. Ruth Banomyong	5/6	5/5			1/1	1/1
3. Mr. Wichai Xiao	6/6	5/5	1/1		1/1	1/1
4. Mr. Charoenkiat Huthananuntha	6/6	5/5	1/1		1/1	1/1
5. Dr. Araya Kongsoonthorn	6/6		1/1			1/1
6. Mr. Chudet Kongsoonthorn	6/6					1/1
7. Ms. Thitimar Tantikulsunthorn	6/6			3/3	1/1	1/1
8. Ms. Busarin Tuanchaem	6/6			3/3	1/1	1/1

Remark:

- 4 Independent Directors are Ordinal No. 1 – 4
 - 3 Audit Committees are Ordinal No. 2 – 4
 - 3 Nominating and Remuneration Committees are Ordinal No. 3 – 5
 - 3 Risk Management Committees are Ordinal No. 7 – 8
- and Ms. Somjai Purachako, the management, resigned from the company on December 31, 2018

History of the Board of Directors

As of 31 December 2018

Mr. Ekphol Phongstabhon

Age 55 Year

(Being a director who is qualified as an independent director (From 31 July 2014))

Position: Chairman of the board	Director of Tipco F and B Company Limited
Date of being a director ➤ 31 July 2014	Director of Tipco Retail Company Limited Director of Tipco Biotech Company Limited
Education ➤ Master degree, MBA (Finance & Marketing), Northwestern University , USA ➤ Bachelor of Science (Engineering Chemistry), Chulalongkorn University	Work experience Year 2016 – present Chairman of the board of WICE Logistics (Singapore) Pte. Ltd., Singapore Year 2014 – present Chairman of the board of WICE Logistics Public Co., Ltd. Year 2012 - present Managing Director of Tipco Foods Public Company Limited Year 2009 – 2012 Managing Director of Thai Film Industries Public Company Limited Year 2006 – 2012 Acting Managing Director of Thai Copper Industry Public Company Limited
Training courses for directors and seminars/ Thai Institute Of Directors ➤ Seminar of Chairman Forum (R-CF 1/2018) on “Digital Transformation – A Must for all Companies” ➤ Role of the Chairman Program (RCP) Class 40/2017 ➤ Anti-Corruption for Executive Program (ACEP) Class 12/2014 ➤ Company Secretary Program (CSP) Class 41/2011 ➤ Directors Certification Program (DCP) Class 141/2011	
Holding a position of Director/Executive in other listed companies at present (1) Managing Director of Tipco Foods Public Company Limited	Number of ordinary shares (As of December 31, 2018) My own: None Spouse/underage children: None
Holding a position of Director/Executive in other companies at present (5) Chairman of WICE Logistics (Singapore) Pte. Ltd, Singapore Director of Tipco Pineapple Company Limited	Family relationship between directors and executives: None



Assoc. Prof. Dr. Ruth Banomyong

Age 52 Year

(Being a director who is qualified as an independent director (From 31 July 2014))

Position : Chairman of the Audit Committee	Work experience
Date of being a director ➤ 31 July 2014	Year 2014 – present Chairman of the Audit Committee of WICE Logistics Public Co., Ltd.
Education ➤ Doctor of Philosophy (Ph.D.) International Logistics, Cardiff Business School, Cardiff University, Wales, United Kingdom ➤ Master's degree, Maitrise en Droit des Affaires Internationales (L.L.M International Business Law), Universite de Paris I ,Pantheon-Sorbonne, France ➤ Bachelor's degree, Licence en Droit International (L.L.B International Law), Universite de Paris I, Pantheon – Sorbonne, France	Year 2014 – 2018 Chairman of the Audit Committee C.P.L. Group Public Company Limited
Training courses for directors and seminars/Thai Institute Of Directors ➤ Director Accreditation Program (DAP) Class 44/2004 ➤ Audit Committee Program (ACP) Class 13/2006 ➤ Director Certification Program (DCP) Class 103/2007	Year 2001- present Chairman of the Audit Committee of Sea Oil Public Company Limited
Holding a position of Director/Executive in other listed companies at present (1) Chairman of the Audit Committee of Sea Oil Public Company Limited	Year 1996 – present Director of Global Insight Company Limited
Holding a position of Director/Executive in other companies at present (2) Director of Global Insight Company Limited Director of Living Head Quarter Company Limited	Year 1995 – present Consultant of United Nations Economics and Social Commission for Asia and the Pacific (UN-ESCAP): transport division in Bangkok
	Year 1993 – present lecturer, Faculty of Commerce and Accountancy, International Business Logistics and Transportation, Thammasat University
	Number of ordinary shares (As of December 31, 2018) My own: None Spouse/underage children: None
	Family relationship between directors and executives: None

Mr. Wichai Xiao

Age 52 years

(Being a director who is qualified as an independent director (From 31 July 2014))

Position : Audit Committee Nominating and Remuneration Committee	Work experience Year 2014 – present Chairman of the Audit Committee of WICE Logistics Public Co., Ltd. Nomination and Remuneration Committee of WICE Logistics Public Co., Ltd. Year 2013 – present Finance and Accounting Director of Triton-Is Co., Ltd. Year 2015 – 2017 Finance and Accounting Director of Pursuit Arm (Thailand) Co., Ltd. Year 2015 - present Finance and Accounting Director of Triton Film Co., Ltd. Chief Financial Officer (CFO)/ Director Triton-X Co., Ltd. Year 2543 – present Chief Financial Officer (CFO)/ Director of Triton Co., Ltd. Year 2556 – 2558 Consultant of New Sri Thai Group Year 2005 – 2557 Partnership of Trinity Auditor Office
Date of being a director > 31 July 2014	
Education > Bachelor of Business Administration, Accounting, Bangkok University	
Training courses for directors and seminars/Thai Institute Of Directors > Director Accreditation Program (DAP), Class 111/2014 > Graduate Diploma, Taxation, Class 2 > Training in Accounting Course of Continuing Professional Development Program	
Holding a position of Director/Executive in other listed companies at present (None)	Number of ordinary shares (As of December 31, 2018) My own : None Spouse/underage children : None
Holding a position of Director/Executive in other companies at present (4) Chief Financial Officer (CFO)/Director of Triton Co., Ltd. Chief Financial Officer (CFO)/Director Triton-X Co., Ltd. Finance and Accounting Director of Triton Film Co., Ltd. Finance and Accounting Director of Triton-Is Co., Ltd.	Family relationship between directors and executives : None



Mr. Charoenkiat Huthananuntha

Age 69 years

(Being a director who is qualified as an independent director (From 31 July 2014))

Position : Audit Committee Chairman of Nominating and Remuneration Committee	Holding a position of Director/Executive in other companies at present (None)				
Date of being a director ➤ 31 July 2014	Work experience <table> <tr> <td>Year 2014 – present</td><td>Audit Committee of WICE Logistics Public Co., Ltd. Chairman Nominating & Remuneration Committee of WICE Logistics Public Co., Ltd.</td></tr> <tr> <td>Year 2002 – 2013</td><td>Vice President of Logistics, Utac Thai Company Limited</td></tr> </table>	Year 2014 – present	Audit Committee of WICE Logistics Public Co., Ltd. Chairman Nominating & Remuneration Committee of WICE Logistics Public Co., Ltd.	Year 2002 – 2013	Vice President of Logistics, Utac Thai Company Limited
Year 2014 – present	Audit Committee of WICE Logistics Public Co., Ltd. Chairman Nominating & Remuneration Committee of WICE Logistics Public Co., Ltd.				
Year 2002 – 2013	Vice President of Logistics, Utac Thai Company Limited				
Education ➤ Bachelor of Science, Industrial Computer Technology King Mongkut's Institute of Technology Ladkrabang					
Training courses for directors and seminars/Thai Institute Of Directors ➤ Risk Management Committee, Class 11 ➤ Director Accreditation Program (DAP), Class 111/2014 ➤ High Vocational Certificate, Telecommunication, King Mongkut's Institute of Technology Ladkrabang	Number of ordinary shares (As of December 31, 2018) My own: 15,000 shares Spouse/underage children: None				
Holding a position of Director/Executive in other listed companies at present (None)	Family relationship between directors and executives: None				

Dr. Araya Kongsoonthorn

Age 54 years

Position : Chief Executive Officer
Nominating and Remuneration Committee

Date of being a director

➤ 31 July 2014

Education

- Ph.D. Doctor of Business Administration,
Industry Development and Human Resources
Faculty of Business and Industrial Development,
King Mongkut's University of Technology North
Bangkok
- Master of Management,
Faculty of General management,
Management College, Mahidol University
- Bachelor of Accounting, Financial,
The University of the Thai Chamber Commerce

Training courses for directors and seminars/Thai Institute Of Directors

- Research Alliance 2018 (R-RA 1/2018)
- Collective Action Against Corruption Conference
(C-Conference 1/2018)
- Seminar the 15th Logistics People
- Family Business Event (M-FBE 3/2017)
- Directors Certification Program (DCP),
Class 181/2013

Holding a position of Director/Executive in other listed companies at present (None)

Holding a position of Director/Executive in other companies at present (4)

Director of Euroasia Total Logistics Co., Ltd.
Director of WICE Logistics ((Hong Kong) Ltd.,
Hong Kong
Director of WICE Logistics (Singapore) Pte. Ltd,
Singapore
Director Sun Express (Thailand) Co., Ltd.

Work experience

Year 2018– present	Director of Euroasia Total Logistics Co., Ltd.
Year 2018 – present	Director of WICE Logistics ((Hong Kong) Ltd., Hong Kong
Year 2016 - present	Director of WICE Logistics (Singapore) Pte. Ltd. Singapore
Year 2014 – present	CEO of WICE Logistics Public Co., Ltd. Nominating and Remuneration Committee of WICE Logistics Public Co., Ltd.
Year 2006 - present	Director of Sun Express (Thailand) Co., Ltd.
Year 1993 - 2014	Managing Director of WICE Freight Services (Thailand) Co., Ltd.
Year 2006 – 2013	Managing Director of Prompt Freight and Logistics Co., Ltd.



Mr. Chudet Kongsoonthorn

Age 55 years

Position : Managing Director of Business Development	➤ Director of WICE Logistics (Singapore) Pte. Ltd., Singapore ➤ Director of Sun Express (Thailand) Co., Ltd.												
Date of being a director ➤ 31 July 2014													
Education ➤ Bachelor of Commerce, Merchant Marine, Thammasat University													
Training courses for directors and seminars/Thai Institute Of Directors ➤ Top Executives of Capital Market Academy (CMA), Class 24 /2017 ➤ Director Accreditation Program (DAP), Class SEC/2014	Work experience <table> <tr> <td>Year 2018– present</td><td>Director of Euroasia Total Logistics Co., Ltd.</td></tr> <tr> <td>Year 2018 – present</td><td>Director of WICE Logistics ((Hong Kong) Ltd., Hong Kong</td></tr> <tr> <td>Year 2016 - present</td><td>Director of WICE Logistics (Singapore) Pte. Ltd., Singapore</td></tr> <tr> <td>Year 2014 – present</td><td>Managing Director of Business Development of WICE Logistics Public Co., Ltd.</td></tr> <tr> <td>Year 2006 - present</td><td>Director of Sun Express (Thailand) Co., Ltd.</td></tr> <tr> <td>Year 2006 - 2014</td><td>Managing Director of WICE Freight Services (Thailand) Co., Ltd.</td></tr> </table>	Year 2018– present	Director of Euroasia Total Logistics Co., Ltd.	Year 2018 – present	Director of WICE Logistics ((Hong Kong) Ltd., Hong Kong	Year 2016 - present	Director of WICE Logistics (Singapore) Pte. Ltd., Singapore	Year 2014 – present	Managing Director of Business Development of WICE Logistics Public Co., Ltd.	Year 2006 - present	Director of Sun Express (Thailand) Co., Ltd.	Year 2006 - 2014	Managing Director of WICE Freight Services (Thailand) Co., Ltd.
Year 2018– present	Director of Euroasia Total Logistics Co., Ltd.												
Year 2018 – present	Director of WICE Logistics ((Hong Kong) Ltd., Hong Kong												
Year 2016 - present	Director of WICE Logistics (Singapore) Pte. Ltd., Singapore												
Year 2014 – present	Managing Director of Business Development of WICE Logistics Public Co., Ltd.												
Year 2006 - present	Director of Sun Express (Thailand) Co., Ltd.												
Year 2006 - 2014	Managing Director of WICE Freight Services (Thailand) Co., Ltd.												
Holding a position of Director/Executive in other listed companies at present (None)													
Holding a position of Director/Executive in other companies at present (4) ➤ Director of Euroasia Total Logistics Co., Ltd. ➤ Director of WICE Logistics ((Hong Kong) Ltd., Hong Kong													

Ms. Thitimar Tantikulsunthorn

Age 53 years

Position : Managing Director of Business Support Chairman of the Risk Management Committee	Holding a position of Director/Executive in other listed companies at present (None)
Date of being a director > 31 July 2014	Holding a position of Director/Executive in other companies at present (1) Director of Sun Express (Thailand) Co., Ltd.
Education > Master Degree, Journalism, Sriprathum University > Bachelor of Business Administration, Finance, The University of the Thai Chamber of Commerce	Work experience Year 2016– present Director of Sun Express (Thailand) Co., Ltd. Year 2014 – present Managing Director of Business Support of WICE Logistics Public Co., Ltd. Chairman of the Risk Management Committee of WICE Logistics Public Co., Ltd. Year 1994 - 2014 Director/General Manager of WICE Freight Services (Thailand) Co., Ltd.
Training courses for directors and seminars/Thai Institute Of Directors > Seminar the 15th Logistics People > HCM Forum ““People strategy is business strategy” > Seminars of Next Step Thailand: EEC Thai strategy connecting the world > Ethical Leadership Program (ELP) Class 10/2017 > Anti-Corruption the Practical Guide (ACPG) Class 42/2017 > Director Accreditation Program (DAP) Class SEC/2014	



Ms. Busarin Tuanchaem

Age 44 years

Position : Director Risk Management Committee Director of Accounting and Finance and Information Technology	Holding a position of Director/Executive in other listed companies at present (None)
Date of being a director ➤ 22 February 2018	Holding a position of Director/Executive in other companies at present (None)
Education ➤ Master of Business Administration, Finance (MBA), Ramkhamhaeng University ➤ Bachelor of Business Administration, Accounting, Ramkhamhaeng University ➤ Bachelor of Economics, Business Economics, Sukhothai Thammathirat University	Work experience Year 2018– present Director of WICE Logistics Public Co., Ltd. Risk Management Committee of WICE Logistics Public Co., Ltd. Director of Accounting and Finance and Information Technology of WICE Logistics Public Co., Ltd. Year 2015 – present General Manager of Accounting and Finance of WICE Logistics Public Co., Ltd. Year 2002 - 2014 Deputy of Accounting and Finance of WICE Freight Services (Thailand) Co., Ltd.
Training courses for directors and seminars/Thai Institute Of Directors ➤ Director Accreditation Program (DAP) Class 148/2018 ➤ Company Secretary Program Class 65/2015	

Top Executives of WICE

As of 1 January 2019



- | | |
|-----------------------------------|--|
| 1. Dr. Araya Kongsoonthorn | CEO |
| 2. Mr. Chudet Kongsoonthorn | Managing Director of Business Development |
| 3. Ms. Thitimar Tantikulsunthorn | Managing Director of Business Support |
| 4. Ms. Busarin Tuanchaem | Director of Accounting and Finance and Information Technology |
| 5. Mr. Naruechit Ruangchaiprakarn | General Manager Air freight business development and operation |
| 6. Ms. Saovadee Asavamana | General Manager |
| 7. Mr. Chokchai Phuttisan | General Manager Warehouse |

The list of top executives of WICE above is in accordance with the definition of “Management” according to the Notification of the SCE No. TorJor. 23/2008.

All 7 top executives do not have the following prohibited qualifications:

1. No record of criminal offense in relation to property committed fraud.
2. No transaction history that may be caused a conflict of benefit with the company in the past year.

WICE's senior management has been assigned authority to operate under the policies, strategies and goals set by the Board of Directors which the Board of Directors has approved the preparation of the authority to set clear boundaries for transparency and have the flexibility to work appropriately. In addition, there is a duty to control expenses and investment budget according to the scope approved by the Board in the annual plan. Implementing personal policies, resolving problems or conflicts that affect the organization and maintain effective communication with stakeholders.

History of Top Executives of WICE

Dr. Araya Kongsoonthorn

Age 54 years

Position : Chief Executive Officer Nominating and Remuneration Committee	Holding a position of Director/Executive in other companies at present (4)										
Education ➤ Ph.D. Doctor of Business Administration, Industry Development and Human Resources Faculty of Business and Industrial Development, King Mongkut's University of Technology North Bangkok ➤ Master of Management, Faculty of General management, Management College, Mahidol University ➤ Bachelor of Accounting, Finance, The University of the Thai Chamber Commerce	➤ Director of Euroasia Total Logistics Co., Ltd. ➤ Director of WICE Logistics ((Hong Kong) Ltd., Hong Kong ➤ Director of WICE Logistics (Singapore) Pte. Ltd., Singapore ➤ Director of Sun Express (Thailand) Co., Ltd.										
Training courses for directors and seminars /Thai Institute Of Directors ➤ Research Alliance 2018 (R-RA 1/2018) ➤ Collective Action Against Corruption Conference (C-Conference 1/2018) ➤ Seminar the 15th Logistics People ➤ Family Business Event (M-FBE 3/2017) ➤ Directors Certification Program (DCP) Class 181/2013	Work experience in the past 5 years and/or important position <table border="1"> <tr> <td>Year 2018– present</td><td>Director of Euroasia Total Logistics Co., Ltd.</td></tr> <tr> <td>Year 2018 – present</td><td>Director of WICE Logistics ((Hong Kong) Ltd., Hong Kong</td></tr> <tr> <td>Year 2016 - present</td><td>Director of WICE Logistics (Singapore) Pte. Ltd., Singapore</td></tr> <tr> <td>Year 2014 – present</td><td>CEO of WICE Logistics Public Co., Ltd. Nominating and Remuneration Committee of WICE Logistics Public Co., Ltd.</td></tr> <tr> <td>Year 2006 - present</td><td>Director of Sun Express (Thailand) Co., Ltd.</td></tr> </table>	Year 2018– present	Director of Euroasia Total Logistics Co., Ltd.	Year 2018 – present	Director of WICE Logistics ((Hong Kong) Ltd., Hong Kong	Year 2016 - present	Director of WICE Logistics (Singapore) Pte. Ltd., Singapore	Year 2014 – present	CEO of WICE Logistics Public Co., Ltd. Nominating and Remuneration Committee of WICE Logistics Public Co., Ltd.	Year 2006 - present	Director of Sun Express (Thailand) Co., Ltd.
Year 2018– present	Director of Euroasia Total Logistics Co., Ltd.										
Year 2018 – present	Director of WICE Logistics ((Hong Kong) Ltd., Hong Kong										
Year 2016 - present	Director of WICE Logistics (Singapore) Pte. Ltd., Singapore										
Year 2014 – present	CEO of WICE Logistics Public Co., Ltd. Nominating and Remuneration Committee of WICE Logistics Public Co., Ltd.										
Year 2006 - present	Director of Sun Express (Thailand) Co., Ltd.										
Holding a position of Director/Executive in other listed companies at present (None)											

Mr. Chudet Kongsoonthorn

Age 55 years

Position : Managing Director of Business Development

Education

- Bachelor of Commerce, Merchant Marine,
Thammasat University

Training courses for directors and seminars /Thai Institute Of Directors

- Top Executives of Capital Market Academy (CMA),
Class 24 /2017
- Director Accreditation Program (DAP)
Class SEC/2014

Holding a position of Director/Executive in other listed companies at present (None)

Holding a position of Director/Executive in other companies at present (4)

- Director of Euroasia Total Logistics Co., Ltd.
- Director of WICE Logistics ((Hong Kong) Ltd.,
Hong Kong

- Director of WICE Logistics (Singapore) Pte. Ltd.,
Singapore
- Director of Sun Express (Thailand) Co., Ltd.

Work experience in the past 5 years and/or important position

- | | |
|---------------------|---|
| Year 2018– present | Director of
Euroasia Total Logistics Co., Ltd. |
| Year 2018 – present | Director of
WICE Logistics ((Hong Kong) Ltd.,
Hong Kong |
| Year 2016 - present | Director of
WICE Logistics (Singapore)
Pte. Ltd., Singapore |
| Year 2014 – present | CEO of
WICE Logistics Public Co., Ltd.
Nominating and Remuneration
Committee of
WICE Logistics Public Co., Ltd. |
| Year 2006 - present | Director of
Sun Express (Thailand) Co., Ltd. |



Ms. Thitimar Tantikulsunthorn

Age 53 years

Position : Managing Director of Business Support
Chairman of the Risk Management
Committee

Education

- Master Degree, Journalism, Sriprathum University
- Bachelor of Business Administration, Finance,
The University of the Thai Chamber of Commerce

Training courses for directors and seminars /Thai Institute Of Directors

- Seminar the 15th Logistics People
- HCM Forum ““People strategy is business strategy”
- Seminar of Next Step Thailand:
EEC Thai strategy connecting the world
- Ethical Leadership Program (ELP) Class 10/2017
- Anti-Corruption the Practical Guide (ACPG)
Class 42/2017
- Director Accreditation Program (DAP)
Class SEC/2014

Holding a position of Director/Executive in other listed
companies at present (None)

Holding a position of Director/Executive in other
companies at present (1)

Director of Sun Express (Thailand) Co., Ltd.

Work experience in the past 5 years and/or important
position

Year 2016– present	Director of Sun Express (Thailand) Co., Ltd.
Year 2014 – present	Managing Director of Business Support of WICE Logistics Public Co., Ltd. Chairman of the Risk Management Committee of WICE Logistics Public Co., Ltd.
Year 1991 - 2014	Director/General Manager of WICE Freight Services (Thailand) Co., Ltd.

Ms. Busarin Tuanchaem

Age 44 years

Position : Director

Risk Management Committee

Director of Accounting and Finance and

Information Technology

Holding a position of Director/Executive in other companies at present (None)

Education

- Master of Business Administration, Finance (MBA),
Ramkhamhaeng University
- Bachelor of Business Administration, Accounting,
Ramkhamhaeng University
- Bachelor of Economics, Business Economics,
Sukhothai Thammathirat University

Training courses for directors and seminars /Thai Institute Of Directors

- Director Accreditation Program (DAP)
Class 148/2018

Holding a position of Director/Executive in other listed companies at present (None)

Work experience in the past 5 years and/or important position

Year 2561– present	Director of WICE Logistics Public Co., Ltd. Risk Management Committee of WICE Logistics Public Co., Ltd. Director of Accounting and Finance and Information Technology of WICE Logistics Public Co., Ltd.
Year 2015 – present	General Manager of Accounting and Finance of WICE Logistics Public Co., Ltd.
Year 2002 - 2014	Deputy General Manager of Accounting & Finance WICE Freight Services (Thailand) Co., Ltd.



Mr. Naruechit Ruangchaiprakarn

Age 46 years

Position : General Manager Air freight business development and operations department	Holding a position of Director/Executive in other listed companies at present (None)										
Education ➤ MBA Logistics Management, Southeast Bangkok College ➤ BBA Accounting, Southeast Bangkok College	Holding a position of Director/Executive in other companies at present (None)										
Seminar ➤ Basic Cargo Tariff, organized by TAFA & Cathay Pacific Airways / Thai Airways ➤ Dangerous Goods Regulation Course, organized by TAFA & Japan Airlines ➤ Desktop Applications Programming, College of Innovative Education, Thammasat University ➤ Air Cargo Course, NICS Institute of Languages and Airline Business ➤ Shipping & Import-Export Course, NICS Institute of Languages and Airline Business	Work experience in the past 5 years and/or important position <table> <tr> <td>Year 2018– present</td><td>General Manager Air freight business development and operations department WICE Logistics Public Co., Ltd.</td></tr> <tr> <td>Year 2017</td><td>Deputy General Manager Air freight business development and operations department Sun Express (Thailand) Co., Ltd.</td></tr> <tr> <td>Year 2015</td><td>Deputy General Manager Air Freight & Sea Freight Sun Express (Thailand) Co., Ltd.</td></tr> <tr> <td>Year 2014</td><td>Senior Manager of Air Freight department Sun Express (Thailand) Co., Ltd.</td></tr> <tr> <td>Year 2010</td><td>Manager of Air Freight department Sun Express (Thailand) Co., Ltd.</td></tr> </table>	Year 2018– present	General Manager Air freight business development and operations department WICE Logistics Public Co., Ltd.	Year 2017	Deputy General Manager Air freight business development and operations department Sun Express (Thailand) Co., Ltd.	Year 2015	Deputy General Manager Air Freight & Sea Freight Sun Express (Thailand) Co., Ltd.	Year 2014	Senior Manager of Air Freight department Sun Express (Thailand) Co., Ltd.	Year 2010	Manager of Air Freight department Sun Express (Thailand) Co., Ltd.
Year 2018– present	General Manager Air freight business development and operations department WICE Logistics Public Co., Ltd.										
Year 2017	Deputy General Manager Air freight business development and operations department Sun Express (Thailand) Co., Ltd.										
Year 2015	Deputy General Manager Air Freight & Sea Freight Sun Express (Thailand) Co., Ltd.										
Year 2014	Senior Manager of Air Freight department Sun Express (Thailand) Co., Ltd.										
Year 2010	Manager of Air Freight department Sun Express (Thailand) Co., Ltd.										
Director Training Program of Thai Institute of Directors (None)											

Ms. Saovadee Asavamana

Age 48 years

Position: General Manager

Education

- Master Degree of Public and Private Management, NIDA
- Bachelor Degree of Humanities, Ramkhamhaeng University

Seminars

- Creative Thinking from Creativity Center by Teacher. Rassamee Thanyathon
- Strategic Thinking from SBDC by Assoc. Prof. Dr. Somchai Pakapakwiat
- THE BOSS from Management & Psychology Institute
- Internal Quality Audit for ISO9001:2015 from BIG-Q Training by Teacher. Udomsak Jitsangom
- Professional Management Model from TLAPS by Teacher. Manu Panphliwan

Training courses for directors and seminars /Thai Institute Of Directors (None)

Holding a position of Director/Executive in other listed companies at present (None)

Holding a position of Director/Executive in other companies at present (None)

Work experience in the past 5 years and/or important position

Year 2518 – present	General Manager of WICE Logistics Public Co., Ltd.
Year 2513 - 2518	General Manager of Sun Express (Thailand) Co., Ltd.
Year 2010 – 2013	Executive Director of Maritime Alliance Co., Ltd.
Year 2004 – 2009	General Manager Maritime Alliance Co., Ltd.

