



2020

ANNUAL REGISTRATION STATEMENT/ ANNUAL REPORT

บริษัท ซีเฟรชอินดัสตรี จำกัด (มหาชน)
Seafresh Industry Public Company Limited



Board of Directors



Mr. Narit Chia-apar
Chairman of the Board and Chief Executive Officer



Mrs. Tassanee Youngmeevithya
Director and Deputy Chief Executive Director



Mr. Chintat Chia-apar
Director and Chief Corporate Development Officer



Dr. Kamales Santivejkul
Independent Director and Chairman of Audit Committee



Dr. Sorachai Bhisalbutra
Independent Director and Member of Audit Committee



Dr. Worapong Leewattanakit
Independent Director and Member of Audit Committee



Mr. Narongrit Chiarawongvanit
Director



Mrs. Supanee Punnasri
Independent Director

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Message form Chairman

For the year 2020, which is the year of the global challenges facing the coronavirus crisis, it has a direct impact on the global economy and business environment. However, there are still volumes that are similar to the previous year. Farmers in some areas are still fighting shrimp disease. On the other hand, global shrimp production decreased approximately 3% compared to the same period last year.

The impact of COVID-19 has led the European Union to introduce strict epidemic control measures. In particular, the European market, the Seafresh Group's main market, was also largely affected by the uncertainty over the conclusions of the trade negotiations between Thailand and the European Union. Because there are still ongoing negotiations and although Britain's separation from the European Union (Brexit) that has been concluded. Unfortunately, Thailand has not received any special privileges. However, Thailand itself is in the process of negotiating a Joint Trade Review with the UK, which is a way to promote trade relations between each other, that this negotiation may improve competitiveness.

Among the negative factors, however, Seafresh continues to focus on product quality, food safety, traceability, on time delivery and cost control to keep the price competitive. As a result, the Company has remained one of the lists of Thailand Sustainability Investment (THSI) for the sixth consecutive year. Sustainable Year 2020 from Thaipat Institute both of these awards are given to listed companies for disclosure of operational information that demonstrates their sustainability and contribute to creating value for society and the environment.

For the business outlook in 2021, the Company will continue to focus on own shrimp farming to reduce the risk of shrimp raw materials. As well as, the Company will continues to expand the domestic market by selling products to customers in the country through their own stores, including wholesalers, retailers and the HORECA.

Finally, the Company would like to thank our shareholders, customers, business partners and employees who have always trusted and supported our operations. The company would like to be a part in encouraging people who are affected and we will go through this crisis together

(Mr. Narit Chia-apar)
Chairman of the Board of Directors



MISSION

"The Best Shrimp
Company"

VISION

"Sustainable Business Growth
Through Core Value Practices"

CORE VALUES

- Social Responsibility
- Ethic & Integrity
- Transparency



KEY FINANCIAL INFORMATION

	31 December		
	2020	2019	2018
Financial Statements (Thousand Bath)			
Total Assets	4,458,056	4,724,640	4,800,287
Total Liabilities	2,882,816	2,921,928	2,731,417
Total Shareholders' Equity	1,575,239	1,802,712	2,068,871
Sales	5,835,721	5,474,130	7,911,094
Total Revenue	5,871,890	5,531,982	8,000,468
Earning before Interest and Taxes	(117,621)	(82,293)	263,542
Profit (Loss) attributable to equity holders of the company	(282,418)	(218,214)	19,696
Allowance for decline value of inventories	65,835	98,800	92,273
Financial Ratio			
Current Ration	0.92	1.29	1.82
Quick Ratio	0.36	0.42	0.60
Inventory Turnover Ratio	3.54	10.64	11.86
Day Inventory Held	103	34	30
Gross Margin Ratio	8.22%	8.49%	9.82%
Operating Income Ratio	-1.63%	-1.50%	3.33%
Profit Margin Ration	-4.12%	-3.70%	1.12%
Earning per Shareholders' Equity	-14.23%	-10.58%	4.25%
Return on Assets	-5.23%	-4.30%	1.73%
Debt-Equity Ratio	1.83	1.62	1.32
Interest Coverage Ratio	1.33	1.48	14.14



Business Operation Overview

Business Structure

Policy and Business Operation Overview



Seafresh Industry Public Company Limited (CFRESH) is one of the leaders in frozen shrimp products. The company is operating business more than 30 years. We distribute products to all regions of the world such as North America, Europe, Asia, Africa and Oceania. The full capacity of production is over 30,000 tons per year with modern and standardized processes. The plant is located near large sources of raw materials. We have various products as the following frozen raw shrimp, frozen cooked shrimp, value-added shrimp products, other seafood products, and related products. The operation complied with food safety management, modern technology and reliable traceability systems. We have been committed to continually improve quality system, so CFRESH has received several international standard certifications such as GMP, HACCP, ISO9001, ISO14001, ISO45001, FSSC22000, BRC, BAP, ASC etc.

At present, the company established a new subsidiary to conduct aquaculture business to supply raw materials for the company to comprehensive supply chain from upstream to downstream according to emphasize sustainable business growth. The company has expanded investment in other countries. (7 Company's subsidiaries base in United Kingdom, 2 companies in United States and 1 affiliated company in Belize). These companies and farm can increase intimacy between consumer and distribution channel, and also strengthen the supply chain management of the company.

The Company Performance Policy

S|U|C|C|E|S|S

Shareholders

Safeguard the interests of shareholders by adding value to the business under the principles of good governance

Ultimate Results

Results-based management where all departments must achieve their undertaking target in accordance to the strategic plan and business plan.

Customers

Satisfy the customers by producing quality products and timely delivery.

Corporate Risk Management

Manage various business risks by generally accepted standards.

Employees

Manage human resources with efficiency and fairness in order to enhance the good environment and quality of work life that can yield its full potential.

Suppliers

Select vendors who have management capabilities, possess approach that is consistent with the company policy, and have willingness to strengthen relations and strategic cooperation to jointly maximize business benefits.

Social and Environment

Conduct business with regard to social responsibility, community and strict compliance with the law and environmental regulations.

Corporate Sustainability Drivers Strategies

S

Sales Turnover and Revenue Growth with Sustainability

The company targets constantly growth in sales and revenues by focusing on fresh and safety product, which is the company's competitiveness, as well as oversea business and market expansion.

H

Home Proud of Quality and Food Safety

The company has operated production follow the food safety principles by modern machines and technology. Also, the company has a reliable traceability system with international standards.

R

Risk Management, Social Responsibility and Corporate Governance for Sustainability

The company accepts that emphasizes on risk management, responsibility to community, and good corporate governance will lead to corporate sustainability. Furthermore, the company also focuses in Supply Chain Management, Relationship management, and partnership with suppliers.

I

Information Technology and Innovation to Improve Business Process and Strategic Decision Making

The company is focusing on development of information and communication technology and innovation which are the imperative elements for the business development and strategic decision making.

M

Margin Management through Cost per Unit Reduction

The company emphasizes on controlling costs of sales to increase competitive pricing by reducing waste production and lead time.

P

People and Organizational Development

The company highlights in human rights and strives to continuously enhance all employees' potential, good attitude in both life and work, including strong corporate culture and compliance with the company's Code of Conduct.

Key Changes and Development

2011

- October, established a new subsidiary Seafresh Industry Invest Limited (SII) and invested in Blue Earth Foods Limited (BEF) in UK
- November, SII established a new Sea Farm Limited (SF) in UK

2012

- August, SII invested in Belize Aquaculture Limited (BAL) in Belize

2013

- January, invested in Manufacturing System Implementation Company Limited (MSI), Thailand
- February, CFRESH & SII established a new subsidiary Sea Farm ,Inc (SFI) in U.S.A
- March, CFRESH & SII established a new subsidiary Prochaete Innovations Limited (PCI) in UK

2014

- November, SII changed the company's name to be Seafresh Group (Holding) Limited (SGH)

2015

- August, established a new subsidiary Seafresh IHQ Limited (SIHQ) Thailand

2016

- January, SIHQ has increased authorized share capital for THB 890 million from THB 10 million into THB 900 million
- Midyear, commenced shrimp farming which complies with requirements and International Standard for producing high quality shrimp to meet the high-end customers
- September, Seafresh Group established a new subsidiary Sea Farm Nutrition Limited (SFN) in UK

2017

- December, implemented the company group restructure by selling 12% of SGH paid-up shares held by CFRESH to SIHQ

2018

- January, SIHQ purchased 16.55% of SGH Paid-up shares held by other shareholders
- Early year, began to operate animal feed and animal feed supplements business in U.S.A through Sea Farm Nutrition, Inc. (SFNI)
- May, established a new subsidiary Seafresh Farm Company Limited, in Thailand for conducting aquaculture business to supply raw materials for the company

2019

- March, approved to increase the registered capital of Seafresh Farm Company Limited by Baht 300 million to a total of baht 330 million

2020

- July, established a new subsidiary Mudwalls Farm Limited in UK
- August, established a new subsidiary 44 Foods Limited in UK



The Use of Funds

The Purpose	Amount	Time	Detail / Progress
For using in general business operation and/or working capital and/or payment of loans and/or investment of the Company and its subsidiaries.	BTH 500,000,000	3 Years	The Company has arranged for the bond repayment for both principal and interest to bondholders completely on 9 November 2020.
For using in general business operation and/or working capital and/or payment of loans and/or investment of the Company and its subsidiaries.	BTH 500,000,000	5 Years	The Company pays interest on debentures every 6 months on the interest payment due date. The maturity date is May 27, 2021.

This is according to the Securities and Exchange Act B.E. 2535.

Nature of Business

Revenue Structure

Revenue Structure ⁽¹⁾	Operated by	2020		2019		2018	
		Million Baht	%	Million Baht	%	Million Baht	%
Frozen Raw Shrimp	CFRESH, SF, SFI	736	13	1,040	19	1,260	16
Frozen Cooked Shrimp	CFRESH, SF, SFI	1,286	22	715	13	1,237	16
Value Added Shrimp	CFRESH, BEF, SFI	2,900	50	2,909	53	4,427	56
Other seafood products and related products	CFRESH, BEF, SF, PCI, SFN, SFNI, SFF, MFL, 44Foods	914	15	810	15	987	12
Other Sales and Service	MSI, SIHQ	19	0	29	0	21	0
Other Incomes		17	0	29	0	27	0
Totals⁽²⁾		5,872	100	5,532	100	7,959	100

Noted:

(1) All revenue already deducted related transaction.

(2) Total Revenue excluded gains and losses on exchange rate

Products

(1) Products

The 4 Group's main products of CFRESH and its subsidiaries are as follows:

Group 1 Frozen raw Shrimp product

Group 2 Frozen cooked Shrimp product

Group 3 Value added shrimp product such as breaded shrimp, tempura shrimp and sushi shrimp etc.

Group 4 Other seafood products such as raw seafood, ready-to-eat seafood.

The products will be distributed and exported covering overseas countries under "Seafresh", "Sea Angel", "Thai Chia", "Go Go", "Ultra" trademark and customers' brand.

Our Brands



Our Products



Frozen Raw



Frozen Cooked



Value Added



Other Seafood

Promotional Privileges

1) Promotional privileges by the Board of Investment

The Company has been granted various promotional privileges by the Board of Investment under the Investment Promotion Act. B.E.2520. Details of the promotion certificates are as follows:

<u>Certificate No.</u>	<u>Certificate's Date</u>	<u>The Promoted Business</u>	<u>Date of first earning operating income</u>
1739(3)/2550	4 June 2007	The manufacture of frozen seafood, and frozen processed and semi-processed seafood products.	1 July 2011
1740(2)/2550	20 June 2007	The manufacture of frozen seafood products.	1 July 2011
1070(2)/2557	9 January 2014	The manufacture of frozen seafood products.	13 July 2019
1075(3)/2557	10 January 2014	The manufacture of frozen seafood products.	4 July 2019

Subject to certain imposed conditions, the privileges granted under the Company's promotion certificates include the following:

- Permission to own land in order to carry on the promoted activities, as deemed appropriate by the Board of Investment.
- Exemption from import duty on machinery imported for use in production, as approved by the Board.
- Exemption from corporate income tax on net profit for a period of eight years commencing as from the date of first earning income from the promoted operation. (Exemption certificate no. 1740(2)/2550 and 1070(2)/2557 not exceed 100 percent of investment).
- Exemption from income tax on dividends paid from the profit of the promoted operation, for a period of eight years.
- Permission to deduct costs of installation or construction of public utilities at the rate of twenty-five percent in addition to normal depreciation charges.

2) Other tax incentives

Seafresh IHQ Company Limited was granted an approval to operate as "International Headquarter" (IHQ) by the Revenue Department which shall be entitled to the reduction of income tax rate and the exemption of income tax for 15 accounting periods beginning from 1 January 2016 which the tax measures expired on June 1, 2019. In this regard, Seafresh IQ Company Limited has requested to change from the international headquarters (IHQ) to be an international business center (IBC) to receive tax privileges for the 15 accounting periods, which the company was approved by the Director-General of the Revenue Department on 20 June 2019. However, the tax benefits received are as follows:

1. Reducing corporate income tax rates for IBC's residual income, collecting 3, 5 or 8 percent as expenses 600 million, 300 million, 60 million respectively
2. Corporate income tax exemption for income from dividends received from affiliated enterprises.
3. Special business tax exemption for revenue from financial management services for affiliated enterprises.
4. Reduce the personal income tax rate for foreigners who work for IBC by 15 percent.
5. Corporate income tax exemption for income, dividends and interest that a company or juristic partnership established under foreign laws and not operating in Thailand receives from IBC.

In addition, in 2020, the Company has studied in order to bring innovation and new technology to use in the production process for increasing the quality of products and for increasing the efficiency in the production process. Study and application of the “Visual System” technology is in the production process at the point of checking the size and the sorting system. In order to be more accurate in the production process and replace the manual labor in the decision-making process and to reduce the risk in the error of human labor. Also, it is able to work continuously. In this year, the Company has expenditure on Research and Development for technology and innovation amount Bath 1 million approximately.

(2) Marketing and Competition

Marketing Strategies

1. Seafresh's factory is based in Chumphon. The location is near a lot of good quality shrimp farms, so the company can supply large quantities and high-quality materials through the year and save cost of transportation.
2. The Company's major export markets are USA, Asia, European Union, USA, Canada, and others. The Company's policy is diversified exports to each country in the right proportions for reduce the risk of dependence on a single market.
3. The Company's strategy to retain customers with on-time delivery and honesty to clients. The Company increases customer satisfaction by meet the agreement and focus on quality of products and great services.
4. The Company focuses on shrimp products which make company expertise in shrimp. Moreover, the company also focuses on developing products resources with high quality and includes skill workers with expertise in the shrimp business. Therefore, the company can run operations smoothly and efficiently.
5. The Company focuses on sustainable business with suppliers and environmentally friendly.
6. In accordance with the Company business core value which emphasizes sustainable business growth, the company establishes own shrimp farm for the purpose of business expansion to comprehensive with supply chain. This farm is a model farm which certified high standard and meet customers' requirements. Furthermore, the farm can be a role model to shrimp farmers for developing their farms.
7. The Company has expanded its investment overseas to increase marketing channels to be closer to consumers and strengthening the supply chain management.

8. The Company starts expanded Domestic business by focusing on Re-Processor Factory, HORECA Business, and Wholesaler and Retailer

Marketing Policy

Company's policy is to produce high quality and high standards with advanced technology and high performance in order to maximize customers' satisfaction. In 2020, the company got 92% Satisfaction score from the customer's satisfaction survey.

The company has a policy of producing quality products and high standards with modern production technology and high efficiency, the company attaches importance to investment in machinery in the production process and focus on continuous development Including having a system to inspect product quality at every step, make the company's products has been certified at the international and national quality and food safety systems as follows:

- **Global Standard for Food Safety (BRC) Standard** is the standards that guarantee the standardization of quality, safety and operational criteria. The standard is developed by food industry experts from retailers, manufacturers and food service organizations from England and some countries of European Union to ensure it is rigorous and detailed.
- **FSSC 22000** from ANSI National Accreditation Board (ANAB) is a complete certification scheme for Food Safety Management Systems FSSC 22000 is a combination of two well-established standards: ISO 22000 and PAS 220 which there are 2 standards about food safety for food manufacturers.
- **Best Aquaculture Practices (BAP) Standard** from Global Aquaculture Alliance is the world's most trusted, comprehensive and proven third-party aquaculture certification program. The standard combines of food safety, traceability of supply chain and environmental, occupational health and safety management.



- **Aquaculture Stewardship Council (ASC) Chain of Custody Standard** from "Accreditation Services International (ASI)" is a sustainable aquaculture standard and be able to trace back source of seafood from the production to consumer.

- **Good Manufacturing Practice (GMP)**

from Department of Fisheries, and GMP Codex Alimentarius from National Bureau of Agricultural Commodity and Food Standards (ACFS), Ministry of Agriculture and Cooperatives as a standard of hygienic management in production and food safety.

- **Hazard Analysis Critical Control Point (HACCP)** or systems addresses food safety through the analysis and control of manufacturing food from Department of Fisheries and HACCP Codex Alimentarius from National Bureau of Agricultural Commodity and Food Standards (ACFS), Ministry of Agriculture and Cooperatives as standard of food safety management for preventative approach to food safety and focus in production and distribution of food. It's the most significant aspects of quality and safety.
- **Q-Mark** from Department of Fisheries is certificate that the company has a quality system and product meets standard of Q-Mark.

- **ISO 9001** from ANSI National Accreditation Board (ANAB) is an international standard that business organizations around the world value. This is for quality excellence and the efficiency of operations within the organization.
- **Halal Standard** from The Central Islamic Council of Thailand is the integration process system from beginning to end of the "chain of production". Halal is complied with Islamic law and gets great hygienic food products with nutritional value.
- **ISO/IEC 17025** from "Bureau of Laboratory Quality Standards", Ministry of Public Health is the Accreditation of Laboratory system.
- **The Fair Trade USA Aquaculture Certificate** is that the Company has demonstrated the development of international labor standards, such as reasonable hours of labor, free of child labor, union law, and fair wages also including, a commitment to the Fair Trade, the environmentally sustainable on production method and the effort to support community development.

Customer Types

There are divided into 5 categories as follows:

- Importer: import for distribute to wholesalers and restaurants.
- Wholesaler: import for sell to retailers and restaurants.
- Retailer: import for sell to the chain stores.
- Re-processor: import for raw or cooked shrimp to make new process or change new packaging.
- Food Service/HORECA Business: consist of Hotel, Restaurant, Café and Catering. This group might be able to stimulate the economic growth.

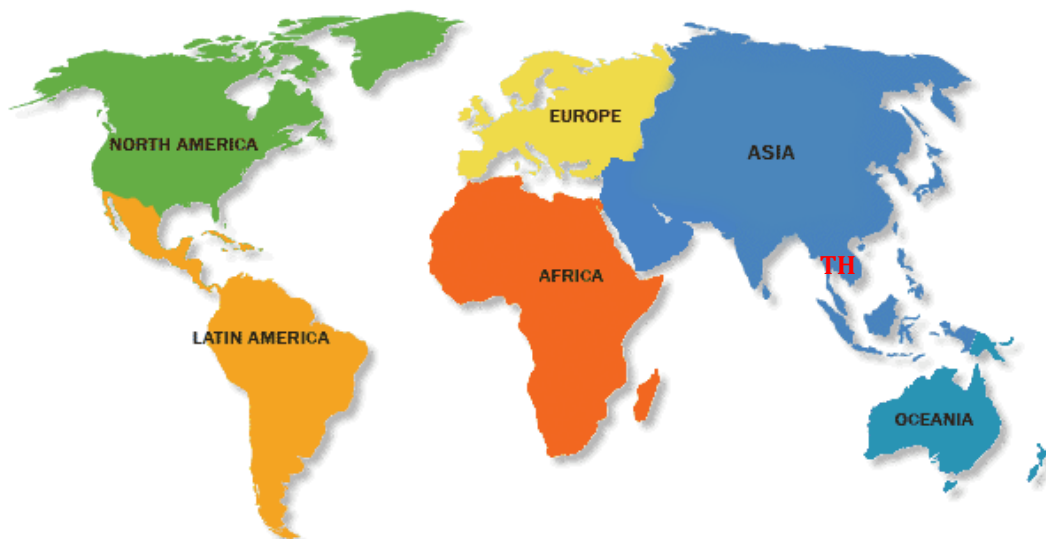
Distribution and Distribute Channel

Most of Seafresh Industry Public Company Limited products are sold abroad under company trademark and customers' trademark. The Company deals directly with the customers who are the main retailers in each market. The company serves more than 100 clients who spread across the globe.

In 2020, the Company has expanded the domestic market in the group of Re-Processor, HORECA Business Group, Wholesaler and Retailer. This caused the sales of this group to increase many times over the past year. As well as, the company continues to expand the domestic market continuously.

Sales proportion value group by specific regions.

Sales proportion value group by specific regions of Seafresh Industry Public Company Limited included its subsidiaries during 2018-2020.



Description	2020 (%)	2019 (%)	2018 (%)
1. European Union	61	63	68
2. U.S.A and Canada	23	20	17
3. Asia	12	16	15
4. Australian, New Zealand and others	0	0	0
5. Thailand	4	1	n/a
Total	100	100	100

Market Competition

Shrimp production in 2020 (based on references from the Department of Fisheries), the total production produced by Thailand was 245,000 tons, a 6% decrease from last year due to an epidemic in shrimp (Red and white eye disease) and uncertainty in the situation of the spread of the COVID-19 among farmers. Thus, these have resulted in a decrease in Thai shrimp production.

Global shrimp production was approximately 3.3 million tones, a 3% decrease from the previous year. As the main shrimp producing countries have decreased shrimp yield, except Ecuador where is able to produce more shrimp.

As a whole of the shrimp industry in 2020, the markets in each country have large shrimp imports from Ecuador and India. Because it is a country that can produce a lot of shrimp and the price is low compared to the products of Thailand. For this reason, it has decreased the competitiveness of Thailand's market. In addition, the HORECA customer business group was also affected by the COVID-19 epidemic, resulting in a decrease in orders from these customers. By the main competitors of Thailand, there are still India, Vietnam, Indonesia and Ecuador.

Shrimp Export during the year 2020

North American Market

Due to the ongoing situation of the COVID-19 epidemic across the country, as a result, food businesses such as hotels and restaurants have more stringent measures. Causing consumers to travel to eat out less. Due to concerns about the spread, however, the demand for shrimp in the retail segment has increased. Most of them are purchased from supermarkets and online stores.

For the year 2020, the Company's exports to the US market increased by 15% compared to the previous year. Most of them are retail markets. In addition, the company has to keep an eye on the progress of the trade negotiations on how it will affect shrimp exports to the US market.

Asia Market

Overall seafood consumption did not increase. Due to the epidemic situation of the COVID-19 virus, consumer demand is largely dependent on restaurants. In the part of retail stores such as supermarkets and home delivery service, although, the demand for this part is increasing but this could not replace the decline in seafood sales from restaurants and hotels. In 2020, the Company's exports go to Asian markets, down 23 percent from the previous year.

Europe Market

The EU (EU) import volume of shrimp has decreased as a result of the COVID-19 epidemic situation, as is the case with global markets. Causing the consumption of shrimps to decrease and most consumers choose to cook in the home mainly. By purchasing raw materials from supermarkets or through online channels as for Thailand, shrimp exports to the EU and the UK decreased approximately 20 percent compared to the same period last year.

On the part of the company, the value of the Company's merchandise exports to the EU market dropped by 50%. However, the Company expanded its investment by establishing a further subsidiary in England that would be able to increase the choice of channels for consumers and to help strengthen the company's distribution channels.

Negotiations on the BREXIT have been completed. However, shrimp products from Thailand are still subject to import tariffs. Because Thailand does not receive any special privileges both exports to the European Union and the United Kingdom. This causes exporters from Thailand to lose their ability to compete with other competing countries that still receive Generalized System of Preferences (GSP) or have a Free Trade Agreement (FTA). The Thai government is in the process of negotiating the FTA with both the European Union and the UK for certainly situation.

(3) Product and Service Management

Production

Seafresh Industry Public Company Limited (CFRESH) has a plant in Chumphon province. The total capacity for the major products in 2018-2020 as follows:

Full capacity and actual capacity (include subsidiary)

Capacity (Ton)	2020	2019	2018
Full capacity	30,000	30,000	30,000
Actual capacity Chilled and frozen seafood products	8,930	11,342	14,450
Capacity utilization (%)	29.77	37.81	48.17
Increase (Decrease) production rate (%)	(21.26)	(21.51)	(4.25)

Production policy depends on company's sales target which is estimated every year.

Raw Material and Suppliers

The origins of products of the company and its subsidiaries have come from many countries such as countries in America and Asia regions. However, the portion of origin from Thailand has been about one-third of total raw materials.

Regarding Thai shrimp products, raw material more than 99 % come from Thailand as Vannamei. Source of raw shrimp from farms covers areas in Chumphon, Surat Thani, Ranong, Prachuap Khiri Khan. All raw materials are purchased from domestic suppliers. The Company will purchase raw materials from almost 300 shrimp farmers

Nowadays, the company has established subsidiary companies in order to run their own aquaculture business for using as raw materials of production for the purpose of expanding business to comprehensive supply chain. In addition, this farm is the prototype farm which certified high standard and meet customer requirements.

In 2020, Raw materials not purchase from any suppliers exceeds 30 percent of the total raw material purchase order.

Average Raw material price (Vannamei) per kilogram, 2019 (70 pieces/kg)

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Price/Baht	145	139	134	130	141	153	148	137	119	123	160	178

Raw Material Situation

Shrimp production in different countries was declining, with the exception of Ecuador that could produce more shrimp. The output was 3.3 million tons, a decrease of 3% compared to the previous year.

For the shrimp output in 2020 (refer to figures from the Department of Fisheries), the total production produced by Thailand was 245,000 tons, a 6% decrease from the previous year due to an epidemic in shrimp. (Red and white eye disease) and uncertainty in the situation of the epidemic of COVID 19 among farmers, therefore, reduce shrimp production in Thailand, together with the weather conditions that have variations making most of the yields small.

(4) Asset used in operation
Non-Current Assets

Property, Plant and Equipment in 2020

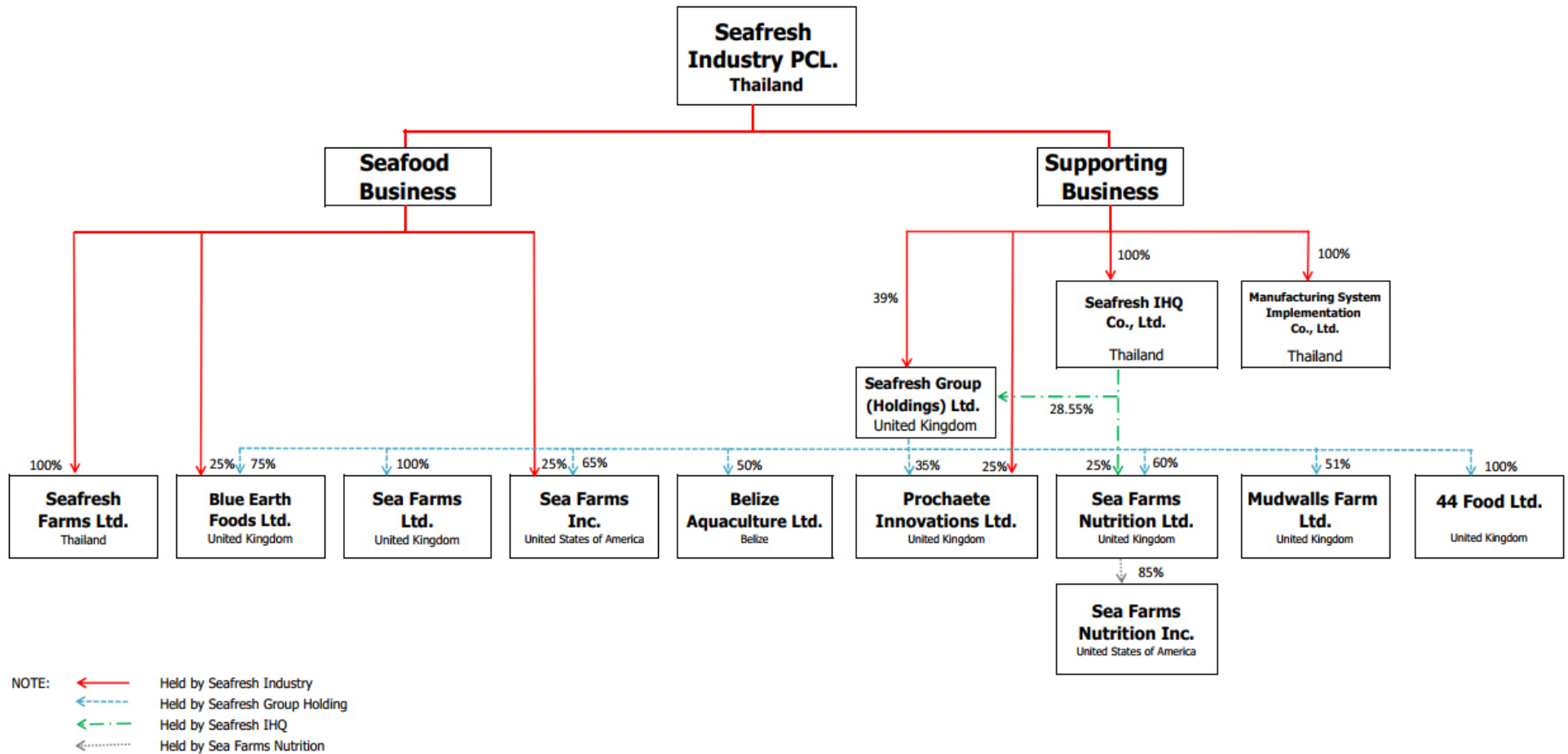
The non-current assets used in the business of the company are owned by the company. This includes assets under finance lease as of December 31, 2020.

Type	Consolidate	CFRESH		Subsidiaries	
	Net Value (Million Baht)	Net Value (Million Baht)	Obligation	Net Value (Million Baht)	Obligation
1.Land	358.35	105.28	Nil	253.07	Some guarantees with financial institutions
2.Buildings	629.41	144.83	Nil	484.58	Some guarantees with financial institutions
3.Equipment	321.21	107.34	Nil	213.87	Some guarantees with financial institutions
4. Other fixed assets	202.26	28.66	Nil	173.60	Nil

For more details of assets used in business can be found at Attachment 4.



Shareholding Group's Structure



**Name list and percentage of shareholding by business partner**

- 1) Temchu Limited holds 32.45% of SGH.
- 2) Mike & David's Fish Company holds 10% of SFL.
- 3) Blue Aqua Consultancy Limited and Valemare Limited hold 40% of PCI.
- 4) The Estate of Sir Barry M. Bowen and Bowen & Bowen Limited hold 50% of BAL which all business partners are not related.
- 5) Valemare Limited holds 15% of SFN.
- 6) George Beach and Peter Gilding & Co. Limited hold a 49% in Mudwalls Farm.

Relationship with Business Group of Major Shareholders

Company and its subsidiaries have relationship neither rely on nor complete with other businesses in major shareholder group business significantly.

Subsidiary/Associated Company which holding by CFRESH exceed 10 percent

<u>Name of company</u>	<u>Issued and paid-up share capital</u>	<u>Head Office</u>	<u>Type of Business</u>
Seafresh Group (Holding) Limited	20,000 shares of common stock, Par Value: 0.50 pound per share	United Kingdom	Investment in Manufacturing and Distributing Processed Food Products Business
Blue Earth Food Limited	30,000 shares of common stock, Par Value: 0.10 pound per share	United Kingdom	Manufacturing and Distributing Chilled Food Products
Sea Farms Limited	1 share of common stock, Par Value: 1 pound per share	United Kingdom	Importing and Distributing Seafood Products
Prochaete Innovations Limited	100 share of common stock, Par Value: 1 pound per share	United Kingdom	Research and produce fish meal replacement product
Belize Aquaculture Limited	13,750,188 shares of common stock, Par value: 1 Belize dollar per share	Belize, Center of America	Fully integrated shrimp farming operation which start from hatchery, farming, and factory
Sea Farms, Inc	10,000 shares of common stock, Par Value: 1 US dollar per share	United States	Import and Distribution Seafood Products
Manufacturing System Implementation Company Limited	50,000 shares of common stock, Par Value: Baht 60 per share	Thailand	Consultant and computer systems
Seafresh IHQ Company Limited	180,000,000 shares of common stock, Par Value: Baht 5 per share	Thailand	Management, technical support and treasury services to Companies in the Group
Sea Farms Nutrition Limited	10,000 shares of common stock, Par Value: 1 pound per share	United Kingdom	Produce and sell animals feed and nutrition
Seafresh Farms Limited	66,000,000 shares of common stock, Par Value: Baht 5 per share	Thailand	Aquaculture



<u>Name of company</u>	<u>Issued and paid-up share capital</u>	<u>Head Office</u>	<u>Type of Business</u>
Sea Farms Nutrition, Inc	10,00 shares of common stock, Par Value: 0.001 US dollar per share	Unites States	Sell animals feed and nutrition
Mudwalls Farm Limited	100 shares of common stock, Par Value: 1 pound per share	United Kingdom	Trading products of vegetables and fruits.
44 Foods Limited	100 shares of common stock, Par Value: 1 pound per share	United Kingdom	E-Commerce Platform for food products

Shareholders

List of top 10 major shareholders

At the closing date of the shareholder registration book on 16 March 2021

Shareholders		Stock amount	%
1.	Chia-apar Group	200,322,700	43.21%
2.	Mrs. Tassanee Youngmeevithya	106,200,000	22.91%
3.	Mr. Chatchai Tangsricharoenporn	18,554,900	4.00%
4.	Thai N.V.D.R. Co.,Ltd	6,712,276	1.45%
5.	Mr. Pew Apiratikul	4,430,000	0.96%
6.	Mrs. Phanphilai Supanrode	3,423,000	0.74%
7.	Mr. Anurat Mathanasarawut	3,317,600	0.68%
8.	Mr. Narongrit Chiarawongvanit	3,128,200	0.68%
9.	Mr. Sermkiat Lolak	2,606,100	0.56%
10.	Mrs. Lamipagol Srikuruwan	2,280,000	0.49%

Remarks: Chia-apar Group consists of:

1. Mr. Narit Chia-apar
2. Mr. Chintat Chia-apar
3. Miss Chankate Chia-apar

Related persons consist:

1. Mrs. Tassanee Youngmeevithya
2. Mr. Narongrit Chiarawongvanit

Shareholders able to visit website for updating information via <http://www.seafresh.com/investor> before the Annual General Meeting of Shareholders date.