Mr. Chokchai Phuttisan

Age 46 years

Position : General Manager Warehouse	Holding a position of Director/Executive in other listed companies at present (None)						
Education ➤ Bachelor of Engineering, Electrical Engineering, Northeastern University	Holding a position of Director/Executive in other companies at present (None)						
Seminar ➤ TS16949, OHSAS 18001, ISO 9001, ISO 14001	Work experience in the past 5 years and/or important position						
Director Training Program and Seminar/Thai Institute of Directors (None)	<table> <tr> <td>Year 2015– present</td><td>General Manager of WICE Logistics Public Co., Ltd.</td></tr> <tr> <td>Year 2005 - 2014</td><td>Warehouse manager of Echo Autoparts (Thailand) Co., Ltd.</td></tr> <tr> <td>Year 2004 - 2005</td><td>Planning and Control Production Manager of Molten Asia Polymer Products Co., Ltd.</td></tr> </table>	Year 2015– present	General Manager of WICE Logistics Public Co., Ltd.	Year 2005 - 2014	Warehouse manager of Echo Autoparts (Thailand) Co., Ltd.	Year 2004 - 2005	Planning and Control Production Manager of Molten Asia Polymer Products Co., Ltd.
Year 2015– present	General Manager of WICE Logistics Public Co., Ltd.						
Year 2005 - 2014	Warehouse manager of Echo Autoparts (Thailand) Co., Ltd.						
Year 2004 - 2005	Planning and Control Production Manager of Molten Asia Polymer Products Co., Ltd.						

Report of changes in holding of positions of directors and executives

No.	Name - Surname	Ordinary shares (number of shares)		
		As of 1 January 2018	As of 31 December 2018	Increase/(Decrease) During the fiscal year
1	Mr. Ekphol Phongstabhon	None	None	None
	Spouse and underage children	None	None	None
2	Assoc. Prof. Dr. Ruth Banomyong	None	None	None
	Spouse and underage children	None	None	None
3	Mr. Wichai Xiao	None	None	None
	Spouse and underage children	None	None	None
4	Mr. Charoenkiat Huthananuntha	12,000	15,000	3,000
	Spouse and underage children	None	None	None
5	Dr. Araya Kongsoonthorn	154,320,280	144,728,780	(9,591,500)
	Spouse and underage children	Spouse : Mr. Chudet Kongsoonthorn		
6	Mr. Chudet Kongsoonthorn	108,939,320	99,739,320	(9,200,000)
	Spouse and underage children	Spouse: Dr. Araya Kongsoonthorn		
7	Ms. Thitimar Tantikulsunthorn	66,857,280	66,857,280	None
	Spouse and underage children	None	None	None
8	Ms. Busarin Tuanchaem	200,000	200,000	None
	Spouse and underage children	None	None	None
9	Mr. Naruechit Ruangchaiprakarn	250,000	250,000	None
	Spouse and underage children	None	None	None
10	Ms. Saovadee Asavamana	130,000	255,000	None
	Spouse and underage children	None	None	None
11	Mr. Chokchai Phuttisan	None	None	None
	Spouse and underage children	None	None	None

Remark:

- Notification of the Office of the Securities and Exchange Commission No. Thor Jor. 23/2551, the term "executive" means the manager or person holding the first four executive positions, counting from the manager down. Those who hold positions equivalent to all four executive level positions And shall include those who hold executive level positions in accounting or finance departments that are department managers or higher or equivalent.
- According to the structure of the WICE Company, executives according to SEC have a total of 11 persons at above.
- Principles of the SEC, ordinary shares of the company held by directors and executives, including ordinary shares held by spouses and also underage children.



Company Secretary Profile

Ms. Poramaporn Chamnongsuk

Age 30 years

Position : Company Secretary

Education

- Bachelor of Laws, Rattana Bundit University

Training on Company Secretary Role:

- Effective Minutes Taking (EMT) Class 42/2018
Thai Institute Of Directors (IOD)
- Board Reporting Program (BRP)
Class 26/2018 Thai Institute Of Directors (IOD)
- Company Secretary Program (CSP)
Class 84/2017 Thai Institute Of Directors (IOD)
- Company Reporting Program (CRP)
Class 19/201 7 Thai Institute Of Directors (IOD)
- Thai Intelligent Investors Program (TIIP-17)
Thai Investors Association
- Advances for Corporate Secretaries 1/2016,
Thai Listed Companies Association

- Fundamentals for Corporate Secretaries
1/2016, Thai Listed Companies Association
- Strategic CSR Management Program, Class 3, SET
- CSR for Corporate Sustainability Program,
Class 6, SET

Work experience in the past 5 years and/or important position

Year 2015 - present	Company Secretary of WICE Logistics Public Co., Ltd.
Year 2015	Company Secretary of TS Flour Mill Public Company Limited
Year 2013 – 2015	Secretary/Lawyer assistant of Parinya RML Company Limited
Year 2012 – 2013	Legal coordinator of Eastern Water Resources Development and Management Public Company Limited

Company Secretary

The Board of Directors resolved to appoint Ms. Poramaporn Chamnongsuk is the company secretary to manage the Board of Directors meeting, Sub-committee and shareholders' meeting including preparing the minutes of the Board of Directors meeting, Minutes of the shareholders meeting, Annual report as well as storing documents as required by law. The Company Secretary appointed by the Board of Directors, which the Board deems appropriate to have knowledge and ability in managing the company secretary to comply with various laws and regulations as well as responsible for overseeing corporate governance Corporate, Social Responsibility (CSR).

In addition, the company has promoted the company secretary, receiving training and continuous knowledge development in law or performing company secretary duties and the history has been revealed qualifications and experience of the company secretary in the annual report.

Remuneration for the Board of Directors

Policy on Remuneration for Board and the Sub-committees

The company sets appropriate remuneration for the Board of Directors by considering the comparison with the remuneration of directors of leading companies in the Stock Exchange of Thailand and in the same industry group as

well as the performance of the company and proposed for approval at the Annual General Meeting of Shareholders to pay remuneration to the Board of Directors.

Remuneration for the Board of Directors

The Annual General Meeting of Shareholders for 2018, on 25 April 2018, approved the remuneration and bonus for directors by paying remuneration per attendance for the bonus, the resolution was approved for consideration of operating results and not more than 1% of net profit. In 2018, bonus was paid to directors in the amount of 897,000 baht at the date of approval from the general meeting of shareholders onwards until the shareholders' meeting resolves otherwise.

In addition to monetary compensation the company does not provide other benefits to those sub-committees according to Clause 32 of the Company's Articles of Association, the Board of Directors is entitled to receive remuneration. However, in order to comply with good corporate governance principles, the Board of Directors resolved to propose remuneration for all patterns of directors at the Annual General Meeting of Shareholders and define agenda of remuneration for the Board of Directors, being an agenda for approval every year which the Annual General Meeting of Shareholders for 2018, resolved to approve the remuneration and bonus for directors, including the remuneration for sub-committees at the same rate.



Remuneration for Board and Sub-committees

Remuneration Type	Amount
1. Meeting allowance for Board (Baht/Meeting)	
- Chairman	40,000
- Director	20,000
2. Meeting allowance for Audit Committee (Baht/Meeting)	
- Chairman	25,000
- Director	20,000
3. Meeting allowance for Nominating and Remuneration Committee	
- Chairman	25,000
- Director	20,000
4. Meeting allowance for Risk Management Committee	
- Chairman	25,000
- Director	20,000

Remuneration for the Board of Directors and the Sub-committees for 2018
(1 January-31 December 2018)

List of director	Remuneration (Baht)						Bonus for Director, From the operating from 2017	Total (Baht)
	Board of Directors	Audit Committee	Nominating and Remuneration Committee	Risk Management Committee	Audit Committee with Risk Management Committee	Annual General Meeting of Shareholders 2018		
Mr. Ekphol Phongstabhon	240,000	-	-	-	-	40,000	112,125	392,125
Assoc. Prof. Dr. Ruth Banomyong	100,000	125,000	-	-	25,000	20,000	112,125	382,125
Mr. Wichai Xiao	120,000	100,000	20,000	-	20,000	20,000	112,125	392,125
Mr. Charoenkiat Huthananuntha	120,000	100,000	25,000	-	20,000	20,000	112,125	397,125
Dr. Araya Kongsoonthorn	120,000	-	20,000	-	-	20,000	112,125	272,125
Mr. Chudet Kongsoonthorn	120,000	-	-	-	-	20,000	112,125	252,125
Ms.Thitimar Tantikulsunthorn	120,000	-	-	75,000	25,000	20,000	112,125	352,125
Miss Pornpairor Tantikulsunthorn (Resigned 21 February 2018)	20,000	-	-	-	-	-	112,125	132,125
Ms. Busarin Tuanchaem	100,000	-	-	60,000	20,000	20,000	-	200,000
Total remuneration	1,060,000	325,000	65,000	135,000	110,000	180,000	897,000	2,772,000

Remark:

Ms. Somjai Purachako is a Risk Management Committee received remuneration of 80,000 baht in 2018 (resigned from the company, 31 December 2018)



Top Executives Remuneration of WICE

Policy and Criteria for payment of Executives Remuneration

The company measures the performance of executives every year by using KPI: Key Performance Indicator to evaluate the executives and employees at all levels and comparing KPI that is defined as a target with performance to consider wage adjustment and annual bonus.

There is no other bonuses.

Executive Directors, 14 Executives from company and subsidiaries received remuneration for the operating results in 2018 in the form of salary and remuneration, totaling a million baht.

Descriptions	2016	2017	2018
Number of executive	13 persons	13 persons	14 persons
Total remuneration of executives (MB)	39.92 MB	47.32 MB	55.80 MB
Remuneration form	Salaries/Bonuses	Salaries/Bonuses	Salaries/Bonuses

2.3 Corporate Governance

Corporate Governance Policy

WICE Logistics Public Company Limited operates its business with responsibility, transparency and fairness, observes the principles that have been practiced through generations and are outlined in Code of Conduct by adhering to good corporate governance principles and recognizing the importance of good corporate governance which will help promote the organization's potential of competitiveness in both short and long term. In addition, good corporate governance also helps to create confidence for investors, financial institution, business partner and all stakeholders.

In operate its business that will lead to increase the value of shareholders and the balanced benefits of those involved with the company and Board of Directors, therefore, it had determined policy of management mechanisms, operations and governance systems on good corporate governance principle which adheres to transparency, responsibility for all stakeholders including adhering to social responsibility to be a business operation guideline for directors, executives and employees of the Company. Thus, Board of Directors has always reviewed and improved the corporate governance principle to be up-to-date.

The company has consistently adhered and practice to good corporate governance principles both being domestic corporate governance principles such as good corporate governance principles for listed companies of the Securities and Exchange Commission and of the Stock Exchange of Thailand including the criteria under the Corporate Governance Report of Thai Listed Companies - CGR of the Thai Institute of Directors Association (IOD).

In 2018, the company has evaluated the results of corporate governance as follows:

- Received a survey result of Corporate Governance Report of Thai Listed Companies for 2018 by Thai Institute of Directors Association (IOD) as very good.
- Received 100 points from quality assessment of Annual General Meeting of Shareholders for 2018 (AGM Checklist) by the Thai Investors Association.

1. Rights of Shareholders

The company has the policy to support, promote, and facilitate every shareholder including institutional investors to ensure that shareholders, both as investors and owners of the Company, are entitled to all basic rights meeting widely accepted and reliable standards, which include the right to freely trade or transfer their own shares, the right to receive dividends from the Company, the right to attend Shareholders' Meetings, the right to propose in advance the Meeting agenda, the right to nominate a person to be a director, the right to express opinions independently, and the right to make decisions on important affairs of the Company, e.g., the election of directors, the appointment of auditors and determination of the audit fee, amendment of Memorandum of Association and Articles of Association of the Company and an approval of significant transactions influencing the Company's direction.

Apart from the abovementioned rights of the shareholders, The Company has also operated other matters to encourage and facilitate shareholders to exercise their rights as follows:

1.1 Provide important and necessary information for shareholders about the business operations clearly and on time by disclosure information through the company website and the SET.



1.2 To allow all shareholders to receive clear information, sufficient and have time to study in advance before the shareholders' meeting. The company has disseminated information about the date, time, location and agenda of the shareholders' meeting as a clear matter by disseminating such information in both Thai and English about 30 days in advance before the meeting date.

For the meeting invitation letter, the company has provided detailed of each agenda with an explanation, reason and the opinion of the Board of Directors by the Company has disseminated the invitation letter with related documents such as registration form, documents and evidence that the attendees shall display before entering the meeting, proxy procedures, registration and proxy forms in the company website both in Thai and English 30 days in advance before the meeting date and deliver the above documents to the shareholders at least 7 days prior to the meeting date.

1.3 The company provides an opportunity for shareholders to appoint a representative, e.g., an independent director or other person, to act as proxy at the meeting by using any proxy form that the company sent with Invitation Letter which is a pattern that shareholders can define the voting direction according to the form prescribed by the Department of Business Development, Ministry of Commerce also information of independent directors assigned by the company to be proxies from shareholders.

For shareholders who are institutional or foreign investors and appointed a custodian in Thailand as a depositor and protect stocks, the company has coordinated documents and evidence that shall be presented in advance before the meeting date to make registration more convenient and faster on the meeting date.

1.4 In 2018, all directors attended the Annual General Meeting of Shareholders.

1.5 The Company held the Annual General Meeting of Shareholders of 2018 at Sathorn 1 Room, M Floor, Anantara Hotel, Bangkok, and Sathorn which is easily accessible due to close Narathiwat Ratchanakarin Road and located not far from the Bus Rapid Transit or BRT Station Arkan Songkhro.

1.6 The company has registered with the barcode system that shows the registration number of each shareholder that has been printed on the registration form and the proxy form so that the registration process is fast. In addition, the company has provided a document checkpoint in a case give a proxy to other persons to attend the meeting instead and provide a revenue stamp for affixed on a proxy form as service to proxies who have registered to attend the meeting with the concierge staff throughout the registration by the company will open for registration at least 2 hours before the meeting start.

1.7 The company has provided for using voting ballots for every agenda that requires resolution, for transparency and can be checked by voting in each agenda. The chairman will ask the meeting whether the shareholders or proxies who disagree or abstain shall raise their hands and vote in voting ballots and signed then the officer will record score by scanning barcode at voting ballots along with collecting such cards. For the shareholders who agree shall vote and sign on the voting ballots without to raise their hands and will collect all voting ballots that agree at the end of the meeting. For shareholders who are proxied to an independent director, the company will vote, agree, disagree or abstain according to the wishes of the shareholders.

1.8 For details of voting result for each agenda, shall be collected and informed to the meeting after the voting has been completed for each agenda.

1.9 The company has provided independent

lawyers to act as examiners counting vote throughout the meeting and a volunteer representative from the Thai Investors Association to participate in the observation.

1.10 The company has given shareholders the right to attend the meeting after the chairman opened the meeting can vote in the agenda that is under consideration and has not yet been voted and counted as a quorum from the agenda that had been attended onwards, which it may cause to have difference score in each agenda by voters.

1.11 During the shareholders' meeting, the chairman allowed the shareholders to express their opinions, suggestions or inquiry on various agenda independently before voting on any agenda to provide shareholders receive information and sufficient details on such matter. In the agenda that shareholders have questions or inquiries, the Company has prepared relevant personnel to provide answers under the responsibility of the Board of Directors.

1.12 In the Annual General Meeting of Shareholders for 2018, the meeting considered various matters respectively in the agenda specified in invitation letter that sent to the shareholders in advance without changing the order of the said agenda and without requesting the meeting to consider other matters besides that specified in shareholders' invitation letter. In addition, after the meeting considered various matters according to agenda completely, the Chairman will give the shareholders an opportunity to ask further questions regarding matters that are of benefits before the meeting ends.

1.13 The company disclosed the resolutions of the Annual General Meeting of Shareholders of 2018, as well as votes for each agenda, are disclosed via SET Portal of the Stock Exchange of Thailand and published on the Company's website after the Annual General Meeting.

1.14 The company has recorded the minutes as fully, comprises important information such as the list of

directors and the management department who attended the meeting, procedures and methods of voting, resolution of the meeting, voting results for each agenda, including questions, explanations and opinions of the shareholders proposed at the meeting and prepared the Minutes of the Annual General Meeting of Shareholders of 2018 within 14 days from the date of the meeting and submitted them to the Stock Exchange of Thailand and the Ministry of Commerce within the period as stipulated by law. They were also disseminated on the Company's website.

2. Equitable Treatment of Shareholders

The Company is fully aware of its duty to protect the benefits of every shareholder, every group whether it is a minor shareholder, an individual shareholder, investors, Thai shareholder as well as foreign shareholder to receive the rights, fairly and equitable treatment entirely for the maximum benefit of the shareholders as follows:

Providing the opportunity of Minority Shareholders to nominate candidates to be elected as a director beforehand before the meeting date.

The company determined the criteria and procedures for granting shareholders the right to propose an agenda to the meeting of shareholders and nominate persons to be considered for election as directors in place of those who are due to retire by rotation during the 3 months period until the end of the annual accounting period of the company by the company has disseminated such criteria via the SET Portal system of the Stock Exchange of Thailand including the company website.

The annual general meeting of shareholders for 2018, the company allows the shareholders to propose the agenda and nominate persons to be considered as a director from October 1, 2018 - December 31, 2018, which can be submitted form for proposing agenda and/or nomination



forms for consideration as directors with prescribed documentary evidence through the company secretary by the following criteria:

Proposal of the agenda, the company gives the right to one or many shareholders who hold shares on the date of proposing the agenda which the total not less than 5% of the total voting shares of the company. Propose agenda in advance by the Nomination Committee will scrutinize before proposing to the Board of Directors for considering to be contained in the agenda and the company will notify in invitation letter that it is the agenda specified by the shareholders but if Board of Directors refuses to accept the matters proposed by the shareholders to be contained in the agenda, the company will explain the reason to the annual general meeting of shareholders for knowing.

In addition, the company gives all shareholders the rights to nominate persons to be elected as directors in advance by the Nomination Committee will be a person who considered for recruiting with other persons according to the criteria for recruiting people to be directors, after that will propose names of persons who deem appropriate to Board of Directors considering before proposing to the shareholders' meeting for further approval.

In the past year, have no shareholder proposing the agenda or nominating a person to be elected as a director in advance before the meeting date for 2018 in accordance with such principles and procedures.

Prevention of internal information usage

The company places importance on a matter of using internal information of the company that has not disseminated to the public yet or information that may affect the securities' price of the company to seek benefits for themselves or others improperly. In the course of business, directors, executives, employees and related parties shall consider and acknowledge various information which may affect the

securities' price and has not disseminated to shareholders, investors or the general public. Therefore, using internal information of the company is important to properly manage to prevent information leaking that may be used in misappropriate and is taking advantage of other people which besides to being a legal offense also affecting the reputation of the company as well.

In addition, the Board of Directors has also reviewed the measures of Blackout Period related to internal information to comply with the Securities and Exchange Act., amended version B.E. 2559 and to elevate the operational of the company to be in accordance with good guidelines that the SEC and the SET recommend are as follows:

➤ The Company's Directors, executives, and all employees (including their spouses or de facto partners) shall not trade in the securities of the company within 7 days before the disclosure of quarterly financial statements and annual financial statements, and within 24 hours after the disclosure of such financial statements.

The Company Secretary will notify in writing to the relevant person to know the Blackout Period in advance.

The company defined to have regularly reviewed the trading of securities of related persons always and prohibit employees involved preparing financial statements and disclose to other persons who are not involved preparing financial statements in the period from the closing date of the financial statements to the date of disclosure of such financial statements. In addition, in a case that any information is known which has not been disclosed yet, it may affect the securities' price of the company. Shall not trade the company's securities until 24 hours after the disclosure of all information to the public.

➤ Directors and executives according to the definition of the SEC ("Top Executive") shall report the holding of the company's assets when being appointed to be the director or top executive of the company for the first

time (Form 59-1) by submitting to the SEC within 30 working days from the date of holding the position and report changes in the holding of securities of the company when buying, selling, transferring or accepting the transfer of the company's securities (Form 59-2) within 3 working days from the date of change.

In addition, the Board of Directors will monitor all required actions in accordance with the related measures by determining to have a report the change of holding of such securities to the meeting of the Board of Directors every time and disclose the number of shares held at the beginning of the year, year-end and which are traded during the year of directors and top executives both directly and indirectly in the annual report. In the past of 2018, not appear the director's offense, top executives and employees involved with using internal information in any way.

Preventing Conflicts of Benefits

The company is aware of the importance of managing conflicts of interest among stakeholders which means the Board of Directors and employees. Therefore, providing the policy to conduct business with honesty, truthful, openness, transparency and fairness by requiring all directors, executives and employees conduct as follows:

- Do not operate or engage in businesses that compete with the company, avoid making transactions that are related to oneself or persons/related juristic person that may cause conflicts of benefits with the company.

- The Board of Directors is responsible for ensuring that the Company complies with principles, methods and disclosure of connected transactions as strictly defined by the law or regulatory agency.

- In a case that it is necessary to make a connected transaction, the transaction shall be in accordance with general trading conditions according to the Board of Directors' approval with transparency and fairness as if doing

transactions with third parties and considering the best benefits of the company.

- Directors who have a conflict of benefits shall not take part in considering the transition that they have conflicts of benefits.

- In a case of a connected transaction that does not comply with general trading conditions according to the principles approved by the Board of Directors which may cause conflicts of interest, shall be reviewed and commented by the Audit Committee before proposing for approval from the Board of Directors or shareholders (as the case may be).

3. Roles of Stakeholders

The company has an ideology in conducting business with morality and hold on to social responsibility, Conduct business by adhering to the principles of creating mutual value between organizations and all stakeholders for sustainable mutual benefits. By the Board of Directors is supervisor to provide the implementation of the laws and policies as well as ensuring that such rights are protected and treated with equality strictly.

In 2018, the Board of Directors approved the reviewing and improvement policies and guidelines for various groups of stakeholders in order to have policies, strategies, guidelines and a comprehensive management process which will help to reduce the risk of reputation and corporate image which can be summarized as follows:

3.1 Shareholders

The company places importance on shareholders as the owner of the company and therefore requires the Board of Directors as a representative of shareholders, including executives and employees of the company having the duty to operate the business for maximum benefits and increase value to shareholders in long-term.



The company respects the rights of shareholders and recognizes the duty of caring for shareholders equally both the basic rights stipulated by law and Company's Articles of Association such as the right to attend the shareholders' meeting, proposal of the agenda in advance, election of Directors, the right to receive a fair return including giving shareholders the right to make suggestions about the business operations of the company through independent directors.

3.2 Employees

Labor and human rights

The company operates the business with morality by adhering to social responsibility and all stakeholders according to the company's code of conduct, protection of human rights according to law and without violation of human rights.

Employee care

Remuneration Management

The company has clearly defined the employee remuneration management policy and procedures with disclosure in the personnel management regulations, determining an appropriate remuneration structure for each position. The company defines a budget of remuneration management that comply with the company's operational both in the short and long-term. The short-term remuneration payment is based on the company's operational each year such as sales, net profit and EBITDA. For long-term, it will consider the operational according to the long-term business plan such as business expansion, profit growth rate, market share and continuously improve the efficiency of operations.

Welfare management

The company has clearly defined the employee remuneration management policy and procedures,

focusing on various welfare providing to all groups of employees appropriately and fairly by reviewing welfare providing to be consistent with the economic conditions and social changing. The provision of welfare for employees will cover every period from entry to retirement and will cover in all aspects, from welfare of work (such as allowances, travel expenses, uniforms), health benefits (eg. annual health check-up) and welfare for living or helping employees in various cases (eg. provident funds, health and accident insurance, opportunity grants).

Long-term employee care

The company has a policy of continuous long-term employee care by providing a provident fund (membership pay monthly contributions to the fund at 2 - 15 percent rate of the employee's wages and the company will pay a monthly contribution to the fund at 2% of the employee's wage according to the employee's duration of employment.

The company has defined a strategy for learning and developing employees by requiring employees to attend both internal and external training for a minimum of 48 hours per year in order to practice and develop themselves for work practices. The company has also provided training by inviting lecturers who have specific knowledge and skills from outside to regularly educate employees and has tested the knowledge of employees such as TOEIC test, measuring knowledge, abilities of language, etc.

In 2019, the company plans to prepare for an environmental policy and promote the education and training of employees on environmental issues further.

3.3 Customers

The company focuses on creating maximum satisfaction for customers by taking care and responsible for customers, provide services to customers based on the

standard, keep customers secret and do not disclose customer information if not authorized by the customer. The company has a system and agency that accepts customer complaints, having guidelines for consideration in order to expedite the process of finding a settlement with fairness and resolving such complaints as soon as possible.

3.4 Business Partners

The company complies with a competition framework that honestly, transparent by adhering to comply with the commercial conditions and the contract that is strictly specified with the business partner by considering price and fairness. Awareness to the reasonableness of price, quality and service obtained, determining regulations for procurement and various operations clearly, not request or accept any property or benefits from partners, supporting environmentally friendly procurement and do not operate a business with business partners with unlawful behavior.

The company has defined guidelines for managing and selecting partners by clearly defining the supply policy and selecting, qualification, procedures to conducting business systematically, fairly, transparently and supporting business partners who conduct business with ethics, responsible for society and the environment and the company will not conduct transactions with individuals or juristic persons who have committed illegal actions or have behaviors that appear fraudulent.

3.5 Joint Venture Partners

The company respects the rights of joint venture partners, not taking advantage of the joint venture as well as cooperate with the investors in order to promote and support the operation of the joint venture to be strong, supporting the exchange of ideas, suggestions and jointly consider the business plan, jointly allocating benefits appropriately, transparently includes monitoring and push forward the operation of joint ventures to be in accordance

with the framework of laws and guidelines for sustainable development in order to achieve the objectives of the joint venture Joint venture.

3.6 Creditors

The Board of Directors will concern the equality of all parties involved integrity in business and adhering to building credibility and treating creditors fairly with policies and guidelines for treating creditors as follows:

- Make a contract with all types of creditors legally, equality, fairness and transparency without taking advantage of the parties.
- Not using corruption or conceal any information or important facts that may cause creditors to be damaged.
- Comply with various contract terms that have been done with all types of creditors strictly, correct and straightforward.

The company has a policy of continuous long-term employee care by providing a provident fund (membership pay monthly contributions to the fund at 2 - 15 percent rate of the employee's wages and the company will pay a monthly contribution to the fund at 2% of the employee's wage according to the employee's duration of employment.

The company has defined a strategy for learning and developing employees by requiring employees to attend both internal and external training for a minimum of 48 hours per year in order to practice and develop themselves for work practices. The company has also provided training by inviting lecturers who have specific knowledge and skills from outside to regularly educate employees and has tested the knowledge of employees such as TOEIC test, measuring knowledge, abilities of language, etc.

In 2019, the company plans to prepare for an environmental policy and promote the education and training of employees on environmental issues further.

3.7 Society, Community and Environment

The company adherence to operating a business under the ethical principles and complying with the laws and/or regulations related to the protection of company's operations which causing damage to the quality of life in society, community and environment. Creating a good interaction with the communities which the company is located, supporting projects and activities that are beneficial to the community and society regularly.

3.8 Competitors

The company comply within a competitive context by being fair, maintain competition norms and will not find confidential information of business competitors in a dishonest or unethical as well as not destroying the business reputation of competitors by accusing them of malice.

3.9 Government

The company provides to cooperate and support government policies for the benefit of the nation under relevant laws and principles and entering a project or guideline for anti-corruption including supporting activities that encourage and instill all employees to comply with the law and related regulations.

3.10 The Media

The company stresses the importance of disclosing information to the media quickly, accurately, and transparently so that media can communicate the information to the public accurately and rapidly. Moreover, to establish good relationships with the media such as inviting to join the press conference or activities organized by the company including creating good relations with the media, exchange ideas between each other to achieve development or supporting the academic activities of the media.

Policies and guidelines on anti-corruption

The company is aware of adherence to conducting business with morality, having a social responsibility and all stakeholders according to the principles of good corporate governance and business ethics which is to support the sustainable growth of the company. On 13 July 2016, the company signed a declaration of intention to become a Collective Action Coalition: CAC): which is a government project and the Office of the National Anti-Corruption Commission (NCC) cooperate with 8 organizations, namely Thai Chamber of Commerce, Thai Institute of Directors (IOD), International Chamber of Commerce, Thai Listed Companies Association, Thai Bankers Association, Federation of Thai Capital Market Organizations, Federation of Thai Industries and Tourism Council of Thailand push forward for anti-corruption measures in the private sector. Therefore, the company is certified as a member of the Collective Action Coalition on 10 November 2017.

Whistleblowing Policy

In order to give rights to various stakeholders in monitoring the operation of the company or affiliated companies to be effective, efficient and transparent. The Board of Directors and affiliated companies provide to have channels for whistleblowing and complaints about the company's operations or affiliated companies that are deemed illegal including those that may be in conflict with related parties.

The company has set up a channel to report clues or complaints of corruption, offense or ethics, inaccurate financial report, infringement, corruption or defective internal control system through the following channels:

Company's Website : www.wice.co.th

E-mail : Audit Committee

banomyong.ruth@gmail.com

CEO
araya@wice.co.th
Company Secretary
secretary2@wice.co.th
Mail : Audit Committee
WICE Logistics Public
Company Limited
88/8 Chong Nonsi Road, Chong
Nonsi Sub-district,
Yannawa District, Bangkok 10120

Remark: Shall not disclose names of stakeholders who report clues or complaints in anyhow and the Audit Committee will check information or facts based on the person who reported a clue or complaint and submitted to the Board of Directors for acknowledgment within 30 days from the date of receipt notification.

The process of dealing with matters that employees complain which may be an offense.

The company defines the principles for grievances for employees. In a case that employees having opinions or conflicts regarding employment conditions, working, benefits, duties and responsibilities of employees with the following principle for complaint is as follows:

Definition and scope of complaint

- (1) The complaints shall be about work, not a personal matter unless the matter is related to work.
- (2) The complaints of the employee shall be about the opinion or conflicts on systems or methods of working, benefits, contract or employment condition, conduct and fairness of employees.
- (3) The complaint shall not be a requesting for the appointment, transfer, terminate, lay off, dismissal by a person.

Methods and procedures for complaint

- (1) Before proceeding to the complaint process, employees should consult with the supervisor directly first, and all supervisors should give priority to employee problems, no matter how little, shall not leave the problem and must try to solve it quickly.
- (2) If the employee's problems are not resolved in a reasonable time or are a problem with supervisors directly, employees may complain by their own with the superior level in writing by clarifying the complete cause and information within 7 days from the date of the conflict and the supervisor shall hurry to investigate the complaint, make a decision and report the result within 20 days from the date of receiving the complaint to the complainant with an explanation by verbal readiness and a record of reasoning in the expression by the complainant signing the acknowledgment the result, consideration or diagnosis in a written statement, as the case may be.

Protection for complainants and related parties

- (1) Complaints will be considered with fairness, not bullying, relocate or any punishment unless it is a complaint with a dishonest intent.
- (2) Employees who testify or participate in the investigation will be protected, not bullying, relocate or any punishment in anyhow unless the employee intends to make a bias, incriminate, false or not cooperate in the investigation process to find the truth.
- (3) Consideration of punishment of employees from the suspension period and complaints. The Chief Executive Officer will appoint a committee to consider from time to time and will terminate



as soon as the punishment or consideration of the complaint ends.

The company provides suggestions, complaints and comments of employees as follows:

- E-mail : CEO araya@wice.co.th
- E-mail : Audit Committee
banomyong.ruth@gmail.com
- Comment Box : 2nd Floor, 3rd Floor and 5th Floor, Office Building

If the employees deem themselves not receiving a fair or has found a risk point or any action that may affect the company then they can complaint via such channels. Therefore, the complaint process and investigation to find facts, the company clearly stated in the employee manual for all employees to acknowledge and strictly follow.

Policies or guidelines for protecting employees or who informers of wrongful conduct

In complaints that may be related to the violation of the business ethics of employees, the company will conduct an investigation in accordance with the procedures and records of the investigation in writing without disclosing the name of the whistleblower including the collection of complaints to protect the impact that may occur to those who report such clues.

4. Disclosure and Transparency

SCG recognizes the importance of information disclosure because it greatly affects decision-making of investors and stakeholders. It is necessary, therefore, to define and administer measures concerning the disclosure of information, both financial and non-financial as stipulated by laws and shall be complete, sufficient, reliable and up-to-date.

The company adheres and comply with laws, principles and rules prescribed by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand and follow up the changes regularly to ensure that the information is disclosed correctly and as a guarantee for shareholders to believe in transparent of business operations, such as

4.1 Prepare various reports according to the law relating to the position of director and top executives and report to the SEC.

4.2 Establish policies for directors and top executives shall report their own benefits and related persons which is a vested interest in the management of the business of the company or subsidiary in accordance with the principles, pattern and methods prescribed by the company.

4.3 Establish policies for directors to disclose trading report, holding shares of the company to the meeting of the board of directors to acknowledge the meeting time including the shareholding of spouses and minor children of such persons to the Board of Directors every quarter and disclose the number of shares held at the beginning of the year, year-end and which are traded during the year in the annual report.

4.4 Prepare the report of the Board of Directors' responsibility for financial reports and presented with the auditor's report in the annual report.

4.5 Disseminate the invitation letter for Annual General Meeting of Shareholders and annual reports within 120 days from the end of the fiscal year.

4.6 Disseminate the latest general meeting minutes on the company website.

4.7 Disclose the roles and duties of the Board of Directors and sub-committees, the number of meetings and the number of times each director attended each meeting individually.

4.8 Disclose date, month, year appointed as a director in the annual report.

4.9 Disclose the method of nomination of directors and how to evaluate the performance of the board.

4.10 Disclose the remuneration policy for directors and top executives including pattern, nature and amount of remuneration that each director has been appointed as a member of the sub-committee on an individual basis.

4.11 Disclose information about attending the training courses of directors organized by the Thai Institute of Directors Association (IOD) on an individual basis.

4.12 Disclose the operating structure and investment in subsidiaries, associates, jointly controlled entities and other companies clearly.

4.13 Disclose audit fees and service fees besides audit fees in the annual report.

4.14 Disclose the Memorandum and Articles of Association of the company on the company's website.

4.15 Disclose important investment projects and the impact on the investment project by disclosing information through the SET Portal of the SET and the company website for shareholders, investors, media and related parties to receive information accuracy, across the board and transparent.

Channels for dissemination the company information

The company gives importance to the disclosure of information that is accurate, complete, transparent both financial information, operational results and other information relevant. Besides disclosure information in accordance with the duties under the regulations of the law, the company has also developed channels for communicating information and news through various media to benefit stakeholders such as

- Provide an investor relations unit to be direct contact with investors.



Interview "Look at the world, look at us" on Channel 3SD, number 28, broadcast on 25 April 2018

- Press release on quarterly operating results including news of investment projects and important activities of the company on a regular basis.

- Press release on quarterly operating results for investors and analysts.

- Holding activities to meet investors and stakeholders both in Thailand and abroad.

- Disseminate news via mass media in various patterns such as news releases, news, articles, advertising media and various media.

- Disseminate information about employees via electronic media such as internet, email and social media.

- Disseminate information through the website www.wice.co.th www.facebook.com/wice.logistics public company limited

Investor Relations Unit

The Board recognizes that company information, both financial and non-financial affects the decisions of investors and stakeholders of the company. Therefore, shall reiterate the management to proceed with matters relating to the disclosure of information that is complete, reliable, consistent and timely, which the management of the company has always given importance and adhered to as for the investor relations work. The company provided an investor relations unit specifically by assigning the Managing Director - Business Development and Company Secretary acting to communicate with institutional investors, shareholders, analysts and

relevant government sectors which investors can contact for company information at 02-681-6181 ext. 3501 or E-mail: Secretary2@wice.co.th.

Activities in 2018, Managing Director and administrative department including investor relations, company secretary had conducted investor relations activities in various pattern which can be categorized as follows:

1. Holding activities for listed companies to meet investors and the Stock Exchange of Thailand (Opportunity day) once per a quarter to report quarterly operational results.



2. Seeing the executives by making an appointment from investors and securities analyst to inquire about company information (Company Visit) for 12 times.

3. Seeing securities analyst of sub-group for 2 times.



4. Interviews on TV program and by phone for 10 times.

5. Responsibilities of the Board of Directors

5.1 Composition of the Board of Directors

The Board of Directors comprises nationally respected, knowledgeable and competent persons who are responsible for drawing up corporate policy and collaborating with the top executives in making operating plans, both short-term and long-term, including financial policy, risk management policy, and organizational overview. The Board plays an important role in overseeing, monitoring and evaluating the performance of the Company and top executives on an independent basis.

Board of Directors Consists of 4 executive directors, namely the Chief Executive Officer, Managing Director - Business Development, Managing Director - Corporate Support, Director of Accounting and Finance and 4 non-executive directors whose non-executive directors have work experience related to the major business of the company, details appear in the Director's history in the annual report.

The company has 4 independent directors, which is half of the total number of directors. The independent directors will be responsible for monitoring the working of the management department, suggest and comment, support policies that are beneficial to shareholders or

oppose guidelines that may cause injustice or not transparent, which may affect the benefits of shareholders and various groups of stakeholders. Overseeing to ensure the company determines and discloses the policy on overseeing the connected transactions to ensure that it is the best benefits of the company and shareholders.

5.2 Scope of Authority of the Board of Directors

The Board of Directors has the following authorities:

1. Acting in the best benefits of shareholders (Fiduciary Duty) by observing the following 4 main practices;

1.1 Performing its duties with responsibility and all due circumspection and caution (Duty of Care).

1.2 Performing its duties with faithfulness and honesty (Duty of Loyalty).

1.3 Performing its duties in compliance with laws, objectives, the Company's Articles of Association, the resolutions of the Board of Directors and resolutions of Shareholders' Meetings (Duty of Obedience).

1.4 Disclosing information to shareholders accurately, completely, and transparently with verifiability and timeliness. (Duty of Disclosure)

2. Defining and reviewing the structure of the Board of Directors, the number of directors and proportion of independent directors as well as Board diversity and director qualifications to align with the company's business operations.

3. Directing the company's visions, missions, and business strategies, with an annual revision and approval.

4. Considering the major operating plan, budgets, business goals, and business policies and enhancing the capabilities of the company to reach a globally competitive level.

5. Overseeing and monitoring the implementation of the Company's strategies and monitoring on performance measurement with regular performance reports including policies for the development and improvement of business

operations with concern for safety and responsibility of social, environmental as well as the development of company's employees.

6. Directing the Company's operation in compliance with the laws, objectives, the Company's Articles of Association, resolutions of the Board of Directors and resolutions of Shareholders' Meetings in good faith, with responsibility and care to preserve the maximum benefits of the Company and fairness to all involved parties.

7. Governance and supporting the creation of innovations that create value to the company as well as benefit all stakeholders.

8. Governance and monitoring IT management and the implementation of the IT security system.

9. Determine risk management policies and governance to ensure effective risk management systems together with reviewing and assessing the systems periodically and in the wake of a change in risk levels.

10. Governance and developing the company's corporate governance to keep it consistent with international standard to provide guidelines for business operations while monitoring compliance and being a role model in complying with the principles of good corporate governance and the company Code of Conduct.

11. Encouraging staff at all levels to be conscious of ethics and morality and comply with the company's principles of corporate governance, the company Code of Conduct and the Anti-corruption Policy while promoting awareness of the importance of internal control system and internal audits to reduce the risk of fraud and abuse of authority and prevent any illegal act.

12. Overseeing and monitoring the company's liquidity and debt service coverage together with emergency plans and mechanisms in case of when problems arising.

13. Governance and monitoring to ensure that the preparation of financial statements and disclosure of



material information is accurate, sufficient and timely, and are in compliance with the relevant regulations and guidelines.

14. Overseeing to ensure that shareholders' involvement in the decision making of the company's important matters, respecting the rights of shareholders, ensuring the equitable and transparent treatment of all shareholders and stakeholders, conducting the business transparently, disclosing information accurately and adequately, establishing a clear process and channels for receiving and handling complaints from informants or stakeholders, and ensuring an opportunity for every stakeholder to contact or lodge complaints about potential issues directly to the Board of Directors.

15. Considering top executive development plans and the succession plan for the CEO or Managing Directors and governance to ensure the effective performance evaluation of top executives on an annual basis and determining appropriate remuneration in line with the company's operating results to provide both short-term and long-term incentives.

16. Evaluating the performance of the Board of Directors annually by performing 2 types of evaluations, namely overall performance evaluation of the Board of Directors and self-evaluation each individual with monitoring the evaluation results of the Board and its Sub-committees to consider together in the Board of Directors and regularly review the performance evaluation form of the Board of Directors.

17. Governance and monitoring to ensure the selection and nomination process of a director is carried out transparently and the remunerations for directors and Sub-committee members are determined appropriately.

18. Devoting sufficient time to perform their duties, attending all meetings of the Board of Directors and Shareholders' Meetings, except in unavoidable circumstances. The directors who are unable to attend a meeting must

notify the Chairman or the Secretary to the Board in advance of the meeting.

19. Monitoring and managing any potential conflicts of benefits between the company and the management department or shareholders as well as governance to prevent misuse of the company's assets and transactions with those who are related to the company in an inappropriate manner

20. Develop knowledge and ability in continuing duties, attend training or participate in courses related to the performance of directors or seminar activities that enhance the knowledge continually.

In performing its duties, the Board of Directors may ask external consultation from independent consultants or experts in various fields, as deemed necessary and appropriate.

5.3 Roles of the Chairman of the Board of Directors

The Chairman of the Board of Directors has the following authorities:

1. Sets Board meeting agenda in consultation with the CEO and oversees to ensure Board members receive accurate, complete, timely, and clear information prior to the meeting to assist in their decision making process.

2. Provides leadership and direction to the Board of Directors and chairs meetings of the Board.

2.1 Conducts a Board meeting according to the agendas, the Company's Articles of Association, and applicable laws.

2.2 Encourages and allocates sufficient time to each Board member to discuss and express their free and frank opinion with due circumspection and concern for all stakeholders.

2.3 Summarize the Board meeting resolutions and the actions to take clearly.

2.4 Determining a Board meeting without the Directors from management department.

3. Chairs meetings of shareholders according to the agendas, the Company's Articles of Association, and relevant laws by allocating time appropriately along with providing opportunities for shareholders to express their opinions equitably and ensuring that shareholders' inquiries are responded to appropriately and transparently.

4. Supports and be a role model in compliance with the principles of good corporate governance and the company Code of Conduct.

5. Fosters a positive working relationship between the Board of Directors and the management department and supports the performance of the duties of the CEO and the management department in accordance with the company's policy.

6. Governance to ensure the transparent disclosure of information and management in the event of conflicts of benefits.

7. Governance to ensure the Board of Directors has appropriate structure and composition.

8. Governance that the Board of Directors as a whole, members of sub-committees, and each individual director perform their duties effectively and efficiently.

5.4 The Board of Directors' Authorization

The Board of Directors is empowered to authorize various matters in accordance with the scope of authority stipulated by laws, the Company's Articles of Association, the Board of Directors charter, and the shareholders' meeting resolutions. Such matters include defining and reviewing corporate vision, missions, operating strategies, operating plans, risk management policy, annual budget and business plans, and medium-term business plan. Added to this is the definition of the target operating results, following up and assessing the operating results to ensure they are consistent with the plan, and overseeing capital expenditure, material connected transactions, merger and acquisition, corporate spin-off, and joint venture deals.

5.5 Separation of the Roles of the Board of Directors and the management department

The company defines clear roles and responsibilities regarding the Board of Directors and the management department by the Board shall be responsible for determining the policies and governance of the management department to comply with the specified policy. Therefore, the Chairman and CEO of the Company shall not be the same person, and each must be nominated and elected by the Board in order to ensure their appropriateness. Furthermore, the Board is responsible for determining a succession plan covering the top executives, which is subject to annual review by the meeting between non-executive directors without the management department attending the meeting on such an agenda.

The Chairman shall not be a member of the management and shall not participate in the management of the company; nor shall the Chairman be authorized to sign binding agreements on behalf of the company. This is to clearly define separate roles between supervision of the company's overall policy, and management of the business.

For the management department that has been assigned the authority to operate under various policies that are responsible for the overall performance, control expenses and investment budget to the extent approved by the Board in the annual plan. Implementing based on personal policy to solve problems or conflicts that affect the organization and maintain effective communication with relevant.

5.6 Directors' Term of office on the Directors

Duration of each term

The Company's Articles of Association stipulates the Directors' Term of Office on Directors in accordance with the provision of the Public Limited Companies Act B.E. 2535. At the Annual General Meeting of Shareholders each year, one-third of the total directors must retire from



office. If it is not possible to divide the total number of directors evenly by three, the number closest to one-third must retire from the office. In choosing those directors who retire, the length of service on the board should be considered, so that those who have served longest are most eligible to retire. Currently, the Board of Directors consists of 8 members, whose term of office is 3 years. Nevertheless, a retiring director is eligible for re-election.

Consecutive term of independent directors

Independent directors can hold a position no more than 3 consecutive terms (9 years) or as appropriate with the first term starting on a date the Board of Directors approved on 31 December 2014 and the end of each term on the date of the Annual General Meeting of Shareholders in which they are due to retire by rotation. The Board of Directors may nominate their names to be re-elected at the Annual General Meeting of Shareholders as deemed fit, in which case they will no longer be considered independent.

5.7 Policy for limiting the number of listed companies of directors and top executives

Determination the number of listed companies that directors will hold a position as a director

The Board of Directors has defined a policy to determine the number of listed companies that the directors will hold a position as director in order for the company to receive the most benefit when the directors can devote time for performing their duties efficiently. The Board of Directors has defined a policy for directors to hold positions in other listed companies for a total not exceed 5 companies. In addition, the company has guidelines in a case that Chief Executive Officer or the Managing Director will hold a

position as director in other companies (Listed company and limited company) for a total not exceed 5 companies which approved by the Board of Directors.

5.8 Performance Evaluation and Knowledge Enhancement of the Directors

Performance evaluation of Directors

The company provides a performance evaluation and reviews the performance evaluation of the Board of Directors and sub-committees every year at least 1 time per year by dividing the evaluation into 2 types include the performance evaluation as a whole and self-performance evaluation which the evaluation results the Board of Directors has analyzed and found conclusions to determine measures to improve the working efficiency of the Board of Directors.

For the performance evaluation process of the Board of Directors as a whole and self-performance evaluation, the Nomination and Remuneration Committee will consider both the performance evaluation form of the Board of Directors and sub-committees including the questionnaire for information desired, to enhance knowledge and ability in performing duties of directors before proposing to the Board of Directors for consideration.

The company secretary has delivered the evaluation form to all directors for evaluating the performance of the Board of Directors and the sub-committees that they hold positions. After that, the company secretary will summarize the results and present the results to the Nomination and Remuneration Committee and the Board of Directors for an acknowledgment before submitting the evaluation results to the Chairman of Committee and Chairman of Sub-committee.

In 2018, the performance evaluation of the committee and the sub-committee can summarize as follows:

Committees/Sub-committees	Performance evaluation of the Board of Directors as a whole (percent)	Self- performance evaluation (percent)
1. Board of Directors	94%	93%
2. Audit Committee	88%	
3. Nomination and Remuneration Committee	94%	
4. Risk Management Committee	87.5%	

Director and Top Executives Development

increase knowledge related to the duties and responsibilities

The Board of Directors agreed to hold activities that will ties of the directors continuously as follows:

Attending development and training program of each director in 2018

LIST OF DIRECTORS	DESCRIPTIONS
1. Mr. Ekphol Phongstabhon	- Participated in the Chairman Forum on Digital Transformation–A Must for all Companies
2. Assoc. Prof. Dr. Ruth Banomyong	- None
3. Mr. Wichai Xiao	- None
4. Mr. Charoenkiat Huthananuntha	- None
5. Dr. Araya Kongsoonthorn	- Participated in the 15th Assembly Logistics held by Logistics Thailand magazine - Attending the CEO CLUB 2018 on “The Game is on!” - Attending the semina on “Research Alliance Dialogue on Corporate Governance 2018” held by IOD
6. Mr. Chudet Kongsoonthorn	- None
7. Ms. Thitimar Tantikulsunthorn	- Participated in the 15th Assembly Logistics held by Logistics Thailand magazine - Attending the seminar on “People strategy is business strategy” held by Human Capital Management Club, Thai Listed Companies Association - Attending the semina on “Next Step Thailand: EEC Thai strategy connect the world “ held by Bangkok Business
8. Ms. Busarin Tuanchaem	- Training Semina, Director Accreditation Program (DAP) 148/2018 held by IOD - Attending the seminar on “CFO Getting Together 2018” held by SET

In addition, the company also encourages directors and top executives attending seminars for the courses that are useful for performing duties including meeting and exchanging opinions of the Board of Directors and top executives of various organizations are always. Both courses held by independent organizations or governance agencies of government such as Director Certification Program

(DCP) of Thai Institute of Directors which the SEC requires directors to register at least one course of training, which is Director Certification Program (DCP), Director Accreditation Program (DAP) and Audit Committee Program (ACP) in order to bring knowledge and experience to develop the organization further.

Training courses attended for directors that held by the Thai Institute of Directors (IOD)

TRAINING PROGRAM LIST OF DIRECTORS	Director Certification Program (DCP)	Director Accreditation Program (DAP)	Role Of The Chairman Program (RCP)	Audit Committee Program (ACP)	Anti Corruption The Practical Guide (ACPG)	Ethical Leadership Program (ELP)	Company Secretary Program (CSP)	Anti-Corruption for Executive Program (ACEP)
1. Mr. Ekphol Phongstabhoh	DCP 141/2011		RCP 40/2017				CSP 41/2011	ACEP 4/2012 ACEP12/2014
2. Assoc. Prof. Dr. Ruth Banomyong	DCP 103/2008	DAP44/2004		ACP 13/2006				
3. Mr. Wichai Xiao		DAP111/2014						
4. Mr. Charoenkiat Huthananuntha		DAP111/2014						
5. Dr. Araya Kongsoonthorn	DCP 181/2013							
6. Mr. Chudet Kongsoonthorn		DAP SEC/2014						
7. Ms. Thitimar Tantikulsunthorn		DAP SEC/2014			ACPG 42/2017	ELP 10/2017		
8. Ms. Busarin Tuanchaem		DAP148/2018					CSP65/2015	

For supporting the performance of the Board of Directors, the company secretary acts as a coordinator between the directors and the management department and also coordinate the relevant laws, regulations including overseeing activities of the Board of Directors, implementation of coordination for compliance with the Board of Directors' resolutions.

Sub-committees

The Board has established Sub-committees, namely the Audit Committee, Nomination and Remuneration

Committee and Risk Management Committee for sustainable development, to perform specific duties and proposing matters to the Board of Directors for consideration or acknowledgment by providing a charter for sub-committees to determine duties and responsibilities and disclosed such charter on the Company's website as well. In addition, the Board of Directors may appoint other sub-committees for specific matters as appropriate for the changing situation.

1. Audit Committees

Comprises 3 independent directors and all directors have a full understanding of, and experience in, accounting or finance which are well accepted by Mr. Wichai Xiao whom an Audit Committee who has sufficient knowledge and experience to review the reliability of financial statements. The Audit Committee' duties are to review operations to ensure that they have been carried out in accordance with the policies, company's articles of association as well as the laws, regulations and requirements of compliance-related agencies. Moreover, the Committee is committed to promoting the advancement of financial and accounting report system to meet international standards and to ensure that the company has an appropriate, modern and efficient internal control system, internal audit system and risk management system. The Audit Committee acts and expresses opinions independently.

The Board of Directors will hold a meeting with the auditor, without management department to attend the meeting at least once a year to request comments from auditors on various matters.

Audit Committee comprises

- | | |
|------------------------------------|---------------------------------|
| 1. Assoc. Prof. Dr. Ruth Banomyong | Chairman of the Audit Committee |
| 2. Mr. Wichai Xiao | Audit Committee |
| 3. Mr. Charoenkiat Huthananuntha | Audit Committee |

Audit Committee's term of office

The Audit Committee has a term of 3 years with completed its term on the date of the Annual General Shareholders' Meeting upon expiration of the term of office, they may be considered to be appointed to continue their positions.

Scope of Authority of Audit Committee

The Audit Committee shall have the following authorities:

1. To review the company to have a financial reporting

system and disclosure information in financial statements in accordance with financial reporting standards and encourage to develop the financial reporting systems to be in line with international financial reporting standards.

2. To consider related transactions, acquisition or disposition assets or transactions that may have conflicts of benefits in accordance with the law, requirements of the SEC and SET.
3. To review the Company to have a risk management process, work processes, controlling, governance of operational and information technology and maintaining data security and effective communication network systems conform to international standards.
4. To review the company to have anti-corruption process in accordance with the guidelines of various governance agencies as effectively, including the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC), Thai Institute of Director (IOD) and the National Anti-Corruption Commission starting from promoting and raising awareness, internal control risk assessment, creating a preventive work system, reporting the offense, audit until the self-assessment form regarding anti-corruption measures as audited and evaluated.
5. To review the company to have control and monitoring process in accordance with the securities and exchange laws, regulations, rules and other laws related to the business of the company.
6. To review the company to has an appropriate and effective internal control and internal audit system in accordance with generally accepted methods and standards and consider the "Internal Control System Sufficiency Assessment Form" which reviewed and evaluated, to ensure that the company has adequate internal control systems and propose to the Board of Directors for consideration.



7. To review the summary of fraud investigation and define preventive measures within the organization. including reviewing the company's internal processes regarding clues and complaints.
8. To review the company to have a preventive system and being a benefit the organization to increase efficiency and effectiveness in the operation.
9. To consider for selecting, nominate, appointment or termination persons who are independent to act as auditors of the company including the remuneration of the auditor of the company and evaluate the performance of the auditor.
10. To prepare the report of the Audit Committee by disclosure in the annual report which the report shall be signed by the Chairman of the Audit Committee and have opinions on various matters according to the requirements of the SET.
11. To review and comment on the performance of the internal audit office and coordinate with the auditor and hold a meeting with the auditor without the management department to attend the meeting at least once a year.
12. To consider approving the internal audit plan, budget including giving an approved for appointment, removal, transfer or termination of internal audit officer.
13. To consider the independence of the internal audit unit by considering the performance on duties and reports including the command line and review an evaluation of the audit in accordance with international standards.
14. To review the Audit Committee to evaluate the overall performance of the Audit Committee and evaluating their own performance every year.
15. To perform any other acts as required by law or is assigned by the Board of Directors.

For the perform on duties under the scope of authority, the Audit Committee has the power to order the management

department, department head or employees of the relevant company give an opinion, attend meetings or submit documents that deem necessary. The Audit Committee performs duties within the authorities and responsibilities as ordered by the Board of Directors. The Board of Directors is responsible for the company's operations directly to shareholders, stakeholders and the general public.