Registered capital and Paid-up capital

The company has a registered capital with the Stock Exchange of Thailand, 485,694,600 baht and as of December 31, 2020, the paid-up capital is 463,549,600 baht, a total of 463,549,600 ordinary shares at a par value of 1 baht per share.

**Another Securities Issuance****Debentures****1) Debentures of Seafresh Industry Public Company Limited No. 1/2016 Due date at 2021**

Bond Type	Issuing Amount (units)	Face Value per Unit (Baht)	Issue Date	Maturity Date	Interest (%)
Name-Registered certificate of unsecured and unsubordinated debentures without debenture holders' representative	500,000	1,000	May 27, 2016	May 27, 2021 (5 years)	4.30% Fixed rate per annum (Semi-annually on Interest Payment Date)

2) Debentures of Seafresh Industry Public Company Limited No.1/2017 Due date at 2020

Bond Type	Issuing Amount (units)	Face Value per Unit (Baht)	Issue Date	Maturity Date	Interest (%)
Name-Registered certificate of unsecured and unsubordinated debentures without debenture holders' representative	500,000	1,000	November 9, 2017	November 9, 2020 (5 years)	3.60% Fixed rate per annum (Semi-annually on Interest Payment Date)

Dividend Payment Policy

The dividend payment policy is not less than 40% of net income after corporate income taxes and all types of reserved fund as required by law. Nevertheless, the dividend payment policy may change, depending on performance, cash flow, investment plan, and economic outlook. Moreover, the Board of Directors' resolution approving dividend payment shall be proposed for final approval with shareholders' meeting.

The subsidiary company's policy is to make dividend payment of no less than 50% of the net profit after tax to the shareholders of the subsidiary company. Nevertheless, the dividend payment policy may change, depending on performance, cash flow, investment plan, and economic outlook. Moreover, dividend payment shall be proposed for final approval with subsidiary's shareholder meeting.

Risk Management and Risk Factors

Risk Management Policy

The company recognizes the importance of risk at both the organizational and operational levels. Risks are caused by many factors that can occur at any time, whether within or beyond the predictions and controls of the company. When this happens, it may affect both short-term and long-term goals and objectives.

The company implements COSO (The Committee of Sponsoring Organizations of the Treadway Commission) approach to managing corporate risk. The measures cover risk factors related to strategy, overseas investment, operation, finance, regulatory compliance, and also factors related to environment, society and corporate governance which are important risk factors affecting the long-term sustainability of the organization.

Risk Factors

The following risk factors may affect our business or future performance. In addition to the risks described below, there may still be additional risks that are not currently known or that the Company seen as insignificant at present.

1. Strategic Risks

1) Market Competition

Value Added Shrimp remain an industry prone to high competition from both Thai and foreign entrepreneurs, although by 2020, the major exporters such as India and Ecuador will be the largest exporters. Infected with COVID-19, it is the top of the world, while Thailand has a much better control over the epidemic. But the frozen shrimp production and exports of these major competitors are still several times stronger and higher than that of Thailand, with production costs and export prices lower than those of Thai entrepreneurs.

On the supply side, in 2020, importing countries face the effects of the COVID-19 outbreak, universally. As a result, the overall import demand has decreased significantly from the previous year. Therefore, the competition among exporters has become more challenging in order to gain a shrinking market share, affected the Company's offering both price and quantity.

Although in 2020, Thailand's exports of frozen shrimp dropped by 9% and 10% in terms of weight and revenue respectively, but the Company are still able to maintain separate sales in 2020, similar to the year 2019 and increase the sales revenue of the group of companies 6.61% from a previous year.

Risk Management

As the major frozen shrimp exporting countries have competitive advantages in terms of yield, cost and price, the Company focuses on developing its advantages in various fields, including adaptation to meet the trends of consumers, markets and technology changes as follows:

- Creating and maintaining customer and stakeholder confidence in the Company's production process, food safety management, environmental management, labor practices, and traceability system, which stand out from the competition by Certified by international standards such as HACCP (Hazard Analysis Critical Control Point), GMP, BRC Global Standard, BAP (Best Aquaculture Practices), IFS (International Featured

Standard), Halal, ISO9001, FSSC22000, ISO/IEC17025, ISO14001, OHSAS18001, and CSR-DIW.

- Creating a unique product identity that is distinct from those products in the commodity market, especially the quality and freshness.
- Continuously upgrading the machinery, equipment and production processes to improve production efficiency, productivity, and cost control.
- Developing our own shrimp farming operation that meets international standards and requirements to produce high quality shrimp that meet the needs of environmentally conscious customers. In the past years our shrimp farms have obtained certification from the Aquaculture Stewardship Council (ASC), which is a global standard with the highest requirements on responsible aquaculture for mitigating all potential negative impacts on society and the environment. In 2020, the subsidiary's shrimp farms have also been accredited to an international standard from the Fair Trade. It is sustainable and equal, including improved social and environmental standards.
- Implement the marketing strategy according to the situation by focusing on the potential domestic market. Also, to replace the supply of foreign markets affected by COVID-19, this shift increases the share of separate revenue from domestic sales to total sales from 3.7% in 2019 to 12% in 2020.
- Investing through a subsidiary, 44 Foods Limited, in the UK, which is an e-commerce platform selling food products. This is to serve as a channel to support the behavior of consumers who are increasingly turning to online shopping for food, especially during the epidemic of COVID-19. This business is an important channel for consumers to continue shopping for food on a daily basis.
- Diversify risks from frozen shrimp business through joint investment through a subsidiary of Mudwalls Farm Limited in the UK, which is a business of buying and selling fruit and vegetable products. This is to expand markets and products to consumer groups who care about healthy food and be a trend in consumer behavior with good growth potential.

2) Overseas Investment

The Company foresees the importance, opportunity and readiness to expand its business abroad. Therefore, the company has invested in various countries since 2011 to create opportunities to expand the market in the long term and also the diversity in the business apart from exporting frozen shrimp. This creates a competitive advantage. Currently, the Company has investments in businesses in three countries: The United Kingdom, the United States and Belize.

Operations in foreign countries are followed by associated risks, such as inconsistencies with local regulations, incompatibility and consistency in corporate governance, especially in finance and investment, inconsistency of the strategic plan and the implementation of the plans of the group companies, etc., which may affect the incidence of lawsuits, fines, corruption, delays, etc.

Risk Management

The Company manages the above risk by:

- Appointing directors to oversee operations of subsidiaries and set up a subcommittee to closely review the operations of companies in the group at least once a month.
- Having an information system and enterprise resource planning system that links the Company and its overseas subsidiaries, enabling quick access and review of information.

- Assigning staff members from various departments to work in group companies periodically but this has been spared in the past year due to the COVID-19 situation.
- Holding a meeting between senior executives of the company and its subsidiaries average once a month. Business strategies and annual business plans are held throughout the group at least once a year.
- Having expert consultants, such as lawyers and auditors, to verify that the subsidiaries perform to expectations and comply with relevant laws.
- Having a team that closely monitors economic, social, political and regulatory movements.

2. Operational Risk

1) Fluctuation of raw material price and quantity

The volume of shrimp aquaculture products in the country fluctuates over time according to the weather, season, common disease in shrimp, etc., resulting in the price of raw materials fluctuating throughout the year as well. But the price does not always fluctuate according to the production quantity due to other influencing factors such as the production quantity and the world market price, etc. The fluctuation in both quantity and price of shrimp raw materials is a risk to the ability to control the main cost of shrimp, including controlling the procurement of raw materials for production in accordance with the sales offering and purchase orders of the trading partners.

Table showing the price and quantity of raw materials in 2020

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Average Price (Baht)*	152	149	143	136	147	159	157	149	144	141	146	163
Raw Material (ton)	17,000	17,000	21,700	22,300	27,100	25,400	25,800	29,700	28,300	29,200	25,400	19,600
Price Increase/Decrease**	n/a	-2%	-4%	-5%	8%	8%	-1%	-5%	-3%	-2%	3%	12%
Quantity Increase/Decrease**	n/a	0%	28%	3%	18%	-6%	2%	15%	-5%	3%	-13%	-23%

*Average Price for Shrimp 40 - 80 piece/kg.

**compare to prior month

Risk Management

In the situation that the above risks are not handled properly, the Company may not deliver the products on time. Moreover, this may cause the generating income and profits lower than expected. The company therefore reduces the opportunities and impacts from such risks as follows:

- Monitoring the price of shrimp raw material closely in order to be able to purchase raw materials at a reasonable price.
- Building inventories of raw materials for use in production to deliver to customers during the off season of raw materials.
- Accessing and purchasing raw materials directly from farmers in a wide area around our factory by our own staff teams.
- Expanding the network of farmers certified to BAP (Best Aquaculture Practice) to increase the quantity of quality raw material sources that meet international market expectations by providing farmers with support on technical aspects, training, advice on improvements and sponsoring certification.

- Regularly updating shrimp farming data to help assessing the farm's productivity and to plan the purchase of the appropriate quantity, at the right price and time.
- Increasing shrimp farms and continuously improving company's farm operations to be a source of high-quality raw materials.
- Diversifying the sourcing of shrimp of overseas subsidiaries from other counties in the Americas and Asia.
- Selling via subsidiaries other seafood products in addition to shrimp.

2) Geographical concentration of customers

Although the Company has main trading partners spread in many countries around the world. But the Group's largest source of income is still from England. The British faced obstacles influencing demand for consumption or imports of goods. It is a risk that could significantly affect corporate income.

Risk Management

The Company manages the above risk by:

- Expansion of new market to non-EU countries, especially to the Asia-Pacific region with high growth rate.
- In 2020, the export revenue of the Company from Thailand to the European Union accounted for 12% of the total distribution value which will be an acceptable proportion if there are obstacles on export measures from Thailand to the European Union.
- Develop the domestic market, in 2020, the Company can expand in Thailand beyond the target set. It accounts for up to 12% of the company's sales.

3. Financial Risk

1) Fluctuation of Currency Exchange Rate

Most trading transactions of the Company group are done in US dollars and pound sterling. The fluctuation of foreign exchange rates is a major risk factor affecting the financial management and operating results of the Company. In 2020, the Company's performance has an impact, in terms of sales, income, lower profits, and the competitiveness of the Company's group.

Risk Management

The Company manages the above risk by:

- Using derivative financial instruments as appropriate at each specific period. Foreign exchange forward contracts are used to manage exchange rate risk of export earnings in proportion to the revenue to prevent the risk that will affect the business not for speculation.
- Monitoring exchange rate fluctuations, the Brexit situation as well as trade war closely, and adjust quickly.

2) Fluctuation of Interest Rate

In 2020, the central bank cut interest rates from 1.50% -1.75% at the beginning of the year to 0% -0.25% since March due to the widespread epidemic of COVID-19 intensifying. It is also expected that this interest rate will remain until 2023 or until the situation improves. However, the Company has planned to manage it appropriately. The Company still has some loans with floating interest rates.

Risk Management

The Company manages the above risk by:

- Monitoring the money market and interest rate trends closely to determine appropriate financial instruments to manage risk arising from changes in interest rates.

- Issuing long-term debentures with fixed interest rates to reduce long-term interest rate volatility.
- Considering investment carefully including maintaining financial ratios such as debt to equity and liquidity ratio to the appropriate level in order to have a stable financial position.

4. Compliance Risk

1) Food safety regulation compliance

Countries around the world keep their food safety regulations up to date. This is to protect consumers in their country from foodborne illness and death. The Company is involved in keeping their food products safe, good quality and suitable for human consumption. It is also important to ensure that the food safety regulations of Thailand and the strict enforcement of standards and regulations of all importing countries are observed.

Failure to comply with important requirements, such as proper temperature control, prevention of contamination, traceability, etc., may lead to the production and handling of food that is unsafe or unsuitable for consumption. In addition to the risk of harm to consumers, the company may also be suspended from exporting products to the importing country.

Risk Management

The Company manages the above risk by:

- Attaining international standards accreditation on food processing, food safety, quality management, labor, environment and energy, etc., such as HACCP (Hazard Analysis Critical Control Point), GMP, BRC Global Standard, ISO 9001, FSSC 22000, ISO/IEC 17025, ISO 4001, BAP (Best Aquaculture Practices) Standard, OHSAS 18001, Q-Mark, Halal, CSR-DIW, etc. It has also been continuously monitored according to international customer standards from various countries throughout the year.
- Following the changes in laws and regulations regularly by the company, by deploying a tracking system to notify new or revised regulations to relevant parties.

2) Trade Measures of Importing Countries

The world's leading import countries of frozen shrimp have imposed trade measures in terms of import duties and non-tariff barriers which hinder Thailand's export of frozen shrimp. The barriers that the Thai frozen shrimp industry has experienced are as follows.

- The Illegal, Unreported and Unregulated (IUU) Fishing Regulation is an EU measure that focuses on the conservation of aquatic resources and the biodiversity of marine resources. Although the European Commission has lifted the yellow card for Thailand in recognition of the substantive progress that Thailand has made in tackling IUU in early 2019, the EU might reissue the yellow card if in the future Thailand does not continue complying with international regulations. This may lead to the suspension of imports of aquatic products and frozen seafood products to the European Union.
- Anti-dumping duty is a measure that the United States has imposed on frozen shrimp from Thailand for more than 13 years and will continue for at least another 3 years. Thai exporters still have to face with the impact of duty fluctuations each year as duties are adjusted on an annual basis.
- The ranking in the Trafficking in Persons Report is another measure of the United States that has a significant impact on the country's reputation. In the 2020 Report, Thailand remained in Tier 2 as in the year 2019. If in the future this ranking is lowered for any

reason as it happened in the recent years, the image of Thai products will be affected and there will be risks for the export sector of various industries, both directly and indirectly.

The above factors are only some of the conditions that are beyond the control of the company and adversely affect the competitive advantages compared to competitors from other countries as well as operators in the importing country.

Risk Management

The Company manages the above risk by:

- Expanding market channels in many countries, however, due to the COVID-19 situation in 2020 that hinders imports of various countries around the world. In addition to trade measures, the

Company has modified its approach by adding a local marketing and sales team, allowing in 2020 the Company can expand the market in Thailand beyond the target set, accounted for 4 times the growth rate compared to 2019.

- Closely assessing trade information of importing countries and identify possible impacts in order to prepare necessary response actions in time.
- Collaborating and supporting independent organizations and institutions that help reducing the risk of human trafficking in Thailand, and support the company in recruiting and managing labor appropriately and ethically.
- Processing shrimp from aquaculture only, and work with organizations that address issues in fisheries (in relation to aqua feed ingredients of marine origin), to prevent possible violations of Illegal, Unreported and Unregulated (IUU) fishing regulations.

5. Risks related to Environmental, Social and Governance (ESG)

1) Climate Change

Thailand is facing climate change that can be seen from the significant increase in temperature in Thailand, the average sea level in the Gulf of Thailand tends to rise and the seasons change. This also includes violent natural disasters. Such climate change influences Thailand in many ways, including ecology, agriculture and water resources, for example, which may affect the continuity of the supply chain, procurement of raw materials and the Company's production in the end.

Risk Management

The Company realizes that contributing to climate change and the impacts that may have impacts on the Company, thus carried out as follows

- Reducing greenhouse gas emissions through methods such as continuous improvement of machinery, equipment and production processes for efficient use of energy and resources. Commenced operation of the solar power panel installation project on the roof of the subsidiary's factory building and shrimp farm. As well as improving inventory management that helps reduce energy consumption in cold storage products.
- Using R717 refrigerant which is environmentally friendly and does not destroy the atmosphere (without CFC).
- Reusing treated wastewater by using Reverse Osmosis (RO) system, this can reduce the use of tap water by more than 260,000 cubic meters per year. Also, the amount of waste water per day is reduced to less than 300 cubic meters. Moreover, this can mitigate the risk of water shortage. It also reduces the impact on the community in the use of tap water resources and reduce pollution.

2) Human Rights

The Company operates a business that involves a wide range of people and has a large number of supervised employees. Recognition and respect of the human rights of all stakeholders is essential to the smoothness of our operations. Violation of human rights in any form or basis. This could lead to conflicts, lawsuits, or trade restrictions.

Risk Management

The Company manages the above risk by:

- Creating the knowledge and understanding of human rights through various policies and manuals. This includes training such as human rights policy, Labor Standards Policy, Social Responsibility Policy, Good corporate governance policy, and Employee Code of Conduct.
- Requiring all suppliers and subcontractors in the supply chain to commit to complying with the company Supplier Guide Principles, which include the non-use child or force labor, among other standard expectations based on international agreement.
- For migrant workers, the Company uses responsible recruitment policy that are licensed, strictly comply with migration and labor laws of both the country of origin and Thailand, and are ethical and professional. The company conducts regular audits to ensure compliance with regulations and legal requirements.
- All company's employees are free to apply for a job with other employers. The Company recruits foreign workers and sends representatives to the country of origin to provide job seekers with company information such as job description, welfare, and rules and regulations, and employment contract details before they make a decision to join the company.
- Treating all employees equally regardless of nationality, origin, gender and personal opinions. All employees receive an employment contract that specifies employment conditions in a clear and transparent manner, and in the language that foreign workers understand.
- Collaborating with the Thai seafood industry through the Seafood Task Force, and also NGOs, and participates in responsible recruitment working groups in order to improve the recruitment practices in the Thai seafood industry and respond to international expectations.

3) Corporate Governance

The Company has a person who holds the position of chairman of the board and the person holding the position of Chief Executive Officer of the Company is the same person. This might make it look like the Company has no balance of power between the board of directors and the management.

Risk Management

The company realizes the importance of good corporate governance, therefore, has prepared a charter which specifies the duties of the chairman of the board, committees, committees and senior management. This makes the separation of roles and duties between the board of directors and the management more clearly defined. In addition, the Board of Directors of the Company is composed of 50% of the total number of independent directors. As well as an independent director has been appointed to consider the agenda of the board meeting. This is in accordance with the best practice of good corporate governance principles of Thai listed companies in 2017.

4) Cyber Security

Cyber security risks are critical and would affect the Company's operations, especially important systems such as the network (Network), financial system, accounting. Internal management system and human resources. The system contains personal information that the company owns. If there is a problem with the Company's information technology system, accessing to the personal information, the Company possesses affects the Company's operations and reputation; for example, in the past there have been heavy warnings about the outbreak of a new computer virus, a ransom virus.

Risk Management

The Company manages the above risk by:

- Establish an emergency backup computer system (Disaster Recovery Site).
- IT Department explores all related equipment and update software such as update Patch (Windows Update) of the operating system, both Server and Client, as well as Anti-Virus Software.
- Provide ongoing training and education to system users. This includes guidelines and procedures for the protection of sensitive information on personal and company devices.

6. Shareholders' Investment Risk

Chia-apar group and related parties hold 66.68 percent of company's total paid up shares. If such shareholders vote against or abstain in the agenda that other shareholders cast their votes against. This may affect any agenda that the law requires a vote of not less than three-fourths of the number of shareholders entitled to vote at such shareholders' meeting did not pass a resolution.

Risk Management

The Board of Directors is responsible for ensuring that shareholders are treated and protect fundamental rights equally. The Board of Directors has to consider and give approval before any major undertaking. Regardless of whether or not a resolution is required from the shareholders' meeting, and most importantly, the Board of Directors still consists of at least half of the independent directors. All independent directors are qualified according to the regulations. According to the regulations of the Stock Exchange, the rights and interests of ordinary shareholders are protected as the board of directors is independent and not dominated by the group of major shareholders.

7. Emerging Risk

COVID-19 epidemic

Coronavirus 2019, or COVID-19, which began to spread in the first few weeks, has caused widespread damage to humanity and the world economy to date. Even in the past year, Thailand will be able to manage the spread of the epidemic in a country better than many countries, but if global health is not able to prevent it effectively. The Company continues to face the effects of the epidemic on its supply chain, well-being of personnel, way of working, and especially orders from overseas customers.

Risk Management

The company has performed various to be able to continue business operations without COVID-19 employees as follow:

- Do not travel to 9 risky countries since late February 2020 and expand to all countries in the following weeks.
- Limit travel across provinces surveillance location and travel by public transport according to the situation

- Provide accident and disease specific health insurance due to infection with the COVID-19 virus to employees
- Apply measures that are important including personal hygiene, factory good governance and working environment to be the standard of operation.
- Work from home by setting up a system and allocating equipment and tools as well as computers sufficiently for all employees.
- Take advantage of changes in consumer behavior when shopping for goods and food online, especially during the Covid-19 epidemic by investing through a subsidiary to set up a new company, 44 Foods Limited, in the UK, which is an e-commerce platform to expand online distribution channels for food products.

Sustainability Development

Sustainability Policy

The Company is a manufacturer of frozen shrimp who are committed to operating with responsibility for various impacts arising from business operations both inside and outside. The Company, therefore, has established a social responsibility policy in order to reflect the intention and determination to drive business Taking into account both environmental and social issues encompassing respect for human rights and good corporate governance as well.

In 2020, the Company reviewed and scrutinized 7 of the 17 United Nations Sustainable Development Goals (SDGs) including:

Goal 3: Ensure healthy lives and promote well-being for all at all ages

Goal 6: Ensure access to water and sanitation for all

Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all

Goal 12: Ensure sustainable consumption and production patterns

Goal 13: Take urgent action to combat climate change and its impacts

Goal 14: Conserve and sustainably use the oceans, seas and marine resources

Goal 16: Promote just, peaceful and inclusive societies

Therefore, this has linked the Sustainable Development Goals (SDGs) with operational strategies for sustainable development. Details can be found in the Sustainability Report 2020 under the Company's Sustainable Development Goals page 20, which can be downloaded from the link: http://www.seafresh.com/investor/sr_th.asp.

Managing Stakeholder Impacts

Business Value Chain

The Company is committed to creating value for products in order to meet the expectations of stakeholders in business-related activities from upstream to downstream. In 2020, the Company conducted a business value chain analysis of the following key activities:



<u>Business Value Chain</u>	
Management of inputs from farm to factory	<ul style="list-style-type: none"> - Sourcing and purchasing quality and safe raw materials - Using local ingredients
Factory operation	<ul style="list-style-type: none"> - Production, raw material formations and packaging with environmentally friendly - Quality control of products - Production Safety
Distribution	<ul style="list-style-type: none"> - Warehouse management - Fast and on-time delivery service - Stores / channels where everyone can easily access - Improving the transferring of goods for both raw materials and other products
Marketing and Sales	<ul style="list-style-type: none"> - Proper pricing of products - Providing accurate and complete information about products - Store products according to standard and proper period - The mark represents quality and standards.
After-sales service	<ul style="list-style-type: none"> - Traceability system - Service agencies to receive comments, suggestions, feedback about the product - Assessing the satisfaction of customers / partners

The management of the Company's value chain starts from selecting, procuring and purchasing of safe quality raw materials. Because the company is located near an area with a large number of quality shrimp farms so the company can supply high quality raw materials large quantities throughout the year. For the factory operation, the Company has production raw material processing and the selection of environmentally friendly packaging. The Company is also committed to producing food according to its safety management system in order to control what is dangerous to food safety. In addition, the Company also encourages employees of all levels to be aware of safety in all production processes and to participate in the safety management system.

For managing distribution, the Company has a fast and on-time delivery system to meet customer needs. There is a warehouse management system to maintain a constant cooling level in order to maintain product quality and transported to the Company's retail stores. In addition, online sales channels have been added so that everyone can access them easily, conveniently and quickly.

In terms of marketing and sales, the Company has set the price appropriately. The expiration date is clearly set and there is a mark on the packaging to demonstrate the quality and standards. For after-sales service, the Company has a traceability system through cooperation between the Company and supplier. This makes it possible to check back products up to the management of the pond. This system can build confidence for customers as well. This is because the source information of the shrimp can be clearly informed. In addition, the Company has a complaint agency or any suggestions

from customers, including customer satisfaction surveys every year In order to improve the quality of the products.

Stakeholder Analysis

The company assigned the Strategic planning and Risk Management department to work with the top management of all departments to identify material issues for sustainability development. Process of Sustainable Analysis as follows:

- 1) Stakeholder Identification Analysis by the Company has 9 key stakeholders: shareholders, personnel, society and communities, competitors, customers, financial institutions, business partners, non-profit organizations, and government agencies
- 2) Work with stakeholders, the Company analyzes the impact of the company on the stakeholders. Also, the impacts arising from stakeholders to the Company through the participation of each stakeholder in order to recognize the expectations of the stakeholders of the company
- 3) When knowing the expectations of each group of stakeholders for the company, the Company has identified guidelines to meet the expectations of each group of stakeholders. For the reflection of the cooperation and mutual value creation between the company and its stakeholders to reduce the risk and create added value for the company

For more details of the expectations and responses of each stakeholder group can be found in the Sustainability Report 2020 under the topic “Material Issues and Strategies”

Environmental Management

Environmental Policies and Practices

Environmental Management Policy

The Company sets up the policies which emphasis on environment and society in order to preserve the ecosystem in the community. The company controls the effects of disposal transmit through environment by using process and material waste control for instance all the waste from production is introduced into wastewater treatment system and this program is under the supervise of Provincial Industry Office. The company has achieved ISO 9001 on quality management system and ISO 14001 on environmental management system.

The Company has published the environmental management policy on the company's website: <http://www.seafresh.com/investor/corp.asp>

Energy policy

The Company places importance on energy conservation and it is the responsibility of all employees to collaborate on energy management continuously. Additionally, many countries around the world including Thailand are facing the problem of shortage energy which considered as a major problem affecting the economy, people's living including company staff.

Thus, the Company has set out the following energy conservation policy to be guideline of energy operations and to promote energy efficiency as follows:

1. The Company will operate and develop an energy management system appropriate to the energy consumption. Energy conservation is a part of the Company's operations and is in line with other laws and regulations related to energy conservation and energy management.

2. The Company will continue to improve its energy efficiency and performance suitably with technology used and good procedure.
3. The Company will set policies, objectives, plans and targets for energy conservation in energy management together with yearly review and communicate to all employees to understand and perform correctly.
4. The Company will provide the necessary support including human resources, budget, working hours, training and participation in presenting ideas for energy development.
5. The Company will support the design, procurement, supply of machinery, equipment and production equipment and other needed services to improve on energy efficiency.
6. Energy conservation is a responsibility of the Company's directors, executives and employees. All levels will cooperate in implementing the measures and the Personnel Responsible for Energy (PRE) will monitor and report to the energy management team.

Environmental Performance

Energy Management

In the year 2020, the Company's energy intensity was at 19,369 MJ/ton of instant products. Each year, the Company will have a goal to reduce energy consumption by 3% compared to the previous year, and the Company continues to focus on saving energy and resources in many forms through projects as follows:

- Using biogas for waste water system to produce electricity. The project can save the cost and efficiently for waste water system
- Building the pond rainwater harvesting for produce tap water
- Other energy conservations such as machine improvement to reduce energy consumptions
- Motor replacement project implemented in warehouse cooling system to reduce electricity consumption

Water Management

About water consumption, each year the Company will have a goal to reduce energy consumption by 3% compared to the previous year. However, this year the Company has its main operation at a subsidiary shrimp farm. As a result, the average water consumption increases by 7,109.79 cubic meters per day, approximately 60% to tap water and another 40% to the recirculation of treated wastewater with reverse osmosis. Resulting in 2020, the Company has a daily volume of effluent less than 300 cubic meters.

Waste and Pollution Management

In terms of hazardous waste in 2020, the Company has a total amount of 1.06 tons of waste and waste, most of which is culture waste and used gloves. The Company sends it to a third party who has a legal license in accordance with ISO14001.

In addition, the Company has environmental quality measurements at least once a year in the office, factory and surrounding establishments. In 2020, this year, it was found that the air quality standard, odor, opacity value is in the normal range as required by law. As well as there is no hazardous substances were found leaking from business operations.

Greenhouse Gas Management

The Company focuses on the management of reducing greenhouse gas problems both direct and indirect, emitted by the Company's own operations. For 2020, the emission rate for the reporting scope is 14,306 tonCO₂e.

Although, in the past year, the Company has only collected data on the amount of greenhouse gases emitted by Seafresh plant in Thailand. In addition, there has been no verifier on the organization's carbon footprint. But the Company is committed to reducing the environmental impact of its own greenhouse gas emissions.

Social Management

Social Policies and Practices

The Company is committed to operating its business under good corporate governance and ethical principles, along with real social responsibility and awareness, taking into account all stakeholders both inside and outside the organization. From shareholders, employees, customers, communities, as well as broad society, in order to lead to sustainable business development, the company has established a social responsibility policy published on the company's website. (<http://www.seafresh.com/investor/corp.asp>)

Additionally, the Company has focused on the importance and respect for human rights. It is a fundamental right that all human beings have equal human dignity, covering to stakeholders or related persons or relationships with the organization. The Company has established a human rights policy. (Details on the company's website: <http://www.seafresh.com/investor/corp.asp>) with a focus on labor practices, including employment compensation, promotion, training and development. These are without discriminating gender, age, educational institution, race and religion, as well as supporting employment for disadvantaged groups such as the disabled, the elderly, the pardon, to create opportunities to create stable occupations and income and more importantly, to make all employees and personnel feel connected and belong to the organization.

In terms of society and communities in the vicinity, the Company has emphasized on creating the sustainability of the business along with the sustainability of the community by operating the business through the Creating Shared Value (CSV) principle, which is a business practice guideline. This emphasizes on the creation of economic value for business and society at the same time for the success of long term. From the survey and analysis of the area, found that in the vicinity of factories in Chumphon Province, the majority of the population work in agriculture and fisheries. The company has therefore proceeded to participate with the community to create common values.

Social Performance

Employee

The Company adheres to the principles of human rights from employment to taking care of employees and personnel. In order to make all employees and personnel feel bonded as a family with the organization in 2020, the company has the following important employee actions:

(1) Compensation and other benefits

Apart from salary, wages, allowances, bonuses and provident funds, the Company also offers other benefits such as health insurance, accident insurance, employee dormitories, etc. In addition, the Company takes into account the subsistence of employees and their families both before and after retirement by providing retirement gratuity organize, personal finance management training to create financial discipline and prepare for retirement. Also, there is a loyalty bonus to encourage daily employees to work with the company for the long term.

(2) Training

The Company is committed to continuously enhancing the competence of employees at all levels. In the year 2020, the Company has provided an average of 11 hours of internal and external staff training per person according to 5 goals as follows:

1. To compliance with the law
2. To develop knowledge and create a culture of safety
3. To promote the management of the standard system
4. To enhance the competence of employees.
5. To develop the organization

(3) Safety, Occupational Health, and Working Environment

The Company has a policy and manages the safety, occupational health and working environment effectively and complying with the legal requirements and work safety standards according to the ISO45001 "Occupational Health and Safety Management System" by organizing training, knowledge, practice and organizing activities continuously. In 2020, the company has the frequency of accidents (Frequency Rate: FR) equal to 0.25 times/million working hours, decreased from the previous year by 0.28 times/million hours worked, which tends to continue to decline.

(4) Employee engagement

The Company is committed to managing the quality of work life to achieve balance also need to solve the problem from the root cause, truly understand and reach out to employees, including the management of feelings of employees (Feeling Management). So the Company has organized a training course "Relationship Management as a Professional Leader" for the head of the unit to the division manager. It was held in October 2020 and was honored by the Vice President of Operations as a speaker. This training was to develop relationships between employees at operational and supervisory levels, as well as to have ties in working solidarity, to make employees trust the organization. This is able to reflect the problem to the organization to work together in order to solve the problem. This will result in all employees having a good quality of life at work.

Customers

The Company focuses on food production processes that are quality, safe and meet customer needs, including handling quality complaints from customers. The Company has a sales policy that the customers would be the most satisfied. So, the Company has determined that customer satisfaction is the main measure of the company's operations in order to develop and improve the quality of products and services for the better. In the year 2020, the Company received a 92% satisfaction score from customers.

Social and Community

The Company operates its business with responsibility towards the community and society by focusing on reducing the environmental impact and avoiding any activities that may adversely affect the quality of life of the communities surrounding the establishment. In addition, the Company is also involved in improving the quality of life and promoting participation with the community by organizing a lecture to educate participants about COVID-19 virus prevention in conjunction with the Pak Nam Hospital team in Chumphon. Moreover, there are also activities with local people in doing public benefits for the surrounding communities, such as painting the walls around Ban Hua Thanon School, revamping the fish pond, etc.