Responsibilities of the Audit Committee

1. After the Audit Committee acknowledged in a case that the auditor found suspicious circumstances that the director, manager or person responsible for the company's operation committed the offense under the Securities and Exchange Act, Section 281/2, paragraph two, Section 305, Section 306, Section 308 Section 309, Section 310, Section 311, Section 312 or Section 313, the Audit Committee shall audit and report the preliminary audit results to SEC and the auditor within 30 days of receiving notice from the auditor.
2. For the perform on duties of the Audit Committee If found or have doubts as to whether or not the following transactions or actions which may have a significant impact on the financial position and the company' operating results, the Audit Committee shall report to the Board of Directors in order to improve within the time that the Audit Committee deems appropriate.
 - (1) Transactions that cause conflict of benefits.
 - (2) Corruption or irregularities or significant defects in the internal control system.
 - (3) Violation of the law on securities and stock exchange, regulations of the Stock Exchange of Thailand or laws related to the business of the company

If the Board of Directors or the management department will not proceed to provide the amendment within the

time specified by the Audit Committee, one of the Audit Committee may report such transaction or action to the SEC or the SET.

2. Nomination and Remuneration Committee

Comprises 3 directors, by 2 in 3 are independent directors and not being an executive director and the Chairman of the Nomination and Remuneration Committee is an independent director, responsible to present, review and governance the recruitment of those who are eligible to be appointed as directors to replace those whose term has expired or other cases. Review the performance evaluation system of the Board of Directors and sub-committees and prepare a plan for succession of directors, chief executive officer or managing director also study, consider and monitor the changes and trends in the remuneration of the Board of Directors to propose to be remuneration policy that being able to motivate as well as being able to maintain talent and integrity people to remain with the organization.

Nomination and Remuneration Committee comprises

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

Nomination and Remuneration Committee's term of office

The Nomination and Remuneration Committee has a term of 3 years with completed its term on the date of the Annual General Shareholders' Meeting upon expiration of the term of office, they may be considered to be appointed to continue their positions.

Scope of Authority of Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall have the following authorities:

1. To determine the scope and policy for nomination of directors to propose to the Board of Directors.
2. To consider and review the appropriateness of being a director of the company in a case that there are changes related to the qualifications of the director.
3. To suggest performance, evaluate methods of the directors and various sub-committees and the Chairman of the Board of Directors by reviewing annually including monitoring and summarizing the evaluation results to the Board of Directors in order to improve performance efficiency and enhance the knowledge and capabilities of the directors.
4. To determine the qualifications of the person who will hold the position of directors in accordance with the company's business strategy and determine the nomination process for directors to replace the directors whose term has expired by recruiting directors with diverse qualifications in terms of skills, experience, gender and specific competencies that are useful to the company.
5. To consider and nominate qualified persons to be directors of the company to replace those who have completed their terms or other cases by considering the diversity in the structure of the Board of Directors to propose to the Board of Directors And the shareholders' meeting for consideration.
6. To prepare the succession plan for the Chief Executive Officer or Managing Director to propose to the Board of Directors for consideration.
7. To propose guidelines and methods to pay remuneration to the Board of Directors and various



sub-committees that appointed by the Board of Directors which includes annual bonuses and meeting allowance.

8. To consider the remuneration of the Board of Directors compare with other leading listed companies who are the same business and propose to the Board of Directors for acknowledgment.
9. To consider the reviewing and suggested if there are any changes about the charter. The Nomination and Remuneration Committee will propose to the Board of Directors for approval, adjustment to be appropriate and up to date always.
10. To perform other duties as assigned by the Board of Directors.

For the perform on duties under the authority and responsibility of the Nomination and Remuneration Committee, it has the authority to order the management department, department head or employees of the relevant company gives an opinion, attend meetings or submit documents that deem necessary.

3. Risk Management Committee

Comprise 2 directors and 1 person from management department to determine the risk management policy and operation guidelines, risk prevention guidelines in order to run the business continually.

Risk Management Committee comprises

- | | |
|----------------------------------|---|
| 1. Ms. Thitimar Tantikulsunthorn | Chairman of the Risk Management Committee |
| 2. Ms. Busarin Tuanchaem | Risk Management Committee |
| 3. Miss Somjai Purashago | Risk Management Committee |

Risk Management Committee's term of office

The Risk Management Committee has a term of 3

years with completed its term on the date of the Annual General Shareholders' Meeting upon expiration of the term of office, they may be considered to be appointed to continue their positions.

Scope of Authority of Risk Management Committee

1. Having a duty to consider policies, strategies, risk management structures and operations to ensure that the proposed strategic plan conform to risk ratings that the company accepted and according to the needs of the stakeholders.
2. Supporting the management of the Risk Management Committee at the practitioner level.
3. Monitoring and evaluating the efficiency and effectiveness of overall risk management.
4. Understanding and be able to assess the risks that may affect the achievement of the objectives of the organization and can ensure that those risks have been dealing up to the level that the company accepted.
5. Providing advice and approve of risk management Recruitment and appointment of directors and top executives

Independent Director

The company determines the proportion of directors who are qualified as independent directors to be not less than half of the total number of directors. At present, the company has 4 independent directors, namely Mr. Ekphol Phongstabhon, Assoc. Prof. Dr. Ruth Banomyong, Mr. Wichai Xiao and Mr. Charoenkiat Huthananuntha

Qualifications of Independent Directors

Company's independent director shall be a director with the following qualifications:

- Holding shares not exceeding 1% of the number of shares that have voting rights in the company,

master company, subsidiary, associates or juristic person that may have conflicts which shall also include the shareholding of the related persons of such independent directors.

- Not being or used to be a director who is involved in the management of work, employees, consultants who receive regular salary or regulator, master company, subsidiary, same rank subsidiary or a juristic person that may have conflicts unless it has been terminated for not less than 2 years before being appointed.
- Not being a person who has a relationship by blood or by legal registration in a manner of father, mother, spouse, sibling, and child. Including spouse of the child, executives, major shareholder, regulator or a person who will be proposed to be an executive or regulator of the company or subsidiary.
- No or have had a business relationship with the company and subsidiaries, master company or juristic person that may have conflict in a manner that may interfere with his independent judgment including not being or having been a major shareholder, non-independent director or executives of those who have a business relationship with the company and its subsidiaries, master company or juristic persons that may have conflicts unless it has been terminated for not less than 2 years before being appointed.
- Not being or having been an auditor of the company, master company, subsidiary or juristic person that may have conflicts and not being a major shareholder, non-independent directors, executives or managing partners of the audit office which has an auditor of the company, master company, subsidiary company or juristic person that may have conflicts unless it has been terminated for not less than 2 years before being appointed.
- Not being or having been a professional service provider which includes providing services as a legal advisor or financial advisor which receives service fees in excess of 2 million baht per year from the company, mater company, subsidiary company or juristic person that may have conflicts. In a case that a professional service provider is a juristic person, including being major shareholder, directors who are not independent directors, executives or managing partners of such professional service providers unless it has been terminated for not less than 2 years before being appointed.
- Not being a director appointed to represent the company director, major shareholders or shareholders who are related to the major shareholders of the company.
- Not operating a business that is the same business and is a significant competition with the business of the company or subsidiary or not a significant partner in the partnership or being a director who is involved in the management of work, employees, employees, consultants who receive regular salary or holding more than 1% of the total voting rights of other companies which operates businesses that is the same business and are competing with the business of the company or subsidiaries
- No other characteristic that makes impossible to give independent opinions about company's operations.
- Be able to attend the Board of Directors' meeting to make decisions in matters independently.
- Be able to take care of the benefits of all shareholders equally.
- Be able to take care of not causing conflictbenefits.

Independent directors may be assigned by the Board of Directors to make decisions on business operations of the company, master company, subsidiaries, same rank subsidiaries or a juristic person that may have conflicts by making decisions in the form of a group.

Nomination for Directors and Top Executives

Guidelines on nomination for Directors

The Nomination and Remuneration Committee is responsible for recruiting qualified persons to be appointed as directors of the company to replace the directors whose term has expired or in other cases and propose to the Board of Directors to consider the person who will be nominated to be elected from the shareholders' meeting. The guidelines for the nomination of directors will consider from

Qualifications

- Able to devote time and benefit to the company.
- Having a work history of honesty, integrity, transparency and qualifications as a director under the SEC's requirements.
- Having experience of organization management
- Having an idea and follow up the changes of the modern world at all times
- Having an experience, knowledge, expertise, specialized skills that can enhance the efficiency, knowledge and experience of the committee that still lack.
- Not doing business or being a director or executives in organizations which doing business compete with the company.
- Dare to speak and express opinions reasonably.
- Having ideology, able to work as a team and have a culture with directors.

Selection of the Board of Directors according to the recruitment guidelines

The Nomination and Remuneration Committee will be

selected from experts who have background and expertise from variety of careers, having leadership, sweeping visions, being a moral and ethical person, having transparency work history and unblemished including having the ability to express opinions independently.

- Guidelines on scrutinizing nominees as directors

In scrutinizing the names of those who have been nominated as members of the Nomination Committee, should determine the guidelines that will be used to consider by focusing on the following elements:

1. The desired characteristics in each director

The Nomination and Remuneration Committee should consider and determine the individual characteristics of those who are selected to nominate as directors in various areas such as;

- Having morality and responsibility
- Decisions with information and reasons
- Having the maturity and stability, being a good listener and dare to express opinions differently and independently.
- Adhere to work with principles and standards as professional
- Other characteristics that the Nomination Committee considers are important

2. The desired knowledge and expertise to have in the Board of Directors

Nomination Committee should consider defining specific elements of knowledge and expertise required in the "committee to allow the Board to determine strategies and policies including governance the implementation based on strategies effectively.

3. Diversity of Directors

Besides to defining the above two elements, the Nomination and Remuneration Committee may also consider determining guidelines for a variety of other qualifications of the entire board such as the coming from various stakeholders and basic education, age, gender, etc.

In addition, the Nomination and Remuneration Committee has nominated directors by focusing on the knowledge and expertise necessary that still lack in the board. Either knowledge, expertise or management experience, specialized expertise (Law, Marketing, Accounting/Financial Literacy which shall knowledge and understanding in financial statements, accounting standards or being/used to be an Audit Committee of financial listed companies and information technology.

Principles and procedures to select persons appointed as directors

1. The nomination of a person to be elected at the shareholders' meeting to be a director in place of the director who has retired by rotation and is the right of all shareholders equally to nominate other persons. For the power to consider who is the director is the power of the shareholders.

2. Shareholders have votes equal to one share per one vote.

3. In the election of directors, shall vote to elect directors individually and the shareholder has the right to elect the person nominated as a director not exceeding the number of directors to be elected at that time by not dividing votes.

4. The person who receives the maximum votes in descending order will be elected as a director equal to the number of directors to be elected at that time. In a case that the persons elected in the next order have equal votes which causing to exceed the number of directors to be elected at that time, the chairman of the meeting shall be another vote to obtain the number of directors to be elected at that time.

Board of Directors by the recommendation of the Nomination and Remuneration Committee has defined the guideline for nominating the right person to be the director of the company to replace the director whose term has

expired is as follows:

1. Each director is allowed to nominate the appropriate person to be a director of the company to replace the director whose term has expired. By the directors who have retired by rotation should not nominate themselves to be directors.

2. All directors shall evaluate their knowledge and expertise in order to provide information for consideration of the nomination of directors who are due to retire by rotation.

3. The Nomination and Remuneration Committee, excluding the interested directors who are not in the meeting, will consider and scrutinize the names and proposals received from the directors and shareholders to nominate the right person to the Board of Directors to consider proposing to the shareholders' meeting.

4. The Board of Directors, excluding the interested directors, carefully considered the qualifications of the nominees individually and nominate the appropriate person to be a director of the company to replace the director who has retired by rotation to be elected at the next general meeting of shareholders

Nomination and Succession Plan for Chief Executive Officer and Managing Director

The company has put in place a proper and transparent nomination process for key management positions at every level to be appropriate and transparent in order to ensure that all of the top executives are professionals. By the Nomination Committee prepared a succession plan for the Chief Executive Officer and Managing Director to propose to Board of Directors for consideration. The nomination process commences with the process of recruiting candidates who possess both talent and integrity and young talents are the focus of recruitment so that they can be groomed to become leaders in the future. Qualified high potential employees will undergo an assessment and pursue



development courses following individual career development plans. These talents will be assigned challenging tasks, and their positions will be rotated periodically in order to further develop their leadership skills and all-round.

Operation governance of subsidiaries and associates

The Board of Directors has defined a governance mechanism including management control of subsidiaries and associates by decentralizing the power to a partnership to be the regulator instead and report the results to the Board of Directors for acknowledgment.

In addition, providing to determine the scope of authority, duties and responsibilities of directors in subsidiaries and associated companies that have invested both in Thailand and abroad, governance the disclosure information of financial status and operations result, transaction between subsidiaries and/or the company cooperate with related person, acquisition or disposition of assets or making important transactions correctly. This shall be in accordance

with the principles and procedures under an announcement of the Stock Exchange of Thailand that prescribed and applicable

Remuneration of Audit

The company and its subsidiaries paid audit fees to EY Office Limited, which is the auditor's office for 2018, in the past fiscal year at amounting of 1,940,000 baht, excluding the audit fees paid by the associated company.

The company that is the audit office and the auditor has no relationship or any benefits with the company/executive/major shareholder or related to a person with such person.

Audit fee for 2018

1. Audit fee for annual financial statements and reviewing fees for quarterly financial statements of the company and consolidated financial statements in the amount of 1,860,000 baht

Audit fees of company	
1. Audit fees of annual financial statements	1,110,000 Baht
2. Reviewing fees for quarterly (Total 3 quarters)	750,000 Baht
Total audit fees of the company	1,860,000 Baht

2. Annual audit fees of subsidiaries and reviewing fees for quarterly financial statements of subsidiaries

Audit fees of subsidiaries (1 company)	
1. Audit fees of annual financial statements	80,000 Baht
2. Reviewing fees for quarterly (Total 3 quarters)	-
Total audit fees of the company	80,000 Baht



Implementing good corporate governance principles for listed companies in 2017 to be applied

In 2018, Board of Directors had considered applying the principles of good corporate governance for listed companies in 2017 or the Corporate Governance Code (CG Code) issued by the Securities and Exchange Commission to be used by considering and recognizing the role as the organization's leader. By all directors have carefully considered such practices and understand the benefits and importance of implementing of CG Code in each clause to ensure that the operations are in line with such practices as appropriate of company business and is the most beneficial to the company such as the Chairman of the Board of Directors is an independent director which currently the Chairman of the Board of Directors is an independent director and the determination of the number of terms to hold the longest consecutive positions of directors such as not exceed 3 consecutive terms and determine the number of terms to hold the longest consecutive positions of sub-committees including to determine the independent directors having terms not exceeding 9 years from the first date of independent director position. At present, the company has started an action plan for independent directors which must have a term of not more than 9 years if will provide to hold position next shall consider such need.

Anti-Corruption

The company has a policy to conduct business with morality by adhering to social responsibility and all stakeholders according to good corporate governance and business ethics as well as policies and guidelines for treatment of various groups of stakeholders and to ensure that the company has a responsibility policy, practice guidelines along with the appropriate implementation requirements to prevent corruption against all business activities and to provide decisions and business operation that may have a risk of corruption obtains considered and practiced carefully to be a guideline for conducting business and develop into a sustainable organization. The company joined the signing of the intention to become a Thailand's Private Sector Collective Action Coalition Against Corruption: CAC which is a government project and the Office of National Anti-Corruption Commission (NCC) cooperate with 8 organizations, namely Thai Chamber of Commerce, Thai Institute of Directors (IOD), International Chamber of Commerce, Thai Listed Companies Association, Thai Bankers Association, Federation of Thai Capital Market Organizations, Federation of Thai Industries and Tourism Council of Thailand push forward to have anti-corruption measures in the private sector. Therefore, the company that has been certified as a member of Thai Private Sector to against corruption on 10 November 2017.



2.4 Report of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has performed its duties as assigned by the Board of Directors under the duties and responsibilities defined in the Charter carefully, fair and reasonable. Recruitment of persons to fill the vacancy in 2018 and the expiration of the term in 2018 by the Nomination and Remuneration Committee held the meeting No. 1/2018 on 13 February 2018 to consider and nominate a person to replace the vacant director position to propose to the Board of Directors for consideration 2017. The company gives an opportunity for all shareholders to be able to nominate persons to be considered for election as directors in place of those retiring by rotation before the Annual General Meeting of Shareholders Year

2018 and the Board of Directors that has been reviewed every year in order to get the qualified directors to hold a position as the Company's directors in place of the directors who have retired by rotation and

The Nomination and Remuneration Committee also considers remuneration compared to listed companies and other leading companies in the same industry or similar size. In 2018, the Nomination and Remuneration Committee held 1 meeting to consider the remuneration of the Board of Directors and various sub-committees before proposing to the Board of Directors and shareholders for further approval.

On behalf of the Nomination and Remuneration Committee

Mr. Charoenkiat Huthananuntha

Chairman of the Nomination and Remuneration Committee

2.5 Social Responsibility

General Policy

The Company mostly emphasizes and focuses on Corporate Social Responsibilities (CSR) and being deemed as first priority of main objectives of the Company as the Company has set policy and preparing many projects which are beneficial for society whether elevating environment conditions for better living, elevation of standard of living and good health of people in communities as well as Thai cultural continuation as type such activity may promote and support social activities, charity donation, community assistance volunteering. In each activity, the Company will set the target by combination of utilizing both internal and external resources of the organization concurrently in order to obtain the effectiveness of each activity which is not merely donation but emphasis on participation of both employees in the organization and cooperation of external organizations including cooperation communities likewise.

In internal implementation of the organization, the Company has established Committee to prepare projects implementation plan which is consisted of personnel from other departments in brainstorm in structural design which is collection of ideas, communications, and implementation in order to determine form of each activity as follow:

1. Design in order to determine activity which means each project will be defined including objective and outcome obtained from implementing such project.
2. Implementation of activity is the determination of implementing steps, budget, personnel to be participated and external organizations to be participated will be defined.
3. Monitoring and evaluation, after implementing activity, evaluation will be made whether it is subject to the set objective or not or how and making internal communications in the organization and society for acknowledgement as well as coordinating the activity as part and accepted by the society.

The Company will conduct business of the Company with responsibilities towards society, environment and Stakeholders in accordance with 8 policies as specified in Guidelines of Corporate Social Responsibility of Stock Exchange of Thailand as the Company has defined policy and practice as part of CSR-in-Process as follow:

1) Business Conduct with Fairness

Conducting business with fairness constitutes confidence to related persons, the Company and subsidiary companies emphasize on conducting business with ethics towards competitors rendering fair competition with the following practices:

1. Compliance with rules of goods competition, promotion of free trade competition, avoidance of cronyism practice or collusion.
2. Do not seek for confidential information of competitor by dishonest or inappropriate methods such as paying bribery to competitor's employee.
3. Do not defame competitor's reputation by slander.
4. Do not support any act which is deemed as infringement of intellectual property by using goods and services with legal copyright.

2) Human Right Esteem

Human right esteem means treating stakeholder, communities and neighboring society with human value respect without violation of their fundamental rights. The Company and subsidiary companies have an intention in respect and non-violation of human rights with the following practices:

1. Support and respect for protection of human rights by inspecting the business not to involve violation of human rights such as do not support forced labour or child labour etc.

2. Promotion in compliance with requirements of human rights in its business and encouragement in complying with human rights principles in accordance with international standard.

3) Workforce Fair Treat

The company has policy in treating all employees with equality and fairness, supervising livelihood, safety and hygiene in workplace as well as promotion of learning in organizational level and personnel development to upgrade working level of employees professionally, development of working system and creation of innovative organization with the following practices:

1. Preparing conditions of fair employment and providing employees to obtain remuneration which appropriate for employees' potential.

2. Providing and supervision welfare appropriately for employees such as providing Annual Leave, reasonable overtime working, medical treatment as required and appropriate etc.

3. Promotion, rotation, rewarding and punishment of employees will be made in good faith, equality and based on knowledge, ability and suitability of employee.

4. Providing and supervision of working environment being safety for employee's life and property's.

5. Developing employees in order to practice skills and increasing work potential by providing opportunity for employees for learning comprehensively and regularly.

6. Compliance with laws and regulations which are related to employees strictly.

7. Avoidance of any unfair act which may affect to stability of employees' career as well as treating employees politely.

The Company organizes activities in 2018 as follow:

1) Basic Fire Suppression Training, Violent Fire Suppression Training, 2018 Annual Fire Drill and Evacuation (arranging pictures appropriately)





- 2) Organizing Annual Sport Day to formulate unity, sportsmanship, and good relations among employees and colleagues.
- 3) Organizing Annual Songkran Festival





4) Mr. Ekaphol Pongstaporn, Chairman of Board of Directors, Dr. Araya Kongsunthorn, CEO, preside over 2019 Annual Meeting in order to formulate morale and encouragement as well as to enhance harmony in the Company.



4. Consumer Responsibility

The Company determines to provide service with good quality and standard, in reasonable price, maintain confidentiality of customer strictly and regularly, finding methods to increase benefits for customers continuously and as well as complying with conditions as defined by customers strictly with the following practices:



1. Providing services with good quality and standard responding to customer's requirements under fair conditions.

2. Developing service provision continuously in order to increase value of business and benefits for customers.

3. Providing information of service provision which is correct, sufficient and not exaggerated as customer will have sufficient information in making decision.

4. Maintaining confidentiality of customer without using either for oneself or related persons wrongfully.

5. Environmental Conservation

The Company is well aware of the importance of environment conservation without making pollution problems including Global Warming which quality of life and ecological system are affected. Therefore, the Company has set policy not to perform any act that caused damage to national resources and environment with the following practices:

1. Using resources efficiently, energy saving measures and consideration of renewable resources such as the Company has policy in using paper worthily or REUSE to reduce Global Warming, saving electric energy campaign by turning on-off electricity and air conditioner according to working hours etc.

2. Developing goods and services without any impact on environment but safe usage.

3. Support activities which participate in social initiatives and environment regularly.

6. Participation in Society and Community Development

The Company has policy in supporting utilization of business process for benefits in development of quality of life, creating economy and strength of communities and society with the following practices:

1) Support employment in communities.

2) Finding opportunity to support initiative society and community activities such as supporting scholarship for school located near office area and blood donation etc.

3) Creating consciousness in social and environmental responsibilities among employees in all levels.

4) Strict control in compliance with intendment of law and regulations imposed by regulatory authorities.

In 2018, The Company participated in promotion and support the following activities:

1. WICE Logistics Public Company Limited participated in 2018 National Children Day by encouraging people to be aware of the importance of children in emphasis on the importance of children which is an encouragement of children to participate in social and national responsibilities.





7. Implementation and preparation of Report

The Company has prepared one report which includes Annual Registration Statements (Form 56-1) and Annual Report (Form 56-2).

8. Business operation which affects to social responsibility

- None -

9. Activities which are beneficial for society and environment (After process)

In 2018, The Company has adjusted society and environment activities plan which is preparing sustainable development plan and the Company is still aware of social sharing and environmental conservation as always.

2.6 Internal Control and Internal Audit

Internal Control

Board of Directors, Audit Committee and Enterprise Risk Management Committee have defined internal control of the Company in compliance with Internal Control Framework of COSO 2017 (The Committee of Sponsoring Organization of Treadway Commission) as Chief Executive Officer (CEO) is responsible for assessment of sufficiency of internal control system of the Company in accordance with Assessment Form issued by Securities and Exchange Commission (SEC) and reporting to Enterprise Risk Management Committee for consideration and approval prior presenting to Audit Committee. In Audit Committee Meeting No. 1/2562 on 25 February, 2019 which is consisted of 4 Independent Committee and 3 Independent Committees attend the meeting.

Board of Directors has considered all topics in Assessment Form by enquiring information from Audit Committee and Enterprise Risk Management Committee before making decision that internal control system of the Company is efficient, suitable, sufficient for conducting the Company's business in compliance with applicable laws and regulations as well as supervision of assets and utilizing resources efficiently there is not significant deficiency in the internal control system.

The Company has encourage management department, supervisors and employees to be aware of supervision, risks management, working performance and internal control. Board of Directors has considered and agreed that the Company has sufficient personnel in implementing the foregoing system as well as sufficiently internal control system in monitoring and supervising implementation of subsidiary companies in protection of assets of Company and subsidiary companies' due to wrongful or unauthorized usage of director, administration department or management department including conducting transactions with persons and related

parties who have conflict of interest.

Internal Audit

Audit Committee will supervise implementation of audit unit in to be independency, justice, ethics and proficiency in professional level as defined by Profession Auditing Standard as Charter of Audit Committee has defined scope of work, duties, authority and responsibilities as well as guidelines in implanting audit clearly and there is a regular review annually for suitability.

Risks Assessment

The Company uses Enterprise Risk Management Concept as executives and related employees participating in indicating risks and analysis of risky factors both risky opportunity and their impacts in order to determine control measures. The Company has established risks management unit in preparing risks management plan, monitoring management outcome in order to reduce risk level in the acceptable level as well as reviewing risky factors before present to Enterprise Risk Management Committee every quarterly for consideration and making decision to constitute continuity of risk management process of the Company. Moreover, the Company conveys policy and guidelines of risk management to all employees for acknowledgement and compliance with as part of the organization culture which all employees can participate in supervise the organization simultaneously through the corresponding risk management process. Moreover, the Company has prepared Business Continuities Plan (BCP) continuously.

Working Control

The Company has announced regulations and guidelines in purchase, budget, accounting and finance etc. The Company has defined scope of duties, authority, responsibilities and



financial amount approved by management department being consistent to good internal control principles including delegation of work and inter working check up by separating duties of approval, accounting entry record, IT data record and property collecting duty. Moreover, the Company receives certification of ISO 9001:2015 which the Company is defined to prepare manuals and procedures as referent standard in working as well as training employees to understand and being able to work correctly, being consistent to working steps and procedures as defined by the Company.

If there are transactions and related party between the Company and subsidiary companies including stakeholders, they must be presented for consideration and approval correctly and clearly, if there is any implicit transaction and related party, Inspection Department, Audit Committee, Management Department and Auditor will consider carefully and implementing in accordance with the requirement of Stock Exchange of Thailand (SET) as well as specifying in notes to financial statement and reporting to Office of Securities and Exchange Commission for acknowledgement. Moreover, in voting in the resolution of transactions and related party, the interested directors must abstain in voting in the foregoing resolution.

Information Technology System and data Communications

The Company will apply and develop information technology system and internal data base system continuously by determination as policy of using information technology and communications in Good Governance Policy of the Company as employees will understand internal medias under good control such as using internet, E-mail and communication medias such as telephone, facsimile etc. including communicating personnel of the Company to understand and compliance with information technology law such as Official Information Act, Electronic Transaction Act to prevent from violation of laws.

The Company has prepared Complaint Box and e-mail in

order to receive complaints from outsiders as well as Investor Relations being responsible for making contact and organizing activities concurrently with shareholders and investors including special communication channels for employees and external organizations for notifying information and complaints against the Company.