**General Information****General Information**

Name of the company	Seafresh Industry Public Company Limited or CFRESH
Register No	107537000751
Head Office & Factory	402 Moo 8 , Chumphon-Paknam Road, Paknam, Muang, Chumphon 86120, Thailand
	Telephone: +66 7752 1321-3 Fax: +66 7752 1007
Branch Office	152/25 Chartered Square Bldg., 31 st fl., North Sathon Rd., Silom, Bangrak, Bangkok 10500, Thailand
	Telephone: +66 2637 8888 Fax: +66 2637 8801
Homepage	www.seafresh.com
Email	seafresh@seafresh.com
Type of Business	Manufacturing and Distributing Frozen Raw Shrimp, Frozen Cooked Shrimp, and Frozen Value-added Shrimp
Issued and paid-up share capital	463,549,600 shares of common stock, Par value: Baht 1 per share

References

Auditor	Grant Thornton Company Limited
	18 th Fl., Capital Tower All Seasons Place
	87/1 Wireless Road, Lumpini, Pathumwan, Bangkok 10330
	Telephone: +66 2205 8222 Fax: +66 2654 3339
Share Register	Thailand Securities Depository Company Limited
	93, 14 th Fl., the Stock Exchange of Thailand Bldg., Ratchadapisek Rd., Dindaeng, Dindaeng, Bangkok 10400
	Telephone: +66 2009 9000 Fax: +66 2009 9991
Debenture Registrar	The Siam Commercial Bank Public Company Limited
	9 Rajadapisek Road, Chatu Chak Bangkok 10900
	Telephone: +66 2544 1111 Fax: +66 2937 7931
	(Debentures of Seafresh Industry Public Company Limited No. 1/2016 due date for 2021 and
	Debentures of Seafresh Industry Public Company Limited No. 1/2017 due date for 2020)

Other important information

Investors are able to learn more information about the company from the Company's 56-1 One Report, which is shown on the website: www.sec.or.th or www.set.or.th

Legal dispute

There are no lawsuits that have a negative impact on assets or materially affect the business operations of the Company.



Corporate Governance

Corporate Governance Policy

Overview

The Board of Directors has established a written corporate governance policy in accordance with the principles of good corporate governance for listed companies (Corporate Governance Code: CG Code) of the Securities and Exchange Commission (SEC) and the guidelines of the Stock Exchange of Thailand (SET) by announcing that all employees acknowledge and abide by. This resulted in a systematic and transparent management and decision-making process.

The Board of Directors' policies and guidelines

Roles and Responsibility of Board of Directors

The Board of Directors takes participation in the setup of the company's core policy, vision, strategy, and objectives; then reviewed and approved company's vision in the past year. The Board's responsibilities also are controlling and monitoring the management team to ensure that their performances are in line with the policy and successfully meet with the company's strategies for the utmost benefit of the company and the shareholders as a whole, considers establishing the clear roles and responsibilities for Board of Directors, Audit Committee, Corporate Governance Committee, Risk Management Committee, and Nomination and Remuneration Committee, and Executive Committee as per details in the Management section. In addition, the Board monitors the responsibility of the Executive officers to ensure that the business is efficiently managed in the same direction and in line with the policy as well as setting up the operational and investment budgets for the business operations.

Remuneration for Director and Management

1) Director Remuneration

The company complies with guidelines for Director's remuneration as follows:

- Remuneration of directors has a reasonable level comparing to similar industry and appropriate with the assigned duties and responsibilities.
- Non-executive director will receive only a meeting allowance by the number of attendants. In case of they are assigned to be a director of sub-committee, they have the right to receive a meeting allowance by number of attendants.
- The executive director will not receive meeting allowance

The Nomination and Remuneration Committee will primarily consider and pass a resolution to the Board of Directors for approval prior submit to shareholder meeting for approval later.

2) Executive Remuneration

Remuneration for the Chief Executive Officer and the top management is in accordance with the principles set by the Company by using the criteria for evaluating performance according to the KPI set by the Company, through the concept of the Balanced Scorecard that has been defined and reviewed by the Board of Directors. The said remuneration determination takes into account the performance of the Company and the performance of each executive.

Shareholders and Stakeholders' policies and practices**1) Rights of Shareholders**

The Board of Directors should act with a reasonable degree of care and responsibility in regards to the rights and equality of shareholders and should also protect the interests of shareholders. The company encourages shareholders to exercise their following fundamental rights:

- o Right to purchase, sell, or transfer stock.
- o Right to dividends.
- o Right to receive adequate and timely information of the company.
- o Right to participate in general meetings and to vote on the appointment or withdrawal of the directors, accounting auditor, and issues that have impacts on the company.

2) Equitable Treatment of Shareholders

Boards of Directors should ensure the equitable treatment and fundamental rights protection of shareholders as follow:

- o Allow shareholders to propose meeting agenda in advance before the date of the General Meeting. Minority shareholders are also allowed to propose potential candidates, as specified criteria, for the appointment of the directors.
- o Encourage shareholders to appoint proxies to attend and vote at the meetings for and on their behalf.
- o No additional meeting agenda without prior notice to the shareholders.
- o Establish measures to prevent the exploitation of inside information for own benefit or for the benefit of others in a deceitful way which causes damage to shareholders.
- o Directors must disclose information about personal stake and involved parties.

3) Practice towards stakeholders

The Boards of Directors should not violate the rights of stakeholders. Directors should encourage a good collaboration between the company and other stakeholders. Directors should also establish key policies and practice guidelines in relation to each type of stakeholders based on fair business operation.

4) Disclosure and Transparency

The Boards of Directors should disclose financial as well as other important information that are accurate, complete, timely, and transparent in accordance to applicable regulations of The Stock Exchange of Thailand and Securities and Exchange Commission through channels that are easy to access, unbiased, and reliable including establishing an Investor Relations Department to communicate with shareholders, investors, and analysts in an unbiased and fair manner.

In addition, the Company has an Anti-Corruption policy. There were written guidelines for not asking, not accepting, not paying and not doing business with individuals and juristic persons involved in corruption which has already been approved by the Board of Directors. The Company has joined the Thai Private Sector Collective Action Against Corruption (CAC) project by announcing its intention to be the Thai Private Sector Collective Action Coalition in Anti-Corruption since 2013. Today, the Company is also certified as a member of the project.

5) Roles and responsibility of the Board of Directors.

The Board of Directors is responsible for overseeing the business and the performance of its duties to shareholders as follows:

- Oversee company's strategies, policies, business plans and budgets, including IT governance and encouraging innovation and use of technology to support sustainable value creation.

- Ensure the company is competitive with good performance, engage in ethical business, beneficial to society, respect rights and responsibilities to shareholders and stakeholders, develop or reduce negative impacts on the environment, and able to adapt to changing factors.
- Ensure that clear policies and guidelines for anti-corruption are defined and communicated at all levels of the organization and with outsiders for real use.
- Ensure that the company's governance framework and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment as appropriate.
- Ensure that all directors and executives perform their responsibilities in compliance with their fiduciary duties, and that the company operates in accordance with applicable law and standards.
- Understand the shareholder structure and shareholder relations which may have an impact on the company's management and operations. Maintain independence from the department manager position up by clearly separating duties between the board and the department manager position up.
- Dedicate enough time to fulfill their duties and responsibilities. Directors, including the Chief Executive Officer, are prohibited to engage in business or be a director in another entity of the same nature and compete with the company unless it is notified to the shareholders' meeting prior to the resolution. Each director shall not hold position in more than three public listed companies at any one time.
- Ensure that the company has effective and appropriate risk management and internal control systems that cover all aspects.
- Monitor financial liquidity and debt servicing ability, establishing a mechanism to support operations under tight financial constraints, and ensuring financial literacy education for employees, and establishing provident funds.
- Determine the remuneration of directors in accordance with their roles and responsibilities. Determine the remuneration of the Chief Executive Officer in accordance with the performance of duties.
- Ensure that the board consists of directors with appropriate and the necessary qualifications, knowledge, skills, experience, character traits, with an appropriate gender and age balance and diversity to achieve the objectives of the company.

Business Ethics

The Board has set and announced guidelines of business ethics for directors, management, and employees to follow and ensure that they are well aware of, understand to pursue their duties and responsibilities with honesty and transparency and abide to laws, and regulatory ethics. The Board would monitor this guidance on a regular basis. In addition, the company has disclosed a code of conduct in the company's website at <http://www.seafresh.com/investor>.

The duties and responsibilities assigned to the Chairman by the Board of Directors to report summary of failure to comply with code of conduct to the Board annually and immediately in case of emergency.

Developments of the Corporate Governance

1. Compliance with corporate governance policy

The Board of Directors has established a written corporate governance policy by announcing it to everyone and adhering to it, resulting in systematic and transparent management and decision-making processes. This is a universal professional way of administration, in addition, the Board reviews the policy and reviews the implementation of the policy manual on a regular basis.

In 2020, the Board of Directors has revised and reviewed various policies for being consistent and appropriate. In addition, human rights policies have been established in writing to show that the Company attaches great importance to and respects human rights. It is a fundamental right that all human beings enjoy equal human dignity without discrimination and discrimination, covering all stakeholders or those related to or related to the organization. The operations are supervised not to be involved in human rights violations by providing opportunities for employees to express opinions, recommendations or complaints, and treat all employees equally. It is managed through the Employee Caring Team and the Employee Representative Committee.

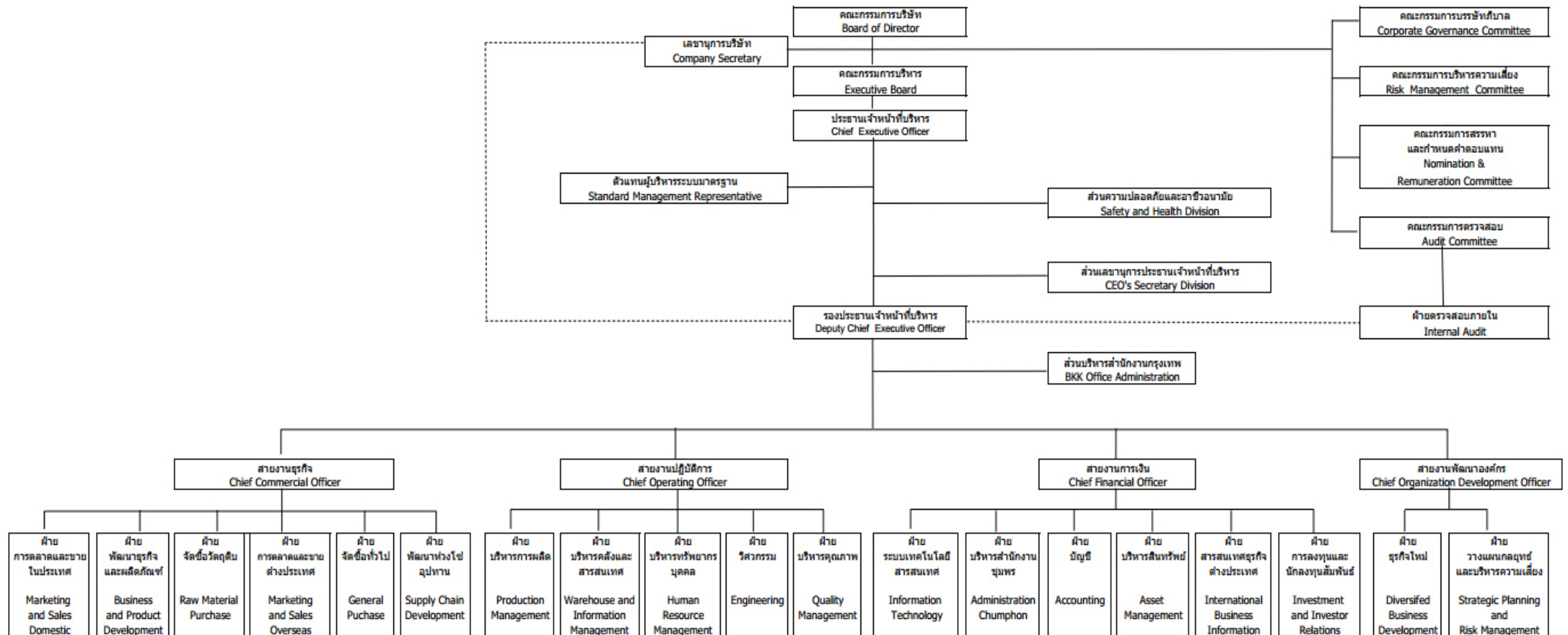
2. Applying good corporate governance principles for listed companies

According to the Securities and Exchange Commission has issued good corporate governance principles for listed companies in 2017 (Corporate Governance Code: CG Code) to replace the good corporate governance principles for listed companies for 2012 with the objective to raise the level of good corporate governance. It focuses on applying principles (Apply or Explain) for appropriate practice and beneficial to creating sustainable value for the company.

The Board of Directors has reviewed the practice of good corporate governance for listed companies, and found that there are issues that the company has not yet implemented and have appropriate substitution measures as follows:

<u>Criteria</u>	<u>Resons</u>
1. The chairman of the board should be an independent director and should not be the same person as the chief executive of the company.	The Chairman of the Board and Chief Executive Officer is the founder of the Company's business, including being a major shareholder. When the Nomination and Remuneration Committee has considered deems appropriate to hold both positions because he has experience and has a far-reaching vision. He is also able to supervise and ensure that the work can be promoted to create an ethical organizational culture and good corporate governance. In addition, the Board of Directors has clearly defined the roles, duties and responsibilities of the Chairman of the Board and the Chief Executive Officer, as a result, there are no obstacles in the operation.
2. The board should stipulate that an independent director has a continuous term of office for no more than 9 years from the date of first appointment as an independent director.	The Board of Directors has not yet set a term for the longest consecutive term of an independent director. Because the Board of Directors believes that all directors are knowledgeable and competent, experienced, and have a good understanding of the nature of business operations. They are independent to express their opinions and not being or not affiliated with the major shareholder or has control and has qualifications as an independent director according to the regulations of the SEC and SET.

Corporate Governance Structure



Report on Securities Holding of Director and Executives

Name			Shareholding*		Shareholding*	
			As of 16/03/2020		As of 16/03/2021	
			Shares	%	Shares	%
Mr.Narit	Chia-apar	Chairman of the Board/ Chief Executive Officer	107,803,000	23.26	107,803,000	23.26
Mrs.Tassanee	Youngmeevithya	Director/ Deputy Chief Executive Officer	106,200,000	22.91	106,200,000	22.91
Mr.Chintat	Chia-apar	Director/ Chief Organization Development Officer	67,053,500	14.47	67,053,500	14.47
Mr.Naringrit	Chiarawongvanit	Director	3,128,200	0.68	3,128,200	0.68
Dr.Kamales	Santivejkul	Independent Director/ Chairman of Audit Committee	1,000,000	0.22	1,000,000	0.22
Dr.Sorachai	Bhisalbutra	Independent Director/ Member of Audit Committee	2,198,200	0.47	2,198,200	0.47
Dr.Worapong	Leewattankit	Independent Director/ Member of Audit Committee	500,000	0.11	500,000	0.11
Mrs.Supanee	Punnsri	Independent Director	841,900	0.18	841,900	0.18
Miss Yaowalax	Tangsanguannuch	Chief Financial Officer	-	-	-	-
Mr.Boonlert	Foongvannaluck	Chief Commercial Officer	230,000	0.05	230,000	0.05
Mr.Pairoj	Yanfthong	Chief Operating Officer	69,000	0.01	69,000	0.01

*Securities Holding is including the securities holding by own, spouse, and immature child

Board of Directors

As of December 31,2020, the Board of Directors consists of 8 members as follows:

Name		Position
Mr.Narit	Chia-apar	Chairman of the Board of Directors/ Chief Executive Officer/ Chairman of Executive Board
Mrs.Tassanee	Youngmeevithya	Director/ Deputy Chief Executive Officer/ Chairman of Risk Management Committee/ Chairman of Corporate Governance Committee/ Member of Nomination and Remuneration Committee/ Deputy Chairman of Executive Board
Mr.Chintat	Chia-apar	Director / Member of Risk Management Committee/ Member of Corporate Governance Committee / Member of Executive Committee / Chief Organization Development Officer
Mr.Naringrit	Chiarawongvanit	Director
Dr.Kamales	Santivejkul	Independent Director/ Chairman of Audit Committee/ Member of Nomination and Remuneration Committee
Dr.Sorachai	Bhisalbutra	Independent Director/ Member of Audit Committee/ Member of Nomination and Remuneration Committee
Dr.Worapong	Leewattankit	Independent Director/ Member of Audit Committee/ Member of Nomination and Remuneration Committee
Mrs.Supanee*	Punnsri	Independent Director

*Independent director with relevant business experiences.

Responsibility of the Board of Directors

1. In charge of company's good management by defining company's objectives, target, strategy, policies and resource management as well as monitoring, evaluation, and reporting in accordance with the aforementioned. Furthermore, the board is responsible to implement innovation and technology to add values for the company including overseeing of such information technology.
2. Consider and approve charter of Board of directors and sub committees, company policy, and others by follow the corporate governance principal.
3. Appoint the company secretary in order to provide various regulatory advices which the Board of Directors must know and perform duties in overseeing the activities of the Board of Directors including coordination for compliance with the Board's resolution.
4. Appoint the qualified Audit Committee as required by the securities and exchange act, notification of Capital Market Supervisory Board including the SET regulations.
5. Appoint the Risk Management Committee, the Corporate Governance Committee, the Nomination and Remuneration Committee to help perform duties according to the responsibilities of the Board of Directors.
6. Appoint Chief Executive Officer as selected by the Nomination and Remuneration Committee.
7. In charge of company's competitiveness and performance with ethical business, respect right and responsible to shareholder and stakeholder, beneficial to social, develop or reduce environment impact and corporate resilience under uncertainty including creating corporate culture and behaving exemplary.
8. Ensure that all directors and management carry out their roles and responsibilities with duty of care and duty of loyalty to the organization in accordance with law, regulations and shareholder meeting resolution.
9. Determine remuneration in accordance with duties and responsibilities of the directors and based on performance of Chief Executive Officer including of set salary structure to motivate the employee to lead the company in meeting its objectives.
10. Ensure that there is a framework and mechanism to oversee the policies and operations of subsidiaries and other businesses that the company has significant investment. Such framework and mechanism should be appropriate with each company. Those subsidiaries and other businesses should have the same understanding of the policies and operations.
11. Determine and ensure that the company has effective and comprehensive framework of internal control as well as risk management.
12. Ensure that the company has a clear anti-corruption policy and guidelines and clearly communicate to all of staff level in the company, so that everyone will comply.
13. Ensure integrity of financial and non-financial information disclosure by involving with the department manager level.
14. Responsible for monitoring financial liquidity and debt services coverage, establishing a mechanism to support operations under tight financial constraints, and ensuring financial literacy education for employees.
15. Consider and approve the acquisition or disposal of assets unless such transaction must be approved by the shareholders' meeting. In this regard, such approval shall be in accordance with the notification of the Capital Market Supervisory Board and / or the relevant notifications, regulations and / or related regulations of the SET.

16. Approval of connected transactions unless such transaction must be approved by the shareholders' meeting. In this regard, such approval shall be in accordance with the notification of the Capital Market Supervisory Board and / or the relevant notifications, regulations and / or regulations of the SET.
17. Approve budget for annual operation and investment.
18. Consider and approve the interim dividend payment to shareholders when seeing that the company has enough profit to do so and report the dividend payment to the shareholders' meeting in the next shareholders' meeting.

Roles and Duties of Chairman of the Board of Directors

1. Oversee, monitor, and ensure that the board effectively carries out its duties.
2. Ensure that all directors contribute to the company's ethical culture and good corporate governance.
3. Determine and approve meeting agenda with representative of Independent directors appointed by the board of directors and assign the Company Secretary sends meeting invitation letter to the Directors.
4. The Chairman of the Board of Directors shall ensure that directors receive effective information for each agenda.
5. Allocate adequate time for Department Manager level up to present in each agenda, and provide the enough time for the directors to freely and carefully discuss important matters.
6. Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board and management.
7. Ensure that the company has effective communication with Shareholders.

Ratio of director who represent shareholders

- Nil -

Composition of the Board of Directors

The Board of Directors comprise of 8 persons from 3 directors with executive role, 1 non-executive director, and 4 independent directors or 50% of the entire Board.

The board of directors has authority to consider who are authorized to sign along with the company's stamp.

The authorized director is Mr. Narit Chia-apar, Chairman, signing with the company seal affixed, or Mrs. Tassanee Youngmeevithya and Mr. Chintat Chia-apar, two directors jointly sign with the company seal, Only certifying true copies of documents of the Company or related to the Company, financial statements, commercial contracts, export or import documents, and employee contracts, one of directors signing with the company seal affixed can bind the Company.

In case of the board of directors has authorized others to manage the business routine on their behalf, such authorization must be in accordance with the meeting resolutions. Such authorization must consist of clear limitations on roles and responsibilities and the authorized persons are not able to approve items that are in conflict of interest between themselves and the company, proxy, or other subsidiaries.

Since the Chairman of the Board and Chief Executive Officer of the Company are the same person. The committee has measures to balance the power between the committee and the management by appointing an independent director who is the Chairman of the Audit Committee, jointly consider the agenda of the Board meetings.

Sub-Committee

The Board of Directors has appointed 5 sub-committees to assist in the corporate governance of the company which are the Audit Committee, Executive Committee, Risk Management Committee, Corporate Governance Committee, and Nomination and Remuneration Committee. The details are as follows:

1) Audit Committee

The Board of Directors setup the Audit Committee since on December 21, 1999. All committees are independent directors which qualified with SEC regulation and SET that term of each Audit Committee member will be not exceeding 3 years. The Audit Committee also held meetings and proposed reports to Board of the Directors on regular basis.

Name	Position	Attendance/ No. of attendance
1. Dr. Kamales Santivejkul*	Chairman of Audit committee	11/11
2. Dr. Sorachai Bhisalbutra	Member of Audit committee	11/11
3. Dr. Worapong Leewattanakit	Member of Audit committee	11/11

Remark: *Dr. Kamales Santivejkul is an Audit Committee member who has knowledge and experience in reviewing the financial statements.

Audit Committee's Qualifications

1. Audit Committee members should be appointed by the Board of Directors and/or shareholders meeting.
2. All Audit Committee members must be an independent director and fully qualified by the Securities and Exchange Commission (S.E.C) regulations.
3. Not being a director appointed by the Board to decide on the operations of the listed company, parent company, subsidiaries, affiliated companies, subsidiaries of the same control level or being the major shareholders, controlling person of the listed company.
4. Not being a director of the parent company, subsidiary, affiliate company, subsidiary in the same level of the company only for the case of listed company.
5. Fully knowledge and experience that is able to achieve an assigned audit tasks. The audit committee must be able to devote sufficient time to the operation of the Audit Committee.

Audit Committee Responsibility

1. To review the Company's financial reporting process to ensure that it is accurate and adequate;
2. To review the Company's internal control system, Risk Management and internal audit to ensure that they are suitable, adequate and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business;
4. To consider, select and nominate an independent person to be the Company's auditor, propose such person's remuneration to the board of directors on the proposal to shareholders for approval;

5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company;
6. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - (b) an opinion on the adequacy of the Company's internal control system and risk management,
 - (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
 - (d) an opinion on the suitability of an auditor,
 - (e) an opinion on the transactions that may lead to conflicts of interests,
 - (f) the number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - (g) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
 - (h) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and
7. To ensure that preliminary investigation is carried out after receiving the external auditor's report on behavior suspicious of fraud or violation of laws by the board members and management. The Audit Committee shall report the results of such investigation to the Securities and Exchange Commission and the external auditor within 30 days from the date they are notified by the external auditor;
8. To review the company's compliance with private sector's anti-corruption and certification programs, including the Collective Action Coalition against Corruption's Self-Evaluation Tool;
9. To consider, review the Audit Committee Charter at least once a year and propose any necessary amendments to comply with the scope of responsibility in the company's operations and propose to the board of directors for approval;
10. To perform any other act as assigned by the Company's board of directors by which such assignment shall be performed with the Audit Committee.

2) Risk Management Committee

The Board of Directors established a Risk Management Committee in 2011 by the said Committee, which in 2020 appointed Chief Financial Officer to replace the former Director who retired and has appointed a manager of Strategic Planning and Risk Management to act as secretary of the risk committee in place of the former person who vacated office. Risk Management Committee, there were 9 meetings together. Because all directors are high-level executives of the company, therefore, no risk management committee member receives remuneration from being a member of the risk management committee.

Name	Position	Attendance/ No. of attendance
1. Mrs. Tassanee Youngmeevithya	Chairman of the Risk Management Committee	9/9
2. Mr. Chintat Chia-apar	Member of the Risk Management Committee	9/9
3. Mr. Boonlert Foongvannaluck	Member of the Risk Management Committee	8/9
4. Miss Yaowalax Tangsanguannuch	Member of the Risk Management Committee	9/9

Duties and Responsibilities

1. Consider the company's policy and framework and set the pace for its current international risk management and proposed to the Board of Directors for approval.
2. Supervise all departments in the company to provide
 - Risk assessment, for instance, strategic risk, operational risk, financial reporting risk, compliance risk, corruption risk, and operational disruptions etc. which are relevant to the business and responsibility of each department.
 - Risk management
 - Mitigation strategy to manage risks to be within the acceptable level
3. Monitor the company's risk management plan in each department, according to previous paragraph, in order that reduce the risk to acceptable level and/or suitable to business condition.
4. Adjust and develop company's risk management regularly to ensure risk management is effective.
5. Review risk management policy and framework annually to ensure that the content is aligned with business operation.
6. Report significant risk management performance, exposure, risk management conduct, progress, and result of risk management to the Board of Directors, Audit Committee, and Executive Committee regularly and disclose in the annual report.

3) Corporate Governance Committee

The Board of Directors established the Corporate Governance Committee in 2012. There are regular meetings held in 2020, with a total of 7 meetings, the details are as follows:

Name	Position	Attendance/ No. of attendance
1. Mrs. Tassanee Youngmeevithya	Chairman of Corporate Governance Committee	7/7
2. Mr. Chintat Chia-apar	Member of Corporate Governance Committee	7/7
3. Mr. Pairoj Yangthong	Member of Corporate Governance Committee	7/7
4. Miss Yaowalax Tangsanguannuch	Member of Corporate Governance Committee	7/7

Duties and Responsibilities

1. Propose corporate governance practices to Board of Directors.
2. Oversee the performance of the Board of Directors and management to ensure compliance with corporate governance practices.
3. Revise current corporate governance practices against international standards and give recommendations to the Board for review and continuous development.
4. Monitor to ensure effective anti-corruption policies for business operation.
5. Establish guidelines for corporate policies to ensure the departments set the policies in accordance with corporate governance practices.
6. Screen, deliberate, and affirm the company policies in accordance with corporate governance practices.
7. Propose affirmative policies to the company board for approval.
8. Review the company policies at least once a year.
9. Report on actions taken in connection with all aspects of corporate governance to the audit committee.
10. Perform annual performance evaluate on the Corporate Governance Committees.

4) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises 4 persons, consisting of 1 executive director and 3 independent directors, representing 75% of the entire board. In addition, the Chairman of the Board Nomination and remuneration is also an independent director.

Name	Position	Attendance/ No. of attendance
1. Dr. Kamales Santivejkul*	Chairman of Audit committee	1/1
2. Mrs. Tassanee Youngmeevithya	Member of Audit committee	1/1
3. Dr. Sorachai Bhisalbutra	Member of Audit committee	1/1
4. Dr. Worapong Leewattanakit	Member of Audit committee	1/1

Duties and Responsibilities

1. Considers the appropriate structure, and composition of members for the Board of Directors.
2. Establishes the qualifications of the Board of Directors and top management as well as criteria in nomination of the Board of Directors and top management.
3. Considers and reviews the qualifications of Board of Directors and assessment Board of Directors', who is retired by rotation, and top management's performance.
4. Defines nomination process in accordance with the composition and qualifications as the position of Board of Directors and top management.
5. Considers remuneration form and criteria to suit the responsibilities of the Board of Directors and top management by proposing to the Board of Directors. The Board of Directors shall consider and propose to shareholders' meeting for approval.

6. Determines criteria of conditional consideration of offering new issuing share to the Board of Directors and top managements, in the case that the company has offering new issuing share to the Board of Directors and employees.
7. Clarify all the questions of the remuneration of the company's director at the meeting of shareholder.
8. Submits an operation report annually to the Board of Directors.

5) Executive Committee

The Executive Committee has 3 members comprises of all executive directors or 100% of the committees. In year 2019, 13 meeting were held.

Name	Position	Attendance/ No. of attendance
1. Mr. Narit Chia-apar	Chairman of Executive Committee	13/13
2. Mrs. Tassanee Youngmeevithya	Deputy Chairman of Executive Committee	13/13
3. Mr. Chintat Chia-apar	Member of Executive Committee	13/13

Duties and Responsibilities

1. Establish strategies, business plan, management structure, and administrative powers to propose to the Board of Directors for approval.
2. Monitor, audit and determine the management policies for efficiency and productivities, also, to conform to the instruction of the Board of Directors.
3. Support activities and adapt internal control in accordance with anti-corruption policies.
4. Consider and approve the Company's annual budget and investment prior to further approval of the Board of Directors.
5. Consider remuneration policy and salary structure.
6. Entering into any transaction binding the company conforming to the Company's Delegation of Authorities.
7. Perform other duties as assigned by the Board of Directors. However, in the granting of powers, duties and responsibilities, the Executive Committee shall not be granted or sub-grant power to a grantee that causes the Executive Committee or the grantee to approve transactions in which the Executive Committee or the grantee to approve transactions in which the Executive Committee or the grantee, or any person who may have any conflict of interest, may have a vested interest, or any person who may have any conflict of interest with the company or its subsidiaries, except where the approval of transactions must be presented to the Board meeting and/or the shareholders' meeting for consideration and approving such transactions in accordance with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand or related laws and regulations.

Executives

	<u>Name</u>	<u>Position</u>
1.	Mr.Narit Chia-apar	Chief Executive Officer
2.	Mrs.Tassanee Youngmeevithya	Deputy of Chief Executive Officer
3.	Mr.Chintat Chia-apar	Chief Organization Development Officer
4.	Miss Yaowalax Tangsanguannuch	Chief Financial Officer
5.	Mr.Boonlert Foongwannaluck	Chief Commercial Officer
6.	Mr.Pairoj Yangthong	Chief Operating Officer
7.	Mrs.Phongsri Nittipho*	Accounting Department Manager

The Responsibility of Executives

1. Supervise the operation, management and / or normal business operations for the benefit of the company.
2. Operate in accordance with the policies, work plans and budgets approved by the Executive Committee and / or the Board of Directors.
3. Prepare and propose policies, business plan, business strategies, budgets and investments for presentation to the Executive Committee Meeting
4. Supervise the operations of the company to be in accordance with the policies, work plans and budgets approved by the Executive Committee.
5. Authorize to consider and approve financial expenditures in the normal business operations of the company for the company's operation. The credit limit for each item is as specified in the approval authority.

Chief Executive Officer annual performance assessment

The Board of Directors had conducted annual performance assessment of Chief Executive Officer to accordance with the SET guideline. The company had delivered assessment to the committee evaluation which includes assessment topics as follows:

- | | |
|---|--|
| 1. Leadership | 6. Relationship with externals |
| 2. Strategies | 7. Management and relationships with employees |
| 3. Compliance to strategies | 8. Succession |
| 4. Planning and financial practices. | 9. Product knowledge and services |
| 5. Relationship with Board of Directors | 10. Personal attribute |

CEO performance for year 2020 was evaluated by 7 directors (excluding CEO). Overall in 10 topics considered an excellent.

Executive Remuneration

In 2020, the company has paid management remuneration. Which consisted of salaries totaling 16.97 million baht.

Succession Plan

The Board of Directors realized the importance of company's human resource. For sustainable business, the company had proceeded as follows:

1. Company arranged training course for manager level and above to increase their potential such as Risk management practices to create value for the business.
2. Company appropriated task to more challenge and job rotation for increase knowledge of employee which is important factor to in career growth.

Employee

The Company and its subsidiaries have a total of 1,841 employees, divided into production line 1,527, management line 280, sales line 34 people. In terms of various compensation and benefits (salary, wages, allowance, bonus, contributions, provident fund), the total amount was 885.64 million baht. The Company passed a resolution to establish a provident fund on April 10, 2006 under the Provident Fund Act 2530 and the amendments to the Securities and Exchange Act B.E. 2535 and its amendments, including other relevant laws. For the welfare of the employees of the company, which started to accumulate and contribute from the wage's payment period in May 2006 onwards.

Because a provident fund that is considered a retirement savings fund for employees, the Company therefore has a policy to encourage the Provident Fund Committee to select fund managers who comply with the investment governance code (I Code) by selecting a management company that has a supporting system. Fund operation is appropriate, safe, responsible for investment management, taking into account environmental, social and governance factors. (Environment, Social and Governance: ESG) as well as benefit members in the long term.

Additionally, the Company offers other benefits such as health insurance, accident insurance, staff dormitory, fitness center, leisure center, including training and learning in order to continuously enhance the competence of personnel.

The Company manages employment conditions, working conditions and various benefits, under the Labor Law and the Thai labor standard requirements by adhering to the principles of fairness, ethics and transparency. The Company has been certified according to Thai labor standards. (TLS 8001-2010), the highest level of complete integrity. The Company has been selected as only 1 in 5 establishments in the country that is able to maintain the Thai labor standard system for 10 years or more. Moreover, the Company focuses on the importance to recruiting, selecting, hiring and recruiting people to work by considering knowledge, ability, experience suitable for the position as specified by the Company. Along with consideration of compensation and promotion by using the criteria for assessing the performance of the KPI set by the company through the concept of the Balanced Scorecard.

Other Information

Company Secretary

The Board of Directors appointed Miss Yaowalax Tangsanguannuch as a company secretary effective from 16th January 2020. The qualification of company secretary is shown in appendix 1.

Roles and duties of the company secretary

The Company Secretary must perform duties responsibly by caution and honesty as well as having to comply with the law, objectives, the Company's Articles of Association, Board resolution and the resolutions of the shareholders' meeting. The legal duties of the Company Secretary are as follows:

1. Prepare and maintain the following documents:
 - A. Register of Directors
 - B. Notice of the Board of Directors Meeting Board meeting minutes and the annual report of the company
 - C. Letter calling for the shareholders' meeting and minutes of the shareholders' meeting
2. Keeping reports of interest reported by directors or executives and send a copy of the interest report to the Chairman of the Board and the Chairman of the Audit Committee knows within 7 business days from the date the company receives the report
3. Other actions as assigned by the company as follows:
 - Provide legal and regulatory advice related and supervision practices in conducting activities of the Committee to be in accordance with the law
 - Responsible for organizing the Board of Directors' meetings and shareholders' meetings
 - Coordinate with departments within the company to comply with the resolutions of the Board of Directors and the shareholders' meeting
 - Liaise with supervisory agencies such as the SET office and oversee the disclosure of information and reporting information to regulators and the public in a correct and complete manner
 - Provide an orientation Giving advice to newly appointed directors
 - Other duties as assigned by the company

Internal Audit

Please refer to the section on Internal Control and Risk Management and Attachment 3 of this report.

Invertor Relation

The company has a unit responsible for the investor relation. Investors may contact Miss. Tanawan Surawattanavisase, Head of Investment and Investor Relations, telephone number 02-637-8888 ext. 533 or E-mail Address: investor@seafresh.com.

The company also arranges Analyst Meetings in order of company's information disclosure by executives. In year 2020, there were 4 Analyst Meetings held by the Company (Once per quarter).

Audit Fee**1) Audit Fee**

The Company and subsidiaries paid an annual audit fee as follows:

- An audit fee in the past financial year total Baht 3.62 million for the company and domestic subsidiaries.
- An audit fee for overseas subsidiaries in the previous year was Baht 7.14 million.

2) Non-Audit Fee

Company and subsidiaries had no payment for other services fee to an audit firm which the company auditor belonging to or related firm with the company auditor or audit firm.

Corporate Governance Report**Summary of the Board's Performance****Nomination of Directors and Top Executives management****Independent Director**

For the selection of independent directors, nomination and remuneration committee act as a leader to recruit qualified candidates in accordance with the Board of directors' instruction which consistent with the regulations of the SET and the SEC and then propose to the board of directors and/or shareholders for consideration and approval.

Independent Director's Qualification

In the selection of independent director, the Board has set the following qualification guidelines and definition of "Independent" in complies with the SET and SEC regulations as follows:

1. Holding not more than one percent of the total voting shares of the company, its subsidiary, associated company, juristic persons with potential of conflict of interest, major shareholder, or controlling person, with the number of shares held by the director's related persons being counted.
2. Being a director who is not or has never been an executive director, employee, staff member, salaried advisor, or controlling person of the company, its subsidiary, associated company, same-level subsidiary, juristic persons with potential of conflict of interest, major shareholder, or controlling person, unless such characteristics have lapsed for at least two years before being appointed.
3. Having no relationship by blood or by legal registration under the status of father, mother, spouse, sibling, and child, including the child's spouse, of other directors, executives, major shareholders, controlling persons, or persons who are being nominated for appointment as directors, executives, or controlling persons of the company or its subsidiary.
4. Not being or having been a shareholder or authority having control of the business relationship with the company, parent company, subsidiaries, affiliates, shareholders or controlling person of the company including professional service and business relationship which are specified by the Securities and Exchange Commission of Thailand unless the aforementioned status has passed for not less than 2 years prior to being appointed as Independent Director.
5. Being a director who is not or has never been an external auditor of the company, subsidiary, affiliate, major shareholder, or controlling person, and not a significant

shareholder, controlling person, or partner of audit firm to which an external auditor of the company, subsidiary, affiliate, major shareholder, or controlling person belongs, except in case such characteristics have lapsed for at least 2 years before being appointed.

6. Being a director who is not or has never been a provider of any professional service including legal advisory service or financial advisory service with the service fee thereof exceeding Baht 2 million per year from the company, subsidiary, affiliate, major shareholder, or controlling person, and not a significant shareholder, controlling person, or stockholder of the provider of such professional service, except in case such characteristics have lapsed for at least 2 years before being appointed.
7. Being a director who is not appointed as representative of a director, major shareholder or shareholder with a relationship to a major shareholder of the company.
8. Not having or not having had a business with the same nature and in competition to the business of the Company, subsidiaries or not be a significant partner in a partnership company or director, employee, consultant who receives a regular salary or holds more than 1 percent of the total shares with voting rights of another company which has the same nature and in competition to the business of the company, subsidiaries, or affiliates.
9. Not having any other characteristics that may hinder the exercise of his/her independent judgment about the company's business operations.

Nomination of Directors

To appoint the new director, nomination and remuneration committee which consists of 3 independent directors of 4 directors are responsible for the selection and screening individual person who are qualified under the regulations of the company, adhere to the policy's tenure as director, and accord with company's operational strategies.

The company also considers the rights of minor shareholders to appoint the director and given the opportunity to propose the highly qualified knowledgeable, capable and specialized in various areas as candidates for directorship in advance through E-mail address at investor@seafresh.com or through Fax no. +662 637 8801. The Company has established guidelines and practices in the nomination of directors including the consideration of the committee at <http://www.seafresh.com/investor>. The company also published a letter to the shareholders through the stock exchange at least 3 months before the end of the financial year. However, in the yearly 2020, there had been no shareholders recommended any directorship candidates.

Up next, The Nomination and Remuneration Committee will propose the qualified persons for being directors. In order to gain professional directors and Board Diversity, the Nomination and Remuneration Committee will consider the selection from structure, size, and element of the Board of the Directors such as technical, specialty, gender, and etc. The number of proposed persons by the Nomination and Remuneration Committee will be equal to number of retired directors by rotation and give their suggestions to the Board of the Directors for opinions before proposing to the Annual General Meeting of Shareholders.

After the selection, the Company will present to the Annual General Meeting of Shareholders meeting following procedures and methods as below:

1. Each shareholder has the same number of voting right as the number of shares held.

2. Each shareholder can exercise all of its voting right as described one (1) in order to elect an individual or a group as the company director but it cannot split the voting right unequally among individuals.
3. The person received the highest voting respectively would be elected as Director equal to the number of directors required. In the case that the vote is the same for two or more people, the Chairman will make decision.
4. At each Annual General Meeting of Shareholders, the Director stays in the position the longest will be retired by rotation in the ratio of 1:3. However, The Director, who was retired by rotation, can be reelected as director again.
5. Beside the retirement according to the term, the director may out of the position when:
 - 5.1 Died
 - 5.2 Resign
 - 5.3 Not qualify according to the Article 68 of Public Company Act 1992 or other relevant laws as well as the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission and company regulations.
 - 5.4 The shareholder meeting can remove any directors before end of term with the vote not less than three fourth of the shareholder present at the meeting and the required total share of the vote should not be less than 50% of the holding share of shareholder present at the meeting.
 - 5.5 The court issued an order

Top Executive Management Nomination

For the Chief Executive Officer nomination, Executive Board will be prescreen who qualified with knowledge, skills, experience to benefit company's operation, well understanding of the business, and able to manage for achieve the given objectives and targets, then present to the Nomination and Remuneration committee for approval then present to the Board of the Directors for consideration and approval.

Director and Executive Development

The Board of Directors attaches great importance to the development and training of directors. In order to perform their duties efficiently and to develop directors and add perspectives of ideas those are beneficial to the company business. Therefore, encouraging all directors is the purpose of continually increase the knowledge of the operation.

The company's directors have attended the training courses organized by the Thai Institute of Directors (IOD) as follows:

<u>Name</u>		<u>Courses</u>
1. Mr. Narit	Chia-apar	Director Certification Program (DCP)
2. Mrs. Tassanee	Youngmeevithya	Director Certification Program (DCP)
3. Dr. Kamales	Santivejkul	Director Certification Program (DCP)
4. Mr. Narongrit	Chiarawongvanit	Director Accreditation Program (DAP)
5. Dr. Sorachai	Bhisalbutra	Director Accreditation Program (DAP)
6. Dr. Worapong	Leewattanakit	Director Accreditation Program (DAP)
7. Mrs. Supannee	Punnasri	Director Accreditation Program (DAP)
8. Mr. Chintat	Chia-apar	Director Accreditation Program (DAP)

However, in 2020, there is no director undertaking the development and training courses related to the performance of duties of a director.

In the event of a change of director, the Board of Directors requires an orientation for new directors. So, the directors have knowledge understanding of the business of the Company. In addition, the Board of Directors has stipulated that the Company's management is responsible for preparing basic information about the company that is beneficial to the performance of duties of the directors also, recommend the nature and business direction to new directors. In order to prepare the directors for the performance of duties, the company secretary is the coordinator in various matters.

The Board of Director's Performance Assessment

The Board of Directors had conducted performance assessment of the entire to accordance with SET guideline which requires to be conducted on a yearly basis which divided by principle as follows:

- 1) Performance assessment of the Board as a group under the subjects as follows:
 - 1.1 Structure and Characteristics of the Board
 - 1.2 Roles and Responsibilities of the Board
 - 1.3 Board meetings attendance
 - 1.4 Duties performance of the Boards
 - 1.5 Relationship with management
 - 1.6 Self-development of Directors and executive's development
- 2) The Board of Director's individual self-assessments under the subjects as follows:
 - 2.1 Structure and Characteristics of the Board
 - 2.2 Roles and Responsibilities of the Board
 - 2.3 Board meetings attendance
- 3) Performance assessment of all Sub-committees comprising of the Audit Committee, Risk Management Committee, Corporate Governance Committee, and Nomination and Remuneration Committee, Executive Committee
 - 3.1 Performance assessment of the Board as a group under the subjects as follows:
 - Structure and Characteristics of the Board
 - Roles and Responsibilities of the Board
 - Board meetings attendance
 - Duties performance of the Boards
 - Relationship with management
 - Self-development of Directors
 - 3.2 Sub-committee's individual self-assessments under the subjects as follows:
 - Structure and Characteristics of the Board
 - Roles and Responsibilities of the Board
 - Board meetings attendance

The Board of Directors has established a process for assessing the performance of the entire Board of Directors individually and evaluating the performance of every sub-committee as follows:

- 1) Conduct an individual assessment of the performance of the committees as well as the performance evaluation of all committees at least once a year
- 2) The company secretary collects all forms of assessment results and present to the Board of Directors to consider the results of the assessment and use as a guideline for developing operations to be more efficient

For the performance evaluation of the Board of Directors and sub-committees both as a group and individual for the year 2020, the overall is good to very good. The Board of Directors will use the assessment results for further improvement and development.

Board of Directors' Meetings

Due to Company Article of Association, the Board of Directors meeting shall be arranged with more than half members must attend the meeting. However, the Board of Directors has considered that the meeting shall be held with more than two-third of all Directors.

The meetings have been scheduled annually as tentative time schedule. There will be a board meeting once per month, except April And October but editable due to time and events. An independent director will be appointed to consider and set meeting agenda. The meeting documents and invitation are sent to member of the Board at least 7 days before meeting by Company Secretary. Normally, the meeting takes about 3 hours. The Chairman has allocated sufficient time to executives present and explains significant matters the committee commented independently. Directors are also invited to ask for more information in order for consideration within scope of company's policies or regulations.

The independent directors are able to arrange a meeting among them as necessary for discuss of issues about the deal without management in attendance, and report the result of the meeting to the Chairman. However, in year 2020, there is no meeting among independent directors.

In 2020, there will be a total of 10 board meetings, details as follows:

Name		Position	Attendance	AGM 2020
Mr.Narit	Chia-apar	Chairman of the Board of Directors/ Chief Executive Officer	10	Yes
Mrs.Tassanee	Youngmeevithya	Director/ Deputy Chief Executive Officer	10	Yes
Mr.Chintat	Chia-apar	Director / Chief Organization Development Officer	10	Yes
Mr.Naringrit	Chiarawongvanit	Director	10	NO*
Dr.Kamales	Santivejkul	Independent Director/ Chairman of Audit Committee	10	Yes
Dr.Sorachai	Bhisalbutra	Independent Director/ Member of Audit Committee	10	Yes
Dr.Worapong	Leewattankit	Independent Director/ Member of Audit Committee	10	Yes
Mrs.Supanee	Punnsri	Independent Director	9	Yes

Remark: ** Mr.Narongrit Chiarawongvanit did not attend the AGM 2020, due to the epidemic situation of coronavirus infection 2019 in 2020

Director Remuneration

Directors' remuneration is reviewed annually. The remuneration is set at an appropriate level comparable to the market and the same industry and suitable for the burden Scope of the assigned roles and responsibilities. This includes enough to motivate and retain quality directors for the company.

The Nomination and Remuneration Committee will initially consider the remuneration. Then bring the information presented to the Board of Directors meeting to consider before presenting to the shareholders' meeting for approval. The remuneration for directors and sub-committees for the year 2020 approved by shareholders, the total amount is 1,620,000 baht, which the monetary compensation component is the meeting allowance only.

In the year 2020, the Company has paid various remunerations to directors as follows:

1) Monetary Remuneration

Total director remuneration for the year 2020 is 1,266,667 baht, which is the meeting allowance (amount 13,333 baht per time) that for 5 independent directors as follows:

<u>Name</u>	<u>Position</u>	<u>Remuneration/year (Bath)</u>
1. Dr. Kamales Santivejkul	Independent Director	113,333
	Chairman of the Audit Committee	200,000
	Chairman of the Nomination and	13,333
	Remuneration Committee	
2. Dr. Sorachai Bhisalbutra	Independent Director	126,667
	Member of Audit Committee	186,667
	Member of Nomination and Remuneration Committee	13,333
3. Dr. Worapong Leewattanakit	Independent Director	136,667
	Member of Audit Committee	200,000
	Member of Nomination and Remuneration Committee	13,333
4. Mrs. Supanee Punnasri	Independent Director	136,667
5. Mr. Narongrit Chiarawongvanit	Director	150,000

“None of the directors received any remuneration from being directorship of the subsidiary of the company.”

2) Other Remuneration

- Nil -

Subsidiaries and Affiliate Operation Control

The Board of the Director has a mechanism to control, manage, and monitor the operation of all subsidiaries and affiliate to maintain benefits of the company capital expenditure. The company assigned representative to be the directors in the company at least in a percentage of shareholding. The representative has to be approved from the Board of the Directors.

Authorized and responsibility scope of company's representative.

- Participation in the importance business operation policy.
- Control and oversee subsidiaries to disclose financial statements, performance, transactions between the company and related persons, acquisition or disposition of assets, or any other importance transaction of the company in according to the rules of the company.
- Consider and set up an internal control system and other mechanism for properly and appropriated controlling subsidiary.

Monitoring to ensure compliance with corporate governance principles

The Company focuses on the good corporate governance by stating related policies and practices in the Company's corporate governance policy and business ethics along with fostering real action. To build confidence in all groups of stakeholders which can be summarized various issues related to corporate governance as follows:

1) Rights of Shareholders

The company's policy was made basing on the shareholders' rights in promoting shareholders to exercise their rights as owners in controlling the company through selection of board of directors to work for them. The shareholders also have the rights in making decisions on important changes of the company.

In the General Shareholders' Meeting, the company recognizes the exercise of rights in voting in the meeting for decision making by shareholders on important issues. Invitation letters for meetings and supporting documents are made with complete information on meeting agenda including the board of directors' opinion on each agenda. There are also complete and accurate minutes of meeting for shareholders' inspection. The company has also appointed Thailand Securities Depository Company Limited to send meeting invitation letters to the shareholders 21 days in advance before the meeting date.

Shareholders can also visit the company's website for online meeting details 30 days before the meeting date at <http://www.seafresh.com/investor>. In addition, shareholders can also make enquiries or ask questions in advance at our E-mail address at investor@seafresh.com.

The meeting will be conducted in a transparent manner under the chairmanship of the Chairman by inviting all shareholders for questions and suggestions for each agenda proposed for consideration. All comments and suggestions will be recorded in the minutes of shareholders' meeting which will be posted 7 days after the meeting at <http://www.seafresh.com/investor>. Besides, the company brought technology to improve the speed and accuracy of the meeting for instance, registered attendees, counting the vote, and showing the result.

2) Equitable Treatment of Shareholders

As part of the equitable treatment of shareholders, the Company encourages and facilitates every shareholder, including institutional investors attend meetings equally by allowing shareholders who could not attend the meeting in person, give proxy to others to attend the meeting on their behalf. In other ways, they may select any independent director to attend the meeting instead by using the proxy form in which the shareholders can determine the voting direction and conducting shareholders' meetings which has the following guidelines:

2.1) Shareholders are given the opportunity to propose meeting agenda through E-mail address at investor@seafresh.com or through Fax no. +66 2637 8801. The company has published the criteria and procedures in proposing meeting agenda and directors' appointment and consideration guidelines at <http://www.seafresh.com/investor> as well as the issuance of newsletter to shareholders through the SET online system at least 3 month in advance before end of the financial year. As for the Annual Shareholders' Meeting 2020, there had been no shareholders proposing any meeting agenda or recommending any directorship candidates.

2.2) In considering each meeting agenda, the company's officers will distribute the voting form to shareholders or their proxy in the case of disapproval or abstain. The secretary of the meeting will explain the voting procedures before the consideration of meeting agenda. During the directors' election agenda and shareholders are given the opportunity to select directors individually.

2.3) The secretary of the meeting will conduct the meeting as per agenda proposed in the meeting invitation letters and there shall be no additional agenda for consideration other than those stated in the letter.

3) Role of Stakeholders

In realizing the importance of the rights of all related stakeholders which include employees, customers, suppliers, financial institution, shareholders, competitors, social, community, and environmental impact, the Board of Directors has set a policy to promote the co-operation between the company and stakeholders as follows:

Employee

Please see in topic: Employee

Customers

The Company has emphasized on producing high quality products with international standard and safety to support its selling policy in creating customers' highest satisfaction. The company also has conducted Customers' Satisfaction Survey as the core company's KPI in order to develop and improve the products' quality and services to the utmost. Furthermore, customers' trade secret has also been kept confidential and well aware among employees concerned.

Suppliers / Creditors

As stated in the Company's policy, all staff must deal with the Company's suppliers (i.e. subcontractor, general supplier, raw material supplier) with strict conditions and agreement made in buying products or services with utmost honesty and transparency. Moreover, the Company needs to ensure that suppliers run the business with environmental friendly and concern sustainable business. The Company set the team to select supplier and need certify that they run the business by concerning to environment and following the government law, including, follow up on the regular basic. Moreover, the Company will comply with condition or agreement which is dealt with suppliers, who also are trade creditors.

Financial Institution

The Company makes sure to strictly comply with all terms of any agreement such as capital management condition, guarantee (if any). It enters into in a responsible and transparent manner. The Company will not conceal any information or hide any facts that might possibly result in the realization of losses for its creditors. In the event that the Company is unable to meet any of the criteria it agreed to, it will make immediate notification to that particular creditor to allow for a course of action to be taken to rectify the situation.

Shareholders

The Company has recognized that shareholders are true owners of the company and having their rights in company; so, the Company has set up policy that complied with Corporate Governance through the Rights of Shareholders and Equitable Treatment of Shareholders.

Competitors

With Business Ethic policy, the Company will not deal business with dishonesty or destruction to its competitors. The Company has never had any argument cases with its competitors.

Community and Impact on Environment

The Company has clearly spelled out in its policy to conserve community and social environment including promoting efficient resources usage as follows:

- Production process and residual raw materials must not have adverse impact on environment.
- Excess raw materials from production are disposed by scrap resale.
- Waste from production process must go through waste water treatment system under the supervision of Office of Provincial Industry.
- Develop ISO 9001 quality management system and ISO 14001 environmental management.
- Awareness of environment impact, environmental protection.
- Performance of employees and good practice of the communities.
- Encourage employees to gain knowledge by training course about environment.

In addition, in 2020, the Company's employees receive training in environmental related courses, including the Energy Conservation Program, course on introductory knowledge on systems, standards and occupational safety, Energy Conservation and CSR-DIW etc.

Intellectual Property and Copyright

The Company has set a policy to be concentrated in not violate other intellectual property and copyright. For example all employees have to sign on an agreement of computer and intellectual property violation. The company set the policy to specify an information technology system and procedures for software infringement or absurd software.

4) Disclosure and Transparency

The Board of Directors has recognized the importance of information disclosure which impact on investors' and stakeholders' decision making and thus ensured that all information disclosed both on financial information or general information must be transparent and complete. The company has disseminated all related information in Thai and English via both the Stock Exchange of Thailand and the Company's website. Investors may visit the company's website for information and company's activities at www.seafresh.com/investor or contact us via E-mail Address at: investor@seafresh.com.

Interest Disclosure

The committees specify the company director and executives must reveal their own interest and other related person to the committee. Those related interest director or executives with the company will be unable to make a decision in this related transaction.

Securities Holding of Director and Management Team Disclosure

The Company shows the securities holding of director and executives in an annual report and set the policy to all directors and executives to clarify their securities holding within 3 days since the transaction date. The Company Secretary will coordinate to submit the report to the SET and SEC. In addition, the Company also invites the directors and executives show their change in securities holding in Board of Directors meeting.

5) Roles and Responsibility of Board of Directors

The Board of Directors regularly reviews the policy and evaluates its implementation, resulting in the Company receiving a "excellent" or 5-star corporate governance assessment for the fourth year in a row for the fourth consecutive year from Corporate Governance Survey of Thai Listed Companies. As well as, the Company was ranked as one of 51 listed companies in the Stock Exchange of Thailand with securities value between 1,000 - 2,999 million baht that received the Best Corporate Governance Review or Top Quartile.

Director's qualification policies

The company considers policies as qualification of Directors as follows:

1. To limit a number of listed-company that company's director can take position as director to 3 companies at the same time.
2. Prohibit to Director (including Chairman of the Board of Directors) participated as shareholder or director in other corporates which are in the same field and being competitors to the company. Exception, director has proposed to AGM before appointment approval.

In addition, the Company has followed up to achieve good corporate governance in other areas as follows:

1) Conflict of Interests

The Company has established policies and approval procedures for any transactions of conflict of interest or relating activities. Strict practice according to the SET's regulations will be followed and considered to ensure persons related to such conflict of interests have not involvement in any of the company's decision making. The company has clearly disclosed the information in the financial statements, see note to Financial Statements.

2) Measures for Control of Internal Information

The Company has set necessary measures in controlling internal information for prevention of abuse for personal interests as follows:

- Directors and executives must immediately report of any changes of company's securities held after each of the transaction in the Board of the Directors meeting.
- Directors and executives, who gain access to inside information, must refrain from the company's securities trading within one month before the disclosure of the financial statement to the public.
- Violation in abuse of company's inside information for personal interests will be imposed with severe punishment such as termination of directorship or employment.

In the past year, there was not found that the directors and executives had not traded in securities during the period the company had set to refrain from trading.

3) Information Technology

The company has set management policy of information technology for organization with the details is as follows;

- 1) Manage the company's computer network to be stable and efficient. Ensure that computers and communication devices are adequate and available at all times.
- 2) Develop information systems (database, processing, storage, reporting, and publishing) for effective management and decision making.
- 3) Encourage and develop personnel to have knowledge and skills in using information systems continuously.
- 4) Provide up-to-date information technology to support efficient operations, taking into account cost and benefits.
- 5) Implement security risk management for computer networks and information systems.
- 6) No violation of software licenses.
- 7) Follow the laws and regulations related to the use of information technology.

- 8) Manage all types of social media access, including the publishing of text, still images, video, audio, data, etc., to ensure safe and secure use.

4) Internal Controlling System and Risk Management System

The Company recognizes the importance of internal controlling system of all levels. Therefore, we have clearly established written responsibilities and duties of management and all other employees as well as setting up the budget limit for approval of procurement requests, procurement orders, and other expenses. We created the checked and balanced system and control the utilization of the Company's assets to the maximum benefit. The company also set solid financial control system and risk management system including preventive measures.

The Internal Audit Department has been established to conduct internal auditing of the company's operation systems to ensure full compliance to the company's legal and regulatory requirements. The internal audit department is obligated to report its finding directly to the audit committees.

The committee had evaluated the internal control system through questioning the Management. The evaluation assessment showed that the company's internal control system is divided into five perspectives, organization and environment, risk management, administrative management, information and communication system, and traceability system. The Committee had the opinion that the company had sufficient internal control system.

5) Anti-Corruption Management

The Company has the intention and a commitment to combat all forms of corruption. Therefore expressed its intention to join the Thai Private Sector Collective Action Coalition Against Corruption (CAC) on September 6, 2013 and was certified as a member of the project for the last time on February 4, 2019.

In 2020, the Company has taken steps to prevent involvement with corruption, as in summary:

- (1) The Company reviews the anti-corruption policy annually and must be proposed to the Board of Directors for approval if there is a revision. Such policies identify the definition, scope, responsibilities, resolution and penalty. Also, it is a part of the company's code of conduct. Furthermore, the detail of the policy and the related procedures to prevent corruption has been disclosed on the company website www.seafresh.com/investor under corporate governance subject.
- (2) The Company communicates to directors, management, staff and overseas subsidiaries for implementing all legally processes. Besides, the Company also offers training in ethics, anti-corruption policy and risk management for employees to know about the policies and practices in anti-corruption.
- (3) The Company provides whistleblowing channel to report in case of found corruption and has procedure to secure the reporter.

The Company has disclosed details of policies and actions to prevent involvement with corruption on the Company's website (http://www.seafresh.com/investor/corp_th.asp) under the heading of corporate governance.

6) Notification of Complaint and Whistleblowing

The committee has provided a channel for stakeholders to make a complaint which may cause any damage to the company through E-mail Address: cg@seafresh.com. Company's Chairman of the Corporate Governance committee will send the issue to the audit committee for investigation. The company has a policy to protect who send comments or suggestions and retention with confidential.

In recent years, the Company did not find any complaints or whistleblowing or notifying in the event that employees were found to violate the ethics.

Report on the performance of duties of the Audit Committee in 2020

In the past 2020, the Audit Committee has performed the duties as follows:

1. Supervision of the preparation of the Company's financial reports and subsidiaries. Inquiring and listening to explanations from the management and the auditor on the accuracy, completeness and reliability of the financial statements
2. Supervision for the review of the internal control system to assess the adequacy
3. Disclosure of opinions on the nomination of the auditors and the audit fees of the Company
4. Reviewing the Company to comply with relevant laws and good corporate governance principles
5. Review of related transactions or transactions that may lead to conflicts of interest
6. Review of the Audit Committee Charter

Details of the Audit Committee Report This can be found at Attachment 6, Report of the Sub-Committee.

Summary of the performance of duties of the other committees in 2020

Details of the sub-committees in the meeting and performance of the sub-committees in the past year would be viewed at information about sub-committees and Attachment 6, Reports of sub-committees.

Internal Control and Related Party Transaction

Internal Control and Risk Management

The Board of Directors Opinion Summarize

Board of Directors has assigned the Audit Committee reviewing the internal control system to ensure that the Company's internal control system is appropriate and sufficient by applying the control principles of the COSO (The Committee of Sponsoring Organizations of the Treadway Commission), covering the internal control of management, operational aspects, accounting and finance, and compliance with regulations and laws.

In the Board of Directors meeting No. 2/2021 on March 1st, 2021 the committee has assessed the internal control evaluation report of the audit committee. The evaluation summarized that the internal control systems evaluation in 5 elements are internal control, risk assessment, operational control, information system & data communication and monitoring system. The committees consider that the company has appropriate internal control. The company has optimal allocation of manpower to correspond with operation effectively and internal control system is sufficient to monitor operation of subsidiaries, including asset protection of the Group from illegal use by director, transactions with conflict or connected person. The internal control among other topics the committee considered that it is sufficient and appropriated.

The Audit Committee opinion which is different from The Board of Directors opinion

-Nil-

Head of Internal Audit Information

At present, the Company is in the process of recruiting an internal audit supervisor. The Audit Committee therefore has the opinion that Ms. Yaowalak Tangsanguannuch shall take the position of Acting Head of Internal Audit. Due to having sufficient knowledge and qualifications Experience in accounting, finance and internal audit work in the business, therefore, considered that it is appropriate to perform such duties.

For the consideration, approval, appointment, transfer and dismissal or incumbent managers within the company must approve by the audit committee with qualifications of the head of internal audit appears in Attachment 3.

Related Party Transaction

Name and Relationship	Transaction	Person with RPTs	Value			Necessity and reasonableness and the Board of Directors opinion
			(Million Baht)			
			Year 2020	Year 2019	Year 2018	
<u>Chartered Squared Holding Company Limited</u> Mr.Narit Chia-apar, Ms.Tassanee Yongmeevithya and Mr.Chintat Chia-apar, as Directors, and Chia-apar group, as Shareholders, held 100% of shares.	- Office rental and service	CFRESH/SIHQ	9.29	9.21	9.05	- The Company and subsidiaries lease office space from Chartered Square Holding Company Limited for utilize sales office.
	- Service fee and equipment	CFRESH	-	0.02	0.02	
	- Sales of goods	CFRESH	0.05	0.11	0.06	- The Company sold shrimp products
	- Service income	CFRESH/MSI	0.43	0.42	0.44	- Subsidiary’s information technology and others income
	- Trade account receivable	CFRESH	-	0.14	0.01	
	- Other accounts payable	CFRESH/MSI	0.17	0.07	0.16	- The value of shrimp products
<u>Thai K. Boiler Company Limited</u> Mr.Narit Chia-apar, and Ms.Tassanee Yongmeevithya as Directors, and Chia-apar group, as Shareholders, held 100% of shares.	- Service fee and equipment	CFRESH	0.3	0.04	0.12	- Boiler inspection service and other services.
	- Service income	SIHQ	-	0.13	0.14	- Subsidiary’s training services income
	-Purchase assets	CFRESH	0.53	0.04	-	
	-Assets payable	CFRESH	0.38	-	-	
	- Other accounts payable	CFRESH	0.24	-	-	
<u>Belize Aquaculture Limited</u> (BAL) , the joint venture which 50% of shares holding by SGH, CFRESH ’s subsidiary, and 50% of unrelated party	- Other Account receivable	SGH	316.55	377.96	378.26	-SGH has lent with 8% of interest rate and the maturity date within 13 April 2018.
	- Lending	SGH	325.3	258.69	326.61	The lending is one of the conditions for joint venture which approved by the CFRESH board No. 4/2012 on 19 April 2012.
	- Accrued interest receivable	SGH	61.82	65.25	71.42	



Necessity and Reasonability of the Transaction

In 2020, the company and its subsidiaries have related business transactions with related parties which is relevant to the terms and conditions as determined by the company and related parties. This business transactions for the purpose of determine on prices and conditions which appears not differently dealt with outsider as referenced in in the note no. 8 of the financial statement 2020 which is reviewed by auditors.

Audit Committee's Opinion

Audit committee was substantially consistent with auditors that the transactions are reasonable into sufficient discloses and integrity of it, with regards to the best interests of the company.

Related Party Transaction Policy

The related party transactions occurred and will been occurred in the future considered as the normal business transactions. There is no any conflict interest. The audit committees consider and give opinions on the transactions appropriately including disclosure rely upon to SEC and the Stock Exchange of Thailand's regulations.



Financial Report

STATEMENT OF THE RESPONSIBILITY OF BOARD OF DIRECTORS TO FINANCIAL REPORT

The Company's Board of Directors is responsible for reporting the Company's financial statements. The financial statements were prepared in accordance with Thai accounting standards and Thai financial reporting standards. The company has used the appropriate and consistency accounting policies to ensure that the information has been recorded correctly and completely, and be adequate to protect Company assets and prevent any misallocated items in the financial statement.

The Board of Directors appointed an Audit Committee, which comprises three Non-Executive Directors, has been responsible for quality of the financial reports as well as to ensure the internal control system is the most appropriate and effective. The Board of Directors believes that the Company's internal control system is capable of assuring a reliable financial statement, as of December 31, 2020.



(Mr. Narit Chia-apar)
Chief Executive Officer

Management Discussion of Financial Position and Performance Analysis (MD&A)

1) Overview

At the beginning of 2020, the coronavirus disease (COVID-19) epidemic took place. This situation has continued to widen, causing a slowdown in the economy and affects most businesses and industries.

Seafresh Industry Public Company Limited was also impacted by the epidemic situation of COVID-19 which spread throughout the world. The result of this is that customers in the Food Service group of the Company cancel orders and delay the delivery of products. Therefore, the sales of the Company decreased by THB 68.3 million or 3.6% compared to the previous year. However, the overseas subsidiaries can expand their markets to other businesses. As a result, the sales of the group business increased from THB 5,474.13 million to THB 5,835.72 million or an increase of 6.61% compared to the previous year.