Monitoring System

The Company emphasizes on internal audit to add value of the organization by using internal information risk assessment accompanying in planning Risk Based Audit and Inspection Department will assigned to double check efficiency and effectiveness of internal control system outcomes of all working processes and reporting to executive and Audit Committee in every quarterly to render Board of Directors and Management Department in confidence in efficiency and effectiveness of internal control system of the Company as well as precision and reliability of IT information both in financial information and information technology used in implementation. Inspection Department will monitor and improve in accordance with issues which are found and suggestions of Audit Committee and present to Audit Committee for consideration continuously. Moreover, there is monitoring process of working performance through internal monitoring system of quality system and environment as defined by ISO 9001:2015

The Company has monitored performances of subsidiary companies continuously by presenting progress report and performances of each subsidiary company to Board of Directors and specific working unit is assigned in monitoring working outcome according to the resolution suggested by Board of Directors including policy coordination for all companies implementing in the same direction and being consistent to policy defined by Board of Directors. Moreover, Secretary of the Company is assigned in supervision in laws and compliance to supervise implementation of the Company being consistent to laws and related regulations.

2.7 Risk Management

The company believes risk management is a critical element of the organization that makes an organization achieve business goals, helping an organization to have a readiness to adapt quickly for supporting changes and various risk factors that are more complex and intense. In addition, the company also gives significance to raising awareness about risk management for everyone in the company continuously including commit to providing risk management to become effective from the level of strategic planning, performing and investment decisions to run new businesses to create additional value for the organization, shareholders, society, communities and various stakeholders

which will help the company to grow sustainably.

Risk management framework

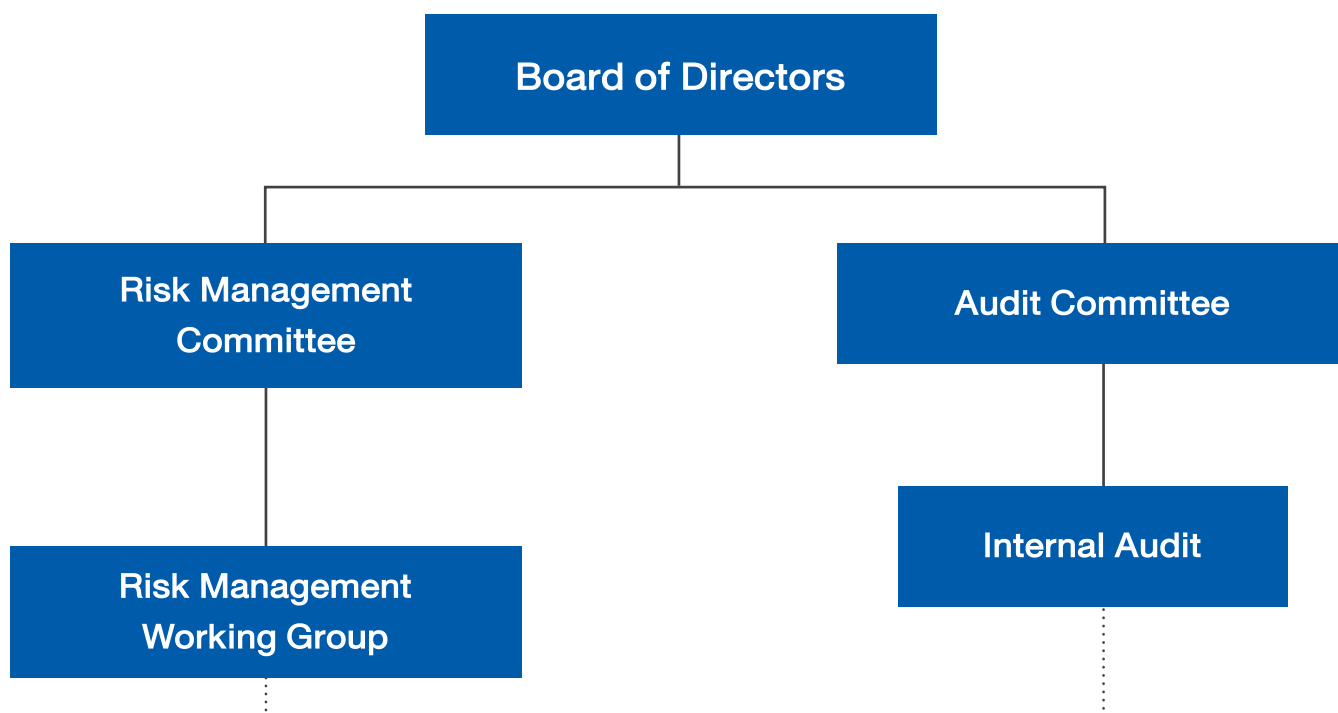
The company has Risk Management which Risk Management framework consists of:

1. Strategy Establishment

The company has established explicit objectives and risk appetite in managing risks to ensure consistent risk management practice across the organization.

2. The company Risk Management Structure and Responsibilities

The organization structure of risk management is illustrated below:



Board of Directors and Audit Committee

The Audit Committee acts on behalf of the Board of Directors to establish risk management policies and supervising the risk management process of the company also evaluates the risk management to ensure efficiency, effectiveness and compliance with established guidelines.

Internal Audit

is responsible for conducting an audit of operating unit and other supporting functions to provide assurance on the efficiency and effectiveness of risk management also reports the audit outcomes to the Audit Committee. Additionally, the Unit provides consultation and communicate comments from the Audit Committee to the working team and operator for further improvement.

Risk Management Committee and Risk Management Team

It consists of managing director, business support department, Director of Accounting and Finance and

manager in each department by a manager of the business support serves as the Committee Chairman which has the following core responsibilities:

1. Determine risk management structure and assign accountabilities for risk management.
2. Consider and approve risk management policies, strategies, framework, and plans.
3. Review and monitor risk management.

Risk Management Process

The company risk management framework is applied in four areas, namely strategic risk, financial risk, operational risk, compliance risk management and organization binding requirements by dividing the 4 main steps are 1) Risk / Opportunity Identification, 2) Risk Assessment, 3) Risk Response and Key Risk Indicators and Key Performance Indicators which are the leading and lagging indicators in order to anticipate risk events and to manage risks to be in line with the targets), 4) Risk Reporting to Risk Management Committee, Audit Committee and Board of Directors respectively.



2.8 Transactions between related Companies

Board of Directors emphasizes on consideration and approval of transactions and related companies or related party or transactions which may have conflict of interest, therefore, transactions policy is defined as follow:

Transactions between the Company and Subsidiary Companies

As WICE Logistics Public Company Limited is consisted of many subsidiary companies and those companies has to conduct inter-transactions, service usage, financial assistance, technical or personnel support etc. Therefore, business operations or implementations which are inter-transactions of those companies must be complied with laws, regulations and implementing authority of the Company including the defined criteria and conditions.

Transaction of the Third Party

In conducting transactions or the third party must be complied with criteria and process as defined by laws, regulation of the Company and policy of the Company as well as it will be approved according to implementing authority of the Company strictly. Moreover, it must be complied with conditions which are agreed honestly, being transparent and being inspected by avoiding transactions which may cause trouble or damage to either the Company or the third party.

The Company has defined Stakeholder Engagement Policy and practice of groups of stakeholder as the Company is defined to comply with honest trade competition, consideration of reasonable and fair sell price and reasonability of price, quality and service to be obtained as well as the appropriate justification when there is any inspection.

Moreover, the Company has defined practices in consideration and approval the process of transactions and related companies, or related party or transactions which may have conflict of interest to constitute maximum interest to the Company under criteria as defined by laws as directors and executive will notify interest to the Company and the Company will consider any transaction, if the transaction requires approval according to criteria and legal steps, Management Department will present the matter to Board of Directors or shareholders' meeting as well as disclosing the information to investor openly and transparently as directors or executives who are stakeholders, will not participate in consideration and approval of such transaction in any case.

Policy or Trends of Transactions and Related Party

Transactions and related party of the company in the future will be normal transactions by negotiation policy in accordance with using pricing mechanism of logistics market and there is not any interest transfer between the Company and related businesses or parties.

Transactions and Related Party

The Company has policy in compliance with criteria as defined by the Announcement of Capital Market Supervisory Board on Criteria of Preparation Transactions and Related Party and the Announcement of Securities and Exchange Commission Thailand on Disclosure of Information and Operations of List Company in Transactions and related party as well as laws, regulations, announcements or related orders strictly.



Details of Transactions and Related Parties and Related Companies

Person/Juristic Person who may	Relations	Type of transactions	Value of transactions (Baht) ended at 31 Dec. 18	Outstanding amount (Baht) ended at 31 Dec. 18	Explanation of executive in be conflicted necessity and reasonability
1. Dr. Araya Kongsunthorn 2. Mr. Chudet Kongsunthorn	Being director and shareholder of the company	Land rental cost (Head Office)	1,526,979	None	The company has leased the land from We lend Group (by director and shareholder concurrently which is Mrs. Araya Kongsunthorn and Mr. Chudet Kongsunthorn) to construct building and used as the location of Head Office as specified in Title Deed No. 53901 with the area 1 Ngan 70 2/10 square meters which is located at Chong nonsi Sub-district, Yannawa District, Bangkok. Lease Contract has been entered into for the period of 20 years from 1 July, 2014 – 30 June, 2034 by pay monthly rental as follow: Year 1-2, 92,674. - Baht Year 3-5, 101,941. – Baht Year 6-8, 112,135. - Baht Year 9-11, 123,349. - Baht Year 12-14, 135,684. - Baht Year 15-17, 149,252. - Baht Year 18-20, 164,177. - Baht Total rental cos is 30,539,586. - Baht The foregoing rental is evaluated by Independent Valuer for public purpose and being the company is in name list approved by SEC which is Agency for Real Estate Affairs Co., Ltd. Rental accounting record for acknowledge of rental equally every month by Straight-line Method as the company has accounting record in accordance with Accounting Standard No. 17.

Person/Juristic Person who may	Relations	Type of transactions	Value of transactions (Baht) ended at 31 Dec. 18	Outstanding amount (Baht) ended at 31 Dec. 18	Explanation of executive in be conflicted necessity and reasonability
1. Dr. Araya Kongsunthorn 2. Mr. Chudet Kongsunthorn	Being director and shareholder of the company	Land and building rental cost (at Laem Chabang- part of office)	210,000	None	The company has leased land and two 3-storey commercial buildings used as location of Laem Chabang Service Unit as specified in Titled No. 164087, the area is 42 square Wah located at Surasak Sub-district, Sriracha District, Chonburi Province from 1 August, 2017 – 1 August, 2020, the rental is 35,000. – Baht per month, the foregoing rental rate is evaluated by Independent Valuer for public purpose and the company is in name list approved by SEC which Agency for Real Estate Affairs Co., Ltd. (lease is expired in July, 2018)
1. Dr. Araya Kongsunthorn 2. Mr. Chudet Kongsunthorn	Being director and shareholder of the company	Land rental cost	210,000	None	The company has leased the land as parking lot for employees as specified in Title Deed No. 53902 Volume 540 Page 2 Parcel No. 977 Sub-district No. 9146 located at Chong nonsi Sub-district, Yannawa District from 1 July, 2018 - 30 June, 2019, the rental is 35,000. - Baht per month. The rental rate refers the estimate price of land lease where the company's office building is erected as the is connected land
	Being director and shareholder of the company	Purchase land and building (Laem Chabang-part of office)	8,050,000	None	The company has purchased land and two 3-storey commercial buildings used as location of Laem Chabang service unit as specified in Titled No. 164087, the area is 42 square Wah located at Surasak Sub-district, Sriracha District, Chonburi Province on 31 July, 2018 in the cost of 8,050,000. – Baht, the purchased price is estimated by Independent Valuer and the company is in name list approved by SEC which Agency for Real Estate Affairs Co., Ltd.



Person/Juristic Person who may	Relations	Type of transactions	Value of transactions (Baht) ended at 31 Dec. 18	Outstanding amount (Baht) ended at 31 Dec. 18	Explanation of executive in be conflicted necessity and reasonability
WICE Logistics (Singapore) Pte. Ltd.	Being a subsidiary company (WICE holds shares 70%)	Income from service/Account receivable	7,332,964	926,553	WICE Logistics (Singapore) Pte. Ltd., is an Oversea Agent of the company being responsible for coordinating to provide service in foreign country in its responsible area and collecting service charges according to marketing rate. The company is an Oversea Agent of WICE Logistics (Singapore) Pte. Ltd. being responsible for coordination in providing service in Thailand which transaction of service charges and related companies will be conducted which is deemed as income obtained from service of the company likewise and Agency Agreement will be entered into with WICE Logistics (Singapore) Pte. Ltd.,
		Cost of service/ account payable	17,990,931	2,816,396	
		Certification cost/Other creditors	95,330	95,330	Certification cost of Agent
		Director Fee Income	282,096	70,250	Director Fee Income collected by the company as service charge on monthly basis in the rate of 1,000 SGD starting from September 2016 onwards.
		Dividend received	44,387,314	-	Being dividend received from subsidiary company as subsidiary company made Declaration of Dividend Payment on 17 March, 2018 totally 2,660,431 SGD which is Dividend Received of the company 70% equally to 1,866,502 SGD which is defined to pay dividend in Mar. / Jul. and Nov. 2018.

Person/Juristic Person who may	Relations	Type of transactions	Value of transactions (Baht) ended at 31 Dec. 18	Outstanding amount (Baht) ended at 31 Dec. 18	Explanation of executive in be conflicted necessity and reasonability
Sun Express (Thailand) Co. Ltd.,	Being a subsidiary company (WICE holds shares 99.99%)	Material-equipment cost-fuel cost / Other debtors	180,295	None	Being consumable cost totally 123,437. – Baht and fuel cost of 6-wheel truck totally 56,858. – Baht.
		Account preparation service/Other debtors	10,000	10,000	Being income obtained from service in account management and preparation for efficient working by collecting account management and preparation service in the rate of 10,000 per year by using Allocation Cost
		Loan Interest payable	60,000,000 1,521,666	None	WICE Logistics (Plc.) has made loan from Sun Express (Thailand) Co., Ltd. used as investment fund in Euroasia Total Logistics Co., Ltd. Loan period is commenced from 21 August, 2018 to 21 August, 2019, for the period of 1 year and the interest rate is 7.12% by referring MRR of Kasikornbank at 31 December, 2018 and such loan has been already repaid.
		Dividend received	23,426,659	None	It is dividend received from subsidiary companies as subsidiaries make Declaration of Dividend Payment on 23 March, 2018 and dividend is paid on 30 March, 2018.



Person/Juristic Person who may	Relations	Type of transactions	Value of transactions (Baht) ended at 31 Dec. 18	Outstanding amount (Baht) ended at 31 Dec. 18	Explanation of executive in be conflicted necessity and reasonability
WICE Logistics (Hong Kong)	Being a subsidiary company WICE holds 80% from 4 January, 2018. Relation is a subsidiary company	Income from service / Account receivable	768,618	66,857	WICE Logistics (Hong Kong) is an Oversea Agent of the company being responsible for coordination in providing service in foreign country under its responsibility and service charges will be collected according to market price and the company is an Oversea Agent of WICE Logistics (Hong Kong) being responsible for coordination in providing service in Thailand which transactions of service charges and related company will be conducted which is deemed as income obtained from service of the company likewise and Agency Agreement will be entered into with WICE Logistics (Hong Kong).
		Cost of service/ Account payable	12,582,659	1,417,602	
Euroasia Total Logistics Co., Ltd.	Being a subsidiary company (WICE holds shares 40%) from 14 September, 2018 onwards. Relation is a subsidiary company	Income from service/Account receivable	-	-	Euroasia Total Logistics Co., Ltd. is an Oversea Agent of the company being responsible for coordination in providing service and service charges will be collected according to market price and Agency Agreement will be entered into with Euroasia Total Logistics Co., Ltd.
		Cost of service/ Account payable	120,487	119,044	
		Income from account management service charge/ Other debtors	180,000	180,000	Being income obtained from service charges in accounting and financial management system for efficiency of working system by collecting service charges in the rate of 60,000. – Baht per month from 1 October, 2018 – 1 October, 2019 by using Allocation Cost.
		Other income	106,400	106,400	Being travelling cost totally 19,400. – Baht and Container Guarantee Fee totally 87,000. - Baht

3

Financial status and operating results

3.1 Report of the Board of Directors' Responsibilities for Financial Report

The Board of Directors is responsible for the financial statements of Wise Logistics Public Company Limited and its subsidiaries which is created in accordance with financial reporting standards under the Accounting Act, B.E. 2000 and the regulations of the Securities and Exchange Commission on the preparation and presentation of financial report under the Securities and Exchange Act, B.E. 1992 by considering the selection of appropriate accounting policies and consistently including adequate disclosure in the notes to the financial statements. The auditor has reviewed and audited the financial statements and expressed opinions in the auditor's report unconditionally.

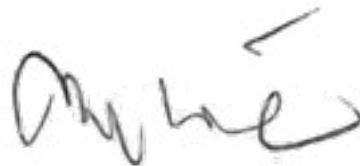
The Board of Directors is responsible for supervising and developing corporate governance, code of conduct, anti-corruption including providing and maintaining which the risk management system and internal control to ensure that the

accounting records are accurate, complete, timely and sufficient to maintain the assets, as well as to prevent any fraud or significant irregular operations. by the Board of Directors has appointed the Audit Committee which consists of independent directors to supervise the financial statements, evaluate the internal control system and internal audit to be efficient and effective. by the opinion of the Audit Committee appears in the Audit Committee report which has already been presented in this annual report.

The Board of Directors has a comment that the internal control systems and internal audit of the company can build confidence that the financial statements of WICE Logistics Public Company Limited and its subsidiaries will show financial, operation results and cash flow correctly and appropriate in significance based on financial reporting standards.



Mr. Ekphol Phongstabhon
Chairman of the board of Directors



Dr. Araya Kongsoonthon
Chief Executive Ofcer



3.2 Audit Committee Report

The Audit Committee performs its duties independently according to the scope as stated in the Audit Committee Charter which is reviewed in compliance with the current situation and approved by the Board of Directors every year. In 2018, the Audit Committee emphasized the role of being the Strategic and Monitoring Audit Committee to review the corporate governance, strategic planning, performing, and monitoring to achieve the goals specified and conduct business sustainably. In order to do so, the management and employees shall have morality, ethics, understand their role, authority and responsibility and work under the integration of both supervision, risk management, supervision of operations and internal control.

In 2018, the Audit Committee held 5 meetings, with the Audit Committee attending the meeting to constitute a quorum every time. The Board of Directors evaluated the operation results of the Audit Committee as a whole and self-assessment at every ending year, which the results are in the satisfactory level, close to the previous year. Assessment topics include readiness of the Audit Committee, meeting of the Audit Committee, a summary of overall comments, a performance of the Secretary of the Audit Committee and the performance of the audit office.

The main point could be summarized as follows:

1. Review of financial statements

The Audit Committee reviewed the important information of the quarterly and annual financial statements of 2018 of Wise Logistics Public Company Limited, the consolidated financial statements of the company and subsidiaries which have been prepared based on Thai Financial Reporting Standards which conforms to international financial reporting standards by reviewing important issues, special matters and receiving clarifications from the auditor, the management until satisfied

that the preparation of the financial statements including disclosing the notes in the financial statements according to the legal requirements and financial reporting standards. Therefore, approved such financial statements that the auditor had reviewed and verified which it's an unconditional opinion report. In addition, the Audit Committee held a meeting with the auditor without the management for freely discuss in receiving information, verifying important information in the preparation of financial statements and disclosing information in accordance with financial reporting standards and being useful to users of financial statements, Key Audit Matters including suspicious circumstances under Section 89/25 of the Securities and Exchange Act, B.E. 1992, amended by the Securities and Exchange Act, (No. 4) B.E. 2008 for 2018, the auditor did not have any significant observations and did not find any suspicious circumstances. In addition, in order to ensure that no found such suspicious circumstances, the Audit Committee shall review also and the consolidated financial statements of the company must be reliable, transparent, conform to standards, the auditor is independent and can be verified.

2. Review on the related transactions, acquisition and disposition transactions or the transactions possibly having the conflict of interest

The Audit Committee has reviewed on the related transactions and the transactions possibly having the conflict of interest, report of related directors and disclosure of information to the Securities and Exchange Commission accurately within the time limit.

3. Review the good corporate governance

WICE Logistics Public Co., Ltd. is committed to conducting business in accordance with the principles of the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC)

and the Thai Institute of Directors. The Audit Committee reviewed the efficiency and effectiveness of good corporate governance, it was found that the directors, the management and the company has implemented anti-corruption policies that were defined and be used seriously and expand to business partners and co-practice concurrently with corporate governance that considering social and environmental as concrete, apart from the legal requirements.

4. Review the risk management assessment system

The Audit Committee reviewed the efficiency and effectiveness of the risk management process by having the Risk Management Committee is responsible for considering structure, policy, risk management framework, risk management plan also reviewing risk and monitoring risk management of the company as monthly and quarterly. By having a risk management working group is responsible for preparing risk reports and jointly consider significant risks and likelihood that will occur in the future. The working group has prepared support measures by defining a period plan, annual plan and considering risks for various investment projects.

5. Review the internal control system

The Audit Committee reviewed the results of the internal control system assessment, both the operating system and the information technology system. Including the assessment according to the assessment form of the adequacy of the internal control system of the Securities and Exchange Commission (SEC) found that it is sufficient and suitable for the business of the company and conform to the auditor's opinion who reporting that there are no significant defects which affects the financial statements of the company.

6. Internal Audit

The Audit Committee has reviewed the Charter of the Audit Committee on an annual basis to consistent with the risk and current situation of the company. In 2018, considered and approved action plan, annual budget as well as supporting and encouraging the Audit department to work independently and operation more efficient, therefore determined the audit department having a chain of command direct to the Audit Committee and Risk Management Committee, comply with laws, regulations and internal controls of the company and its subsidiaries in foreign countries.

7. Considering to nominate and appoint an auditor for 2018

In 2018, the Audit Committee considered the proposal to provide audit service to the company and subsidiaries both domestically and internationally from the auditing office of EY Co., Ltd. being an audit office of the Company and its subsidiaries for 2018. The Audit Committee proposes to the Board of Directors to consider and propose to the shareholders' meeting for approval.

1 Mr. Sophon Permsiriwanlop	Certified Audit with License No 3182 or
2 Ms. Rungnapa Lertsuwankul	Certified Audit with License No 3516 or
3 Ms. Rodsaporn Dej-Akom	Certified Audit with License No 5659 or
4 Ms. Sumana Panpongsonon	Certified Audit with License No 5872 or
5 Ms. Aorrawan Tachawattanasirikul	Certified Audit with License No 4807



EY Office Limited is the company's auditor of 2018 and approves the audit fee, annual financial statements of 2018 and review quarterly financial statements and consolidated financial statements, a total amount of 1.9 million baht, including acknowledgment of audit fees for financial statements of subsidiaries of 2018.

On behalf of the Audit Committee

Assoc. Prof. Dr. Ruth Banomyong

Chairman of the Audit Committee

3.3 Analysis of operating results and financial position for 2018

Milestone during the year

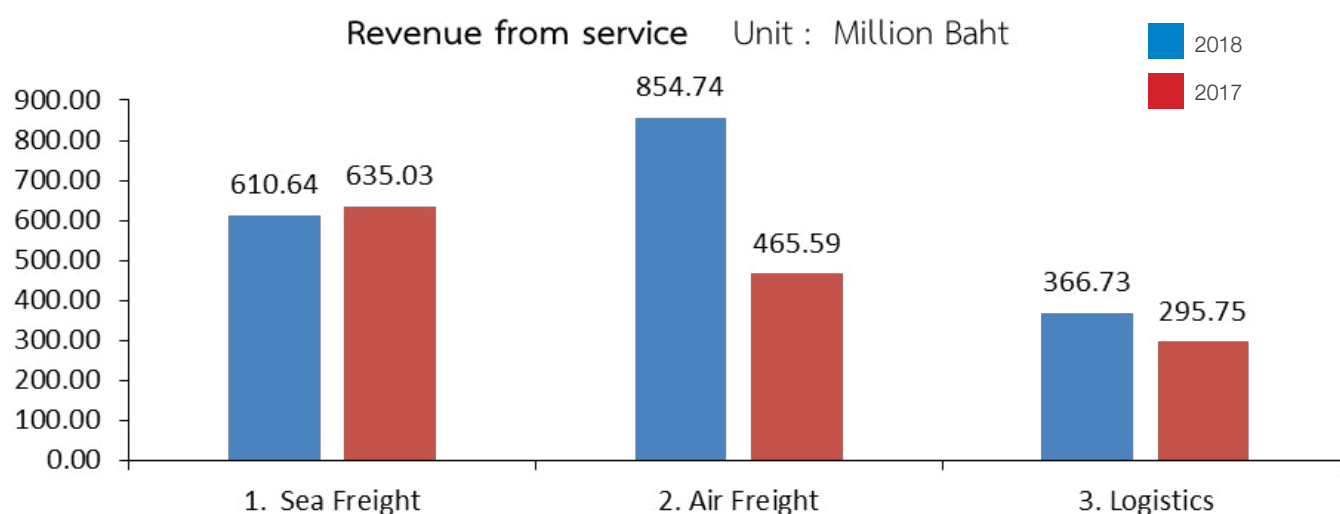
Period	Milestone
Quarter 1	Investments in subsidiaries ➤ The company has purchased 80,000 ordinary shares of Universal Worldwide Transportation Limited with a par value of 10 HKD per share, representing 80 percent of the total number of ordinary shares. Dividend Receivable ➤ From Sun Express (Thailand) Company Limited at the rate of 433.83 Baht per share, totaling 23.43 million Baht. ➤ From Sun Express Logistics Pte Ltd. at a rate of 5.47 SGD per share, totaling 1.88 million SGD or equivalent to 44.39 million Baht which the company received some dividend in the amount of 14.79 million Baht
Quarter 2	Dividend Payable ➤ The company paid dividends from the annual operating results of 2017 to shareholders at 0.12 Baht per share, totaling 78.23 million Baht
Quarter 3	Investments in subsidiaries ➤ The company has invested in ordinary shares of Euro Asia Total Logistics Co., Ltd., totaling 2,800,000 shares with a par value of 10 Baht per share, representing 40% of the total number of ordinary shares. Dividend Receivable ➤ The company received dividend from Sun Express Logistics Pte.Ltd. in the amount of 0.63 million SGD or representing the amount of 14.79 million Baht.
Quarter 4	Dividend Payable ➤ The company received dividends from Sun Express Logistics Pte.Ltd. in the amount of 0.62 million SGD. or representing the amount of 14.81 million Baht.