In terms of net profit from the financial statement, there was a loss of THB 240.3 million while the previous year had a net loss THB 204.9 million. The net loss attributable to the company was THB 282.42 million while the previous year, there was a loss on equity belonging to the Company equal to THB 218.21 million, with the following reasons:

1. Due to the epidemic situation of COVID-19 which occurred in the year 2020, causing the consumer behavior to change into the Company's overseas Food Service customer group has close down. As a result, the order was cancelled and the delivery products was delayed. This caused the company to bring the products that have already been produced and sold domestically at a lower price than cost in order to drain the product.
2. The gross margin decreased from 8.49% to 8.22% due to higher product cost from raw material prices. But it cannot be sold at a higher price according to the raw material price. Because of competing countries, raw material prices are cheaper than that of Thailand.

Total Income

The main revenue of the Group is segmented from Frozen Raw Shrimp, Frozen Cooked Shrimp, Value Added Shrimp such as Breaded Shrimp, Battered Shrimp, Sushi, Vegetables and Fruits, which are sold through overseas subsidiaries under the Group's trademark and customers' trademarks. That are importers, wholesalers, retailers and Re-processors in the European Community, Japan, USA, Canada, Australia.

In 2020, the total income of the Company's and its subsidiaries amounted to THB 5,871.89 million, an increase of THB 339.91 million, representing an increase of 6.14% compared to the previous year. This is because the overseas subsidiaries can expand their markets to other businesses.

Total Income (Million Baht)	For the year ended 31 December		The change	
	2018	2019	Amount	(%)
Domestic Sales and Services	1,193.11	1,074.74	-118.37	-9.92%
Overseas Sale and Services	4,310.07	4,780.13	470.06	10.91%
Others	28.80	17.02	-11.78	-40.90%
Total Income	5,531.98	5,871.89	339.91	6.14%

In terms of main income from the total products sales, there was THB 5,835.72 million, an increase of THB 361.59 million or 6.61% compared to the previous year. This income was divided into: the frozen raw shrimp THB 735.83 million, frozen cooked shrimp THB 1,285.80 million, value added shrimp THB 2,899.56 million and others THB 914.52 million.

Cost of Sales and Service

In 2020, the Company and its subsidiaries had cost of sales and services equal to THB 5,366.93 million, an increase of THB 344.74 million or 6.86%, compared to the previous year. The gross margin was 8.22%, a decrease from the previous year by 0.27% due to higher raw material prices.

Selling and Administrative Expenses

In 2020, the Company and its subsidiaries have selling and administrative expenses in the amount of THB 574.83 million, an increase of THB 32.81 million or 6.05% from the previous year. Thus, selling and administrative expenses accounted for 9.79% of total revenue.

Finance Cost

The financial costs of the Company and its subsidiaries in 2020 amounted to THB 88.64 million and THB 88.84 million, respectively. This was a decrease of THB 0.20 million or 0.22% compared to the previous year.

Income Tax Expense

In 2020 and 2019, income tax expenses were THB 34.02 million and THB 33.74 million, respectively, increasing by THB 0.28 million.

Profit (loss) for the year

In the year 2020, the Company has a net operating loss of THB 282.42 million due to the situation of the COVID-19 outbreak that has changed consumer behavior in food service customers abroad. The Company's overseas Food Service customer group has close down. As a result, the order was cancelled and the delivery products was delayed. This caused the company to bring the products that have already been produced and sold domestically at a lower price than cost in order to drain the product. As well as higher production costs from the price of Thai raw materials. On the other hand, competing countries with cheaper raw materials, the Company is unable to sell at a higher price according to the higher raw material price.

2) Statement of Financial Position Analysis

Overview of the financial position of the Company and its subsidiaries as of December 31, 2020, compared with the statement of financial position as of December 31, 2019, totaling THB 4,458.06 million and THB 4,724.64 million, respectively. This was a decrease of THB 266.58 million or 5.64% compared to the previous year.

Assets

Total assets of the Company and its subsidiaries as of December 31, 2020 amounted to THB 4,458.06 million, a decrease of THB 266.58 million. This consists of current assets of THB 2,502.43 million, a decrease of THB 371.07 million and non-current assets of THB 1,955.62 million, an increase of THB 104.49 million.

- Cash and Cash Equivalents

As of December 31, 2020, and 2019, the Company and its Subsidiaries had cash and cash equivalents THB 33.21 million and THB 64.72 million, respectively. This is a decrease of THB 31.51 million or 48.68%.

- Net - Trade and others account receivable

As of December 31, 2020, and 2019, the Company and its subsidiaries had net trade and another receivables THB 868.82 million and THB 877.35 million, respectively. This is a decrease of THB 8.53 million or 0.97%, mainly from during the year. The Company's Group transferred an allowance for doubtful accounts amounting to THB 68.95 million that was previously recognized for long-term mortgage loans as an allowance for doubtful accounts for other receivables and recognized the allowance for doubtful accounts increased by THB 3.97 million.

- Net - Inventories

As of December 31, 2020, and 2019, the Company and its subsidiaries had net inventories equal THB 1,515.06 million and THB 1,804.45 million, respectively. This is a decrease of THB 289.38 million or 16.04%. Most are the result of decreased finished goods due to the drain the product from the company.

- Net - Property, Plant and Equipment

As of December 31, 2020, and 2019, the Company and its subsidiaries had net property, plant and equipment equal THB 1,511.22 million and THB 1,489.40 million, respectively. This is an increase of THB 21.83 million or 1.47%. Most are the result of farm building and buying machines to improve production efficiency.

Liabilities

As of December 31, 2020, and 2019, the Company and its subsidiaries had the total liabilities in the amount of THB 2,882.82 million and THB 2,921.93 million, respectively. This is a decrease of THB 39.11 million or 1.34%. The total liabilities consist of current liabilities THB 2,712.43 million, an increase of THB 487.83 million and non-current liabilities THB 170.39 million, a decrease of THB 526.94 million.

Most liabilities consist of short-term loans from financial institutions, long-term load from financial institutions and Trade and other accounts payable.

- Bank overdraft and short-term loan from financial institutions

As of December 31, 2020, and 2019, the Company and its subsidiaries had the bank overdraft and short-term loan from financial institutions equal THB 1,604.31 million and THB 1,188.81 million, respectively. This is an increase of THB 415.50 million or 34.95%

- Trade and other accounts payable

As of December 31, 2020, and 2019, the Company and its subsidiaries had trade and other accounts payable equal THB 420.96 million and THB 281.36 million, respectively. This is an increase of THB 139.60 million or 49.62%

- Current portion of long-term loan

As of December 31, 2020, and 2019, the Company and its subsidiaries had the current portion of long-term loan equal THB 48.60 million and THB 93.53 million, respectively. This is a decrease of THB 44.93 million or 48.04%

Debt – equity Ratio as of December 31, 2020, and 2019, equal 2.14 times and 1.82 times, respectively.

Shareholders' Equity

As of December 31, 2020, and 2019, the total shareholders' equity equal THB 1,575.24 million and THB 1,802.71 million, respectively. This is a decrease of THB 227.47 million or 12.62% due to the Company's operating loss.

Return on equity ratio as of December 31, 2020 and 2019 were -19.12% and -12.62%, respectively.

Shareholders' Equity (Million Baht)	For the year end 31 December		The change
	2019	2020	Amount
Shareholders' equity of the Company	1,609.82	1,344.39	Decrease 265.43
Non-controlling interests	192.89	230.85	Increase 37.96

Liquidity

For the year ended 31 December 2020, the Company and its subsidiaries had the net cash flow from operating activities equal to THB 434.42 million, mainly from a decrease in inventories in 2020 amount of THB 316.23 million. While the net cash flow used in investing activities equal to THB 190.65 million due to the Company Investments in fixed assets amounted to THB 164.44 million. The net cash flow used in financing activities equal to THB 276.69 million due to an increase in overdraft and short-term loans from financial institutions amounting to THB 415.50 million. As well as, there was the long-term loan of THB 94.88 million, with cash and cash equivalents as of December 31, 2020 equal to THB33.21 million.

Information on the Company's and subsidiaries cash flow in the years 2019 - 2020 as follows:

Unit: Million Baht	2019	2020
Net cash provided from operating activities	86.41	434.42
Net cash used in investing activities	(318.31)	(190.65)
Net cash provided from (used in) financing activities	224.14	(276.69)
Net increase (decrease) in cash and cash equivalents	(4.23)	(31.43)
Cash and cash equivalents at beginning of year	69.18	64.72
Effect on foreign currency exchange rate at the end of year	(0.22)	(0.07)
Cash and cash equivalents at the end of year	64.72	33.22

The liquidity ratio according to the consolidated financial statements as of December 31, 2020 was 0.92 times, a decrease from the previous year which was 1.29 times, while the cash cycle as of December 31, 2020 was approximately 143.06 days, decreased from the previous year which was That was approximately 167.97 days.

Liabilities Commitment and Obligations off-balance sheet Management

As at December 31 2020, the company and its subsidiaries have commitment for capital expenditures for the purchase of machinery and equipment amounting to THB 4.70 million.

The group had employee benefits obligation of Baht 75.27 million. When the new Labor Protection Act come into force, which employer has to pay compensation, if an employee work consecutively period of 20 years or more, employees has right to receives severance payment of 400 days of wages at the most recent rate, the group will recognize the increase in provision for employee benefits including past services cost of THB 15.68 million in the consolidated financial statements and THB 15.00 million in the separate financials statement.



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Seafresh Industry Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Seafresh Industry Public Company Limited and its subsidiaries (the "Group"), which comprise the consolidated and separate statements of financial position as at 31 December 2020, the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Seafresh Industry Public Company Limited and its subsidiaries as at 31 December 2020, and its consolidated and separate financial performance and its 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 Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Key audit matters	How the matter was addressed in the audit
<p>Valuation of inventory</p> <p>As at 31 December 2020 the Group and the Company have ending inventories of Baht 1,581 million and Baht 501 million with the allowance for decline in value of inventories amounting to Baht 66 million and Baht 63 million in the consolidated and separate financial statements, respectively.</p> <p>Inventories are carried in the financial statements at the lower of cost and net realizable value. The Group and the Company's management have estimated the net realisable value from the estimated selling price after the deduction of direct selling expenses. They also have considered obsolete and slow-moving inventory. I have focused on this matter because the allowance for decline in value of inventories requires management's judgment on many factors which can affect the estimate.</p> <p>The Group and the Company have disclosed the inventory policies and details in Note 4.6 and 11 to the financial statements.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> - Obtaining an understanding of the process to determine the net realisable value of inventories through inquiry. - Evaluating the design effectiveness of the internal control process. - Performing substantive testing on a sample basis on the net realisable value of inventories. - Reviewing the actual results for the year with historical estimations of the allowance for decline in value of inventories and future operating plan to evaluate the appropriateness of management estimation related to the valuation of inventories. - Considering in the adequacy of the Group and the Company's disclosure in accordance with the Thai Financial Reporting Standards. - For the overseas operations, the audit procedures were performed by the component auditor. I understood and evaluated the work of the component auditor to obtain appropriate and sufficient audit evidence. The audit procedures of the component auditor are not different with my audit procedures.

Key audit matters	How the matter was addressed in the audit
<p>Recoverability of inter-company balances</p> <p>As at 31 December 2020, the Group has gross loans, interest and other receivables of Baht 883 million from Belize Aquaculture Limited (BAL), a joint venture of the Group. As at 31 December 2020, BAL continues to make a loss and has current liabilities exceeding its current assets.</p> <p>As discussed in Note 8 of the financial statements, the Group has recorded of Baht 179 million as an allowance for doubtful accounts against these balance. Management's assessment of the recoverability of BAL loans and receivables is based on the expected realizable value of net assets (excluding balances with Group).</p> <p>I have focused on this matter because judgement is required to determine the assumptions used in computing the recoverable amount and fair value of the net assets of BAL.</p> <p>The Group has disclosed details in Note 8 to the financial statements.</p>	<p>The audit procedures of this matter were performed by the component auditor. I understood and evaluated the work of the component auditor to obtain appropriate and sufficient audit evidence.</p> <p>The component auditor performed the following procedures on the value of property, plant and equipment which are the majority assets of by the joint venture:</p> <ul style="list-style-type: none"> - Reviewed management's assessment of recoverability of balances from the joint venture. - Inquired of management regarding the future plans for joint venture, the likelihood of the opportunity to sell the property, plant and equipment and the state of the property market in Belize. - Evaluated the independent external property valuer's objectivity and independence. - Obtained an understanding of the work of the valuer by inspecting the valuation report which was performed in February 2018 to determine the appropriateness of the nature, scope and objectives of the work performed. - Critically re-assessed any possible change in the valuation between February 2018 and December 2020 using publicly available information. - Assessed the Group's share of the expected realisable value of net assets to support the recoverable amount of the balances from BAL.



Other Information

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

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

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

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

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's 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 Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit 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.

Miss Kanyanat Sriratchatchaval

Certified Public Accountant

Registration No. 6549

Grant Thornton Limited

Bangkok

1 March 2021



SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	31 December 2020	31 December 2019	31 December 2020	31 December 2019
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	9	33,215,968	64,722,771	14,748,579	33,358,258
Trade and other accounts receivable - net	10	868,820,161	877,351,932	247,743,253	333,995,559
Short-term loan to and interest receivable					
- related parties	8	-	-	80,524,373	-
Inventories - net	11	1,515,064,905	1,804,447,547	438,423,652	791,024,912
Biological assets - net		3,105,942	2,982,857	-	-
Refundable value added tax		15,280,708	19,958,607	756,887	3,193,818
Forward exchange contracts receivable - net	12.1	-	-	-	6,180,960
Derivative assets	34, 35	-	-	7,926,427	-
Other current assets	13	66,947,110	104,042,704	12,349,189	11,577,484
Total Current Assets		2,502,434,794	2,873,506,418	802,472,360	1,179,330,991
NON - CURRENT ASSETS					
Restricted deposits with bank	14	20,000,000	20,000,000	20,000,000	20,000,000
Long-term loans to and interest receivable - related party	8	387,113,629	323,941,788	-	-
Investments in subsidiaries	15	-	-	1,233,824,435	1,215,824,435
Investment in joint venture	16	-	-	-	-
Property, plant and equipment - net	17	1,511,225,306	1,489,397,184	386,114,921	440,489,285
Right-of-use assets - net	18.1	21,823,566	-	14,702,880	-
Intangible assets - net	19	5,248,837	5,509,033	169,684	541,353
Other non-current assets		10,209,412	12,285,165	8,514,421	7,680,624
Total Non - Current Assets		1,955,620,750	1,851,133,170	1,663,326,341	1,684,535,697
TOTAL ASSETS		4,458,055,544	4,724,639,588	2,465,798,701	2,863,866,688

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



SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

Notes	Consolidated F/S		Separate F/S	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Bank overdrafts and short-term loans				
from financial institutions	20	1,604,312,613	1,188,808,360	843,476,736
Trade and other accounts payable		420,956,281	281,355,517	17,043,748
Accounts payable for purchase of fixed assets		2,961,781	10,785,023	2,945,196
Accrued expenses	21	62,284,623	68,132,722	12,000,044
Current portion of				
- lease liabilities	18.2	5,227,367	-	2,196,954
- long-term loans from financial institutions	22	48,601,326	93,527,601	-
- share purchase payable		-	24,140,868	-
- bonds - net	23	499,913,888	499,585,608	499,913,888
- employee benefit obligations	24	15,462,646	13,906,729	15,462,646
Short-term loans from related parties	8	-	-	63,550,000
Accrued income tax		1,015,860	170,966	-
Forward exchange contracts payable - net	12.2	-	17,260,459	-
Derivative liabilities	34, 35	25,902,547	-	-
Other current liabilities		25,788,673	26,924,924	4,850,695
Total Current Liabilities		2,712,427,605	2,224,598,777	1,461,439,907
NON - CURRENT LIABILITIES				
Lease liabilities - net	18.2	16,648,772	-	12,814,864
Long-term loans from financial institutions - net	22	58,814,581	103,751,910	-
Bonds - net	23	-	499,698,607	-
Employee benefit obligations - net	24	59,808,402	64,338,893	53,918,018
Deferred tax liabilities	26.1	35,087,088	29,509,679	-
Other non-current liabilities		30,000	30,000	30,000
Total Non - Current Liabilities		170,388,843	697,329,089	66,762,882
TOTAL LIABILITIES		2,882,816,448	2,921,927,866	1,528,202,789

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



SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

Note	Consolidated F/S		Separate F/S	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)				
SHAREHOLDERS' EQUITY				
Share capital - common share at Baht 1 par value				
- Authorised 485,694,600 shares	485,694,600	485,694,600	485,694,600	485,694,600
- Issued and fully paid - up 463,549,600 shares	463,549,600	463,549,600	463,549,600	463,549,600
Premium on share capital	799,228,000	799,228,000	799,228,000	799,228,000
Premium on treasury stock	12,902,865	12,902,865	12,902,865	12,902,865
Retained earnings (deficits)				
- Appropriated for legal reserve	31 48,569,460	48,569,460	48,569,460	48,569,460
- Unappropriated	112,344,958	394,762,631	(386,654,013)	(78,491,703)
Other components of shareholders' equity	(92,202,150)	(109,187,595)	-	-
Total equity attributable				
to the Company's shareholders	1,344,392,733	1,609,824,961	937,595,912	1,245,758,222
Non-controlling interests	230,846,363	192,886,761	-	-
TOTAL SHAREHOLDERS' EQUITY	1,575,239,096	1,802,711,722	937,595,912	1,245,758,222
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,458,055,544	4,724,639,588	2,465,798,701	2,863,866,688

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



SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	2020	2019	2020	2019
Income					
Sales	29, 33	5,835,721,219	5,474,129,789	1,838,638,099	1,906,903,925
Service	29	19,151,439	29,050,217	2,227,997	1,122,663
Other income	27	17,017,114	28,802,124	62,519,936	125,237,225
Gain on exchange rates - net		-	-	-	19,689,578
Gain on fair value adjustment		-	-	7,926,427	-
Total income		5,871,889,772	5,531,982,130	1,911,312,459	2,052,953,391
Expenses					
Cost of sales	11	(5,356,074,358)	(5,009,408,458)	(1,921,664,847)	(1,930,693,383)
Cost of service		(10,852,085)	(12,777,348)	(2,193,197)	(1,105,263)
Selling expenses		(224,148,474)	(232,502,000)	(110,555,262)	(122,890,152)
Administrative expenses		(350,681,692)	(309,517,210)	(103,731,775)	(104,526,652)
Loss from exchange rates - net		(22,271,660)	(50,070,033)	(31,778,370)	-
Loss from fair value adjustment		(25,482,101)	-	-	-
Finance costs		(88,642,929)	(88,841,739)	(49,551,318)	(47,872,399)
Total expenses		(6,078,153,299)	(5,703,116,788)	(2,219,474,769)	(2,207,087,849)
Loss before income tax		(206,263,527)	(171,134,658)	(308,162,310)	(154,134,458)
Income tax expense	26.2	(34,016,134)	(33,741,731)	-	(14,000,000)
Loss for the year		(240,279,661)	(204,876,389)	(308,162,310)	(168,134,458)
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Translation adjustment on foreign currency					
financial statements - net of tax		25,144,996	(30,742,964)	-	-
Other comprehensive income for the year		25,144,996	(30,742,964)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(215,134,665)	(235,619,353)	(308,162,310)	(168,134,458)



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

SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER

			(Unit : Baht)	
	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
PROFIT (LOSS) ATTRIBUTABLE TO				
The Company's shareholders	(282,417,673)	(218,214,028)	(308,162,310)	(168,134,458)
Non-controlling interests	42,138,012	13,337,639	-	-
	<u>(240,279,661)</u>	<u>(204,876,389)</u>	<u>(308,162,310)</u>	<u>(168,134,458)</u>
COMPREHENSIVE INCOME ATTRIBUTABLE TO				
The Company's shareholders	(265,432,228)	(238,980,900)	(308,162,310)	(168,134,458)
Non-controlling interests	50,297,563	3,361,547	-	-
	<u>(215,134,665)</u>	<u>(235,619,353)</u>	<u>(308,162,310)</u>	<u>(168,134,458)</u>
BASIC/DILUTED EARNINGS PER SHARE				
Loss (Baht per share)	<u>(0.61)</u>	<u>(0.47)</u>	<u>(0.66)</u>	<u>(0.36)</u>
Weighted average number of common shares (share)	<u>463,549,600</u>	<u>463,549,600</u>	<u>463,549,600</u>	<u>463,549,600</u>

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



SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER

(Unit : Baht)

Equity attributable to the Company's shareholders

Other components of shareholders' equity												
Note	Paid - up share Capital	Premium on share capital	Premium on treasury stock	Retained earnings		Other comprehensive income	Surplus on investment under common control	Premium from change in portion of investment in subsidiary	Total	Total equity		Total shareholders' equity
				Appropriated for legal reserve	Unappropriated					attributable to the Company's shareholders	Non- controlling interests	
										Translation adjustment on foreign currency financial statements		
Consolidated F/S												
Balance as at 1 January 2019												
	463,549,600	799,228,000	12,902,865	48,569,460	612,976,659	(111,106,132)	2,198,133	20,487,276	(88,420,723)	1,848,805,861	220,064,660	2,068,870,521
Dividend paid by a subsidiary	15	-	-	-	-	-	-	-	-	-	(30,539,446)	(30,539,446)
Transactions with shareholders												
	-	-	-	-	-	-	-	-	-	-	(30,539,446)	(30,539,446)
Profit (loss) for the year		-	-	-	(218,214,028)	-	-	-	-	(218,214,028)	13,337,639	(204,876,389)
Other comprehensive income for the year		-	-	-	-	(20,766,872)	-	-	(20,766,872)	(20,766,872)	(9,976,092)	(30,742,964)
Total comprehensive income for the year												
	-	-	-	-	(218,214,028)	(20,766,872)	-	-	(20,766,872)	(238,980,900)	3,361,547	(235,619,353)
Balance as at 31 December 2019												
	463,549,600	799,228,000	12,902,865	48,569,460	394,762,631	(131,873,004)	2,198,133	20,487,276	(109,187,595)	1,609,824,961	192,886,761	1,802,711,722
Balance as at 1 January 2020												
	463,549,600	799,228,000	12,902,865	48,569,460	394,762,631	(131,873,004)	2,198,133	20,487,276	(109,187,595)	1,609,824,961	192,886,761	1,802,711,722
Increase in non-controlling interests in subsidiaries		-	-	-	-	-	-	-	-	-	3,987	3,987
Dividend paid by a subsidiary	15	-	-	-	-	-	-	-	-	-	(12,341,948)	(12,341,948)
Transactions with shareholders												
	-	-	-	-	-	-	-	-	-	-	(12,337,961)	(12,337,961)
Profit (loss) for the year		-	-	-	(282,417,673)	-	-	-	-	(282,417,673)	42,138,012	(240,279,661)
Other comprehensive income for the year		-	-	-	-	16,985,445	-	-	16,985,445	16,985,445	8,159,551	25,144,996
Total comprehensive income for the year												
	-	-	-	-	(282,417,673)	16,985,445	-	-	16,985,445	(265,432,228)	50,297,563	(215,134,665)
Balance as at 31 December 2020												
	463,549,600	799,228,000	12,902,865	48,569,460	112,344,958	(114,887,559)	2,198,133	20,487,276	(92,202,150)	1,344,392,733	230,846,363	1,575,239,096



SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER

(Unit : Baht)

	Paid - up Share Capital	Premium on share capital	Premium on treasury stock	Retained earnings		Total
				Appropriated for Legal Reserve	Unappropriated	
Separate F/S						
Balance as at 1 January 2019	463,549,600	799,228,000	12,902,865	48,569,460	89,642,755	1,413,892,680
Loss for the year	-	-	-	-	(168,134,458)	(168,134,458)
Total comprehensive income for the year	-	-	-	-	(168,134,458)	(168,134,458)
Balance as at 31 December 2019	463,549,600	799,228,000	12,902,865	48,569,460	(78,491,703)	1,245,758,222
Balance as at 1 January 2020	463,549,600	799,228,000	12,902,865	48,569,460	(78,491,703)	1,245,758,222
Loss for the year	-	-	-	-	(308,162,310)	(308,162,310)
Total comprehensive income for the year	-	-	-	-	(308,162,310)	(308,162,310)
Balance as at 31 December 2020	463,549,600	799,228,000	12,902,865	48,569,460	(386,654,013)	937,595,912

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



**SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS
SUBSIDIARIES**
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
Cash flows from operating activities				
Loss before income tax	(206,263,527)	(171,134,658)	(308,162,310)	(154,134,458)
Adjustments to reconcile loss before income tax to net cash provided from (used in) operating activities				
Depreciation and amortisation expenses	153,481,291	149,844,722	73,056,204	77,968,712
Allowance (reversal of allowance) for decline in value of inventories	(32,964,721)	7,483,706	(35,900,000)	33,900,000
Allowance for decline in value of biological assets	2,609,883	-	-	-
Amortised finance costs	629,673	698,517	629,673	698,517
Loss from (gain on) sales of fixed assets	5,441,361	6,865,412	(367,539)	(1,258,358)
Written off inventories	6,078,007	-	-	-
Written off fixed assets	35,831,200	473,163	349,418	473,153
Written off withholding tax deducted at source	2,825,009	-	-	-
Allowance for doubtful accounts	15,700,205	39,852,303	-	-
Unrealised loss (gain) on derivative instruments	-	17,260,459	-	(6,180,960)
Unrealised loss (gain) on foreign exchange rates	26,353,440	19,686,165	(10,074,605)	10,636,746
Loss (gain) from fair value adjustment	25,482,102	-	(7,926,427)	-
Provision for employee benefit obligations	7,096,442	22,627,039	6,366,170	21,276,785
Dividend income	-	-	(18,003,200)	(69,496,603)
Interest income	(102,050)	(254,273)	(753,068)	(1,439,687)
Interest expense	76,242,511	85,593,843	49,415,428	47,739,095
Cash flows provided from (used in) operations before changes in operating assets and liabilities	118,440,826	178,996,398	(251,370,256)	(39,817,058)
Decrease (increase) in operating assets				
Trade and other accounts receivable	(87,649,526)	30,379,283	96,252,352	16,993,963
Inventories	316,232,416	29,295,043	388,501,260	19,009,838
Biological assets	(2,732,968)	11,937,815	-	14,920,672
Other current assets	8,826,383	3,595,620	7,846,185	10,885,387
Other non-current assets	(749,256)	(334,480)	257,654	(178,605)
Increase (decrease) in operating liabilities				
Trade and other accounts payable	136,677,210	(90,851,366)	(19,219,801)	(2,983,439)
Other current liabilities	(18,396,710)	(11,357,929)	(874,705)	4,252,523
Other non-current liabilities	-	(390,335)	-	(390,335)
Paid for employee benefits obligation	(10,071,016)	(1,496,667)	(10,071,016)	(1,496,667)
Cash received from operations	460,577,359	149,773,382	211,321,673	21,196,279
Income tax payment	(26,155,675)	(63,359,030)	(1,091,452)	(1,128,648)
Net cash provided from operating activities	434,421,684	86,414,352	210,230,221	20,067,631

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



SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
Cash flows from investing activities				
Decrease in restricted deposits with bank	-	32,503	-	32,503
Proceeds from collection short-term loans to related party	-	-	28,700,000	86,677,988
Increase in short-term loans to related parties	-	-	(108,700,000)	-
Payment for investments in subsidiaries	(24,140,868)	(51,126,447)	(18,000,000)	(111,003,758)
Purchases of fixed assets	(164,442,601)	(271,730,831)	(13,777,547)	(34,086,722)
Purchases of intangible assets	(4,194,233)	(692,656)	(169,580)	(29,600)
Proceeds from sales of fixed assets	2,003,180	4,954,869	442,175	1,285,052
Dividend received	-	-	4,454,086	54,950,460
Interest income	120,053	255,286	228,695	1,807,719
Net cash used in investing activities	(190,654,469)	(318,307,276)	(106,822,171)	(366,358)
Cash flows from financing activities				
Interest payment	(79,166,603)	(85,768,700)	(52,068,982)	(47,380,729)
Increase in bank overdrafts and short-term loans				
from financial institutions	415,504,253	286,046,363	395,013,114	75,437,269
Proceeds from short-term loans from related party	-	-	67,200,000	19,500,000
Repayments for short-term loans from related party	-	-	(9,600,886)	-
Proceeds for long-term loans from financial institutions	-	141,016,192	-	-
Repayment for long-term loans from financial institutions	(94,881,224)	(86,616,664)	(20,000,000)	(40,000,000)
Repayment for bonds	(500,000,000)	-	(500,000,000)	-
Decrease in lease liabilities	(5,800,637)	-	(2,635,987)	-
Dividend paid to non-controlling interests	(12,341,948)	(30,539,446)	-	-
Net cash provided from (used in) financing activities	(276,686,159)	224,137,745	(122,092,741)	7,556,540
Translation adjustment on foreign currency financial statements	1,485,703	3,520,536	-	-
Increase (decrease) in cash and cash equivalents - net	(31,433,241)	(4,234,643)	(18,684,691)	27,257,813
Cash and cash equivalents at beginning of year	64,722,771	69,179,087	33,358,258	6,313,778
Effect on foreign currency exchange rate at the end of year	(73,562)	(221,673)	75,012	(213,333)
Cash and cash equivalents at end of year	33,215,968	64,722,771	14,748,579	33,358,258
Supplemental cash flows information				
Non cash transactions:-				
Off - setting short-term loans from related parties with dividend income	-	-	13,549,114	14,546,144
Acquisition of right-of-use assets under lease liabilities	27,676,776	-	17,647,805	-
Off - setting share purchase payable with receivable from				
sales of fixed assets and others - subsidiary	-	-	-	84,996,242
Off - setting share purchase payable with short-term loan to related parties	-	-	-	86,000,000
Payable for purchase of fixed assets	7,823,242	10,785,023	1,842,173	1,103,023
Transferred other current assets to property, plant and equipment	30,538,914	-	-	-
Transferred other receivables to long-term loans to related party	15,312,329	-	-	-

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



SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2020

1. NATURE OF OPERATIONS AND GENERAL INFORMATION

Seafresh Industry Public Company Limited ("the Company") is a public company limited which is incorporated and domiciled in Thailand. It is listed on the Stock Exchange of Thailand. The registered addresses of the Company's office and branch are as follows:

Head office: 402 Moo 8, Chumphon - Paknam Road, Paknam, Muangchumphon, Chumphon 86120.

1 Branch: 152/25, Chartered Square Building, 31st Floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500.

As at 31 December 2020 and 2019, the major shareholder of the Company is Chia-Apar family and related parties, who owns 61.29% and 66.68%, respectively of the Company's share capital.

The Group is principally engaged in the manufacturing and distribution of frozen raw shrimp, processed shrimp, vegetable and fruit, and others seafood products including others services.

As at 31 December 2020, the Group and the Company have current liabilities exceed current assets of Baht 209.99 million and Baht 658.97 million, respectively. These were due to the Company has bonds amounting to Baht 500 million which have due within 1 year. However, the Company still has financial support from local bank, including the Company changed its operating strategy for the better liquidity cash flow from operation.

2. SIGNIFICANT EVENT DURING THE YEAR

In early 2020, it occurs the pandemic of Coronavirus Disease 2019 that the situation has continually expanded causing the economic slowdown and affecting businesses including the most industries. Such situations may lead to uncertainty and impact on business operations.

However, the management of the Group closely monitors the progress of the situation and assesses the impact on future performance of the Group including plan for respond to such event to preserve the business continuity.

As at 31 December 2020, the pandemic is continuing to evolve, resulting in uncertainties assessed the financial impact from estimation. The Group elected Accounting Guidance on Temporary relief Measures for Accounting Alternatives which announced by The Federation of Accounting Professions for alleviate impact from Coronavirus disease 2019 pandemic (COVID 19) as follows:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS ³⁶, Impairment of Assets.

3. BASIS OF FINANCIAL STATEMENTS PREPARATION

3.1 Basis of preparation

The accompanying financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") issued under the Accounting Professions and the financial reporting requirements promulgated by the Securities and Exchange Commission under the Securities and Exchange Act. These financial statements are officially prepared in the Thai language. The translation of these financial statements to other languages must be in compliance with the official report in Thai.

The consolidated and separate financial statements have been prepared under the historical cost, except as disclosed specifically.