Analysis of operating results and financial position for 2018 can be summarized as follows:

Revenue from the company's services for the year ended 31 December 2018 and 31 December 2017, equal to 1,832.11 million Baht and 1,396.37 million Baht, respectively. Increased by 435.74 million Baht or 31.21 percent, due to the increase in service revenue from the company's strategy and on 4 January

2018, the company purchased the ordinary shares of WICE Logistics (Hong Kong) Limited in the proportion of 80% of the total ordinary shares and on 14 September 2018, the company purchased the ordinary shares of Euro Asia Total Logistics Company Limited in the proportion of 40% of the total ordinary shares. Therefore the company shall recognize revenue that enters into the financial statement which resulting in increased service revenue that can classify income as follows:

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



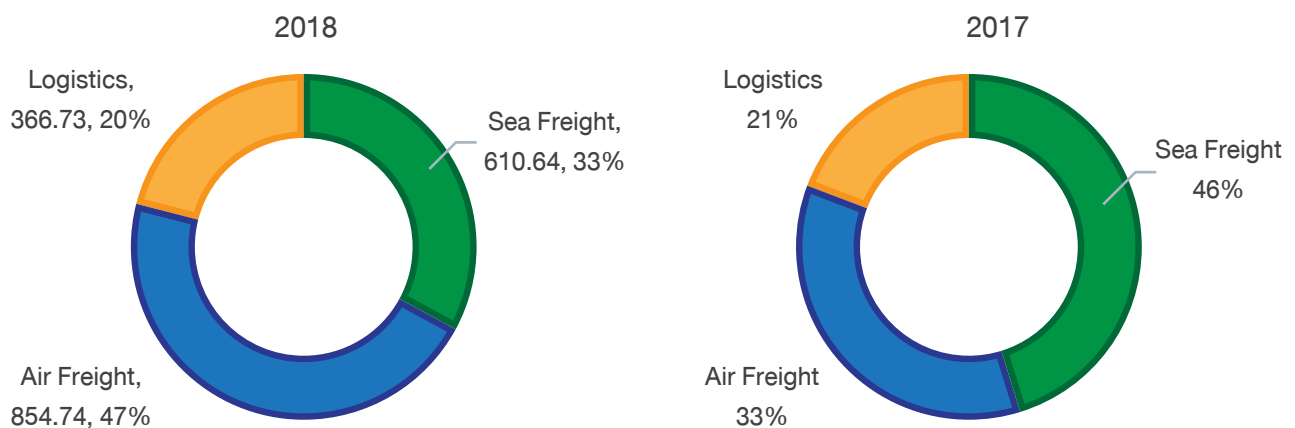
Unit: ML

Revenue from service	For the three months ended 31 December 2018	For the three months ended 31 December 2017	Increase (Decrease)	Percent
Sea freight	610.64	635.03	-24.39	-3.84
Air freight	854.74	465.59	389.15	83.58
Logistics	366.73	295.75	70.98	24.00
Total revenue from services	1,832.11	1,396.37	435.74	31.21

1. Revenue from sea freight for the year ended 31 December 2018 and 31 December 2017 is 610.64 million baht and 635.03 million baht respectively, decreasing by 24.39 million baht or 3.84 percent, respectively. Major customers change the use of sea freight services like air and land transportation to make the product reach its destination faster thus resulting in a decrease in revenue from sea freight.
2. Revenue from air cargo for the year ended 31 December 2018 and 31 December 2017 was 854.74 million baht and 465.59 million baht, increasing by 389.15 million baht or 83.58 percent, respectively, compared to the previous year as a result of the revenue recognition of WICE Logistics (Hong Kong) Limited for this year and the company got the project work from customers in new target groups which are customers in the group electrical machine.
3. Revenue from logistics services for the year ended 31 December 2018 and 31 December 2017 is 366.73 million baht and 295.75 million baht, increasing by 70.98

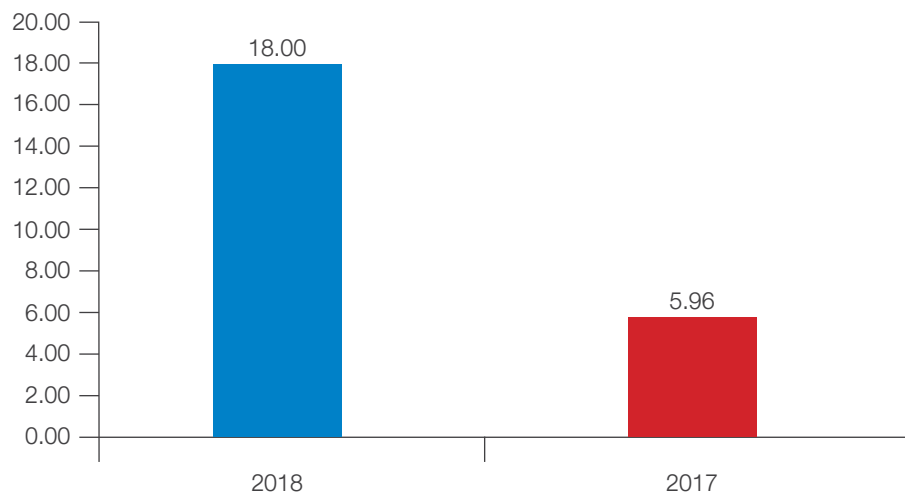
million baht or 24 percent, respectively, compared to last year, partly as a result of the revenue recognition of WICE Logistics (Hong Kong) Limited and Euro Asia Total Logistics Company Limited for this year and resulting from increased revenue from warehouse services such as customers in the automotive parts segment which these customers will use a full range of services, including customs clearance services and land transportation services together with the large customers changing the use of services from the sea freight services to become a land transportation, therefore, resulting in increased revenue from logistics services.

Compare the proportion of revenue from services after the company starts to recognize revenue from WICE Logistics (Hong Kong) Limited. The proportion of revenue has changed with the proportion of revenue from air freight added significantly which can summarize changes in proportion as follows:





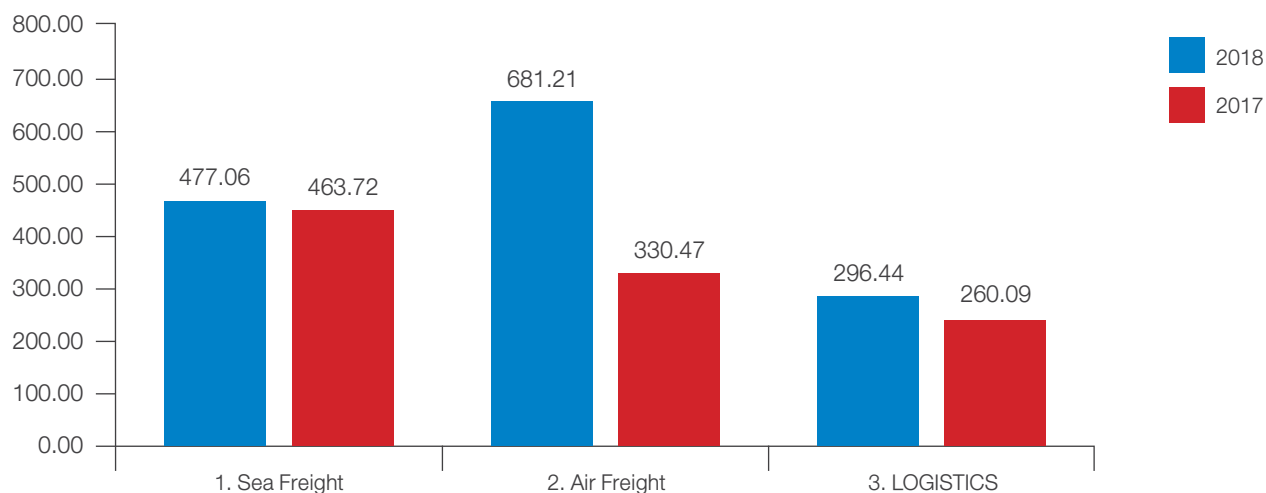
Other Income Unit : Million Baht



Other income of the company for the year ended 31 December 2018 is 18.00 million baht, compared with 5.96 million baht in the same period last year, an increase of 12.04 million baht or

202.01 percent. This year, recognized gains from the sale of temporary investments more than the previous year which sold less investment than this year.

Service of cost
Unit : Million Baht



The total cost of services for the year ended 31 December 2018 and 31 December 2017 is 1,454.71 million baht and 1,054.28 million baht respectively, increasing by 400.42 million baht, an increase of 37.98% due to recognition cost of services according to the proportion of WICE Logistics (Hong Kong) Limited and from the cost of services that generate more revenue compared to the previous year therefore increasing the cost of services in proportion Which is in accordance with the plan.

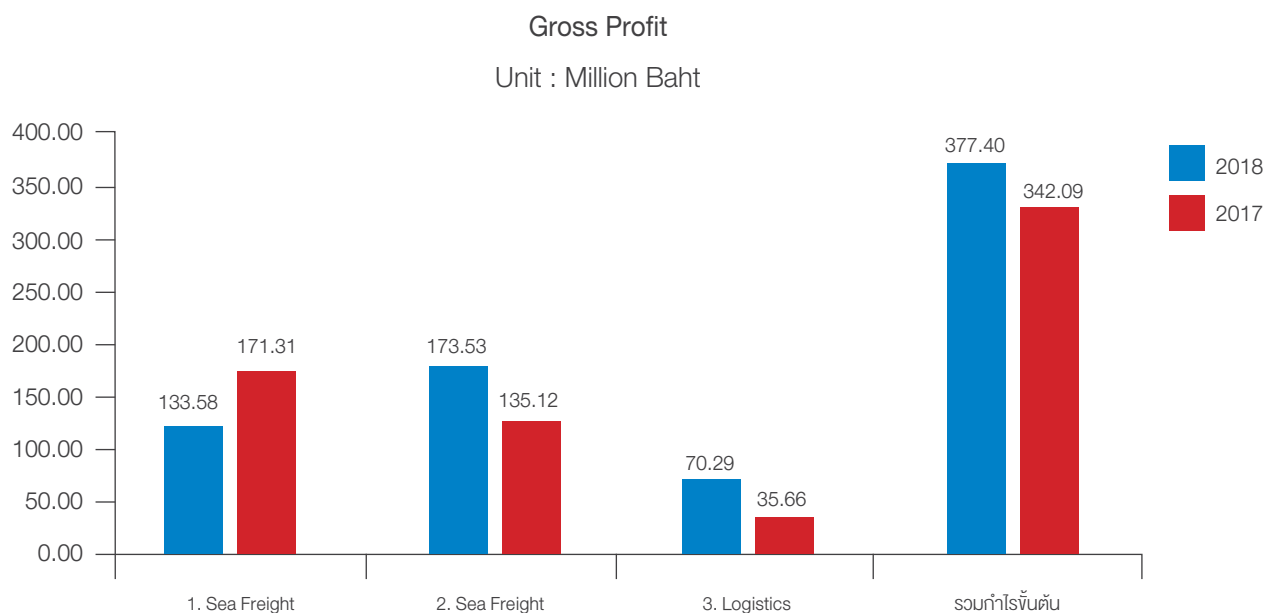
Service of cost can be classified according to the types of income-generating activities as follows:

1. Cost of sea freight services for the year ended 31 December 2018 and 31 December 2017 in the amount

of 477.06 million baht and 463.72 million baht, respectively, increased by 13.34 million baht, an increase of 2.88 percent.

2. Cost of air cargo management services for the year ended 31 December 2018 and 31 December 2017 the amount of 681.21 million baht and 330.47 million baht respectively, increased 350.74 million baht, an increase of 106.13%.

3. Cost of logistics management services for the year ended 31 December 2018 and 31 December 2017 at the amount of 296.44 million baht and 260.09 million baht respectively, increased by 36.35 million baht, an increase of 13.98 percent.



Unit: ML

Gross Profit	2561	2560	Increase (Decrease)	Percent
Sea Freight	133.58	171.31	-37.73	-22.02
Air Freight	173.53	135.12	38.41	28.43
Logistics	70.29	35.66	34.63	97.11
Total gross profit	377.40	342.09	35.31	10.32

Unit: ML

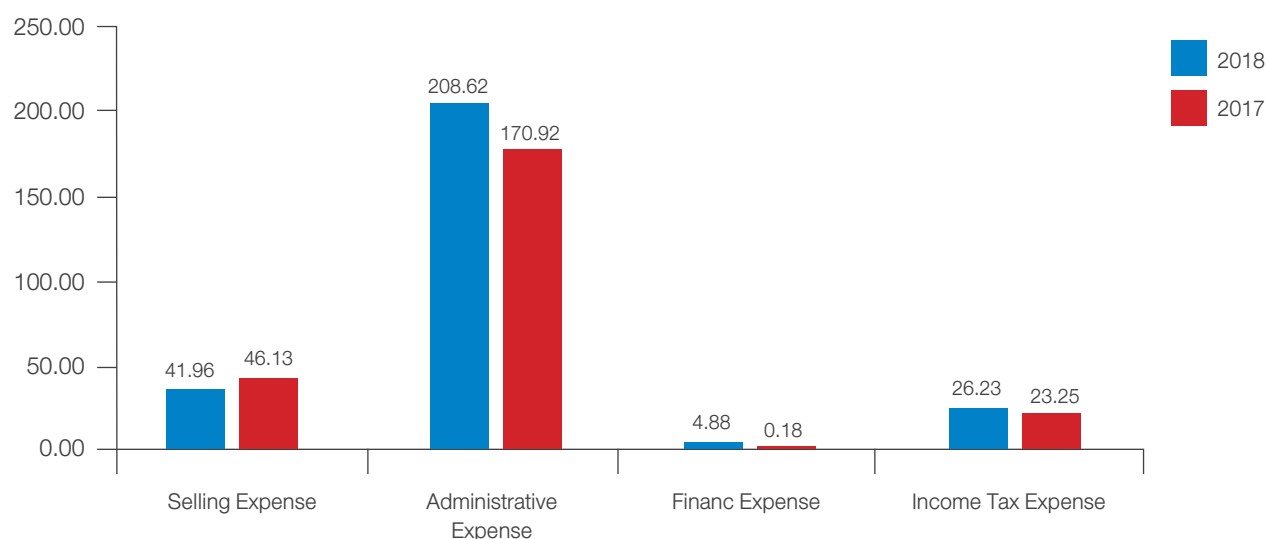
Gross profit ratio	2561	2560	Increase (Decrease) %
1. Sea Freight	21.88%	26.98%	-5.10%
2. Air Freight	20.30%	29.02%	-8.72%
3. Logistics	19.17%	12.06%	7.11%
Total gross profit ratio	20.60%	24.50%	-3.90%

The gross profit of the company for the year ended 31 December 2018 and 31 December 2017 the amount of 377.40 million baht and 342.09 million baht, respectively, increased by 35.31 million baht, an increase of 10.32% due to a recognition of revenue and service costs according to the proportion of WICE Logistics (Hong Kong) Limited in this year Increased cost and due to the increase in the company's operating results that resulting in increased gross profit which can be classified by activity type, income as follows:

Gross profit of sea freight services for the year ended 31 December 2018 and 31 December 2017 at the amount of 133.58 million baht and 171.31 million baht respectively, decreased by 37.73 million baht, a decrease of 22.02 percent. The gross profit margin for the year ended 31 December 2018 and 31 December 2017 is 21.88% and 26.98%, respectively.

The gross profit margin decreased by 5.10% due to the higher freight rates that caused the rate decreasing profitability which in the next year, such conditions should adjust to normal conditions.

Gross profit of air cargo services for the year ended 31 December 2018 and 31 December 2017 at the amount of 173.53 million baht and 135.12 million baht, an increase of 38.41 million baht, an increase of 28.43 percent with a gross profit margin. For the year ended 31 December 2018 and 31 December 2017 is equal to 20.30% and 29.02%. The gross margin decreased by 8.72% due to the recognition of profit from WICE Logistics (Hong Kong) Limited by the majority of revenue will be the revenue from air cargo services in Hong Kong which is quite competitive, the gross profit margin rate is around 12-15%, thus making the gross margin of air cargo services this year decrease.



Gross profit of logistics services for the year ended 31 December 2018 and 31 December 2017 and the amount of 70.29 million baht and 35.66 million baht, respectively, increased by 34.63 million baht, an increase of 97.11 percent. The gross profit margin for the year ended 31 December 2018 and 31 December 2017, equal to 19.17% and 12.06%, respectively. Gross profit margin increased by 7.11% due to cost management of operating units in excess cost management that is managed by using the speed of management, eliminating the need to pay additional costs resulting in lower costs.

Allocation) of WICE Logistics (Hong Kong) Limited with intangible assets that have to be amortized in the amount of 1.87 million baht, resulting in an increase in administrative expenses this year.

The financial expenses of the company for the year ended 31 December 2018 and 31 December 2017, equal 4.88 million baht and 0.18 million baht, respectively, increased by 4.69 million baht or 2,550.49 percent due to the interest repaid from the accrued investment resulting from the Purchase Price Allocation of WICE Logistics (Hong Kong) Limited and the

Unit: ML

Expenses	2561	2560	Increase (Decrease)	%
Selling expenses	41.96	46.13	-4.18	-9.06
Administrative expenses	208.62	170.92	37.70	22.05
Financial expenses	4.88	0.18	4.69	2,550.49
Corporate Income Tax	26.23	23.25	2.98	12.81

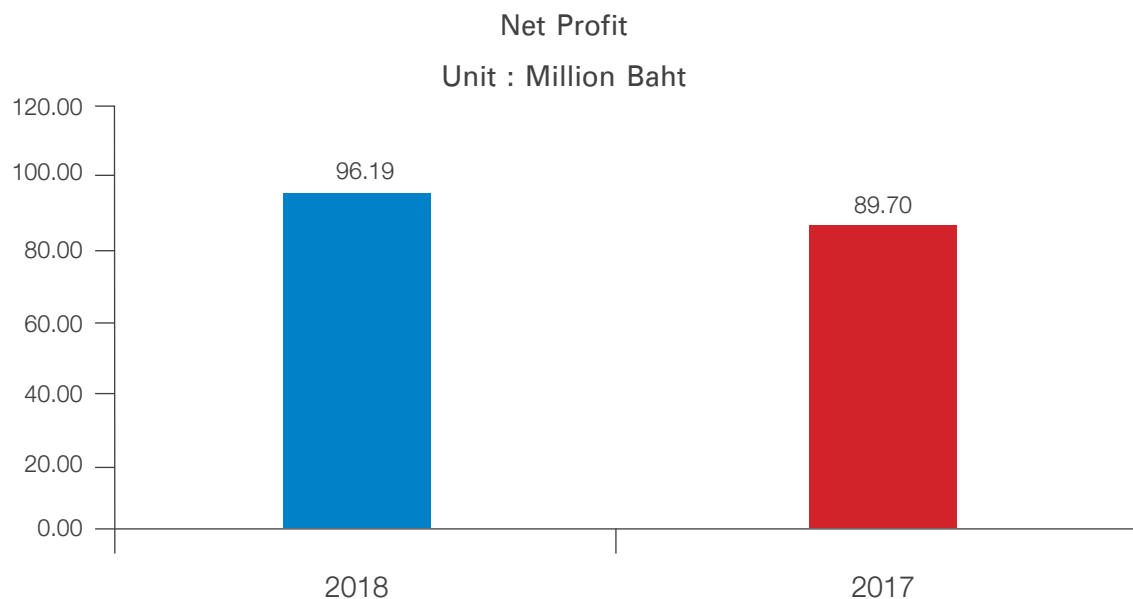
Selling expenses of the company for the year ended 31 December 2018 and 31 December 2017 at the amount of 41.96 million baht and 46.13 million baht, respectively, decreased by 4.18 million baht, a decrease of 9.06 percent due to the lower gross profit of the company and commission has decreased, varying with lower profits.

Administrative expenses for the year ended 31 December 2018 and 31 December 2017 at the amount of 208.62 million baht and 170.92 million baht, respectively, increased by 37.70 million baht, an increase of 22.05 percent as a result of recognition. Administrative expenses of WICE Logistics (Hong Kong) Limited for this year which increases in accordance with the proportion of income according to the specified plan. In addition, the company has measured Purchase Price

company has interest paid from financial leases in the purchase of the tractor trailers for investment in Euro Asia Total Logistics Co., Ltd.

Income tax expense for the year ended 31 December 2018 and 31 December 2017 at the amount of 26.23 million baht and 23.25 million baht, respectively, increased by 2.98 million baht, an increase of 12.81% due to increased profits.

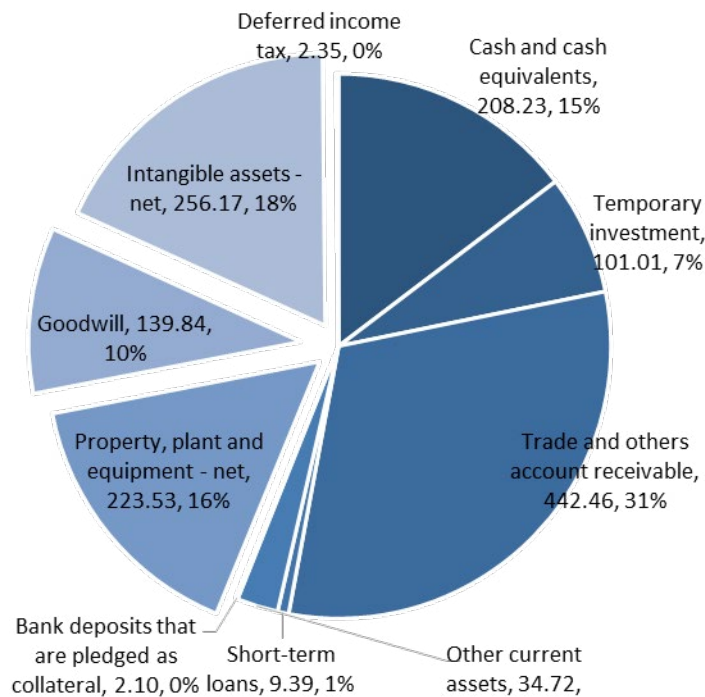
Net profit for the year ended 31 December 2018 and 31 December 2017 amounted to 96.19 million baht and 89.70 million baht, respectively, increased by 6.49 million baht, an increase of 7.24 percent. Caused by the recognition of profits from WICE Logistics (Hong Kong) Limited, which recognized this year. In addition, the investment in Sun Express Logistics Pte. Ltd. has a gain of 17.67% from the previous year.



Financial Status Analysis of 2018

Statement of financial position	Consolidated financial statements 31 Dec.2018 Amount	Consolidated financial statements 31 Dec.2017 Amount	Change	
			Amount	Percent
Assets				
Current assets				
Cash and cash equivalents	208.23	203.67	4.55	2.23
Temporary investment	101.01	97.73	3.28	3.36
Trade and others account receivable	442.46	300.00	142.46	47.49
Short-term loans	9.39	0.00	9.39	100.00
Other current assets	34.72	6.52	28.20	432.18
Total current assets	795.81	607.93	187.88	30.91
Non-current assets				
Bank deposits that are pledged as collateral	2.10	2.10	0.00	0.00
Property, plant and equipment - net	223.53	143.33	80.20	55.96
Goodwill	139.84	99.40	40.44	40.69
Intangible assets - net	256.17	248.66	7.51	3.02
Deferred income tax	0.00	0.00	0.00	0.00
Other non-current assets	2.35	2.40	-0.05	-2.29
Total non-current assets	623.99	495.89	128.10	25.83
Total assets	1,419.80	1,103.82	315.98	28.63

Assets Unit: ML



Assets

The company has total assets as of 31 December 2018 and 31 December 2017, equal to 1,419.80 million baht and 1,103.82 million baht respectively, increasing by 315.98 million baht or 28.63 percent, which has increased with the following observations:

- 1.1 Trade accounts receivable as of 31 December 2018 and 31 December 2017 is 442.46 million Baht and 300.00 million Baht respectively, increasing by 142.46 million Baht or 47.49% from the increase in revenue resulting in an increase in receivables. However, such accounts receivable are debtors with normal repayment ability.
- 1.2 Property, plant and equipment as of 31 December 2018 and 31 December 2017 equal 223.53 million Baht and 143.33 million Baht, respectively,

increased by 80.20 million Baht or 55.96 percent, cause of the company purchased towing trailer to be used in the land transportation which is more expanding and in the past year, the company invested in shares of Euro Asia Total Logistics Company Limited, which is the company has a main service of land transport crossing the border, therefore shall be purchased assets tractor trailers for use in business, thus the assets in this year increasing.

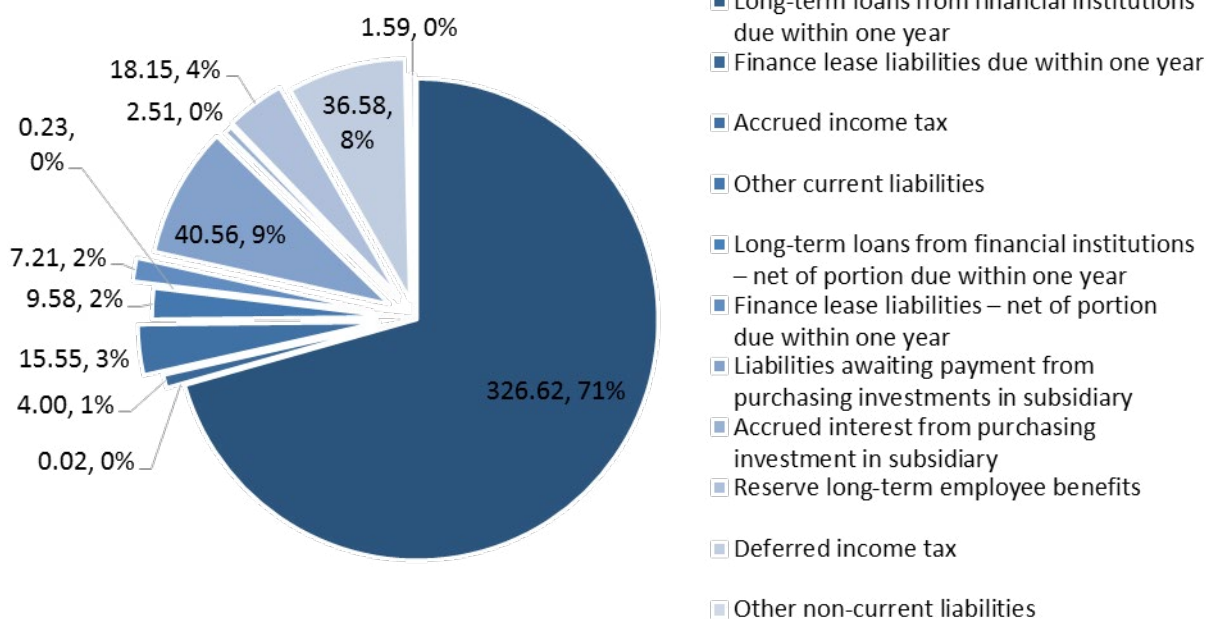
- 1.3 Goodwill as of 31 December 2018 and 31 December 2017 is 139.84 million Baht and 99.40 million Baht, respectively, increased by 40.44 million Baht or 40.69 percent caused by the company having a fair Purchase Price Allocation of WICE Logistics (Hong Kong) which has goodwill arising.