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

3.2 Basis of consolidation

The consolidated financial statements include the financial statements of Seafresh Industry Public Company Limited and its subsidiaries which the Company can exercise control over or holds shares with voting right more than 50% as follows:



	Country of incorporation	Percentage of Shareholding		Nature of business
		2020	2019	
Subsidiaries				
Seafresh Group (Holdings) Limited (SGH) (39% held by the Company and 28.55% held by SIHQ)	United Kingdom	67.55	67.55	Investment in companies engaged in seafood processing and other related business
Sea Farms Limited (100% held by SGH)	United Kingdom	67.55	67.55	Import and distribution of seafood
Blue Earth Foods Limited (25% held by the Company and 75% held by SGH)	United Kingdom	75.66	75.66	Sourcing, producing and distribution of processed seafood
Sea Farms, Inc. (25% held by the Company and 65% held by SGH)	United States of America	68.91	68.91	Import and distribution of seafood
Prochaete Innovation Limited (25% held by the Company and 35% held by SGH)	United Kingdom	48.64	48.64	Research and development of fish meal substitution
Sea Farms Nutrition Limited (SFN) (60% held by SGH and 25% held by SIHQ)	United Kingdom	65.53	65.53	Produce and sell animals feed and nutrition
Sea Farms Nutrition, Inc. (85% held by SFN)	United States of America	55.70	55.70	Sell animals feed and nutrition
Mudwalls Farm Limited (51% held by SGH)	United Kingdom	34.45	-	Trading of fruit and vegetable
44 Foods Limited (100% held by SGH)	United Kingdom	67.55	-	E-Commerce platform for food products
Manufacturing Systems Implementation Company Limited	Thailand	100.00	100.00	Consulting and installation of computer system
Seafresh IHQ Company Limited (SIHQ)	Thailand	100.00	100.00	Provide managerial, technical support and financial management services to companies in the Group
Seafresh Farm Company Limited	Thailand	100.00	100.00	Shrimp farm
Joint venture				
Belize Aquaculture Limited (50% held by SGH)	Belize	50.00	50.00	Shrimp farm

Significant inter-company transactions with subsidiaries included in the consolidated financial statements have been eliminated.

The consolidated financial statements have been prepared using the same accounting policies for similar transactions or accounts of similar nature in the preparation of the Company's financial statements.

3.3 New and revised financial reporting standards, interpretations and guidance

During the year, The Federation of Accounting Professions has revised and issued Thai Financial Reporting Standards (TFRS), interpretations and guidance as follow:

3.3.1 Amendments and interpretation to the Standards that are effective from 1 January 2020

A) Thai Financial Reporting Standards related to “Financial instruments”

TFRS 9	Financial instruments
TFRS 7	Financial instruments: Disclosure
TAS 32	Financial instruments: Presentation
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

In which present the new requirements on the classification and measurement of financial assets and financial liabilities, impairment methodology and hedge accounting, replacing the accounting standards, guidance and interpretations relevant to financial instruments that have been effective.

The Group's management has assessed the potential impact on the financial statement of Thai Financial Reporting Standards related to “Financial instruments” as follows:

1. Classification and measurement of financial assets and financial liabilities

Financial assets

Financial assets for debt instrument contain three principal classification categories: measured at (1) amortized cost, (2) fair value through profit or loss and (3) fair value through other comprehensive income based on the business model of the Group in which they are managed and based on the cash flow characteristics of the financial assets.

Financial assets measured at amortized cost shall be calculated using effective interest rate and recognized as revenues in statement of profit or loss.

Financial liabilities

Financial liabilities which classified and measured at amortized cost. Interest expenses is calculated by using effective interest rate and recognized as expenses in statement of profit or loss.

Derivative liabilities are classified and measured at fair values through profit or loss except for derivative contracts which applied hedge accounting are measured at fair value through other comprehensive income.



The classification and measurement under previous standards and TFRS 9, including reconciliation of the carrying amounts of each class of the Group's financial assets and financial liabilities as at 1 January 2020.

(Unit : Thousand Baht)

Consolidate F/S					
Classification under previous standards at 31 December 2019		Classification under TFRS 9 at 1 January 2020			
Transactions	Carrying amounts	Fair value through profit or loss	Fair value through other comprehensive income	Fair value - applied hedge accounting	Amortized cost - net
Financial assets					
Cash and cash equivalent	64,723	-	-	-	64,723
Trade and other receivables	877,352	-	-	-	877,352
Restricted deposits with bank	20,000	-	-	-	20,000
Long-term loans to and interest receivable - related parties	323,942	-	-	-	323,942
Total	1,286,017	-	-	-	1,286,017
Financial liabilities					
Bank overdrafts and short-term loans from financial institutions	1,188,808	-	-	-	1,188,808
Trade and other accounts payable	281,355	-	-	-	281,355
Accounts payable for purchase of fixed assets	10,785	-	-	-	10,785
Accrued expenses	68,133	-	-	-	68,133
Forward exchange contracts payable - net	17,260	-	-	-	-
Derivative liabilities	-	17,260	-	-	-
Long-term loans from financial institutions	197,280	-	-	-	197,280
Share purchase payable	24,141	-	-	-	24,141
Bond - net	999,284	-	-	-	999,284
Total	2,787,046	17,260	-	-	2,769,786



(Unit : Thousand Baht)

Separate F/S

Classification under previous standards at 31 December 2019		Classification under TFRS 9 at 1 January 2020			
Transactions	Carrying amounts	Fair value through profit or loss	Fair value through other comprehensive income	Fair value – applied hedge accounting	Amortized cost - net
Financial assets					
Cash and cash equivalent	33,358	-	-	-	33,358
Trade and other receivables	333,996	-	-	-	333,996
Forward exchange contracts receivable - net	6,181	-	-	-	-
Derivative assets	-	6,181	-	-	-
Restricted deposits with bank	20,000	-	-	-	20,000
Total	393,535	6,181	-	-	387,354
Financial liabilities					
Bank overdrafts and short-term loans from financial institutions	448,464	-	-	-	448,464
Trade and other accounts payable	34,811	-	-	-	34,811
Accounts payable for purchase of fixed assets	1,103	-	-	-	1,103
Accrued expenses	16,106	-	-	-	16,106
Short-term loan from related party	19,500	-	-	-	19,500
Long-term loans from financial institutions	20,000	-	-	-	20,000
Bond - net	999,284	-	-	-	999,284
Total	1,539,268	-	-	-	1,539,268

Financial assets and financial liabilities which measured at amortized cost is closed to fair value.

2. Impairment - Financial assets and contract assets

The Group has assessed the impairment of financial assets by forward-looking 'expected credit loss' (ECL) model. It is no longer necessary for a credit event to have occurred before credit losses are recognizes and judgement about how changes in economic factors affect expected credit loss and probability - weighted basis. However, the new

assessment applies to financial assets measured at amortized cost and fair value through other comprehensive income.

The Group has determined the application of TFRS 9 are as follows:

- Trade and other receivables applied simplified approach for impairment losses measurement by using expected credit loss for the receivables.
- Loan to related parties applied general approach by limited impairment losses using 12-month expected credit loss / lifetime expected credit loss.

However, the adoption of these new standards has no significant impact on the financial statements of the Group.

B) Thai Financial Reporting Standards No.16 “Leases”

TFRS 16, that describes the new principles for the recognition of leases, replacing Thai Accounting Standard No. 17 “Leases”, and several leases-related Interpretations. The new standard defines the requirements for leases will be recorded in the statement of financial position in the form of right-of-use asset and a lease liability except short-term leases agreement which period less than 12 months or lease of low-value asset and provides additional guidance in many areas.

Under the Thai Financial Reporting Standard No. 16 “Leases”, no significant changes to the accounting for lessors.

The Group recognized the right-of-use assets and lease liabilities that effect to change in nature of expenses related to those leases by the Group recognized depreciation expenses from the right-of-use assets and interest expense of lease liabilities instead of expenses from lease agreements.

For payments of short-term lease or leases of low-value assets will be recognized as expenses in profit or loss on a straight-line basis over the lease term.

The Group used the Temporary Relief Measures approach and recognize the right-of-use assets and lease liabilities at the first adoption date in which this method will have no effect to the retained earnings as at 1 January 2020 and no restatement to the comparative information.

The measurement of lease liabilities as at the 1 January 2020 are as follows:



	(Unit : Thousand Baht)	
	Consolidated F/S	Separated F/S
Operating lease commitments disclosed as at 31 December 2019	17,338	7,751
Add Right of purchase or extension options reasonably certain to be exercised/ undisclosed commitment as at 31 December 2019 but meet the recognized condition as lease liabilities according to TFRS16 adaptation	14,833	13,214
Less Contracts reassessed as service agreements	(1,096)	-
	31,075	20,965
Less Deferred interest expenses	(4,281)	(3,318)
Additional lease liabilities from TFRS 16 adoption	26,794	17,647
Lease liabilities as at 1 January 2020	26,794	17,647
Comprised of:		
- Current portion of lease liabilities	6,317	2,635
- Lease liabilities - net	20,477	15,012
Total	26,794	17,647

amounts of the right-of-use assets classified by asset category as at 1 January 2020 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separated F/S
3.3.2 Buildings, and improvement	17,518	16,066
Machine, and factory equipment	5,920	1,581
Office fixtures and supplies	1,910	-
Vehicles	1,446	-
Total right-of-use assets	26,794	17,647

on the financial information

The adoption of Thai Financial Reporting Standards No. 9 and Thai Financial Reporting Standards No. 16 have impacts to the Group's statements of financial position as at 1 January 2020 as follows:



(Unit : Thousand Baht)

Consolidated F/S

	Adjustments			
	The previous accounting policies	Thai Financial Reporting Standards No. 9	Thai Financial Reporting Standards No. 16	After adjustment
Statement of financial position				
<u>Non-current assets</u>				
Right-of-use assets	-	-	26,794	26,794
Total assets	-	-	26,794	26,794
<u>Current liabilities</u>				
Current portion of lease liabilities - net	-	-	6,317	6,317
Forward exchange contracts payable - net	17,260	(17,260)	-	-
Derivative liabilities	-	17,260	-	17,260
<u>Non-current liabilities</u>				
Lease liabilities - net	-	-	20,477	20,477
Total liabilities	17,260	-	26,794	44,054

(Unit : Thousand Baht)

Separate F/S

		Adjustments		
	The previous accounting policies	Thai Financial Reporting Standards No. 9	Thai Financial Reporting Standards No. 16	After adjustment
Statement of financial position				
<u>Current assets</u>				
Forward exchange contracts receivable - net	6,181	(6,181)	-	-
Derivative assets	-	6,181	-	6,181
<u>Non-current assets</u>				
Right-of-use assets	-	-	17,647	17,647
Total assets	6,181	-	17,647	23,828
<u>Current liabilities</u>				
Current portion of lease liabilities - net	-	-	2,635	2,635
<u>Non-current liabilities</u>				
Lease liabilities - net	-	-	15,012	15,012
Total liabilities	-	-	17,647	17,647

As at 1 January 2020 (the date of first time adoption), the carrying amounts and the fair value of derivative assets and liabilities have no significant difference.

3.4 Financial Reporting Standards, Interpretations and guidance which effective from 1 January 2021

3.4.1 Thai Accounting Standard No.1 “Presentation of financial statements” and Thai Accounting Standard No. 8 “Accounting policies, Changes in Accounting Estimates and Errors”

The amendment definition of “Materiality” to comply with the Financial Reporting Standards and frameworks. Including the explanation that clarified the materiality application to Thai Financial Reporting Standard No.1. The amendment also makes consequential amendments to other TFRS including TAS 8, TAS 10, TAS 34 and TAS 37.

3.4.2 Thai Financial Reporting Standard No.3 “Business combinations”

- Provide an option for the entity to use “Concentration Test” that allows a simplified assessment of whether a transaction is an acquired of assets or a business combination.
- The amendment definition of “Business” that define the business combination must include, at a minimum, an input and a substantive process that are collective significantly contribute to the ability to create outputs. Furthermore, amendment definition of “Outputs” which focusing on goods and services provided to customers and removing the reference to an ability to lower the costs.

3.4.3 Thai Financial Reporting Standard No.9 “Financial instruments” and Thai Financial Reporting Standard No.7 “Disclosure of Financial instruments”

Change in specific hedge accounting requirements for relief the uncertainties arising from impact of interest rate benchmark reform such as Interbank offer rates - IBORs. In addition, the amendment requires the entity to provide information of all hedging relationships directly affected by such uncertainty.

3.4.4 Conceptual Framework for Financial Reporting

The amendment conceptual framework in definition of assets and liabilities and criteria for recognizing assets and liabilities in financial statements. The principles and practices are as following:

- Measurement including factors to be considered when selecting a benchmark basis
- Presentation and disclosure including classification of revenue and expenses in other comprehensive income.
- Derecognition assets and liabilities from financial statements.

In addition, this framework describes responsibilities, conservatism, and measurement uncertainty in preparation of financial reporting. The revised in conceptual framework that effect to revised in others framework including TAS 1, TAS 8, TAS 34, TAS 37, TAS 38, TFRS 2, TFRS 3, TFRS 6, TFRIC 12, TFRIC 19, TFRIC 20, TFRIC 22 and TSIC 32.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Investments in subsidiaries and joint venture

a) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree, either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieving in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognized in profit or loss.

Any contingent consideration to be transferred by the group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized either in profit or loss or other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognize and previously held interest measured less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in profit or loss.

Intercompany transactions, balances, unrealized gains or losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries are adjusted where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

b) Joint arrangement

Investment in joint arrangement is classified as either joint operation or joint venture depending on the contractual rights and obligations of each investor. The Group assessed the nature of its joint arrangement and determined it to be joint venture. Joint venture is accounted for using the equity method.

Under the equity method of accounting, interests in joint venture is initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and change in other comprehensive income. When the group's share of losses in a joint venture equals or exceeds its interests in the joint venture (which includes any long-term interests that, in substance, form part of the group's net investment in the joint venture), the Group will not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealized gains or losses on transactions between the group and its joint venture is eliminated to the extent of the group's interest in the joint venture unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint venture are changed where necessary to ensure consistency with the policies adopted by the Group.

In the consolidated financial statements, investment in joint venture is accounted for at cost less impairment.

4.2 Foreign currency translation

1) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognized in profit and loss, any exchange component of that gain or loss is recognized in profit and loss.

3) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

4.3 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are presented under current liabilities in the statement of financial position.

Cash at banks with restrictions of usage are presented separately as “Restricted deposits with banks” under non-current assets in the statement of financial position.

4.4 Financial instrument

Policies applicable after 1 January 2020

Recognition and derecognition

The Group will recognize financial assets and financial liabilities when the Group becomes a party to the contractual provisions of the financial instrument.

The Group will derecognize financial assets when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

The Group will derecognize financial liabilities when they are extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

The Group classified financial assets into the categorized (1) amortised cost (2) fair value through other comprehensive income (FVTOCI) or (3) fair value through profit or loss (FVTPL) based on 2 criteria as follows:

- the entity's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset

All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented as a separate transaction.

At initial recognition, the financial assets (in the case of a financial asset not at FVTPL) are initial recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

The Group does not have any financial assets categorized and measured by FVTOCI.

Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions:

- the Group held such financial assets within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest method and are subjected to impairment which recognized in the profit or loss as separate item.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at FVTPL.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVTOCI and financial assets with cash flows that are not solely payments of principal and interest.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI (if any). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Classification and initial measurement of financial liabilities

The Group classifies the financial instruments issued by the Group as financial liabilities or equity securities by considering contractual obligations.

The Group initially recognized the financial liabilities at fair value and adjusted with transaction costs that are directly attributable to the acquisition of the financial liabilities.

Subsequent measurement of financial liabilities

Policies applicable after 1 January 2020

Financial liabilities are subsequently measured at amortized cost using the effective interest method and are expenses in the profit or loss except derivative liabilities are measured at FVTPL.

Policies applicable before 1 January 2020

Borrowings

Borrowings are recognized initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

4.5 Trade accounts receivable

A receivable is recognized when the Group has an unconditional right to receive consideration. If revenue has been recognized before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Policies applicable after 1 January 2020

Trade accounts receivable are presented at transaction price less impairment for expected credit loss. Impairment of trade accounts receivable are measured at an amount equal to lifetime expected credit losses (ECLs). ECLs are estimated using the Simplified approach which a provision matrix developing.

The expected loss rate is based on historical credit loss experiences, adjusted with factors that are specific to the debtors together with an assessment of both current and future forecast of general economic conditions. The expected loss will recognize in profit or loss as part of administrative expenses.

Policies applicable before 1 January 2020

Trade accounts receivable are presented at the net realizable value. The Group record allowances for doubtful accounts from accounts receivable which might be uncollectible. Allowance for doubtful accounts is provided for on the basis of collection experience and payment ability of the debtors at the end of year. Bad debts written-off are recognized in profit or loss as part of administrative expenses.

4.6 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, rebates and other similar items. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads based on normal operating capacity, excluding borrowing costs. Net realizable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow moving and defective inventories.

4.7 Biological assets

Biological assets comprise shrimps in the ponds. These are measured at cost less impairment losses, (if any), since the growing period to harvest is approximately 3 months. Costs of biological assets include all costs of baby shrimp and farming costs.

4.8 Property, plant and equipment

Land is stated at cost and is not depreciated.

All plant and equipment are stated at historical cost less accumulated depreciation and impairment on assets (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items including an initial estimate of the costs of dismantling and removing the items and restoring the site on which it is located, when the entity has the obligation to do so.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part

is recognized. All other repairs and maintenance are charged to statement of profit or loss during the period in which they are incurred.

Depreciation on other asset is calculated on the straight-line method over the estimated useful lives of the related assets. The estimated useful lives are as follows:

Buildings	20 - 50 years
Building improvements	5 - 10 years
Machine and factory equipment	3 - 10 years
Office fixtures and supplies	3 - 10 years
Vehicles	5 - 10 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains or losses on disposals of property, plant and equipment are determined by comparing the proceeds from sales on assets with the carrying amount and net gains or losses will be recognized in statements of profit or loss.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalized as part of cost of the asset, during the period of time required to complete and prepare the property for its intended use. All other borrowing costs are recognized as expenses.

4.9 Intangible assets

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

Intangible assets with finite lives are amortized on a systematic basis over their economic useful lives and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is recognized to profit or loss.

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

Computer software	3 years
Relationship with customers	3 years

4.10 Impairment of assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

4.11 Leases

Policies applicable after 1 January 2020

Leases - where the Group is the lessee

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group initially recognized the right-of-use (ROU) at cost at the lease commencement date, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date less any incentive received, initial direct costs and estimated costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

After the lease commencement date, the ROU is stated at historical cost less accumulated depreciation and impairment on assets (if any). The Group calculated the depreciation on the ROU using the straight-line method over the lease period.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group will use the Group's incremental borrowing rate.

The lease payments included in the measurement of the lease liability at the commencement date are as follows:

- (a) fixed payment less incentive receivable (if any);
- (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- (c) amounts expected to be payable under a residual value guarantee;
- (d) the exercise price, under a purchase option that the Group is reasonably certain to exercise; and
- (e) payments of penalties for early termination of a lease if the Group is reasonably certain to terminate early.

The lease liability is re-measured when there is a change in future lease payments arising from the following items:

- a change in an index or a rate used to determine those payments
- a change in the Company's estimate of the amount expected to be payable under a residual value guarantee
- the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the remeasurement in profit or loss.

Short-term leases and leases of low-value assets

The Group recognized the lease associated with payments for short-term leases that have a lease term of 12 months or less and lease of low-value assets as an expense on a straight-line basis over the lease period.

Leases - where the Group is the lessor

At the commencement date, the Group will classify leases as operating lease or a finance lease. If the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset, the lease will be classified to operating lease. If the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset, the lease will be classified to finance lease.

The underlying assets of operating lease are presented in the right-of-use assets in the statement of financial position and measured their value on a basis consistent with other similar right-of-use assets of the Group.

*Policies applicable before 1 January 2020*Leases - where the Group is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is recorded to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

4.12 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantial ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized as profit or loss in the period in which they are incurred.

4.13 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

4.14 Employee benefits

Provident fund

The Group and its employees in Thailand have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rates of 3% and 5%, respectively, of their basic salaries. The fund, will pay to employees upon termination in accordance with the fund rules. The Group contribution to the fund are recognized as expense when incurred.

Post - employment benefits

The Group has obligations in respect of the severance payments they must make to employees upon retirement under the labor law.

The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurements arising from experience adjustments and changes in actuarial assumptions are recognized to equity through other comprehensive income in the period in which they arise.

4.15 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; the amount has been reliably estimated. Restructuring provisions comprise lease, lease termination penalties and employee termination payment. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

4.16 Derivatives

Policies applicable after 1 January 2020

The Group uses derivative contracts to manage exposure to foreign exchange. The Group recognized the initially cost of derivative contracts using fair value at the contract date. The related transaction cost will be recognized in profit or loss when incurred. Subsequent to initial recognition, derivative contracts will be remeasured at fair value at the end of the period. Gain or loss on remeasurement to fair value is recognized in profit or loss because the Group's derivative contracts do not qualify for hedge accounting.

Policies applicable before 1 January 2020

Receivables and payables arising from forward exchange contracts are recorded at contract date, the Group record receivables and payables from forward contracts using the exchange rates prevailing at the dates of the transactions. Premiums or discounts are amortized on a straight-line basis over the contract periods. At the end of the period, receivables and payables are translated using closing exchange rates and unrealized and realized gains or losses from translation of foreign currency are recognized in statement of profit or loss.

4.17 Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any companies within the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transact costs and the related income tax effects, is included in shareholders' equity.

4.18 Premium on treasury stock

Gains on disposal of treasury stock are determined by reference to the carrying amount and are presented as premium on treasury stock. Losses on disposal of treasury stock are determined by reference to the carrying amount and are presented in premium on treasury stock and retained earnings, consecutively.

4.19 Revenue recognition

Revenue is recognized when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates. Judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time.

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



Revenue for rendering of services is recognized over time as the services are provided. The related costs are recognized in profit or loss when they are incurred.

For bundled packages, the Group accounts for individual products and services separately if they are distinct or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

Other income is recognized on an accrual basis in accordance with the substance of the relevant agreements.

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

4.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

4.21 Segment reporting

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

4.22 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

4.23 Fair value estimate

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible classified by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly that is, as prices or indirectly that is, derived from prices.

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

5. CRITICAL ACCOUNTING ESTIMATE, ASSUMPTIONS AND JUDGEMENT

The preparation of financial statements, management undertake judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Critical accounting estimates, assumption and judgements are as follows:

5.1 Plant and equipment and intangible assets

Management determines the estimated useful lives and residual values of the Group's plant and equipment and intangible assets. The management reviews the calculations of depreciation and amortization expenses where the estimated useful life and residual value differ from the previous estimation or there is written-off for technically obsolete or non-used assets by sales or abandon.

5.2 Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligation.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit obligations.

5.3 Allowance for doubtful accounts

The Group determines an impairment of trade receivables with an amount equal to lifetime expected credit losses (ECLs). The management uses of various assumptions and judgements to estimate

ECLs including exercise the judgement to estimate an expected loss rate, the determination of factor that are specific to the debtors together with an assessment of both current and future forecast of general economic conditions. The management reviews these estimates and assumptions on a regular basis.

5.4 Allowance for decline in value of inventory

The Group provides allowances for obsolete, slow-moving and defective inventories to reflect impairment of inventories. The allowances are based on consideration of inventory turnover and deterioration of each category.

5.5 Recoverability of joint venture balances

The Group has provided trading and loan balances to its joint venture, Belize Aquaculture Limited, a company incorporated in Belize. Management reassess the recoverable amount of these balances on an annual basis. In assessing any risks of impairment, management estimate the reasonable amount based on its share of the net assets, the ongoing trading position, and any ultimate estimated realizable value. Estimation uncertainty arises through any assumptions relating to these aspects. During the year, additional impairment provisions have been recognized against these balances, reflecting ongoing losses and the net liability position of the joint venture. Management also note a continuing high degree of estimation uncertainty as to any ultimate recoverable amount against these balances.

5.6 Impairment of assets

The Group treats assets as impaired when there has been a significant or prolonged decline in their fair value. The determination of what is “significant” or “prolonged” requires management judgment.

5.7 Leases

Determining the lease term

The Group exercises judgement in determining whether it is reasonably certain to exercise option to terminate or extend a lease in determining the lease term which considered all relevant facts and circumstances that create an economic incentive to exercise the option to extend the lease or not to exercise the option to terminate the lease.

Determining discount rate

The discount used in calculation of the lease liability is the rate implicit in the leases if it can be readily determined, or the incremental borrowing rate if not. The Group evaluates the incremental borrowing rate by using information provided by third-party of the Group and adjusts information obtained to reflect changes in the Group’s financial factor.

6. CAPITAL RISK MANAGEMENT

The Group's objectives in the management of capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

7. FINANCIAL RISK MANAGEMENT

The Group has financial risks associated with these financial instruments and how they are managed are described below.

Credit risk

The Group has exposure to credit risk primarily with respect to trade and other receivable and loans. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses since most of the credit granting are covered with contracts and guarantees. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans, and other receivables as stated in the statement of financial position.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at financial institution, loans to, bank overdrafts, short-term and long-term loans with interest bearing. However, since most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the current market rate, the interest rate risk is expected to be minimal.

Foreign exchange risk

The Group has exposure to foreign currency risk from trading transactions and borrowings that are denominated in foreign currencies. The Group has entered into forward exchange and currency swap contracts which mature within one year to manage the risk.

Some of financial assets and liabilities, dominated in foreign currencies, have forward exchange contracts and derivatives to protect the risk as Note 12 and 35.

Liquidity risk

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

8. TRANSACTIONS WITH RELATED PARTIES

The Company has significant business transactions with its related parties (related in term of common shareholders and/or management). Such transactions have been complied with the terms and conditions as determined by the Company and related parties.



The relationship between the Company and related parties are summarised below:

Names	Relationship
Seafresh Group (Holdings) Limited (SGH)	Subsidiary
Sea Farms Limited	Subsidiary of SGH
Blue Earth Foods Limited	Subsidiary of SGH
Sea Farms, Inc.	Subsidiary of SGH
Prochaete Innovation Limited	Subsidiary of SGH
Sea Farms Nutrition Limited (SFN)	Subsidiary of SGH
Sea Farms Nutrition, Inc.	Subsidiary of SFN
Mudwalls Farm Limited	Subsidiary of SGH
44 Foods Limited	Subsidiary of SGH
Manufacturing System Implementation Company Limited	Subsidiary
Seafresh IHQ Company Limited	Subsidiary
Seafresh Farm Company Limited	Subsidiary
Belize Aquaculture Limited	Joint Venture of SGH
Chartered Square Holding Company Limited	Common director
Thai K Boiler Company Limited	Common director

Transaction	Pricing policy
Sales of goods	Cost plus margin
Purchase of goods	Agreed price
Interest income	2.0% and 2.5% per annum
Other income	Cost plus margin
Dividend income	Upon declaration
Interest on credit sale	1.0% per month
Service fee	Cost plus margin
Office rental and service	Cost plus margin
Service and equipment	Cost plus margin
Interest charge - Short-term loan	2.0% and 2.5% per annum
Sales of assets	Agreed price

Significant transactions with related parties for the years ended 31 December 2020 and 2019 are as follows:



Transaction with related parties	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
	2020	2019
<u>Subsidiaries</u>		
Sales of goods	-	-
Service income	-	-
Interest income	-	-
Other income - interest on credit sale	-	-
Dividend income	-	-
Service fee	-	-
Office rental and service	-	-
Interest charge	-	-
Purchase of raw materials	-	-
Sales of assets	-	-
Management income	-	-
Miscellaneous income	-	-
<u>Related parties</u>		
Sales of goods	55	113
Service income	284	548
Office rental and service	9,291	9,207
Service and equipment	298	59
Miscellaneous expenses	144	144
Purchase of assets	534	534
<u>Key management personnel compensation</u>		
		18,144
Short-term employee benefits	44,108	42,466
Provision for post-employment benefits	400	3,487



Significant balances with the related parties as at 31 December 2020 and 2019 are as follows:

			(Unit : Thousand Baht)	
	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
Trade accounts receivable				
Subsidiaries	-	-	200,138	284,100
Related party	-	30	-	30
Total	-	30	200,138	284,130
Other accounts receivable				
Subsidiaries	-	-	5,925	10,097
Joint venture - net	316,549	377,964	-	-
Total	316,549	377,964	5,925	10,097
Other current assets				
Subsidiaries	-	-	443	438
Short-term loans to and interest receivable				
Subsidiaries				
Loans to	-	-	80,000	-
Interest receivable	-	-	524	-
Total	-	-	80,524	-
Long-term loans to and interest receivable				
Joint venture				
Loans to	325,298	258,688	-	-
Interest receivable	61,816	65,254	-	-
Total	387,114	323,942	-	-
Trade accounts payable				
Subsidiary	-	-	-	437
Other accounts payable				
Subsidiary	-	-	114	167
Related parties	789	226	676	116
Total	789	226	790	283

Short-term loans to related parties

The balance of short-term loans to subsidiaries and the movement during the year are as follows:

(Unit : Thousand Baht)

Borrower	Interest rate (% per annum)	Currency	Principal (Thousand Baht)	Maturity date	Separate F/S			
					2019	Increase	Decrease	2020
Seafresh IHQ Company Limited	2.00	Baht	28,700	At call	-	28,700	(28,700)	-
Seafresh Farm Company Limited	2.00	Baht	80,000	At call	-	80,000	-	80,000
Total					-	108,700	(28,700)	80,000

Short-term loans from related parties

The balance of short-term loans from subsidiaries and the movement during the year are as follows:

(Unit : Thousand Baht)

Lender	Interest rate (% per annum)	Currency	Principal (Thousand Baht)	Maturity date	Separate F/S			
					2019	Increase	Decrease	2020
Seafresh IHQ Company Limited	1.00	Baht	19,500	At call	19,500	65,700	(23,150)	62,050
Manufacturing System Implementation Company Limited	0.50	Baht	1,500	At call	-	1,500	-	1,500
Total					19,500	67,200	(23,150)	63,550

Long-term loans to related party

The balances of long-term loans to joint venture and the movement during the year are as follows:

(Unit : Thousand Baht)

Borrower	Interest rate (% per annum)	Principal (Thousand US dollar)	Consolidated F/S							
			31 December 2019	Increase	Decrease	Unrealized gain on exchange rates	Currency translation differences	Allowance for doubtful accounts		31 December 2020
								Increase	Transferred out	
Belize Aquaculture Limited	8.00	14,466	258,688	15,312	-	(20,951)	7,272	(3,968)	68,945	325,298

Short-term loans are classified as long-term loans due to the lender (subsidiary) has an intention to extend the period of loan repayment to more than one year.

During the year, the Group transferred an allowance for doubtful accounts amounting to Baht 68.95 million which were recognized for long-term loans to joint venture to an allowance for doubtful accounts for other receivables and recognize an increment of allowance for doubtful accounts amounting to Baht 3.97 million.

As at 31 December 2020, the subsidiary has cumulatively recognized an allowance for doubtful accounts amounting to Baht 98.84 million (31 December 2019 : Baht 159.26 million)

The subsidiary has not recognized interest income from long-term loans to joint venture since 1 January 2016 until loans are settled by the joint venture.

The Group has outstanding amount net of allowance for doubtful accounts from the joint venture amount to Baht 704 million which includes other accounts receivable of Baht 317 million, interest receivable of Baht 62 million and long-term loans of Baht 325 million. The Company believes that the amount will be recoverable since the underlying property held by the joint venture exceeds the value of the amounts outstanding. The principal asset of the joint venture has a fair value amounting to USD 44.85 million (equivalent to Baht 1,347.16 million as at 31 December 2020) based on a valuation performed by an independent appraise. The fair value are within level 2 of the fair value hierarchy.

9. CASH AND CASH EQUIVALENTS

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
Cash on hand	341	135	90	90
Deposits held at call with banks	32,875	64,588	14,659	33,268
Total	33,216	64,723	14,749	33,358

The average interest rate on deposits held at call with banks was ranged between 0.01% to 0.375% per annum (2019: 0.01% to 0.90% per annum).

10. TRADE AND OTHER ACCOUNTS RECEIVABLE

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
Trade accounts receivable - general	547,154	499,292	41,643	39,703
Trade accounts receivable - related parties (Note 8)	-	30	200,138	284,130
Other accounts receivable - third parties	5,117	66	37	66
Other accounts receivable - related parties (Note 8)	397,374	377,964	5,925	10,097
Total	949,645	877,352	247,743	333,996
<u>Less</u> Allowance for doubtful - other accounts receivable - related parties (Note 8)	(80,677)	-	-	-
Currency translation differences	(148)	-	-	-
Net	868,820	877,352	247,743	333,996



The aging analysis of trade accounts receivable are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
	2020	2019
<u>Trade accounts receivable - general</u>		
Not yet due	514,464	458,534
Less than 3 months	30,838	40,758
3 - 6 months	1,852	-
Total	547,154	499,292
<u>Trade accounts receivable - related parties</u>		
Not yet due	-	30
Less than 3 months	-	-
3 - 6 months	-	-
6 - 12 months	-	-
Total	-	30

11. INVENTORIES – NET

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
	2020	2019
Finished goods	1,491,978	1,826,269
Work in process	672	1,581
Raw materials and packaging supplies	85,649	74,775
Chemical and others	2,638	623
Total	1,580,937	1,903,248
<u>Less</u> Allowance for decline in value of inventories	(65,835)	(98,800)
Currency translation differences	(37)	-
Net	1,515,065	1,804,448

The decrease in the allowance for the decline in inventory of the Company was principally due to the decrease in the slow-moving inventories of the Company.

The movements in allowance for decline in value of inventories during the year are as follows:

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Beginning balance	98,800	92,273	98,800	64,900
Increase	3,705	38,100	770	38,100
Decrease	(36,670)	(30,616)	(36,670)	(4,200)
Currency translation differences	37	(957)	-	-
Ending balance	<u>65,872</u>	<u>98,800</u>	<u>62,900</u>	<u>98,800</u>
	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Cost of goods sold	5,389,039	5,001,925	1,957,565	1,896,793
Increase in allowance (decrease)	(32,965)	7,484	(35,900)	33,900
Total cost of sales	<u>5,356,074</u>	<u>5,009,409</u>	<u>1,921,665</u>	<u>1,930,693</u>

12. ASSETS AND LIABILITIES FROM DERIVATIVE INSTRUMENTS

Assets and liabilities from derivative instruments which were recognized in the financial statements are as follows:

12.1 Forward exchange contracts receivable - net

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Forward exchange contract	-	-	-	6,559
Deferred discount	-	-	-	(378)
Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,181</u>

12.2 Forward exchange contracts payable - net

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Forward exchange contract	-	15,208	-	-
Deferred premium	-	2,052	-	-
Net	<u>-</u>	<u>17,260</u>	<u>-</u>	<u>-</u>

12.3 Net fair values of derivative financial instruments

		(Unit : Thousand Baht)	
		Consolidated F/S	Separate F/S
		2020	2019
		2020	2019
<u>Contracts with positive fair values</u>			
Forward exchange contracts receivable	-	-	4,353
Total	-	-	4,353
<u>Contracts with negative fair values</u>			
Forward exchange contracts payable	-	20,867	-
Total	-	20,867	-

The fair values of derivatives are calculated using the rates quoted by the financial institution used by the Group which are based on market conditions existing at 31 December 2020 and 2019. The fair values are within level 2 of the fair value hierarchy.

13. OTHER CURRENT ASSETS

		(Unit : Thousand Baht)	
		Consolidated F/S	Separate F/S
		2020	2019
		2020	2019
Prepaid expense	53,186	44,758	7,689
Office supplies	3,800	3,452	3,268
Tax coupon	263	296	263
Advance payment	587	4,241	522
Others	9,111	51,296	607
Total	66,947	104,043	12,349

14. RESTRICTED DEPOSITS WITH BANK

Restricted deposits with bank represent fixed deposit of 3 months, 6 months 12 months pledged as collateral for the overdraft and short-term loans facilities from financial institutions.



15. INVESTMENTS IN SUBSIDIARIES

		Separate F/S									
		Paid-up capital		Percentage of shareholding direct (%)		Percentage of shareholding direct and indirect (%)		At Cost (Thousand Baht)		Dividend Income (Thousand Baht)	
Currency of investments		31 December 2020	31 December 2019	31 December 2020	31 December 2019	31 December 2020	31 December 2019	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Seafresh Group (Holdings) Limited	GBP	10,000	10,000	39.00	39.00	67.55	67.55	190	190	14,803	35,117
Sea Farms Limited	GBP	1	1	-	-	67.55	67.55	-	-	-	-
Blue Earth Foods Limited	GBP	3,000	3,000	25.00	25.00	75.66	75.66	36	36	-	-
Sea Farms, Inc.	USD	10,000	10,000	25.00	25.00	68.91	68.91	77	77	-	-
Prochaete Innovation Limited	GBP	100	100	25.00	25.00	48.64	48.64	1	1	-	-
Sea Farms Nutrition Limited	GBP	10,000	10,000	-	-	65.53	65.53	-	-	-	-
Sea Farms Nutrition, Inc.	USD	1	1	-	-	55.70	55.70	-	-	-	-
Mudwalls Farm Limited	GBP	100	-	-	-	34.45	-	-	-	-	-
44 Foods Limited	GBP	100	-	-	-	67.65	-	-	-	-	-
Manufacturing Systems											
Implementation Company Limited	Thousand Baht	3,000	3,000	100.00	100.00	100.00	100.00	3,521	3,521	3,200	3,600
Seafresh IHQ Company Limited	Thousand Baht	900,000	900,000	100.00	100.00	100.00	100.00	900,000	900,000	-	30,780
Seafresh Farm Company Limited	Thousand Baht	330,000	312,000	100.00	100.00	100.00	100.00	330,000	312,000	-	-
Total								1,233,825	1,215,825	18,003	69,497



The Company has only 48.64% and 34.45% interest in Prochaete Innovation Limited and Mudwalls Farm Limited, respectively but has included them in the consolidated financial statements because the Company can govern the financial and operating policies of such subsidiaries through the board of directors voting rights which more than 50%.

At the Board of Director's Meeting No. 3/2019 on 21 March 2019, the director passed the resolution to increase the registered share capital of Seafresh Farm Co., Ltd. (subsidiary) by issuing 60 million shares with a par value of Baht 5 each, totaling Baht 300 million. The subsidiary registered the increase with the Department of Business Development on 19 April 2019. During the year ended 31 December 2020, the Company had paid all remaining amount to the subsidiary for called up share capital.

At the Board of Director's Meeting No. 6/2020 on 21 July 2020, the director passed the resolution to approve Seafresh Group (Holdings) Limited to invest 51% of Mudwalls Limited's common share which incorporated in United Kingdom for trading of vegetable and fruit. Such subsidiary has been changed the registered name to Mudwalls Farm Limited on 17 August 2020.

At the Board of Director's Meeting No. 7/2020 on 13 August 2020, the director passed the resolution to approve Seafresh Group (Holdings) Limited to invest 100% of 44 Foods Limited's common share which incorporated in United Kingdom to expand the CFRESH group market and support the growth of other businesses in the future.

The total non-controlling interests as at 31 December 2020 of is Baht 230.85 million (2019: Baht 192.89 million) of which Baht 182.57 million (2019: Baht 170.91 million) is of Sea Farms Limited which is considered as material non-controlling interests. Set out below are the summarised financial information for aforementioned subsidiary.

Summarised statement of financial position as at 31 December 2020 and 2019

	(Unit : Million Baht)	
	Sea Farms Limited	
	2020	2019
<u>Assets</u>		
Current assets	1,490	1,465
Non-current assets	11	10
Total assets	1,501	1,475
<u>Liabilities</u>		
Current liabilities	939	948
Non-current liabilities	-	-
Total liabilities	939	948
Net assets	562	527



Summarised statement of comprehensive income for the years ended 31 December 2020 and 2019

(Unit : Million Baht)		
Sea Farms Limited		
	2020	2019
Revenue	2,453	2,381
Profit before income tax	148	182
Income tax expense	19	13
Profit after income tax	129	169
Other comprehensive income	-	-
Total comprehensive income	129	169
Total comprehensive income attributable to non-controlling interests	42	55
Dividends paid to non-controlling interests	12	31

(Unit : Million Baht)		
Sea Farms Limited		
	2020	2019
Net cash from operating activities	115	48
Net cash used in investing activities	-	(1)
Net cash used in financing activities	(72)	(246)
Net cash inflows (outflows)	43	(199)

The information above is the amount before inter-company eliminations.

16. INVESTMENT IN JOINT VENTURE

		Consolidated F/S					
		Percentage of investment (%)		At cost (Thousand Baht)		Equity method (Thousand Baht)	
	Paid-up capital	2020	2019	2020	2019	2020	2019
Belize Aquaculture Limited	BZD 13.75 million	50.00	50.00	9,663	9,663	-	-

The Group has no contingent liabilities relating to the Group's interest in the joint venture.

No movements in the Group's investment in joint venture because a subsidiary has fully recognized loss sharing from investment under the equity method.

Summary of financial information of joint venture by investment portion are as follows:

	(Unit : Thousand Baht)	
	Belize Aquaculture Limited	
	2020	2019
Cash and cash equivalents	191	423
Trade and other accounts receivable	1,190	2,494
Inventories	6,708	7,368
Property, plant and equipment	284,901	294,701
Other non-current assets	313	512
Total assets	293,303	305,498
Trade and other accounts payable	275,466	262,205
Loans	223,272	223,363
Total liabilities	498,738	485,568
Net assets	(205,435)	(180,070)
Revenue	-	5,020
Cost of sales	-	(2,488)
Selling and administrative expenses	(21,206)	(48,486)
Loss before income tax	(21,206)	(45,954)
Income tax	-	-
Loss for the year	(21,206)	(45,954)

As at 31 December 2020, the Group has not recognized excess liabilities over investment in joint venture amount of Baht 205 million (2019: Baht 180 million) in these financial statements due to the Group has no any commitments on the negative net assets.



17. PROPERTY, PLANT AND EQUIPMENT - NET

18. (Unit : Thousand Baht)

	Consolidated F/S						
	Land	Buildings, and improvement	Machine, and factory equipment	Office fixtures and supplies	Vehicles	Construction in progress	Total
As at 1 January 2019							
Opening - net book value	351,594	571,140	369,964	50,305	41,492	15,389	1,399,884
Additions	1,800	83,803	50,295	35,704	53,240	45,831	270,673
Transfer in	2,000	36,952	19,600	810	46	-	59,408
Transfer out	-	-	(20,445)	-	-	(38,963)	(59,408)
Disposals - net	-	(7,227)	(4,190)	-	(403)	-	(11,820)
Write off - net	-	(4)	(453)	(5)	(11)	-	(473)
Depreciation	-	(37,691)	(75,699)	(13,660)	(17,675)	-	(144,725)
Currency translation differences	(1,983)	(13,488)	(7,031)	(1,581)	(59)	-	(24,142)
Closing - net book value	353,411	633,485	332,041	71,573	76,630	22,257	1,489,397
As at 31 December 2019							
Cost	353,411	1,283,506	953,695	190,021	166,111	22,257	2,969,001
<u>Less</u> Accumulated depreciation	-	(650,021)	(621,654)	(118,448)	(89,481)	-	(1,479,604)
Net book value	353,411	633,485	332,041	71,573	76,630	22,257	1,489,397



(Unit : Thousand Baht)

	Consolidated F/S						
	Land	Buildings, and improvement	Machine, and factory equipment	Office fixtures and supplies	Vehicles	Construction in progress	Total
As at 1 January 2020							
Opening - net book value	353,411	633,485	332,041	71,573	76,630	22,257	1,489,397
Additions	-	34,246	49,740	13,856	5,552	83,764	187,158
Transfer in	3,500	20,387	22,186	357	550	-	46,980
Transfer out	-	-	-	(20)	-	(46,960)	(46,980)
Disposals - net	-	(7,270)	(175)	-	-	-	(7,445)
Write off - net	-	(22,324)	(13,050)	(94)	(363)	-	(35,831)
Depreciation	-	(40,822)	(74,553)	(11,654)	(16,019)	-	(143,048)
Currency translation differences	1,436	11,711	5,017	1,748	1,082	-	20,994
Closing - net book value	<u>358,347</u>	<u>629,413</u>	<u>321,206</u>	<u>75,766</u>	<u>67,432</u>	<u>59,061</u>	<u>1,511,225</u>
As at 31 December 2020							
Cost	358,347	1,282,325	983,470	196,372	172,085	59,061	3,051,660
<u>Less Accumulated depreciation</u>	<u>-</u>	<u>(652,912)</u>	<u>(662,264)</u>	<u>(120,606)</u>	<u>(104,653)</u>	<u>-</u>	<u>(1,540,435)</u>
Net book value	<u>358,347</u>	<u>629,413</u>	<u>321,206</u>	<u>75,766</u>	<u>67,432</u>	<u>59,061</u>	<u>1,511,225</u>

Certain land and buildings are mortgaged as collateral for long-term loans from financial institutions as explained in Note 22.



(Unit : Thousand Baht)

	Separate F/S						
	Land	Buildings, and improvement	Machine, and factory equipment	Office fixtures and supplies	Vehicles	Construction in progress	Total
As at 1 January 2019							
Opening - net book value	103,479	212,132	180,612	8,046	39,518	15,387	559,174
Additions	1,800	355	3,379	674	692	26,107	33,007
Transfer	-	4,611	18,657	95	-	(23,363)	-
Disposals - net	-	(27,566)	(44,345)	(1,231)	(1,440)	-	(74,582)
Write off - net	-	(4)	(453)	(5)	(11)	-	(473)
Depreciation	-	(23,682)	(37,953)	(3,443)	(11,559)	-	(76,637)
Closing - net book value	105,279	165,846	119,897	4,136	27,200	18,131	440,489
As at 31 December 2019							
Cost	105,279	732,658	496,188	54,965	101,669	18,131	1,508,890
<u>Less</u> Accumulated depreciation	-	(566,812)	(376,291)	(50,829)	(74,469)	-	(1,068,401)
Net book value	105,279	165,846	119,897	4,136	27,200	18,131	440,489



(Unit : Thousand Baht)

	Separate F/S						
	Land	Buildings, and improvement	Machine, and factory equipment	Office fixtures and supplies	Vehicles	Construction in progress	Total
As at 1 January 2020							
Opening - net book value	105,279	165,846	119,897	4,136	27,200	18,131	440,489
Additions	-	484	3,796	809	-	10,531	15,620
Transfer	-	47	19,337	13	-	(19,397)	-
Disposals - net	-	-	(75)	-	-	-	(75)
Write off - net	-	-	(346)	(3)	-	-	(349)
Depreciation	-	(21,545)	(35,265)	(2,323)	(10,437)	-	(69,570)
Closing - net book value	105,279	144,832	107,344	2,632	16,763	9,265	386,115
As at 31 December 2020							
Cost	105,279	732,378	498,406	46,052	101,669	9,265	1,493,049
<u>Less</u> Accumulated depreciation	-	(587,546)	(391,062)	(43,420)	(84,906)	-	(1,106,934)
Net book value	105,279	144,832	107,344	2,632	16,763	9,265	386,115

1. RIGHT-OF-USE ASSETS - NET AND LEASE LIABILITIES - NET
18.1 Right-of-use assets – net

Movements of right-of-use assets for the year ended 31 December 2020 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Net book value as at 1 January 2020	-	-
Change from first time adoption of TFRS 16	26,794	17,647
Addition during the year	883	-
Depreciation during the year	(5,888)	(2,944)
Currency translation differences	35	-
Net book value as at 31 December 2020	21,824	14,703

and expenses relating to right-of-use assets for the year ended 31 December 2020 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Depreciation		
Buildings, and improvement	2,170	1,890
Machine, and factory equipment	2,230	1,054
Office fixtures and supplies	712	-
Vehicles	776	-
Total	5,888	2,944
Expenses relating to short-term leases	669	669
Income relating to sub-lease	-	1,437

The carrying amounts of the right-of-use assets classified by asset category as at 31 December 2020 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Buildings, and improvement	15,346	14,176
Machine, and factory equipment	3,716	527
Office fixtures and supplies	1,206	-
Vehicles	1,556	-
Total right-of-use assets	21,824	14,703

18.2 Lease liabilities - net



As at 31 December 2020, the Group has lease agreements for buildings, machine, office equipment and vehicles with period of 18 - 102 months. The present value of lease liabilities are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Not later than 1 year	6,156	2,816
Later than 1 year but not later than 5 years	12,784	9,104
Later than 5 years	6,160	5,690
	25,100	17,610
<u>Less</u> Deferred finance cost	(3,224)	(2,598)
Present value of lease liabilities	21,876	15,012
<u>Less</u> Current portion	(5,227)	(2,197)
Lease liabilities - net	16,649	12,815

The present value of lease liabilities as at 31 December 2020 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Not later than 1 year	5,227	2,197
Later than 1 year but not later than 5 years	10,832	7,441
Later than 5 years	5,817	5,374
Present value of lease liabilities	21,876	15,012

Expenses relating to lease liabilities for the year ended 31 December 2020 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Finance cost relating to lease liabilities	1,060	720

19. INTANGIBLE ASSETS - NET

	(Unit : Thousand Baht)		
	Consolidated F/S		
	Customer relationship	Computer software	Total
As at 1 January 2019			
Opening - net book value	-	10,242	10,242
Additions	-	692	692
Amortization	-	(5,120)	(5,120)
Currency translation differences	-	(305)	(305)
Closing - net book value	-	5,509	5,509
As at 31 December 2019			
Cost	18,575	44,932	63,507
Less Accumulated amortization	(18,575)	(39,423)	(57,998)
Net book value	-	5,509	5,509
As at 1 January 2020			
Opening - net book value	-	5,509	5,509
Additions	-	4,194	4,194
Amortization	-	(4,544)	(4,544)
Currency translation differences	-	90	90
Closing - net book value	-	5,249	5,249
As at 31 December 2020			
Cost	19,101	49,904	69,005
Less Accumulated amortization	(19,101)	(44,655)	(63,756)
Net book value	-	5,249	5,249

	(Unit : Thousand Baht)
	Separate F/S
	Computer software
As at 1 January 2019	
Opening - net book value	1,843
Additions	30
Amortization	(1,332)
Closing - net book value	541
As at 31 December 2019	
Cost	17,415
Less Accumulated amortization	(16,874)
Net book value	541
As at 1 January 2020	
Opening - net book value	541
Additions	170
Amortization	(541)
Closing - net book value	170
As at 31 December 2020	
Cost	17,585
Less Accumulated amortization	(17,415)
Net book value	170

20. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Bank overdrafts	15,677	12,964	15,677	12,964
Short-term loans from financial institutions	1,588,636	1,175,844	827,800	435,500
Total	1,604,313	1,188,808	843,477	448,464

Bank overdrafts and short-term loan facilities of the Group bear interest rate at 1.15% to 2.00% per annum and are collateralized by the bank deposits of the Company, inventories and trade accounts receivable of its subsidiaries.

As at 31 December 2020, the Group has unutilised short-term credit facilities amounting to Baht 490 million (2019: Baht 1,000 million).

21. ACCRUED EXPENSES

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Accrued salary and bonus	108	7,965	108	155
Accrued transportation and warehouse expense	5,939	694	66	61
Accrued utilities expense	5,507	5,448	5,075	5,446
Accrued consulting expense	620	1,186	620	-
Accrued promotional expense	-	1,941	-	-
Others	50,111	50,899	6,131	10,444
Total	62,285	68,133	12,000	16,106

22. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS – NET

(Unit : Thousand Baht)

Loans	Principals	Term (years)	Maturity	Repayment	Consolidated F/S		Separate F/S	
					2020	2019	2020	2019
1	Baht 200 million	5	July 2020	Quarterly installments of Baht 10 million	-	20,000	-	20,000
2	GBP 2.2 million	5	June 2025	Monthly installments of GBP 18,313 plus final installment on the last installment date	50,017	57,359	-	-
3	GBP 2.4 million	2.3	July 2021	Monthly installments of GBP 87,321	24,928	65,791	-	-
4	GBP 1.9 million	2.3	July 2021	Monthly installments of GBP 46,210	13,185	34,800	-	-
5	GBP 0.5 million	4.1	April 2023	Monthly installments of GBP 3,192	19,286	19,330	-	-
Total					107,416	197,280	-	20,000
<u>Less</u> Current portion					(48,601)	(93,528)	-	(20,000)
Portion due more than one year					58,815	103,752	-	-

During the year, loan of the oversea subsidiary has been agreed to extend the maturity date and repayment of the outstanding balance as at 31 December 2020 of the principal amount of GBP 2.2 million. The installments will be monthly repayments of GBP 18,313 for 60 months period with a final repayment on the last installment date. However, such change has no significant impact to the financial statements.

The Company's loans bear interest rate at 3.25% per annum and the subsidiaries' loans bear interest rate at 2.5% to 4.8% above base lending rate per annum. The Group must comply with the covenants in the contracts.

The subsidiaries' loans are collateralised by the mortgaged of land with building and assets of subsidiaries (Note 17).

Movements in long-term loans are summarised below:

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
Opening balance	197,280	146,120	20,000	60,000
<u>Add</u> Additional borrowings	-	141,016	-	-
<u>Less</u> Repayments	(94,881)	(86,617)	(20,000)	(40,000)
Currency translation differences	5,017	(3,239)	-	-
Ending balance	107,416	197,280	-	20,000

The interest rate exposure on the borrowings are as follows:

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
Loans				
At floating interest rates	107,416	197,280	-	20,000

Maturity of long-term loans is as follows:

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
Between 1 and 2 years	59,089	180,978	-	20,000
Between 2 years and 5 years	48,327	16,302	-	-
	107,416	197,280	-	20,000

23. BONDS - NET

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
Bonds	500,000	1,000,000	500,000	1,000,000
<u>Less</u> Finance costs	(86)	(716)	(86)	(716)
Bonds - net	499,914	999,284	499,914	999,284

Movements in bonds are summarised below:

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
Opening balance	999,284	998,586	999,284	998,586
Amortized finance costs	630	698	630	698
<u>Less</u> Payment during the year	(500,000)	-	(500,000)	-
Ending balance	499,914	999,284	499,914	999,284
<u>Less</u> Current port of Bond-net	(499,914)	(499,586)	(499,914)	(499,586)
Portion due more than one year	-	499,698	-	499,698

Details of bonds are as follows:

Issuance Date	Type of Bond	Amount (Million Baht)	Per value and Offering prices per unit	Term (Years)	Interest rate * (% per annum)
1. 24 - 26 May 2016	Unsubordinated and unsecured bong	500	Baht 1,000	5	4.30
2. 9 November 2017	Unsubordinated and unsecured bong	500	Baht 1,000	3	3.60

* Interest is repayable every 6 months.

Such bonds were issued with covenants relating to general matters including the maintenance of financial ratio of the consolidated financial statements as at the end of each year.

The Group disclosed fair values of bond which bear fixed interest rate as following:

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Book Value	499,914	999,285	499,914	999,285
Fair Value	499,727	1,003,375	499,727	1,003,375

The fair value of bond which bear fixed interest rate is based on discounted cash flow using discount rate upon the bond rates at the date of the financial statements. The rates range from 3.55% to 3.83% per annum. The fair value is within level 2 of the fair value hierarchy.

24. EMPLOYEE BENEFITS OBLIGATION

Movements in employee benefits obligations for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Employee benefits obligation at beginning of year	78,246	57,115	73,086	53,305
Past service cost	-	15,678	-	14,999
Current service cost	5,445	5,409	4,847	4,852
Interest cost	1,651	1,540	1,519	1,426
Benefits paid during the year	(10,071)	(1,496)	(10,071)	(1,496)
Employee benefits obligation at ending of year	75,271	78,246	69,381	73,086
Less Current portion	(15,463)	(13,907)	(15,463)	(13,907)
Net	59,808	64,339	53,918	59,179



Assumptions to estimate the actuarial valuation date are as follows:

	Consolidated and Separate F/S	
	2020	2019
Discount rate (% per year)	2.5 - 2.8	2.5 - 2.8
Inflation rate (% per year)	2.8	2.8
Future salary increase rate (Depending on age range) (% per year)	5.0	5.0

For the years ended 31 December 2020 and 2019, provision for employee benefit expenses included in the profit or loss are as follows:

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Past service cost	-	15,678	-	14,999
Current service cost	5,445	5,409	4,847	4,852
Interest cost	1,651	1,540	1,519	1,426
Total expenses recognized in profit or loss	7,096	22,627	6,366	21,277

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020		2020	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate				
Increment (decrement) of employee benefit	(4,241)	4,742	(3,959)	4,428
Salary growth rate				
Increment (decrement) of employee benefit	6,031	(5,458)	5,610	(5,074)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Employee turnover				
Increment (decrement) of employee benefit	(5,677)	6,775	(5,417)	6,479

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2019		2019	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate				
Increment (decrement) of employee benefit	(4,346)	4,868	(4,062)	4,553
Salary growth rate				
Increment (decrement) of employee benefit	4,729	(4,232)	5,025	(4,557)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Employee turnover				
Increment (decrement) of employee benefit	(4,991)	5,705	(4,789)	5,684

As at 31 December 2020, expected maturity of employee benefits obligation before discount are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Within one year	2,153	2,153
Between 2 - 5 years	30,299	26,990
Between 6 - 10 years	22,582	21,209
Between 11 - 15 years	9,563	9,403
Total	64,597	59,755

On 5 April 2019, the National Legislative Assembly published Labor Protection Act No.7 B.E. 2019 in the Government Gazette which entitles employees who have worked for a consecutive period of 20 years or more to receive 400 days based on their salary as at the date of retirement. The revised legislation is effective from 5 May 2019, and has resulted in an increase in the employment benefit obligation of Baht 15.68 million in the consolidated financial statements and Baht 15.00 million in the separate financial statements for the year ended 31 December 2019, with a corresponding amount included in the profit and loss accounting in respect of the past service costs.

25. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows:

	Consolidated F/S					(Unit : Thousand Baht)
	Finance Lease liabilities	Short-term loans from related party	Bank overdrafts and short-term loans from financial institutions	Bonds	Long-term loans from financial institutions	Total
1 January 2019	-	-	902,762	998,586	146,120	2,047,468
Cash-flows:						
Repayment	-	-	-	-	(86,617)	(86,617)
Proceeds	-	-	286,046	-	141,016	427,062
Non-cash:						
Amortized finance costs	-	-	-	698	-	698
Currency translation differences	-	-	-	-	(3,239)	(3,239)
31 December 2019	-	-	1,188,808	999,284	197,280	2,385,372
Increase from first time adoption of TFRS 16	26,794	-	-	-	-	26,794
Cash-flows:						
Repayment	(5,801)	-	-	(500,000)	(94,881)	(600,682)
Proceeds	-	-	415,505	-	-	415,505
Non-cash:						
Increase during the year	883	-	-	-	-	883
Amortized finance costs	-	-	-	630	-	630
Currency translation differences	-	-	-	-	5,017	5,017
31 December 2020	21,876	-	1,604,313	499,914	107,416	2,233,519

	Separate F/S					(Unit : Thousand Baht)
	Finance Lease liabilities	Short-term loans from related party	Bank overdrafts and short-term loans from financial institutions	Bonds	Long-term loans from financial institutions	Total
1 January 2019	-	-	373,026	998,586	60,000	1,431,612
Cash-flows:						
Repayment	-	-	-	-	(40,000)	(40,000)
Proceeds	-	19,500	75,437	-	-	94,937
Non-cash:						
Amortized finance costs	-	-	-	698	-	698
31 December 2019	-	19,500	448,463	999,284	20,000	1,487,247
Increase from first time adoption of TFRS 16	17,647	-	-	-	-	17,647
Cash-flows:						
Repayment	(2,635)	(9,601)	-	(500,000)	(20,000)	(532,236)
Proceeds	-	67,200	395,013	-	-	462,213
Non-cash:						
Amortized finance costs	-	-	-	630	-	630



(Unit : Thousand Baht)

	Separate F/S					Total
	Finance Lease liabilities	Short-term loans from related party	Bank overdrafts and short-term loans from financial institutions	Bonds	Long-term loans from financial institutions	
Off - setting short-term loans from related parties with dividend income	-	(13,549)	-	-	-	(13,549)
31 December 2020	15,012	63,550	843,476	499,914	-	1,421,952

26. INCOME TAX

Applicable tax rates for the Group are as follows

	Tax rate (%)	
	2020	2019
Income tax under the Revenue Code of the Company and subsidiary in Thailand	8, 20	8, 10, 20
Corporate income tax in foreign countries	19	19

26.1 Deferred tax assets and tax liabilities

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Deferred tax assets	-	5,920	-	-
Deferred tax liabilities	(35,087)	(35,430)	-	-
Net	(35,087)	(29,510)	-	-

The change in deferred tax assets and liabilities are as follows:



	Consolidated F/S				
	1 January 2020	Statement of profit or loss	Shareholders' equity	Currency translation differences	31 December 2020
Parent company					
<u>Deferred tax assets from</u>					
Loss carried forward	-	-	-	-	-
Subsidiaries					
<u>Deferred tax assets from</u>					
Loss carried forward	705	3,382	-	63	4,150
Forward exchange contracts	3,985	2,363	-	80	6,428
Gain on inventory	1,230	278	-	38	1,546
Total	5,920	6,023	-	181	12,124
<u>Deferred tax liabilities from</u>					
Difference from depreciation rate	(35,430)	(10,644)	-	(1,137)	(47,211)
Net - Subsidiaries	(29,510)	(4,621)	-	(956)	(35,087)
Net	(29,510)	(4,621)	-	(956)	(35,087)

	Consolidated F/S				
	1 January 2019	Statement of profit or loss	Shareholders' equity	Currency translation differences	31 December 2019
Parent company					
<u>Deferred tax assets from</u>					
Loss carried forward	14,000	(14,000)	-	-	-
Subsidiaries					
<u>Deferred tax assets from</u>					
Loss carried forward	3,855	(3,013)	-	(137)	705
Forward exchange contracts	(1,739)	5,724	-	-	3,985
Gain on inventory	-	1,233	-	(3)	1,230
Total	2,116	3,944	-	(140)	5,920
<u>Deferred tax liabilities from</u>					
Difference from depreciation rate	(25,547)	(10,874)	-	991	(35,430)
Net - Subsidiaries	(23,431)	(6,930)	-	851	(29,510)
Net	(9,431)	(20,930)	-	851	(29,510)

	Separate F/S				
	1 January 2020	Statement of profit or loss	Shareholders' equity	Currency translation differences	31 December 2020
<u>Deferred tax assets from</u>					
Loss carried forward	-	-	-	-	-

	Separate F/S				
	1 January 2019	Statement of profit or loss	Shareholders' equity	Currency translation differences	31 December 2019
<u>Deferred tax assets from</u>					
Loss carried forward	14,000	(14,000)	-	-	-

Deferred tax assets are recognized for tax loss carried forward only to the extent that realization of the related tax benefit through the future taxable profits is probable. During the year 2019, the Company reversed all amount of deferred tax assets which has previously been recognized since the Company's management considered that the Company has no probable that future taxable profit will be available for utilize such deferred tax assets. As at 31 December 2020, unrecognized deferred tax assets in the consolidated and separate financial statements is Baht 189.41 million. Unutilized tax losses will expire during 2024 to 2032.

26.2 Income tax expenses recognized in the statements of profit or loss for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Current tax	29,395	12,811	-	-
Deferred tax	4,621	20,930	-	14,000
Total	34,016	33,741	-	14,000

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country are as follows:

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Profit before tax	(206,264)	(171,135)	(308,162)	(154,134)
Tax calculated at a tax rate of 20%	(41,253)	(34,227)	(61,632)	(30,827)
Tax effect of:				
Revenue granted income tax exemption				
and expenses that are deduct able at a greater amount	(4,719)	(18,931)	(3,846)	(14,087)
Impact of intercompany transactions	12,666	20,852	-	-
Change in tax rate	(10,757)	(1,904)	-	-
Unrecognized temporary differences	565	1,131	-	1,131
Reversal of unrecognized deferred tax assets	(4,678)	-	(4,678)	-
Expenses not deductible for tax purpose	15,323	10,606	172	7,055
Utilization of previously unrecognized tax losses	-	(43)	-	-
Adjustment in respect of prior year	450	(5,229)	-	-
Reversal of deferred tax assets	-	14,000	-	14,000
Unrecognized current year loss as deferred tax assets	66,419	47,487	69,984	36,728
Tax charged	<u>34,016</u>	<u>33,742</u>	<u>-</u>	<u>14,000</u>

27. OTHER INCOME

	Consolidated F/S		(Unit : Thousand Baht) Separate F/S	
	2020	2019	2020	2019
Interest income	102	254	753	1,440
Dividend received	-	-	18,003	69,497
Income from sale of by products	6,925	8,554	6,925	8,554
Compensation from export duty	1,777	2,173	1,777	2,173
Interest income from credit sale	-	-	24,891	27,901
Income from sales of scrap	728	714	728	714
Gain on sales of fixed assets	-	-	368	1,258
Others	7,485	17,107	9,075	13,700
Total	<u>17,017</u>	<u>28,802</u>	<u>62,520</u>	<u>125,237</u>

28. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2020	2019	2020	2019
Salaries and wages and others employee				
Benefits	885,642	966,584	353,518	453,421
Depreciation and amortization expenses	153,481	149,845	73,056	77,969
Raw materials and consumable supplies used	3,874,920	3,706,220	1,192,990	1,389,119
Logistic expenses	142,043	147,127	31,453	36,806
Utilities expenses	103,958	108,427	68,244	76,477
Warehouse expenses	35,298	44,478	17	491
Maintenance expenses	43,820	44,419	14,993	20,334
Rental expenses and service expenses	8,725	13,877	6,074	10,267
Changes in finished goods and				
work in process	325,437	31,198	384,612	17,509
Allowance (reversal of allowance) for decline				
in value of inventories	(32,965)	7,484	(35,900)	33,900

29. REVENUES

Majority revenues of the Group are consisted of frozen raw shrimp, frozen cooked shrimp, processed shrimp such as breaded shrimp, tempura shrimp and sushi shrimp, fruit and vegetable. Sales are through the subsidiaries in overseas under the trademark of the Group and customers which are an importer, a wholesaler, a retailer and a re-processor in the European Union, Japan, USA, Canada and Australia. The Group recognized revenues from sales at point in time.

Furthermore, the Group has revenue from service agreements to provides consulting and implement computer systems in Oracle application in Thailand. The Group recognized revenue from such services over the servicing period (Over time).

30. SEGMENT REPORTING

The Group presents the operating segments by geographical area. Segment information is presented in respect of the Group operating segments which are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the board of directors. The board of directors reviews the Group's internal reporting regularly in order to assess the performance and allocate resources. The board of directors measures the business based on a measure of segment profit before tax, which is derived on a basis that is consistent with the measurement of profit in the consolidated information preparation.

Operating segments are defined as components of the Group about which segment financial information is available by a segment basis that is evaluated regularly by the board of directors.