Financial Status Analysis of 2018

Statement of financial position	Consolidated financial statements 31 Dec.2018 Amount	Consolidated financial statements 31 Dec.2017 Amount	Change	
			Amount	Percent
Liabilities				
Current liabilities				
Trade and others account payable	326.62	129.58	197.05	152.07
Long-term loans from financial institutions due within one year	0.02	0.00	0.02	100.00
Finance lease liabilities due within one year	4.00	0.77	3.24	421.75
Accrued income tax	15.55	10.93	4.62	42.29
Other current liabilities	9.58	11.22	-1.64	-14.61
Total current liabilities	355.78	152.49	203.29	133.31
Non-current liabilities				
Long-term loans from financial institutions – net of portion due within one year	0.23	0.00	0.23	100.00
Finance lease liabilities – net of portion due within one year	7.21	0.01	7.20	52,555.68
Liabilities awaiting payment from purchasing investments in subsidiary	40.56	0.00	40.56	100.00
Accrued interest from purchasing investment in subsidiary	2.51	0.00	2.51	100.00
Reserve long-term employee benefits	18.15	16.83	1.32	7.84
Deferred income tax	36.58	33.43	3.15	9.41
Other non-current liabilities	1.59	1.29	0.30	23.63
Total non-current liabilities	106.83	51.56	55.27	107.18
Total Liabilities	462.61	204.06	258.55	126.71

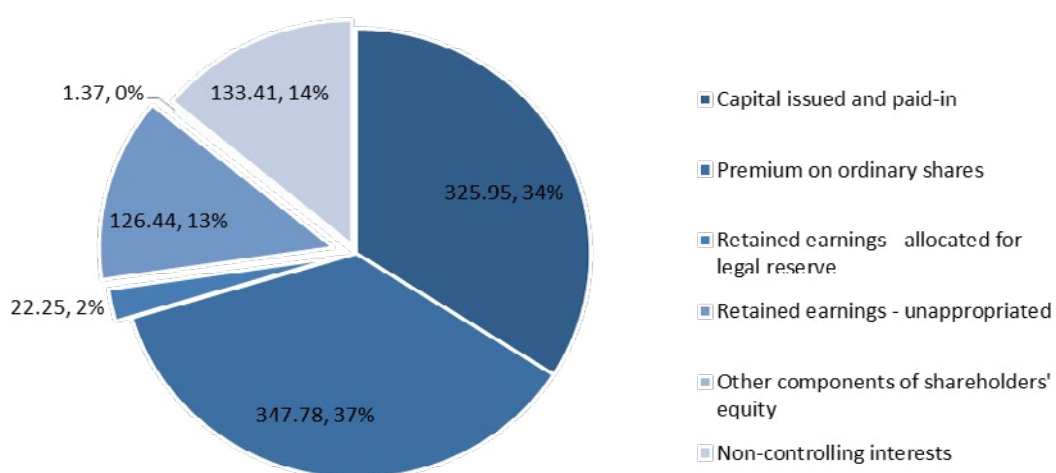
Liabilities Unit: ML



The company has total liabilities as of 31 December 2018 and 31 December 2017 equal 462.61 million Baht and 204.06 million Baht respectively, increasing by 258.55 million Baht or 126.71 percent arise from the company have more

revenue and cost increase also follow in proportion when cost increases, therefore increasing trade account payable in the financial statement.

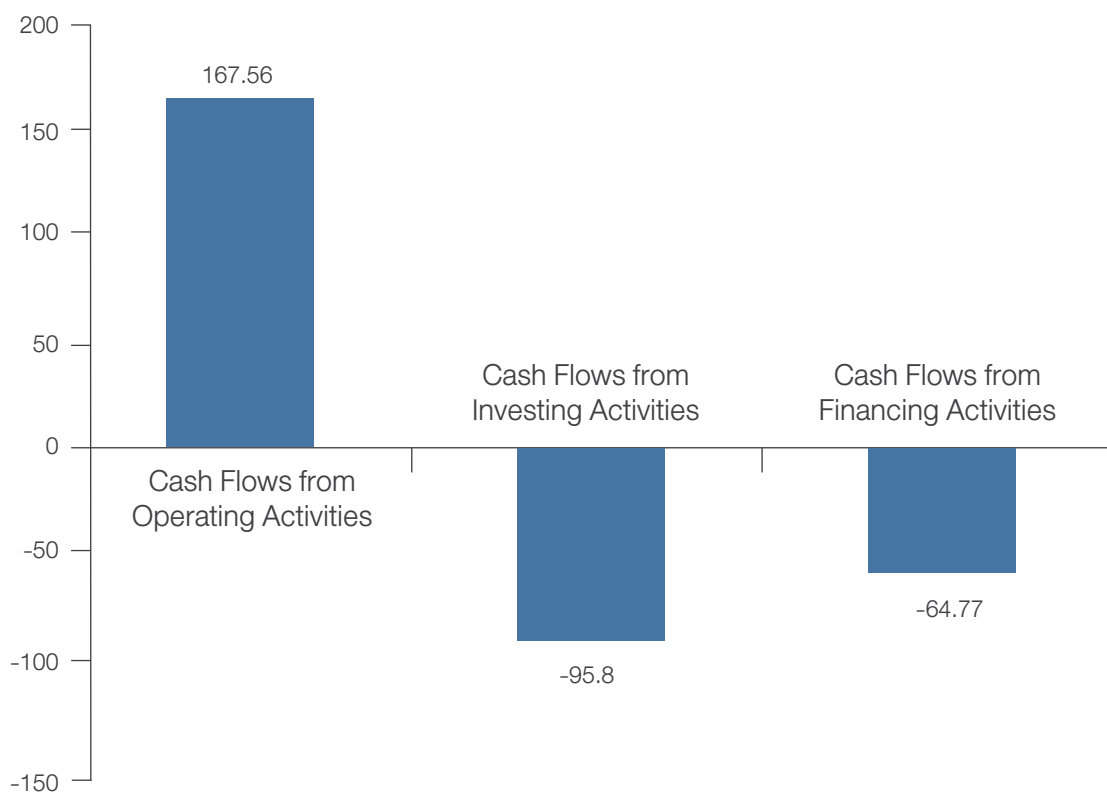
Shareholders' equity



The company has shareholders' equity as of 31 December 2018 and 31 December 2017 equal 957.19 million Baht and

899.77 million Baht, increasing by 57.43 million Baht or 6.38 percent due to operating profits.

Cash Flow Statement 2018 Unit : MB



The appropriateness of the capital structure

The liabilities to equity ratio as of 31 December 2018 and 31 December 2017 is 0.48 time and 0.23 time. The liabilities to equity ratio increased by increasing liabilities as current liabilities, which are increased trade accounts payable in the financial statements. At present, the liabilities to equity ratio is still at a relatively low level due to the company has the policy to use most of its business capital from shareholders causing low financial risk without financial costs and flexibility in business operations.

Liquidity

Cash flow liquidity

Net cash flow from operating activities for 2018 is positive 167.56 million Baht due to profit before income tax in the amount

of 139.96 million Baht and increased in trade and others account payable in the amount of 104.94 million Baht and increased in trade account payable in the amount of 57.90 million Baht.

Net cash flow from investing activities for 2018 is negative 95.80 million Baht due to the company pay cash to purchase of fixed assets which the most purchase towing trailer, computer equipment and computer software in the amount of 82.36 million Baht.

Net cash flow from financing activities for 2018 is negative 64.77 million Baht, due to the company pay dividend 97.89 million Baht and pay liabilities under the financial lease agreement in the amount of 6.79 million Baht and cash receivable from the capital increase of 42.00 million Baht.

3.4 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 2018, 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 2018, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

I draw attention to Note 11 to the consolidated financial statements, which describes the acquisition business of the Company. In January 2018, the Company purchased ordinary share of Universal Worldwide Transportation Limited, a company incorporated in Hong Kong Special Administrative Region of the People's Republic of China. The Company purchased 80,000 ordinary shares at par value of HKD 10 each (80% of Universal Worldwide Transportation Limited's ordinary shares). As at the date of acquisition, the Company recognised and measured the assets acquired and liabilities assumed at their fair value by applying the purchase price allocation method, and recognised goodwill and liabilities from acquisition investment in subsidiary by applying the acquisition method into the consolidated statements of financial position. My opinion is not modified in respect of this matter.

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

Since the revenue from service is the most significant amount in the income statement and is also the key indicator of business performance. In addition, the Group has services with a number of customers and there are a variety of commercial term. Moreover, 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.

Business combination and goodwill

Business combination

I have focused on this business acquisition since it is material to the financial statements as a whole, and management was required to exercise substantial judgment when appraising the fair value of the assets acquired and liabilities assumed. Therefore, there is a risk with respect to the recognition and measurement of the assets acquired and liabilities assumed, including recognised goodwill.

I reviewed the terms and conditions of the agreement and inquired with management as to the nature and objectives of the acquisition in order to evaluate whether the acquisition business meets the definition of a business combination under Thai Financial Reporting Standard 3 (Revised: 2015) Business combinations. In addition, I checked the value of the acquisition to supporting documents and related payments to assess whether it reflected the fair value of the consideration transferred. I also assessed the fair value of assets acquired and liabilities assumed specified in the documentation of measurement under the acquisition method by considering the methods and significant assumptions used in calculating the fair value of assets and liabilities, reviewing the components of the financial model, comparing significant assumptions with the Company's historical information and industry and related economic information with the Company's financial costs and industry and testing of the calculation of the fair value and reviewing the disclosures related to the business combination in the note to consolidated financial statements.

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 consolidated financial 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.



Orawan Techawatanasirikul
Certified Public Accountant (Thailand) No. 4807
EY Office Limited
Bangkok: 25 February 2019

Statement of financial position

As at 31 December 2017

WICE Logistics Public Company Limited and its subsidiaries



WICE Logistics Public Company Limited and its subsidiaries
Statement of financial position
As at 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Assets					
Current assets					
Cash and cash equivalents	7	208,225,224	203,674,781	46,338,502	151,850,528
Current investments	8	101,009,558	97,730,576	91,124,405	50,225,092
Trade and other receivables	6, 9	442,460,179	299,999,488	189,414,032	139,735,257
Short-term loans to related parties	6	9,394,859	-	-	-
Other current assets		34,719,934	6,524,115	9,988,166	2,004,118
Total current assets		795,809,754	607,928,960	336,865,105	343,814,995
Non-current assets					
Restricted bank deposits	10	2,100,000	2,100,000	2,100,000	2,100,000
Investments in subsidiaries	11	-	-	453,047,053	344,635,200
Property, plant and equipment	12	223,528,841	143,326,629	156,898,785	144,067,295
Goodwill	11	139,842,134	99,400,479	-	-
Intangible assets	13	256,173,695	248,663,662	9,721,766	8,178,472
Deferred tax assets	19	-	-	5,263,650	4,898,626
Other non-current assets		2,347,536	2,402,438	578,643	2,036,630
Total non-current assets		623,992,206	495,893,208	627,609,897	505,916,223
Total assets		1,419,801,960	1,103,822,168	964,475,002	849,731,218

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


Wice Logistics Public Company Limited and its subsidiaries
Statement of financial position (Continued)
As at 31 December 2018

(Unit: Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2018	2017	2018	2017
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	6, 14	326,622,300	129,576,417	76,687,282	50,971,417
Current portion of long-term loans from bank		20,677	-	-	-
Current portion of liabilities under finance lease agreements	15	4,004,824	767,579	4,004,824	767,579
Income tax payable		15,550,215	10,928,612	13,458	1,476
Other current liabilities		9,581,067	11,219,844	9,456,906	8,389,241
Total current liabilities		355,779,083	152,492,452	90,162,470	60,129,713
Non-current liabilities					
Long-term loans from bank - net of current portion		225,049	-	-	-
Liabilities under finance lease agreements - net of current portion	15	7,213,302	13,699	7,213,302	13,699
Liability from acquisition investment in subsidiary	11	43,071,029	-	43,071,029	-
Provision for long-term employee benefits	16	18,151,319	16,831,776	16,992,103	10,709,785
Deferred tax liabilities	19	36,578,110	33,431,915	-	-
Other non-current liabilities		1,588,995	1,285,311	1,588,995	1,285,311
Total non-current liabilities		106,827,804	51,562,701	68,865,429	12,008,795
Total liabilities		462,606,887	204,055,153	159,027,899	72,138,508
Shareholders' equity					
Share capital					
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	17	22,250,000	17,137,032	22,250,000	17,137,032
Unappropriated		126,438,370	117,308,558	109,305,107	86,620,164
Other components of shareholders' equity		1,369,384	6,517,295	163,335	106,853
Equity attributable to owners of the Company		823,786,415	814,691,546	805,447,103	777,592,710
Non-controlling interests of the subsidiary		133,408,658	85,075,469	-	-
Total shareholders' equity		957,195,073	899,767,015	805,447,103	777,592,710
Total liabilities and shareholders' equity		1,419,801,960	1,103,822,168	964,475,002	849,731,218
		-	-	-	-

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

Wice Logistics Public Company Limited and its subsidiaries
Income statement
For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Service income	6	1,832,113,432	1,396,367,967	860,119,265	632,208,571
Dividend income	6, 11	-	-	67,813,973	76,476,524
Other income	6	18,002,787	5,962,380	6,540,810	24,630,158
Total revenues		<u>1,850,116,219</u>	<u>1,402,330,347</u>	<u>934,474,048</u>	<u>733,315,253</u>
Expenses					
Cost of services	6	1,454,706,995	1,054,285,999	694,647,930	520,401,144
Selling expenses		41,956,009	46,133,506	33,042,892	23,115,112
Administrative expenses	6	208,616,620	170,920,406	81,086,830	77,057,127
Total expenses		<u>1,705,279,624</u>	<u>1,271,339,911</u>	<u>808,777,652</u>	<u>620,573,383</u>
Profit before finance cost and income tax expenses		<u>144,836,595</u>	<u>130,990,436</u>	<u>125,696,396</u>	<u>112,741,870</u>
Finance cost		(4,877,970)	(184,040)	(4,135,814)	(184,040)
Profit before income tax expenses		<u>139,958,625</u>	<u>130,806,396</u>	<u>121,560,582</u>	<u>112,557,830</u>
Income tax expenses	19	(26,233,455)	(23,254,151)	(11,812,798)	(10,375,228)
Profit for the year		<u>113,725,170</u>	<u>107,552,245</u>	<u>109,747,784</u>	<u>102,182,602</u>
Profit attributable to:					
Equity holders of the Company		96,192,653	89,700,438	<u>109,747,784</u>	<u>102,182,602</u>
Non-controlling interests of the subsidiary		17,532,517	17,851,807		
		<u>113,725,170</u>	<u>107,552,245</u>		
Earnings per share	20				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.15	0.14	0.17	0.16
Weighted average number of ordinary shares (shares)		<u>651,899,500</u>	<u>651,899,500</u>	<u>651,899,500</u>	<u>651,899,500</u>

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


Wice Logistics Public Company Limited and its subsidiaries
Statement of comprehensive income (Continued)
For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit for the year		113,725,170	107,552,245	109,747,784	102,182,602
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		(4,415,802)	(1,043,643)	-	-
Gain (loss) on changes in value of available-for-sale investments	8	(915,030)	1,199,295	70,709	133,197
Less: Income tax effect	19	182,921	(239,775)	(14,227)	(26,555)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(5,147,911)	(84,123)	56,482	106,642
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Actuarial loss	16	(4,654,006)	-	(4,654,006)	-
Less: Income tax effect	19	930,801	-	930,801	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		(3,723,205)	-	(3,723,205)	-
Other comprehensive income for the year		(8,871,116)	(84,123)	(3,666,723)	106,642
Total comprehensive income for the year		104,854,054	107,468,122	106,081,061	102,289,244
Total comprehensive income attributable to:					
Equity holders of the Company		87,321,537	89,616,315	106,081,061	102,289,244
Non-controlling interests of the subsidiary		17,532,517	17,851,807		
		104,854,054	107,468,122		

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

Wice Logistics Public Company Limited and its subsidiaries
Cash flows statement
For the year ended 31 December 2018

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before tax	139,958,625	130,806,396	121,560,582	112,557,830
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	31,715,071	27,949,156	17,996,131	15,636,895
Reversal on allowance for doubtful accounts	71,527	(715,784)	71,527	(715,784)
(Gain) loss on sales of equipment	(1,308,410)	307,474	(1,308,410)	101,231
Gain on sales of current investments	(2,570,892)	(129,869)	(1,097,551)	-
Long-term employee benefits expense	(2,963,634)	3,158,520	3,158,357	2,167,180
Unrealised (gain) loss on exchange	(90,922)	428,370	(90,922)	540,987
Interest income	(1,830,960)	(608,354)	(214,579)	(509,236)
Dividend income	-	-	(67,813,973)	(76,476,524)
Interest expenses	2,979,613	184,040	4,135,814	184,040
Profit from operating activities before changes in operating assets and liabilities	165,960,018	161,379,949	76,396,976	53,486,619
Operating assets (increase) decrease				
Trade and other receivables	(57,900,616)	(21,628,342)	(49,410,390)	13,650,083
Other current assets	(20,551,663)	(2,400,534)	(7,984,048)	561,536
Other non-current assets	54,902	(483,811)	1,457,987	(400,575)
Operating liabilities increase (decrease)				
Trade and other payables	104,943,485	10,418,067	25,328,687	4,056,436
Other current liabilities	(1,638,777)	(1,245,742)	1,067,665	(2,415,609)
Provision for long-term employee benefits	(1,372,200)	-	(1,372,200)	-
Other non-current liabilities	303,684	303,684	303,684	303,684
Cash flows from operating activities	189,798,833	146,343,271	45,788,361	69,242,174
Cash paid for corporate income tax	(22,239,364)	(29,947,617)	(11,249,266)	(9,900,883)
Net cash flows from operating activities	167,559,469	116,395,654	34,539,095	59,341,291

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


Wice Logistics Public Company Limited and its subsidiaries
Cash flows statement (Continued)
For the year ended 31 December 2018

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Cash flows from investing activities				
Decrease in current investments	237,879	31,034,190	(38,099)	38,592,638
Decrease (increase) in restricted bank deposits	-	8,711,379	-	(1,928,250)
Increase in short-term loans to related parties	(9,394,859)	-	-	-
Acquisition of building and equipment	(82,355,063)	(9,125,364)	(12,973,456)	(10,950,702)
Acquisition of intangible assets	(2,272,460)	(1,942,078)	(2,172,460)	(4,354,546)
Proceed from sales of equipment and intangible assets	1,308,411	373,832	1,308,411	238,318
Interest income	1,811,303	566,958	194,922	532,167
Dividend income	-	-	67,813,973	76,476,524
Proceed from sales of current investments	429,517,093	10,487,340	366,672,638	-
Cash paid for acquisition of current investments	(431,378,092)	(48,000,000)	(406,365,592)	(48,000,000)
Cash paid for acquisition of investment in subsidiary	(3,275,068)	-	(67,855,329)	-
Net cash flows from (used in) investing activities	(95,800,856)	(7,893,743)	(53,414,992)	50,606,149
Cash flows from financing activities				
Cash receipt from long-term loan from bank	245,726	-	-	-
Repayments made on liabilities under finance lease agreements	(6,788,152)	(7,142,301)	(6,788,152)	(7,142,301)
Acquisition of non-controlling interest	42,000,010	-	-	-
Decrease in non-controlling interest	(1,939,120)	-	-	-
Interest expenses	(394,517)	(184,040)	(1,621,309)	(184,040)
Dividend paid	(97,890,130)	(69,982,770)	(78,226,668)	(52,147,960)
Net cash flows used in financing activities	(64,766,183)	(77,309,111)	(86,636,129)	(59,474,301)
Decrease in translation adjustments	(2,441,987)	(1,035,901)	-	-
Net increase (decrease) in cash and cash equivalents	4,550,443	30,156,899	(105,512,026)	50,473,139
Cash and cash equivalents at beginning of year	203,674,781	173,517,882	151,850,528	101,377,389
Cash and cash equivalents at end of year (Note 7)	208,225,224	203,674,781	46,338,502	151,850,528
	-	-	-	-

Supplemental cash flows information

Non-cash items consist of

Acquisitions of motor vehicles under finance

lease agreements	17,225,000	-	17,225,000	-
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Accrued provision for long-term employee benefits	157,845	-	157,845	-
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Liability and accrued interest from acquisition investment in subsidiary	43,071,029	-	43,071,029	-
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The accompanying notes are an integral part of the financial statements.

WICE Logistics Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2018

(Unit: Baht)

Consolidated financial statements												
Note	Equity attributable to owners of the Company					Other components of equity						
	Issued and paid-up share capital	Share premium	Retained earnings		Exchange differences on translation of financial statements in foreign currency	Other comprehensive income			Surplus on business combination under common control	Surplus on change in percentage shareholding in subsidiary	Total other components of shareholders' equity	Total equity attributable to owners of the Company
			Appropriated	Unappropriated		Surplus on changes in value of available-for-sale investments	Surplus in percentage shareholding in subsidiary	Surplus on change in percentage shareholding in subsidiary				
Balance as at 1 January 2017	325,949,750	347,778,911	14,274,387	82,618,745	(2,664,443)	(64,043)	5,597,942	3,731,962	6,601,418	777,223,191	85,098,473	862,281,864
Profit for the year	-	-	-	89,700,438	-	-	-	-	-	89,700,438	17,851,807	107,552,245
Other comprehensive income for the year	-	-	-	-	(1,043,643)	959,520	-	-	(84,123)	(84,123)	-	(84,123)
Total comprehensive income for the year	-	-	-	-	(1,043,643)	959,520	-	-	(84,123)	89,616,315	17,851,807	107,468,122
Unappropriated retained earnings	-	-	-	89,700,438	-	-	-	-	-	-	-	-
Transferred to statutory reserve	-	-	2,862,665	(2,862,665)	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	(52,147,960)	-	-	-	-	-	(52,147,960)	(17,834,811)	(69,982,771)
Balance as at 31 December 2017	325,949,750	347,778,911	17,137,032	117,308,558	(3,708,086)	895,477	5,597,942	3,731,962	6,517,295	814,691,546	85,075,469	899,767,015
Balance as at 1 January 2018	325,949,750	347,778,911	17,137,032	117,308,558	(3,708,086)	895,477	5,597,942	3,731,962	6,517,295	814,691,546	85,075,469	899,767,015
Profit for the year	-	-	-	96,192,653	-	-	-	-	-	96,192,653	17,532,517	113,725,170
Other comprehensive income for the year	-	-	-	(3,723,205)	(4,415,802)	(732,109)	-	-	(5,147,911)	(8,871,116)	-	(8,871,116)
Total comprehensive income for the year	-	-	-	92,469,448	(4,415,802)	(732,109)	-	-	(5,147,911)	87,321,537	17,532,517	104,854,054
Increase in non-controlling interests of subsidiary from acquisition of investment in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-
Unappropriated retained earnings transferred to statutory reserve	-	-	5,112,968	(5,112,968)	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	(78,226,668)	-	-	-	-	-	(78,226,668)	(19,781,462)	(98,008,130)
Balance as at 31 December 2018	325,949,750	347,778,911	22,250,000	126,438,370	(8,123,888)	163,368	5,597,942	3,731,962	1,369,384	823,796,415	133,408,658	957,195,073

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

WICE Logistics Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (Continued) For
the year ended 31 December 2018

Separate financial statements											(Unit: Baht)
						Other components of equity					
						Other comprehensive income					
						Surplus					
						on changes in value of available-for-sale investments			Total other components of shareholders' equity	Total shareholders' equity	
Note	Issued and paid-up share capital	Share premium	Retained earnings								
			Appropriated	Unappropriated							
	325,949,750	347,778,911	14,274,367	39,448,187		211		211		727,451,426	
	-	-	-	102,182,602		-		-		102,182,602	
	-	-	-	-		106,642		106,642		106,642	
	-	-	-	102,182,602		106,642		106,642		102,289,244	
17	-	-	2,862,665	(2,862,665)		-		-		-	
23	-	-	-	(52,147,960)		-		-		(52,147,960)	
	325,949,750	347,778,911	17,137,032	86,620,164		106,853		106,853		777,592,710	
	325,949,750	347,778,911	17,137,032	86,620,164		106,853		106,853		777,592,710	
	-	-	-	109,747,784		-		-		109,747,784	
	-	-	-	(3,723,205)		56,482		56,482		(3,666,723)	
	-	-	-	106,024,579		56,482		56,482		106,081,061	
17	-	-	5,112,968	(5,112,968)		-		-		-	
23	-	-	-	(78,226,668)		-		-		(78,226,668)	
	325,949,750	347,778,911	22,250,000	109,305,107		163,335		163,335		805,447,103	

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

WICE Logistics Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2018

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, cross-border transport, multimodal transport operator, warehousing service 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	
			2018	2017
			%	%
Sun Express (Thailand) Company Limited	Freight forwarder and all freight related services for imports and exports	Thailand	99.99	99.99
Euroasia Total Logistics Company Limited	Cross-Border Transport Services	Thailand	40.00	-



Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2018	2017
			%	%
WICE Logistics (Singapore) Pte. Ltd.	Freight forwarder and all freight related services for imports and exports	Singapore	70.00	70.00
WICE Logistics (HongKong) Limited (Formerly known as "Universal Worldwide Transportation Limited")	Freight forwarder and all freight related services for imports and exports	Hong Kong	80.00	-
Guangzhou WICE Logistics Limited (Formerly known as "Guangzhou Universal Worldwide Transportation Limited" 100% held by WICE Logistics (HongKong) Limited)	Freight forwarder and all freight related services for imports and exports	China	100.00	-
Euroasia Total Logistics (M) Sdn Bhd (40% held by Euroasia Total Logistics Company Limited and 60% held by major shareholders' Euroasia Total Logistics Company Limited)	Cross-Border Transport Services	Malaysia	100.00	-

- 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 companies 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 subsidiaries 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 2017) and new accounting treatment guidance 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 classifications directed towards disclosers in the notes to financial statements. 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 for fiscal years beginning on or after 1 January 2019 in the future

The Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018) which are effective for fiscal years beginning on or after 1 January 2019. 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 most of the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied. However, the new standard involve changes to key principles, as summarised below.

TFRS 15 Revenue from Contracts with Customers

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

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

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

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

(c) Financial reporting standards related to financial instruments that will become effective for fiscal years beginning on or after 1 January 2020

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

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

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

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 loss impairment losses (if any).

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
Container and container equipment	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	10 years, 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 Liability from acquisition investment in subsidiary

The Company recognised liability from acquisition investment in subsidiary, which calculated the price that would have been expected to be payment as specify in share purchase agreement, and discounted to the present value. The above liability was presented as non-current liability in the statement of financial position, including the interest expenses from the acquisition investment in subsidiary. The liability will be reassessed every accounting period and the difference will be recognised to profit or loss.

4.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits 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.

4.14 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.

4.15 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.

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The 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:

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

The management of the Company determined that the Company has control over Euroasia Total Logistics Company Limited, even though the Company holds 40% of shares and voting rights that is less than half of shares and voting rights. This is because the Company is a major shareholder and has the ability to direct the significant activities. As a result, Euroasia Total Logistics Company Limited is deemed to be a subsidiary of the Company and has to be included in the consolidated financial statements from the date on which the Company assumed control.

Allowance for doubtful accounts

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

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 summarised 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		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2018	2017	2018	2017	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service income	-	-	8.1	13.0	Close to market price
Rental income and other service	-	-	0.2	22.6	As stipulated in the agreement
Dividend income	-	-	67.8	76.5	As declared
Cost of services	-	-	30.7	2.0	Close to market price
Acquisition of fixed assets	-	-	-	5.6	Close to market price
Interest expenses	-	-	1.5	-	Interest rate 7.12% per year
<u>Transactions with management and directors</u>					
Land and buildings rental expenses	1.6	1.9	1.6	1.9	As stipulated in the agreement

As at 31 December 2018 and 2017, the balances of the accounts between the Company, and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>Trade and other receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	1,373	145
Total trade and other receivables - related parties	-	-	1,373	145
<u>Trade and other payables - related parties (Note 14)</u>				
Subsidiaries	-	-	4,448	7,444
Related individuals (Management and directors)	-	-	78	-
Total trade and other payables - related parties	-	-	4,526	7,444

Short-term loans to related person or related party

The short-term loans to related person or related parties carried interests at rates of 1.5% - 2% per annum. These loans are due for repayment on demand and no security guarantees.