The information of operating segment for the years ended 31 December 2020 and 2019 are as follows:

(Unit : Thousand Baht)

	Consolidated F/S							
	Overseas operation		Thailand operation		Elimination		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Revenues from third parties	4,780,133	4,310,073	1,074,740	1,193,107	-	-	5,854,873	5,503,180
Revenues from related parties	-	1,485	846,102	802,647	(846,102)	(804,132)	-	-
Total revenues	<u>4,780,133</u>	<u>4,311,558</u>	<u>1,920,842</u>	<u>1,995,754</u>	<u>(846,102)</u>	<u>(804,132)</u>	<u>5,854,873</u>	<u>5,503,180</u>
Revenue classified by revenue recognition								
At point in time	4,780,133	4,311,558	1,839,001	1,904,926	(783,412)	(742,082)	5,835,722	5,474,402
Over time	-	-	81,841	90,828	(62,690)	(62,050)	19,151	28,778
Total	<u>4,780,133</u>	<u>4,311,558</u>	<u>1,920,842</u>	<u>1,995,754</u>	<u>(846,102)</u>	<u>(804,132)</u>	<u>5,854,873</u>	<u>5,503,180</u>
Interest income	-	-	102	254	-	-	102	254
Interest expense	114,410	126,836	49,463	48,690	(87,631)	(89,932)	76,242	85,594
Depreciation and amortization expenses	67,393	59,316	86,088	90,529	-	-	153,481	149,845
Segment profit (loss) before income tax	<u>128,373</u>	<u>75,786</u>	<u>(322,675)</u>	<u>(181,260)</u>	<u>(11,962)</u>	<u>(65,661)</u>	<u>(206,264)</u>	<u>(171,135)</u>
Segment assets	3,203,660	3,057,156	2,330,070	2,816,658	(1,075,674)	(1,149,174)	4,458,056	4,724,640
Increase (decrease) of non-current assets of segment	126,677	46,407	(22,189)	(49,408)	-	-	104,488	(3,001)
Segment liabilities	2,361,027	2,302,171	1,489,761	1,648,418	(967,972)	(1,028,662)	2,882,816	2,921,927

Major customers

For the year ended 31 December 2020, the Group's revenue from sales of products from external major customers amounting to Baht 3,063 million (31 December 2019 : Baht 3,625 million).

31. LEGAL RESERVE

Legal reserve represents the reserve which the Company appropriated under the provisions of the Public Limited Companies Act B.E. 2535, which requires the Company to appropriate at least 5% of its net income after deduction of the deficit brought forward (if any) as reserve fund until the reserve reaches 10% of the authorized share capital. This reserve is not available for dividend distribution.

32. COMMITMENTS AND CONTINGENT LIABILITIES

32.1 Capital commitments

As at 31 December 2020, the Company and a subsidiary has capital commitments in respect of purchases of machinery and equipment amounting to Baht 4.70 million (31 December 2019 : Baht 0.09 million) and Baht 16.15 million (31 December 2019 : purchase of land amounting to Baht 34.89 million), respectively.

32.2 Bank guarantees

	Consolidated and Separate F/S	
	2020	2019
US Customs bond	USD 0.2 million	USD 0.2 million
Electricity guarantee	Baht 7.7 million	Baht 8.5 million
Import / export guarantee - Customs Dept.	Baht 1 million	Baht 1 million

33. PROMOTIONAL PRIVILEGES

The Company has been granted various promotional privileges by the Board of Investment under the Investment Promotion Act. B.E. 2520 Details of the promotion certificates are as follows:

Certificate No.	Certificate's date	The promoted business	Date of first earning operating income
1739(3)/2550	4 June 2007	The manufacture of frozen processed or semi-processed products.	1 July 2011
1740(2)/2550	20 June 2007	The manufacture of frozen seafood products.	1 July 2011
1070(2)/2557	9 January 2014	The manufacture of frozen seafood products.	13 July 2019
1075(3)/2557	10 January 2014	The manufacture of semi-processed product and frozen product	4 July 2019

Subject to certain imposed conditions, the privileges granted include the following:

- Permission to own land in order to carry on the promoted activities, as deemed appropriate by the Board of Investment.
- Exemption from import duty on machinery imported for use in production, as approved by the Board.



- c) Exemption from corporate income tax on net profit for a period of eight years commencing as from the date of first earning income from the promoted operation. (Exemption certificate no. 1740(2)/2550 and 1070(2)/2557 not exceed 100 percent of investment).
- d) Exemption from income tax on dividends paid from the profit of the promoted operation, for a period of eight years.
- e) Permission to deduct costs of installation or construction of public utilities at the rate of twenty-five percent in addition to normal depreciation charges.

The Company's operating revenues for the years ended 31 December 2020 and 2019 divided into promoted and non-promoted operations are as follows:

(Unit : Thousand Baht)

	Promoted business	Non - promoted business	Total
<u>2020</u>			
Sales			
Domestic sales	132,249	106,645	238,894
Export sales	919,774	679,970	1,599,744
Total sales	<u>1,052,023</u>	<u>786,615</u>	<u>1,838,638</u>
<u>2019</u>			
Sales			
Domestic sales	30,259	41,659	71,918
Export sales	1,394,604	440,382	1,834,986
Total sales	<u>1,424,863</u>	<u>482,041</u>	<u>1,906,904</u>

34. FAIR VALUE HIERARCHY

The carrying amounts of the financial assets and financial liabilities approximate their fair values, except long-term loans from financial institutions and bond with interest charged at the fixed rates. Long-term loans from financial institutions with interest charged at the floating rates have the fair value approximate the carrying amount.

As at 31 December 2020, the Group has assets and liabilities measured at fair value in the statement of financial position which are grouped into levels of a fair value hierarchy as follows:



	(Unit: Thousand Baht)			
	Consolidated F/S			
	2020			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value				
Derivative liabilities	-	25,903	-	25,903
	(Unit: Thousand Baht)			
	Separate F/S			
	2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivative assets	-	7,926	-	7,926

35. DERIVATIVES

Derivative financial instruments of the Group as at 31 December 2020 are as follows:

(Unit: Thousand Baht)		
	Consolidated F/S	Separate F/S
<u>Current assets</u>		
Foreign currency forward contracts - trading	-	5,349
Foreign currency put option - trading	1,947	1,947
Total	1,947	7,926
<u>Current liabilities</u>		
Foreign currency forward contracts - trading	27,850	-

Derivative financial instruments of the Group are not qualified to the hedge accounting. The Group classified derivative financial instruments as trading for accounting purpose and measured at fair value through profit or loss.

36. EVENTS AFTER THE REPORTING PERIOD

- 1) In January 2021, the Company has issued promissory notes amounting to Baht 450 million with a local bank by mortgaged a subsidiary's land as guaranteed assets.
- 2) On 1 March 2021, the Board of Directors' Meeting of the Company No.2/2021 proposed the Meeting of Shareholders to consider approving to
 - reduce the Company's registered share capital amounting to Baht 22,145,000 from the existing registered share capital amounting to Baht 485,694,600 to the registered share capital amounting to Baht 463,549,600 by cancelling unissued registered share capital of 22,145,000 shares with a par value of Baht 1 per share.
 - increase of the Company's registered share capital amounting to Baht 463,549,600 from the registered share capital amounting to Baht 463,549,600 to the registered share capital amounting to Baht 927,099,200 by issuing 463,549,600 newly issued common shares with a par value of Baht 1 per share to offer the existing shareholders of the Company in proportion of their shareholding (Right Offering).

37. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements are authorized for issuance by the Board of Directors on 1 March 2021.



Attachment 1

Details of Directors, Executives, Company Secretary, and other significant persons

Directors



Mr. Narit Chia-apar, 62 years old

**Chairman of the Board of Directors
Chief Executive Officer
Chairman of Executive Committee**

Date of Appointment 29 November 1982

Education

- College, Malaysia

Directorship Course by Thai IOD

- DCP : Director Certification Program

Experience

- 1982-Present
Seafresh Industry Public Company Limited

Position as director/executive office in other companies

- Subsidiary by CFRESH : 4 companies
- Listed Company : Nil
- Non-Listed Company : 2 companies

Shareholding¹

- Direct 23.26%
- Indirect (Spouse) 22.91%



Mrs. Tassanee Youngmeevithya, 65 years

**Director/Deputy Chief Executive Officer/
Chairman of Risk Management Committee/
Chairman of Corporate Governance
Committee/Member of Nomination and
Remuneration Committee/Deputy
Chairman of Executive Committee**

Date of Appointment 29 November 1982

Education

- B.S. (Economics)

Directorship Course by Thai IOD

- DCP : Director Certification Program

Experience

- 1982-Present
Seafresh Industry Public Company Limited

Position as director/executive office in other companies

- Subsidiary by CFRESH : 4 companies
- Listed Company : Nil
- Non-Listed Company : 2 companies

Shareholding¹

- Direct 22.91%
- Indirect (Spouse) 23.26%


Mr. Chintat Chia-apar, 36 years old

Director/Member of Risk Management Committee/ Member of Corporate Governance Committee/Member of Executive Committee/Chief Corporate Development Officer


Dr. Kamales Santivejkul, 69 years old

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

Date of Appointment 28 April 2015

Education

- Management MSc, Brunel University, UK
- Finance and Investment MSc, BPP business school, UK
- Bachelor Degree of Arts in Economics, Srinakarinwirot University

Directorship Course by Thai IOD

- DAP: Director Accreditation Program

Experience

- 2011-Present
Seafresh Industry Public Company Limited

Position as director/executive office in other companies

- Subsidiary by CFRESH : 5 companies
- Listed Company : Nil
- Non-Listed Company : 1 companies

Shareholding¹

- Direct 23.26%
- Indirect -Nil-

Date of Appointment 27 July 1993

Education

- Ph.D. (Business Admin.) Oklahoma State University, USA

Directorship Course by Thai IOD

- DCP : Director Certification Program

Experience

- 2015 – Present
Advisor of Computer Center, Faculty of Commerce and Accountancy, Chulalongkorn University
- 2012 - 2015
Director of Computer Center, Faculty of Commerce and Accountancy, Chulalongkorn University
- 2008 - 2012
Associate Professor Department of Banking and Finance, Faculty of Commerce and Accountancy, Chulalongkorn University
- 2004 - 2008
Deputy Dean & CIO, Chulalongkorn University

Position as director/executive office in other companies

- Subsidiary by CFRESH : Nil
- Listed Company : 2 companies
- Non-Listed Company : 2 companies

Shareholding¹

- Direct 22.91%
- Indirect -Nil-


Dr. Sorachai Bhisalbutra, 79 years old

Independent Director/Member of Audit Committee/Member of Nomination and Remuneration Committee

Date of Appointment 27 July 1993

Education

- Ph.D (Statistics) Oklahoma State University, USA

Directorship Course by Thai IOD

- DAP: Director Accreditation Program

Experience

- 2005 - 2016
Advisor to President and Vice President for Research and Academic Services, Dhurakijbundit University
- 1999 - 2005
Deputy Dean-Research & development Department, Dhurakijbundit University
- 1991 - 1998
Director of research center and business administration, Faculty of Commerce and Accountancy, Chulalongkorn University
- 1991 - 1998
Assistant Dean of research section, Faculty of Commerce and Accountancy, Chulalongkorn University
- 1995 - 1997
President of Thai Statistical Association, Statistical Association

Position as director/executive office in other companies

- Subsidiary by CFRESH : Nil
- Listed Company : Nil
- Non-Listed Company : Nil

Shareholding¹

- Direct 0.20%
- Indirect 0.27%


Dr. Worrapong Leewattanakit, 50 years old

Independent Director/Member of Audit Committee/Member of Nomination and Remuneration Committee

Date of Appointment 28 July 2005

Education

- Ph.D (Computer Science), Vienna University of Technology, Austria

Directorship Course by Thai IOD

- DAP: Director Accreditation Program

Experience

- 1996 - Present
Instructor - Faculty of Commerce and Accountancy, Chulalongkorn University
- 2005 - 2008
Director of Office of Information Technology, Chulalongkorn University

Position as director/executive office in other companies

- Subsidiary by CFRESH : Nil
- Listed Company : Nil
- Non-Listed Company : Nil

Shareholding¹

- Direct 0.20%
- Indirect -Nil-



Mr.Narongrit Chiarawongvanit
67 years old

Director



Mrs.Supanee Punnasri
61 years old

Independent Director

Date of Appointment 27 July 1993

Education

- College, Malaysia

Directorship Course by Thai IOD

- DAP: Director Accreditation Program

Experience

- 1982-Present
Seafresh Industry Public Company Limited

Position as director/executive office in other companies

- Subsidiary by CFRESH : Nil
- Listed Company : Nil
- Non-Listed Company : Nil

Shareholding¹

- Direct 0.56%
- Indirect 0.12%

Date of Appointment 28 April 2006

Education

- Bachelor of Medical Science
(Certificate of Medical)

Directorship Course by Thai IOD

- DAP: Director Accreditation Program

Experience

- 1992 - 2012
Director: E.B. International Company Limited
- 1984 - 1992
Medical Doctor: Samui, Chaingrai,
Chulalongkorn Hospital

Position as director/executive office in other companies

- Subsidiary by CFRESH : Nil
- Listed Company : Nil
- Non-Listed Company : Nil

Shareholding¹

- Direct 0.12%
- Indirect 0.06%



Executives

Miss Yaowalax Tangsanguannuch		
Position	Chief Financial Officer/Member of Risk Management Committee/ Member of Corporate Governance Committee/Company Secretary	
Age	51 years old	
Appointment Date	16 January 2020	
Education	Master of Business Administration - Major in Business Law	Ramkhamhaeng University
	Bachelor of Business Administration - Major in Accounting	Ramkhamhaeng University
	Mini MBA, Modern Managers Program	Chulalongkorn University
	The Association of Chartered Certified Accountants, UK	
Training Course in 2020	CFO's ORIENTATION COURSE FOR NEW IPOs 4	
	Crisis Risk Management	
	The role of IT Auditor with PDPA	
	Quick MBA From Home Project 4	
	Internal Audit Management in New Normal	
	Accounting for Management and Financial Analysis	
	Corruption Factors in the COVID-19 Crisis	
	Fundamentals of Business Sustainability	
	Fraud for Future Fraud in the Detecting Work	
	Agricultural Accounting System Design	
Experience	2020 – Present	Chief Financial Officer and Company Secretary Seafresh Industry Public Company Limited
	2016 – 2019	Chief Internal Audit Officer Seafresh Industry Public Company Limited
	2015 - 2016	Head of Internal Audit Seafresh Industry Public Company Limited
	2010 - 2015	General Managers Charter Square Holdings Limited
Shareholding¹	Direct	-Nil-
	Indirect	-Nil-

**Mr.Boonlert Foongvannaluck**

Position	Chief Commercial Officer/Member of Risk Management Committee	
Age	49 years old	
Appointment Date	1 January 2015	
Education	Bachelor of Business Administration	
Training Course in 2020	-Nil-	
Experience	1996 - Present	Seafresh Industry Public Company Limited
Shareholding¹	Direct	0.05%
	Indirect	-Nil-

Mr.Pairoj Yangthong

Position	Chief Operating Officer/Member of Corporate Governance Committee	
Age	50 years old	
Appointment Date	1 January 2015	
Education	Master of Business Administration	Sukhothai Thammathirat University
Training Course in 2020	-Nil-	
Experience	1994 - Present	Seafresh Industry Public Company Limited
Shareholding¹	Direct	0.01%
	Indirect	0.004%



Directors, executives and controlling persons hold positions as directors or executives in many subsidiaries, associated companies or related companies, shown in the following table

Directors	Subsidiary Companies									Related Companies	
	Manufacturing System Implemetation Limited	Seafresh Group (Holdings) Limited	Seafresh IHQ Limited	Seafresh Farms Limited	Sea Farms Limited	Blue Earth Foods Limited	Sea Farms, Inc.	Sea Farms Nutrition Limited	Sea Farms Nutrition, Inc.	Thai K. Boiler Limited	Chartered Square Holdings Limited
Mr.Narit Chia-apar	x	x	x	x						/	/
Mrs.Tassanee Youngmeevithya	/	/	/	/						/	/
Mr.Chintat Chia-apar					/	/	/	/	/		/



Attachment 2

Details of the Directors of the Subsidiaries



Details of the Directors of the Subsidiaries

	Seafresh Group (Holdings) Limited	Blue Earth Foods Limited	Sea Farms Limited	Manufacturing System Implemetation Limited	Sea Farms, Inc.	Prochaete Innovations Limited	Seafresh IHQ Limited	Sea Farms Nutrition Limited	Sea Farms Nutrition, Inc.	Seafresh Farms Limited	Mudwalls Farm Limited	44 Food Limited
1. Mr.Narit Chia-apar	x			X			X			X		
2. Mrs.Tassanee Ypungmeevithya	I			II			II			II		
3. Mr. Lasse Bo Hansen	II	X	X		X	X		X	X		X	X
4. Mr. Phillip Albert Kent		II										
5. Mr.Chintat Chia-apar		I	I		I			I	I			
6. Mr. Michael H Girton					II							
7. Mr. David Leroy Broberg					II							
8. Mr. Odd Geir Oddsen						II		II	II			
9. Mr. David Stuart Mathers								II	II			
10. Mr. Pablo Vinent									I			
11. Mr. George Richard Beach											II	
12. Mrs. Tracy Lee Plimmer											II	
13. Mr. Corin David Robbins Ashby												II

Remark X = Chairman II = Executive Director I = Director



Attachment 3

Details of Head of Internal Audit



Details of the Internal Audit Supervisor

Miss Yaowalax Tangsanguannuch Head of Internal Audit

Education

Master of Business Administration - Major in Business Law
Ramkhamhaeng University
Bachelor of Business Administration - Major in Accounting
Ramkhamhaeng University

Experience

2020 – Present	Chief Financial Officer and Company Secretary Seafresh Industry Public Company Limited
2016 – 2019	Chief Internal Audit Officer Seafresh Industry Public Company Limited
2015 - 2016	Head of Internal Audit Seafresh Industry Public Company Limited
2010 - 2015	General Managers Charter Square Holdings Limited

Training Course

- Internal Audit Management in New Normal
- Fraud for Future in the Detecting Work
- Agricultural Accounting System Design
- Diploma in Thai Financial Reporting – DipTFR, The Accounting Professions under the Royal Patronage of His Majesty the King
- CAE Forum 2019: Winning 5G and the 4th Industrial Revolution, The Institute of Internal Auditors of Thailand
- IA Clinic: Introduction to COBIT 2019, The Institute of Internal Auditors of Thailand
- IA Clinic: Transformation to automated control audit, The Institute of Internal Auditors of Thailand



Attachment 4

Assets used in business operations

Assets used in business operations

Non-Current Assets

Property, Plant and Equipment in 2020

The non-current assets used in the business of the company are owned by the company. This includes assets under finance lease as of December 31, 2020.

Type	Consolidate	CFRESH		Subsidiaries	
	Net Value (Million Baht)	Net Value (Million Baht)	Obligation	Net Value (Million Baht)	Obligation
1.Land	358.35	105.28	Nil	253.07	Some guarantees with financial institutions
2.Buildings	629.41	144.83	Nil	484.58	Some guarantees with financial institutions
3.Equipment	321.21	107.34	Nil	213.87	Some guarantees with financial institutions
4. Other fixed assets	202.26	28.66	Nil	173.60	Nil

The Company and subsidiaries have commitments regarding lease of office space of Chartered Square Holding Co., Ltd. for use as a sales office, contact with customers documenting used as a treasury center, procurement of supplies, used in business operations, etc. The latest lease agreement is 2 years and 6 months from 1 July 2019 - 30 June 2022 and can be renewed under the terms of each contract.

Important intangible assets

Computer Software 5.25 million baht



Attachment 5

Corporate Governance Policy and Code of Conduct



Corporate Governance Policy and Code of Conduct

Seafresh Industry Public Company Limited has published business ethics related policies and practices in corporate governance, including the Board of Directors Charter and the sub-committees' charter on the website. For more detail;

Link: <http://www.seafresh.com/investor/corp.asp>



Attachment 6

Report of Sub Committees



AUDIT COMMITTEE REPORT

To: The Shareholders of Seafresh Industry Public Company Limited

The Audit Committee of Seafresh Industry Public Company Limited (SFI) comprises three independent directors, having the suitable qualifications accordance with the regulations of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), with Dr. Kamales Santivejkul serving as the Chairman of the Audit Committee; Dr. Sorachai Bhisalbutra and Dr. Worapong Leewattanakit serving as Members of the Audit Committee; and Ms. Yaowalax Tangsanguannuch, Internal Audit Department Manager (Acting), serving as the Secretary to the Audit Committee.

The Audit Committee has independently fulfilled its duties as prescribed by SFI's Board of Directors and specified in the Audit Committee Charter, in compliance with all the rules stipulated by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). In 2020, the Audit Committee convened a total of 11 meetings. The summary of its operations in 2020 are provided below.

1. Review of financial statements

The Audit Committee reviewed the quarterly and annual financial statement of SFI and its subsidiaries in 2020, with the management and the external auditor present at the review meetings to offer clarifications and answer questions that the Audit Committee may have had regarding the accuracy, completeness of the financial statements, key audit matters and the adequacy of information disclosure. The Audit Committee agreed with the external auditors that the financial statements present fairly in accordance with Thai Financial Reporting Standards.

In addition, the Audit Committee convened meetings specifically with the external auditors, without the management present, to discuss information of materiality and internal control systems of the company related to accountancy and financial reporting and other relevant matters, including obstacles to their operation. The Audit Committee found that the auditors were given full cooperation from the management and provided with operational independence. In addition, the external auditors were knowledgeable and possessed experience and expertise commensurate with their duties as auditors.

2. Review the operation information, internal control system and risk management system

The Audit Committee reviewed the internal control systems and the results reported by the Internal Audit Department according to the approved internal audit plan that covered important working system of the company to evaluate the sufficiency, appropriateness and effectiveness of the internal control system and risk management system to reach the specified objective. In addition, the Audit Committee had opinion that the Company had internal control system that was adequate, appropriate and no issue or flaw that could significant, appropriate safeguarding assets, accuracy, complete and reliable information disclosure.

3. Review of legal compliance

The Audit Committee reviewed the operation and compliance of the company to ensure consistency with laws and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as well as other laws relevant to the operation of the company. In 2020, the Company's operations were in compliance with the relevant laws and regulations and no significant issues.

4. Consider the selection, nomination, and remuneration of external auditors for the year 2021

Following thorough consideration of external auditor candidates based on their performance, independence, qualifications, and the appropriate remuneration. The Audit Committee submitted auditors from Grant Thornton Company Limited to the Board of Directors to be proposed at the 2021 Annual General Meeting of Shareholders, to be appointed as SFI's 2021 external auditors, namely Mr. Somckid Tiatragul, CPA Registered No. 2785, Ms. Kanyanat Sriratchatchaval, CPA Registered No. 6549, Mr. Narin Churamongkol, CPA Registered No. 8593, Ms. Saranya Akharamahaphanit, CPA Registered No. 9919 and Ms. Amornjid Baolorpet, CPA Registered No. 10853 as the auditors of the Company and subsidiaries for the year 2021.

In addition, the Audit Committee has the opinions regarding the external auditors as follows:

- The external auditors performed their duties with knowledge, professional competency and also had independency in performing their duties.
- The proposed remuneration of the Company external auditors was appropriate, for the year 2021 is not exceeding to Baht 2,740,000.- per year.
- There was compliance with Regulation of the Office of the Securities and Exchange Commission (SEC).
- The external auditors had no relation with the Company and subsidiaries.

5. Review of connected transactions or transactions that may result in possible conflicts of interest

The Audit Committee reviewed connected transactions and those potentially creating conflicts of interest that were considered connected transactions under Regulation of the Stock Exchange of Thailand (SET) and the Office of the Securities and Exchange Commission (SEC). In external auditors' opinion, the significant trading transactions with the connected persons were disclosed and also presented in the financial statements and notes to financial statements. The Audit Committee agreed with them and regarded that such transactions were reasonable, optimal beneficial to the business of the Company and disclosed accurately and completely.

6. Review the corporate governance report

The Audit Committee reviewed the good corporate governance report for the listed company as in accordance with the guidelines of the Stock Exchange of Thailand (SET). In 2020, the Company complied with this guideline appropriately and also disclosed in this annual report.

7. Audit Committee Charter

The Audit Committee reviews and revises charter of the Audit Committee every year to ensure that the charter of the Audit Committee aligns with principles of good corporate governance of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

In summary, in 2020, the Audit Committee sufficiently maintained its independence and fulfilled its duties in monitoring the Company's operation with proficiency in accordance with the roles and responsibilities prescribed in the Audit Committee Charter. The Audit Committee was of the opinion that the Company's financial statements were prepared in accordance with generally accepted accounting principles and adequate disclosure of connected transactions or those that may result in possible conflicts of interest, good corporate governance, sufficient internal control systems, appropriate risk management, and full compliance with all the laws, rules, and regulations relevant to the Company's operation.

On behalf of the Audit Committee
Seafresh Industry PCL



(Dr. Kamales Santivejkul)
Chairman of the Audit Committee



NOMINATION AND REMUNERATION COMMITTEE REPORT

To: The Shareholders of Seafresh Industry Public Company Limited

The Nomination and Remuneration Committee of Seafresh Industry PCL. (“the company”) has 4 members comprises 1 executive director and 3 independent directors or 75% of the committee. Furthermore, chairman of the committee is an independent director. The Committee performs according to the scope of duties and responsibilities as assigned by the Board of Directors.

The members of the Nomination and Remuneration Committee are as follows;

1. Dr.Kamales Santivejkul
Chairman of the Nomination and Remuneration Committee
2. Dr. Sorachai Bhisalbutra
Member of Nomination and Remuneration Committee
3. Dr. Worapong Leewattanakit
Member of Nomination and Remuneration Committee
4. Mrs.Tassanee Youngmeevithya
Member of Nomination and Remuneration Committee

The Committee has performed its tasks with due regard to duty of care under the policy and charter of the Nomination and Remuneration Committee which has been considered and approved by the Board of Directors.

For the year of 2020, there was 1 meeting, all of whom attended the meeting as scheduled. In this regard, the significant duties of the Committee can be summarized as follows:

- The Nomination and Remuneration Committee proposed a suitably qualified person to get the professional and diversified (Board Diversity) director by considering the structure, size and composition of the Board in various fields, i.e. technical, expertise and gender. The amount offer is equal to the amount of the full-term director and offer recommendations to the Board of Directors for seek the approval from the board. After that, a suitably qualified person will be presented to the general meeting of shareholders for appoint following guidelines.

- Considered Remuneration of Directors and Sub Directors before proposed to Board of Directors and Shareholders in Annual General Meeting for approval.
- Consider a performance appraisal form of Nomination and Remuneration Committee in the year of 2020 both group and individual self-assessment for the further improvement and development of their performance to be effective.
- Consider and review the appropriateness of the charter of the Nomination and Remuneration Committee in accordance with the good corporate governance principle.

On behalf of the Nomination and
Remuneration Committee

Seafresh Industry PCL

A handwritten signature in blue ink, reading "Kamales Santivejkul".

(Dr.Kamales Santivejkul)

*Chairman of the Nomination and
Remuneration Committee*



RISK MANAGEMENT COMMITTEE REPORT

To: Board of Directors and Shareholders

Enterprise Risk Management is one of the key features of Seafresh Industry Public Company Limited's business policy. It is an important process that builds confidence among executives and stakeholders by ensuring that significant events, both internal and external, which may have a significant impact on the Company's achievement of its objectives and vision has been evaluated and managed by involved parties throughout the organization to an acceptable level.

The Risk Management Committee was set up in 2011 to oversee the organization's risk management process in an efficient and effective manner in accordance with international standards. Currently, the Risk Management Committee consists of directors and senior executives, all of them have good knowledge, capability, ethics and experience in businesses of the company.

In 2020, Chief Financial Officer has been appointed to replace the former director who has retired. Moreover, the Manager of Strategic Planning and Risk Management has been appointed to act as secretary of the Risk Committee in place of the former person who vacated office.

The members of the Risk Management Committee are as follows;

1. Mrs. Tassanee Youngmeevithya
Chairman of the Risk Management Committee
2. Mr. Chintat Chia-apar
Member of the Risk Management Committee
3. Mr. Boonlert Foongvannaluck
Member of the Risk Management Committee
4. Miss Yaowalax Tangsanguannuch
Member of the Risk Management Committee

The operations of the Risk Management Committee for the year 2020 are as follows;

1. Meeting of the Risk Management Committee 9 times.
2. Change the person in charge of the Risk Management Committee and Secretary of the Board.
3. Oversee a risk management system and implemented at both the operational and corporate levels by synchronizing risk management with corporate strategy. The scope of coverage includes risks in strategy, operations, finance, reporting, regulatory compliance, corruption, business disruption, and also factors related to environment, society and corporate governance. Such risks, once happen, may affect the achievement of desired goals and long-term sustainability of the organization.
4. Ensure that risk management is carried out in accordance with anti-corruption measures in accordance with Thailand's Private Sector Collective Action Coalition against Corruption initiative.
5. Report risk management results to the audit committee.
6. Consider raising the risk of serious infectious diseases such as COVID-19 as corporate risk.
7. Improve the corporate risk management process to be concise, in terms of risk assessment, risk response and following up. In addition, there also increases the linkage between objectives, SWOTs, organizational risks, risk response methods, KPIs, and key risk indicators (KRI).

On behalf of Risk Management Committee
Seafresh Industry PCL



(Mrs. Tassanee Youngmeevithya)
Chairman of the Risk Management
Committee



CORPORATE GOVERNANCE COMMITTEE REPORT

To: Board of Directors and Shareholders

The Corporate Governance Committee of Seafresh Industry Public Company Limited (CFRESH) consists of 4 directors which are appointed by the Board of Directors, in order to supervise the company's business for progress, transparency and benefit to shareholders and all stakeholders. The members of the Corporate Governance Committee are as follows:

1. Mrs. Tassanee Youngmeevithya
Chairman of Corporate Governance Committee
2. Mr. Chintat Chia-apar
Member of Corporate Governance Committee
3. Mr. Pairoj Yangthong
Member of the Corporate Governance Committee
4. Miss Yaowalax Tangsanguannuch
Member of the Corporate Governance Committee

In 2020, there were 7 meetings held, with all members of the Executive Committee attending every meeting and then the performance was reported to the Board of Directors for acknowledgment. The operations of the Corporate Governance Committee are as follows:

- Review and update the company's policy in total of 25 policies.
- Establish a Human Rights policy to enable executives and employees to respect, recognize and be aware of their human rights practices which are the foundations of society and business conduct. This included updates and additions to the content of other policies related to the Human Rights policy.
- Review and update the code of conduct for employee in the Conduct within the Company category to be clearer and easier to understand.
- Improve practice guidelines for important suppliers, in regards to child labor and on safety, occupational health and working environment for partners, by adjusting the content to be concise and easy to understand

- Consider the case of violating the employees Code of Conduct, which in the past year do not the whistle-blowing or found any violation.
- Consider a performance appraisal form of Corporate Governance Committee in the year of 2020 both group and individual self-assessment for the further improvement and development of their performance to be effective.

Besides in 2020, the Corporate Governance Committee has performed its duties with great determination to develop corporate governance in line with the guidelines of the Stock Exchange of Thailand. From determination and dedication to implementing corporate governance as well as the cooperation from all directors, executives and employees, as a result, the company had the score from the assessment of the Corporate Governance Report of Thai Listed Companies for the year 2020, assessed by the Thai Institute of Directors Association (Thai Institute of Directors) in the "Excellent" criteria. The company will continue to improve the standard of corporate governance and the reporting.

On behalf of the Corporate Governance Committee
Seafresh Industry PCL



(Mrs. Tassanee Youngmееvithya)
Chairman of the Corporate Governance Committee



EXECUTIVE COMMITTEE REPORT

To: The Shareholders of Seafresh Industry Public Company Limited

The Executive Committee of Seafresh Industry PCL. ("the company") has 3 members and all of them are executive director or 100% of the committee. The Committee performs according to the scope of duties and responsibilities as assigned by the Board of Directors.

The members of the Executive Committee are as follows;

1. Mr. Narit Chia-apar
Chairman of the Executive Committee
2. Mrs. Tassanee Youngmeevithya
Deputy Chairman of the Executive Committee
3. Mr. Chintat Chia-apar
Member of the Executive Committee

In 2020, there were 13 meetings held, with all members of the Executive Committee attending every meeting. The significant performance of the Executive Committee can be summarized as follows:

1. Consider strategies and business plan focusing in sustainability prior to approval of the Board of Directors.
2. Review and monitor overview operation including risk management of the company and its subsidiaries.
3. Consider operation and investment budget in 2021 prior to approval of the Board of Directors.
4. Control and monitor operation and investment budget usage.

On behalf of the Executive Committee

Seafresh Industry PCL



(Mr. Narit Chia-apar)

Chairman of the Executive Committee



Awards and Prestigious Prizes



Excellent Corporate Governance
Scoring sine 2017

From the Thai Institute of Director (IOD) under the support of the Stock Exchange of Thailand



Listed in Thailand Sustainability Investment (THSI) sine 2015

From the SET Awards 2020 by the Stock Exchange of Thailand



A certificate of honor Sustainability Disclosure Award 2020 as the company realizes and attaches great importance to the dissemination of operational information. This covers ESG issues in addition to financial disclosures. This will benefit all stakeholders of the business, including the development of the organization for long-term sustainability

From Thaipat Institution



A fair trade certification (Certification for the Fair Trade USA Aquaculture 2020) demonstrates the development of international labor standards and a commitment to fair trade policy. There is a production method that is environmentally sustainable and there are efforts to support community development

From Fair Trade US

THE BEST SHRIMP COMPANY



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