As at 31 December 2018 and 2017, the balance of loans between the subsidiary and related person and and related party and the movement are the follows:

(Unit: Thousand Baht)

		Consolidated financial statements			
Loans to related parties	Related by	Balance as at			Balance as at
		1 January 2018	Increase during the year	Decrease during the year	31 December 2018
Mr. Lee Yik Chieh	Subsidiary's director	-	2,393	-	2,393
Euroasia Total Logistics (Shanghai) Limited	Related company (related by common shareholder)	-	7,085	-	7,085
Total		-	9,478	-	9,478

Loan from related party

As at 31 December 2018 and 2017, the balance of loan between the Company and the related company and the movement are presented the follows:

(Unit: Thousand Baht)

		Separate financial statements			
Loan from related party	Related by	Balance as at			Balance as at
		1 January 2018	Increase during the year	Decrease during the year	31 December 2018
Sun Express (Thailand) Company Limited	Subsidiary	-	72,000	(72,000)	-
Total		-	72,000	(72,000)	-

Directors and management's benefits

During the years ended 31 December 2018 and 2017, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term employee benefits	54,987	46,122	24,216	13,970
Post-employment benefits	828	1,193	828	817
Total	55,815	47,315	25,044	14,787

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Cash	290	98	-	-
Bank deposits	207,935	203,577	46,339	151,851
Total	208,225	203,675	46,339	151,851

As at 31 December 2018 and 2017, 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	
	2018	2017	2018	2017
Investments in open-end fund - Cost	88,833	84,401	88,820	48,030
Add: Unrealised gain on changes in value of investments	204	1,119	204	133
Investments in open-end fund				
- Fair value	89,037	85,520	89,024	48,163
Fixed deposits	11,973	12,211	2,100	2,062
Total current investments	101,010	97,731	91,124	50,225

During the year ended 31 December 2018, the Company and its subsidiaries sold available-for-sale securities with book values totaling Baht 426.9 million (2017: Baht 10.3 million) and recognised gains on the sales amounting to Baht 2.3 million (2017: Baht 0.1 million) in profit or loss. This amount included losses transferred from loss on valuation of available-for-sale securities in other comprehensive income, amounting to Baht 0.3 million (2017: Baht 0.1 million).

9. Trade and other receivables

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	96	136
Past due				
Up to 3 months	-	-	896	-
3 - 6 months	-	-	1	-
Total trade accounts receivable - related parties	-	-	993	136
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	136,969	133,966	85,444	41,530
Past due				
Up to 3 months	226,256	113,385	68,631	54,933
3 - 6 months	44,634	14,474	2,647	13,477
6 - 12 months	3,396	5,356	3,514	5,221
Over 12 months	1,382	364	1,382	366
Total	412,637	267,545	161,618	115,527
Less: Allowance for doubtful accounts	(447)	(376)	(447)	(376)
Total trade accounts receivable - unrelated parties, net	412,190	267,169	161,171	115,151
Total trade accounts receivable - net	412,190	267,169	162,164	115,287
<u>Other receivables</u>				
Advance receivables - related parties	-	-	-	9
Advance receivables - unrelated parties	27,835	31,704	25,724	23,377
Other receivables - related parties	-	-	380	-
Other receivables - unrelated parties	2,435	1,126	1,146	1,062
Total other receivables	30,270	32,830	27,250	24,448
Trade and other receivables - net	442,460	299,999	189,414	139,735

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 24.3.

11. Investments in subsidiaries

11.1 As at 31 December 2018 and 2017, details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividends received during the year	
	2018	2017	2018	2017	2018	2017	2018	2017
			(%)	(%)	(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	23,427	36,192
Euroasia Total Logistics Company Limited	Baht 70 million	-	40.00	-	28,000	-	-	-
WICE Logistics (Singapore) Pte.	SGD 0.7 million	SGD 0.7 million	70.00	70.00	290,637	290,637	44,387	40,284
WICE Logistics (Hong Kong) Limited (Formerly known as "Universal Worldwide Transportation Limited")	SGD 0.8 million	-	80.00	-	80,412	-	-	-
Total					453,047	344,635	67,814	76,476

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.

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 Baht 39.86 million. In addition, the Company received shares transfer of Universal Worldwide Transportation Limited from acquisition and registered the change in shareholders' list on the same date. According to share purchase agreement, the Company will pay the remain value of acquisition shares not exceed USD 2.21 million, which calculated from the actual operating results of such company as from the acquisition date to the year 2022.



Fair value and book value of net assets of Universal Worldwide Transportation Limited at acquisition date are summarised below.

(Unit: Thousand Baht)

	<u>Fair value</u>	<u>Book value</u>
Assets		
Cash and cash equivalents	36,580	36,580
Trade and other receivables	84,414	84,414
Other current assets	7,644	7,644
Equipment	185	185
Intangible assets - customer relationship	18,700	-
Total assets	<u>147,523</u>	<u>128,823</u>
Liabilities		
Trade and other payables	91,715	91,715
Provision for long-term employee benefits	1,170	1,170
Deferred tax liabilities	4,675	-
Total liabilities	<u>97,560</u>	<u>92,885</u>
Total net assets	<u>49,963</u>	<u>35,938</u>
Shareholding percentage (%)	80	
Net assets from purchasing of subsidiary	39,970	
Excess of cost of acquisition over net assets	<u>40,442</u>	
Cash paid for acquisition of investment in subsidiary	80,412	
Less: Cash and cash equivalents at the acquisition date of subsidiary	(36,580)	
Contingent liability from acquisition investment in subsidiary	<u>(40,557)</u>	
Net cash paid for purchasing of subsidiary	<u>3,275</u>	

At the acquisition date, the Company estimated the liability from acquisition share capital of that company. The remaining amount was presented as liability in the statement of financial position under the caption of “liability from acquisition investment in subsidiary” were as follows.

	(Unit: Thousand Baht)
	2018
Liability from acquisition investment in subsidiary	40,557
Add: Interest expense from acquisition investment in subsidiary	2,514
Total	43,071

Details of acquisition of Universal Worldwide Transportation Limited are as follows:

	(Unit: Thousand Baht)
Purchase price - cash paid	80,412
Fair value of net assets received	(39,970)
Goodwill	40,442

Baht 40.4 million of goodwill is the business value of customer relationship of Universal Worldwide Transportation Limited to move the business forward and generate profit to the shareholders.

As at 31 December 2018 and 2017, the book value of goodwill are presented below.

	(Unit: Thousand Baht)
Balance as at 31 December 2017	99,400
Increase during the year	40,442
Balance as at 31 December 2018	139,842

Operating results of the subsidiary from 4 January 2018 (acquisition date) to 31 December 2018 is gain from operation amounting to Baht 11.3 million. These transaction already included in the consolidated financial statements.

On 24 January 2018, Universal Worldwide Transportation Limited has processed to change its name to “Wice Logistics (Hong Kong) Limited”. In addition, its subsidiary has changed its name from “Guangzhou Universal Worldwide Transportation Limited” to “Guangzhou Wice Logistics Limited”.

On 21 August 2018, the Board of Directors' Meeting of the Company resolved to enter into a joint venture agreement to establish a new joint venture company that operates cross-border transportation services among China, Hong Kong and Southeast Asia. Subsequently on 22 August 2018, the Company entered into the joint venture agreement to establish the new joint venture company under the name of "Euroasia Total Logistics Co., Ltd.", which is engaged in cross-border transport services among China, Hong Kong and Southeast Asia, with registered share capital of Baht 70 million, comprising 7,000,000 ordinary shares of Baht 10 per share. The Company has 40% interest in this company, comprising 2,800,000 ordinary shares of Baht 10 per share, totaling Baht 28 million. The remaining shares of Baht 42 million, or approximately 60% of registered capital belongs to other shareholders. Such company registered the issued and paid-up share capital with the Ministry of Commerce on 14 September 2018. Moreover, the management considered that the Company has controlled and direct various operating activities including financial policy. The management therefore considered the above company to be a subsidiary company.

On 24 September 2018, Sun Express Logistics Pte. Ltd is a subsidiary company, changed its name to "WICE Logistics (Singapore) Pte. Ltd." The new name comes into effect from 28 September 2018 onward.

11.2 Details of Euroasia Total Logistics Company Limited as a subsidiary that have material non-controlling interests.

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year		Dividend paid to non-controlling interest during the year	
	2018	2017	2018	2017	2018	2017	2018	2017
Euroasia Total	60.00	-	40.06	-	(4.78)	-	-	-
Logistics								
Company Limited								

11.3 Summarised financial information of Euroasia Total Logistics Company Limited that based on amounts before inter-company elimination about a subsidiary that has material non-controlling.

Summarised information about financial position.

	(Unit: Million Baht)
	2018
Current assets	36.9
Non-current assets	67.8
Current liabilities	(38.2)
Non-current liabilities	(0.2)

Summarised information about comprehensive income.

	(Unit: Million Baht)
	For the year ended
	31 December 2018
Revenue	12.2
Loss	6.5
Total comprehensive income	6.5

Summarised information about cash flows.

	(Unit: Million Baht)
	For the year ended
	31 December 2018
Cash flow from operating activities	3.9
Cash flow from investing activities	(69.4)
Cash flow from financing activities	72.3
Net increase in cash and cash equivalents	6.8



12. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							
							Container and container equipment	
	Land	Buildings and yard	Furniture and fixtures	Office equipment	Computer equipment	Motor vehicles		Total
Cost								
1 January 2017	23,800	53,773	14,127	7,946	17,035	123,173	-	239,854
Additions	-	-	4,322	1,475	1,061	5,351	-	12,209
Disposals	-	-	(1,108)	(1,325)	(1,453)	(5,818)	-	(9,704)
Translation adjustment	-	-	(92)	(30)	(103)	-	-	(225)
31 December 2017	23,800	53,773	17,249	8,066	16,540	122,706	-	242,134
Increase from acquisition of subsidiary	-	4,373	198	418	819	3,754	-	9,562
Additions	420	7,630	521	791	2,713	69,994	17,396	99,465
Disposals	-	-	-	-	(30)	(4,477)	-	(4,507)
Transfer in (out)	-	-	-	-	-	1,300	(1,300)	-
Translation adjustment	-	(40)	(202)	(88)	(238)	(1,274)	-	(1,842)
31 December 2018	24,220	65,736	17,766	9,187	19,804	192,003	16,096	344,812
Accumulated depreciation								
1 January 2017	-	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
Increase from acquisition of subsidiary	-	4,373	198	226	819	3,754	-	9,370
Depreciation for the year	-	2,873	1,012	914	1,645	11,477	222	18,143
Depreciation on disposals	-	-	-	-	(2)	(4,477)	-	(4,479)
Translation adjustment	-	(40)	(200)	(58)	(225)	(35)	-	(558)
31 December 2018	-	30,589	14,443	6,861	15,056	54,111	222	121,283
Net book value:								
31 December 2017	23,800	30,390	3,815	2,287	3,721	79,314	-	143,327
31 December 2018	24,220	35,147	3,322	2,326	4,748	137,892	15,874	223,529
Depreciation for the year								
2017 (Baht 9.6 million included in cost of services, and the balance in selling and administrative expenses)								16,620
2018 (Baht 11.5 million included in cost of services, and the balance in selling and administrative expenses)								18,143

(Unit: Thousand Baht)

	Separate financial statements						Total
	Land	Buildings and yard	Furniture and fixtures	Office equipment	Computers	Motor vehicles	
Cost:							
1 January 2017	23,800	53,773	6,482	4,479	8,350	115,255	212,139
Additions	-	-	4,322	919	907	4,802	10,950
Disposals	-	-	-	-	-	(863)	(863)
31 December 2017	23,800	53,773	10,804	5,398	9,257	119,194	222,226
Additions	420	7,630	466	255	413	21,015	30,199
Disposals	-	-	-	-	-	(4,477)	(4,477)
31 December 2018	24,220	61,403	11,270	5,653	9,670	135,732	247,948
Accumulated depreciation:							
1 January 2017	-	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
Depreciation for the year	-	2,873	1,002	585	1,461	11,446	17,367
Depreciation on disposals	-	-	-	-	-	(4,477)	(4,477)
31 December 2018	-	26,256	8,014	4,321	7,055	45,403	91,049
Net book value:							
31 December 2017	23,800	30,390	3,792	1,662	3,663	80,760	144,067
31 December 2018	24,220	35,147	3,256	1,332	2,615	90,329	156,899
Depreciation for the year							
2017 (Baht 8.5 million included in cost of services, and the balance in selling and administrative expenses)							15,180
2018 (Baht 11.2 million included in cost of services, and the balance in selling and administrative expenses)							17,367

As at 31 December 2018, the Company had motor vehicles and equipment under finance lease agreements with net book values amounting to Baht 58.3 million (2017: Baht 40.4 million).

As at 31 December 2018, 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 36.9 million (2017: Baht 33.5 million) (The Company only: Baht 13.9 million, 2017: Baht 16.1 million).

13. Intangible assets

The net book value of intangible assets as at 31 December 2018 and 2017 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Customer relationship	Stock rights option	Computer software	Total
As at 31 December 2018:				
Cost	272,650	3,878	11,318	287,846
Less: Accumulated amortisation	(28,059)	(2,114)	(1,499)	(31,672)
Net book value	<u>244,591</u>	<u>1,764</u>	<u>9,819</u>	<u>256,174</u>
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	<u>237,664</u>	<u>2,821</u>	<u>8,179</u>	<u>248,664</u>

(Unit: Thousand Baht)

	Separate financial statements			
	Customer relationship	Stock rights option	Computer software	Total
As at 31 December 2018:				
Cost	-	-	11,218	11,218
Less: Accumulated amortisation	-	-	(1,496)	(1,496)
Net book value	<u>-</u>	<u>-</u>	<u>9,722</u>	<u>9,722</u>
As at 31 December 2017:				
Cost	-	-	9,046	9,046
Less: Accumulated amortisation	-	-	(868)	(868)
Net book value	<u>-</u>	<u>-</u>	<u>8,178</u>	<u>8,178</u>

A reconciliation of the net book value of intangible assets for the years 2018 and 2017 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Net book value at beginning of year	248,664	258,843	8,178	4,620
Additions in computer software	2,272	4,526	2,173	4,355
Increase from acquisition of investment in subsidiary	18,700	-	-	-
Disposals of computer software	-	(2,583)	-	-
Amortisation	(13,930)	(11,440)	(629)	(457)
Adjustment	-	(682)	-	(340)
Net book value at end of year	255,706	248,664	9,722	8,178

14. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Trade accounts payable - related parties	-	-	4,353	68
Trade accounts payable - unrelated parties	273,632	100,995	61,362	36,086
Other payables - related party	78	-	173	7,376
Other payables - unrelated parties	52,912	28,581	10,799	7,441
Total trade and other payables	326,622	129,576	76,687	50,971

15. Liabilities under finance lease agreements

	(Unit: Thousand Baht)	
	Consolidated / separate financial statements	
	2018	2017
Liabilities under finance lease agreements	11,744	790
Less: Deferred interest expenses	(526)	(8)
Total	11,218	782
Less: Portion due within one year	(4,005)	(768)
Liabilities under finance lease agreements - net of current portion	7,213	14

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 2018		
	Less than		
	1 year	1 - 4 years	Total
Future minimum lease payments	4,006	7,213	11,219
Deferred interest expenses	(1)	-	(1)
Present value of future minimum lease payments	4,005	7,213	11,218

	(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

Significant actuarial assumptions are summarised below:

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	1.81	2.30 - 2.40	1.81	2.40
Future salary increase rate	4	5	4	5
Employee turnover rate (depending on age)	0 - 49	0 - 34	0 - 49	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 2018 and 2017 are summarised below:

(Unit: Million Baht)

	As at 31 December 2018			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(0.69)	0.76	(0.69)	0.76
Salary increase rate	0.63	(0.58)	0.63	(0.58)
Turnover rate	(0.77)	0.36	(0.77)	0.36

(Unit: Million Baht)

	As at 31 December 2017			
	Consolidated		Separate	
	financial statements		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

Significant actuarial assumptions are summarised below:

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	1.81	2.30 - 2.40	1.81	2.40
Future salary increase rate	4	5	4	5
Employee turnover rate (depending on age)	0 - 49	0 - 34	0 - 49	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 2018 and 2017 are summarised below:

(Unit: Million Baht)

	As at 31 December 2018			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(0.69)	0.76	(0.69)	0.76
Salary increase rate	0.63	(0.58)	0.63	(0.58)
Turnover rate	(0.77)	0.36	(0.77)	0.36

(Unit: Million Baht)

	As at 31 December 2017			
	Consolidated		Separate	
	financial statements		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

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for long-term employee benefits of Baht 3 million (The Company only: Baht 3 million). The Company and its subsidiaries will reflect the effect of the change by recognising past services costs as expenses in the income statement of the period in which the law is effective.

17. 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.

18. Expenses by nature

During the years ended 31 December 2018 and 2017, significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Salaries and wages and other				
employee benefits	194,022	194,751	140,777	113,725
Depreciation and amortisation	18,777	17,219	17,996	15,637
Rental expenses from operating lease				
agreements	23,437	24,775	11,116	12,003

19. Income tax

Income tax expenses for the years ended 31 December 2018 and 2017 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Current income tax:				
Current income tax charge				
for the year	26,860	25,697	11,261	9,895
Deferred tax:				
Relating to origination and reversal				
of temporary differences	(627)	(2,443)	552	480
Income tax expenses reported in the statement of comprehensive income	26,233	23,254	11,813	10,375

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2018 and 2017 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Deferred tax relating to gain (loss) on changes				
in value of available-for-sale investments	183	(240)	(14)	(27)
Deferred tax relating to actuarial loss	931	-	931	-
	1,114	(240)	917	(27)

The reconciliation between accounting profit and income tax expenses for the years ended 31 December 2018 and 2017 are as follows:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Accounting profit before tax	140,045	130,780	123,451	112,558
Applicable tax rate	8.25% - 25%	17%, 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	28,555	26,018	24,690	22,512
Effects of:				
Non-deductible expenses	163	2,901	134	2,678
Additional expense deductions allowed	(1,330)	(4)	-	-
Non-taxable incomes	(528)	(3,218)	(13,563)	(15,295)
Others	(627)	(2,443)	552	480
Total	(2,322)	(2,764)	(12,877)	(12,137)
Income tax expenses reported in the statement of comprehensive income	26,233	23,254	11,813	10,375

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	
	2018	2017	2018	2017
Deferred tax assets				
Allowance for doubtful accounts	90	75	90	75
Allowance for impairment of assets	-	4	-	1
Provision for long-term employee benefits	3,398	3,323	3,398	2,142
Deferred rental expenses	318	257	318	257
Accumulated depreciation - Motor vehicles	1,499	2,450	1,499	2,450
Total deferred tax assets	5,305	6,109	5,305	4,925
Deferred tax liabilities				
Unrealised gain on changes in value of available-for-sale investments	41	224	41	27
Intangible assets - Customer relationship	41,842	39,317	-	-
Total deferred tax liabilities	41,883	39,541	41	27
Deferred tax assets (liabilities) - net	(36,578)	(33,432)	5,264	4,898

20. 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 years ended 31 December					
Profit for the year		Weighted average number of ordinary shares		Earnings per share	
2018	2017	2018	2017	2018	2017
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company		96,193	89,700	651,900	651,900
				0.15	0.14
Separate financial statements					
For the years ended 31 December					
Profit for the year		Weighted average number of ordinary shares		Earnings per share	
2018	2017	2018	2017	2018	2017
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company		109,748	102,183	651,900	651,900
				0.17	0.16

21. 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 2018 and 2017.

(Unit: Million Baht)

For the year ended 31 December 2018						
	Sea freight	Air freight	Logistics	Total reportable segments	Adjustments and eliminations	Consolidated
Service income						
Revenue from						
external customers	610	855	367	1,832	-	1,832
Inter-segment revenue	21	48	3	72	(72)	-
Total revenue	631	903	370	1,904	(72)	1,832
Operating results						
Segment profit	134	173	82	389	-	389
Other income						18
Depreciation and amortisation						(33)
Selling and administrative expenses						(229)
Finance cost						(5)
Profit before income tax expenses						140
Income tax expenses						(26)
Profit for the year						114
Segment total assets						
Unallocated assets						1,420
Total assets						1,420



(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
Operating 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

Geographic information

During the years ended 31 December 2018 and 2017, revenue from external customers is based on locations of the customers.

(Unit: Thousand Baht)

	2018	2017
Revenue from external customers		
Thailand	108,066	298,213
Singapore	254,179	268,844
Hong Kong	76,296	-
China	361,357	163,935
Malaysia	7,373	-
United State of America	121,380	149,136
Others	903,462	516,240
Total	1,832,113	1,396,368
Non-current assets (other than financial instruments, deferred tax assets, net defined benefit assets and rights arising under insurance contracts)		
Thailand	540,558	495,186
Singapore	709	707
Hong Kong	1,411	-
Malaysia	48,666	-
Total	591,344	495,893

Major customers

For the years ended 31 December 2018 and 2017, the Company and its subsidiaries have no major customer with revenue of 10% or more of an entity's revenues.

22. 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 2018 amounting to approximately Baht 3.04 million were recognised as expense in consolidated financial statement (Separate financial statements: Baht 2.9 million) (2017: Baht 2.9 million, Separate financial statements: Baht 1.88 million).

23. Dividends

Dividend declared during the years ended 31 December 2018 and 2017 consisted of the followings.

Dividends	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)	Dividend payment date
Final dividends for 2016	Annual General Meeting of shareholders on 20 April 2017	52.1	0.08	16 May 2017
Total dividends paid in 2017		<u>52.1</u>	<u>0.08</u>	
Final dividends for 2017	Annual General Meeting of shareholders on 25 April 2018	78.2	0.12	16 May 2018
Total dividend paid in 2018		<u>78.2</u>	<u>0.12</u>	

24. Commitments and contingent liabilities

24.1 Capital commitment

As at 31 December 2018, the Company had capital commitment of approximately Baht 10.9 million (2017: Baht 0.65 million), relating to the leasing of Prime mover and trailer for business operation.

24.2 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	
		2018	2017
Payable:			
In up to 1 year		26.4	27.5
In over 1 and up to 5 years		23.3	15.1
In over 5 years		18.4	19.9

24.3 Guarantees

As at 31 December 2018 and 2017, there were outstanding bank guarantees of approximately Baht 2.1 million, SGD 0.4 million and HKD 1.8 million issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business.

25. Fair value hierarchy

As at 31 December 2018 and 2017, 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 2018			
		Level 1	Level 2	Level 3	Total
Assets measured at fair value					
Available-for-sale investments					
Investment units	-	89.03	-	89.03	
Liability for which fair value are disclosed					
Derivatives					
Foreign currency forward contracts	-	0.06	-	0.06	

(Unit: Million Baht)

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

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2018				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Investment units	-	89.02	-	89.02
Liability for which fair value are disclosed				
Derivatives				
Foreign currency forward contracts	-	0.06	-	0.06

(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

26. Financial instruments

26.1 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, short-term loans, restricted bank deposits, trade and other payables, long-term loans from banks 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 and long-term loans from banks. 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 2018						
	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	-	-	208	-	208	0.15 - 0.38
Current investments	101	-	-	-	101	0.35 - 0.90
Trade and other receivables	-	-	-	442	442	-
Short-term loans to related person or related parties	9	-	-	-	9	1.50 - 2.00
Restricted bank deposits	2	-	-	-	2	0.35 - 1.00
	112	-	208	442	762	
Financial liabilities						
Trade and other payables	-	-	-	327	327	-
Liabilities under finance lease agreements	11	-	-	-	11	3.25 - 11.07
	11	-	-	327	338	

(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)

	Separate financial statements					
	As at 31 December 2018					
	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	-	-	46	-	46	0.25 - 0.38
Temporary investments	91	-	-	-	91	0.90
Trade and other receivables	-	-	-	189	189	-
	91	-	46	189	326	
Financial liabilities						
Trade and other payables	-	-	-	77	77	-
Liabilities under finance lease agreements	11	-	-	-	11	3.25 - 11.09
	11	-	-	77	88	

(Unit: Million Baht)

Separate 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	-	-	152	-	152	0.25 - 0.38
Temporary 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	

Foreign currency risk

The Company and its subsidiaries' 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	
	2018	2017	2018	2017	2018	2017
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	0.7	2.9	0.6	0.3	32.45	32.68
HK dollar	-	-	0.7	-	4.14	4.18
SG dollar	-	-	0.1	-	23.69	24.45
JPY	-	-	1.8	-	0.29	0.29

As at 31 December 2018, the outstanding foreign exchange contracts of the Company are summarised below.

Foreign currency	Bought amount	Contractual exchange rate - bought	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	7.6	32.33 - 33.22	21 February - 3 July 2019

As at 31 December 2018, the Company would have unrealised loss approximately Baht 0.06 million, if the Company recorded the forward contracts at fair value.

26.2 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.

27. 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 2018 and 2017, the Group's debt-to-equity ratio was 0.48:1 and 0.23:1, respectively (the Company's was 0.20:1 and 0.09:1, respectively).

28. Events after the reporting period

The meeting of the Company's Board of Directors held on 25 February 2019 passed a resolution to propose to the Annual General Meeting of the Company's shareholders of the year 2019 for an approval of a dividend payment from the operations for the year 2018. The Company will pay a cash dividend at Baht 0.13 per share, or equivalent to amount of not exceed Baht 84.75 million. Dividend will be paid and accounted for after the approval of the Annual General Meeting of the Company's shareholders.

29. Approval of consolidated financial statements

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 25 February 2019.

4

Information and other important information

4.1 Reference

Registrar	Thailand Securities Depository Company Limited
Location	93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand
Tel	0 2009-9000
Fax	0 2009-9991
E-mail	SETContactCenter@set.or.th
Website	www.set.or.th/tsd
Auditor	E Y Office Company Limited by Miss Orawan Techawatanasirikul (Certified Public Accountant No. 4807) or Mr. Sophon Permsirivallop (Certified Public Accountant No. 3182) or Miss Rungnapa Lertsuwankul (Certified Public Accountant No. 3516) or Miss Rosaporn Decharkom (Certified Public Accountant No. 5659) or Miss Sumana Punpongsanon (Certified Public Accountant No. 4872)
Location	Lake Ratchada Office Complex Building No. 193 / 136-137, 33 Floor, Ratchadapisek Road ,Klong Toei District, Bangkok 10110
Tel	0-2264-0777, 0-2661-9190
Fax	0-2264-0789-90
E-mail	ernstyoung.thailand@th.ey.com
Internal auditor	Well Planning Solution Company Limited by Miss Woralak Limsookprasert and Miss Hussaya Jaijutsak
Location	11 Soi 6 Borommaratchachonnani Road, Bang Bumru, Bang Phlat, Bangkok 10700
Tel	0-2434-3746
E-mail	wpsthai@gmail.com
Bondholders' representatives	None
Financial advisor	Phillip Securities (Thailand) Public Company Limited

Consultant or manager under the management contract None

4.2 Basic information for Investors

Name	WICE (Listed on the Stock Exchange of Thailand)
Registration Number	0107558000156
Business type	International Logistics Service and Solution Provider
Website	www.wice.co.th
Year of establishment	1993
The first day of trading at the stock market	28 July 2015
Head Office	88/8 Nonsee Road, Chong-Nonsee, Yannawa, Bangkok 10120
Registered capital	325,949,750 baht
Paid-up capital	325,949,750 baht Consisting of 651,899,500 ordinary shares
Par value	Ordinary shares at 0.50 baht per share
Preferred shares	None
Accounting period	1 January - 31 December

Contact Info

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